



CENTRAL BANK OF BAHRAIN

Appendix BC-2

Information Requirements for New or Expanded Customer Products Offered by Financing Companies



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Offered by Financing Companies**

(as required under BC-3.2 for Vol 5 (Specialised Licensees) Financing Companies)

When seeking the CBB's prior approval for new or expanded customer products, the following information must be provided to the CBB with the prior approval request:

1. A detailed product/facility description, including its features, structure, target market or customers, terms and conditions and distribution channels. Product illustrations should also be included where appropriate.
2. Sample product term sheet.
3. Details of any proposed outsourcing arrangements if any.
4. Description of the product's key risks from the financing company's and customer's perspectives.
5. For new electronic/internet or mobile based products and services, financing companies must also submit an independent assessment of the IT-related risks¹ and security measures put in place to mitigate the risks.
6. A list of all fees and charges of the new or expanded product and their justification.
7. For new products involving the use of IT, internet or other technology, the CBB may ask the financing company to conduct a demonstration/presentation.
8. A copy of the proposed contract and promotional material.
9. For Shari'a compliant products and services, the Shari'a Supervisory Board pronouncement must be submitted.

¹ Examples of IT-related risks include (but not limited to) strategic, compliance, system support, operational, security, business resumption and reputation.