



## **Glossary of Defined Terms**

CONSULTATION

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**P**

### Parent Undertaking or Parent

An undertaking or individual ('P'), which has the following relationship to another undertaking ('S'):

- (i) P holds (alone or, under an agreement with other shareholders) a majority of the voting rights in S;
- (ii) P (alone or in conjunction with its other subsidiary undertakings), has the right to appoint or remove a majority of its board of directors;
- (iii) P has the right to exercise a dominant influence over S, either through provisions contained in S's memorandum or articles, or a control contract; or
- (iv) P is a parent undertaking of a parent undertaking of S.

### Payment Initiation Service

A 'payment initiation service' is an online service to initiate a payment order at the request of a customer from a payment account held at a licensee maintaining customer accounts with the customer's explicit consent and authentication.

### Payment Initiation Service Provider (s) or PISP(s)

A person licensed by the CBB to undertake payment initiation services.

### Payment Instrument (s)

A medium, device or software application used by customers to initiate online financial services. Payment instrument means a personalised device and/or a software application that the customer uses in order to initiate a payment order.

### Person

Unless the context requires otherwise, a natural or corporate person.

### Politically Exposed Person or ('PEP')

'Politically Exposed Persons' or 'PEPs' means individuals who are, or have been entrusted with prominent public functions in Bahrain or a foreign country, for example Heads of State or government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations or important political party officials or persons who are or have been entrusted with a prominent function by an international organisation. Business relationships with family members or close associates of PEPs involve reputational risks similar to PEPs themselves. The definition is not intended to cover middle-ranking or more junior officials in the foregoing categories. Bahraini PEPs would include all Ministers, all MPs, and all Ministry officials with the rank of Undersecretary or above.

### Principal

Means the amount of credit received plus any other potential other charges, the total of which is subject to interest/profit.