

The National Payment Council of Jordan General Body's First Meeting

Day and Date: Wednesday, corresponding to: 24/08/2016, Time: 12:00 P.M

The first meeting for all banks was held under the chairman of the Governor of the Central Bank of Jordan and in the presence of the two Deputies' Governor.

The proceedings of the meeting

1. The Chairman of the Council welcomed all participants and presented an overview of the agenda to be discussed in the meeting.
2. The Chairman explained that there is no need to conduct new elections for the council as the new council tasks will be limited to advisory. All agreed on the membership of all banks in the Council.
3. Mr. Samir Qazaah, Secretary of Financial Committee of the National Payment Council, presented the findings of the feasibility study to establish a company to manage retail payment and automated clearing system. The study was prepared by Deloitte.
4. Secretary of the Financial Committee of the National Payment Council indicated that 3 million Jordanian dinar shall be available to provide the necessary liquidity in the company's account in order to pay the accrued expenses during the year 2016.
5. Ms. Secretary of the Council reviewed the mechanism of quota distribution in the company. She explained that the distribution of quota was based on the mechanism adopted for the distribution of capital cost which was determined in accordance with the minutes of the National Payment Council Meeting No. 4/2012 dated 16/12/2012.
6. Some Banks Directors talked about the mechanism adopted for calculating the banks quota in the company. Some requested to reconsider the calculation mechanism in order to be based on the weight of each bank's assets inside Jordan as of 31/12/2015 and accordingly redistribute the capital costs based on this and prepare the necessary settlement in terms of increase or decrease.

7. Some banks members suggested that liquidity of 3 million JD shall be available to raise the company's capital from 7 million JD to 10 million JD. The request to provide such liquidity is separate from the amount paid previously and in accordance to the new mechanism that will be adopted for purposes of calculating banks quota in the company.
8. H.E. Deputy Governor Dr. Maher Sheikh Hasan explained the necessity to prepare final statements of the council's accounts as of 30/9/2016 and the opening statements of the company as of 1/10/2016. He also instruct Secretary of the Financial Committee of the National Payment Council to prepare the required documents and audit them by an interior auditor and present them on Deloitte for duly auditing.
9. Chairman of the Council explained that management contract between the company and the Central Bank of Jordan shall be prepared. He pointed out that the Central Bank's cadres will assume the management duties on behalf of the company. The governor requested the committee assigned previously according to the meeting that was held on 15/6/2015 to complete their duties related to preparing the performance contract and establishing the mechanism of banks quota distribution in the company.
10. Ms. Secretary of the Council explained that the reason for delay in launching ACH & RTGS systems is the Egyptian Arab Land Bank (EALB) and Jordan Kuwait Bank. The governor requested these two banks to exert more efforts and to expedite the completion of what is required of them without any additional delay.
11. Ms. Secretary of the Council explained that the old council and the committees emerging from it shall continue their work until the company is established.

Resolutions Passed and Approved:

1. Extending the duration of the existing council and its emerging committees until the date of establishing the company and

establishing the organizational framework for the new advisory payment council which will be in charge in advisor capacity.

2. The membership of the new advisory payment council shall be for all banks operating in the kingdom.
3. Entrust the committee established previously in accordance with the General Assembly's meeting held on 15/6/2015 and which consists of :

Arab Bank, Housing Bank for Trade & Finance, Jordan Commercial Bank (JCB), Cairo Amman Bank, and the Legal Counsel of the National Payment Council in addition to members from the Central Bank of Jordan: Executive Manager of Payment Department, as a Secretary of the Council, Executive Manager of Information Technology Department, Executive Manager of Financial Department, Assistant Executive Manager of Internal Audit Department, and Secretary of Financial Committee of the National Payment Council,

of the following:

- a. Reconsider the mechanism of calculating banks quota in the company to become based on the weight of assets for each bank operating inside Jordan as of 31/12/2015. The capital costs shall be reallocated according to this new base and the necessary settlement shall be conducted for banks in terms of the increase or decrease.
- b. Discussing providing the necessary liquidity for the company which is equal of 3 million JD to raise the capital of the company from 7 million JD to 10 million JD. This will be adopted under the same mechanism for purposes of calculating banks quota in the company.
- c. Preparing management contract between the company and the Central Bank of Jordan and making amendments on financial instructions and purchases instructions in addition to other things necessary for the works of the company.

4. Renewing the contract of the Legal Advisor Mr. Ala Al Abasi under the same previous conditions and authorizing the Governor/ Chairman of the National Payment Council to sign the agreement.
5. Entrusting the Secretary of the Financial Committee to prepare the final statements for the council's accounts as of 30/9/2016 and the opening statements of the company as of 1/10/2016. These statements shall be presented on the interior auditor at the Central Bank of Jordan and assigning Deloitte for duly auditing.

Chairman of the National Payment Council

Governor of the Central Bank of Jordan

Dr. Ziad Fariz

Deputy Chairman of the National Payment Council

Deputy Governor of the Central Bank of Jordan

Dr. Maher Sheikh Hasan

Deputy Governor of the Central Bank of Jordan

Dr. Adel Al Sharkas