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Circular to Exchange companies licensed to operate in the Kingdom and who have obtained a license from the Central Bank of Jordan to engage in the activity of "Managing and Operating Electronic Payment Systems"

Within the framework of the Central Bank of Jordan organizing and developing the national payments system to ensure the provision of safe and efficient payment, clearing, and settlement systems in the Kingdom, and within the Central Bank of Jordan's efforts to establish the necessary regulatory frameworks for the work of exchange companies licensed to practice the activity of "Managing and Operating Electronic Payment Systems", in the manner that enables it to present its work efficiently and effectively, and based on the provisions of Articles (6 / b), (6 / e) and (50 / a) of the Electronic Payment and Money Transfer Bylaw No. (111) of 2017, I hereby inform you that the following been decided:

- 1) An exchange company licensed to operate in the Kingdom as an electronic payment system manager may allow any of the following entities to participate as members of the electronic payment system that it manages and operates as follows:

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The entity that wishes to participate in the electronic payment system (participant)	The procedure required from an exchange company licensed to work in the Kingdom as an electronic payment system manager
Exchange companies licensed to operate in the Kingdom	<p>1) Ensure that the exchange company has obtained a license from the Central Bank of Jordan to engage in the activity of “Issuing and Receiving Remittances” in accordance with the provisions of the Exchange Business Law in force, and taking into account that the transactions of these companies are in line with the businesses they are allowed to practice according to the regulations and instructions that will be issued in support of the provisions of the Exchange Business Law in force.</p> <p>2) Informing the Central Bank</p>

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	<p>of Jordan at least 5 working days before the exchange company's participation in the electronic payment system and providing the service.</p>
<p>Money exchange companies licensed to operate in the Kingdom and who have obtained a license from the Central Bank of Jordan to engage in the activity of "Managing and Operating Electronic Payment Systems"</p>	<ol style="list-style-type: none">1) Inform the Central Bank of Jordan at least 15 working days before integrating the two electronic payment systems to each other and providing the service.2) Providing the Central Bank of Jordan with the specified integration mechanisms between the two electronic payment systems.
<p>Banks licensed to operate in the Kingdom</p>	<p>Informing the Central Bank of Jordan at least 5 working days before the bank participate in the electronic payment system and provides the service.</p>
<p>Electronic Payment and Money</p>	<ol style="list-style-type: none">1) Ensure that the electronic

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Transfer companies	<p>payment and money transfer company obtained the approval of the Central Bank of Jordan to participate in the electronic payment system.</p> <p>2) Informing the Central Bank of Jordan at least (5) working days before the electronic payment and money transfer s company participates in the electronic payment system and provides the service.</p>
International Electronic Payment Systems	<p>1) Ensure that the owner of the international electronic payment system has obtained the necessary accreditation from the Central Bank of Jordan, taking into account the period of status reconciling stipulated in the Instructions of Accreditation of International Electronic Payment Systems No. (3/2020) whenever</p>

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	<p>applicable.</p> <p>2) Obtaining what supports the desire of the owner of the international electronic payment system to participate in the electronic payment system.</p> <p>3) Obtaining the prior written approval from the Central Bank of Jordan.</p>
Any other parties (internal or external)	Obtaining the prior written approval from the Central Bank of Jordan.

2) Subject to the provisions of Clause (1) above, an exchange company licensed to operate in the Kingdom as a manager of an electronic payment system must commit to engaging the participating members of the electronic payment system that it manages and operates in accordance with the integration or access mechanisms specified under the system's documents, this company is not required to obtain the approval of the Central Bank of Jordan regarding the integration/ access mechanisms as long as they are consistent with what is specified and in force by it.

3) Emphasis on the exchange company licensed to operate in the Kingdom as an electronic payment system manager, to Commit to a minimum of the following:

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- a) Operating and managing the electronic payment system and its infrastructure and maintaining the continuity of its work throughout the specified times for the system's operation and in accordance with the system's documents and conditions agreed upon with the participating members, and any orders issued by the Central Bank of Jordan in this regard.
- b) Providing a qualified functional, technical and technological team to manage and operate the electronic payment system efficiently and effectively.
- c) Organizing agreements or subscription contracts with the members participating in the electronic payment system and any other third parties related to the management and operation of the system, so that these agreements or contracts indicate at the minimum the rights and obligations of both parties, including their inclusion of the requirements and conditions contained in this circular where applicable.
- d) Providing a guideline for all members participating in the electronic payment system that shows the way and conditions for participation and mechanisms for integrating or accessing the system in accordance with what is specified under the system documents and the mechanism for providing the service, and updating the above guideline periodically and whenever the need arises.
- e) Obtaining the prior written approval of the Central Bank of Jordan before undertaking any substantial modification that may affect the

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structure of the electronic payment system, its operation and/ or its infrastructure, or the mechanism for providing the service.

- f) Informing the Central Bank of Jordan in advance of any cases that require termination and/ or a request to terminate agreements or contracts to participate in the electronic payment system, provided that the notification request includes the reasons that led to that finish or the termination of the agreement or the subscription contract.
- g) Taking in consideration to the provisions of Article (48) of the "Instructions of Cyber Risks Resilience" for the licensed exchange companies in force, company must commit to inform the Central Bank of Jordan in cases that require stopping the provision of the service during the working hours specified for the electronic payment system in a pre-scheduled and predetermined manner, and that it includes the application sent to the Central Bank n particular the reasons for that suspension and its duration.
- h) Provide the necessary technical support to all members participating in the electronic payment system; in a way that enables them to provide the service efficiently, effectively and safely, and to receive complaints and inquiries received from the participating members, process them, follow them up, work to resolve them and agree on them, and inform the participating member of their results according to clear, written and approved bases in particular.
- i) Defining the commissions related to the services provided through the electronic payment system in a clearly and explicitly and

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announcing them to all members participating in the system, and committing to separate the amount of the transfer order from the related commission value.

- j) Notify the Central Bank of Jordan and other relevant parties of any breach or fraud that the electronic payment system, or any of its participating members, or any third party contracting with, may be exposed to the limits of the electronic payment system's scope of work, as soon as they occur.
- k) Observing the complete confidentiality of all transactions related to the members participating in the electronic payment system, and it is prohibited for the company's board of directors / management committee, any of its current or former employees, or any third party contracted with it, and every person familiar with by virtue of his job to give any data directly or indirectly, disclose it, or enable others to perusal the information, the ban remains in place even if the relationship between the member participating in the system and the company ends for any reason, and any of the cases stipulated in Article (37) of the electronic payment and money transfer bylaw in force excluded from the above confidentiality provisions.
- l) Providing the necessary controls that ensure the completion of the execution of transfer orders established on the electronic payment system between the members participating in it (sender and recipient of the transfer order) exclusively by electronic means.

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- m) Ensure the preservation of electronic records transmitted through the electronic payment system, including information related to the two parties to the transfer (the participating member sending the transfer order, and the participating member receiving the transfer order), in addition to the rest of the information related to the transfer order and in accordance with the provisions of the legislation in force in particular, and specifically those concerned with the requirements of anti-money laundering and counter terrorist financing.
- n) Inform the Central Bank of Jordan upon its perusal of any violations committed by any of the members participating in the electronic payment system or the third party contracting with it, or upon its perception of any illegal, improper or unsafe operations carried out by any of them, and to undertake the task of reporting of the transactions suspected of being related money laundering or terrorist financing in accordance with the requirements of anti-money laundering and counter terrorist financing, in accordance with the relevant legislation in force.
- o) Meet the requirements of financial guarantees for members participating in the electronic payment system in support of the provisions of the legislation in force and any requirements that the Central Bank of Jordan specifies later in particular, and provide procedures, mechanisms and internal control controls to manage these financial guarantees so that these procedures, mechanisms and controls are appropriately designed and have high flexibility, speed, and effectiveness to deal with these guarantees continuously.

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4) A) The transfer order shall be deemed to have been sent from the time of its entry into the electronic payment system, directly or indirectly, and it is not permissible to request its withdrawal after that from the member participating in the system unless the nature of the system requires that, or the parties agree otherwise and provided that this is documented.

B) Once the electronic payment system receives the transfer order in accordance with the provisions of Paragraph (a) above, the amount is credited to the account of the participating member sending the transfer order and credited to the account of the other participating member receiving the transfer order on the same business day, unless the nature of the system requires or the parties agree otherwise.

C) The transfer order ends when executed and its value is recorded

5) An exchange company licensed to operate in the Kingdom as an electronic payment system manager is obligated to ensure that the members participating in the electronic payment system comply on an ongoing basis with the following, at a minimum:

a) Executing the transfer order in a manner that is consistent with the customer's orders and the principles upon which the electronic payment system built and in a manner, that does not contradict the provisions of the legislation in force, otherwise the participating member is held responsible towards the customer, including the return of the amounts subject to the transfer order and the deductions associated with it.

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- b) Obtaining an authorization from his customer before executing the transfer order, otherwise the participating member bears the responsibility towards the customer and is obligated to return the funds subject of the transfer order in the same type of currency to his customer in a manner that does not contradict the provisions of the legislation in force, and according to the nature of the electronic payment system.
- c) Considering the customer's objection to any of the transfer orders in accordance with the provisions of the legislation in force and the nature of the electronic payment system's work.
- 6) In the event that exchange companies licensed to operate in the Kingdom as an electronic payment system manager violate the requirements mentioned in this circular, the Central Bank may impose any of the administrative penalties or take any of the measures stipulated in the electronic payment and money transfer bylaw in force or in the legislation governing their work.