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Instructions of the Basic Bank Account

No. (1/ 2019)

Issued pursuant to the provisions of paragraph (b) of Article (99) of the Banking Law No. (28) of the year 2000 and its amendments, and the provisions of paragraph (b/ 13) of Article (4) and paragraph (b) of Article (65) of the Central Bank of Jordan Law No. (23) of the year 1971 and its amendments

Driven by the Central Bank of Jordan's (CBJ) keenness on facilitating the access of all society strata, particularly financially excluded persons, to the financial and banking services, in addition to strengthening the financial inclusion and contributing to achieve financial, economic, and social stability, the following principles shall be adopted to lay the ground for the use of the basic bank account product.

Article (1): The Name of the Instructions and the Scope of Application

These Instructions shall be called "The Instructions of the Basic Bank Account " and their provisions shall apply to banks operating in the Kingdom.

Article (2): Definitions

a. The terms and phrases stipulated in these Instructions shall have the meanings assigned to them thereto in Article (2) of the Banking Law No. 28 of the year 2000 and its amendments, and Article (2) of the CBJ Law No. (23) of the year 1971 and its amendments.

b. The following terms and phrases shall have the meanings assigned to them hereunder wherever they appear in these Instructions unless the context indicated otherwise:

Basic Bank Account	A banking account in Jordanian Dinar designed for Jordanian resident customers, which is featured with special terms and traits and targeting financially excluded individuals who do not have any banking accounts in accordance with the provisions of these Instructions.
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Financially Excluded Persons	Persons who are legally qualified to deal with banks yet they do not have any kind of banking accounts at any operating bank in the Kingdom, and they are willing to deal with banks within the limits and costs commensurate with their income and circumstances.
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Article (3): Requirements of Opening a Basic Bank Account

Banks are obliged to open basic bank accounts for financially excluded individuals, taking into account the following considerations:

a. Ensure that the applicant for a basic bank account does not have a banking account at the bank providing the service, and shall obtain a customer's confirmation that currently he/ she has no banking accounts or banking transactions with other operating banks in the Kingdom.

b. Obtain the minimum data required for customer identification, in accordance with simplified due diligence procedures, including:

1. The Full name
2. The ID number
3. Place/ country of birth and date of birth
4. Gender (male / female)
5. Marital status.
6. Work/ type of activity
7. Source of income.
8. Monthly income (annual income).
9. Information about the employer if any.
10. Current residence address (city, region, nearby location).
11. Phone Number/ Mobile Number
12. The actual user (actual beneficiary) of the account.

Annex No. (1) illustrates simplified due diligence procedures

Article (4): Basic Services Provided by the Account

The basic banking services provided by the basic bank account include the following:

- a. Cash withdrawal and deposit.
- b. Cheques deposits to the account.
- c. Inward and outward banking transfers.
- d. ATM card.
- e. Electronic banking services.

Article (5): Prohibited Services

The bank shall deprive any of the following practices regarding the basic bank accounts unless the financial solvency of the account holder is well examined, and transforming the basic bank account to any other type of banking accounts according to the banks' adopted procedures:

- a. Extending credit facilities.
- b. Providing a cheque book.
- c. Providing a credit card.
- d. Providing interests or prizes on the account.

Article (6): Closing the Basic Bank Account

1. The bank is entitled to close the basic bank account in the following cases:
 - a. The customer has provided the bank with false or misleading information.
 - b. The customer has another banking account either before or after opening the basic bank account.
 - c. The customer's non-compliance with the terms and conditions of the account.
 - d. If no withdrawal or deposit transactions have been carried out on the account, the account balance is zero, and the account holder cannot be reached within a period exceeded six months.

2. The bank shall notify the client that the account is being closed.
3. Wherever the client appeared to have any other banking accounts or transactions with other banks, the bank is entitled to claim all the commissions and fees that the client was previously exempted from, providing that the bank shall notify the client with this procedure.

Article (7): The basic bank account shall be subjugated to dormant accounts provisions wherever it has an outstanding balance but no withdrawal and deposit transactions were executed, and the account holder cannot be reached within a period exceeding six months.

Article (8): The Services, Commissions, and Fees

Banks shall strict to providing the services and to comply with the ceilings, commissions and fees demonstrated in Annex (2).

General Provisions

Article (9):

- a. No minimum balance shall be assigned to the basic account.
- b. The bank shall notify the applicant whom application for opening a basic bank account was rejected within (5) working days at maximum from the date of receipt of the application, providing that refusal shall be clearly justified to the client.
- c. Banks shall adhere to the provisions of the Instructions of the Internal Procedures for Handling Consumers' Complaints of Financial and Banking Services Providers No. (1/2017) dated 28/8/2017.
- d. Banks shall raise the awareness of financially excluded strata about their right to access the basic bank account as well as their duties and responsibilities towards the use of the basic account.
- e. Banks are obliged to provide the CBJ with an annual report, no later than 15th January of each year, and shall include, at least the following information:
 - Number of outstanding accounts
 - Number of accounts opened during the year
 - Number of active accounts

- Number of inactive accounts
- Distribution of accounts among branches
- Distribution of accounts by gender.
- Distribution of accounts by age.
- Number of accounts that have been converted into normal bank accounts.

f. If the basic bank account has been transformed into any other type of banking accounts, the bank shall conduct the due diligence procedures for these customers as stipulated in the provisions of our Instructions No. (14/2018) dated 26/6/2018 and according to the nature of their risks related to money laundering and terrorist financing.

g. In case of any breaches of the provisions of these Instructions, the CBJ is entitled to impose any of the penalties and/ or measures stipulated under the provisions of the effective CBJ law and/ or the effective banking law.

h. If the customer received transfers for a consecutive period of more than 6 months which made the account balance to exceed the specified ceiling; the bank shall transform the basic account into a normal account.

i. The customer shall provide the bank with a pledge whereby he/ she confirms to notify the bank if he/ she has opened a banking account other than the basic bank account.

Article (10):

These Instructions shall be effective (60) days after the issuance date.

The Governor
Dr. Ziad Fariz

Annex (1)
Simplified Due Diligence Procedures of the Basic Bank Account

<p>1. It is sufficient to obtain a copy of the customers' ID providing that the original ID was presented and verified using authentic documents, data, or information from a credible and independent source (Civil Status and Passport Department).</p>
<p>2. Compare the client's name with the names of persons and entities listed on the UN Security Council consolidated list issued under the UN Security Council resolutions.</p>
<p>3. Assess the client's activity and address the client's intention in the relationship with the bank and its nature.</p>
<p>4. As for representatives acting on behalf of the client (duly authorized, authorized signatory, dealing with clients with disabilities, etc.), these representatives shall be verified to prove that he/ she is well authorized through the verification of their identity in accordance with the due diligence procedures stipulated under effective Instructions (simplified procedures of due diligence are not adequate in this case).</p>
<p>5. Verify the identity of the actual beneficiary and take convenient measures to prove his/ her identity.</p>
<p>6. Conduct ongoing due diligence concerning work relations, as well as updating the data and auditing transactions conducted throughout the relationship lifetime to ensure that these transactions are consistent with what the bank knows about the client, and his/ her activity pattern and the nature of associated risks of the client.</p>

Annex (2)
The Services Provided and the Limits, ceilings, and Commissions

The Service	Limits and Ceilings	Commissions
Issuance of the ATM card	-	No issuance commissions or monthly automated banking services commissions shall be charged.
The deposit service (cash/ cheques) through the bank branch	With a maximum ceiling of JD (350) for each single transaction, and a maximum of two transactions during the month.	No commission, except 500 fils for each deposit after exceeding the maximum number of transactions which shall be notified to the customer.
Cash withdrawal service through the bank branch	Based on the available balance and up to two monthly withdrawals.	There are no commissions borne by the customer except for 500 fils for each withdrawal after exceeding the maximum number of transactions.
Cash withdrawal via the ATM	Based on the available balance and the number of transactions are unlimited.	No commission except for the commission specified if the client uses another bank's ATM.
Banking transfers services	Inward and outward transfers up to a maximum of two transactions for each type of transfer.	Subject to the same commissions charged on other types of banking accounts according to relevant effective Instructions.
	Transfers received from the Royal Court, the National Aid Fund, a government agency, a military agency, or an international aid institution accredited to the Ministry of Social Development.	There are no commissions borne by the customer due to banks.
Access to electronic banking services to manage the account and electronic payments	Based on the available balance and the number of transactions are unlimited.	Subject to the same commissions charged on other types of banking accounts according to relevant effective Instructions.
The balance	In Jordanian Dinars, no minimum balance is required, and a ceiling of (700) JD, subject to the provisions of item (h) in Article (9) of these Instructions.	