

A Memorandum of Understanding between The Central Bank of Jordan and Jordan Securities Commission

In line with the endeavor of the Central Bank of Jordan and Jordan Securities Commission (The two parties) to promote coordination and cooperation between them for the sake of achieving their goals and performing their duties in the fields of regulation and supervision in accordance with the laws which govern and state the responsibilities and duties of both parties; and in pursuit of attaining effective supervision and monitoring of institutions subject to their supervision so as to achieve the abidance of these institutions with related legislations, regulations, and instruction; and for the goal of promoting disclosure and transparency in the Jordanian capital market and creating an adequate investment environment, the two parties hereinto agree to the following:

First: Cooperation and Information Exchange:

- 1- Promoting cooperation and coordination between the two parties in issues related to their work and regulatory and supervisory duties, particularly in the common fields that the two parties supervise, in line with related legislations.
- 2- Cooperation in the field of deepening the market of government securities and securities guaranteed by the government, and coordination with the Ministry of Finance to periodically announce a clear plan for issues whereas it includes the types, amounts, categories, and maturities of issues.
- 3- Coordination in the field of preparing legislations, standards, and regulatory requirements to the parties subject to the supervision and monitoring of both parties; which have an effect on the mutual regulatory and supervisory duties of both parties.
- 4- Exchanging valid legislations, standards, regulatory requirements, and circulations issued by both parties regarding the mutual fields that the two parties supervise as well as any crucial developments that occur on them.
- 5- Holding meetings between the two parties when necessary, to discuss matters of mutual interest and methods of developing supervision of the activities of parties subject to the supervision of the two parties.
- 6- Exchanging information related to registering and licensing legal persons to practice the functions of financial services provided by banks and their subsidiaries as well as approving their natural persons.
- 7- Both parties' inviting of each other to conferences, seminars, and training courses related to subjects of mutual interest.
- 8- Cooperation for the purpose of creating a proper mechanism to implement the provisions of Article (34) of Banking Law no (28) of the year 2000, and for implementing the Central Bank's regulations that are related to the treasury stocks through a technical committee formed by related parties for that end.

- 9- The requesting and exchanging of information within the scope of this memorandum must be in line with valid legislations of both parties, most particularly legislations related to the provisions of confidentiality. In the case of declining a request , the declining party must clarify the reasons of the decline in writing to the party that made the request.
- 10- Both parties shall take all necessary means to reply to each other's requests quickly and in full, and they will exchange information regarding the circumstances that can hinder or delay the execution of the request or extending help.

Second: Cooperation in The Field Of Supervising the Financial Services Determined per The Securities Law And Regulations Issued Thereunto, which are Provided by Banks and Financial Services Companies Subject to the Supervision of Both Parties:

- 1- The Central Bank and Jordan Securities Commission will exchange vital information related to the financial services companies subject to both parties' supervision, including vital information related to the results of inspection of these companies.
- 2- Each party abides by maintaining the secrecy of information and any documents they receive from the other party. In this scope, the employees of both parties must maintain the confidentiality of the information obtained by them during the practice of their work, and they should not publish or show them to any third party without the written consent of the other party.
- 3- The information obtained must not be used by any party for a purpose other than the scope of supervision or purposes for which these information where requested, without the consent of the party which provided it .

Third: The Mechanism of Implementing the Memorandum of Understanding:

For the purpose of implementing this memorandum, the two parties will seek the following:

- 1- Forming a joint committee from both parties whose duty is to follow up the implementation of the Memorandum's items, and setting the procedures related therein.
- 2- The committee referenced in Paragraph (1) of this Item must convene whenever necessary alternately at the set of one of the parties.
- 3- The party which wishes to inquire or obtain information must address the other in writing.

- 4- The party that wishes to obtain the help of the other party, in relation to any investigation they are performing, must address the other party in writing. The other party shall seek to meet their request in accordance with their valid legislation.

Fourth: General Provisions:

- 1- The facets of mutual interest between the Central Bank of Jordan and Jordan Securities Depository Center must be regulated as per a separate memorandum of understanding endorsed by both parties.
- 2- The memorandum shall be deemed valid as of the date on which it was signed by both parties, and is amended with the written agreement of both parties to the amendment.
- 3- Each party has the right to request the termination of this memorandum provided that they notify the other party a month prior to the termination date.

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**The Central Bank of Jordan
Jordan Securities Commission**