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The Official Gazette

We Abdullah II bin AlHussein – King of the Hashemite Kingdom of Jordan, in compliance with Article (31) of the Constitution and in line with the Cabinet Resolution of 18.10.2017, We command the enactment of the following bylaw:

Bylaw No. (111) for 2017

Bylaw of Electronic Payment and Money Transfer upon Articles (21) and (22) of the Electronic Transactions Law No. (15) for 2015

Article (1):

This bylaw will be called (The Bylaw of Electronic Payment and Transfer of Funds for 2017) and shall enter into force when one hundred and twenty days have lapsed as from the date of being published in the Official Gazette.

Article (2):

- a. Wherever they should occur herein, the following words and terms shall have the meanings designated hereunder unless otherwise connoted by the context:

<i>The Central Bank</i>	:	The Central Bank of Jordan
<i>The Bank</i>	:	The Bank or the Islamic Bank licensed to operate in the Kingdom in compliance with the Provisions of the (Banking Law).
<i>The Board</i>	:	The Board of Directors of the Central Bank
<i>Electronic Money</i>	:	Cash amounts saved using electronic methods and commit their issuer to receive their value in cash.
<i>Electronic Check (E-Check)</i>	:	A digital issuance processed using electronic media according to conditions provided for in the Law of Commerce.
<i>Money Electronic Transfer (money E-transfer)</i>	:	Transfer the funds from the sender to the beneficiary using electronic media via the electronic payment system licensed or accredited by the Central Bank.
<i>Payment Services</i>	:	Procedures related to the issuance and management any of the payment instruments or E-transfer of funds as stipulated in the provisions herein.
<i>E-payment System</i>	:	The group of programs or instruments prepared for payment, transfer, clearance, or settlement of funds electronically and approved by the Central Bank.
<i>The Company</i>	:	Any public or private shareholding company licensed to deliver payment services or managing and operating the e-payment systems.
<i>The Auditor</i>	:	The technical auditor who examines the technical and technological requirements pursuant to approved criteria or the accounts' auditor who examines the accounts of the Company and its financial statements according to the chartered accounting criteria as the case should be.
<i>Third Party</i>	:	The agency commissioned by the Company to do the technical and technological issues either entirely or

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		partially to help it implement its licensed operations or the agency which the Company assigns to deliver some or all operations it is licensed to do in compliance with the provisions herein.
Orders	:	The instructions or resolutions issued by the Central Bank to implement the provisions herein.

- b.
1. The definitions in the Law of Electronic Transactions will be used wherever they occur herein unless otherwise connoted by the context.
 2. The definitions of (Governor) and (The National Payment Bylaw) in the Law of the Central Bank will be used wherever stipulated herein unless otherwise connoted by the context.
 3. The definitions of (Exchange House) and (Foreign Currency) in the Law of Exchange Operations will be used wherever stipulated herein unless otherwise connoted by the context.
 4. The definitions of (data), (information), (website), (permit), and (programs) in the Law of Cyber Crimes will be used wherever stipulated herein unless otherwise connoted by the context.
 5. The definitions of (materialistic interest) and (related) in the Law of Banks will be used wherever they occur herein unless otherwise connoted by the context.

Article (3):

- a. The payment services or the operation and management of the e-payment systems cannot be exercised unless the license required has been obtained from the Central Bank in compliance with the provisions herein.
- b. No agency, other than the Bank can issue any of the debit payment instruments.
- c. There shall be excluded from the provisions of Paragraph (a) of this article any agency exercising any of the activities of payment services or managing and operating the E-payment systems upon ad hoc laws. The Central Bank shall have the right to issue special orders to these agencies including the minimal conditions or technical and technological requirements that must be fulfilled.
- d. The foreign companies can deliver any of the payment services or managing and operating the E-payment systems via a branch thereof registered in compliance with the provisions of the Law of Companies after fulfilling the requirements and conditions established by the Central Bank upon ad hoc instructions issued to identify the procedures of granting licenses and cases of cancellation. In this case, the Company shall have the right to exercise its operations via the branch in the same way permitted for the Jordanian companies licensed upon the provisions herein.
- e. The Central Bank shall have the right to approve of any of the e-payment systems used internationally according to the conditions and requirements identified by the Central Bank for this purpose. The agencies that manage the system approved upon this paragraph can only deal with the agencies licensed by the Central Bank or those excluded from the enforcement of this bylaw.

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- f. Each one violating the provisions of paragraphs (a) and (b) of this article will be referred to the competent court. The Central Bank shall have the right to ask the competent authorities to close down the place where any of such activities has been exercised.

Article (4):

Any electronic medium approved by the Central Bank and enables its holder to process a payment transaction or E-transfer of funds will be an instrument of payment as follows:

- a. Pre-paid: issued by the Bank or the E-payment Service Provider licensed to do so to the customer using the latter's money.
- b. Credit: issued by the Bank or the Payment Service Provider licensed to do so to the customer without having a balance available in the customer's account.
- c. Debit: issued by the Bank to its customer on condition a balance be available in the customer's account.

Article (5):

The applicant for a license of payment service provider must fulfill the following conditions and requirements:

- a. The minimal capital requirements as identified by the Central Bank upon ad hoc instructions issued for this purpose.
- b. The minimal requirements of governance in consistence with the instructions issued by the Central Bank for this purpose.
- c. The persons nominated to the membership of the BOD or the Senior Executive Management at the Company must fulfill the criteria of relevance as established by the Central Bank.
- d. Must have the software and infrastructure necessary for the interconnectivity of the other E-payment systems according to the requirements identified by the Central Bank as per the nature of such systems.
- e. Must have operation systems and efficient computer equipment that fulfill the following requirements at least:
 - i. Keep all the audit files and logs of operational and security events for all components of the technological business environment including network security equipment, main server applications and operational systems for the duration identified by the Central Bank.
 - ii. Keep the historical data of all transactions implemented using its electronic systems according to the valid legal requirements and the availability of potentials to retrieve such data upon request.
 - iii. The use of encryption methods and control settings of access and authorization as well as any other methods to protect the electronic record when saving and transmitting it via the communication networks in order to maintain confidentiality of its information and block access thereto without permission or in violation or excess of the permission.

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- iv. Detect any unpermitted operations taking place in the E-transaction and ensure soundness of information as issued by the initiator whether during storage or during exchange (transmission) via the communication networks.
- v. Identify the type of electronic signature that must be used.
- vi. Adhere to the technologies approved by the Central Bank in terms of information security and confidentiality.
- vii. Maintain business continuity according to the criteria and principles identified by the Central Bank.
- f. Must have clear and prompt rules and systems to respond to the inquiries and complaints, protect their interests, resolve conflicts that can emerge from the services delivered thereto as well as the procedures of reporting a theft, loss, or hack of data of their use of services and money recovery.
- g. Fulfill the requirements and criteria related to monitoring and supervision of e-payment systems as imposed by the Central Bank.

Article (6):

The applicant for a license as a manager of E-payment system must fulfill the following conditions and requirements:

- a. The minimal requirements of capital as identified by the Central Bank according to ad hoc instructions issued by the Bank for this purpose.
- b. Must have clear criteria, requirements, and procedures to join the E-payment system.
- c. Must have the ability to deal with the collaterals provided by the payment service providers promptly and effectively.
- d. Adhere to the principles of infrastructures of capital markets issued by the International Bank of Settlements according to the resolutions of the Central Bank.
- e. Must have safe and standard criteria of accessing the E-payment system and commit to the conditions and requirements stipulated in paragraphs (b), (c), (d), (e), (f) and (g) of Article (5) herein as much as they relate to the management and operation of the E-payment systems.

Article (7):

- a. No company can be registered to provide any of the payment services or to practice management and operation of the E-payment systems at the competent official agencies unless upon a preliminary approval from the BOD.
- b. The application to license the company will be submitted using the form designated for this purpose at the Central Bank clarifying the following:
 - i. Type of company and the amount of its capital.
 - ii. Name of each founder of four blocks, his/her nationality and direct or indirect equity share in the Company's capital and his/her Curriculum Vitae. However, for the public shareholding companies, it will suffice to submit data of the founder who holds at least 5% of the Company's capital whether directly or indirectly. Such data must include place of residence and CV of the founder.
 - iii. Name and address of the Auditor.

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- iv. Any additional information or data as per the Central Bank requirements or as deemed necessary to make a decision on the licensing application.
- c. The following must be attached to the license application:
 - i. Deed of Association and Charter of the Company.
 - ii. Organizational Structure of the Company.
 - iii. Detailed description of the activity to be exercised.
 - iv. Final statements of accounts of the Company ratified by an auditor for the past three years or for the period of doing its business if it is less than that.
 - v. The economic feasibility study and estimated proposed budgets for the first three years of the Company operation as well as the basis on which they have been prepared.
 - vi. A business plan (plan of action) for the forthcoming five years.
 - vii. Documents showing that persons nominated for the membership of the BOD or the Senior Executive Management fulfill the criteria of relevance as identified by the Central Bank.
 - viii. Plans and programs of the Company in terms of anti-money laundering and counter funding of terrorism as well as the mechanism of dealing with customers and processing their complaints, conflict resolution, and third party dealings in accordance with instructions issued by the Central Bank for this purpose.
 - ix. Description of operation and technological policies and procedures to be implemented on condition that they include:
 - a. Written procedures of operation to be implemented.
 - b. Internal control mechanisms including the administrative and accounting procedures.
 - c. Risk management policy and business continuity plan "*on going concern*".
 - d. Policy of information security and protection.
 - x. Criteria and requirements of direct and indirect participation in the E-payment system with regard to managing and operating the E-payment systems.
 - xi. Documents that prove fulfillment of the technological and technical requirements as provided for herein or the instructions issues in compliance of this bylaw.
 - xii. Any other data that the Central Bank shall deem as necessary or relevant to decide on the licensing application.

Article (8):

- a. If the Central Bank finds out that the license application is incomplete, the applicant must complete it within thirty days as from the date of being notified of the same subjected to considering the application as cancelled.

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- b. The Central Bank will issue its decision of the license application within ninety days as from the date of submitting it; the decision is either of a preliminary approval or declination of the application. The applicant will be informed of the same.
- c. If the Central Bank issues its decision of a preliminary approval of the license application, it must identify the requirements and conditions necessary to obtain the final license including the following:
 - i. Full payment of the capital.
 - ii. The Settlement Bank to be dealt with if the Company's business requires that.
 - iii. Completion of all procedures to associate the Company.
 - iv. Payment of the licensing fees in compliance with the provisions herein.
 - v. The names and CVs of those nominated for the Director General position as well as the Senior Management jobs, major shareholders in the Company and the related parties and the relation among them.
 - vi. A list of equipment, programs, instruments, and real estate necessary for its business.
 - vii. Provide the financial collaterals as stipulated herein.
 - viii. Any other requirements and conditions identified in the instructions of the Central Bank.
- d. The Central Bank shall have the right to designate any agency – deemed as relevant – and on the account of the Company to verify the truth of data provided by the Company and establish the extent of its preparedness to do business.
- e. A preliminary approval will be deemed as, de jure, cancelled if the applicant does not fulfill all the requirements and conditions, within six months as from the date of receiving it, as relevant to obtain the final license unless the Central Bank approves of extending the period based on justifiable reasons.

Article (9):

- a. If the final licensing requirements and conditions stipulated in Paragraph (c) of Article (8) herein have been all fulfilled, the Central Bank will issue the final license to the Company within ninety days as from the date of fulfilling these requirements.
- b. The Central Bank will grant the final license for an unidentified period conditional to prohibition of waiving the same to a third party.
- c. On its website, the Central Bank will post the names of companies that provide E-payment services or managing and operating the E-payment systems or those licensed to deliver services of issuing and managing electronic funds or electronic transfer of funds.

Article (10):

- a. The Company cannot introduce any modification to its articles of association, charter, or capital; or change the venue of its business unless a prior written approval has been obtained from the Central Bank.
- b. Any transfer of the Company's shares will be null and void whether done in a one transaction or several transactions directly or indirectly if such a transfer results in one

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person holding a materialistic equity in the Company's capital or if it results in increasing the rate of this interest without a prior written approval by the Central Bank according to the instructions issued for this purpose.

Article (11):

- a. The Board shall have the right to issue a resolution to revoke the license of the Company in any of the following cases:
 - i. If the final license was granted based on untrue information in the license application or documents attached thereto especially with regard to founders (associates) who own the materialistic interests in the Company.
 - ii. If the Company does not embark on assuming its business within six months as from the date of obtaining the final license unless the Central Bank approves of extending the grace period based on justifiable reasons.
 - iii. If the Company misses one of the licensing requirements stipulated herein and could not reconcile its status within the period identified by the Board.
 - iv. If the Company abstains from implementing any of the procedures or implementing any of the administrative penalties resolved by the Central bank according to the provisions of Paragraph (b) of Article (39) herein.
 - v. If the Company submits an application to revoke its license.
 - vi. When revoking the license of another company that holds a materialistic interest in the Company.
 - vii. If the Company is merged with another company or when selling all or most of its assets.
 - viii. In case the fees due on the Company have not been paid.
 - ix. If the Company commits a flagrant or implements unsound or unsafe operations or has caused an imbalance or threat to the continuity or security of the E-payment System in which it participates or the National Payment System.
- b. If the Company's license is revoked due to any of the reasons in Paragraph (a) of this Article, the Company will commit to the requirements identified by the Central Bank for this purpose; which will ensure protection to the rights of all parties as relevant and maintain the National Payment System.

Article (12):

The Central Bank will inform the Company that its license has been revoked and announces the resolution within seven days as from the date of being published at least in two local dailies that are the most prevalent according to the classification issued by the Public Supplies Department and will be posted in its website.

Article (13):

- a. The Central Bank will collect a lump sum non-refundable fee of JD 1000 (one thousand Jordanian Dinars) for the license application to be paid when submitting the application.

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- b. The Central Bank will collect the following fees from the Director of E-payment Systems licensed in compliance with the provisions herein:
 - i. A lump sum fee of JD 5000 (five thousand Jordanian Dinars) for granting the final license for each E-payment system managed by the Company.
 - ii. An annual fee of JD 3000 (three thousand Jordanian Dinars) for each E-payment system managed by the Company.
- c. The Central Bank will collect the following fees from the Director of the E-payment systems licensed upon the provisions herein and whose job is limited to managing the E-payment system on behalf of the system owner:
 - i. A lump sum fee of JD 2000 (two thousand Jordanian Dinars) for granting the final license to the E-payment systems on behalf of the Company that owns the system.
 - ii. An annual fee of JD 1000 (one thousand Jordanian Dinars).
- d. The Central Bank will collect the following fees from the payment service provider licensed upon the provisions herein:
 - i. A lump sum fee of JD 3000 (three thousand Jordanian Dinars) for granting the final license.
 - ii. An annual fee of JD 1000 (one thousand Jordanian Dinars).
- e. The required fees will be paid according to the provisions of this Article according to the mechanism and periods identified with the Central Bank upon instructions issued for this purpose.

Article (14):

The Company must present the guarantees or collaterals identified by the Central Bank in compliance with the nature of activities of the Company, the size of its dealings and risk level and impact on those dealing with it as well as on the financial stability in the Kingdom. Such collaterals are also meant to protect the rights of those dealing with the Company and to ensure adherence of the Company to the provisions herein and the instructions issued in compliance with it.

Article (15):

- a. The applicant for payment services cannot practice the management and operation of the E-payment systems.
- b. The Company licensed to practice the management and operation of the E-payment System can implement any of the activities within the operations of a payment service provider after obtaining prior approval of the Board and fulfilling all requirements of the Central Bank for each case per se.

Article (16):

The payment service provider will practice the following upon the license granted thereto by the Central Bank:

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- a. Issuance and management of payment instruments excluding the debit payment instruments.
- b. Management of cash deposits and withdrawals electronically.
- c. Management and implementation of the credit/debit E-payment transactions including mobile telephone payment.
- d. Services of electronic collection of funds.
- e. Any other activities related to the payment service delivery as approved by the Central Bank upon ad hoc instructions issued for this purpose.

Article (17):

- a. The Director of the E-payment System will practice the following upon approval granted thereto by the Central Bank:
 - i. Management and operation of the E-payment System
 - ii. Management and organization of the clearance or settlement operations among those who participate in the E-payment System.
 - iii. Any other activities related to the management and operation of the E-payment Systems approved by the Central bank upon ad hoc instructions issued for this purpose.
- b. The Director of E-payment System will commit to obtain a prior approval by the Central Bank in case s/he wished to operate or manage another E-payment System that s/he is unlicensed to operate or manage and the Central Bank will identify the additional requirements and conditions of collaterals or special arrangements or what it deems as relevant of procedures to grant this approval.

Article (18):

- a. Upon approval by the Central Bank, the Company shall have the right to deliver any other services related to commercial activities other than payment service delivery or operations of managing the E-payment Systems according to legislation as valid in this respect.
- b. Albeit the content of Paragraph (a) of this Article, the Central Bank shall have the right to ask the company to associate a separate company to deliver payment services or manage the E-payment Systems if it (the Central Bank) discovers that the other commercial activities impede or may jeopardize financial safety of the Company or the supervisory ability of the Central Bank to monitor compliance of the Company with all provisions herein and instructions issued thereupon.

Article (19):

- a. The payment service provider can provide the services of issuing and managing electronic money after obtaining prior approval from the Central Bank and fulfilling any additional requirements identified by the Central Bank for this purpose and upon an approval by the Central Bank, this activity will be added to the purposes of the payment service provider.

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- b. The company licensed to deliver the service of electronic money issuance and management must adhere to the following:
 - i. Full segregation between the Company's funds and those funds that the customers deposit for the issuance of electronic money as identified by the Central Bank upon instructions issued for this purpose.
 - ii. The process of issuing electronic money cannot be assigned to any third party.
 - iii. There must be clear operation procedures with regard to acting on the (dormant) accounts of electronic money as decided by the Central Bank for this purpose.
 - iv. Funds received in lieu of issuing the electronic money must be deposited at the bank with which the Company deals during the period identified for the Central Bank for this purpose.
 - v. All processes related to the provision of e-money issuance and management services must be automated (done via an electronic system).
- c. For the purposes of issuing approval to deliver e-money issuance and management services, the Central Bank shall have the right to require submittal of any collaterals (guarantees) or additional financial guarantees, or special arrangements to ensure the rights of those dealing with the Company.
- d. The Central Bank will determine the volume of e-money that the Company is allowed to issue pursuant to the Company's capital, type and business turnover as well as the level of its risks and other criteria as deemed by the Central Bank and in line with the instructions issued for this purpose.

Article (20):

- a. A payment service provider can provide services of money e-transfer after obtaining a prior approval by the Central Bank upon fulfilling any additional requirements identified by the Central Bank for this purpose. Upon approval by the Central Bank, this activity will be added to the purposes of the payment service provider.
- b. A company licensed to provide service of money e-transfer must adhere to the following:
 - i. Full segregation between the Company's funds and the money of customers as determined by the Central Bank for this purpose.
 - ii. Full payment of money transferred to the beneficiary.
- c. If the amount to be transferred is in hard currency, the Company must deliver it to the beneficiary in the same currency. Upon the beneficiary's request, the Company can deliver the amount to be transferred only in Jordanian currency according to the rates published by the Central Bank and according to the limitations and controls identified by the Central Bank for this purpose.
- d. All processes related to the provision of the money e-transfer services must be implemented via a licensed or certified e-payment system.
- e. Provisions of Paragraph (c) of this Article will not be applicable to any of the banks or licensed exchange houses.

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Article (21):

The Company cannot borrow unless upon a prior approval by the Central Bank and in all cases, money of customers cannot be used as collaterals for the loans given thereto. This also applies to the financial amounts that the Company receives in lieu of issuing e-money and to processing an e-transfer of money.

Article (22):

- a. The Central Bank has the right to determine any requirements for the Company to ensure safe and reliable issuance of any of the payment instruments, managing them, or transferring them electronically.
- b. The Central Bank has the right to set limits on transaction values or the number of operations that can be done or transferred or paid through any of the payment instruments or those that are done within the e-payment system.

Article (23):

- a. The Central Bank will regulate a mechanism to draft, issue, use, deal with and clear electronic checks in compliance with instructions issued thereby for this purpose while observing the provisions stipulated in this Article.
- b. An e-check can be transferred if it fulfills the requirements of a transactable check as provided for in the Law of Commerce in Jordan excluding the requirement of writing. However, the drawer must have approved of transactability of this e-check.
- c. A beneficiary of an e-check shall be deemed as authorized to use the rights relevant to a transferrable e-check if the drawer has approved of the transactability of this check and on condition that such a check has a safeguarded or documented e-signature.
- d. An e-check cannot be issued unless via the electronic systems that belong to the bank at which it is drawn according to the approved electronic template identified by the Central Bank upon instructions issued for this purpose.
- e. After issuance, data of an e-check cannot accept any modification.
- f. No e-check can be issued to "its bearer".

Article (24):

- a. The Company cannot stop operation for any reason whatsoever unless upon a prior written approval issued by the Central Bank.
- b. The Company cannot open a new branch or office inside or outside the Kingdom, close it down, or move it to another location unless upon a prior approval by the Central Bank.
- c. The Company cannot assume any of the liquidation or merger procedure; neither can it sell all or most of its assets or funds unless upon a prior written approval by the Central Bank.

Article (25):

- a. The Company must keep in its headquarters the following:
 - i. The license issued by the Central Bank.
 - ii. Its deed of association, statutes (charter) and any amendments thereto.

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- iii. Documentation of the minutes of meetings of the Board of Directors and its resolutions in addition to the minutes of meetings of the Audit Committee.
 - iv. Documents of the minutes of meetings of the General Assembly of Shareholders and its resolutions.
 - v. Duly organized registers (logs) of its business.
 - vi. Its annual reports and data of its accounts, financial position, and auditors' reports.
 - vii. Any data (statements) requested by the Central Bank.
- b. The Company must document its operations with its customers and keep the information and data related to their transactions thereto using the mechanism and procedures identified by the Central Bank for this purpose and for the period provided for in the valid legislation.

Article (26):

- a. The Company will process its accounts according to the common duly observed accounting practices and will fully prepare its financial statements in a manner to reflect reality of its financial conditions and the financial positions of those dealing with it. Any ad hoc requirements identified by the Central Bank in this respect must be complied with, though.
- b. The Central Bank can publish partial or all data and information provided by the companies in timings it shall determine. However, such a publication cannot disclose the Company's operations unless the Central Bank has, already, obtained a prior written approval from that company and in compliance with the valid legislation.

Article (27):

The fiscal year of the Company will start on the first of January each year and shall end on the thirty first of December of the same year.

Article (28):

The Central Bank will organize a general register of licensed companies that includes, at minimal, details related to the name and address of the company as well as the type of activities it is licensed to practice, the date, serial, and number of issuing the license and information of licensing, revocation of the license, branches and any other relevant information. All of these must be made available via the Central Bank's website and must be updated on a continuous basis.

Article (29):

- a. The Company must appoint an auditor of its accounts and a technical auditor of its systems and e-services in compliance with the instructions issued by the Central Bank whereby it identifies the requirements to be fulfilled by the accounts' auditor and the technical auditor of the Company's operations.

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- b. If, for any reason, the Company does not appoint an auditor in compliance with the provisions of paragraph (a) of this article within four months maximum as from the commencement of the fiscal year, the Central Bank shall have the right to appoint this auditor and identify his fees at the expense of the Company.
- c. As necessary, the Central Bank shall have the right to appoint an account auditor to review and audit the accounts of the Company; or, to appoint a technical auditor in addition to the auditor appointed in compliance with the provisions of Paragraph (a) or Paragraph (b) of this Article. The Central Bank shall also have the right to identify the task assigned to this auditor, the term (period) of his mandate, and fees at the expense of the Company.
- d. At the expense of the Company, the Central Bank shall have the right to commission a consultative firm to assess any aspects related to the Company's activities.
- e. The Central Bank shall identify the task of the consultative firm stipulated in Paragraph (d) of this Article and the term of its mandate.

Article (30): According to his scope of work, the Company's auditor must adhere to the following:

- a. Inform the Central Bank in written immediately if it has learnt of any issues that have a negative impact on the financial, administrative, and technical conditions of the Company.
- b. Provide the Central Bank with any additional information or data on the Company's conditions and the nature of services it provides to those dealing with it.
- c. Inform the Central Bank once detecting any breaches by the Company's management or the third party with which it has a contract or any of those working for the Company. The auditor must also inform the Central Bank once he discovers any ineligible, improper, or unsafe operations in both the Company and the third party.

Article (31): The Company must provide the Central Bank with the following:

- a. A copy of its annual report including the final statements of accounts endorsed by its account auditor and minutes of the meeting of its General Assembly.
- b. The amount of contribution to the capital of the Company for each of the Chairman and members of the Board and their kinship to the third degree.
- c. Any information or data deemed as necessary by the Central Bank.

Article (32):

- a. The Company and any third party holding a contract therewith will be subjected to the Central Bank supervision and control and will be also subjected to inspection by the employees authorized by the Central Bank as well as to the account auditors or the technical auditors who the Central Bank appoint at the expense of said company. Both the Company and the third party will be committed to cooperate with them to enable them to fully do their work.
- b. The Central Bank and the auditors appointed thereby shall have the right to do the following when inspecting the Company and any third party holding a contract with it:

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- i. Examine the accounts, records, and documents of the Company including minutes of meetings and resolutions of the Board of Directors as well as the Audit Committee and take photocopies of such documents.
 - ii. Ask the Company's employees and the third party to provide them with any information or documents they deem as necessary for this purpose.
 - iii. Have access to or review any data whether in the computers, machines or other equipment; and have access to any system and obtain outputs retrieved from the system. The Company must enable the inspector to have access to any information and data necessary for his job.
 - iv. Do the technical examinations and tests they deem as necessary to verify the soundness of systems, instruments and programs used as well as services provided by the Company.
- c. Inspectors of the Central Bank shall have the right to seize any registers, records, or machines if necessary and examine these seizures or refer them to the competent laboratories if necessary.

Article (33):

- a. A payment order will be considered as dispatched once it enters into the system of the payment service provider whether directly or indirectly. It shall not be acceptable to request it to be withdrawn afterwards by the sender unless the nature of the system requires that or if the parties agree otherwise.
- b. Once the payment service provider receives the payment order according to the provisions of Paragraph (a) of this article, the amount will be discounted from the payer account and recorded to the account of the beneficiary at the payment service provider on the same business day. The Beneficiary will be considered as eligible for this amount by the end of the following business day at the latest unless the nature of the system requires otherwise or the parties agree on something else.
- c. If the payment order has not been executed, the Payment Service Provider must inform the customer of the reasons.
- d. The Payment Service Provider must execute the payment orders based on request by his beneficiary customer according to any obligations proved by any instruments or commercial papers by sending the payment orders to the Payment Service Provider authorized by the payer to execute these orders during the identified dates and the conditions agreed between the beneficiary and the payer.
- e. The payment order will be considered as received by the Payment Service Provider on the first business day following its dispatch if when received was not a business day for the Payment Service Provider or if received after the exchange session for that day.
- f. The payment order will end when executed and its amount has been recorded.

Article (34):

- a. The Central Bank shall have the right to issue orders to identify the minimum and maximum limit (threshold and ceiling) of average commissions that the Company receives in lieu of the activities and services provided to customers.

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- b. All commissions received by payment service providers must be explicitly stipulated in agreements concluded with the customers including the conditions that must be fulfilled in case the payment service provider increases such commissions.
- c. The payment service provider must segregate the whole payment amount from commissions.

Article (35):

The Payment Service Provider must adhere to the following:

- a. Properly execute the payment order that conforms to the customer's orders and the principles on which the e-payment system is based. Otherwise, the Payment Service Provider will be seen as responsible towards the customer including refunding the amounts of the payment order and deductions related thereto.
- b. Ensure that the personal security data used to verify the customer's identification are not made available to others.
- c. Ensure existence of an authorization by the customer before executing the payment order on his/her account. Otherwise, the Provider will be responsible towards its customer the payer and will be obliged to refund the money of the payment order in same currency as per the arrangements and term (duration) identified by the Central Bank pursuant to the nature of the e-payment system operation.
- d. Consider the objection of the customer to any of the payment orders during the period identified by the Central Bank according to the nature of the system and in compliance with the provisions of Article (41) herein.
- e. Provide mechanisms as relevant to enable the customer to report the loss, theft, or hack of the personal security data.

Article (36):

The company must adhere to the following:

- a. Inform the Central Bank and other relevant agencies of any cases of breach or fraud that the Company or any third party contracted therewith may be exposed to once such cases emerge.
- b. Observe full confidentiality of all transactions related to the Company's customers and the members of its Board of Directors or any of its present or former employees or any third party contracted therewith or insider to give any data about it whether directly or indirectly. Disclosure of the same or enabling others to have access thereto will be prohibited and this prohibition will remain to be effective even if the relation between the customer and the Company has ended for any reason whatsoever.

Article (37):

The following cases will be excluded from the confidentiality (secrecy) provisions in Paragraph (b) of Article (36) herein:

- a. Obtaining a written approval from the Customer or one of his/her successors.

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- b. Issuance a resolution by a competent judicial agency in an outstanding judicial litigation.
- c. Duties that are legally assigned to the auditors of the accounts of the Company.
- d. The operations and procedures that the Central Bank implements in compliance with the provisions herein or any of the valid legislation.
- e. Issuance of a certificate or highlighting the reasons to refuse the execution of a payment or financial transfer entry upon request by the entitled person.
- f. Exchanging necessary information related to customers in order to implement its operations and any exchange of information agreed by the Central Bank according to ad hoc arrangements in order to develop the national payment system in the Kingdom.
- g. Publishing the data and information related to customers in the form of statistics or disclosing the same to the competent supervisory authorities according to the valid legislation.
- h. The Company discloses all or some of the data of the customer's transactions as necessary to prove his/her right in a judicial litigation triggered between the Company and its customer with regard to such transactions.
- i. The Company discloses all or some of the data of its customers' transactions for the purposes of agreeing on selling the assets of the Company or its merger.

Article (38):

- a. The Customer will adhere to the following:
 - i. Use the personal security data and the payment instrument according to the conditions that govern its issuance and use.
 - ii. Maintain confidentiality of the personal security data provided thereto by the payment service provider and shall be fully responsible for neglecting maintenance of such data or delayed reporting of loss, theft, or hack of such data or the payment instrument that belong thereto.
 - iii. A bona fide customer will not bear any financial losses resulting from using the personal security data or the payment instrument after informing the payment service provider of the loss, theft or hack of such data or of any suspicions that it is not only the customer who is using such data.

Article (39):

- a. The Central Bank shall have the right to take any procedures or inflict any administrative penalties provided for in Paragraph (b) of this article when discovering that the Company or any of its employees has committed any of the following:
 - i. Breaching the provisions herein or the Law of the Central Bank or the Law of e-transactions and the instructions and orders issued in compliance therewith.
 - ii. The Company or any third party holding contract therewith performing operations away from the sound and safe principles to the interest of the shareholders of the Company or its creditors or if such operations lead to a failure or hindrance of business of other licensed companies or negatively impact the security and proficiency of the National Payment System.

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- b. While observing the provisions of Paragraph (d) of this article, if any breach as stipulated in Paragraph (a) of this article takes place, the Governor can take a procedure or more or can inflict one or more of the following procedures and administrative penalties:
 - i. Warn the Company.
 - ii. Provide a satisfactory program of the procedures that the Company will take to remove the breach and reconcile its status.
 - iii. Stop some of its operations.
 - iv. Stop any of its staff from work temporarily or ask to dismiss him/her from work proportionally with the severity of the breach.
 - v. Stop dealings with any third party with a short or long term contract with the Company.
 - vi. Impose a financial penalty of twenty thousand Dinars maximum.
 - vii. Close down the company for the period and conditions identified by the Board.
 - viii. Revoke the Company's license.
- c. The Governor must obtain a prior approval from the Board before taking any of the procedures stipulated in the Clauses (6), (7), and (8) of Paragraph (b) of this article.
- d. If any of the procedures or administrative penalties provided for in this article has been resolved, there should be nothing to prevent the civil and penal liability in compliance with the provisions of any other legislation.

Article (40):

- a. The address of the headquarters of the Company, its post office box, its email or fax served to the Central Bank will be approved for the purposes of serving any notifications to it in compliance with the provisions of valid legislation, this bylaw and the instructions issued in compliance therewith. No change introduced to the same can be accepted unless the Company informs the Central Bank of such a change upon a written letter.
- b. In compliance with the provisions herein and the instructions issued in compliance therewith, service of notifications will be done to the address approved at the Central Bank according to the provisions of Paragraph (a) of this Article as follows:
 - i. Delivery by hand to any of the official staff in charge of the Company whether via employees of the Central Bank or any company licensed and approved in the Kingdom for the purposes of judicial notifications. The notification service will be deemed as duly processed even if it was declined (nobody received it).
 - ii. By posting it in the registered mail and this will be seen as a legal notification after 15 days as from the date of posting it and will be sufficient to prove it based on the evidence that the notification was posted in the mail to the right address.
 - iii. Via any electronic means accepted upon legislation as relevant.
- c. If it has been impossible to serve a notification to the Company according to the provisions of Paragraph (b) of this Article, it shall be permissible to do it by publishing it for once in two of the most popular dailies as classified by the Public Supplies Department.

Article (41):

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The Company shall be committed to designate a unit to receive complaints from customers and avail constantly and in a facilitated manner procedures to submit complaints in addition to a resolution mechanism and inform the customer of its results according to the instructions issued by the Central Bank in this respect.

Article (42):

- a. The Customer shall have the right to submit his/her complaint to the competent department at the Central Bank in case the Company failed to resolve his/her complaints or if resolved in a way that the customer considers as irrelevant or unjust to him/her on condition that all documents and data supporting his/her point of view are enclosed with the complaint including the Company's response to the complaint.
- b. The competent department at the Central Bank shall have the right to obtain the details of the dispute the way it shall deem as relevant. In case an amicable solution could not be reached, the department can recommend to the Governor to create an ad hoc committee to consider the dispute and put an end to it upon a resolution that shall be considered as mandatory for the Company and not binding for the Customer.

Article (43):

The Company shall have the right to commission a third party to implement all or some of the technical and technological aspects related to its licensed activities. However, the Company must ensure that the third party fulfills the technical and technological terms and requirements provided for herein or in the instructions issued in compliance with this bylaw.

Article (44):

A company licensed as a payment service provider shall have the right to commission a third party to provide all or some of the services it is licensed to practice via the instruments or systems it operates.

Article (45):

If owning the e-payment system, a company licensed as manager of the e-payment system can commission a third party to do all activities it is licensed to do in order to manage one or more e-payment system conditional to the following:

- a. The third party must be a company licensed to manage the e-payment system in compliance with the provisions herein.
- b. Fulfill the terms and requirements of collaterals and guarantees provided for herein or in the instructions issued in compliance with this Bylaw and provided by the commissioning company or the third party.
- c. For the term of the third party assignment, the commissioning company must be committed to supervise its operations and assess the financial, technical and technological risk assessment to manage the e-payment system. It must audit and monitor as necessary and identify the extent to which the agent adheres to the provisions of relevant legislation especially the legislation related to anti money

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laundering and counter finance of terrorism, and the decision making processes for the important decisions that impact management of the e-payment system.

Article (46):

- a. With no prejudice to the third party responsibility, the company commissioning a third party will be fully responsible towards the Central Bank for all the functions that the commissioned third party is doing.
- b. At any time, the Central Bank shall have the right to reject the contract that the Company has concluded with the third party and can ask this contract to be totally or partially revoked immediately or as deemed relevant in case the Central Bank considers that this holds a negative impact on the quality of work or the efficiency of the e-payment system or on those dealing with the Company; or if results in jeopardizing the operation of the other e-payment system; or the capacity of the Central Bank in terms of supervision and monitoring; or for any other reason that the Central Bank shall account for.

Article (47):

- a. Banks practicing any of the e-payment services including the issuance of payment instruments and their management will be considered as licensed to practice these activities upon the provisions of the Law of Banks.
- b. The exchange houses that perform e-transfer of money upon the license issued thereto are considered as licensed to do this business upon provisions of the Law of Exchange if fulfilling the requirements provided for herein.

Article (48):

- a. During the period to reconcile their status as stipulated herein, the banks and exchange houses shall apply to the Central Bank and provide all documents proving their fulfillment of technical and technological requirements provided for herein or instructions issued thereupon. Any of these firms wishing to do any of these activities when the reconciliation period lapses must obtain the Central Bank's approval after ensuring their fulfillment of the conditions and technical and technological requirements provided herein and instructions issued thereupon.
- b. The banks and exchange houses in this bylaw will be excluded from the conditions and requirements of the type of company, the capital, governance rules, adequacy, and fees provided for herein or instructions issued thereupon. According to the nature of operations licensed for these companies and provisions of ad hoc legislation, the Central Bank shall have the right to exempt them from any conditions or requirements provided for herein or instructions issued upon this bylaw. Otherwise, the Central Bank can issue provisions as relevant upon ad hoc instructions.
- c. Approvals issued by the Central Bank to the banks or exchange houses to do any of the activities herein in compliance with legislation governing their business will be considered revoked if they fail to reconcile their status upon the provisions herein.

Article (49):

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Exchange houses practicing e-transfer activity of money per the license granted thereto will be prohibited from commissioning any third party to provide all or some of the services related to the e-transfer activity unless this third party is an exchange house licensed to do e-transfers or if the issues contracted with the third party are limited to the technical and technological aspects related to this activity.

Article (50):

- a. While observing the provisions in the law of exchange operations, the Central Bank shall have the right to permit the exchange house to perform any of the other payment activities except for e-transfer of money or management and operation of the e-payment systems according to any special requirements identified by the Central Bank. However, a license application must be submitted in compliance with the provisions herein and must fulfill all the conditions and requirements provided for in this bylaw except for the requirements of the type of company, the capital, governance rules and adequacy criteria.
- b. While observing the Law of Banks, the Central Bank shall have the right to permit the banks to manage and operate the e-payment systems according to any ad hoc requirements identified by the Central Bank. However, a license application must be submitted in compliance with the provisions herein and in fulfillment of all conditions and requirements provided for in this Bylaw excluding the requirements of the type of company, capital, governance rules, adequacy criteria or any requirements embedded in valid legislation under the Law of Banks.

Article (51):

If any of the banks or exchange houses violate the provisions herein or instructions issued upon this bylaw, the Central Bank shall have the right to inflict any of the administrative penalties or take any of the procedures provided for herein or in the legislation governing their operation.

Article (52):

If the Company is challenged with problems that hold a substantial impact on its financial position or its commercial fame or if a decision has been made to liquidate the Company or if the Company ceases to provide its services without a prior consent by the Central Bank, the Central Bank shall have the right to manage the system or systems that the Company is licensed to manage or to deliver the e-payment services as licensed for the Company till the following have been fulfilled:

- a. The Central Bank has completed the arrangements to settle the rights of those dealing with the Company (customers) and hand over to the Company or to the Liquidator, as relevant, the equipment, software, and instruments used by the Company in performing its licensed functions.
- b. The Company or the Liquidator, as relevant, and upon approval by the Central Bank will complete all arrangements to sell the rights of the Company related to the

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management of the e-payment system or provision of payment services to any of the companies licensed by the Central Bank.

Article (53):

The Company shall be committed to adhere to the provisions and procedures related to anti-money laundering and counter funding of terrorism, arms proliferation regulated with relevant legislation or any instructions issued by the Central Bank in this respect.

Article (54):

Whilst observing the provisions in Articles from (47) to (51) herein, banks and exchange houses and any other agencies providing payment services and e-transfer of money must reconcile their status in compliance with the provisions herein and instructions issued upon this law including those provisions related to their capital, management, operations, activities, and contracts with any third party. They must also introduce amendments as necessary to their deeds of association and statutes (charters) within one year at the latest as from the date of enforcing the provisions herein. This period shall be expandable upon approval by the Board for another one year maximum.

Article (55):

The Central Bank shall issue the instructions as necessary to enforce the provisions herein.

18.10.2017

(Stamped with the name of His Majesty King Abdullah II bin Al-Husein)

Titles, names and signatures of all members of the Cabinet are affixed on the bylaw

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