

**Instructions for Licensing Limited Liability Money Exchange Companies  
(L.L.C) Issued in the Virtue of the CBJ's Board of Directors Decision Dated  
February 27, 2007 and Amended According to the  
Board Decision Dated June 20, 2007.**

**ARTICLE (1)**

Unless the context indicates otherwise, the following words and expressions used in these instructions shall have the meaning hereby assigned to them:

Central Bank:	The Central Bank of Jordan.
Board:	The board of directors of the Central Bank.
Governor:	The Governor of the Central Bank of Jordan.
Money Exchange Activities:	Dealing in foreign currencies and precious metals in accordance with the provisions of the existing Money Exchange Business Law.
Bank:	A company licensed to engage in banking activities, in accordance with the provisions of the Banking Law in force, including branches of foreign banks licensed to operate in the Kingdom.
Exchanger:	Any entity licensed to deal in money exchange business in accordance with the provisions of the Money Exchange Law in force.
Founder:	Any natural or legal person who applies to obtain a license for a money exchange company or to get engaged into it.

**ARTICLE (2)**

Any person who is willing to establish a limited liability money exchange company shall submit an application to the Central Bank in accordance to the scheduled form for this purpose, attached with the following documents:

- A. The articles of incorporation and the articles of association according to the scheduled form at the Ministry of Industry and Trade including all the information required for this purpose.
- B. A feasibility study accompanied with a projected annual balance sheet for the upcoming three years certified by a legal auditor.

- C. Any data or information or documents requested by the Central Bank for purposes of the resolution concerning the license application.

### **ARTICLE (3)**

The following are required when applying for the license:

- A. No less than JD 1.0 million of paid-up capital.
- B. The head office shall be located within the borders of the Greater Amman Municipality.
- C. The founder (i.e. the natural person, or those who are affiliated with the legal person) shall be of good behavior, has not been convicted of any felony or misdemeanor that is inconsistent with trust and honor, and he must provide the Central Bank with a non-verdict certificate from the concerned institutions.
- D. The natural founder must have a sound financial capability and should provide the Central Bank with supporting disclosures such as statements of accounts, bank balance certificates approved according to the rules, or any other official documents.
- E. The founder (i.e. the natural person, or those who are affiliated with the legal person) shall be neither a partner in a money exchange company whose license has been revoked nor a partner in any other licensed money exchange company unless all implications of the terminated licensing have been removed and the relationship of the partner with the cancelled and/or existing company has been finished.
- F. The name of the founder (i.e. the natural person, or those who are affiliated with the legal person) shall be neither listed on the black list (returned cheques) nor practicing money exchange business and dealing with foreign currencies without obtaining a license according to the records of the Central Bank.
- G. The manager of the company or the chairman, or his deputy, shall be a permanent resident in the Kingdom; a full-time manager of the business; and has a banking and/or financial experience acceptable by the Central Bank, and

he shall provide the Central Bank with supporting information and documents in this regards.

**ARTICLE (4)**

The Central Bank, after considering the licensing request, has the right to refuse the application without providing any justification.

**ARTICLE (5)**

In case the licensing application has been approved, the applicant shall be granted an initial approval through a decision by the Board of Directors after meeting all the preconditions necessary for this purpose. It's mandatory to complete the procedures set out below and provide the Central Bank with the supporting documents no later than three months from the notification date of the initial approval. Otherwise, the initial approval shall be considered canceled, knowing that such approval would not entitle the applicant to practice money exchange business in any way whatsoever unless he obtains the final written approval:

- A. A certified copy of the articles of incorporation and the articles of association.
- B. The company registration at the Ministry of Industry and Trade.
- C. The company registration at the competent chamber of commerce.
- D. Depositing the company's capital, in its own account, at a licensed bank in the kingdom.
- E. Providing an appropriate place for money exchange business, given that the rental contract shall be organized by the name of the company, in addition to providing all other conditions set by the Central Bank for this purpose.
- F. Obtaining the occupation license issued by the competent official authorities.
- G. Submitting a cash deposit or a bank guarantee to the order of the Governor of the Central Bank equivalent to 30 percent of the company's paid-up capital according to the article decided for this purpose.
- H. Paying the fixed and the annual fee to the Central Bank as stipulated in the By-law of Money Exchangers Licensing Fees in force.

- I. Providing a written commitment (undertaking) not to practice any action other than money exchange business in the place that approved by the Central Bank.
- J. Providing a written commitment stating a full compliance with the provisions of The Money Exchange Business Law and The Currency Control Law in force, as well as, the regulations and instructions issued pursuant to these laws and any other instructions or conditions issued by the Central Bank for this purpose.

## **ARTICLE (6)**

Following applicant's implementation of all requirements and procedures listed in the initial approval and any other conditions required by the Central Bank, the latter with a decision issued by the Board of Directors is to grant the final license for practicing money exchange business as stated in the article (11) of the Money Exchange Business Law in force, subject to the following:

- A. Proving the company's capital, fundamentally, in its records, on the condition that it's paid-up capital must not be at any time less than the minimum required capital.
- B. Full commitment with the provisions of The Money Exchange Business Law and The Currency Control Law in force, as well as, the regulations and instructions issued pursuant to these laws and any other instructions or conditions issued by the Central Bank for this purpose.
- C. Appointment of a legal auditor to audit the company's accounts.
- D. Providing the Central Bank with the following data and information as well as any other amendments occurs to, in a period not more than six months following the notification date of the final approval:
  - The date of launching operations in company office.
  - Editorial balance sheet on the first date of operation, on the condition that the liquidity in this editorial must not be at any time less than 80.0 percent of the paid-up capital.

- The staff working at the company and the job description for each one of them.
- Names of the persons authorized to sign on behalf of the company and the nature of each authorization.
- Names of the licensed banks in which the company maintains its own accounts in various currencies.
- Name of the company in Arabic and English, its mail and e-mail addresses and telephone and fax numbers.

#### **ARTICLE (7)**

A. The company shall submit an application for annual license renewal in a period no later than the end of January of each year accompanied with the following:

- The receipt of paying the annual fee as stipulated in the By-law of Money Exchangers Licensing Fees in force.
- Submitting the extension letter for the bank guarantee which has been issued to the order of the Governor of the Central Bank.
- Occupation license issued by the competent authority.
- The company's registration license at the competent chamber of commerce.
- A certified and updated copy of the company's certificate of registration at the Ministry of Industry and Trade.

B. The period of license renewal starts as of the beginning of January each year and expires at the end of December of the same year.

#### **ARTICLE (8)**

A. The annual loss incurred by the company shall be paid off from the private sources of the partners in a maximum period of two weeks from the date the company been notified by the Central Bank.

B. The annual earned profits shall be distributed amongst the partners in the company in a maximum period of two weeks from the date the company been notified by the Central Bank, after the deduction of compulsory and optional reserves in accordance with the provisions of the Companies Law in force.

## **ARTICLE (9)**

The company shall keep at its head office the following documents:

- A. The articles of incorporation and the articles of association and their amendments, while the company is prohibited from introducing any amendments before obtaining a pre-written approval from the Central Bank.
- B. An official record registry including names of the partners and their personal information subject to be updated regularly.
- C. The documents of board of directors' minutes of meetings and their resolutions, in addition to the records and reports of the company's legal auditors subject to be delivered to the Central Bank periodically.
- D. The documents of the general assembly meetings and the assembly ordinary and extraordinary resolutions, subject that the Central Bank shall be invited to any general assembly meeting of any kind.
- E. The company's annual reports, books, records, documents and all papers and documents relating thereto, whether in hard or soft copies, regulated according to fundamentals.

## **ARTICLE (10)**

It is prohibited to abandon the license of the money exchange company to the benefit of whomever or to act conclusively with it or to mortgage any assets of its company, unless obtaining a pre-written approval from the Central Bank.

## **ARTICLE (11)**

- A. It is prohibited to establish any branch or office unless obtaining a pre-written approval from the Central Bank in accordance of the instructions for the affiliation of money exchange companies in force.
- B. It is prohibited to move the company's headquarters or any of its affiliates unless obtaining a pre-written approval from the Central Bank and in accordance of the instructions for the affiliation of money exchange companies in force.

**ARTICLE (12)**

It is prohibited to obtain any credit facilities what so ever unless obtaining a pre-written approval from the Central Bank and in accordance of the related instructions in force.

**ARTICLE (13)**

It is prohibited to maintain accounts or to deal with any parties outside the Kingdom unless obtaining a pre-written approval from the Central Bank.

**ARTICLE (14)**

It is prohibited to shut down the business before notifying the Central Bank and implementing its related instructions in force.

**ARTICLE (15)**

The Central Bank has the right to eliminate the company's license if it is proved that the license has been issued on the basis of false substantial information.

**ARTICLE (16)**

- A. The assets, records, entries as well as any other documents or papers or correspondence of the company are subject to inspection, verification and auditing by the Central Bank or any other party deputized by Central Bank.
- B. The company shall provide all necessary facilities to complete the task of the Central Bank's inspectors deputized for this purpose and to ensure their free hand and not to try to prevent them from reaching any tangible or intangible assets within the company's premises.

**ARTICLE (17)**

- A. The company shall, periodically, provide the Central Bank with registers, statistical data and reports concerning dealing with foreign currencies and precious metals which could reflect the reality of such dealing, as deemed appropriate by the Central Bank, in addition to and any other sheets, data and reports requested in a timely manner.
- B. The company shall prepare a systematic register (automated and/or manual) for the outgoing and incoming transfers including the number, amount and

date of the transfer, as well as, the information regarding the sender and the beneficiary (according to the base of know your customer) with the support of clarifying documentations, to be provided to the Central Bank on monthly basis through sheets prepared in accordance to rules.

#### **ARTICLE (18)**

If the company recognized that the execution of any money exchange transaction, or if it recognized that the receiving or paying any amount of money could be related to any crime or illegal action, it should immediately notify the Central Bank.

#### **ARTICLE (19)**

- A. It is not allowed for any licensed money exchange company (General Partnership, Limited Partnership or Shareholding Partnership Company) to change its legal status into limited liability company (L.L.C) before obtaining a pre-written approval from the Central Bank in accordance with the conditions and procedures established for this purpose as a preliminary step for obtaining the final approval by the board in conformity with the Money Exchange Business Law and Foreign Currency Control Law in force as well as laws the regulations and instructions issued pursuant to these laws and any other related laws.
- B. The Central Bank considered as the referential authority in any case or issue not addressed by these instructions.

#### **ARTICLE (20)**

These instructions considered in force as of date.

**\* Amended on June 20, 2007.**