



Anti Money Laundering & Counter Terrorist Financing Unit

Law No. (46) for the year 2007
Anti Money Laundering and Counter
Terrorism Financing law

Law No. (46) For the Year 2007
Anti Money Laundering and Counter Terrorist Financing Law¹

Article (1):

This law shall be cited as the “Anti Money Laundering and Counter Terrorist Financing Law for the year 2007” and shall enter into force thirty days after the date of its publication in the Official Gazette.

Article (2):

a- The following words and phrases, wherever mentioned in this law shall have the meanings indicated thereto hereunder, unless otherwise indicated by context:-

The Committee : The National Anti Money Laundering and Counter Terrorist Financing Committee formed pursuant to the provisions of this law.

The Governor : The Governor of the Central Bank.

The Unit : The Anti Money Laundering and Counter Terrorist Financing Unit formed pursuant to the provisions of this law.

Chief of the Unit : The Chief of the Anti Money Laundering and Counter Terrorist Financing Unit.

Funds : Any in-kind or right which has material value in dealing, legal documents and instruments in whatever form including electronic or digital forms which indicate the ownership or interest in such money including bank accounts, financial securities, commercial papers, traveler's cheques, remittances, letters of

1- Law No. (46) for the year 2007 Anti Money Laundering Law, published in the Official Gazette in volume No. (4831) dated 17/6/2007 on page No. (4130), amended by Law No. (31) for the year 2015 the Law Amending the Anti Money Laundering Law, published in the Official Gazette in volume No. (5345) dated 16/6/2015 on page No. (6007).

	guarantee and letters of credit, regardless of the means of obtainment.
Proceeds	: Funds derived or yielded, directly or indirectly, from committing any of the crimes stipulated in Article (4) of this law.
Money Laundering	: Every conduct involving the conversion, transfer, moving or disguising the source of funds or preventing from identifying the person who committed the predicate crime that generated the funds or the acquisition, possession, use, managing, keeping, investing, depositing of funds or concealing, disguising the true nature, source, place, movement, disposal means, ownership or related rights with the knowledge that any of the funds are the proceeds of any of the crimes stipulated in Article (4) of this law.
The Counterpart Unit	: The unit which is granted, according to the valid legislation of any country, the necessary authorities to combat money laundering and terrorist financing transactions and its different uses, and is subject during the performance of its tasks to sufficient legal rules to maintain the confidentiality of information.
Entities Subject to the Provisions of This Law	: The entities referred to in Article (13) of this law.
Cross - Border Movable Money	: Cash and negotiable financial instruments, whether in Jordanian dinar, foreign currencies, precious stones and valuable metals.
The Beneficiary Owner	: The natural person with the real interest for whom the business relationship is conducted for or on his behalf, or who has full or effective control over a legal person or has the right to conclude a legal arrangement on its behalf.
Seizure of funds	: Prohibition of disposing of, transferring, moving, exchanging or transforming the funds for a limited period.
Terrorist Financing	: Committing any of the acts stipulated in Paragraph (b) of Article (3) of this law.

- b- For purposes of this law, the definitions mentioned in the Penal Procedures Law, the Penal Code, or any other law criminalizing acts mentioned in this law, as the case may be, shall be adopted. In addition, definitions mentioned in any of the laws related to the competent regulatory and supervisory authorities over the entities subject to the provisions of this law or in the laws that these entities are confided to apply, shall be applied, provided that the definitions referred to in this paragraph do not contradict with the provisions of this law.

Article (3):

- a- No money generated from any of the crimes stipulated in Article (4) of this law shall be laundered, whether such crimes are committed inside or outside the Kingdom, provided that the act is penalized in accordance with the law in force in the country in which the act has occurred.
- b- It shall be prohibited to provide, collect, insure obtaining or moving, by any means, whether directly or indirectly, funds, even from legitimate sources, to a terrorist, terrorist organization, commission, society or group or for a terrorist act, with the knowledge of such, whether such funds are used wholly or partially or not used, and regardless of whether such act has occurred or not.

Article (4):

Every Fund that generates from any of the crimes indicated below shall be considered the subject of money laundering:-

- a. Any crime punishable pursuant to the valid legislation in the Kingdom, or crimes that any other valid legislation considers its proceeds to be subject to money laundering crime
- b. Crimes, the proceeds of which are considered, according to the provisions of international agreements ratified by the Kingdom, as a subject of a money laundering crime provided that such crimes are punishable by the Jordanian Law.

Article (5):

A committee called (The National Anti Money Laundering and Counter Terrorist Financing Committee) shall be formed, and shall be chaired by the Governor of the Central Bank and shall consist of the following members:-

- a- Deputy Governor of the Central Bank designated by the Governor as the Deputy Chairman of the Committee.
- b- Secretary General of the Ministry of Justice.
- c- Secretary General of the Ministry of the Interior.
- d- Secretary General of the Ministry of Finance.
- e- Secretary General of the Ministry of Social Development.
- f- Director General of the Insurance Commission.
- g- General Controller of Companies.
- h- A Commissioner of the Securities Commission Board, designated by the Chairman of the Board of Commissioners.
- i- Chief of the Unit.

Article (6):

- a- The Committee shall undertake to perform any tasks and authorities related to anti money laundering and counter terrorist financing, including the following:-
 - 1- Developing the general policy for anti-money laundering and counter terrorist financing and setting the plans necessary for its implementation.
 - 2- Following-up with the competent authorities for the purposes of fulfilling the obligations under the relevant and enforceable international resolutions.
 - 3- Participating in international forums relevant to the general policy of anti- money laundering and counter terrorist financing.
 - 4- Studying the annual reports submitted by the Unit concerning anti-money laundering and counter terrorist financing activities.
 - 5- Approving and adopting the annual budget of the Unit proposed by the Chief of the Unit.
 - 6- Studying the necessary draft laws and regulations for implementing the provisions of this law as prepared by the Unit, and submitting such to the Council of Ministers to complete the necessary procedures.
 - 7- Studying the instructions and guidelines to be issued by the regulatory and supervisory authorities pursuant to the provisions of this law.
- b- The method of convening the meetings of the Committee, the required quorum, the decision making process, recommendations, procedures of work, and all other provisions related thereto shall be determined according to a regulation to be issued for this purpose.

Article (7):

- a- An independent Unit associated with the Governor of the Central Bank of Jordan called the (Anti Money Laundering and Counter Terrorist Financing Unit) shall be established.
- b- The Unit shall be responsible for receiving the notifications stated in Item (3) of Paragraph (a) of Article (14) of this law in relation to any transaction suspected to be related to money laundering or terrorist financing and requesting information related thereto, analyzing and investigating such, as well as providing the competent authorities with such information, when necessary, for the purposes of anti money laundering and counter terrorist financing.
- c- The tasks and authorities of the Unit and all other related matters including personnel affairs shall be determined by virtue of a regulation to be issued for this purpose.

Article (8):

Once sufficient information is available concerning a transaction suspected to be related to money laundering or terrorist financing, the Unit shall prepare a report attached therewith the information, data, documents, and legal instruments, and the Chief of the Unit shall submit the report to the competent Prosecutor General for investigation. Based upon the request of the Chief of the Unit, the competent Prosecutor General shall seize or trace the money subject of the suspicious transaction without prejudice to the rights of *bona fide* third party.

Article (9):

- a- The Chief of the Unit shall be appointed by a decision of the Committee based upon the recommendation of the Chairman of the Committee. The decision shall determine the salary, allowances and all financial rights according to the Personnel Regulation enforced in the Central Bank of Jordan .
- b- The staff of the Unit designated by the Chief of the Unit shall, upon exercising their respective tasks pursuant to the provisions of this law, have the competency of law enforcement officers.

Article (10):

- a- The Unit shall have an independent budget, and its financial year shall start on the first day of January of every year and shall end on the thirty first day of December of the same year.
- b- The financial resources of the Unit shall consist of the following:-
 - 1- Allocations from the Central Bank of Jordan.
 - 2- Any allocations allotted in the General State Budget.
 - 3- Any subsidies, grants, endowments or donations to the Unit provided that the Council of Ministers approves it, if the same is obtained from a non Jordanian source.

Article (11):

- a- The Chairman of the Committee, its members and the staff of the Unit shall be prohibited from disclosing any information they have access to or that comes to their knowledge ex-officio, directly or indirectly. Disclosure of such information shall be restricted only for the purposes stated in this law. The prohibition of disclosure shall remain enforced after termination of their work with the Committee and the Unit.
- b- The prohibition stipulated in Paragraph (a) of this Article shall apply to all persons who, directly or indirectly, have access to or possess ex-officio information submitted or exchanged in accordance with the provisions of this law, regulations and instructions issued pursuant thereto.

Article (12):

Notwithstanding the provisions of Article (11) of this law, the Unit may publish periodical statistics about the number of transactions suspected to be related to money laundering or terrorist financing which have been received, distributed and classified as per the reporting entities, the number of convictions, property confiscated or frozen and the mutual legal assistance rendered.

Article (13):

The following entities shall comply with the procedures stipulated in this law, regulations, instructions and decisions issued pursuant thereto:-

- a- Financial entities include:-
 - 1- Banks operating in the Kingdom.
 - 2- Exchange companies and money transfer companies.
 - 3- Persons or companies exercising any of the activities subject to the supervision and licensing of the Securities Commission.
 - 4- Persons or companies exercising any of the activities subject to the supervision and licensing of the Insurance Commission.
 - 5- Entities exercising any of the following financial activities:-
 - Granting all types of credit.
 - Providing payment and collection services.
 - Issuing and administrating payment and credit instruments.
 - Trading in stock exchange market and capital market instruments for its own account or for the account of its clients.
 - Purchasing and selling debts with or without the right of recourse.
 - Financial leasing.
 - Managing investments and financial assets on behalf of a third party.
 - 6- Entities offering postal services in accordance with the legislation in force.
- b- Non financial entities include:-
 - 1- Persons or entities trading in real estate and its development.
 - 2- Persons or entities trading in precious metals and stones.
 - 3- Persons or entities that, on behalf of third party, perform any of the following business transactions:-
 - Sale and purchase real estates.
 - Management of funds or any other financial assets.
 - Management of bank accounts, postal saving accounts or investments accounts in local and international financial markets.
 - Legal procedures necessary for establishing or managing any legal person, purchasing or selling commercial stores.
 - Organization of contributions related to the establishing or managing companies.
- c- Entities or professions to which the Council of Ministers decides to apply the provisions of this law upon the recommendation of the National Committee.

Article (14):

- a- The entities subject to the provisions of this law shall undertake to comply with the following:-
- 1- Give due diligence to the identification of the customer's identity, legal status, activity of the customer, purpose of the business relationship and its nature, and the beneficiary owner of the relationship between the entities and the customer, if any, and verifying such, as well as the continuous follow up of the transactions that are conducted through an ongoing relationship with their customers by any of the means determined in accordance with the relevant legislation together with recording and maintaining the relevant data pursuant to the provisions of Item (6) of this Paragraph.
 - 2- Refrain from dealing with anonymous persons, persons with fictitious or anonymous names whether they were natural or legal persons .
 - 3- Notify the Unit immediately of any transaction suspected to be related to money laundering or terrorist financing whether such transaction is conducted or not, by the means or the form approved by the Unit, and maintain a copy of the notification, documents, legal instruments, data, and information related thereto for a period of not less than five years or until a final judicial verdict is issued regarding such transaction, whichever is longer.
 - 4- Comply with the regulations, instructions and decisions issued by the Unit or the competent supervisory and regulatory authorities.
 - 5- Pay special attention to the high risk customers' categories, business relationships or transactions and set the relevant measures including:-
 - First: Risk management systems for money laundering and terrorist financing to include the classification of customers into categories according to the degree of risk while developing the required measures to appropriately deal with such risks, and review such classification periodically or in the event of changes that require conducting such review.
 - Second: Policies and measures for preventing the exploitation of new technologies in money laundering and terrorist financing.
 - 6- Keep records and legal instruments to document the local and international financial transactions to include sufficient data to identify such transactions; as well as maintaining such records, documents, legal instruments, data and information including customer's due diligence data and beneficiary owners for not less than five years from the date of completion of the transaction or the date of termination of

the business relationship, as the case may be, which shall be updated periodically, microfilm copies or any other modern electronic means may be maintained which shall have the same legal effect as the originals in relation to evidence, if prepared, kept and retrieved in accordance with bases identified within the instructions issued by the Chief of the Unit for this purpose.

- b- External branches of the entities mentioned in Article (13) of this law and its affiliates outside the Kingdom shall comply with the provisions of this Article excluding Item (3) of Paragraph (a) thereof.

Article (15):

It is prohibited to disclose, by any means, directly or indirectly about notifying the Unit in accordance with the provisions of this law, or about any of the notification procedures known to the entities that are obliged to report.

Article (16):

No penal, civil, administrative or disciplinary liabilities shall be born by any natural or legal person referred to in Article (13) of this law who, *bona fide*, reports any transactions suspected to be related to money laundering or terrorist financing or submits information or data related thereto in accordance with the provisions of this law.

Article (17):

- a- Subject to the provisions of Article (15) of this law, the Unit may require the entities that are obliged to report as stipulated in Item (3) of Paragraph (a) of Article (14) of this law to take any procedure including suspending, for a period not to exceed three working days, the on-going procedures and processes on a transaction suspected to be related to money laundering or terrorist financing or request providing any additional information deemed necessary for the performance of its duties if it is related to information previously received during performing its competences or upon requests received from Counterpart Units.
- b- The entities that are obliged to report shall provide the Unit with the information mentioned in Paragraph (a) of this Article within the specified time period.
- c- The Unit shall notify the entities that are obliged to report pursuant to the provisions of this law, of the receipt of its notification pursuant to the provisions of Item (3) of Paragraph (a) of Article (14) of this law in accordance with the Instructions issued by the Chief of the Unit for this

purpose.

- d- The Unit may notify the regulatory and supervisory authorities in case the entities subject to its regulation and supervision violate any of the provisions of this law, regulations, instructions or decisions issued by virtue thereof.

Article (18):

- a- The authorities indicated below shall provide the Unit with any additional information related to the notifications received if it is considered necessary to perform its tasks or upon a request made by Counterpart Units within the period specified in the request:-
 - 1- Judicial authorities.
 - 2- Regulatory and supervisory authorities performing their powers over entities subject to the provisions of this law.
 - 3- Any other administrative or security authorities.
- b- The regulatory and supervisory authorities shall undertake to establish and provide means necessary to verify the compliance of the entities subject to the provisions of this law with the provisions stated therein, regulations, instructions and decisions issued by virtue thereof, in addition to the issuance of the necessary instructions pursuant to the provisions of this law.
- c- The authorities stated in Paragraph (a) of this Article shall comply with the following:-
 - 1- Taking the necessary procedures and means to exchange information and coordinating with the Unit regarding anti money laundering and counter terrorist financing.
 - 2- Immediately notifying the Unit should, in the course of performing their competences in accordance with the provisions of the legislation in force, suspicion of money laundering or terrorist financing is established. The Unit may notify such authorities of the procedures undertaken in accordance with the provisions of this law, if deemed necessary.

Article (19):

The Unit shall have the right to exchange information with Counterpart Units on a reciprocal basis provided that the information shall be utilized only to prevent money laundering and terrorist financing, and provided that the approval of the Counterpart Unit that provided such information is obtained. The Unit shall have the right to sign memoranda of understanding with the Counterpart Units to organize cooperation in this regard.

Article (20):

- a- Each individual entering the Kingdom shall declare, on the approved form prepared for this purpose, the cross-border movable money if the value exceeds the threshold set by the Committee.
- b- The Customs Department shall keep all cross-border movable money declaration forms, such forms shall be accessible and used by the Unit when deemed necessary.

Article (21):

The Customs Department has the right to seize or retain the cross boarder movable money in the event of non declaration or providing false information about it or in any case of a suspicion that a transaction is related to money laundering or terrorist financing and shall inform the Unit immediately and the Unit shall issue a decision regarding such money within a maximum one week from the date of being informed regarding such money whether to return the money back to its owner or refer to the judiciary.

Article (22):

- a- To achieve the intended purpose of this law, the Jordanian judicial authorities shall cooperate with the non Jordanian judicial authorities; in particular regarding judicial assistances and representations, extradition of the accused and convicted individuals, in addition to the requests of non Jordanian authorities of tracing, freezing or seizing the money related to money laundering or terrorist financing crimes or any proceeds thereof, pursuant to the rules set by the Jordanian laws, the bilateral or multilateral agreements ratified by the Kingdom, or on a reciprocal basis without prejudice to the rights of bona fide third party.
- b- For purposes of Paragraph (a) of this Article, freezing of money shall mean imposing temporary prohibition on transferring, exchanging, disposing of, moving, or assuming custody and temporary control on such money based on a decision issued by a competent court or authority.

Article (23):

- a- The competent Jordanian judicial authorities may order the implementation of the requests of the competent non Jordanian judicial authorities to confiscate the proceeds subject to money laundering or terrorist financing crimes, in accordance with the rules set by the Jordanian laws and bilateral or multilateral agreements ratified by the Kingdom.

- b- The proceeds of the money to which a final confiscation judgment had been issued according to the provisions of this law, shall be distributed in accordance with the agreements concluded in this regard.

Article (24):

Without prejudice to any severer penalty stipulated in the Penal Code or any other law:-

- a-
 - 1- Anyone who committed a money laundering crime as stipulated in this law, shall be penalized by imprisonment for a period not less than one year and not more than three years, and with a fine of not less than the same amount of the money subject to the crime if the money was the proceeds of committing a misdemeanor.
 - 2- Anyone who committed or has attempted to commit a money laundering crime as stipulated in this law, shall be penalized by hard labor for a period not less than five years and with a fine of not less than the same amount of the money subject to the crime, if the money was the proceeds of committing a felony.
 - 3- Anyone who committed or has attempted to commit a terrorist financing crime as stipulated in this law, shall be penalized by temporary hard labor for a period not less than ten years and with a fine of not less than one hundred thousand Dinars in addition to confiscating the money and all the used instruments.
- b- The accomplice, accessory and instigator shall be punished with the same penalty as imposed to the principal offender.
- c- In all cases, the penalty shall be doubled in the event of recurrence.

Article (25):

- a- Whoever violates any of the provisions of Articles (11) and (15) of this law shall be penalized by imprisonment for a period not exceeding six months, or with a fine of not less than one thousand Dinars and not more than ten thousand Dinars or both penalties.
- b- Whoever violates the provisions of Item (3) of Paragraph (a) of Article (14) of this law shall be penalized with imprisonment for a period not exceeding one year, or with a fine of not less than ten thousand Dinars and not more than one hundred thousand Dinars or by both penalties.
- c- Whoever violates the provisions of Paragraph (a) of Article (20) of this law shall be penalized by a fine not to exceed ten percent of the value of the non-declared money or in the event of providing false information about it. The fine shall be doubled in the event of recurrence. Where the violation is repeated more than twice, the fine shall be doubled up to its maximum limit. In all cases, the money shall be confiscated if related to terrorist financing.

Article (26):

- a- In addition to the provisions of Article (24) of this law, in-kind proceeds or money equivalent in value shall, in all cases, be confiscated if it was difficult to seize or execute the same or if it was disposed of to *bona fide* third party.
- b- If the proceeds are mixed with other assets earned from legitimate sources, such assets shall be subject to confiscation as stated in this Article within the limits of the estimated value of the proceeds and its products.

Article (27):

The competent Prosecutor General shall exercise authorities over the crimes stipulated in this law according to the valid Penal Procedures Law or any other relevant legislation. The competent Prosecutor General or competent court, as the case may be, may undertake the following:-

- a- Verifying the real source of the money belonging to the perpetrators of the crimes stipulated in this law including tracing such money and whether it was generated as a result of committing any of the prohibited activities in accordance with this law or any of the relevant legislation in force. The competent court may decide seizing and confiscating such money.
- b- Seizing the money of the defendant accused of committing the crimes stated in this law, the money of the spouse and prohibiting disbursement of such money as well as preventing them from traveling until the investigation is completed or the case is adjudicated. The competent court may decide to confiscate such money.
- c- Seizing the money in the possession of a third party, where it was established that it has been generated as a result of committing any of the crimes stipulated in this law.
- d- Seizing the assets in which proceeds were mixed with those of legitimate sources, until the value of the illegitimate proceeds and revenues of their exploitation is determined.
- e- Requesting records, documents, legal instruments and data of the entities subject to the provisions of this law relevant to the investigation of the crimes stipulated in Article (4) of this law.

Article (28):

- a- Notwithstanding the provisions of any other legislation, the seizure of the

funds by the Prosecutor General or the competent court in accordance with the provisions of this law shall cause all procedures and transactions conducted on such funds to be ceased.

- b- The harmed individual of the seizure decision may challenge the decision before the competent judicial authority.

Article (29):

Should any of the entities mentioned in Article (13) of this law refuse to provide the Unit with the information, data, documents and legal instruments that should be provided in accordance with the provisions of this law, failed to provide them within the specified period, or prohibited the Chief of the Unit or his authorized representative from performing his tasks and authorities as stipulated in this law a fine of not less than five thousands dinars and not more than twenty thousand dinars shall be imposed. The fine shall be doubled in the event of recurrence; where the violation is repeated for more than twice, the fine shall be doubled up to the maximum limit.

Article (30):

Any violation to any of the provisions of this law, regulations, instructions and decisions issued by virtue thereof for which a penalty is not specified in the law, the offender shall be fined with not less than one thousand Dinars and not more than ten thousand Dinars. The fine shall be doubled in the event of recurrence; where the violation is repeated for more than twice, the fine shall be doubled up to the maximum limit.

Article (31):

- a- Without prejudice to any severer penalty stipulated in any other law, and in the cases where money laundering crime or terrorist financing crime is committed by a legal person and without prejudice of the liability of offenders who are natural persons the legal person shall be responsible for the crimes committed by the person in charge of the actual management of the legal person in violation of the provisions of this law. The fines as stipulated in this Law shall be imposed on the legal person and it will be responsible for the fulfillment of it.
- b- Subject to the provisions of the Banks Law and the other legislation in force, the court may cease the operations of the legal person, wholly or partially, for a period not less than one month and not more than one year if the legal person committed any of the crimes stipulated in this law. In the event of recurrence, the court may order to cancel the registration of the legal person

or liquidate it, and in all cases the court orders to publish the conviction verdict in two local widespread newspapers at the expense of the legal person.

- c- Any person found to be personally responsible for committing any of such crimes, whether being the chairman of the board, chief executive officer, member of the board of directors, manager or any partner therein, as the case may be, shall be prevented from participating or contributing in the capital of any other legal person with similar objectives or be a part in the management thereof.

Article (32):

In case of multiple perpetrators of money laundering or terrorist financing crime, where one of them notifies the competent authorities about any of the crimes committed in violation of the provisions of this law before the knowledge of the authorities of such crimes, or where the notification after knowing about the crime caused the capture of the perpetrators or the money which is the subject matter of the crime, shall be exempted from the punishment stipulated in this law.

Article (33):

Any provision related to money laundering or terrorist financing crimes stipulated in any other legislation contrary with the provisions of this law shall not be enforced.

Article (34):

The Unit shall have the same exemptions and facilitations provided for other ministries and governmental departments.

Article (35):

Provisions related to confidentiality including banking confidentiality stipulated in any other law shall not preclude the implementation of any of the provisions of this law.

Article (36):

- a- The Council of Ministers shall issue the necessary regulations to implement the provisions of this law.
- b- The Procurement and the Personnel Regulations enforced in the Central

Bank of Jordan shall be applied on the Unit to the extent possibly applicable to the Unit.

Article (37):

The Committee shall set the necessary Instructions related to the enforcement of this law including the following:-

- a- Controls and principles related to reporting transactions suspected to be related to money laundering or terrorist financing.
- b- Controls related to the declaration of the cross-border movable money and the procedures related to the declaration.
- c- Implementation of the obligations stipulated in international resolutions pursuant to the provisions of Item (2) of Paragraph (a) of Article (6) of this law.

Article (38):

The Prime Minister and the Ministers are entrusted with the implementation of the provisions of this law.

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