

Credit Information Law No. 15 of 2010

Article (1)

This law shall be called the "Credit Information Law of 2010".

Article (2)

Wherever they appear in this law, the following words and expressions shall have the meanings assigned to them hereunder, unless the context indicates otherwise:

Central bank: Central Bank of Jordan.

Governor: Governor of the Central Bank.

Bank: Bank licensed by the Central Bank.

The Company: Limited Liability Company or Private Shareholding Company licensed to exercise the activities determined by this law.

The License: The permission that is granted to the company to exercise its activities according to the provisions of this law, regulations and instructions issued by virtue thereof.

Credit Information: The information related to the client's credit Profile, client's identity, his Commercial Register (if any) and credit record during a certain period of time. This shall include credit facilities extended to the client, deferred- payment sales contracts signed with the client, maturity date for each one, provisions, conditions, guarantees related to any of such, the mechanism of payment, and to what extent the client complies to paying his dues.

The access permit: A written consent provided by the client which allows the credit provider to access and to exchange the credit information of the client held at the company in accordance with the provisions of this law.

Credit report: The report which is issued by the company, after obtaining the access permit, in accordance with the provisions of this law.

The Client: Any person/ entity about whom the company provides credit information or issues a credit report to the credit provider, in accordance with the provisions of this law.

Credit provider: Any person that grants credit facilities or deferred- payment sales to the client, in accordance with effective legislations.

Data Provider: Any of the parties specified in article (9) of this Law that is connected to the company by virtue of a Credit Information provision agreement.

The Court: Court of First Instance within whose territorial authority the head office of the company is located.

Article (3)

The company will be licensed by a Central Bank decision in accordance with the provisions and conditions set by a specified bylaw issued for this purpose, and which should include the following:

- a. Required Licensing procedures and documents.
- b. Minimum capital of the company and financial, technical, and administrative standards that should be available in it.
- c. Qualifications and conditions that should be met by the company's staff.
- d. Basic terms and provisions that should be included in the agreements conducted by the company in accordance with provisions of this law.
- e. Confidentiality and security standards of Credit Information, Credit Reports, and any other information the company holds during its work.

Article (4)

- a. The Governor issues his decision on the licensing request within a period of no more than 60 days from the date that the documents, requirements and procedures are completed.
- b. In the case of approving licensing, the company shall submit (before operation) a bank guarantee in the amount that will be determined in a bylaw issued for this purpose in order to ensure its abidance to license conditions, provisions of this law, regulations and instructions issued by virtue of this law.
- c. The duration of the license is set for 10 years, which shall be renewable.

Article (5)

- a. The company shall not exercise its activities unless it is licensed in accordance with this law, given that its purposes shall be limited to the activities specified in this law.
- b. The company should be a Limited Liability Company or Private Shareholding Company, given that the participation or contribution in it, as the case may be, should be limited to banks or any other legal entities upon a Central Bank approval.
- c. It is prohibited to make any change in the ownership of the company's shares/ stocks unless it is previously approved by the Central Bank.

Article (6)

- a. The Central Bank shall supervise the company, regulate, and control its activities. And it may in this regard undertake the following tasks and authorities:
 1. Adopting standards and principles of the company's operations, that ensure dealing with Credit Information and Credit Reports as specified by the law with accuracy, integrity, and neutrality.
 2. Regulating the handling of the Credit Information by the relevant parties pursuant to the bylaw issued for this purpose.
 3. Approving the Credit Scoring program that is prepared by the company for the purpose of providing numerical indicators based on specialized statistical procedures which determine the credit profile of the client and the extent of his payment compliance.
 4. Ensuring the company's compliance with the provisions of this law, the regulations and the instructions issued by virtue thereof, and the license conditions, as well as ensuring the extent of the company's compliance with the technical, financial, and administrative standards specified under a bylaw issued for this purpose.
- b. With due observance to the provisions of confidentiality contained in this law, the Central Bank may, if it deems necessary, appoint any advisory body to evaluate the technical and administrative performance of the company, set the task assigned to this advisory body, the task duration, and the amount of fees to be borne by the company.

Article (7)

It is prohibited to request or issue a credit report unless it complies with the provisions of this law; for the purpose of evaluating or re- evaluating the credit profile of the client and his/ her financial ability and in any of the following situations:

- a. Based on a credit application submitted by the client to the credit provider, a request for credit extension, credit rescheduling, or changing the terms and conditions of the credit contract.
- b. Inquiring about the reasons for non-paying back of credit amounts or delay of such.
- c. Any other cases permitted by this law and the bylaws issued by virtue thereof.

Article (8)

Without prejudice to provisions of articles (72-75) of the effective banking law, the following shall be prohibited under penalty of legal liability:

- a. If the credit provider gets any credit information or asks to issue credit report about any client from the company without obtaining the access permit from that client and in accordance with its conditions.
- b. If the data provider provides any credit information related to any client unless it checks the existence of the access permit issued by that client to a credit provider or obtains the client's prior written approval.
- c. If the company provides any credit information or issues any credit report about any client unless it checks the existence of an access permit issued by that client to the credit provider. The company is exempted from checking the existence of a permit access if the credit provider was a bank, an insurance company, or any party approved by the Governor.

Article (9)

It is permissible for the company to obtain the credit information required to perform its activities through any of the following parties:

- a. Any company licensed in accordance with the provisions of this law.
- b. Banks.
- c. Leasing Companies.
- d. Any company that deals with deferred payment sales of transferable or non-transferable assets or services.
- e. Financial institutions established in accordance with specific laws.
- f. Any other parties approved by the Governor.

Article (10)

The chairman and the members of the board of directors/ management committee as well as the general manager of a company shall:

- a. Not have been declared bankrupt or insolvent.
- b. Not have been convicted of any misdemeanour violating honour, public morals, trust, or of any felony.
- c. Have never been a general manager, chairman or a member in the Board of Directors, or head or a member of the management committee of any company (regardless of its purposes) if such company has been compulsorily liquidated.
- d. Meet any other conditions the Governor sets.

Article (11)

The company's activities shall be restricted to the following:

- a. Collect, keep, and deal with credit information in accordance with the provisions of this law.
- b. Prepare a database that relates to the client in accordance with principles and conditions determined by instructions issued for this purpose.
- c. Prepare Credit Reports on forms adopted by the Central Bank.
- d. Determine the client's credit profile according to the adopted credit scoring program.
- e. Any other activity relating to the credit information and approved by the Governor.

Article (12)

The company shall commit to the following during exercising its activities:

- a. Retain credit information and the amendments thereof in accordance with the provisions of the bylaw issued by virtue of this law.
- b. Comply with the service fees determined by the Central Bank.

- c. Provide the Central Bank with the names of data providers it deals with upon signing agreements with them.
- d. Establish a customer service unit.

Article (13)

- a. It is prohibited for any credit provider or data provider to acquire whether directly or indirectly more than 5 % of the company's capital.
- b. With due observance to paragraph (a) of this article, it is prohibited for the aggregate ownership of credit providers and data providers to exceed (49%) of the company's capital.

Article (14)

The Data Provider shall abide by the following:

- a. Comply with the provisions of paragraph (b) of Article (8) of this law before providing any credit information to the Company.
- b. Provide the company on a regular basis with the credit information concerning any client or any amendment thereof throughout the period of the agreement conducted by them in accordance with the instructions issued for this purpose.
- c. Maintain the client's written consent mentioned in paragraph (b) of article (8) of this law that is submitted to it.
- d. Upon the request of the competent official parties, submit what proves their obtaining the credit information through legal means.

Article (15)

- a. The company shall abide to sign an agreement with every credit provider to regulate their obtainment of any of the following services:
 - 1. Credit reports.
 - 2. Any service resulting from dealing with, analysing, collecting, preparing statistics about, or undertaking any further operations on credit information.
 - 3. Any other services relating to its work approved by the Governor. unless it is a data provider according to the provisions of this law.
- b. It is prohibited for the company to sign an agreement with any credit providers

Article (16)

- a. The company may provide its services via any electronic mean whether public or private telecommunication network; provided that they follow safety, security, and information confidentiality standards in accordance with the provisions of this law, regulations, and instructions issued by virtue thereof.
- b. The credit report must include the most up-to-date information available in the company on the date of preparation of the report that reflect the current client's credit profile.

Article (17)

Subject to legal liability, the company is prohibited from undertaking any of the following actions:

- a. Exercising any activity other than those specified in article (11) of this law.
- b. Providing any credit reports or revealing credit information in any manner that violates the provisions of this law, the regulations and the instructions issued by virtue thereof.
- c. Preventing the client from accessing his credit information in accordance with the provisions of this law, the regulations and the instructions issued by virtue thereof.

- d. Issuing any decision regarding optional liquidation, transferring any of its rights and obligations, or contracting with any party to practice any of the tasks that the license permits before obtaining a written approval from the Governor.

Article (18)

- a. Without prejudice to the provisions of articles (72-75) of the effective banking law, the banks must inquire about the client in accordance with the provisions of this law.
- b. Upon the Governor's approval, It is permissible to exchange credit information between licensed companies in accordance with the provisions of this law whether they are charged or not.

Article (19)

- a. The credit provider who wants to obtain a service from the company shall be committed to inform the client of the following:
 - 1. The purpose of obtaining credit information.
 - 2. His/ her right to access the credit information pertaining to him/ her, and correct any fault found therein and his/ her right to object.
- b. The credit provider shall retain the access permit for the duration of the credit contract or any duration determined in the instructions issued for this purpose.
- c. The credit provider shall provide the client with a copy of the credit report when he/ she is prohibited to obtain a credit facility based on the negative points mentioned in the credit report. "Negative Points" shall mean the information mentioned in the client's credit report and that are related to his/ her credit default and as a result his/ her ineligibility to obtain a credit.

Article (20)

The client is entitled once yearly to obtain his/ her credit report from the company for free, and at any time during the year is allowed to request other copies of the credit report according to the specified procedures and for the assigned fee.

Article (21)

- a. The client has the right to object at the company to any credit piece of information mentioned in his/ her credit report issued by the company.
- b. The company shall be responsible for providing the data provider that presented the objected credit information with a copy of the objection.
- c. The data provider shall send a reply to the objection to the company and accordingly the company should reply to the client's objection based on the data provider's reply. For this purpose, the company shall do the following:
 - 1. In case the data provider rejects the objection, the company shall mention the core of the objection and its result in the client's database and in any credit report it issues in accordance with the instructions issued for this purpose.
 - 2. In case the data provider accepts the objection and makes any amendments, the company should inform the corrected credit information to all parties that received the credit report during the six months prior to the date of the acceptance of the objection.
- d. In case the data provider rejects the objection or in case the data provider accepts the objection but didn't amend the credit information, the client should file a report to the Central Bank to look into the objection or to correct the credit information, as the case may be, and if the dispute was not amicably resolved, the client has the right to refer to the court.

- e. The periods and procedures for objecting to the credit reports shall be determined in the bylaw issued by virtue of this law.

Article (22)

The company and the data provider shall each abide to undertake the required procedures to check the correctness and accuracy of the credit information and amend it if it was proven that any information was incorrect or illegal in accordance with the determined principles and standards.

Article (23)

- a. All the employees in the company, the credit provider, the data provider, and any person who receives, collects, deals with, or acknowledges any credit information in any form or for any purpose should maintain confidentiality and not disclose it unless in accordance with the provisions of the law.
- b. Whoever violates the provisions of paragraph (a) of this article shall be punished with imprisonment for a time period not less than one month and not more than six months, and shall be subject to a fine not less than (1000) JD and not more than (10,000) JD.

Article (24)

The company, the credit provider, the data provider, and any other related party are required to abide to the implementation of security and safety procedures to protect the credit information from any hacking on its information systems, amending the information, or making any other procedure that contradicts with the effective legislations.

Article (25)

The information that is prohibited from being collected, kept, dealt with, or included in the credit report or any other form or procedure shall be determined in accordance with the bylaw issued for this purpose. This prohibition includes any exchange of any information related to the client's balances, banking transactions, and other information that is not directly related to the client's credit profile.

Article (26)

The company, credit provider, and data provider are all obliged to keep records, books, and databases related to the credit information in accordance with the procedures specified in the instructions issued for this purpose.

Article (27)

For the purpose of implementing the provisions of this law, the regulations, and the instructions issued by virtue thereof; the Governor and employees of the central bank authorized in writing by him are considered judicial officers and are authorized to perform the following:

- a. On site check-up of the premises of the company and sites where the services are provided or data is kept.
- b. Requesting any information or data related to the company's work.
- c. Looking at all books, records, entries, contracts, minutes of meetings, and any other documents possessed by the company, its board of directors, or its employees, as the case may be.
- d. Obtaining any information related to the company's activities from its board of directors, manager, its certified accountant, or any of its employees.

Article (28)

The license shall be revoked by a Governor's decision in any of the following cases:

- a. If it appears that the license has been granted based on incorrect information or by using fraudulent or illegal means.
- b. If the company has failed to commence its activities within the period specified in the license.
- c. Liquidation of the company.
- d. The expiry of the period determined for the company to correct any of the following violations without correcting them:
 1. Violating or forfeiting any of the licensing conditions.
 2. Exceeding the ownership ratios determined in article (13) of this law.
 3. Not implementing the information confidentiality and safety procedures including the emergency plan.
 4. Not paying the fees and accruable penalties in accordance with this law, regulations, and instructions issued by virtue thereof.
 5. Practicing any activity that is beyond the activities determined in article (11) of this law.

Article (29)

- a. The company shall be informed of the Governor's decision of revoking the license and it shall be published in two local daily newspapers.
- b. The company cannot submit a new licensing application if it already had its license revoked due to using illegal and fraudulent means to obtain the license.

Article (30)

According to this law and the effective legislations, the liquidator shall be prohibited when liquidating the company from using the credit information or transferring it to another company except when there is an approval from the Central Bank and according to the terms determined by the Central Bank for this purpose.

Article (31)

- a. Whoever violates the provisions of this law and the regulations issued by virtue thereof shall be penalized by a competent court by paying a fine not less than (500) JD and not more than (1000) JD.
- b. The fine referred to in paragraph (a) of this article shall be doubled if the violation was repeated.

Article (32)

- a. The Council of ministers shall issue the bylaws necessary to implement the provisions of this law that include the principles of granting the license to the company; fees to be charged for the license and its renewal; and financial, technical, and administrative standards that must be adhered to.
- b. The Governor shall issue the instructions required to implement the provisions of this law and the bylaws issued by virtue thereof.

Article (33)

- a. The credit information law number (82) of 2003 shall be cancelled.
- b. The provisions of any other legislation shall not be applied to the extent the provision of such legislation contradicts with the provisions of this law.

Article (34):

The prime minister and the ministers shall be responsible for implementing the provisions of this law.