

Translation of the Banking Sector Law No. 194 of 2020

ترجمة قانون القطاع المصرفي
رقم ١٩٤ لسنة ٢٠٢٠

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Law No. 194 of 2020 Concerning the Promulgation of the Law of the
Central Bank and the Banking Sector

In the name of the people President of the republic

Preamble

The House of Representatives has enacted the following law, which we hereby promulgate:

Promulgation Articles

Article (1):

The provisions of the annexed law shall apply to the Central Bank, the banking system, foreign exchange companies, money transfer companies, credit information and rating companies, credit guarantee companies, payment system operators, and payment service providers.

Article (2):

In matters not specifically addressed in the annexed law or in its implementing regulations and decisions, the provisions of the Companies Law No. 159 of 1981 concerning joint stock companies, partnerships limited by shares, limited liability companies, and sole proprietorship companies shall apply to the banks and companies subject to the annexed law.

The Central Bank shall serve as the competent administrative authority, and the Governor of the Central Bank shall act as the competent minister for the implementation of the aforementioned Companies Law with respect to entities under the supervision of the Central Bank pursuant to the annexed law.

Additionally, the provisions of the Commercial Law No. 17 of 1999 shall apply to the dealings between banks and their clients, whether such clients are merchants or non-merchants, regardless of the nature of those transactions.



Article (3):

The expression "banks wholly owned by the State" shall replace the term "public sector banks" wherever it appears in current laws and decrees.

Article (4):

Entities subject to the provisions of the annexed law shall adjust their status in accordance with its provisions within a period not exceeding one year from the date of its entry into force. The Board of Directors of the Central Bank may extend this period for one or more additional terms not exceeding a total of two years.

Article (5):

The Board of Directors of the Central Bank shall issue the regulations and decisions necessary to implement the provisions of the annexed law, which shall be published in the Official Gazette. Until such regulations and decisions are issued, existing regulations and decisions shall remain in force to the extent they do not conflict with the provisions of the annexed law.

Article (6):

The current composition of the Board of Directors of the Central Bank shall continue to perform its functions and exercise its powers until the expiration of its term. Similarly, the current boards of directors of banks shall continue to exercise their powers and functions until the expiration of their respective terms.

Article (7):

Law No. 88 of 2003 concerning the Central Bank, the banking sector, and monetary system is hereby repealed.

Article (10) of Law No. 11 of 1940 concerning the sale and pledge of commercial establishments and Article (1) of Law No. 19 of 1975 concerning the rights and privileges granted to the Industrial Bank are also repealed.

In addition, Article (94) of the Companies Law No. 159 of 1981, and Article (21) of Law No. 95 of 1983 establishing the Export Development Bank of Egypt are hereby repealed.



Subject to the provisions of international agreements concerning the establishment of certain banks in the Arab Republic of Egypt, all provisions that conflict with this law and the annexed law are hereby repealed, including provisions in the special laws establishing certain banks regarding minimum capital requirements, supervisory and regulatory powers of the Central Bank, early intervention, resolution of troubled banks, account confidentiality, and foreign exchange regulations.

Article (8):

This law shall be published in the Official Gazette and shall enter into force on the day following its publication.

This law shall bear the Seal of the State and shall be enforced as one of its laws.

Central Bank and Banking System Law

Part One: General Provisions

Chapter One: Definitions

Article (1):

For the purposes of applying the provisions of this Law, the following terms and expressions shall have the meanings respectively assigned to them below:

State: The Arab Republic of Egypt.

Central Bank or the Bank: The Central Bank of Egypt.

Board of Directors of the Central Bank: The board of directors established in accordance with the provisions of this Law.

Governor: The Governor of the Central Bank.

Deputy Governor: The Deputy Governor of the Central Bank.

Bank: Any legal entity licensed to conduct one or more of the banking activities specified in this Law.



Branches of Foreign Banks: Branches of foreign banks operating in Egypt under a license from the Central Bank.

Banking System: The Central Bank, banks, and branches of foreign banks operating in Egypt.

Financial Institution: Any legal entity other than a bank, that is authorized by the Central Bank to undertake one or more of the financial services specified in this Law.

Clients: Natural or legal persons who maintain accounts with, or have transactions with, entities supervised by the Central Bank.

Supervised Entities: Entities subject to the supervision and oversight of the Central Bank under this Law.

Payment Systems: Arrangements comprising rules, procedures, and technical infrastructure to facilitate the transfer, clearing, or settlement of funds or financial instruments.

Payment System Operator: A legal person authorized by the Central Bank to operate payment systems.

Payment Service Provider: A legal person authorized by the Central Bank to provide one or more payment services.

Settlement Finality: The irrevocable and unconditional finality of the transfer of funds or financial instruments through a payment system.

Banking Activities: Activities defined as banking under this Law, including receiving deposits, granting credit, issuing and managing payment instruments, and other activities as determined by the Central Bank.

Foreign Exchange Activities: The purchase and sale of foreign currencies, and the conduct of foreign exchange transactions as defined by this Law and regulated by the Central Bank.

Foreign Exchange Entities: Companies and establishments licensed by the Central Bank to engage in foreign exchange activities.

Money Transfer Companies: Companies licensed by the Central Bank to provide cross-border money transfer services.

Credit Information and Rating Companies: Companies licensed by the Central Bank to collect, process, and analyze credit information and to issue credit ratings.

Credit Guarantee Companies: Companies licensed by the Central Bank to provide credit guarantees in accordance with the provisions of this Law.



Netting: The offsetting of mutual obligations between participants in a payment or settlement system resulting in a single net obligation.

Secured Lending Arrangement: An agreement under which credit is extended against collateral, as defined by the Central Bank.

Early Intervention: Actions taken by the Central Bank to address the deteriorating financial condition of a supervised entity before it becomes critically undercapitalized or insolvent.

Bank Resolution: Measures taken by the Central Bank to restructure or resolve a bank in financial distress, with the aim of maintaining financial stability and protecting depositors.

Part Two: The Central Bank of Egypt

Chapter One: General Provisions

Article (2):

The Central Bank shall be an independent supervisory entity possessing legal personality. It shall report to the President of the Republic and shall enjoy technical, financial, and administrative independence. The opinion of the Central Bank must be sought with respect to draft laws and regulations related to its areas of competence.

Article (3):

The headquarters and legal domicile of the Central Bank shall be in Cairo Governorate. The Central Bank may, by decision of its Board of Directors, establish branches and offices and appoint agents and correspondents within the Arab Republic of Egypt or abroad.

Article (4):

The minimum paid-up capital of the Central Bank shall be twenty billion Egyptian Pounds (EGP 20,000,000,000).

The increase of the Central Bank's capital shall be effected by a decision of the Board of Directors, either by retaining a portion of the annual net profits, from reserves, or through direct funding from the State Treasury with the approval of the Minister of Finance.



The equity of the Central Bank must not show a negative balance. In the event that such a situation arises, it shall be covered by the State Treasury within a period not exceeding ninety (90) days from the date of notification of the Minister of Finance, following submission to the Cabinet of Ministers within that period. Such coverage shall be in cash or in the form of tradable debt instruments bearing prevailing market interest rates.

Article (5):

The funds of the Central Bank shall be deemed private funds.

Part Two: The Central Bank of Egypt

Chapter Two: Objectives and Competences of the Central Bank

Article (6):

The Central Bank aims to ensure the soundness of the monetary and banking system and the stability of prices within the framework of the general economic policy of the State.

Article (7):

The Central Bank shall exercise all powers necessary to achieve its objectives, including but not limited to:

- Issuance and management of banknotes and determination of their denominations and specifications;
- Formulation and implementation of monetary policy, issuance of securities and financial instruments consistent with the nature of its funds and operations, and conducting open market operations, without being bound by the provisions of Article (465) of the Civil Code;
- Establishment and implementation of the foreign exchange rate system and policy, organization and supervision of the foreign exchange market;
- Issuance of regulatory instructions to licensed entities and key executives, and supervision over them;



- Establishment and implementation of macroprudential risk management policies within the banking system;
- Crisis management in the banking sector and resolution of distressed banks;
- Retention and management of the State's reserves of gold and foreign exchange;
- Acting as the financial adviser and agent of the government;
- Monitoring and following up on the external debt of the government, public service and economic authorities, public sector companies, state-owned enterprises, and the private sector;
- Protection of the rights of customers of licensed entities and settlement of related disputes;
- Protection and promotion of competition and prevention of monopolistic practices among licensed entities;
- Ensuring the safety and efficiency of payment systems and services.

Article (8):

The Central Bank shall take the necessary means to achieve its objectives and fulfill its competences, including:

- Cooperation and exchange of information with counterpart foreign authorities;
- Participation in and membership of international institutions and bodies relevant to its areas of operation;
- Execution of clearing, settlement, depository, registration, and custody operations for government securities and financial instruments, and operation of related systems, in accordance with the provisions of the Central Securities Depository Law No. 93 of 2000;
- Promotion of financial inclusion and expansion of access to banking services, including developing frameworks aimed at reducing the use of physical cash;
- Establishment of joint stock companies on its own or with other partners, or participation in existing companies, where necessary to achieve its objectives and exercise its functions;



- Establishment and management of payment systems and services;
- Undertaking any other tasks or procedures required for the implementation of monetary, credit, or banking policies;
- Setting rules for the prevention of conflicts of interest within licensed entities and developing effective frameworks for their management.

Article (9):

The Central Bank may provide financing to the entities in which it holds equity, as well as to establishments and foreign and international entities, in accordance with the conditions, rules, and guarantees approved by the Board of Directors.

The Central Bank shall not provide loans, guarantees, or financial support to banks, except in relation to monetary policy operations, overnight credit facilities, emergency liquidity assistance, financing provided on behalf of the government, and foreign currency financing and credit facilities from abroad against adequate guarantees approved by the Board of Directors.

Article (10):

The Board of Directors may approve the granting of emergency funding to any bank experiencing a liquidity shortfall under the following conditions:

- The bank must be solvent;
- The term of the financing must not exceed 180 days, renewable for one or more terms, provided that the total period does not exceed one year;
- The financing must be secured by sufficient collateral accepted by the Central Bank;
- The applicable interest rate on the financing must be higher than the average prevailing market lending rates.



Article (11):

Without prejudice to the provisions of Article (10) of this Law, the Board of Directors may, in exceptional circumstances, approve the provision of financing to banks that have low solvency or are at risk of default, acting in its capacity as agent of the government, in accordance with the following conditions:

- The provision of such support must be necessary to preserve the banking system;
- The bank must be capable of recovery through a restructuring or resolution plan within a period determined by the Central Bank;
- The duration of the financing shall not exceed 180 days, renewable for one or more terms, provided that the total duration does not exceed one year;
- The financing shall be secured by sufficient collateral acceptable to the Central Bank;
- The interest rate applicable to the financing shall be higher than the prevailing market lending rates;
- The Ministry of Finance must approve the issuance of a legal guarantee to the Central Bank, undertaking to provide the full funding amount.

A bank receiving such financing shall be subject to enhanced supervision by the Central Bank.

Article (12):

The Central Bank may undertake to provide foreign currency to cover financing and credit facilities obtained by banks or public legal entities from foreign banks, financial institutions, and international bodies, subject to the conditions and rules determined by the Board of Directors.



Article (13):

In the course of exercising its functions, the Central Bank may open cash accounts or accounts in precious metals or financial instruments for the benefit of any of the following entities:

- Banks;
- Central banks, foreign governments, and international or foreign financial institutions;
- Foreign banks;
- The Government and public legal persons;
- Licensed companies operating in the field of payment systems and services;
- Entities in which the Central Bank holds equity.

The Central Bank is prohibited from opening accounts for any other entities or individuals, except for its current or former employees.

The Central Bank may also open cash accounts or accounts in precious metals or financial instruments with any of the following:

- Banks;
- Central banks, foreign banks, international financial institutions, depository institutions, and custodians.

All such operations shall be subject to the rules and conditions set by the Board of Directors.

Article (14):

The Central Bank shall be responsible for collecting, analyzing, and publishing monetary, banking, and financial data, statistics, and information. It shall have exclusive competence to prepare and publish the balance of payments.



Article (15):

The Central Bank may include among its foreign reserves any of the following assets:

- Gold and other precious metals;
- Foreign currency balances held in its accounts or on its behalf with banks, foreign central banks, foreign banks, or international financial institutions;
- Tradable debt securities denominated in foreign currencies issued or guaranteed by foreign governments, foreign central banks, or international financial institutions;
- Claims on international financial institutions;
- Other foreign currency financial assets as determined by the Board of Directors. All such holdings shall be subject to the rules and conditions prescribed by the Board of Directors.

Article (16):

The Central Bank shall establish a customer data registration system to prepare studies aimed at enhancing financial inclusion and improving banking services. This system shall be governed by regulations and procedures set by the Board of Directors, with due regard to confidentiality.

Part Two: The Central Bank of Egypt

Chapter Three: Governance and Administration

Article (17):

The Central Bank shall be headed by a Governor holding the rank equivalent to Deputy Prime Minister. The Governor shall be appointed by a presidential decree following approval by a majority of the House of Representatives for a term of four years, renewable once. The decree shall determine the Governor's remuneration. The Governor shall be subject to the same prohibitions applicable to ministers.

The Governor's retirement benefits shall be treated in the same manner as those of a Deputy Prime Minister. The Governor's resignation may be accepted by presidential decree.



Article (18):

The Governor shall have two deputies appointed by presidential decree upon nomination by the Governor, each for a renewable four-year term. The decree shall specify the deputies' remuneration.

In the case of the Governor's absence or disability, the senior deputy shall temporarily assume the Governor's duties. If that deputy is also unavailable, the other deputy shall act in their stead. A Deputy Governor's retirement benefits shall be equivalent to those of a minister. A Deputy's resignation may be accepted by presidential decree.

The Governor may also appoint agents, upon recommendation and decision of the Board of Directors.

Article (19):

The Governor shall represent the Central Bank in legal proceedings and in relations with third parties, including international and regional bodies. The Governor shall manage all internal affairs of the Bank, without prejudice to the powers of the Board of Directors and its committees. The Governor may delegate certain functions to any Deputy or agent, provided the Board is notified.

The Governor shall submit to the Board a report on the Bank's executive operations every three months.

Article (20):

The Board of Directors, chaired by the Governor, shall include:

- The two Deputy Governors;
- The Chair of the Financial Regulatory Authority;
- Seven non-executive members with expertise in economics, monetary affairs, banking, finance, law, accounting, or information technology (two of whom must have expertise in economic matters), appointed by presidential decree upon nomination by the Governor with consultation of the Prime Minister, for a four-year term, renewable once. The Board may include full-time members among them.



In case an executive vacates their seat before the end of their term, a replacement shall be appointed within sixty days to complete the remaining term.

A presidential decree, upon recommendation of the Governor, shall determine the Board's composition, the remuneration of non-executive members, and attendance allowances.

Article (21):

The following qualifications shall apply to the Governor, Deputy Governors, Board members, and committee members:

- Must be Egyptian by birth to two Egyptian parents;
- Must enjoy full civil and political rights;
- Must be of good reputation, have not been convicted of a felony or a dishonorable or fraudulent misdemeanor, and never declared bankrupt or insolvent;
- Must not have been dismissed from a professional position or disbarred from a professional union through a final disciplinary ruling;
- Must not have any serious conflict of interest, or any interest that may affect impartiality or independence in decisions;
- Neither they nor their spouse or minor children may hold shares in any licensed entity. If they do, such shares must be relinquished within two months of appointment or acquisition;
- May not concurrently serve on the board of any licensed entity, be employed by it, or provide professional or advisory services to it;
- Shall not be members of any political party;
- Shall not hold public office.



Article (22):

The Board of Directors shall be responsible for establishing the Bank's systems and policies and overseeing their implementation. Its powers shall include but not be limited to:

- Approving the Bank's financial and investment policies and overseeing their implementation; approving the annual budget, financial statements, and performance reports;
- Determining currency denominations, technical specifications, issuance and circulation rules, and valuation of backing assets;
- Issuing regulations, rules, standards, and supervisory guidelines for licensed entities;
- Increasing the Bank's capital and forming necessary reserves from profits;
- Approving financial reporting systems, risk management, compliance, IT policies, and internal controls;
- Approving the Bank's organizational structure, including specialized technical and administrative units, upon proposal by the Governor;
- Ensuring the independence of internal audit, compliance, and risk functions;
- Issuing internal regulations concerning administrative, financial, and technical affairs, contractual procedures, personnel regulations, and disciplinary penalties, independent from general state or other entities' rules;
- Accepting grants and entering loan agreements with domestic and foreign entities.

Article (23):

The Board shall meet at least once monthly at its headquarters, upon the Governor's invitation or upon a request by two-thirds of its members. It may meet outside the headquarters within Egypt.

A meeting shall be valid only if a majority attends, including the Governor or a Deputy. Decisions shall be adopted by majority vote; in the event of a tie, the Chair's vote shall prevail.

Board members may participate via secure audiovisual communication methods, counting towards quorum and voting rights, provided no more than one-third of members participate remotely.



All Board deliberations shall remain confidential, and the Board shall adopt its working procedures and system by resolution.

Article (24):

The Governor and Deputies may be dismissed, and non-executive Board members may be removed, by presidential decree at the Board's recommendation after providing the member an opportunity to present a defense. Resignation or death shall not prevent removal.

Grounds for dismissal include:

- Loss of required qualifications;
 - Incapacity to perform duties due to health reasons;
 - Serious breach of duty;
 - Absence from three consecutive or five non-consecutive meetings in a year without accepted excuse.
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Article (25):

The Board may form committees from among its members to exercise delegated functions, including but not limited to: an Audit Committee, Monetary Policy Committee, Executive Committee, Investment Committee, and Risk Committee. The Board shall adopt terms of reference for these committees, which may enlist external expertise.

Non-members may join committees, subject to the qualification criteria of Article (21).

Committee deliberations shall remain confidential.

Article (26):

The Board may delegate some of its powers to the Governor or to Board committees, on fixed terms and subject to guidelines established by the Board. Such delegation shall not apply to powers under Article (22) or those contained in Chapters I, X, XI, XII, and XIII of Part Three of this Law.



Article (27):

The Audit Committee shall consist of three non-executive Board members, appointed by the Board, which also shall designate its chair. Optionally, one external expert may join the committee. Its mandate is to ensure the soundness of internal control systems and governance. The Committee may invite the external auditors or members of executive management to attend its meetings; such attendees shall have no voting rights.

Article (28):

The Monetary Policy Committee shall be chaired by the Governor and composed of the two Deputy Governors and three non-executive Board members selected by the Board.

Optionally, one outside expert in economics, banking, or finance may be included. The committee's mandate is to review reports and proposals from the monetary policy and markets departments and make decisions on monetary policy and instruments, including the determination of key interest rates, independently of other legal limits.

Article (29):

The Governor, Deputies, Board members, committee members, and Bank employees must comply with this Law, act with due diligence, devote their full efforts to the Bank, and preserve confidentiality. They shall not be personally liable for acts performed in good faith.

The Bank shall bear the costs of defending them in legal proceedings arising from their duties, except in cases of wilful misconduct or gross negligence.

The same provision applies to any appointed Commissioner or Temporary Administrator under this Law.

Article (30):

The Governor, Deputies, Board and committee members must disclose any direct or indirect interest conflicting with their duties or committee responsibilities. In such cases, they must not participate in discussions or voting.



Article (31):

Bank employees are prohibited from serving on the boards of licensed entities. The Board may, by decision, allow exceptions for banks or companies in which the Central Bank or any public legal person holds equity.

Article (32):

Notwithstanding Law No. 47 of 1973 regarding legal departments in public institutions, members of the Bank's Legal Department shall be governed by the Bank's internal staff regulations. The Board shall issue a resolution specifying the Department's authority and operating procedures to ensure its independence and impartiality.

Article (33):

Disciplinary accountability of Bank personnel shall be conducted before a Disciplinary Board composed of:

- One Deputy Governor chosen by the Board (Chair);
- Two State Council Deputy Presidents elected by the State Council's Special Board.

If the Chair is absent or disqualified, the other Deputy Governor shall assume the role. The referral to the Disciplinary Board shall be by decision of the Governor.

The rules applicable to disciplinary courts under the State Council Law shall govern such proceedings.

Decisions of the Disciplinary Board shall be final, though affected individuals may appeal to the Supreme Administrative Court.



Part Two: The Central Bank of Egypt

Chapter Four: The Financial System of the Central Bank

Article (34):

The Bank's fiscal year shall commence and conclude in line with the State's fiscal year.

Article (35):

The Bank shall prepare a financial status statement at month-end, comparing it with the preceding month. The statement shall be approved by the Board and published on the Bank's website.

Article (36):

The Bank's accounts shall be audited by two external auditors, one appointed by the Central Auditing Organization and the other by the Board upon nomination by the Audit Committee, from among the registered auditors. Their remuneration shall be agreed upon between the Bank and the Central Auditing Organization.

Audits shall comply with Egyptian auditing standards and the nature of central banking. The audits shall substitute for those of the Central Auditing Organization.

The Bank shall provide auditors with all necessary records, documents, and data. If an auditor is found negligent, the Bank, in agreement with the Central Auditing Organization, may dismiss and pursue them accordingly.

Article (37):

All fees and financial penalties imposed under this Law shall accrue to the Central Bank.



Article (38):

The Bank shall prepare its budget, including budgets of any specialized units. The Board shall approve the budget at least four months before the fiscal year begins, and a copy shall be sent to the Minister of Finance.

The Bank's budget shall not be included in the State's general budget.

Article (39):

Within three months following the end of the fiscal year, the Bank shall prepare the following:

- Financial statements for the concluded year, prepared under Egyptian accounting standards appropriate for central banks, signed by the Governor and external auditors;
- A report on its financial position and performance during the year, including an overview of Egypt's economic, financial, monetary, banking, and credit conditions.

These documents, along with the auditors' report, shall be submitted to the President of the Republic within thirty days of Board approval, with copies sent to the Speaker of the House of Representatives and the Prime Minister. The documents shall also be published on the Bank's website.

Part Two: The Central Bank of Egypt

Chapter Five: Disclosure Rules

Article (40):

The Central Bank shall disclose its monetary policy implementation measures, and its regulatory and supervisory decisions, through official publications in accordance with rules and timing set by the Board. Such disclosures shall be published in the Official Gazette or on the Bank's website, as appropriate.



Article (41):

The Governor shall notify the House of Representatives of the general framework of monetary policy when presenting draft laws on the State budget and national economic and social development plan. Any amendments to this framework during the fiscal year shall also be reported to the House.

The Central Bank shall determine the required data, statistics, and information, identify the obligated entities, establish confidentiality and data protection standards, and specify submission deadlines.

All relevant entities shall be obligated to provide the required data, statistics, and information to the Central Bank.

Part Two: The Central Bank of Egypt

Chapter Six: The Relationship Between the Central Bank and the Government

Article (42):

The Governor shall submit, every three months, a periodic report—approved by the Board of Directors—to the President of the Republic and the Prime Minister, containing an analysis of monetary, credit, and banking developments, as well as foreign debt balances during the reporting period.

The Governor shall also submit an annual report—approved by the Board of Directors—to the President, the Speaker of the House of Representatives, and the Prime Minister on the state of monetary and credit affairs in the Arab Republic of Egypt, within three months after the end of the financial year.

In the event of any occurrence likely to undermine the Bank's objectives, the Governor must immediately submit a report to the President and Prime Minister, detailing the causes and proposed remedial plan.

Article (43):

Net profits of the Central Bank shall be transferred to the State Treasury after deducting amounts allocated—by decision of the Board—for capital increases and reserves formation. Estimated profits shall be paid quarterly; adjustments between net profits and estimated profits shall be made based on actual results at the end of the year.



In no circumstances shall unrealised profits be distributed.

Article (44):

The Central Bank shall act as financial adviser and agent to the Government, and may represent it before international and regional institutions.

The Bank shall undertake banking operations for the Government and public entities, including domestic and foreign financing involving banks, payment system operators, and entities in which it holds equity, according to conditions and controls established by the Board. It shall not engage in such operations for other parties.

Article (45):

The Bank shall perform banking services for the Government and public entities and shall charge fees in accordance with its schedule of banking service fees, determined by the Board; such fees shall reflect prevailing market rates and be coordinated with the Minister of Finance.

Article (46):

The Government may authorize the Central Bank to issue, manage, and determine the maturities of government-issued securities of all types, and the Bank shall advise the Government accordingly.

The Central Bank is prohibited from transacting in domestically issued government debt instruments in the primary market.

Article (47):

The Central Bank may provide financing to the Government—upon request—to cover seasonal budget deficits, provided that such financing does not exceed 10% of the average annual revenues of the general budget over the previous three years. Such financing shall have a term of three months, renewable for similar successive periods, and must be fully repaid within twelve months from issuance.



Terms of such financing shall be agreed upon by the Bank and the Ministry of Finance, based on prevailing market interest rates.

Article (48):

Without prejudice to the Central Bank's legal competences, a coordination council shall be established by Presidential decree to align the Bank's monetary policy with the Government's fiscal policy.

The Council shall include representatives from the Government, the Central Bank, and other experts; the decree establishing the Council shall define its working rules.

The Council shall convene at least once every three months or as needed, and shall submit an annual report of its activities to the President.

Article (49):

A Financial Stability Committee shall be established, chaired by the Prime Minister, and including:

- the Central Bank Governor (as Vice-Chair),
- the Minister of Finance, and
- the Chair of the Financial Regulatory Authority.

The Committee shall coordinate efforts to maintain the stability of the financial system, prevent crises, and manage any crises that arise, without prejudice to the legal competences of any authority.

The Committee may seek external expertise and shall meet at least quarterly or as needed. It shall submit an annual report on its operations to the President, the Speaker of the House of Representatives, and the Cabinet.



Article (50):

Without prejudice to the Central Bank's statutory powers, the National Payments Council shall be established by Presidential decree with the objective of reducing the use of physical banknotes and promoting the adoption of electronic payment channels as a means to enhance financial inclusion and integrate more citizens into the formal financial system.

The Council shall be chaired by the President and comprise the Prime Minister, the Governor, representatives of the Government and the Central Bank, and other experienced individuals and relevant stakeholders. A Presidential decree shall determine its operational rules.

The Council shall convene at least quarterly or as required. A technical secretariat, headed by the Governor, shall support the Council—responsible for preparing agendas and minutes, circulating decisions and recommendations, and monitoring implementation. The Governor shall issue a decree defining the secretariat's formation and functions.

Article (51):

Without derogating from the Central Bank's statutory powers, a committee shall be formed under the Prime Minister's chairmanship, with membership that includes the Governor, the Minister of Finance, and representatives from the Central Bank and Ministry of Finance, to consult and study financial interaction issues between both institutions and to develop plans to resolve financial overlap.

The committee shall meet at least quarterly or as needed. A Prime Ministerial decree shall establish the committee's working procedures and its technical secretariat.



Chapter Seven: Cooperation Between the Central Bank and Foreign Counterpart Authorities

Article (52):

Within the exercise of its functions, the Central Bank may enter into cooperation protocols, memoranda of understanding, or agreements with foreign counterpart authorities aimed at coordinating, collaborating, and exchanging information on matters including:

- Exchange of information on agreed topics such as licenses, ownership changes, joint supervision, enforcement measures, early intervention, resolution of distressed banks, and payment systems oversight;
- Mutual inspection of branches or subsidiaries of banks registered with the Central Bank and counterpart authorities;
- Prior coordination or notification before actions that could affect any banks under the other authority's supervision;
- Coordination of supervisory and resolution measures for foreign banks or their branches operating domestically or overseas, including recognition and support of prior actions taken.

Such cooperation shall only proceed if the confidentiality regime of the counterpart authority aligns with the confidentiality standards specified in this Law.

Article (53):

The Central Bank may participate in, or establish, supervisory or resolution groups formed by foreign counterparts for distressed banks with branches or subsidiaries in Egypt.



Article (54):

The Central Bank is obliged to use information obtained from foreign counterpart authorities only for the agreed purposes. Disclosure to third parties requires prior consent of those authorities, except for defending the Central Bank in legal proceedings pursuant to Article (143)(h). The Bank must ensure that shared information is used only for agreed purposes unless it obtains written permission otherwise.

Article (55):

The Central Bank shall coordinate with foreign counterpart authorities before issuing a resolution for any branch or foreign bank operating in Egypt, considering the potential impact on the banking system of the foreign jurisdiction.

Article (56):

The Central Bank may recognize resolution decisions issued by foreign counterpart authorities concerning branches or subsidiaries of foreign banks in Egypt, or issue complementary decisions, provided they do not adversely affect financial stability or rights of depositors or other creditors in Egypt.

Part Two: The Central Bank of Egypt

Chapter Eight: "Regulation of Currency Issuance"

Article (57):

The official currency of the Arab Republic of Egypt shall be the Egyptian Pound, divided into one hundred piastres.

Article (58):

The exclusive authority to issue and withdraw currency rests with the Central Bank. The Board of Directors shall determine denominations, technical specifications, issuance and withdrawal procedures. Banknotes shall bear the signature of the Governor.



Article (59):

No person other than the Central Bank may issue coins or banknotes resembling official currency. It is prohibited to deface, damage, or inscribe on currency in any manner.

Article (60):

Currency issued by the Central Bank shall have unlimited legal tender power.

Article (61):

Currency in circulation must at all times and in full be backed by reserves consisting of gold, foreign currencies, foreign securities, Egyptian and foreign government debt instruments, and any other Egyptian government-guaranteed securities.

Article (62):

Gold, foreign currency, and other reserve assets shall be deposited in the Central Bank's vaults in Cairo, or with banks registered with the Central Bank or with foreign banks or institutions outside Egypt approved by the Board. All such assets shall be held in the name of and on behalf of the Central Bank.

Part Three: Regulation of the Banking System

Chapter One: Bank Licensing

Article (63):

No natural or legal person may engage in banking activities unless duly registered under this Chapter. Public legal persons may undertake such activities within the limits of their incorporation mandates. No unlicensed entity may use the word “bank” or any misleading equivalent in any language in its name, trade address, or publicity where it may mislead the public.



Article (64):

The Board may grant preliminary approval to any entity seeking a banking license if it meets the following conditions:

- Be established as an Egyptian joint-stock company or a branch of a foreign bank;
- Have a minimum issued and paid-up capital of EGP 5 billion (or, for foreign branches, USD 150 million or equivalent in freely convertible currency);
- Have a transparent ownership structure, clearly identifying ultimate beneficial owners and lawful sources of funds;
- Not conflict with Egypt's public economic interests;
- Not undermine competition or foster monopoly;
- Use a name unlikely to cause confusion with other banks or entities;
- Provide a financially and economically viable business plan including activities, services, and market strategy;
- Show honesty, integrity, and financial capacity in key individuals;
- Present robust governance, risk, internal control, management, and strategic planning frameworks.

For foreign bank subsidiary or branch applications, the head office must have a fixed nationality, be supervised by a foreign counterpart authority supportive of consolidated supervision, and consent to joint supervision arrangements with the Central Bank. Exceptions to the capital threshold may be made for specialized banks or digital banks.

Article (65):

Applicants must submit a written request to the Central Bank for preliminary approval, accompanied by documents determined by Board decision and a non-refundable application fee of EGP 1 million. The Board shall issue its decision within 90 days of a complete application.

If approval is granted, establishment procedures must be completed within one year—or the approval lapses; the Board may extend this deadline once. Rejection must be communicated within 30 days of decision.



Article (66):

Entities with preliminary approval must apply to the Governor for the banking license, accompanied by documents specified by the Board. The Governor must approve appointments of the initial Board of Directors under Article (120). The Board shall decide on the license within 60 days (extendable once). Applicants must notify the Central Bank of any material changes.

Article (67):

Applicants for establishing a foreign bank's branch in Egypt must request preliminary approval with required documentation and evidence of USD 50,000 paid application fee. The request shall be assessed under cooperation policies agreed with the foreign counterpart authority, and decided within 90 days (extendable once). Branch must be established within six months or the approval lapses.

Article (68):

Those granted preliminary approval to establish a foreign bank branch must submit a full license application to the Governor, including:

- an unconditional guarantee by the foreign bank's head office covering all deposits, creditor rights, and liabilities;
- a delegation naming the branch manager and deputy, with prior approval from the Governor under Article (120).

The Board shall decide within 60 days of a complete application. Applicants must notify the Central Bank of any change in application data.

Article (69):

Applicants will be notified of approval or requirements to supplement their application within 90 days of submission. Failure to provide requested documents within 90 days results in forfeiture of the application.

Board licensing decisions shall be published in the Official Gazette at the licensee's expense and on the Bank's website.

Rejections shall be issued by Board decision and communicated within 30 days.



Article (70):

Licensed banks, branches of foreign banks, their branches and agencies shall be registered in a special Central Bank registry. A one-time inspection fee must be paid: EGP 500,000 for the head office, EGP 250,000 per branch, and EGP 100,000 per agency or sub-branch. For foreign bank head offices: USD 25,000; USD 10,000 per additional branch; USD 5,000 per agency/sub-branch. Governor's approval is required before establishing or opening any branch or agency for operations.

Article (71):

After Board approval, the Governor may license foreign banks to open representative offices in Egypt under the following conditions:

- They shall not have operational branches in Egypt;
 - Their head offices must be regulated by a Foreign Counterpart Authority and consent to establishing a representative office in Egypt;
 - Their activities must be limited to market research, investment advisory, liaison functions—without engaging in banking operations, agent or brokerage services. Such offices shall be registered in the Central Bank's special register under company law, with a USD 20,000 registration fee. The Governor must approve the appointment of the office's head and ensure compliance with Board criteria. An annual oversight fee, up to USD 5,000, is due in January. Representative offices fall under Central Bank supervision, with a right to review records and request information. Changes to registration details must be reported. The Governor may issue warnings, suspend operations (up to one year), or revoke licenses and remove entries. Offices must notify the Central Bank at least 30 days before temporary or permanent closure. All subject to Board regulations.
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Part Three: Regulation of the Banking System

Chapter Two: Ownership Rules in Banks' Capital

Article (72):

Egyptians and non-Egyptians may acquire bank capital without any statutory maximum limits, unless otherwise stipulated in this Chapter.

Article (73):

Any person holding over 5% (but not exceeding 10%) of a bank's issued capital or voting rights must notify the Central Bank within 15 days of acquisition, using the Governor's prescribed form.

Article (74):

No person—and their connected parties—may own more than 10% of a bank's issued capital or voting rights, or exert de facto control, without prior approval from the Board, including increases above the permitted threshold. In violation, voting rights and dividend entitlements in excess of the approved threshold are suspended. The excess must be divested within six months, or the Central Bank may request the Financial Regulatory Authority to appoint a brokerage firm to sell the excess shares, with the net proceeds paid to the shareholder. The Board shall issue disclosure requirements relating to bank share ownership and ultimate beneficial ownership; non-compliance triggers the aforementioned remedy.

Article (75):

Applications to acquire more than 10% of a bank's issued capital or voting rights or to gain control must be submitted at least 60 days prior to completion, on the Governor's form, along with required documentation and a report on the applicant's financial capacity, ownership objective, intended management plans, governance policy, and related party holdings.

If acquisition is non-voluntary (e.g., via inheritance, IPO allocation, merger), a continuation application must be submitted within 30 days of becoming aware of the acquisition.



Article (76):

If an individual or connected parties obtain over 10% through inheritance or similar non-voluntary means and fail to apply within the required timeframe, the Board shall require compliance within one year—extendable once if resale proves difficult. Failure to comply triggers the sanction set out in Article (74).

Article (77):

Conditions for approving ownership requests (Article 75) include:

- Clear ownership structure;
- Adequate financial capacity;
- Verified source of funds;
- No harm to competition or operational stability;
- Legitimate ownership objectives not detrimental to depositors;
- Banking expertise and no convictions for dishonourable or anti-money-laundering offenses.

Foreign banks must also be supervised by a competent foreign authority applying consolidated supervision and cooperative oversight with the Central Bank. Foreign beneficial owners and depositary receipt holders are bound by these rules.

Board-prescribed procedures apply.

Article (78):

Applicants shall be informed of approval or rejection within 60 days. Approval is valid for six months (extendable). For rejected non-voluntary ownership cases, the Central Bank will issue divestment orders—within one year for inheritance cases, or within three months for IPO/merger scenarios; extensions possible. Failure to divest triggers sanctions under Article (74).



Article (79):

Any individual or connected party whose ownership drops below the licensed threshold must notify the Central Bank through the Governor's prescribed form.

Article (80):

Every bank must notify the Central Bank when any person or connected parties: (a) acquire over 5%, or increase/decrease holdings by $\pm 1\%$; (b) when any significant shareholder's ownership drops below their authorized level.

Article (81):

The Stock Exchange and the Central Depository Company must notify the Central Bank when any shareholder and their connected parties exceed 5% or alter holdings by $\pm 1\%$.

Article (82):

Banks must maintain and regularly update a register of any holders owning over 5% or with de facto control, and notify the Central Bank of all changes, in accordance with Board rules.

Part Three: Regulation of the Banking System

Chapter Three: Rules for the Supervision and Oversight of Banks

Article (83):

All banks must conduct their operations in accordance with:

- Applicable laws, regulations and internal policies; notify the Central Bank of significant breaches;
- Effective risk management and sound financial condition;
- Transparency and integrity;



- Due diligence and client protection;
 - Good governance, succession planning, and competitive practices;
 - honesty and transparency toward the Central Bank;
 - robust conflict-of-interest management.
-

Article (84):

The Board may establish supervisory and regulatory standards, including:

- Capital adequacy metrics and leverage limits;
- Exposure concentration limits;
- External debt and off-shore financing limits;
- Collateral and credit facility ratios;
- Reserve requirements;
- Investment ceilings in securities, real estate, consumer credit;
- Currency exposure limits;
- Account opening and product governance rules;
- Asset valuation methodologies;
- Bank governance obligations re. board duties, independence, remuneration, performance standards;
- Banking code of conduct;
- Internal control and risk management frameworks;
- Consolidated supervision rules;
- Disclosure and financial reporting requirements;
- Fit and proper standards for senior officials;



- Issuance and guarantee limits for debt instruments;
- Single-borrower exposure limits and connected-party exposures;
- Rules governing dealings with related parties;
- Bank ownership approval procedures;
- Whistleblowing procedures;
- Rules governing issuance of foreign deposit certificates;
- Rules governing issuance of financial instruments and derivative transactions, unhindered by Article 465 of the Civil Code.

Article (85):

The Board shall set liquidity ratios and investment guidelines, including:

- Prohibited investment sectors;
- Provisioning rules for volatile assets;
- Minimum liquidity ratios and asset types.

If a bank breaches liquidity requirements, the Board may deduct from the bank's reserves twice the interest equivalent of the liquidity shortfall, based on Central Bank base rates. If shortfall persists over one-month, further sanctions under Article (144) may apply.

Article (86):

The Board shall define criteria for classifying credit exposures, non-performing loans, and required provisions, and instruct banks on remediation steps. Internal audit and external auditors must verify compliance and report annually. The Central Bank shall monitor and issue remediation orders within 30 days; unresolved breaches may trigger actions per Articles (144) and (147). The Board shall receive six-monthly consolidated reports on non-performing credit facilities.



Article (87):

Banks are prohibited from:

- Issuing demand bearer instruments;
 - Using their own shares as collateral or trading in their own shares, unless they acquired them in satisfaction of debt—these must be sold within six months;
 - Holding owned equity above the bank's capital unless for trading;
 - Participating as unlimited partner in partnerships;
 - Buying real estate or movable property except for operational premises, staff facilities, or repossessed assets (movables within one year, real estate within five);
 - Granting credit to purchase shares of its own capital.
-

Article (88):

Banks may set their own interest rates and service fees, provided financial stability, competition rules, and anti-monopoly regulations are respected. Banks must disclose actual rates and fees to customers as required by the Board.

Article (89):

Banks must maintain reserves at the Central Bank, as a percentage of deposits determined by the Board. The Board may authorize payment of interest on such reserves. For reserve breaches, the Board may deduct from the bank's Central Bank balance according to the Central Bank's base interest rate and impose additional sanctions if the shortfall exceeds 5%.

Article (90):

Banks must conduct at least quarterly risk assessments, especially for investment and credit risk, take appropriate corrective actions, submit the report to the Risk Committee, and have the board adopt it in its next meeting.



Article (91):

A bank must hold assets within the Arab Republic of Egypt equivalent to its performance obligations, plus an amount not less than the minimum issued and paid-up capital as stipulated in Article (64). For purposes of this Article, any overseas assets authorized by the Board to be recognized as domestic reserves shall be included in the bank's domestic asset calculation.

Article (92):

Any proposed amendment to a bank's incorporation contract or articles of association must be notified to the Central Bank before being submitted to the General Assembly. Changes to data previously submitted during licensing must also be notified. Such amendments may only proceed following preliminary approval by the Central Bank, subsequent approval by the General Assembly, adoption by the Board, and registration in the special Central Bank registry using the Governor's prescribed form.

Article (93):

The Board shall determine an annual oversight fee for banks, payable during January each year and not exceeding EGP 2 per EGP 10,000 of the bank's average monthly consolidated position for the preceding year. Late payment shall incur interest calculated at the Central Bank's standard rates.



Article (94):

Each bank must submit a contingency plan setting out assumptions for systemic or bank-specific shocks, potential financial distress, and corrective actions to restore solvency or liquidity. The bank must update this plan biennially or upon material changes in operations, structure, exposures, or planning assumptions, and maintain a system for recording all financial contracts in real time. The Board must approve the plan and oversee executive compliance. This requirement does not limit other Central Bank actions under this Law. Rules and procedures shall be Board-determined and tailored to each bank's size and business.

Article (95):

The Central Bank shall prepare a resolution plan for distressed banks following a viability assessment, excluding government support or emergency funding. Banks are required to remove obstacles to execution and respond to Central Bank data requests concerning holding companies, affiliates, or principal shareholders, as defined by the Board.

Article (96):

The Board shall specify important outsourced services and technology providers essential to banking operations, and define their registration requirements, including governance, risk management, performance, and data confidentiality standards. Banks are prohibited from engaging unregistered service providers and remain fully responsible for outsourced functions.

Article (97):

A bank may, subject to prior Board approval, merge with another, demerge into new entities, or restructure, following Board-adopted procedures that protect employee rights and ensure competition. The Board shall establish rules for preparing due diligence reports (DDRs), merger, acquisition, and demerger procedures. With approval, the licenses of affected banks shall be canceled and their registrations removed; such decisions must be published in the Official Gazette and on the websites of the Central Bank and affected banks within ten days.



Article (98):

The Board may set concentration limits on any bank's exposure to a single borrower or related party—not exceeding 30% of the bank's capital base in necessary cases.

Article (99):

Each bank must establish credit policies, including procedures to assess creditworthiness, verify client information, approve credit, and monitor its use. Lending powers rest with bank management, not the board. The board must receive regular comprehensive reports on loan portfolio performance, in line with Board-issued credit granting rules.

Article (100):

Applicants for credit must disclose ownership structure, related parties, shareholding details, and outstanding debts with other institutions, and certify the data's accuracy. The bank must perform due diligence to verify this information before considering the application.

Article (101):

Credit may only be extended to clients of good reputation with sufficient internal resources and projected cash flows to meet obligations. The Board may establish additional eligibility criteria. Banks may require additional acceptable collateral. The Board shall define collateral valuation standards and procedures. Credit may not be renewed or modified before the client confirms existing balances.

Article (102):

Without prejudice to movable guarantee laws, each bank must maintain a register of tangible collateral received and verify ownership documents and appraised value. The Risk Committee must ensure periodic revaluation and remediation of collateral decline. Registers are subject to Central Bank inspection, and the Central Bank may require enhanced collateral where necessary.



Article (103):

The Central Bank shall maintain a registry of accredited technical consultancy firms eligible to evaluate collateral. The Board shall determine registration criteria and responsibilities.

Advisory firms are liable for evaluation reports; the Board may suspend or remove them for underperformance, and may require them to account for shortcomings.

Article (104):

Banks must ensure that credit is used solely for approved purposes and monitor usage; borrowers are prohibited from diverting credit to unauthorized uses.

Article (105):

Banks must provide account statements to clients at least quarterly, who must respond—via registered letters within 30 days—confirming or disputing balances. Failure to respond is deemed assent unless proven otherwise. Notification and response may be conducted through agreed electronic means. Client lawsuits for debt amount determination do not suspend bank's debt collection rights, unless the court orders otherwise.

Article (106):

Commercial mortgage agreements securing financing by pledging retail or commercial premises, once registered, shall constitute enforceable executive documents under Civil and Commercial Procedures Law (Article 280). Foreign banks or international finance institutions may accept such pledges in Egypt. The Central Bank may license banks to accept commercial mortgages.

Article (107):

In cases where a bank, as pledgee creditor, holds a contractual right to sell pledged securities or financial instruments if the debtor defaults, it may do so in accordance with applicable trading rules after ten business days' written demand via bailiff documents—without observing the provisions of Articles 126 or 129 of the Commercial Code or Article 8 of the Capital Market Law.



Article (108):

Without prejudice to existing laws on property pledges, mortgages for real estate, aircraft, ships, or commercial premises, banks may record pledged real estate collateral at the appropriate Real Estate Registry Office by submitting the ownership deed, real estate certificate, borrower and collateral data, and credit instrument details. Registry staff must verify boundaries and property data and decide within 15 days if submission is complete; rejection may only be for incomplete documentation. Applicants shall be notified within 7 days by registered mail. Enforcement on mortgaged property follows collateral finance law provisions (Articles 12 to 27). If sale proceeds do not satisfy the loan, the pledger remains liable up to the unpaid portion. Enforcement costs are collected from the proceeds.

Article (109):

Subject to statutory exemptions, fees for registering and renewing both official and commercial pledges of collateral to banks or finance institutions shall be halved, with maximum amounts as follows: EGP 25,000 for pledged value up to EGP 10 million; EGP 50,000 up to EGP 20 million; EGP 75,000 up to EGP 30 million; EGP 100,000 exceeding EGP 30 million. Fees for removing such pledges upon discharge are fully waived.

Article (110):

The Board may license credit guarantee companies—structured as Egyptian joint-stock companies with paid-up capital of not less than EGP 50 million. It shall set licensing, operational, and oversight rules, and maintain a registry of these firms after a registration fee of EGP 100,000 for head office and EGP 50,000 per branch. Annual oversight fees, up to EGP 100,000, are due in January. Articles (144) and (145) shall apply suitably to these firms.



Chapter Five: Credit Registry System

Article (111):

The Central Bank shall operate credit registry systems for bank credit exposures, credit facilities, foreign indebtedness, and external guarantees. Banks and credit institutions must submit data in compliance with Board-issued procedures and coordinate with the Financial Regulatory Authority where applicable.

Article (112):

The Board may license credit information and rating companies covering consumer finance and other credit providers, structured as Egyptian joint-stock firms with paid-up capital of at least EGP 200 million. The Board shall regulate licensing criteria, oversight, and annual fees (up to EGP 100,000). Articles (144) and (145) apply appropriately, and a Central Bank registry shall be maintained.

Article (113):

Banks and credit providers must report customer credit exposures to the Central Bank immediately upon approval of credit. The Central Bank may require updates to ensure completeness. The system must interconnect with Central Bank and credit-rating firm databases.

Article (114):

Public utility operators in sectors specified by the Central Bank must provide data about credit applicants to credit-rating companies, with applicant consent. The Board shall specify required data, format, and submission timelines.



Article (115):

Upon receiving information under Articles (113) and (114), the Central Bank and credit-rating firms must generate a consolidated credit profile for each customer and related parties.

Banks and lenders must consult such profile before granting, renewing, or increasing credit and may request extracts.

Article (116):

The Central Bank, banks, credit providers, and credit-rating firms shall exchange information regarding customer indebtedness and credit exposures per Board rules, with appropriate confidentiality safeguards, ensuring data suffices for prudent credit granting.

Part Three: Regulation of the Banking System

Chapter Six: Bank Governance

Article (117):

Each bank must adopt an internal policy that incorporates governance and internal control standards, in accordance with the rules and guidelines issued by the Central Bank's Board of Directors.

Article (118):

Each bank shall be managed by a Board of Directors composed of members possessing diverse expertise. The General Assembly shall elect the Board for a three-year term. The Board shall meet periodically upon invitation by its chair or upon request by a majority of its members. Members may participate in meetings via secure audiovisual communication, and such participation shall count toward quorum and voting.

The General Assembly shall determine the remuneration and benefits of non-executive Board members, and the Board shall set the compensation of the Managing Director, all in accordance with the procedures established by the Central Bank's Board.



Article (119):

Without prejudice to the powers of the General Assembly, the Board of Directors shall form the necessary committees to fulfill its duties, including an Internal Audit Committee composed of at least three non-executive Board members selected by the Board.

The Board may appoint one external expert to the Committee, subject to the Governor's approval. The Audit Committee shall meet at least once every quarter in the presence of the external auditors, and it may seek advisory expertise as required.

The Committee shall report its recommendations to the Board. The external auditors may request meetings with the Audit Committee as needed.

The Board may also form committees for risk, remuneration, governance, nominations, or others, and shall define the duties, responsibilities, and operating procedures for each.

Article (120):

The appointment of key senior officials in the bank is subject to prior approval by the Governor, based on compliance with the criteria for professional competence, integrity, and fitness as set forth in Article (84)(s), and following the procedures established by the Central Bank's Board.

If the Governor denies approval, the decision must be reasoned and justified.

Article (121):

Key senior officials must exercise their responsibilities in accordance with the following principles:

- Adherence to laws, regulations, and the bank's internal policies;
- Due diligence and care in performing duties;
- Honest cooperation with the Central Bank and prompt disclosure of any violations or risks;
- Direct supervision of delegated tasks while maintaining ultimate accountability;
- Avoiding conflicts of interest and prioritizing customer and institutional interests.



Article (122):

No member of the Board may serve concurrently on the board of another bank or credit institution, either in a personal capacity or as a representative.

They may not provide advisory or managerial services to another bank or credit institution.

Article (123):

Banks are prohibited from granting credit facilities, overdrafts, or issuing guarantees to any member of the Board of Directors, the Chairperson, the auditors, their spouses, or relatives up to the second degree.

This prohibition extends to companies or entities in which they or their relatives have a controlling interest or managerial role.

Exemptions apply only to secured facilities or staff credit schemes approved by the Board under established internal policies.

Article (124):

In accordance with the Law on the Accountability Authority, each bank must appoint two external auditors from the registry approved by the Central Bank.

No auditor may audit more than two banks at the same time or have any financial interest in the bank.

The bank must notify the Central Bank of the appointments within thirty days.

The Governor may appoint a third auditor for specific tasks at the expense of the Central Bank.

Article (125):

Auditors must prepare reports on the bank's financial statements in accordance with Egyptian Auditing Standards and the Central Bank's procedures.



These reports shall be submitted to the Central Bank at least thirty days before the General Assembly meeting, accompanied by the financial statements and a detailed report covering:

- Asset valuation methods and changes;
- Internal control systems;
- Adequacy of provisions and any shortfalls;
- Any additional information required by the Central Bank.

The General Assembly cannot be held until the Central Bank provides its opinion.

The Governor may withhold approval for profit distribution and require adjustments to provisions or capital if deficiencies are found.

Article (126):

Auditors are required to immediately notify the Central Bank in the event of:

- Financial losses threatening the bank's soundness;
- Management practices that may harm the bank's reputation or stability;
- Conflicts of interest or control deficiencies.

Article (127):

Auditors are responsible for the accuracy and completeness of their reports, particularly in relation to credit risks and investment activities.

The General Assembly may request the Central Bank to examine an auditor's performance.

If shortcomings are proven, the Central Bank's Board may suspend or remove the auditor from its registry and initiate disciplinary proceedings.



Part Three: Regulation of the Banking System

Chapter Seven: Reporting and Disclosure Rules

Article (128):

The financial year of the bank begins on January 1 and ends on December 31. Quarterly financial statements must be prepared in accordance with Egyptian Accounting Standards and published in a daily newspaper and on the bank's website, along with summary audit and Board reports.

Article (129):

Banks shall submit regular financial data to the Central Bank—monthly, weekly, and daily—according to the formats and schedules set by the Governor.

The Central Bank may request additional information as needed from the bank or any of its affiliates, subsidiaries, or controlling entities.

Article (130):

The Central Bank may conduct inspections of banks, access their records and systems, and review minutes of management and Board meetings, whether the bank is located inside or outside Egypt.

Inspectors shall be appointed by the Governor and are authorized to examine all relevant documents.

Article (131):

Banks must address findings from both on-site inspections and off-site supervision within timelines specified by the Central Bank.

The Central Bank may, at its own expense, appoint independent experts to verify compliance.



Article (132):

Banks must submit notices, agendas, and Board reports for the General Assembly to the Central Bank at least thirty days before the scheduled meeting.

Meeting minutes must be sent within thirty days after the Assembly is held.

The Central Bank may postpone the meeting for up to thirty days if deemed necessary.

Part Three: Regulation of the Banking System

Chapter Eight: State-Owned Banks

Article (133):

State-owned banks are subject to the same regulatory provisions as other banks unless otherwise stated in this Chapter.

They and their employees are exempt from the Public Business Sector Law and are not subject to disciplinary systems governing state employees.

Article (134):

The Chairperson and members of the Board of Directors of wholly state-owned banks shall be appointed by the Prime Minister, subject to compliance with the qualifications required under Article (120).

Article (135):

State-owned banks shall adopt internal HR policies under the Labor Law, including compensation and incentive systems.

They shall be exempt from public sector wage and personnel laws.



Article (136):

Representatives of state-owned banks on the boards of affiliate companies are appointed for one renewable term by the bank's Board.

Changes may be made during the term in accordance with Article (120).

Article (137):

A General Assembly shall be formed for each state-owned bank by decree of the Prime Minister.

It shall be chaired by a banking or financial expert and composed of specialists in relevant fields.

The Assembly shall oversee approval of financial statements, profit distribution, governance amendments, and mergers or spin-offs, subject to Cabinet approval.

The Central Bank may attend as an observer.

Article (138):

If the private sector acquires a share in a state-owned bank, the provisions of this Chapter no longer apply.

Representation of state ownership in the General Assembly shall be designated by the Prime Minister.

Article (139):

State-owned banks' financial results shall not be included in the State's general budget. Their net profits, after allocations and employee profit-sharing, shall be transferred to the State Treasury.



Article (140):

All customer data—accounts, deposits, safe-kept valuables, and transactions—shall be strictly confidential and may not be disclosed without written consent from the client or their legal representative, or by judicial or arbitral order.

This obligation applies to all persons and authorities, and remains valid after the banking relationship ends.

Article (141):

Where a serious criminal investigation is ongoing, the Public Prosecutor or a delegated senior prosecutor may request the Cairo Court of Appeal to authorize disclosure of banking information.

Affected parties must be notified within three days.

The right to request account information also applies in criminal cases relating to money laundering, terrorism financing, or certain military affairs.

Article (142):

It is strictly prohibited for any individual—by virtue of their position or authority—to disclose confidential client information unless permitted by law.

This obligation continues even after the individual leaves their position.

Article (143):

The provisions of Articles (140) and (142) of this Law shall not prejudice the following:

- The duties legally assigned to bank auditors and the powers conferred by law on the Central Bank.
- The obligation of the bank to issue a statement indicating the reasons for dishonoring a cheque or a direct debit order, or to provide evidence of partial payment of either, upon request of the entitled party, in cases of insufficient funds.



- The right of the bank or any credit or finance-granting institution to disclose all or part of the customer's transaction data necessary for initiating legal proceedings or for asserting the institution's rights in any dispute with the customer regarding such transactions.
 - Laws and regulations related to anti-money laundering and combating the financing of terrorism.
 - Information and data provided by credit rating and information companies in accordance with the rules set by the Board of Directors.
 - The authority of the Central Bank to exchange data and information with counterpart foreign authorities in other countries, the Financial Stability Committee, and the Financial Regulatory Authority.
 - Access to data and information necessary for preparing due diligence reports in cases of mergers, acquisitions, or division involving a controlling interest in a bank.
 - The Central Bank's right to defend itself in judicial or arbitration proceedings or to notify the Public Prosecution in the course of exercising its legally conferred powers.
 - Access by outsourcing service providers to customer data necessary for the performance of delegated services.
 - The obligation of bank employees, payment system operators, and payment service providers to report violations discovered in the course of their work, in accordance with whistleblowing rules set by the Board of Directors.
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Part Three: Regulation of the Banking System

Chapter Ten: Corrective Measures and Sanctions

Article (144):

If any bank or key official is found to have violated any provision of this Law or the regulations or decisions issued in implementation thereof, the Board of Directors may take one or more of the following actions or penalties, in proportion to the nature, seriousness, and circumstances of the violation:

- Issuance of a warning.
- Obligation for the bank to remedy the violation and take corrective measures within a specified period.
- Appointment of a representative to attend meetings of the bank's board or general assembly, without voting rights.
- Requirement for the chairman of the violating bank's board to convene a board meeting to consider the violations and take necessary actions, with Central Bank representatives attending without voting rights.
- Obligation for the bank to convene its general assembly to take necessary measures, including discussing topics deemed necessary by the Central Bank; the Central Bank may convene it directly if the bank fails to do so.
- Suspension, restriction, or prohibition of the bank, its branches, or subsidiaries from conducting certain activities or transactions with specific parties, principal shareholders, or related parties.
- Requirement for the violating bank to deposit non-interest-bearing balances at the Central Bank, according to rules set by the Board of Directors, in addition to the balance specified in Article (89) of this Law.
- Imposition of financial penalties on the bank.
- Dismissal of one or more key officials.

The Central Bank may publish any of the above actions or penalties.



Article (145):

When imposing financial penalties in accordance with Article (144), the Board of Directors shall ensure that the amount is not less than the gains derived from the violation and is proportionate to the seriousness and harm caused.

The Board may grant partial relief from the penalty based on the violator's degree of cooperation in remedying the violation, except for amounts gained as a result of the violation subject to penalty.

All of this shall be governed by rules and procedures issued by the Board of Directors.

Part Three: Regulation of the Banking System

Chapter Eleven: Early Intervention

Article (146):

The Central Bank may take any of the actions or penalties set out in Article (147) of this Law upon the occurrence of any of the following circumstances:

- Unsound banking practices by the bank.
 - Failure to comply with corrective actions taken under Article (144).
 - Significant mismatch between the maturity profiles of the bank's assets and liabilities.
 - High liquidity costs due to reliance on exceptional or costly funding sources.
 - Deterioration in asset quality affecting the bank's financial soundness or depositors' interests.
 - Decrease in profitability threatening the bank's medium- or long-term viability.
 - Deterioration in the bank's financial soundness indicators.
 - Deficiencies in governance, risk management, internal controls, or accounting policies.
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Article (147):

In the event of any of the cases outlined in Article (146), and without prejudice to other legal actions available under this or any other law, the Board of Directors may require the bank to implement one or more of the following measures, as appropriate:

- Strengthening governance, risk management, internal controls, and accounting policies.
- Compliance with additional regulatory requirements imposed by the Central Bank.
- Provision of additional funding and restoration of liquidity ratios to acceptable levels.
- Establishment of additional provisions and reserves, or increasing paid-in capital or the capital allocated to foreign branches.
- Reduction of financial benefits for key officials and senior employees.
- Prohibition on the distribution of profits or financial benefits to shareholders or other stakeholders.
- Implementation of measures from the plan referred to in Article (94).
- Submission of a time-bound corrective action plan approved by the Central Bank.
- Obtaining prior Central Bank approval before conducting certain transactions or activities.
- Limiting the total assets of the bank for a specified period.
- Closure of certain branches or sale of specific operations, investments, or subsidiaries.
- Submission of a restructuring plan including rescheduling of liabilities, replacement of high-risk assets, or shareholder financial commitments approved by the Central Bank.
- Modification of the bank's business model, branches, subsidiaries, statutes, or organizational structures.
- Removal of one or more key officials.
- Dissolution of the board of directors and appointment of a temporary manager for up to six months, renewable once, with a requirement to present a new board to the general assembly before the term ends.



- Merger with another bank.

If a principal shareholder fails to meet obligations or corrective measures, or loses eligibility under Article (77), the Board may suspend voting rights and require sale of shares within a specified period, or else proceed with forced sale per Article (74)(2).

The Central Bank may publish any of these actions or penalties.

Article (148):

The concerned bank must submit reports to the Central Bank regarding the implementation status of measures taken under Article (147) at the times and in the manner determined by the Board of Directors.

The Board may suspend, amend, or revoke any of the imposed measures.

Part Three: Regulation of the Banking System

Chapter Twelve: Resolution of Distressed Banks

Article (149):

Banks registered with the Central Bank are subject to the provisions of this Chapter in cases of financial distress.

The provisions of the Restructuring, Preventive Settlement, and Bankruptcy Law issued under Law No. 11 of 2018 shall not apply to such cases.

Article (150):

The Central Bank is the competent authority for resolving the situations of distressed banks and may exercise its powers or implement the measures stipulated in this Chapter either directly or through an appointed resolution official.

The Board of Directors is responsible for issuing the necessary decisions and instructions for the implementation of the provisions of this Chapter.



Article (151):

The resolution measures taken by the Central Bank pursuant to this Chapter aim to:

- Preserve the stability of the banking system.
 - Protect the interests and funds of depositors.
 - Minimize the use of public funds in resolving distressed banks.
 - Reduce creditor losses to the greatest extent possible.
-

Article (152):

The resolution of distressed banks shall be carried out in accordance with the following principles:

- The resolution measure must be proportionate to the degree of the bank's distress.
 - Losses shall first be absorbed by shareholders' equity.
 - Remaining losses, if any, shall be absorbed by the bank's creditors, in reverse order of priority specified in Article (175), subject to exceptions provided by this Law.
 - Creditors of the same class shall be treated equally, unless otherwise provided in this Law.
 - No creditor shall bear losses exceeding what they would have incurred had the bank been liquidated under Law No. 11 of 2018, following the priority of claims under Article (175) of this Law.
-

Article (153):

The Central Bank may declare a bank distressed and initiate resolution proceedings in any of the following cases:

- The bank's financial position has substantially weakened or depositor interests are at risk.
- The bank is unable to meet its obligations to depositors or other creditors.



- The bank's liabilities exceed the value of its assets.
- Shareholders' equity is insufficient to cover the required provisions.
- The bank has lost access to funding sources or financial markets.
- The bank breaches capital adequacy, liquidity, or other prudential ratios beyond permissible thresholds.
- A significant and sustained decline in the bank's assets or profits threatens its viability.
- The bank relies on costly exceptional funding to maintain its regular operations.
- Any condition for license revocation under Article (173) is met.
- The bank fails to comply with early intervention measures under Article (147) within the designated timeframe.
- A foreign bank branch is unable to fulfill obligations, and the parent bank fails to honor its guarantee under Article (68), or the resolution procedures in the home country are inadequate to safeguard financial stability or depositors' rights in Egypt.

In all cases, early intervention or other measures are not a prerequisite for initiating resolution proceedings.

Article (154):

Without being bound by the provisions of other laws or contractual obligations, the Board of Directors shall issue a reasoned decision declaring the bank distressed and initiating resolution, effective for one year from the date of publication or notification, as applicable.

This decision shall be published in the Egyptian Gazette and on the websites of the Central Bank and the concerned bank, and shall be binding and effective upon publication.

The Board may extend the period for successive terms not exceeding three years from the date of issuance.

The Board may also revoke the resolution decision at any time if the reasons for its issuance no longer exist. The revocation must be published or notified, as applicable.



Article (155):

Upon the Central Bank's decision to designate a bank as distressed, the following shall apply:

- All powers of the bank's ordinary and extraordinary general assemblies, board of directors, and executive management shall transfer to the Central Bank, unless it decides otherwise.
- Distribution of profits or other forms of capital distribution to shareholders and stakeholders shall be suspended.
- Payment of dues to key officials shall be suspended, except for services authorized by the Central Bank.
- All lawsuits brought by creditors against the distressed bank shall be stayed for ninety (90) days from the date of the distress declaration.

The Central Bank may, directly or at the request of the resolution official, take the following measures:

- Reschedule some or all of the bank's debts (excluding customer deposits and payment system obligations) for up to sixty (60) days.
- Suspend the exercise of early termination rights in financial contracts to which the distressed bank is a party, subject to the following conditions:
 - The termination demand must result from a resolution measure under this Chapter.
 - The suspension shall not exceed two (2) business days.
 - After contracts are transferred to a new acquirer, early termination rights shall remain enforceable against the acquirer in case of a subsequent independent breach.
 - The counterparty may exercise early termination rights if notified that contracts will not be transferred.

The distress declaration or the application of Article (157) measures shall not terminate or accelerate any contractual right or obligation as long as the bank continues fulfilling its material obligations.



Article (156):

The Central Bank must prepare a report inventorying and valuing the assets and liabilities of the distressed bank, according to methodologies and assumptions it determines, ensuring that set-off occurs only where obligations and rights are related, such as arising from the same cause or account.

The report shall aim to determine the bank's net asset position on the date of distress, calculate the cost of resolution, identify the optimal resolution strategy, and estimate expected losses.

The report shall specifically include:

- Asset classification by quality, risk, and related provisions.
- The bank's financial position and future outlook.
- An adjusted balance sheet based on asset and liability valuation.

In urgent cases, the Central Bank may initiate resolution based on preliminary valuations, provided the full report is completed within 180 days.

The Central Bank may prepare this report without declaring the bank distressed and may appoint an independent expert for this purpose, all in accordance with rules set by the Board of Directors.

Article (157):

Upon publishing the distress decision, the Central Bank may immediately take any of the following actions without requiring approval from shareholders, creditors, or debtors and without being bound by other laws or contractual obligations:

- Dissolve the board and appoint a resolution official.
- Suspend all or part of the bank's operations.
- Reduce the nominal value or number of the bank's shares.
- Recapitalize the bank by issuing new shares or financial instruments.
- Write down certain liabilities or convert them into equity in the distressed or bridge bank.



- Terminate or modify any contract or debt instrument to which the distressed bank is a party.
- Transfer assets, liabilities, and rights to another bank or a bridge bank.
- Merge the distressed bank with another bank or transfer its shares.
- File civil lawsuits to recover damages or funds from shareholders, key officials, or employees responsible for the distress.

These measures also apply, as appropriate, to foreign bank branches.

Article (158):

The Central Bank may exercise all powers provided under this Chapter either directly or through the appointment of a resolution official.

The Central Bank shall define the duties of the resolution official managing the distressed bank, which may include the responsibilities of the executive management, the board of directors, and the ordinary and extraordinary general assemblies.

The resolution official shall perform their functions in accordance with the Central Bank's instructions and under its supervision.

The Central Bank shall determine the remuneration due to the resolution official, which shall be borne by the distressed bank, along with any expenses or costs incurred by the official while implementing the resolution plan.

The Central Bank reserves the right to remove or replace the resolution official.

The Board of Directors shall set the conditions to be met by the resolution official and the rules to prevent conflicts of interest.

Article (159):

If the resolution of a distressed bank requires the approval of the Financial Regulatory Authority or any other competent authority, such approval must be granted within three (3) business days from the date of the request. Failure to respond within this period shall be deemed an implicit approval.



The Financial Regulatory Authority may, upon the Central Bank's request, grant exemptions or postponements from disclosure requirements stipulated in the Capital Market Law, if disclosure would adversely affect the resolution process.

Article (160):

Any party providing essential services to the distressed bank must continue to do so, under the same terms and conditions, upon request by the Central Bank, for the benefit of the bank or its successor.

The Central Bank may also require the distressed bank to temporarily provide services to any bank to which some of its assets or liabilities have been transferred under Article (165), or may assign such services to a third party.

Article (161):

The Central Bank, in coordination with the resolution official where applicable, shall develop a resolution plan for the distressed bank based on the valuation report referred to in Article (156).

This plan may include one or more of the measures stipulated in Article (157).

Article (162):

Where the nominal value of existing shares is reduced to reflect actual losses, the Central Bank may increase the bank's capital by issuing new shares:

- To current shareholders who are able to meet their obligations and have not previously breached any corrective actions; or
- To new investors, without offering the shares to current shareholders, provided the new investors commit to certain obligations.

The capital increase must align with regulatory requirements to ensure the bank's continued viability. The value of such shares must be fully paid within a period determined by the Central Bank, not exceeding thirty (30) days from the date of approval.

This shall all be subject to rules and procedures set by the Board of Directors, without regard to the provisions of Chapter Two of Part Three of this Law or any other legislation.



Article (163):

The Central Bank may implement a plan to restructure, reduce, or convert into equity all or part of the liabilities of a distressed bank in a manner that strengthens its solvency, in accordance with the following steps:

- Deduct shareholders' equity equivalent to the incurred losses.
- If shareholders' equity cannot absorb all losses, reduce the bank's remaining eligible liabilities (excluding those exempted under this article) in reverse order of priority set out in Article (175).
- Convert the remaining eligible liabilities into equity until the Central Bank considers the level adequate.

The following liabilities are excluded from this plan:

- Customer deposits, except those of related parties to the distressed bank.
- Tax and social insurance obligations and amounts owed to the Central Bank.
- Liabilities arising from custodial or segregated client assets.
- Secured debts backed by movable or immovable assets.
- Employees' salaries.
- Obligations related to payment and settlement systems due within seven (7) days.

The Central Bank may exclude other liabilities where necessary to preserve financial stability or to maximize the bank's residual value for the benefit of creditors.

The Central Bank's decision to restructure, reduce, or convert liabilities shall be final and legally binding without the need to comply with other laws or contractual obligations.

The Central Bank may also require banks to retain eligible liabilities not excluded under this article, proportionate to the complexity of their business models, size, and operations.

All such matters shall be governed by rules issued by the Board of Directors.



Article (164):

When resolving a distressed bank, the Central Bank may decide to:

- Merge it with another bank,
- Transfer ownership of all or part of its shares to another investor or a bridge bank.

Such actions require the consent of the receiving bank or bridge bank and shall be implemented according to procedures and rules set by the Board of Directors.

These decisions shall have full legal effect without the need to comply with any other laws.

The Central Bank may also, for the purposes of this Article, issue new shares or cancel existing ones in the distressed bank where shareholders' equity has been fully or partially eroded.

Article (165):

The Central Bank may transfer all or part of a distressed bank's assets and liabilities to another bank or a bridge bank, provided the transferred liabilities do not exceed the value of the transferred assets.

Such a decision shall have immediate legal effect without regard to other laws or contractual obligations, provided the receiving bank consents to the transfer.

The transfer decision shall be deposited with the competent real estate registry, the stock exchange, the central securities depository, and other relevant entities as applicable, without the payment of fees.

In relation to real estate, the transfer shall carry all legal effects of formal registration.

Proceeds from the transaction, if any, shall accrue to the distressed bank, and the acquiring bank or bridge bank shall assume all transferred rights and obligations.

For secured obligations, the Central Bank may:

- Transfer both the obligation and its collateral;
- Retain them with the distressed bank; or
- Separate the two, provided alternative adequate collateral is provided.



Where financial contracts are subject to netting arrangements, no component may be transferred in isolation unless necessary to achieve the resolution's objectives.

If valuation discrepancies arise, the Central Bank may, with the acquirer's approval and within a timeframe set by the Board, return certain rights or obligations to the distressed bank or settle their values.

Shareholders or creditors whose rights or claims are not transferred may not assert any entitlement related to the transferred rights or liabilities.

The Board of Directors shall set the rules, procedures, and controls for marketing and transferring distressed bank assets and liabilities, regardless of other laws, taking into account confidentiality and the systemic risk of the situation.

The Board is required to revoke the license of the resolved bank once the transfer process is complete unless it decides that the bank's continued operation is essential to financial stability, in which case the bank shall be liquidated in accordance with the provisions of this Law.

Article (166):

Subject to the provisions of Article (64) of this Law, the Ministry of Finance may, upon the request of the Central Bank, establish a bridge bank to manage the assets and liabilities transferred to it from a bank under resolution.

The Central Bank shall determine the activities that the bridge bank may undertake. It may also exempt the bridge bank from certain supervisory requirements for a period not exceeding one year, if necessary to preserve the stability of the banking system.

The Central Bank shall appoint a manager, from outside the bridge bank, to run its operations and define their responsibilities. The bridge bank shall follow the instructions issued by the Central Bank and shall operate temporarily until all or some of its assets and liabilities are transferred to another bank, or its shares are transferred to a new buyer or investor, or until it is merged with another bank at the earliest possible opportunity. This shall be in accordance with an exit plan prepared by the bridge bank and approved by the Central Bank.

The Central Bank shall cancel the license of the bridge bank and initiate liquidation proceedings in accordance with the provisions of this Law after executing the exit plan.

All of the above shall be governed by rules issued by the Board of Directors.



Article (167):

When taking resolution measures, the Central Bank must consider the following:

- The priority of creditors as stipulated in Article (175) of this Law, without prejudice to the Central Bank's authority to exclude certain liabilities as provided in the second paragraph of Article (163).
- The principle of equal treatment for creditors of the same ranking, unless non-compliance with this principle is necessary to safeguard the stability of the banking system due to the negative impact of the failing bank on other banks, or to increase the value of the bank under resolution for the benefit of the creditor group.

If any creditors or shareholders suffer greater losses as a result of the resolution than they would have under liquidation pursuant to the Bankruptcy and Restructuring Law No. 11 of 2018, and based on the creditor priority listed in Article (175), they shall be compensated for such losses from the Distressed Banks Resolution Fund.

These losses shall be assessed by an independent expert appointed by the Central Bank, excluding any financial support provided by the government to the bank under resolution, in accordance with rules and procedures issued by a decision of the Board of Directors.

Article (168):

Without prejudice to the rights of third parties acting in good faith, concerned parties may appeal decisions issued by the Central Bank or its delegate before the Administrative Court within 30 days of being notified or becoming aware of the decision.

If the court finds it impossible to restore the situation to its previous state due to the number, value, or complexity of transactions resulting from the contested decision, or if its annulment would cause significant harm to the financial and banking system or to the rights of depositors in the bank under resolution, it may instead award monetary compensation.

Article (169):

By a decision of the Board of Directors, a fund shall be established to finance the resolution of distressed banks. This fund shall be affiliated with the Central Bank, have legal personality and operational independence, and shall include all banks as members.

The fund shall have a Board of Directors appointed by the Central Bank's Board, be headquartered in Cairo, and be represented legally by its Chairperson.



The fund's resources consist of bank contributions, investment returns, and other funding sources. The target fund amount shall be equivalent to 0.5% of the total value of bank deposits, to be built up within ten years from the effective date of this Law, in accordance with the rules and procedures determined by the Board.

The Board shall also set the rules for collecting annual bank contributions based on:

- Each bank's share of total banking sector deposits.
- Each bank's risk profile.
- The strength and soundness of the bank's financial position.
- The likelihood of the bank undergoing resolution.
- The complexity of ownership structures with subsidiaries.
- The bank's systemic importance.
- The ratio of each bank's total liabilities to the sector's total liabilities.

The fund's resources may not be used for resolving a distressed bank unless shareholders, holders of capital instruments, and creditors have first borne losses as per Article (163) of this Law.

If the fund's resources are insufficient to cover the cost of resolution, the Central Bank may request additional contributions from banks, not exceeding their annual contributions, with reconciliation to follow later.

The fund's statutes shall be issued by a decision of the Board of Directors, and any budget surplus shall be carried forward year to year.

Article (170):

If both the original and additional resources of the fund mentioned in Article (169) are insufficient to cover the cost of resolution, the Ministry of Finance may, in coordination with the Central Bank, provide temporary funding to complete the resolution process, if necessary to maintain the stability of the financial and banking system in Egypt.

This temporary funding may take the form of capital increases, debt instruments, guarantees for the bank under resolution, or any other form of financial support required to carry out the resolution procedures in this chapter—provided that the supported bank is managed in a commercial and professional manner.



The Central Bank, in agreement with the Ministry of Finance, shall issue rules for providing and recovering this temporary funding when the fund's resources are insufficient. These rules shall include mechanisms for recouping funds from banks based on the criteria in the third paragraph of Article (169), and for calculating the amounts to be recovered.

Article (171):

The bankruptcy administration of the competent economic court shall notify the Central Bank of any proceedings related to restructuring, preventive composition, or a bankruptcy declaration filed by a parent, sister, or subsidiary company of a bank.

The Central Bank shall provide its opinion on the case within **thirty (30) days** from the date of notification.

Part Three: Regulation of the Banking System

Chapter Thirteen: Revocation of Bank Licenses

Article (172):

No bank may suspend all or part of its operations without prior approval from the Board of Directors.

Approval for full suspension may only be granted if the bank has provided sufficient guarantees or has fully settled all legal obligations, particularly those owed to depositors, creditors, and employees.

This shall be subject to rules set by the Board of Directors.

The decision shall be published in the Official Gazette, as well as on the websites of both the Central Bank and the concerned bank.



Article (173):

A bank's license may be revoked, and its registration deleted by a decision of the Board of Directors in any of the following cases:

- If the bank commits serious or repeated violations of the provisions of this Law or related regulations, and fails to rectify them within the specified period.
- If the bank adopts policies that harm the national economic interest, monetary policy, the banking system, or depositors' interests.
- If the bank ceases its operations or requests voluntary liquidation.
- If the bank is classified as distressed under Article (153), and the Central Bank determines that it is not suitable for resolution.
- If the license was granted based on false or misleading information.
- If the bank no longer meets licensing requirements.
- If there is a significant change in the conditions under which the license was granted.

The Board may also revoke the license of a resolved bank if:

- It becomes evident that the bank cannot be restructured or its financial situation cannot be restored.
- All or part of its assets or liabilities have been transferred to another bank or a bridge bank.

The revocation decision shall only be issued after the bank has been notified and given fifteen (15) days to submit its written arguments.

The decision shall be published in the Official Gazette within ten (10) days from its issuance, and on the Central Bank's and the bank's websites during the liquidation period.

Article (174):

Without prejudice to the rights of the bank's clients, the revocation of the bank's license results in the suspension of its operations and its entry into liquidation.

The Board of Directors may order immediate liquidation or temporarily allow the bank to continue existing operations under specific conditions.



Article (175):

Notwithstanding any other law, if the bank's assets are insufficient during liquidation, the bank's debts shall be repaid in the following order of priority, after satisfying the rights of secured creditors:

- Expenses incurred by the liquidator and the resolution official, including fees and costs related to managing and selling the bank's assets.
- Customer deposits, excluding those of related parties to the bank.
- Employee wages and salaries due within the six (6) months preceding the appointment of the liquidator.
- Debts due to the government resulting from support provided to the bank through the Central Bank during resolution.
- Taxes and social insurance contributions due in the two (2) years prior to liquidation.
- Debts owed to the Distressed Banks Resolution Fund.
- Loans obtained from the private sector during resolution or after the appointment of the liquidator.
- All other unsecured debts.

Creditors of the same rank shall be treated equally. Lower-ranking creditors may not be paid unless all higher-ranking debts have been fully settled.



Article (176):

The provisions of this Law shall not prejudice the provisions of the General Budget Law and the Unified Public Finance Law.

Article (177):

The Prime Minister shall, upon the recommendation of the Central Bank's Board of Directors, issue the executive regulations of this Law within six (6) months from the date it enters into force.

Until these regulations are issued, current regulations and decisions shall remain in effect, provided they do not conflict with the provisions of this Law.

Article (178):

The Central Bank's Board of Directors shall issue the necessary decisions to implement the provisions of this Law.



Article (179):

The Central Bank may request all data and information it deems necessary for the implementation of this Law.

The concerned authorities must comply with the Central Bank's request and provide the data within the timeframe specified by the Central Bank.

Article (180):

The Central Bank may contract with entities inside or outside the Arab Republic of Egypt to provide technical, legal, accounting, or other services necessary to carry out its functions under this Law.

Article (181):

The employees of the Central Bank, who are designated by a decision from the Minister of Justice in agreement with the Governor, shall have the capacity of judicial officers in detecting crimes that violate the provisions of this Law and its implementing regulations.

Article (182):

Any provision that contradicts the provisions of this Law is hereby repealed.

The Law of the Central Bank, the Banking Sector, and Money No. 88 of 2003, as well as any references to it in other laws, are hereby canceled and replaced with this Law.



Article (183):

This Law shall be published in the Official Gazette and shall enter into force the day following its publication.

It shall bear the seal of the State and shall be enforced as one of its laws.

Part Four: Payment Systems, Services, and Financial Technology

Chapter One: Payment Systems and Services

Article (184):

It is prohibited for any natural or legal person who is not licensed under this Chapter to engage in any activity involving the operation of payment systems or provision of payment services, whether from within the Arab Republic of Egypt or from abroad to residents therein, including entities established under special laws.

No unregistered entity under this Chapter may use the terms “Payment System Operator” or “Payment Service Provider” or any equivalent expression in any language, whether as its trade name, commercial address, or in its marketing, where such use could cause public confusion.

The Central Bank may establish and operate payment systems without being bound by the provisions of this Chapter.

For purposes of this law, the following shall not be considered payment systems or payment services: stock and financial instrument exchanges, futures exchanges, financial instruments settlement systems, licensed central depository and registry operations, custodians, and internal systems of the Ministry of Finance that do not involve payment collection or execution and related clearing or settlement functions.

Article (185):

The Board of Directors shall issue a decision specifying conditions and procedures for granting licenses to operate payment systems or provide payment services. This decision shall address, in particular, minimum capital, legal form, requirements for technical competence, financial soundness, reputation of applicants, disclosure of ownership structure, technology used, service-quality metrics, operational rules, and license application fees (capped at EGP 500,000 for a payment system operator and EGP 100,000 for a payment service provider).



License applications shall be decided within ninety (90) days of a complete submission, and the Board may extend this period once.

A decision to grant a license shall be published on the Central Bank's website, detailing permitted activities, services, and whether the license is time-bound or conditional.

License rejections shall be notified to the applicant within thirty (30) days.

Licensed payment system operators and service providers shall be registered in a special Central Bank register upon payment of an examination fee (not exceeding EGP 500,000 for operators and EGP 200,000 for service providers).

Article (186):

The Board of Directors shall promulgate rules for oversight and supervision of payment system operators and service providers. If circumstances warrant, specific standards or constraints may be applied to any operator or provider. These rules shall address, inter alia:

- Inter-operability between payment systems;
 - Organizational structure, governance, and risk management;
 - On-site inspection and off-site monitoring;
 - Service performance standards and KPIs publication;
 - Payment service delivery;
 - Outsourcing arrangements, scope of services, accreditation process, and oversight;
 - Safeguards for client funds;
 - Payment order standards;
 - Disclosure and transparency requirements;
 - Service pricing regulation.
-



Article (187):

The Central Bank may require a payment system operator to establish a Risk Guarantee Fund to cover operational risks and commercial exposure stemming from defaults by participants, in consideration of its systemic importance and scale, under terms and conditions set by the Board, including rules for participant contributions and fund disbursement.

Article (188):

A payment system operator or provider must furnish a financial guarantee to secure compliance with licensing conditions and statutory obligations under this Law. The nature, amount, and terms of this guarantee shall be determined by the Board and may be drawn upon as set out in the rules thereof.

Article (189):

Payment service providers may engage agents to carry out licensed activities subject to controls set by the Board. Such agents must be registered in a Central Bank register, and the Bank reserves the right to reject or deregister them. The provider remains fully liable for all acts performed by its agents and must ensure agent compliance with all relevant laws and regulations.

Article (190):

The Board shall adopt core rules for operating payment systems, addressing specifically:

- Issuance of transfer orders and the point of no reversal;
- Timing and mechanisms of clearing and settlement, whether direct or via bilateral/multilateral netting;
- Use of financial instruments as collateral to satisfy participant obligations;
- Measures for default by participants;
- Final settlement cut-off moments for irrevocability.



The Central Bank may require amendments to these rules. Transactions conducted under these rules are legally binding, final, and enforceable.

Article (191):

The Board of Directors shall specify the moment at which a payment order is settled for accounts held by a payer and payee at the same provider or within the same bank, after which the order cannot be reversed.

Article (192):

The Board may designate any payment system as systemically important, either on its own motion or upon request by the system operator, based on its objectives, scope, transaction volume, number of participants, and impact on financial stability.

This designation obliges the operator to comply with additional obligations and to rectify non-compliance within a specified period.

Subject to these rules, all completed and irrevocable transactions under the applicable rules remain final and cannot be halted, invalidated, or seized. However, amounts transferred via fraud, deception, error, or negligence by the operator or participants may be recoverable under rules set by the Board.

Article (193):

If a systemically important operator or one of its participants enters winding-up, resolution, or bankruptcy proceedings (domestic or foreign), the operator must:

- Notify the Central Bank on Day One of proceedings commencement;
- Complete clearing and settlement of payment orders issued prior to notification that are irreversible and enforceable under system rules.

Participants' claims from system guarantees or instruments shall have priority in accordance with internal system rules, regardless of other laws.



Article (194):

Operators must allow banks and payment service providers to access and participate in their payment systems objectively and without discrimination, provided system stability is not jeopardized.

Banks must likewise permit payment system operators and providers to open an account that enables effective operation under the same non-discriminatory terms.

Article (195):

To protect banking stability or client rights, the Board may restrict, modify, suspend, or prohibit any activities conducted by payment system operators or providers and take necessary actions to resolve transactions preceding such measures.

Article (196):

If a payment service provider violates this Law or its regulations, the Board may impose one or more of the following measures based on the severity:

- Issue a warning;
- Require remedial action within a set period;
- Restrict, suspend, or prohibit certain licensed activities;
- Impose financial penalties per Article (145);
- Remove one or more key officials;
- Mandate a restructuring plan;
- Dissolve the board and appoint a temporary manager (up to six months, extendable once), with a requirement to convene a general assembly before term expiry;
- Require capital increase;
- Revoke the license.

The Central Bank may publish any of these actions or penalties.



Article (197):

A payment system operator or provider must not cancel, suspend, or alter its operations or introduce new services without prior Central Bank approval. They must notify the Bank of any incident affecting service continuity or system operation, in accordance with Board rules.

The Board shall issue procedures for the orderly winding-down of operators and providers, covering asset disposition and electronic archiving of documents and records.

Article (198):

Operators and providers must guarantee, at minimum:

- Continuity of licensed services;
 - Non-discriminatory treatment of beneficiaries;
 - Adequate protection of electronic systems against hacking, unauthorized access, data manipulation, and breaches of confidentiality or privacy.
-

Article (199):

The following articles of this Law also apply to payment system operators: Articles (94, 124, 126, 144, 145, 146, 147, 148).

For systemically important operators, Chapter 12 of Part III applies.

Articles (83, 92, 93, 96, 97, 120, 121, 130, 131, 172, 173) and Chapter II of Part III also apply to both operators and providers.

Chapter IX of Part III applies to all payment transactions—all subject to Board rules appropriate to their nature and conditions.

Article (200):

Any person may issue a direct debit authorization for the settlement of future payments. The authorizer guarantees payment of direct debit instructions issued under that authorization as per its terms; any agreement to the contrary is void.



Payment cannot be withheld if there are sufficient funds in the account, even after submission of the debit instruction; if refusal occurs, the debtor must provide a written statement indicating the amount and timing of the refusal.

Unless otherwise governed by law, direct debit orders are subject to the provisions of Chapter III of Part IV of the Commercial Law No. 17 of 1999, to the extent they do not conflict with their nature.

All of this is subject to rules and procedures prescribed by the Board of Directors

Part Four: Payment Systems, Services, and Financial Technology

Chapter Two: Financial Technology

Article (201):

Without prejudice to Law No. 10 of 2009 governing non-bank financial markets and instruments, the Central Bank may take all necessary measures to promote the use of modern technology in delivering financial, banking, or supervisory services—especially technologies used for regulatory compliance.

This includes:

- Establishing a regulatory sandbox for fintech and regtech applications.
- Temporarily exempting startups and entities piloting fintech or regtech services from certain licensing requirements in this Law.

Such measures shall be implemented in accordance with rules and procedures set by the Board of Directors.

Article (202):

The Board of Directors shall set standards, requirements, and authorized capabilities for electronic applications that enable access to customer accounts at banks or payment service providers, including execution of transactions.



Banks and payment service providers are required to permit such access when these standards and requirements are met.

Article (203):

Without prejudice to the provisions of Law No. 15 of 2004 on electronic signatures and the Information Technology Industry Development Authority, licensed institutions and registered foreign bank representative offices must retain electronic copies of records, contracts, correspondence, commercial papers, and documents related to banking and payment transactions for legally prescribed retention periods.

These electronic records shall have the same evidentiary value as originals, provided their retention, handling, and retrieval comply with technical standards set by the Board.

Article (204):

Without prejudice to Law No. 15 of 2004, the Board of Directors may issue or endorse rules and procedures regarding:

- Terms for provision of licensed services electronically;
- Electronic authentication of banking transactions, payment orders, and transfers;
- Electronic cheque clearing;
- Issuance and use of electronic cheques, consistent with Commercial Law No. 17 of 1999;
- Electronic direct debit authorizations and instructions.

These electronic mechanisms shall have the same evidentiary weight as paper originals when created, handled, and archived under Board-prescribed technical standards.



Article (205):

Entities offering digital financing combined with electronic payment or collection services must obtain prior approval from the Central Bank before offering such services, under rules and procedures determined by the Board.

Article (206):

Issuance, trading, promotion, or operation of platforms involving cryptocurrencies or electronic money is prohibited without a license from the Board of Directors, under the rules and procedures it sets.

Part Five: Regulation of Foreign Exchange Transactions

Article (207):

The Board of Directors may license exchange companies and certain other entities to engage in foreign currency transactions under this Law.

It shall define licensing conditions, operational rules, and regulatory controls. Licensed entities and their branches shall be registered in a Central Bank register upon payment of a registration fee (EGP 100,000 for headquarters, EGP 50,000 per branch).

Opening any new branch requires prior approval from the Governor.

Article (92) of this Law applies to licensed exchange companies.

The Governor may issue warnings, suspend operations for up to one year, impose financial penalties (per Article 145), or revoke licenses and deregister entities in case of violation, cessation of activity, merger without approval, insolvency, or policies harmful to economic/public interest or foreign exchange market regulation.

Article (208):

Licensed exchange companies must be Egyptian joint stock companies solely engaged in currency exchange, with a minimum paid-in capital of EGP 25 million.



Their financial statements must be audited by a registered auditor from the Central Bank's auditor registry. No auditor may audit more than three exchange companies concurrently.

Companies must notify the Central Bank of auditor appointments within 30 days.

Article (209):

The Board of Directors may license companies to provide money transfer services. Such companies must be established as Egyptian joint stock companies with a minimum paid-in capital of EGP 25 million.

The Board shall define the licensing rules, requirements, procedures, operational systems, and regulatory framework.

Foreign companies may be licensed to establish branches in Egypt to carry out money transfer activities, provided the allocated capital for the branch is no less than USD 1 million.

The Central Bank shall maintain a register for such companies, after payment of EGP 100,000 for the head office and EGP 50,000 for each branch.

An auditor registered with the Central Bank shall audit the company's accounts. No auditor may audit more than three such companies at once. The company must notify the Central Bank of the auditor appointment within 30 days.

Provisions of Articles (144) and (145) of this Law shall apply to these companies in accordance with their nature.

Article (210):

The Board of Directors shall determine an annual regulatory supervision fee for exchange companies, other licensed foreign exchange entities, and registered money transfer companies, payable in January each year, not exceeding EGP 20,000 for the head office and EGP 10,000 for each branch.

Article (211):

The Board of Directors shall issue decisions on the rules and foundations governing the foreign exchange market.



The exchange rate of the Egyptian pound against foreign currencies shall be determined by supply and demand dynamics in the foreign exchange market.

Article (212):

Any natural or legal person may retain, own, or possess any amount of foreign currency and may conduct foreign exchange transactions, including inward and outward transfers.

Such operations shall be carried out via banks or licensed entities, in accordance with rules and procedures set by the Board.

Domestic transactions in Egypt must be conducted in Egyptian pounds, unless an international treaty, another law, or a Board decision specifies otherwise.

Article (213):

All individuals entering Egypt may bring in foreign currency, but amounts exceeding USD 10,000 (or equivalent) must be declared using the official disclosure form.

Departing travelers may take out up to USD 10,000 (or equivalent). They may also carry any previously declared amount if it exceeds that limit.

Carrying Egyptian currency in or out of Egypt is permitted only within limits set by the Board. It is prohibited to send Egyptian or foreign currency by mail or parcels.

As an exception, foreign currency transferred from abroad to ships docked in Egyptian ports may be taken out of the country in accordance with Board-approved rules and procedures.

Article (214):

Banks are permitted to engage in all foreign exchange operations, including accepting deposits, dealing, transferring (in and out), investing, and covering positions in foreign currencies.

Banks may import or export foreign currencies after receiving Central Bank approval.

If a bank violates the rules governing such operations, the Governor may suspend its foreign exchange dealings for up to one year.



Article (215):

Banks, exchange companies, and licensed foreign exchange entities must submit reports to the Central Bank on all foreign exchange operations conducted for themselves or others.

The Board of Directors shall determine the content, format, and timing of such reporting.

The Central Bank shall monitor compliance with the provisions of this Law and its implementing regulations and decisions.

Part Six: Customer Protection, Competition Safeguards, and Dispute Resolution

Article (216):

The provisions of the Consumer Protection Law No. 181 of 2018 do not apply to entities licensed under this Law.

The Central Bank is responsible for protecting customer rights and may:

- Develop plans and programs for customer protection.
- Promote banking and financial awareness among citizens.
- Receive and investigate complaints from clients of licensed entities.

Article (217):

The Board of Directors shall issue regulations on customer rights, requiring licensed entities to:

- Disclose essential service information transparently and credibly.
- Draft contract terms in clear and comprehensible language for all customer groups.
- Treat customers fairly and without discrimination.
- Ensure that third-party service providers comply with customer protection rules—without relieving licensed entities of liability for customer harm.
- Provide a fast, free, fair, and effective complaint resolution mechanism.



- Ensure the security and confidentiality of customer data and accounts.
- Publish service price lists and basic service information.

Article (218):

A dedicated unit shall be established within the Central Bank to protect the rights of clients of licensed entities.

It shall review complaints submitted with required documentation within 30 days.

If a complaint is found invalid, it is closed and the complainant notified.

If valid and unresolved, it is referred to the Dispute Resolution Committee (Article 219), along with a report.

The Board of Directors shall define the unit's structure and operational framework.

Article (219):

The Board of Directors shall form one or more committees to resolve disputes between licensed entities and their clients.

Each committee shall be chaired by a member of the judiciary, with two additional members: a Central Bank staff member and an independent expert.

The committee may consult others or appoint experts, who do not have voting rights.

The Board shall issue regulations governing the committee and its secretariat.

Article (220):

The Dispute Resolution Committee shall issue a final, reasoned decision on complaints within 60 days.

Parties may appeal the decision to the Administrative Court within 30 days.

The committee may recommend suspension of a service pending complaint resolution.



If a violation is proven, the committee may compel the entity to correct the situation or remove the violation immediately or within a set period—without prejudice to the Board’s authority to impose penalties or the legal consequences of the violation.

Article (221):

The Competition Protection Law No. 3 of 2005 does not apply to licensed entities under this Law.

However, they are prohibited from engaging in monopolistic or anti-competitive practices, including:

- Agreeing on prices or contract terms, market allocation, or collusion in bids.
- Restricting service availability to harm customers.
- Offering services below cost to harm competition.
- Forcing customers, providers, or suppliers not to deal with competitors without valid justification.

All this is subject to rules and procedures defined by the Board.

Article (222):

A special unit within the Central Bank shall receive reports of monopolistic or anti-competitive practices by licensed entities and conduct investigations.

This includes violations committed abroad that affect competition in Egypt.

If a violation is proven, the Board may order the offending entity to correct the issue immediately or within a specific timeframe. Otherwise, the agreement is nullified.

This is without prejudice to other penalties in Article 144 or Board-authorized actions.



Article (223):

An independent arbitration and dispute resolution center shall be established for disputes arising from this Law or related banking laws and activities.

The center shall have legal and operational independence, be headquartered in Cairo, and be represented legally by its Chairman.

A Board of Directors, with up to nine experienced members appointed by Board decision for four renewable years, shall oversee the center.

A qualified executive director, appointed by the Board, shall manage daily operations.

The center's resources include service fees, Central Bank allocations, and approved grants or donations.

Disputing parties may agree (before or after a conflict) to resolve it through this center.

The Board of Directors shall issue the center's bylaws, rules, fee schedules, and list of arbitrators and mediators—subject to Egyptian laws governing arbitration and dispute resolution.

Part Seven: Penalties

Article (224):

Without prejudice to stricter penalties under the Penal Code or other laws, violations listed in the following articles are punishable by the penalties specified therein.

Article (225):

Violations of Articles (63, 184, 205, 206) are punishable by imprisonment and a fine of not less than EGP 1 million and not more than EGP 10 million, or either penalty.

In case of repeat offense, both imprisonment and fine shall apply.



Article (226):

Violation of Article 104, paragraph two is punishable by imprisonment and a fine of EGP 100,000 to EGP 1 million, or either penalty.

Violation of Article 59 regarding defacing or damaging currency is punishable by a fine of EGP 10,000 to EGP 100,000.

Article (227):

A fine of not less than EGP 500,000 and not more than EGP 1 million shall be imposed on any person who violates any of the provisions of Articles 81, 87, 92, 114, 126, 172, or 197 of this Law.

Article (228):

A fine of not less than EGP 1 million and not more than EGP 2 million shall be imposed on any person who violates the provisions regarding ownership in the capital of banks as stated in Articles 74, 76, and 78 of this Law.

Article (229):

A fine of not less than EGP 200,000 and not more than EGP 500,000 shall be imposed on any person who refrains from providing the data, reports, or information referred to in Articles 129, 130, or 132 of this Law.

The same penalty applies to any person who refuses to submit records, documents, or papers to those entitled to review them, in addition to a judgment compelling disclosure.

Article (230):

A penalty of imprisonment and a fine of not less than EGP 500,000 and not more than EGP 1 million, or either penalty, shall be imposed on anyone who intentionally commits fraud by including false information or concealing facts in documents, reports, or other papers submitted by licensed entities to the Central Bank under this Law.



A fine of not less than EGP 100,000 and not more than EGP 1 million shall be imposed on any person who commits fraud or deception in providing credit information or credit rating services with the intent of facilitating access to credit.

In addition, the offender shall be liable to pay the creditor a sum equivalent to the unpaid credit amount resulting from such fraud or deception.

Article (231):

Anyone who violates the provisions of Articles 140 or 142 of this Law shall be punished by imprisonment for not less than one year and a fine of not less than EGP 200,000 and not more than EGP 500,000, or either penalty.

The fine shall be multiplied by the number of harmed persons.

Article (232):

Without prejudice to Article 231, any employee involved in enforcing this Law or working at licensed entities who discloses confidential information related to the affairs of their employing entity or obtained through their position shall be punished by imprisonment for no more than two years and a fine of not less than EGP 50,000 and not more than EGP 100,000, or either penalty.

The fine shall be multiplied by the number of harmed persons.

Article (233):

Anyone who deals in foreign currency outside licensed banks or authorized entities, or conducts money transfer activities without a license as per Article 209 of this Law, shall be punished by imprisonment for not less than three years and not more than ten years, and a fine of not less than EGP 1 million and not more than EGP 5 million, or the amount involved in the crime, whichever is greater.

Violation of Articles 214 or 215 is punishable by imprisonment for not less than six months and not more than three years, and a fine of not less than EGP 1 million and not more than EGP 5 million, or either penalty.



Violation of Article 213 is punishable by imprisonment for not less than three months, and a fine of not less than the value of the amount involved and not more than four times that amount, or either penalty.

In all cases, the amounts and items involved in the offense shall be seized and confiscated. If not seized, an additional fine equivalent to their value shall be imposed.

Article (234):

The funds of the Central Bank and those of banks shall be considered public funds for the purposes of the Penal Code.

Article (235):

In cases where a crime is committed by a legal person, the person responsible for actual management shall be subject to the same penalties prescribed for the act, if it is proven that they were aware of the offense and it occurred due to their breach of duty.

The legal person shall also be jointly liable with them for any financial penalties or compensation if the crime was committed by one of its employees in its name or on its behalf.

Article (236):

For the offenses stipulated in this Chapter, the court may order the publication of a summary of the conviction judgment in one or more newspapers or by any other means, at the expense of the convicted person.

Article (237):

Employees of the Central Bank designated by a decision from the Minister of Justice in agreement with the Governor shall have judicial seizure authority (judicial police powers) regarding offenses committed in violation of the provisions of this Law and its implementing regulations, insofar as these offenses relate to their job functions.



Article (238):

Except in cases of flagrante delicto (caught in the act), no criminal proceedings or investigative actions may be initiated for offenses under this Law or its implementing regulations, or for crimes specified in Chapter Four of Book Two of the Penal Code within the scope of this Law's application, without a written request from the Governor.

Article (239):

The Governor shall receive notifications from the Public Prosecution under Article 238, as well as reports from regulatory and security bodies concerning banking violations, including credit and financing matters.

A specialized unit at the Central Bank, comprising banking, economic, and legal experts, shall review the matters referred to it by the Governor under this Article.

Banks shall provide the required records, data, and information upon request by this unit.

The unit must issue a report on its findings and opinion within 30 days of referral, which shall be submitted to the Governor for appropriate action under the Law.

Article (240):

Banks subject to this Law may enter into a settlement in crimes covered under Article 238, even after the Governor's request has been issued.

If the settlement occurs before a final judgment, it shall only be valid upon full payment of the bank's dues as per the settlement terms.

If a final judgment has been issued, the settlement is not effective unless the convicted party has paid the bank's entitlements in advance.

In all cases, the settlement requires approval from the creditor bank's board of directors, must be documented in writing, and submitted to the Governor for approval and registration.

Registration shall be exempt from fees.

If the creditor bank's board refuses the settlement despite full payment of dues, the matter shall be referred to the Central Bank Board for decision.

The settlement document shall have the force of an enforceable legal instrument, and the Governor shall notify the Public Prosecutor accordingly.



Such notification shall be deemed a waiver of the Governor's request under Article 238, resulting in the termination of criminal proceedings in the relevant case.

The Public Prosecution shall order a stay of execution of any imposed penalties if settlement is made before the judgment becomes final.

If settlement is reached after a final judgment and the convicted person is imprisoned under that ruling, they may submit a request to the Public Prosecutor to suspend enforcement.

The Public Prosecutor shall refer the request to the Court of Cassation within 10 days, accompanied by a memorandum of opinion.

The request shall be reviewed by a criminal chamber of the court in deliberation, which may order a permanent stay of execution upon verifying that the settlement has met all legal conditions.

The decision must be issued within 15 days, after hearing the prosecution and the convicted person.

In all cases, the effect of the settlement on terminating criminal proceedings or suspending penalties shall extend to all parties involved in the same case.

Article (241):

The Governor may allocate up to 10% of confiscated funds and additional fines to reward individuals who report, assist in detecting, or help enforce actions related to offenses committed under Chapter Seven of this Law, in accordance with rules set by the Central Bank Board.

