

**Bank of Israel**  
Banking Supervision Department  
Policy and Regulation Division



March 26, 2020  
AML20.001.002

To: The banking corporations and credit card companies  
Attn: CEO

**Re: Clarifications to Proper Conduct of Banking Business Directives for Dealing with the Coronavirus Event**

Dear Sir or Madam:

1. This document publishes clarifications that will be provided occasionally in response to issues and questions received from the banking corporations and credit card companies in regard to the implementation of the Prohibition on Money Laundering (The Banking Corporations' Requirements regarding Identification, Reporting, and Record-Keeping for the Prevention of Money Laundering and the Financing of Terrorism) Order, 5761–2001 (hereinafter, “the Order”) and Proper Conduct of Banking Business Directive no. 411 (hereinafter, “the Directive”), with regard to the event of the spread of the coronavirus.
2. The understanding of the terms in this document is identical to their definition in the directives.

Sincerely,

Ms. Ricky Elias  
Deputy Supervisor of Banks

cc: Supervisor of Banks  
Bank of Israel Legal Department



a. Report on unusual transactions (Section 9 of the Order)		
<b>Question a1</b>	In view of the coronavirus event, banking corporations are liable to face a difficulty in sending reports on an unusual transaction (Section 9 of the Order) in accordance with the requirement in Section 40(b) of the Directive?	
Answer:	The banking corporations are required to comply with their obligation to report unusual transactions in accordance with Section 9 of the Order, in the shortest possible time given the situation's conditions. In this regard, account may be taken of a change in the banking corporations' work format deriving from the provisions of the law and directives of the authorized entities in view of the spread of the coronavirus. In a case of delay in submitting reports to the Israel Money Laundering and Terror Financing Prohibition Authority, the delay is to be documented in accordance with the provisions of Section 40(b) of the Directive.	March 26, 2020
b. Declaration of beneficiary/declaration of party at interest		
<b>Question b1</b>	In view of the ramifications of the coronavirus event, will the exemption from registering a beneficiary in regard to activity in a general trust account managed by a lawyer, accountant, or rabbinical-court pleader (hereinafter, "the Trustee") on behalf of the customers, as noted in Section 5(a)(7) of the Order apply as well to situations of deviation from the thresholds set in the said section?	
Answer:	<b>No.</b> In order for the exemption from the requirement to declare a beneficiary in accordance with Section 5(a)(7) to apply, the terms of the section must be met including the limitation on the amounts. To the extent that the trustee requests to deviate from the amount limitations, the trustee may convert the account to an account that is not limited in terms of the amounts noted in the Section, by sending an updated declaration of beneficiaries in accordance with Section 4 of the Order. As this is not opening a new account, the banking corporation may receive the declaration via fax including the updated beneficiary details in an immediate manner, as detailed in Section 2(b) of the Order.	March 26, 2020