

**Banking Supervision Department**

Jerusalem, September 19, 2022

Circular No. C-06-2723

**Attn: The Banking Corporations and Merchant Acquirers**

**Re: Management of AML/CFT Risks**  
(Proper Conduct of Banking Business Directive No. 411)

**Introduction**

1. On October 26, 2021, the Supervisor of Banks published an amendment to Proper Conduct of Banking Business Directive no. 411 on “Management of AML/CFT Risks” that included, among other things, the addition of Appendix B.2—an arrangement established by the Supervisor according to Section 7a of the Order. Circular no. C-06-2677 established that the commencement date for Appendix B.2 would be within 1 year of the publication date of the amendment, meaning October 26, 2022.
2. The implementation of said Appendix B.2 requires complex and significant technological preparation, and as such a preparation period of 1 year was set. However, it turns out that a short extension is required in order to complete the preparation process optimally.
3. After consulting with the Advisory Committee on Banking Business Affairs, and with the approval of the Governor, I have decided to defer the commencement date of the said amendment to January 15, 2023.

**Amendment of commencement date**

4. In Section 24(cc) of Circular no. C-06-2677, dated October 26, 2021, “within 12 months of the publication date of this Directive” shall be replaced by “January 15, 2023”.

5. Following are the updates to the Proper Conduct of Banking Business file:

<b>Remove pages</b>	<b>Insert pages</b>
411-1-34 [21] (05/2022)	411-1-36 [22] (09/2022)

Respectfully,

Yair Avidan

Supervisor of Banks