

Announcement no 21

On the amendment of Decision no 14 taken on February 10, 2014 (on the collective investment schemes)

Pursuant to the Law No 161 dated 17/8/2011 on capital markets,
Pursuant to the decision of the Capital Markets Authority's Board No 1/3/17 taken in its meeting held on February 13, 2017,

We inform you of the following:

First: Article 13 of the above mentioned Decision no 14 was repealed and replaced with the following text:

“The administrators of the collective investment scheme's management must not:

- 1- Own more than 15% of the transferable securities issued by one issuer, and invest more than 15% of the fund's assets in one source, except for the Lebanese Treasury Bonds, and the bonds issued by major countries.
- 2- Mix the investments made on behalf of the “Scheme” with those made by the company that established the fund, or is in charge of managing it.
- 3- Borrow money, for the purpose of investing the borrowed sum in the purchase of financial securities and instruments, including the re-purchase of open end capital company stocks, except up to 20% of the estimated value of the collective investment fund or company, whether the financial securities and instruments scheduled for a purchase were listed or not on one of the regulated financial markets. The percentage of 20% stated in this sub-paragraph can be exceeded only after prior approval by the CMA's Board, based on a justified request in this regard.”

Third: Hereto attached is decision no 14 taken on February 10, 2014 (on Collective Investment Schemes) after the aforementioned amendment.

Beirut, April 10, 2017
Chair of the Capital Markets Authority/
Governor of Banque du Liban

Riad Salame