



هيئة الأسواق المالية
CAPITAL MARKETS AUTHORITY

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Announcement No. 86

Addressed to the CMA Approved Institutions

On the registration of persons performing registrable functions

Pursuant to Law No. 161 dated 17/08/2011 on Capital Markets,
Pursuant to the decision of the Board of the Capital Markets Authority No. 23/5/22 dated 24/05/2022
and the decision of the Board of the Capital Markets Authority No. 26/7/22 dated 16/08/2022

We advise you of the following:

First: The Capital Markets Authority (hereinafter referred to as the “Authority”) would like to remind its Approved Institutions to fully comply with the provisions of Part H of the Licensing and Registration Regulation Series 2000 to register the persons performing registrable functions thereat and to comply with the registration requirements especially those specified in Annex 5 attached to the Licensing and Registration Regulation, at the risk of suspending the person charged with registrable functions from performing such functions until he fulfills the required registration conditions.

Second: In this context, the Approved Institutions which have already appointed persons to perform registrable functions before the issuance of this Announcement shall immediately register them at the Authority at the risk of the Authority suspending such persons from performing their functions until they fulfill the required registration requirements. In addition, the Board of the Authority shall take the appropriate measures against the violating institutions pursuant to the provisions of Article 2501 of the Licensing and Registration Regulation Series 2000.

Third: Annex 5 attached to the Licensing and Registration Regulation Series 2000 shall be amended as follows:

Annex 5	
Registrable Functions and Prescribed Qualification Examinations	
The Authority has designated the following functions as requiring registration under article 2402. <u>Registered persons</u> must perform all such functions.	
1-	<u>CEO</u> , Managing Director or General Manager - the person who has ultimate responsibility for the management of an <u>approved institution</u> 's business.
2-	Senior Executive Officer - a person who has ultimate responsibility for one or more parts of an <u>approved institution</u> 's business or administration.
3-	Director - a person who is a director on the <u>governing body</u> of an <u>approved institution</u> .
4-	Finance Officer - the person who has ultimate responsibility for an <u>approved institution</u> 's financial administration and controls and for compliance with the Prudential Regulation.
5-	Compliance Officer - the person who is responsible for compliance matters related to an <u>approved institution</u> 's business.
6-	Anti-Money Laundering Reporting Officer - the person who is responsible for the implementation of an <u>approved institution</u> 's anti-money laundering policies and procedures.



- 7- Risk Management Officer - the person who is responsible for the design and implementation of an approved institution's risk management policies and procedures.
- 8- Internal Audit Officer - the person responsible for monitoring the adequacy and effectiveness of the systems and controls of the approved institution, evaluating the internal controls, risk management policies and procedures, and reviewing the financial statements and the records of the approved institution.
- 9- Senior Manager - any person who is responsible in whole or in part for the management, supervision or control of one or more parts of an approved institution's business or administration
- 10- Client Representative (in charge of the client's account) - any person whose functions include dealing with clients of an approved institution regarding securities business, including sales representatives, investment advisors, portfolio managers and corporate finance professionals, as prescribed by the Authority.
- 11- Trader - any person who deals in securities from the client's account or from the approved institution's account.

In order to qualify for registration, an applicant must have passed the qualification examinations listed below.

Function		Qualification Examinations
1	<u>CEO</u> , Managing Director or General Manager	- Securities exam - Business conduct exam
2	Senior Executive Officer: including heads of main departments or divisions	- Securities exam - Business conduct exam - Derivatives exam
3	Director	- Securities exam - Business conduct exam
4	Finance Officer	- Securities exam - Business conduct exam
5	Compliance Officer	- Business conduct exam - Securities exam - Derivatives exam
6	Anti-Money Laundering Reporting Officer	- Business conduct exam - Securities exam
7	Risk Management Officer	- Securities exam - Derivatives exam - Business conduct exam
8	Internal Audit Officer	- Securities exam - Derivatives exam - Business conduct exam
9	Senior Manager: including heads of business lines or product areas	- Securities exam - Derivatives exam - Business conduct exam



10	Client representative (in charge of the client's account): <ul style="list-style-type: none">- Account representative- Sales representative or broker- Investment manager- Investment funds manager- Portfolio manager – discretionary- Portfolio manager – non-discretionary- Investment advisor- Asset manager- Investment banking or corporate finance manager/officer- Research analyst or manager- Securities product analyst or manager	<ul style="list-style-type: none">- Securities exam- Derivatives exam- Business conduct exam
11	Trader	<ul style="list-style-type: none">- Securities exam- Derivatives exam- Business conduct exam

The person charged with registrable functions shall be granted a maximum period of two years from the date he began to perform such functions in order to obtain the approval of the Authority on the registration, after fulfilling the required qualifications and conditions.

During this period, this person shall be considered a “Person under supervision” as per the following definition:

Person under supervision: Any person who performs registrable functions under the supervision of a registered person and in the process of obtaining the approval of the Authority as a registered person.

The Approved Institutions shall inform the Authority when a “Person under supervision” is appointed and shall indicate the name of the supervising person registered at the Authority.

In the event the above-mentioned two-year period expires without registration, the Authority may take a decision to suspend the “Person under supervision” from performing his functions until he fulfills the registration requirements.

Fourth: This Announcement shall enter into force upon its publication in the official gazette.

Beirut, August 29, 2022

**Chairman of the Capital Markets Authority/
Governor of the Central Bank of Lebanon
Riad Toufic Salame
(Signed)**