

### **Announcement No. 6**

To all institutions and entities trading in financial instruments in Lebanon, or engaging in activities that are subject to CMA authorization as per Law 161 of August 17, 2011 on Capital Markets,  
And to auditors,

Pursuant to Law 161 of August 17, 2011 on Capital Markets,  
And pursuant to the Decision of the Capital Markets Authority's Board taken in its meeting held on May 29, 2014,

Please be informed of the following:

Whereas Law 161 of August 17, 2011 on Capital Markets has vested in the Capital Markets Authority the power to ensure the protection of savings invested in financial instruments and encourage the capital markets in Lebanon, and for this purpose, to perform all functions and activities that protect investors from illegal, irregular or unfair practices, organize the availability of information to those distributing financial instruments to the public, as well as issue the necessary general or individual regulations, instructions, and directions,

We hereby request all concerned institutions, authorities, and parties to commit to their obligation of disclosure in accordance with the following principles:

First: Ensuring compliance, each according to its role, with the legal texts below and the procedures set forth therein:

- **Article 42 of Law 161 of August 17, 2011 on Capital Markets**

“Every Issuer, must disclose to the CMA, its shareholders and partners- if it is a listed company- as well as to its Financial Instruments' holders and the public, all information related to it, its subsidiaries, if any, and all companies in which it holds a participation share within the percentage set by the special regulations, particularly whenever such information:

- is necessary to assess the financial status of the Issuer, its subsidiaries and the companies in which it holds a participation share as determined by the special regulations;
- is necessary to avoid the establishment of a false market for its Financial Instruments;
- is price-sensitive for its Financial Instruments.



In all cases, the Issuer must comply with the additional obligations and conditions specified in the implementation regulations”.

- **Article 43 of Law 161 of August 17, 2011 on Capital Markets**

“Every Issuer must disclose all reports related to important facts regarding the Issuer, in accordance with the special regulations issued by the CMA, noting that such regulations must determine the nature of the data/facts deemed important by the CMA and the public disclosure procedure”.

- **Article 44 of Law 161 of August 17, 2011 on Capital Markets**

“1- All legal entities must submit to the CMA within 120 days as of the end of the fiscal year, a set of financial statements audited by an external auditor, appointed by the Public Company. These statements must include the budget, the income and expenditure accounts, an analysis of financial flows, and the changes in the capital accounts and shareholders’ equity.

2- The Public Company must also submit to the CMA, within 60 days from the end of the first half of the current fiscal year, or within any other time limit set by the CMA, unaudited financial statements of the abovementioned period”.

- **Article 101 of the Code of Commerce**

“The board must publish every year, two months following the ratification of accounts by the annual assembly, in the official gazette and in an economic and local daily newspaper, the balance sheet of the closed financial year as well as the names of the board members and auditors”.

- **Article 197 of the Code of Commerce**

“Any shareholder or debenture holder may, within 15 days preceding the annual assembly, obtain at the headquarters of the bank, communication of the inventory, the balance sheet, the profit and loss account, the list of shareholders, the report of the board, the auditor’s report and the consolidated profit and loss account and balance sheet if applicable. The interested shareholders may, at their own expense, obtain copies of such documents, to the exception of the inventory, noting that the expense charged by the bank for the delivery of the copies may not exceed the fee set by the Minister of the Economy. Failure to comply with the aforementioned information requirements exposes the assembly meeting to being declared null and void”.

- **Article 91 of Decree 7667 of December 16, 1995 on the implementation of the Beirut Stock Exchange bylaws, namely Article 4 thereof.**

When applying for admission the issuer signs a written commitment that conforms to the rules set by the Committee and includes the following:

4. Publishing the balance sheets and the annual consolidated and certified final accounts in the Stock Exchange official bulletin, within a maximum period of six-month from the date of closing the accounts.



Second: Submitting to the CMA Financial Control Unit, unified and audited financial statements within 120 days following the end of the fiscal year. These statements must include the budget, the income and expenditure accounts, an analysis of financial flows, and the changes in the capital accounts and shareholders' equity.

Third: Any person who violates the provisions of the present Announcement shall be subject to the administrative sanctions set forth in the applicable laws, namely the Capital Markets Law no. 161 of August 17, 2011.

Beirut, on July 25, 2014.

CMA Chairman/ Governor of the Central Bank of Lebanon  
Riad Toufic Salame (signature)