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**Series 2000**

**LICENSING AND REGISTRATION REGULATION**

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**Series 2000**

**LICENSING AND REGISTRATION**

**Part A – Introduction**

**2001. Purpose**

- (1) The purpose of this Regulation is to:
  - i) Establish the categories of license required to carry on securities business in Lebanon.
  - ii) Identify exclusions from the requirement to obtain a license.
  - iii) Establish the categories of registration required to carry out designated functions and activities on behalf of an approved institution.
  - iv) Set the requirements and conditions for obtaining a license as an approved institution.
  - v) Set the requirements and conditions for obtaining registration as a registered person (individuals).
  - vi) Set the conditions for the maintenance of a license or a registration.
  - vii) Establish the procedures that apply to applications, approvals, changes, and termination of a license or registration.

**2002. Principles**

- (1) To be approved for a license as an approved institution, an applicant must meet the following principles:
  - i) Be a fit and proper person to carry on the securities business that it seeks approval for.
  - ii) Demonstrate that it has sufficient expertise, experience and resources to carry on that securities business.
  - iii) Commit to conducting business with honesty and integrity, and due regard for its customers' interests.
  - iv) Demonstrate that it has established adequate systems, policies and procedures covering corporate governance, finance, risk management, compliance, operations and controls to meet and comply with business and regulatory requirements.
  - v) Identify and ensure the appropriate management of any conflicts of interest between the approved institution and its clients.
- (2) To be approved as a registered person, an applicant must meet the following principles:

- i) Be a fit and proper person to carry out the functions and activities that it seeks registration for.
- ii) Demonstrate sufficient knowledge, skill and experience to carry out those functions and activities.
- iii) Commit to carrying out his / her functions with honesty and integrity, and due regard for clients' interests.
- iv) Demonstrate the ability and intent to meet and comply with business and regulatory requirements.

**Part B – Securities Business Activities and Exclusions**

**2101. Application of Part**

- (1) This Part applies to any person that carries on securities business in Lebanon.

**2102. Requirement for approval**

- (1) In order to carry on securities business in Lebanon, any person must be an approved institution licensed by the Authority, unless the person is excluded from the requirement to be licensed under this Regulation.
- (2) A person must not carry on, or hold itself out as carrying on, securities business prior to obtaining approval for a license from the Authority.
- (3) Subarticle (1) does not apply to an institution previously licensed to carry on securities business by the Banque du Liban, if the institution obtains a license from the Authority in accordance with the requirements set by the Authority, as required by article 57 of the Law.

**2103. Securities business activity**

- (1) A securities business activity means carrying on the business of any of the following activities:

1) <b>Dealing</b>	<ul style="list-style-type: none"> <li>• deals in or trades a <u>security</u> as principal or as agent</li> <li>• selling, buying, or taking an order to sell or buy, a <u>security</u></li> <li>• market maker or liquidity provider</li> <li>• managing subscriptions for, distributing or underwriting <u>securities</u>.</li> </ul>
2) <b>Advising</b>	<ul style="list-style-type: none"> <li>• advises another person on investing or dealing in any type of <u>security</u></li> <li>• advises on exercising any right conferred by a <u>security</u></li> <li>• corporate finance advisor</li> </ul>

	<ul style="list-style-type: none"> <li>includes advising on: investments, dealing in <u>securities</u>, corporate finance matters, mergers and acquisitions.</li> </ul>
3) <b>Arranging</b>	<ul style="list-style-type: none"> <li>arranges transactions in relation to <u>securities business</u></li> <li>introduces persons to transactions in <u>securities</u></li> <li>acts to put together a transaction in a <u>security</u></li> <li>includes arranging corporate finance deals, mergers &amp; acquisitions deals, <u>securities</u> offerings, public or private placements</li> <li>arranges for a third party to provide custody services.</li> </ul> <p>Note: Arranging does not include Dealing (executing trades).</p>
4) <b>Managing</b>	<ul style="list-style-type: none"> <li>manages a <u>security</u> or a portfolio of <u>securities</u> for another person on a discretionary basis</li> <li>includes management of <u>collective investment schemes</u> (Additional requirements apply under the CIS Regulation.)</li> <li><u>Approved distribution agent</u> for a foreign collective investment scheme.</li> </ul>
5) <b>Custody</b>	<ul style="list-style-type: none"> <li>safeguards assets for another person including <u>securities</u></li> <li>includes client custody services, and administering rights, benefits and actions relating to a security</li> <li>includes acting as a custodian for a <u>collective investment scheme</u>. (Additional requirements apply under the CIS Regulation.)</li> </ul>

#### 2104. Securities business defined

- (1) A person carries on securities business if that person engages in any securities business activity set out in article 2103, and
- i) is carrying on business or commercial activity,
  - ii) holds itself out as willing and able to engage in that activity, or
  - iii) solicits other persons to engage in transactions based on that activity,
- unless an exclusion set out in this Part applies.

#### 2105. Carrying on securities business in Lebanon

- (1) A person carries on securities business in Lebanon if the person engages in a securities business activity:
- i) from a permanent place of business in Lebanon, or
  - ii) with or for a person in Lebanon.

**2106. Exclusions from license requirement**

- (1) A person is exempt from the requirement to obtain a license in article 2102 if the person engages in a securities business activity that is covered by articles 2107 to 2110.

**2107. Groups and joint ventures**

- (1) A transaction between a company acting as principal and another company that
  - i) are members of the same corporate group; or
  - ii) are, or propose to become, participants in a joint venture and the transaction is for the purpose of that venture.
- (2) The activities of arranging, managing, advising and custody carried on by:
  - i) a person that is a member of a corporate group and the services in question are provided for another member of the group, or
  - ii) a person that is, or proposes to become, a participant in a joint venture and the services in question are provided to another participant in the joint venture and for the purpose of that venture.

**2108. Activities as part of another business**

- (1) A securities business activity that is incidental to carrying on any profession or business other than securities business and that is a necessary part of other services provided in the course of that profession or business, provided that the person that carries on the activity does not hold itself out as carrying on securities business.

**2109. Activities in connection with the sale of a company**

- (1) A transaction made, or a securities business activity carried on, by a person acting as principal for the purpose of acquiring or disposing of at least 50% of the voting shares in a company.

**2110. Dealing or arranging for own account**

- (1) Dealing in a security or arranging a transaction by a person for their own account, unless the person:
  - i) holds itself out as engaging in the securities business activity of dealing, or
  - ii) regularly solicits members of the public to deal in securities.

- (2) Dealing as principal or arranging for the purpose of acceptance of an instrument creating or acknowledging indebtedness relating to a loan, credit, guarantee or other similar financial arrangement that the person has granted or provided.
- (3) Dealing as principal or arranging for the purpose of issuance of a person's own shares, debt instruments or other securities.
- (4) A transaction made by a person acting solely as a nominee, trustee or executor for another person.

#### **2111. Securities advertisements**

- (1) A person must not make or communicate any securities advertisement to a person in Lebanon unless the first person is an approved institution.
- (2) A securities advertisement is made or communicated to a person in Lebanon if it is directed to persons in Lebanon.
- (3) Only an approved institution may use the terms "Financial Intermediation Institution", "Financial Intermediary", "Securities Dealer", "Broker" or any similar term in its name, promotions or advertisements.
- (4) A person must not communicate or promote its services to the public in a manner that might mislead the public about whether it is an approved institution or whether it is licensed by the Authority to carry out specific securities business activities.

#### **2112. Exempt advertisements**

- (1) A securities advertisement is exempt from the prohibition in subarticle 2111 (1) if it:
  - i) is made on behalf of, and approved by, an approved institution,
  - ii) is made only to an approved institution,
  - iii) is made to a person as a result of an unsolicited request for information,
  - iv) is not directed at or intended to be acted on by any person in Lebanon,
  - v) is made by or on behalf of the Government of Lebanon, or
  - vi) is made by a journalist acting in that capacity.

### **Part C – Licensing of Institutions: Requirements and Process**

#### **2201. Application of Part**



- (1) This Part applies to an institution that is applying for approval by the Authority of a license to carry on securities business.
- (2) In this Part, an applicant means the institution that is applying for a license.

#### **2202. Applications for license**

- (1) An applicant for license will be subject to the Regulations from the date of submission of its application.
- (2) An application for license must specify each type of license that the applicant is seeking approval for.
- (3) An application for license must be made on the application form prescribed by the Authority, and include the information and documents required, in Annex 1.
- (4) An applicant for license must pay the fees prescribed by the Authority.

#### **2203. Establishment of financial intermediation company**

- (1) A person who proposes to establish a financial intermediation company must apply for approval by the Authority, in addition to applying for a license to carry on securities business.
- (2) An application for approval of the establishment of a financial intermediation company must be made on the application form prescribed by the Authority and include the information and documents required in Annex 2.

#### **2204. Requirements for license**

- (1) An applicant must demonstrate to the Authority that:
  - i) It is a fit and proper person to carry on each type of securities business that it seeks approval for,
  - ii) It has sufficient expertise, experience and resources, including human, financial and technological resources, to carry on that securities business in accordance with the Regulations,
  - iii) It has established sufficient systems, policies and procedures covering corporate governance, finance, risk management, compliance, operations and controls to enable it to meet and comply with its business and regulatory obligations for the kind of securities business that it proposes to carry on.
  - iv) Its directors, senior management, employees and agents who will be involved in the applicant's securities business have the necessary qualifications, skills, experience and integrity to enable it to carry on the kind of securities business that it proposes to carry on.
- (2) To apply for a license an applicant must be established in Lebanon as:

- i) a bank, a financial institution or a financial intermediation company duly registered with the Authority or the Banque du Liban,
  - ii) a branch of a foreign financial entity whose parent company is engaged in securities business and is licensed by a competent authority in a recognized jurisdiction.
- (3) An applicant must be engaged solely in securities business, or in the case of a company licensed by the Banque du Liban, solely in business covered by that license.
- (4) An applicant's head office must be in Lebanon.
- (5) An applicant must have fully paid up capital of the highest of the following amounts that applies to its application: *[To be completed when Prudential Regulation is done or incorporate requirements by reference to Prudential Regulation]*
- i) Advising -
  - ii) Dealing -
  - iii) Managing -
  - iv) Arranging -
  - v) Custody -
- (6) If the applicant is an associate of another person, the Authority must be satisfied with the integrity, regulatory status, business record and financial soundness of any such person.

#### **2205. Fit and proper person – institutions**

- (1) In assessing whether an applicant or an approved institution is a fit and proper person under the Regulations, the Authority will consider:
- i) The fitness and propriety of its current or proposed registered persons, including its directors and senior management,
  - ii) The suitability and experience of its controllers and any persons with close links to it,
  - iii) Whether its business and affairs will be conducted and managed in a sound and prudent manner,
  - iv) Its ability to meet the requirements for approval of each license that it is applying for, and its ability to meet its business and regulatory obligations on a continuing basis, and
  - v) Any other matter that the Authority considers relevant.

## **2206. Process and powers of the Authority**

- (1) In assessing an application for a license, the Authority may:
  - i) carry out any review, enquiry or investigation that it considers appropriate,
  - ii) inspect any office or premises of the applicant,
  - iii) require the applicant, or any representative of the applicant, to appear before the Authority to answer questions and explain any matter the Authority considers relevant to the application,
  - iv) require the applicant to provide any additional information or documents that the Authority considers relevant, and
  - v) require the applicant to verify, certify or substantiate any information provided to the Authority.
- (2) The Authority may refuse to consider an application if:
  - i) it is incomplete,
  - ii) it does not meet the requirements prescribed by the Authority, or
  - iii) the applicant has failed to provide information requested by the Authority or has failed to provide information within a time specified by the Authority.
- (3) After completing its consideration of an application, the Authority will make one of the following decisions:
  - i) approve the application in whole or in part,
  - ii) approve the application subject to any conditions and limitations that the Authority considers appropriate, or
  - iii) refuse the application with reasons for its decision.
- (4) If the Authority decides to approve an application for license in whole or in part, it will notify the applicant in writing, including any conditions and limitations on the approval set by the Authority.
- (5) If the Authority decides to refuse an application, it will notify the applicant in writing, including the reasons for its decision.

## **2207. Changes in license**

- (1) An approved institution must apply to the Authority for approval of any proposed change to its license, including any change in categories of license, in accordance with the provisions of this Part.
- (2) An applicant must not carry on, or hold itself out as carrying on, securities business covered by its application for a change in license prior to obtaining approval for the change from the Authority.

- (3) The Authority may waive or vary any requirement to file information with an application for a change in license, as it considers appropriate.
- (4) The Authority has the powers set out in article 2206 in considering a proposed change in license.
- (5) After completing its consideration of an application, the Authority will make one of the following decisions:
  - i) approve the application in whole or in part,
  - ii) approve the application subject to such conditions and limitations that the Authority considers appropriate,
  - iii) refuse the application with reasons for its decision.
- (6) If the Authority decides to approve an application for a change in license, it will notify the applicant in writing, including any conditions and limitations on the approval set by the Authority.
- (7) If the Authority decides to refuse an application, it will notify the applicant in writing, including the reasons for its decision.

**2208. Ceasing securities business activities**

- (1) An approved institution that proposes to cease to carry on one or more types of securities business that it is licensed to carry on must notify the Authority in writing of the date on which it intends to cease to carry on that securities business and the reasons for the decision:
  - i) at least 60 days in advance of that date, or
  - ii) if such advance notice is not possible because cessation of business is caused by an unknown external event, immediately on making a decision to cease to carry on securities business.
- (2) An approved institution that decides to cease providing securities business services to clients must ensure that any outstanding business is properly completed or is transferred to another approved institution and that it provides at least 30 days advance notice to its clients of the cessation of business.
- (3) If a client objects to a transfer of the client's business under subarticle (2), the client may terminate its business relationship with the new institution.
- (4) If an approved institution proposes to cease any securities business or has ceased it, the Authority may direct the approved institution to take any action or measures that the Authority considers necessary for the protection of the approved institution's clients, the securities markets or the public interest.

**2209. Request to cancel a license**

- (1) An approved institution may request the Authority to cancel its license in whole or in part by filing a written request to the Authority at least three months in advance of the proposed date of the cancellation.
- (2) A request to cancel a license must include full particulars of the reasons for the cancellation and arrangements to protect the interests of the institution's clients.
- (3) The Authority may require an approved institution making a request to cancel its license to:
  - i) provide any additional information or documents that the Authority considers necessary, or
  - ii) verify, certify or substantiate any information provided to the Authority.
- (4) After considering the request, the Authority may decide to:
  - i) accept it and cancel the license, or
  - ii) delay or postpone the date of the cancellation pending further action, if it considers that maintaining the license is necessary to protect the interests of the approved institution's clients, the securities markets or the public interest, or to impose any penalty or requirements on the institution.
- (5) In making a decision under subarticle (4), the Authority may direct an approved institution to take any action or measures that the Authority considers necessary for the protection of the approved institution's clients, the securities markets or the public interest.

**2210. Cancellation of license by the Authority**

- (1) The Authority may terminate an approved institution's license on providing notice in writing to the institution:
  - i) if it does not carry on any securities business for a period of 12 consecutive months, or
  - ii) at least 6 months after the date that it ceased to carry on securities business after notifying the Authority in accordance with article 2208.
- (2) Subject to the law on statutes of limitation, a former approved institution, the members of its governing body and its senior management continue to be subject to the jurisdiction of the Authority for ten years after cancellation of the institution's license in respect of any act or omission that occurred before the cancellation. If at any time during the ten year period the Authority commences an investigation or disciplinary proceedings, the former approved institution, the members of its governing body and its senior management will continue to be subject to the jurisdiction of the Authority until the matter is closed.

- (3) For the purposes of subarticle (1), if an approved institution ceases to exist as a joint stock company, the members of its governing body and its senior management as of the date of the winding up of the company continue to be subject to the jurisdiction of the Authority for ten years after cancellation of the license.

## **Part D – Maintaining a License**

### **2301. Conditions of license**

- (1) In order to maintain its license an approved institution must continue to meet all requirements of an applicant for a license, including to be a fit and proper person to carry out the securities business that it is licensed to engage in.
- (2) An approved institution must comply with the Regulations and with any conditions, limitations and other requirements that the Authority specifies.

### **2302. Changes in controllers**

- (1) An approved institution must notify the Authority in the prescribed form if a person is intending to become, or cease to be, a controller of the approved institution:
  - i) at least 30 days in advance of the proposed effective date of the change, or
  - ii) if advance notice is not possible, immediately on the approved institution becoming aware of such intention.
- (2) An approved institution must not permit any person to become or act as a controller unless the Authority has approved the controller in writing.
- (3) A person that intends to become a controller of an approved institution must notify the Authority of such intention at least 30 days in advance of the proposed effective date, and must provide the Authority with any information the Authority requests about its identity, integrity, regulatory status, business record and financial soundness.
- (4) Before approving a controller the Authority must be satisfied that the person's control of the approved institution will not impair the effective supervision of the approved institution, or its operations and compliance with the law and Regulations.
- (5) In considering any notice submitted under this article, the Authority has all of the powers set out in article 2206.

- (6) This article does not apply to a bank or a financial institution licensed by the Banque du Liban.

### **2303. Changes in close links**

- (1) An approved institution must notify the Authority in the prescribed form if a person is intending to establish, or cease to have, close links with the approved institution:
  - i) at least 30 days in advance of the proposed effective date of the change, or
  - ii) if advance notice is not possible, immediately on the approved institution becoming aware of such intention.
- (2) The notice in subarticle (1) must include any information the Authority requests about the identity of the person that the approved institution intends to establish close links with, and its integrity, regulatory status, business record and financial soundness.
- (3) An approved institution must not establish close links with another person unless the Authority has approved the close links in writing.
- (4) Before approving any close links, the Authority must be satisfied that such links will not impair the effective supervision of the approved institution, or its operations and compliance with the law and Regulations.
- (5) In considering any notice submitted under this article, the Authority has all of the powers set out in article 2206.
- (6) This article does not apply to a bank or a financial institution licensed by the Banque du Liban.

### **2304. Notification requirements**

- (1) An approved institution must comply with the notification requirements to the Authority set out in Annex 3.
- (2) On receiving a notice required by subarticle (1), the Authority may:
  - i) require the approved institution to provide any additional information or documents that it considers necessary to properly assess the matter, or
  - ii) impose any conditions, limitations, restrictions or additional requirements on an approved institution, including conditions or limitations on its license, that it reasonably considers appropriate.

### **2305. Fees**

- (1) An approved institution must pay the fees prescribed by the Authority for maintaining a license.

**Part E – Approval of Registered Persons – Requirements and Process****2401. Application**

- (1) This Part applies to a person that is applying for approval by the Authority as a registered person.
- (2) In this Part, an applicant means the person that is applying for approval.

**2402. Registrable functions**

- (1) The following functions must be performed by a person approved by the Authority as a registered person:
  - i) CEO, Managing Director or General Manager – the person who has ultimate responsibility for the management of an approved institution's business.
  - ii) Senior Executive Officer – a person who has ultimate responsibility for one or more parts of an approved institution's business.
  - iii) Director – a person who is a director on the governing body of an approved institution.
  - iv) Finance Officer – the person who has ultimate responsibility for an approved institution's financial administration and controls and for compliance with prudential and capital requirements.
  - v) Head of Compliance – the person who is responsible for compliance matters related to an approved institution's business.
  - vi) Anti-Money Laundering Reporting Officer – the person who is responsible for the implementation of an approved institution's anti-money laundering policies and procedures.
  - vii) Risk Management Officer – the person who is responsible for the design and implementation of an approved institution's risk management policies and procedures.
  - viii) 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.
  - ix) Client Representative – any person whose functions include dealing with clients of an approved institution's securities business, including sales representatives, investment advisors, portfolio managers and corporate finance professionals, as prescribed by the Authority.
  - x) Trader – any person who deals in securities as agent for clients or for an approved institution as principal.
- (2) A registered person must perform the specific functions designated by the Authority in Annex 5.



**2403. Performance of registrable functions**

- (1) Only a registered person may perform a registrable function for an approved institution, unless the Authority provides prior written consent to a specific individual performing a specific function.
- (2) Except as required by subarticle (3), a registered person may perform more than one registrable function for an approved institution if the Authority considers that person to be fit and proper to perform each function and that no conflicts of interest will arise in performing different functions.
- (3) An approved institution may have one registered person performing more than one registrable function, except that a separate, designated registered person must be in place to lead each of the following functions:
  - i) CEO or Managing Director
  - ii) Finance Officer
  - iii) Compliance Officer (which may include the legal officer and anti-money laundering officer functions).
- (4) A Head of Compliance, Legal Officer and Anti-Money Laundering Reporting Officer must not perform any client service functions.
- (5) A registered person listed in subarticle (3) must be resident in Lebanon.
- (6) If a vacancy occurs in any function listed in subarticle (3), the approved institution must notify the Authority immediately and of the appointment of an appropriate person to temporarily assume responsibility for the function until a registered person is appointed to assume the function on a permanent basis.

**2404. Applications for registration**

- (1) An applicant will be subject to the Regulations from the date of submission of its application.
- (2) An application for registration must specify each type of registrable function that the applicant is seeking approval for.
- (3) An application for registration must be made on the application form prescribed by the Authority, and include the information and documents required, in Annex 4.
- (4) An applicant's approved institution must review and approve the application for registration in the form prescribed by the Authority.
- (5) An approved institution must pay the fees prescribed by the Authority for each application for registration.

**2405. Requirements for registration**

- (1) The applicant's approved institution must be satisfied that the applicant is a fit and proper person who is competent to perform the functions covered by the application, and must take reasonable steps to verify the information in the application.
- (2) An applicant must have passed the qualification examinations prescribed by the Authority in Annex 5 for the applicable function, or obtained an exemption from the Authority.
- (3) If an applicant was formerly registered and his registration has been cancelled or suspended for a period of two years or more, the applicant must again pass any qualification examinations prescribed by the Authority.
- (4) An applicant who has passed an examination listed in circular 103, which the Authority designates as equivalent to a prescribed qualification examination, will be considered to have satisfied the requirement in subarticle (2).

**2406. Fit and proper person – individuals**

- (1) In assessing whether an applicant or a registered person is a fit and proper person under this Regulation, the Authority will consider:
  - i) the applicant's skills, experience, competencies and integrity, including whether the person:
    - (a) has adequate qualifications, skills and professional experience to carry out the assigned responsibilities,
    - (b) is capable of fulfilling the responsibilities with diligence and in accordance with clients' interests and the Regulations, and
    - (c) has ever been convicted of an offence involving fraud or dishonesty, or has ever violated any laws, regulations or requirements governing financial business or aimed at protecting clients or investors,
  - ii) the applicant's ability to meet the requirements for registration for each function applied for, and
  - iii) any other matter that the Authority considers relevant.

**2407. Process and powers of the Authority**

- (1) In assessing an application for registration, the Authority may:
  - i) carry out any review, enquiry or investigation that it considers appropriate,

- ii) require the applicant, or any representative of the approved institution, to appear before the Authority to answer questions and explain any matter the Authority considers relevant to the application,
  - iii) require the applicant or the approved institution to provide any additional information or documents that the Authority considers appropriate, and
  - iv) require the applicant or the approved institution to verify, certify or substantiate any information provided to the Authority.
- (2) The Authority may refuse to consider an application if:
- i) it is incomplete,
  - ii) it does not meet the requirements prescribed by the Authority, or
  - iii) the applicant has failed to provide information requested by the Authority or has failed to provide information within a specified time.
- (3) After completing its consideration of an application, the Authority will make one of the following decisions:
- i) approve the application in whole or in part,
  - ii) approve the application subject to such conditions and limitations that the Authority considers appropriate,
  - iii) defer the application pending receipt of additional information, or
  - iv) refuse the application with reasons for its decision.
- (4) If the Authority decides to approve an application for registration, it will notify the applicant and the approved institution in writing, including any conditions and limitations on the approval set by the Authority.
- (5) If the Authority decides to refuse an application, it will notify the applicant and the approved institution in writing, including the reasons for its decision.

#### **2408. Cancellation of registration**

- (1) If a registered person's registration is cancelled, his approved institution must ensure that the person immediately ceases to perform the registrable function.
- (2) If a registered person ceases to carry on a registrable function or ceases to be employed or associated with an approved institution, the institution must notify the Authority within seven days in the manner prescribed by the Authority. Upon receipt of the notice, the registration will be suspended until the Authority decides to:
  - i) cancel the registration, or
  - ii) consent to the transfer of the registered person to another approved institution.

- (3) If a registered person is terminated for cause, his approved institution must also notify the Authority of the reasons for termination within seven days of the date of termination.
- (4) A registered person continues to be subject to the jurisdiction of the Authority for ten years after cancellation of his registration in respect of any act or omission that occurred before the cancellation. If at any time during this ten year period the Authority commences an investigation or enforcement proceedings, the registered person will continue to be subject to the jurisdiction of the Authority until the matter is closed.

## ANNEX 1

### APPLICATION FOR A SECURITIES BUSINESS LICENSE AS AN APPROVED INSTITUTION

#### Instructions

1. An applicant for approval by the Authority as an approved institution under Part B of the Licensing and Registration Regulation must file this completed form and all supporting information and documents with the Authority at:

*[Address and email address for filing applications]*

2. An applicant must file all the information and documents listed in the exhibits to this application form, as prescribed below.
3. All forms, information and reports that are required to be filed must be submitted in both hard copy and soft copy (on a CD or by email). Documents that require a signature must be filed in hard copy original form as well as by soft copy.
4. The Authority may require an interview with senior executives of the applicant, and may require the applicant to file additional information or documents.
5. Incomplete applications will be returned and cannot be processed until completed.
6. An applicant that files misleading information, or that attempts to mislead the Authority by filing incomplete, false or inaccurate information, will be denied approval.
7. In making application for approval as an approved institution, an applicant becomes subject to the Regulations as of the time of application.

### APPLICATION FOR A SECURITIES BUSINESS LICENSE AS AN APPROVED INSTITUTION

**Name of Applicant:**

Date:

#### APPLICANT'S DECLARATION

1. We apply to be licensed as an approved institution to carry on securities business by the Authority.
2. We have read and understand the Regulations.

3. We undertake that, if this application is approved, we and our employees and agents will comply with the provisions of the Regulations and all decisions and directions of the Authority.
4. We hereby confirm that:
  - i) The information set out and included in this application is complete and accurate, to the best of our knowledge and belief.
  - ii) We meet and are in compliance with all of the requirements for approval of the categories of license that we are applying for, to the best of our knowledge and belief.
  - iii) There are no additional facts or matters that are material to the Authority's consideration of our application that we have not disclosed to the Authority.

EXECUTED ON BEHALF OF THE APPLICANT

\_\_\_\_\_  
[Name of applicant]

Date:

By \_\_\_\_\_

Title:

[Chief Executive Officer or equivalent]

Contact information for signatory to this declaration:

\_\_\_\_\_  
\_\_\_\_\_

## APPLICATION FORM

*Note: All contact information must include full mailing address, email address and telephone numbers.*

1. Name of applicant
2. Location and address of head office and mailing address
3. Name, title and contact information for the main contact person(s) for this application
4. Name, address and contact information for legal counsel or other advisors who are advising the applicant on this application (if any).

5. Addresses of all websites
6. Company registration number
7. Legal status
  - Joint Stock Company
  - Subsidiary of Joint Stock Company (name) \_\_\_\_\_
  - Subsidiary of Lebanese bank (name) \_\_\_\_\_
  - Subsidiary of Lebanese Financial Institution (name) \_\_\_\_\_
  - Subsidiary of foreign bank or financial company (name) \_\_\_\_\_
  - Other (specify) \_\_\_\_\_
8. Ownership:
  - i) Details of issued share capital
  - ii) Transferability of ownership interests, including details of public trading of any securities of the applicant
  - iii) Controllers – Name, address and full particulars for each controller of the applicant, including the percentage ownership position for each controller.
9. Governance: corporate governance structure, including details of board of directors.
  - Each director and each senior officer must file an application for registration as a registered person in the form prescribed by the Authority (see Annex 4).
10. Categories of License

Types of securities business applicants seeks a license for (check all that apply)

1) <b>Dealing</b>	<ul style="list-style-type: none"> <li>• Deals in or trades a <u>security</u> as principal</li> <li>• Deals in or trades a <u>security</u> as agent</li> <li>• Selling, buying, or taking an order to sell or buy, a <u>security</u></li> <li>• Market maker or liquidity provider</li> <li>• Managing subscriptions for or distributing <u>securities</u></li> <li>• Underwriting <u>securities</u>.</li> </ul>	
2) <b>Advising</b>	<ul style="list-style-type: none"> <li>• Investment advisor – retail</li> <li>• Investment advisor – institutional</li> <li>• Corporate finance advisor</li> <li>• Other – specify</li> </ul>	
3) <b>Arranging</b>	<ul style="list-style-type: none"> <li>• Arranges transactions relating to <u>securities business</u></li> <li>• Introduces persons to transactions in</li> </ul>	

	<p><u>securities</u></p> <ul style="list-style-type: none"> <li>• Arranging corporate finance transactions (includes mergers &amp; acquisitions, <u>securities</u> offerings, public or private placements)</li> <li>• Arranges for a third party to provide custody services.</li> </ul> <p>Note: Arranging does not include Dealing (executing trades).</p>	
4) <b>Managing</b>	<ul style="list-style-type: none"> <li>• Managing a <u>security</u> or a portfolio of <u>securities</u> for another person on a discretionary basis</li> <li>• CIS Manager of a <u>collective investment scheme</u> (Additional requirements apply under the CIS Regulation.)</li> <li>• <u>Approved distribution agent</u> for a foreign collective investment scheme.</li> </ul>	
5) <b>Custody</b>	<ul style="list-style-type: none"> <li>• Holds and safeguards assets for another person, including <u>securities</u></li> <li>• Client custody services, including administering rights, benefits and actions relating to a <u>security</u></li> <li>• CIS Custodian for a <u>collective investment scheme</u>. (Additional requirements apply under the CIS Regulation.)</li> </ul>	

11. Details of current business activities (if any)
12. Details of license by Banque du Liban (if applicable)
13. Proposed location and address of offices of all approved institution operations (including branch offices)
14. Name and address of all subsidiaries or affiliated entities of the applicant
15. Name, address and contact information for external auditors
16. Name, address and contact information for the applicant's principal bank
17. Membership in any securities exchange, professional body or self-regulatory organization (SRO), including details of membership category and status.
18. Details of registration, licensing or other form of authorization by any securities regulatory authority or other statutory authority outside Lebanon



19. Has the applicant ever been refused membership in any securities exchange, SRO or professional body for which it has applied? (If yes provide details).
20. Has the applicant's membership in any securities exchange, SRO or professional body ever been suspended or terminated? (If yes provide details).
21. Has the applicant's registration, licensing or other form of authorization by any securities regulatory authority or other statutory authority ever been suspended or terminated? (If yes provide details).
22. Is the applicant currently the subject of any investigation, regulatory proceeding or litigation?

## **EXHIBIT 1**

### **INFORMATION AND DOCUMENTS REQUIRED TO BE FILED WITH THIS APPLICATION**

An applicant for a license for any type of securities business must file all of the following information and documents with the Authority.

1. **Board of Directors Resolution** – A resolution of its board of directors (or equivalent governing body) in the form prescribed by the Authority approving the application and its contents, and certifying the accuracy and completeness of the accompanying information and documents.
2. **Securities Business Profile** – A proposed securities business profile including all types of license to carry on securities business that the application covers. The profile must set out the types of financial instruments and the types of services that the applicant proposes to provide under each category of license.
3. **Business Plan** – A detailed business plan for the securities business covered by the application, including the following:
  - 1) Introduction and background
  - 2) Business strategy
  - 3) Nature and scale of the proposed securities business, including sources of business and nature of customers and types of financial instruments and services that it intends to provide to clients
  - 4) Capital structure and financing arrangements
  - 5) Key risks and risk management approach
  - 6) IT strategy and operations overview, including any arrangements for the outsourcing of any IT, operational or administrative functions. Specify the

name, address and contact details of any agents or third parties that will provide services to the applicant, with details of the services to be provided.

- 7) Arrangements made for custody of clients' securities and handling of client money, detailing names and addresses of the custodian and any other third party providers to be used by the applicant for custodian activities.
  - 8) Arrangements made for clearing and settlement of transactions
  - 9) Securities business – a detailed description of the securities business activities that the applicant proposes to undertake under each category of license that it is applying for
  - 10) Financial projections for a 3 year period covering the institution as a whole and each type of securities business that it proposes to undertake
  - 11) Securities exchanges and markets that the applicant intends to trade in
  - 12) Securities exchanges, clearing houses, depositories and self-regulatory organizations (SROs) that the applicant is, or intends to become, a member of.
4. **Controllers** – A list of all controllers of the applicant, and provide details of the identity, ownership (if applicable), integrity, regulatory status, business record and financial position of each proposed controller.
  5. **Close Links** – A list of all persons that have, or are proposed to have, close links with the applicant, with details of the identity, ownership (if applicable), integrity, regulatory status, business record and financial position of each such person.
  6. **Financial Statements** – Financial statements prepared and certified by the applicant's auditors in accordance with Lebanese accounting standards. The statements must set out the applicant's current and projected financial position (including its capital, assets, liabilities, revenues and expenses) as at:
    - 1) the end of its last fiscal year, or for a new entity, the date of the financial statements,
    - 2) the proposed date of the commencement of business, and
    - 3) 12 months after the date of commencement of business.

Evidence to support the current and projected financial position and the validity of the assumptions that the financial statements are based on must be provided.
  7. **Registered Persons** – A list of each person who is to be a registered person and an application form for registration for each such person in accordance with this Regulation.
  8. **Systems and Controls** – Systems and controls documentation as follows:

- 1) Financial controls policies and procedures
  - 2) Risk management policies and systems
  - 3) Anti-money laundering and anti-terrorism financing program and procedures
  - 4) Compliance manual
  - 5) Compliance monitoring program
  - 6) Code of conduct for directors, officers and employees
9. **Operations Manual** – Operations procedures manual setting out the procedures and systems to be employed for all material business and administrative operations, including:
- 1) Opening and administration of client accounts
  - 2) Processing and recording of orders, and the execution, settlement and confirmation of trades
  - 3) Reporting to clients
  - 4) Providing suitable advice and services to clients
  - 5) Handling and custody of client money and client assets
  - 6) Compliance with all record-keeping requirements
10. **Terms of Business** – The proposed terms of business in client agreements (in accordance with the Business Conduct Regulation), including the proposed forms to be signed by clients.
11. **Fees** – A list of proposed fees, commissions, charges and other expenses payable by clients.
12. **Material Contracts** – A copy of agreements, arrangements and understandings with third parties to provide any material services or operations, including:
- 1) Execution, clearing and settlement of trades
  - 2) Custody of client money or client assets;
  - 3) Arrangements to offer products or services provided by, sponsored by, or associated with a third party
  - 4) Arrangements to introduce clients
  - 5) Information technology services, including database services, computer systems, processing and IT audit services
  - 6) Record-keeping
  - 7) Compliance services
  - 8) Risk management services
  - 9) Audit services

13. **Insurance** – Details of professional indemnity insurance policies in accordance with the requirements prescribed by the Authority in the Business Conduct Regulation.
14. **Incorporation Documents** – Copy of the articles of association or by-laws, for a company.
15. **Corporate Structure** – Ownership structure chart showing the corporate group that the applicant is part of (if any), including each controller and each person that the applicant has close links with.
16. **Organization Chart** – Organization chart that includes the applicant’s governing body, all departments and units of the business, the CEO and senior management, the Head of Compliance and MLRO. The chart must set out the reporting lines of each department and senior manager in the business.
17. **Business Continuity** – Copy of the applicant’s business continuity plan.

## ANNEX 2

### INFORMATION AND DOCUMENTS REQUIRED TO BE FILED WITH APPLICATIONS FOR APPROVAL TO ESTABLISH A FINANCIAL INTERMEDIATION COMPANY

In addition to the information and documents that must be filed with an application for license in Annex 1 above, an application for approval to establish a financial intermediation company must file all of the following information and documents with the Authority.

1. **Founders and Officers** – A document certifying the identity of the founders, the persons participating in subscriptions for the company’s capital, and the persons to hold senior management positions in the company. (This may include an extract from the Civil Register / identity card / passport, or in the case of a legal entity, a registration certificate from the Commercial Register.
2. **Personal Statements** – A statement signed by each person listed in #1, including their curriculum vitae (degrees, experience, and other information on their financial status and background) and a precise evaluation of their net worth. If legally available, include an official police record issued within the last three months.
3. **Subscriptions** – A statement listing the percentage participation of all subscribers in the capital of the company, including the categories of shares, and their distribution among Lebanese and non-Lebanese persons, and resident and non-resident persons.
4. **Feasibility Study** – An economic feasibility study on the establishment of the company, covering a three-year period and showing in detail:
  - 1) The company’s financing sources, initial capital investments and other start-up resource requirements
  - 2) Projected annual profit and loss account, including revenues.
  - 3) Projected annual expense budgets.
  - 4) Projected cash flow.
5. **Business Relationships** – A statement listing any existing or proposed relationship between the company and any financial institution, broker-dealer or other financial entity, whether in Lebanon or abroad.
6. **Constitution** – Final or draft copies of the company’s articles of incorporation constitution and by-laws.

## ANNEX 3

### NOTIFICATION REQUIREMENTS TO THE AUTHORITY

An approved institution must provide notice to the Authority of the following changes under article 2304. All notices must be provided in the form prescribed by the Authority.

1. **Changes in Name or Office** – An approved institution must notify the Authority at least 30 days before any change in:
  - 1) its name, its registered name or any business name that it uses in carrying on securities business or
  - 2) the address of its head office or, if different, the address of the place for service of notices or documents.
  
2. **Changes in Business** – An approved institution must notify the Authority within 7 days of:
  - 1) the formation, acquisition, disposal or dissolution of a subsidiary, including the subsidiary's name and its principal business,
  - 2) any changes in the information originally submitted under the following headings:
    - branch offices in Lebanon from where it carries on securities business,
    - insurance arrangements,
    - the countries outside Lebanon where it carries on securities business, including whether the business operates as a branch office, a subsidiary or otherwise, and
    - the contracts or arrangements to clear and settle transactions or for custody of client money or client assets.
  
3. **Proposed Changes in Business** – An approved institution must give the Authority prior notice (or if the event has occurred, notice as soon as it becomes aware) of:
  - 1) a proposed reorganization, business expansion or other change that could have a material impact on its securities business, risk profile or resources, including, but not limited to:
    - Setting up a new business within its corporate group
    - Establishing a new branch
    - Selling or offering a new type of financial or securities product or service
    - The acquisition of any material business or the disposal of any material part of its business
    - The sale or transfer of any material assets or parts of its business,
    - Ceasing to undertake a securities business activity, or significantly reducing the scope of any activity,

- 2) entering into, or significantly changing, a material outsourcing arrangement covering any of its business or administrative functions,
  - 3) a significant failure in its systems or controls, including those reported by its auditor or internal audit function,
  - 4) any change that could result in a material change in its capital adequacy or capital position, including:
    - any action that would result in a material change in its financial resources or financial resources requirements
    - the payment of a special dividend or the repayment of share capital or a loan or credit
    - any significant losses, whether recognized or unrecognized
    - any action proposed by a controller or a member of its corporate group.
4. **Material Changes and Events** – An approved institution must notify the Authority immediately of:
- 1) Any material change in, or event related to, its business, operations or financial soundness,
  - 2) the presentation of a petition for the winding up or bankruptcy of the approved institution, a controller of the institution or any person that the institution has close links with,
  - 3) notice of any meeting to consider a resolution to wind up the approved institution, a controller of the institution or any person that the institution has close links with,
  - 4) any insolvency event,
  - 5) the imposition of disciplinary sanctions on the approved institution or a controller of the institution by any regulatory authority,
  - 6) the conviction of the approved institution of any criminal offence or any offence under legislation relating to banking or other financial services, taxation or involving fraud or any act involving a lack of integrity or dishonesty,
  - 7) the granting or refusal of any application for, or revocation of, approval to carry on securities, banking or insurance business in any other country,
  - 8) the withdrawal or refusal of an application for, or revocation of, membership of a securities exchange or clearing agency,
  - 9) the appointment of inspectors by an official or regulatory authority to investigate the affairs of the approved institution,
  - 10) a change in its external auditors,
  - 11) a significant act of misconduct by the approved institution or any of its registered persons,
  - 12) any lawsuit initiated against the approved institution by one of its clients,

- 13) any matter that would be material to the requirement for the approved institution, any of its controllers, or any of its registered persons, to remain a fit and proper person under the Regulations,
- 14) any other matter that would reasonably be considered to be material to the Authority's supervision of the approved institution or any of its registered persons,
- 15) the resignation or dismissal of any of the following persons (in cases of dismissal, full details of reasons for dismissal must be provided):
  - the CEO, Managing Director or General Manager
  - Chief Financial Officer
  - A director
  - A senior officer or executive
  - Head of compliance
  - Head of risk management
  - Money laundering reporting officer.

The obligation to notify the Authority arises immediately when the approved institution knows, or has reasonable grounds for believing, that any of the above changes has occurred or will occur.

5. **Changes in Registered Persons** – An approved institution must notify the Authority within 7 days of any material change in the information provided to the Authority on the application for registration of a registered person, including his name, integrity or background. A registered person must give immediate notice to the compliance officer of his approved institution of any such changes.



## ANNEX 4

### APPLICATION FOR APPROVAL AS A REGISTERED PERSON

#### Instructions

1. An applicant for approval by the Authority as a registered person under Part E of the this Regulation must file this completed form and all supporting information and documents with the Authority at:

*[Address and email address for filing applications]*

2. An applicant must file all the information and documents listed in the exhibit to this application form, as prescribed below.
3. All forms, information and documents may be submitted in soft copy by email, except for documents that require a signature, which must be filed in both soft copy and hard copy original form.
4. The Authority may require an interview with the applicant, and may require the applicant to file additional information or documents.
5. Incomplete applications will be returned and cannot be processed until completed.
6. An applicant who files misleading information, or who attempts to mislead the Authority by filing incomplete, false or inaccurate information, will be denied approval.
7. In making application for approval as a registered person, an applicant becomes subject to the Regulations as of the time of application.
8. The application must be approved and endorsed by the applicant's approved institution in the form set out in the application. The approved institution must have satisfied itself that the applicant is a fit and proper person to perform the registrable functions that it seeks approval for.

### APPLICATION FOR APPROVAL AS A REGISTERED PERSON

**Name of Applicant:**

Date:

1. Full name
2. Address (home)

3. Address (office)
4. Email address
5. Telephone (office)
6. Date of birth
7. Place of birth
8. Citizenship
9. Country of residence
10. Position with applicant
11. Person that position reports to in the approved institution
12. Main responsibilities of position
13. Registrable functions for which applicant seeks approval of the Authority as a registered person
14. Proposed start date
15. Qualifications
  - Academic qualifications

<i>Qualification</i>	<i>Name of institution</i>	<i>Year Awarded</i>

- Professional or industry accreditations, certifications, courses or programs

<i>Qualification</i>	<i>Name of institution</i>	<i>Year Awarded</i>

- Full particulars of the applicant’s qualifications as a fit and proper person to perform each registrable function applied for:
- Registrations
  - Details of current or past registrations with the Banque du Liban or any other financial services authority or body

<i>Qualification</i>	<i>Name of institution</i>	<i>Year Awarded</i>

16. List any other current employment or position, including the name of any company or body that you are currently a director, officer or employee of.
17. Have you ever applied for, and been denied, a registration, license or other authorization to carry on business, or had any such registration, license or authorization suspended, terminated or revoked?
18. Have you, or has any organization that you are or have been employed by or associated with,
  - i) ever been refused or restricted from the right to carry on any trade, business or profession for which a specific license, registration or other approval is required?
  - ii) ever been disqualified from being a director or officer of a company?
  - iii) ever been censured, penalized, or disciplined by any authority, regulator or professional body?
  - iv) ever been the subject of a court order or official investigation?
  - v) ever failed to satisfy your/its debts?
  - vi) ever been the subject of bankruptcy or insolvency proceedings?
  - vii) ever been convicted of an offence, or found liable for any act, involving embezzlement, fraud, theft or other dishonesty?
  - viii) ever been found in violation of any financial services law or regulation, or of any professional standards or code of conduct?
19. File an up-to-date CV that includes your complete employment history with this application, and the other information and documents required by Exhibit 1.

### **Declaration of Applicant**

1. I certify that the information contained in this application is complete and accurate, to the best of my knowledge and belief.
2. I understand that the Authority may take disciplinary action against a person who has made a false or misleading statement when applying for registration.
3. I understand that if any information in this application changes before this application is approved, I must notify the Authority in writing immediately of the changes.

4. I consent to the Authority using any personal information I have provided in this application, and any personal information I may provide in the future, for purposes of carrying out its responsibilities.
5. I consent to the Authority making any query, review or investigation about my background for purposes of assessing this application.

SIGNED BY:

\_\_\_\_\_  
[Name of applicant]

Date:

\_\_\_\_\_  
Title:

[Position with the approved institution]

**Declaration of the Applicant's Approved institution**

I certify that:

1. I am authorized to approve this application for registration on behalf of *[name of approved institution]*
2. I certify that *[name of approved institution]* has approved and endorses this application for registration,
3. I certify that I have reviewed this application for registration and, after making reasonable enquiries, that the information contained in this application is complete and accurate, to the best of my knowledge and belief.
4. I believe that the applicant is a fit and proper person to be registered to perform the registrable functions applied for in this application.

EXECUTED ON BEHALF OF THE APPROVED INSTITUTION BY:

\_\_\_\_\_  
[Name of officer]

Date:

By \_\_\_\_\_

Title:

[Officer of the institution]

Contact information for signatory to this declaration:

\_\_\_\_\_

**EXHIBIT 1**

**INFORMATION AND DOCUMENTS FILED WITH THIS APPLICATION**

1. Applicant's CV, including complete employment history.
2. Copy of current or past registration documents with Banque du Liban or another competent authority.
3. Copy of certification by accredited industry bodies.
4. Copy of certificates evidencing completion of examinations required by Annex 5 to this Regulation.

## ANNEX 5

### REGISTRABLE FUNCTIONS AND PRESCRIBED QUALIFICATION EXAMINATIONS

The Authority has designated the following functions as requiring registration under article 2402. Registered persons must perform all such functions.

1. CEO, Managing Director or General Manager – the person who has ultimate responsibility for the management of an approved institution's business.
2. Senior Executive Officer – a person who has ultimate responsibility for one or more parts of an approved institution's business or administration.
3. Director – a person who is a director on the governing body of an approved institution.
4. Finance Officer – the person who has ultimate responsibility for an approved institution's financial administration and controls and for compliance with the Prudential Regulation.
5. Head of Compliance – the person who is responsible for compliance matters related to an approved institution's business.
6. Anti-Money Laundering Reporting Officer – the person who is responsible for the implementation of an approved institution'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. 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.
9. Client Representative – any person whose functions include dealing with clients of an approved institution, including sales representatives, investment advisors, portfolio managers and corporate finance professionals, as prescribed by the Authority.
10. Trader – any person who deals in securities as agent for clients or for an approved institution as principal.

In order to qualify for registration, an applicant must have passed the qualification examinations listed below under article 2405.

	<b><i>Function</i></b>	<b><i>Qualification Examinations</i></b>
1.	<u>CEO</u> , Managing Director or General Manager	Securities exam Business conduct exam
2.	Senior Executive Officer: <ul style="list-style-type: none"> <li>▪ includes heads of main departments or divisions</li> </ul>	Securities exam Derivatives exam Business conduct exam
3.	Director	Securities exam Business conduct exam
4.	Finance Officer	Securities exam Business conduct exam
5.	Compliance Officer	Securities exam Derivatives exam Business conduct exam
6.	Anti-Money Laundering (AML) Officer	Securities exam Global financial compliance exam Business conduct exam
7.	Risk Management Officer	Securities exam Derivatives exam Global financial compliance exam Business conduct exam
8.	Senior Manager: <ul style="list-style-type: none"> <li>▪ includes heads of business lines or product areas</li> </ul>	Securities exam Derivatives exam Business conduct exam
9.	Client representative: <ul style="list-style-type: none"> <li>▪ Account representative</li> <li>▪ Sales representative or broker</li> <li>▪ Investment manager</li> <li>▪ Investment funds manager</li> <li>▪ Portfolio manager – discretionary</li> <li>▪ Portfolio manager – non-discretionary</li> <li>▪ Investment advisor</li> <li>▪ Asset manager</li> <li>▪ Investment banking or corporate finance manager / officer</li> <li>▪ Research analyst or manager</li> <li>▪ Securities product analyst or manager</li> </ul>	Securities exam Derivatives exam Business conduct exam
10.	Trader	Securities exam Derivatives exam Business conduct exam

## ANNEX 6

**COMPARISON OF LICENSE CATEGORIES WITH ACTIVITIES  
UNDER CMA DECISION 10**

(former BDL Circular 27)

<b>New License Category</b>	<b>CMA Decision 10</b>
<b>Dealing - agency</b>	a- Execution of clients' orders on the various negotiable financial instruments or securities, in particular spot transactions, forwards, futures contracts, options contracts and swaps, and transactions on derivatives or structured financial instruments concerning...
<i>not applicable</i>	b- Introducing Brokerage where these operations are restricted to introduce clients to correspondents or to institutions that shall undertake the requested financial operations.
<b>Dealing – agency Advising</b>	c- Marketing or promotion of various financial instruments and products, including those mentioned in sub-paragraph (a) above.
<b>Managing – portfolios Advising</b>	d- Non-discretionary management of securities, financial instruments and cash portfolios, including those mentioned in Paragraph 1 above.
<b>Dealing - principal</b>	e- Management of their own financial instruments and securities portfolios, including those mentioned in sub-paragraph (a) above, provided none of their clients is a counterpart, whether directly or indirectly.
<b>Managing – collective investment schemes (funds)</b>	f- Marketing or promotion of shares or stakes in collective investment schemes, with BDL prior approval.
<b>Advising</b>	g- Financial studies and consultancies limited to financial markets.
<b>Advising – corporate finance</b>	h- Assistance in the issuing and marketing of securities and financial rights.
<b>Managing - portfolios</b>	i- Discretionary management of securities, financial instruments, and cash portfolios, with the client's explicit written approval.
<b>Dealing - principal</b>	j- Market maker's transactions through the purchase and sale of financial instruments, including those mentioned in sub-paragraph (a) above, without prejudice to the conditions specified in the attached annex.



<b>Dealing - principal</b>	k- Liquidity providers' transactions, in order to provide liquidity at the best price through an electronic platform for financial instruments not listed on regulated markets. These instruments shall be directly purchased and sold from the client without being confirmed with the correspondents, and without prejudice to the conditions specified in the attached annex.
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