

BANQUE DU LIBAN

Intermediate Circular No 273

**Addressed to Banks, Financial Institutions
and Financial Intermediation Institutions**

Attached is a copy of Intermediate Decision No 10788 of August 22, 2011, amending Basic Decision No 6213 of June 28, 1996 (Financial Intermediation Institutions), attached to Basic Circular No 27 addressed to banks, financial institutions, and financial intermediation institutions.

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Beirut, August 22, 2011

The Governor of Banque du Liban

Riad Toufic Salamé

Intermediate Decision No 10788
Amending Basic Decision No 6213 of June 28, 1996
Relating to Financial Intermediation Institutions

The Governor of Banque du Liban,

Pursuant to the Code of Money and Credit, particularly Article 70 thereof,

Pursuant to the provisions of Article 10 of Law No 234 of June 10, 2000 regulating the Financial Intermediation Profession,

Pursuant to Basic Decision No 6213 of June 28, 1996 and its amendments relating to Financial Intermediation Institutions, and

Pursuant to the Decision of the Central Council of Banque du Liban, taken in its meeting of August 17, 2011,

Decides the following:

Article 1:

The text of Paragraphs 2 and 3 of Article 2 of Basic Decision No 6213 of June 28, 1996 is repealed and replaced with the following one:

“2- In order to carry out their activities, financial intermediation institutions are entitled to perform operations that are complementary to their object. However, they are prohibited from:

- a- Undertaking exchange operations, except when such operations are complementary or related to those performed, within the limits of their object, on behalf of their customers.
- b- Undertaking cross-border transportation of cash, metal coins and bullion
- c- Undertaking any commercial or industrial activity or any activity not related to financial intermediation.

3- Financial intermediation institutions are prohibited from:

- a- Receiving funds from their customers, unless through checks or transfers, including those received for the purpose of creating or covering all margins.
- b- Executing, at their customers' request in favour of third parties in Lebanon or abroad, foreign or domestic incoming transfers in excess of USD 1,500.

Article 2:

This Decision shall come into force upon its issuance.

Article 3:

This Decision shall be published in the Official Gazette

Beirut, August 22, 2011

The Governor of Banque du Liban

Riad Toufic Salamé