

**BANQUE DU LIBAN**

**Intermediate Circular No 276**

**Addressed to Banks and Financial Institutions**

Attached is a copy of Intermediate Decision No 10791 of August 22, 2011, amending Basic Decision No 6568 of April 24, 1997 (Exchange Operations at Banks and Financial Institutions) attached to Basic Circular No 32.

Beirut, August 22, 2011

The Governor of Banque du Liban

Riad Toufic Salamé

**Intermediate Decision No 10791  
Amending Basic Decision No 6568 of April 24, 1997  
on Exchange Operations at Banks and Financial Institutions**

**The Governor of Banque du Liban,**

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

**Pursuant to Basic Decision No 6568 of April 24, 1997 and its amendments, relating to Exchange Operations at Banks and Financial Institutions, and**

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

**Decides the following:**

**Article 1:**

The text of Article 8 of Basic Decision No 6568 of April 24, 1997 is repealed and replaced with the following one:

“Banks and financial institutions that exceed the ceiling set for the net trading foreign exchange position (1%), must deposit at the Banque du Liban a special reserve in Lebanese pound equal to the overrun, on the basis of one month per day of overrun.

Financial institutions may, however, clear this overrun in the following working day if they are unable to do so on the same day, with no need to deposit the said special reserve.

When exceeding the ceiling set for the overall foreign exchange position (40%), banks and financial institutions are also required, on the basis of one month per day of overrun, to deposit on the same day at the Banque du Liban a special reserve in US dollar equal to the overrun, after deducting from this reserve the overrun on the net trading foreign exchange position, if any.

**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