SADER LEGAL MONITOR

Decision 1001/1

Issued on December 2, 2019

On Determining the mechanism for transfer of shares to his bearer and shares that have not been replaced with the name of the Lebanese state.

After consulting with the state council and taking into consideration the suggestions of the Directorate-General of the Lebanese Ministry of finance, the Minister of Finance has decided o the following:

Shares are transferred to the bearer share and to the order of bearer that has not been replaced by nominal shares, after a period of two years have passed since the law has been enforced to cancel the bearer shares and sharers to the order to the Lebanese State. To that account, the administration is handed over to the treasury department of the Ministry of Finance.

The Directorate of imports shall organize a list that includes: Names of companies that have not exchanged bearer shares and shares to the order of bearer with nominal shares, as well as number of shares and their nominal value. Subsequently, a copy shall be deposited with the Treasury Directorate.

Every company, whose shares still include the bearer share and shares to the order of is obliged to:

1- Issue the nominal shares under the name of the Lebanese treasury instead of the shares to the order of that has been canceled and not been replaced, and hand it over to the Directorate-General of the treasury in the Ministry of finance;
2- Record the Minutes of Meeting of the Lebanese General Assembly that has decided to issue the new nominal shares under the name of the Lebanese state in the trade registry.
3- Amend the information available with the Tax administration according to the Law on tax procedures.
4- Any decision to distribute profit shares within 15 days from the publication of the decision shall be communicated to the Directorate of Public Finance. It should specify the exact amount due to the Lebanese State regarding the distribution and grant the Directorate-general of Finance a cheque under the name of the central treasurer centralized at this value.

Furthermore, the Ministry of Finance shall inform the Council of Ministers of the names of these companies and the number of shares that have been transferred under the Lebanese State to take the necessary decisions on this matter.