

Corporate Actions Department at Midclear delivers a streamlined, automated approach to complete, timely and accurate event processing.

A single event may involve different market participants (including custodians, issuers, holders, and depositories).

You will find below the rules and regulations required for the completion of the corporate action processing chain in two different markets, the local market and foreign market.

A. Local Market

1. All events are announced by the issuer who will in return inform Midclear in a standard format (MT599 or Original Letter) of information contents.
2. All payments (Interest, Redemption and Dividend) announcement delivered to Midclear should include the following details: record date, payment date, amount to be paid.
3. The deadline to receive the announcement is one day before the execution of payment for book-entry securities and one month before the execution of payment for physical securities.
4. On the payment date, the issuer should credit Midclear account at Banque Du Liban with the funds at the latest 10:00 a.m. In return Midclear will credit the holders accounts and will send Corporate Actions Confirmations (MT566).
5. For corporate actions events that require shareholders instructions, Midclear's deadline will be prior to the deadline set by the issuer.
6. Midclear will receive the instructions from the holders using MT599 or Original letters and will send its consolidated instructions as requested by the issuer.

B. Foreign Market

1. The depository provides Midclear with all events related to the securities holdings. Midclear will inform the holders via MT568 and set a deadline for those who wish to take action, if any. The member should respond by sending an MT599 swift message format before the said deadline for the instructions to be dealt in an accurate and timely manner.

2. Member's instructions should be in a standard format (MT599). The content should include: the ISIN Code, Security Description, Nominal Amount Instructed, and the option selected as per each event details.
3. For payments, Midclear will transfer the funds for the record date holders upon receipt and will advise the credit by sending an MT566-Corporate Actions Confirmations.
4. In case of occurrence of a Corporate Action reversals originated by the International CSDs, the debit will be automatically processed in the member account within Midclear for sufficient provisions (cash/securities), otherwise, the impacted member will be deemed to transfer to Midclear the reversed proceeds. For credit reversals, Midclear will transfer the cash proceeds as per the Standing Settlement Instruction and the security proceeds will be credited to the member account with Midclear.
5. In line with its decision to be FATCA compliant, Midclear have provided the withholding statement for Euroclear Bank account (No. 92737) and Clearstream Banking accounts (No. 80285 and 19025) certifying that we are acting as a Non-Qualified Intermediary on behalf of exclusively FATCA compliant recipients being self-certified non-U.S. beneficial owners.

FATCA is an on-going process. Midclear will deem that members have U.S. holdings for non-U.S. beneficial owners; otherwise members should inform Midclear about any U.S. holdings subject to FATCA that belong to U.S. beneficial owners to apply the adequate procedure under FATCA.

In certain circumstances and where members fail to provide the beneficial owners statuses, members shall bear sole responsibility for any and all harmful consequences, losses or damages, which may be suffered for any reason.
