Instructions Concerning Category 54x SWIFT Messages

All members who have a SWIFT BIC Code must send all of the following instructions to Midclear via SWIFT according to the attached templates.

The templates contain sample messages of:

1) MT540 Receive Free,
2) MT541 Receive Against Payment,
3) MT542 Deliver Free,
4) MT543 Deliver Against Payment.

The sample also includes cancellation messages of MT540, MT541, MT542, and MT543.

The templates and their specifications are grouped as follows:

1) Appendix 1.1:
   This discusses general points, conditions, and rules affecting all SWIFT messages, and is not specific to a department at Midclear.

2) Appendix 2.1:
   This is meant for all messages to the Local Settlement department.

   The new system uses e-mails extensively as a request and notification tool. Midclear hereby requests from the individuals in charge of the local market settlement department of our members to assign one or more e-mail addresses for this purpose. Please note that the assigned e-mail addresses must be monitored throughout the business day and as such we believe it is inappropriate to assign the e-mail address of an employee who may be absent for various reasons or change departments. A departmental e-mail address will be a good choice for this purpose. Please see Appendix 3.1.

   A non-SWIFT member can authorize another SWIFT member to send instructions on its behalf. This could be the case between an investment bank and its parent bank or when business relationships permit such arrangement. In this case the non-SWIFT member of Midclear must send a power of attorney to Midclear stating the BIC code authorized to be used on its behalf. Please see Appendix 4.1 for this purpose.

Instructions Concerning Category 54x SWIFT Messages

APPENDIX 1.1 - General

1) Any field which is optional according to SWIFT message standards may be mandatory, optional, or not required according to Midclear's templates.
   - All fields which are mandatory or optional according to SWIFT but mandatory according to Midclear rules must contain valid data and in the format specified in the templates.
   - All fields which are optional according to Midclear rules must, if present, be in the format specified by Midclear.
   - All fields which are not required according to Midclear rules will be ignored unless it is specifically stated that such fields must be omitted. If not omitted, the received message will be rejected and Midclear will inform the concerned member by e-mail of the rejection and no further action is required.

2) SWIFT messages not according to our templates are considered messages with wrong format and Midclear will consider the received message as invalid and rejected and will inform the concerned member by e-mail of the rejection and no further action is required.

3) SWIFT messages complying with our templates but containing fields with invalid data are considered invalid messages and Midclear will request the concerned member via e-mail to cancel the message by sending a SWIFT cancellation message.

4) **SWIFT messages of type MT599 sent to Midclear as instructions, amendments, or as cancellations of previously sent messages (MT540 through MT543) are not accepted and will be ignored.**

5) Members must send cancellation messages (MT540 through MT543) whenever they are requested by Midclear to do so. The fee for a cancellation message is $5. The decision to request cancellation of messages is at Midclear's discretion. All cancellations not received within two business days after the initial request will cause Midclear to automatically force the concerned message to be cancelled and apply a cancellation fee of $10.

6) SWIFT Cancellation messages (MT540 through MT543) are distinguished from normal messages by the presence of the following fields and values:

   :23G:CANC
   :16R:LINK
   :20C::PREV//<Reference of Message to be Cancelled>
   :16S:LINK

   Of course, the message to be cancelled must have actually been received by Midclear. Otherwise, the cancellation message will be rejected by Midclear and the concerned member will be informed by e-mail no further action is required.

7) For a SWIFT cancellation message to be valid, the following conditions must exist, in addition to the previous point:
   - The message type of the cancellation message must equal the message type of the message to be cancelled. For example, message MT540 must be cancelled by an MT540.
   - The security identification code in the cancellation message must equal the security identification in the message to be cancelled.
   - The quantity in the cancellation message must equal the quantity in the message to be

cancelled.
If a SWIFT cancellation is not valid then it will be rejected and the concerned member will be informed by e-mail and no further action is required. Another valid SWIFT cancellation must be sent in this case.

8) Midclear will not accept the cancellation of a cancellation. This means that a member cannot cancel a cancellation message sent to Midclear. Such messages will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

9) Midclear will not accept the cancellation of a message which has already been settled. Such a cancellation will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.
However, the cancellation of a message which has been processed but not settled might be accepted depending on the stage the message to be cancelled has reached. Such acceptance is at Midclear's discretion. It should be noted that if a trade formed by the matching of two instructions is to be cancelled, then it must be cancelled by both parties (the seller and the buyer).

10) Mandatory Field :20C::SEME//<Senders Message Reference> in all messages (normal instructions and cancellations) must be unique for each member. This means that such reference must not have been received before. Otherwise the last message received with a duplicate reference will be rejected and the concerned member will be informed by e-mail and no further action is required.

11) The field :98A::TRAD is mandatory except when field :22F::SETR is OWNE. In this case field :98A::TRAD is ignored and no e-mail notification will be sent.

12) In the Mandatory fields :98A::TRAD and :98A::SETT if the trade date is greater than the requested settlement date then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

13) The field :90(A,B)::DEAL is optional only in SWIFT messages MT541 and MT543 (Against payment). It will be ignored in SWIFT messages MT540 and MT542 (Free of payment) and no e-mail notification will be sent.

14) The security identification code must be present and in one of the formats specified by Midclear. Any message with a wrong code format or without such a code will be rejected and the concerned members will be informed by e-mail and no further action is required. Any message with a code in the correct format but which does not exist is considered by Midclear as invalid and the concerned member will be informed by e-mail to cancel it. Mandatory Field :35B: contains the security identification code in the form of the ISIN, or local code. The local code is accepted only for messages to the Local Settlement department at Midclear. The possible formats are one of the following:

- ISIN CDXXXXXXXXXD where CD is the country code, XXXXXXXXX is a code, and D is a check digit.
- LOCAL XXXXXXXXX where XXXXXXXXX is the local code without leading spaces or zeroes. For example 1121 and not 000001121.

Description of the security is not required and will be ignored and no e-mail will be sent if it doesn't correspond with the security identification code.

Instructions Concerning Category 54x SWIFT Messages

15) Optional Field :70E::SPRO//
This is an optional field which usually contains additional info like:
THE OWNERS ARE NON US CITIZENS AND RESIDING IN LEBANON, or,
THE OWNER IS NON LEBANESE AND RESIDING IN LEBANON, or
TAX ID 7658544, etc.

16) Mandatory Field :36B::SETT//
Choices available are:
UNIT/<quantity> or
FAMT/<quantity>

UNIT is used for equity and FAMT is used for debt instruments.
If other values are present, then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.
If UNIT is used with a debt security or FAMT is used with an equity security then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

17) Mandatory Field :97A::SAFE// must contain the following:
<market code>/<member code>/<account type>/<shareholder number>
The allowed delimiters are / or –.

Current market codes are:
Midclear (For Local Settlement dept. only): 9100 (If security is listed on BSE), 9999 (If security is not listed on BSE).

If other formats are present then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

If the member code does not exist or if the sender's BIC code is not authorized to send SWIFT messages on behalf of the specified member code then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

If the market, account type, or shareholder codes specified in the message do not exist, then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

18) Mandatory Field :22F:SETR//
Choices available are:
TRAD, or
TURN, or
OWNE.

-TRAD for normal trade.
-TURN for back-to-back: For this Choice the message must be MT541 or MT543, that is, an against payment message. If MT540 or MT542 are used with TURN then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.
-OWNE for no-matching instruction. For this Choice the message must be MT540 or MT 542, that is, a free of payment message. If MT541 or MT543 are used with OWNE then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

If other values are present, then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

Further restrictions apply and they are mentioned in appendix 2.1 (Local Settlement).

19) The field :19A::SETT// is mandatory only for messages MT541 and MT543. This contains the currency code and amount. The currency code used must be one of the settlement currencies of the security identification code used (in :35B:). If the currency code is not one of the settlement currencies of the security identification code then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

APPENDIX 2.1 – Local Settlement

1) For your convenience the following is a list of mandatory and optional fields:

```
Mandatory :20C::SEME//<Senders Message Reference>
Mandatory :23G:NEWM

The field :98A::TRAD is mandatory except when field :22F::SETR
is OWNE:
Mandatory :98A::TRAD//20080526

Mandatory :98A::SETT//20080529

Optional  :90B::DEAL//ACTU/37,

Mandatory :35B:ISIN CDXXXXXXXXXD or LOCAL XXXXXXXXX
Optional  :70E::SPRO//ANY INFO WHICH MAY BE REQUIRED
Mandatory :36B::SETT//UNIT/1,

Mandatory :97A::SAFE//<market code>/<member code>/<account
type>/<shareholder number>

Mandatory :22F::SETR//TRAD
or
Mandatory :22F::SETR//TURN
or
Mandatory :22F::SETR//OWNE

If there is a change of ownership, i.e. the shareholders in
the receipt and delivery are different, then the following
must be present:
:22F::BENE//YBEN
This option is only possible for MT541 and MT543; and for
MT540 and MT542 only if 22F::SETR is TRAD or TURN.

In the following only options 95R and 95P are allowed and in
the formats specified here (Please see point 5 below for more
formats):
Option 95R:
    For MT540/541
Mandatory :95R::DEAG/MIDR/<account no. of counterparty at
Midclear>
    Or for MT542/543
Mandatory :95R::REAG/MIDR/<account no. of counterparty at
Midclear>

Option 95P:
    For MT540/541
Mandatory :95P::DEAG//MIDRLBBE
Mandatory :97A::SAFE//<account no. of counterparty at
Midclear>
```

Instructions Concerning Category 54x SWIFT Messages

Or for MT542/543
Mandatory :95P::REAG//MIDRLBBE
Mandatory :97A::SAFE//<account no. of counterparty at Midclear>

In the following only 95P is allowed and the value must be MIDRLBBE
Mandatory :95P::PSET//MIDRLBBE

For MT541 and MT543, the cash parties sequence is not required since we will always be debiting/crediting your accounts in Midclear LOM (MCCSD). In case of DVP, you will be required to transfer the amount of your obligations to your MCCSD account; and in case of RVP we will credit you in the MCCSD LOM.

The following is mandatory only for MT541 and MT543
Mandatory :19A::SETT//USD1,

2) In the mandatory field :22F::SETR// OWNE is allowed only for MT542 (Deliver Free). If OWNE is present in MT540, MT541, and MT543 then the message will be rejected by Midclear and the concerned member will be informed by e-mail and no further action is required.

3) In the mandatory field 95R (Delivering or Receiving agent) only MIDR is allowed. If other values are present then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

4) In the mandatory field 95R (Delivering or Receiving agent) if the counterparty code does not exist then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

5) If field :22F::SETR contains the value OWNE, then either
field 95R (Receiving agent) must include the account type of the counterparty as follows:
:95R::REAG/MIDR/<account no. of counterparty at Midclear>/<account type> for MT542
Or
Field 97A (Safekeeping account) must include the account type of the counterparty as follows:
:97A::SAFE//<account no. of counterparty at Midclear>/<account type> for MT542

6) In the mandatory field 95P (Place of Settlement) only MIDRLBBE is allowed. If other values are present then the message will be rejected by Midclear and the concerned member will be informed by e-mail to cancel it.

Instructions Concerning Category 54x SWIFT Messages

MT540 RECEIVE FREE (LOCAL)

```
:16R:GENL
:20C::SEME//MESSAGE-REFERENC
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95R::DEAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT540 RECEIVE FREE (LOCAL CANCELLATION)

```
:16R:GENL
:20C::SEME//MESG-REF
:23G:NEWM
:16R:LINK
:20C::PREV//MESSAGE-REFERENC
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95R::DEAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT541 RECEIVE AGAINST PAYMENT (LOCAL)

```
:16R:GENL
:20C::SEME//MESSAGE-REFERENC
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::BENE//YBEN
:16R:SETPRTY
:95R::DEAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16R:AMT
:19A::SETT//USD1,
:16S:AMT
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT541 RECEIVE AGAINST PAYMENT (LOCAL CANCELLATION)

```
:16R:GENL
:20C::SEME//MSG-REF
:23G:CANC
:16R:LINK
:20C::PREV//MESSAGE-REFERENC
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::BENE//YBEN
:16R:SETPRTY
:95R::DEAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16R:AMT
:19A::SETT//USD1,
:16S:AMT
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

```
MT542 DELIVER FREE (LOCAL)

:16R:GENL
:20C::SEME//MESSAGE-REFERENC
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:16R:SETPRTY
:95R::REAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT542 DELIVER FREE (LOCAL CANCELLATION)

```
:16R:GENL
:20C::SEME//MES-REF
:23G:CANC
:16R:LINK
:20C::PREV//MESSAGE-REFERENC
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::BENE//YBEN
:16R:SETPRTY
:95R::REAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT543 DELIVER AGAINST PAYMENT (LOCAL)

```
:16R:GENL
:20C::SEME//MESSAGE-REFERENC
:23G:NEWM
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::BENE//YBEN
:16R:SETPRTY
:95R::REAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16R:AMT
:19A::SETT//USD1,
:16S:AMT
:16S:SETDET
```

Instructions Concerning Category 54x SWIFT Messages

MT543 DELIVER AGAINST PAYMENT (LOCAL CANCELLATION)

```
:16R:GENL
:20C::SEME//MES-REF
:23G:CANC
:16R:LINK
:20C::PREV//MESSAGE-REFERENC
:16S:LINK
:16S:GENL
:16R:TRADDET
:98A::TRAD//20080526
:98A::SETT//20080529
:90B::DEAL//ACTU/37,
:35B:ISIN LB0000011215
SOLIDERE A
:16S:TRADDET
:16R:FIAC
:36B::SETT//UNIT/1,
:97A::SAFE//9100/1234/123/123456789
:16S:FIAC
:16R:SETDET
:22F::SETR//TRAD
:22F::BENE//YBEN
:16R:SETPRTY
:95R::REAG/MIDR/5678
:16S:SETPRTY
:16R:SETPRTY
:95P::PSET//MIDRLBBE
:16S:SETPRTY
:16R:AMT
:19A::SETT//USD1,
:16S:AMT
:16S:SETDET
```

APPENDIX 3.1

Please complete the following and send to Midclear.

<Letter Head of Financial Institution or Bank>

Letter of Assignment of E-mail Addresses

I the Undersigned, <Name of Individual> acting as <chairman, general manager, ...> at <Name of Financial Institution or Bank>,

Declare having specified the following e-mail addresses to be used by Midclear in sending notifications and requests related to local market and foreign markets settlement instructions.

Local Market:
Email Address1:
Email Address2:

Foreign Markets:
Email Address1:
Email Address2:

<Signature and Date>.

APPENDIX 4.1

Midclear requires a power of attorney from the Midclear participant (‘Authorizing Member’) who is not a SWIFT member authorizing another Midclear Participant (‘authorized member’) who is a SWIFT member to send instructions on its behalf.

The Power of attorney must state that the Authorizing Member must undertake to ratify all that the Authorized Member may lawfully do or cause to be done and accepts irrevocably the execution by Midclear of any SWIFT message sent by the Authorized Member on behalf of the Authorizing Member in exercise of the power of attorney.

Please complete the following and send to Midclear.

<Letter Head of Financial Institution or Bank>

Dear Sirs,

With reference to the SWIFT communication that will take place between [company name] and Midclear, please note that for all types of transactions we will be using the BIC code [BIC] of [BIC Code Company Name]. Therefore, all messages will be sent through the above mentioned BIC; and accordingly all confirmations and notifications from Midclear should be sent through the same BIC.

Date Signature and Stamp
Of the Participant

Date Signature and Stamp
Of the Clearing Bank

Instructions Concerning Category 54x SWIFT Messages

Please complete the following and send to Midclear.

<Letter Head of Financial Institution or Bank>

Dear Sirs,

Kindly consider (Name of Participant) as an indirect RTGS member.
As such, we are requesting our transactions to be cleared and settled through the account of (Name of Clearing Bank) using the following:
BIC: (of Clearing Bank)
USD IBAN: (of the Participant at the Clearing Bank)
LBP IBAN: (of the Participant at the Clearing Bank)

Date Signature and Stamp
Of the Participant

Date Signature and Stamp
Of the Clearing Bank