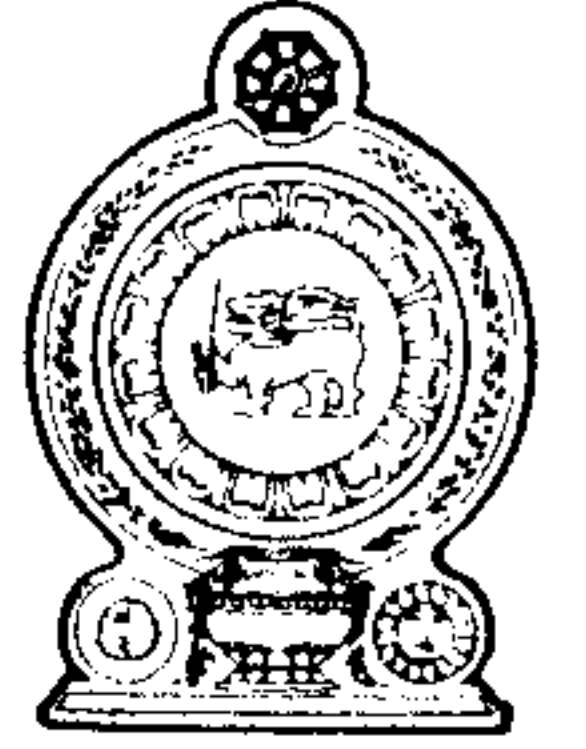




**SECURITIES AND EXCHANGE
COMMISSION OF SRI LANKA**



ශ්‍රී ලංකා සුරැකුම්පත් සහ විநිමය කොමිෂන් සභාව இலங்கைப் பிணையங்கள் மற்றும் பரிவார்த்தனை ஆணைக்குழு

BY HAND

3rd February 2017

N/P
Circulate
08/02

Ref: SEC/LEG/17/02/01

To: The Colombo Stock Exchange/Central Depository Systems (Pvt) Ltd and all licensed Stock Brokers and/or Stock Dealers of the Colombo Stock Exchange trading or dealing in Equity Securities

DIRECTIVE ISSUED UNDER SECTION 13 (C) OF THE SECURITIES AND EXCHANGE COMMISSION OF SRI LANKA ACT NO. 36 OF 1987 (AS AMENDED)

RE: REVISION OF SHARE TRANSACTION FEES OF THE COLOMBO STOCK EXCHANGE (CSE) AND CENTRAL DEPOSITORY SYSTEMS (PVT) LTD (CDS)

The Securities and Exchange Commission of Sri Lanka (SEC) at its 381st meeting held on 10th January 2017 considered a request from the CSE to review the transaction fees applicable to CSE and CDS which are currently in force by:

- a) adopting a step-up fee structure rather than the present flat fee structure when consolidating transactions for the purpose of computing fees; and
- b) increasing the threshold for the two-band fee structure from the present Rs. 50Mn to Rs. 100Mn.

The basis for the request was that levying fees on a 'flat' basis is not equitable since transaction fees payable on a marginally lower turnover is higher than fees payable for a marginally higher-value transaction.

The Commission having deliberated on the proposal put forth by the CSE approved the transaction fee structure which appears in the Annexure hereto.

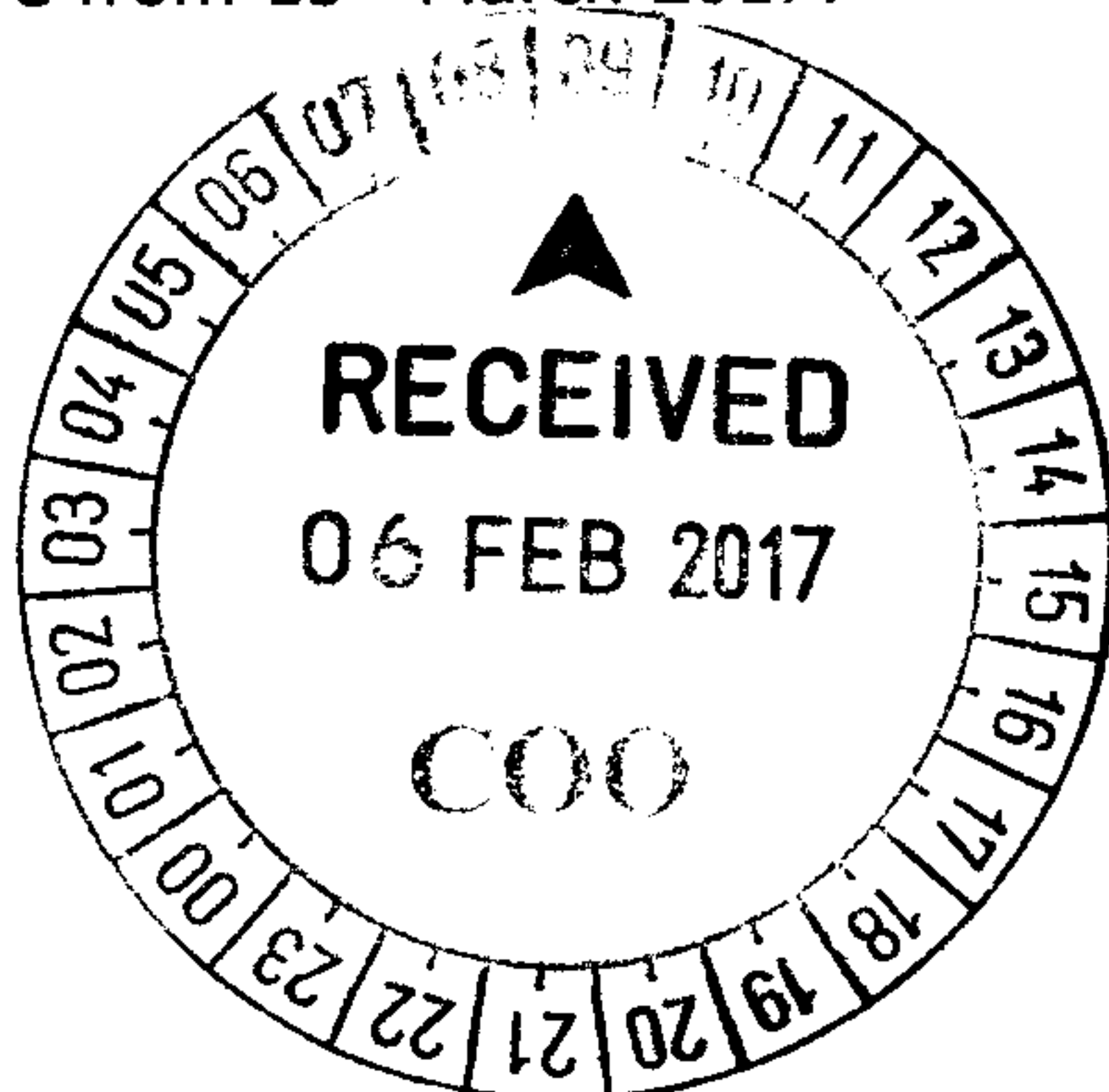
The CSE and the CDS are hereby directed to levy the CSE and CDS fees with regard to all share transactions carried out at the CSE in accordance with the table appearing in the Annexure.

All licensed Stock Brokers and Stock Dealers trading in equity securities are hereby directed to ensure compliance with the fee structure as depicted in the table appearing in the Annexure, when paying the CSE and CDS fees in respect of all share transactions.

This directive shall be effective from 15th March 2017.

Vajira

Vajira Wijegunawardane
DIRECTOR GENERAL
Aa/Nu



28 සහ 29 මහල, චැලන්දර් කුළුණ
ලෝක වෙළෙඳ මධ්‍යස්ථානය
එලිචන් පවුල්ලා, කොළඹ 01.

28 மற்றும் 29 ஆம் மாடிகள், உலக வர்த்தக மையம்
கிழக்கு கோபுரம், எச்சலன் சதுக்கம்
கொழும்பு 01.

Level 28 & 29, East Tower
World Trade Center
Echelon Square, Colombo 01, Sri Lanka.

දුරකථන } +94 11 2439144-8
தொலைபேசி } +94 11 2439144-8
Telephone } +94 11 2331013-5

ෆැක්ස් } +94 11 2439149
தொலைநகல் } +94 11 2439149
Fax }

වෙබ් අඩවිය } www.sec.gov.lk
இணையம் } www.cmet.sec.gov.lk
Website } www.cmec.sec.gov.lk

A Member of



ANNEXURE

SHARE TRANSACTION FEES OF THE COLOMBO STOCK EXCHANGE (CSE) AND CENTRAL DEPOSITORY SYSTEMS (PVT) LTD (CDS) WITH EFFECT FROM 15TH MARCH 2017

Share Transaction Fee Structure (to be implemented on a step up basis)

Transaction Cost Band	Percentage Payable (%)	
	Transactions ≤Rs. 100 Million	Transactions > Rs. 100 Million ^{Note1}
Brokerage Fees	0.6400	0.2000 ^{Note 2}
CSE Fees	0.0840	0.0525
CDS Fees	0.0240	0.0150
SEC Cess	0.0720	0.0450
Share Transaction Levy imposed by the Government	0.3000	0.3000
Total	1.1200	0.6125

Note 1. Illustration of Share Transaction Fee Structure when applied on Step up Basis:

Transaction Value	(Rs.)	102 million		
		100 million	2 million	Total
Consolidated Fees	(%)	1.1200	0.6125	-
	(Rs.)	1,120,000	12,250	1,132,250

Note 2. Brokerage fees are indicated as a floor brokerage commission; actual fees may exceed this percentage