



30th April 2020

Ref: SEC/DG/2020/04/07

**TO: LICENSED STOCK BROKERS/DEALERS
UNIT TRUST MANAGING COMPANIES
REGISTERED MARKET INTERMEDIARIES**

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

The Securities and Exchange Commission of Sri Lanka (SEC) having taken in to consideration the constraints and administrative challenges faced by the licensed/registered entities in complying with certain regulatory requirements due to the unprecedented situation following the COVID-19 pandemic, has decided to grant the relief measures enumerated below;

I. Extensions of time for the licensed/registered entities to submit reports to the SEC

The due date for submission of the Unaudited Financial Statements, the Compliance Officers' Reports and the Unit Trust Returns for the months of March, April and May 2020 are extended by a period of three weeks from the stipulated time frame.

The due date for submission of Audited Financial Statements is extended by a period of two (02) months from the stipulated time frame for financial years ending 31st December 2019 and 31st March 2020 respectively.

The submission of Annual and Interim Reports for Unit Trust Funds are extended by a period of two (02) months from the stipulated time frame. However the Unit Trust Managing Companies are encouraged to issue the aforesaid reports earlier where possible.

The licensed/registered entities are advised to diligently monitor their risk profile and resources during this period to ensure safety and soundness of the industry. Notwithstanding the above extensions of time, the entities should promptly report to the SEC any exceptional matters which adversely affects, or is likely to adversely affect the ability of such entities to meet their obligations in respect of their licensed or registered business or any matter which may indicate that the financial standing or financial integrity of such entity or its chief executive or directors or the key management personnel is in question or may reasonably be affected.

II. A deferment of the SEC's annual licensing/registration fees for the year 2020 on the core regulated activity of all licensed/registered entities by a period one year upon a request being made (only a deferment and not a waiver).

III. The condition to fulfill the mandatory Continuous Professional Development (CPD) requirement to transfer all Investment Advisors from the previous Qualification Framework (QF) to the new QF has been extended by six months (until 30th June 2021).

IV. All Investment Advisors who are required to obtain a minimum of 2 CPD seminar credits for the renewal of licence of their respective Stockbroker/Dealer company where such date of renewal falls within March to September 2020, will be granted an extension of six months from the date of the due date for renewal in order to meet the aforesaid CPD requirement.

This directive shall be effective from the date hereof.

Chinthaka Mendis
Director General