

CIRCULAR NO: 06-01-2013

January 29, 2013

To : All CEOs of Member Firms,
Heads of Custody Services of Custodian Banks

Dear Sir/Madam,

AMENDMENTS TO THE CDS RULES TO INCLUDE THE RULES ON DEBT SECURITIES

The Automated Trading System version 7.14 with Debt Trading facility will be implemented ('go live') from **Friday, 8th of February 2013**. Hence, the "Introduction" section, Section 1 and Section 5.3 of the CDS Rules have been amended and a new Section 18 (which sets out rules applicable only for debt securities) has been included to the CDS Rules in order to facilitate same.

The amended rules have been approved by the SEC by way of their letter dated 17th January 2013.

The details pertaining to the said amended rules are as follows:

- **The "Introduction" section has been amended by deleting the following paragraph.**

"These Rules sets out the facilities offered by the CDS pertaining to Securities [other than Debt Securities traded through the Debt Securities Trading System (DEX)] and govern the conduct and use of such facilities"

The following sentence has been incorporated in its place.

" The rules relating to depository functions offered by the CDS to participants are set out in these rules"

- **Section 1 pertaining to 'Definitions' has been amended as follows:**

Listed Security (by deleting the words 'excluding Debt Securities traded on the Debt Securities Trading System (DEX) of the CSE)

means a Security which is listed on the CSE

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Securities (by deleting the words 'excluding Debt Securities traded on the DEX)

means Securities as defined in the Securities and Exchange Commission of Sri Lanka Act No. 36 of 1987, as amended and recognized by the CDS from time to time as eligible Securities.

Unlisted Securities (by deleting the words 'excluding Debt Securities traded on the DEX system of the CSE)

means Securities which are not listed on the CSE

➤ **The heading of the Rule 5.3 amended to read as follows:**

"Purchase of shares of and over the value of Rs. 20 Mn.

➤ **A new Section 18 setting out rules applicable only for debt securities has been included**

The amended CDS Rules are published on the CSE website (www.cse.lk) and the CDS website (www.cds.lk).

Yours faithfully,



Nalin Fonseka
Manager
Central Depository Systems (Pvt) Limited