

23rd May 2025

To: CEOs/Heads of Clearing Members

CIRCULAR NO: 07-05-2025

Dear Sir/Madam,

IMPLEMENTATION OF CENTRAL COUNTER PARTY (CCP)

Colombo Stock Exchange (CSE) is pleased to announce that the Central Counterparty (CCP) mechanism will be officially implemented and operational with effect from **11th July 2025** for all equity transactions carried out at the CSE.

CSE Clear (Private) Limited, a wholly owned subsidiary of the Colombo Stock Exchange, will operate as the CCP, interposing itself between buyers and sellers through novation. This centralized clearing model mitigates counterparty credit risk and strengthens market efficiency and systemic stability.

Please also note that, effective from the same date there will be a new fee structure without any additional fee increment to the total transaction fee.

On the commencement of operations of the CCP, 50% of the existing CDS fees will be allocated as a Clearing Fee and shall be charged by CSE Clear and there will be a corresponding reduction of the CDS fee.

Accordingly, the changes to the fee structure would be as follows with effect from 11th July 2025.

Details	Transaction value up to 100Mn		Transaction value over 100Mn (step up basis)	
	Current Fee Structure	New Fee Structure (w.e.f. 11 th July 2025)	Current Fee Structure	New Fee Structure (w.e.f. 11 th July 2025)
CDS Fees	0.024000%	0.012000%	0.0150%	0.00750%
Clearing Fee	N/A	0.012000%	N/A	0.00750%

Public

The CSE Clear Rules and other relevant rule changes, established to facilitate the implementation of the CCP framework, have been communicated to all Clearing Members and will take effect on 11th July 2025.

The Information Technology Division of the CSE will advise the relevant IT personnel of the Clearing Members the dates and activities scheduled for the mock runs during the month of June 2025. Please allocate a team consisting of relevant IT and Operational Staff to participate in the mock runs.

We trust all Clearing Members would extend their fullest corporation to ensure the necessary operational readiness in preparation for the go-live.

Yours faithfully,



Rajeeva Bandaranaike
Chief Executive Officer