

MI Compliance Status for CBSL

Rules/Directions/Guidelines

| Rule/Direction/Guideline Number | Description of Rule/ Direction/ Guideline | Status as at 31 st March 2018 |
|---------------------------------------|--|--|
| Licensing of Finance Companies | | |
| Rule No.01 of 2012 | Finance Companies (Application) | Complied |
| Rule No. 01 of 2015 | Annual License Fee | Complied |
| Capital | | |
| Direction No.01 of 2003 | Capital Fund | Complied |
| Direction No. 02 of 2006 | Risk Weighted Capital Adequacy Ratio | Complied |
| Direction No. 02 of 2017 | Minimum Core Capital | Complied |
| Lending | | |
| Direction No.03 of 2006 | Provision for Bad & Doubtful Debts | Complied |
| Direction No.04 of 2006 | Single Borrower Limit | Complied |
| Direction No.01 of 2007 | Finance Companies (Lending) Direction No.01 of 2007 | Complied |
| Direction No.03 of 2013 | Debt Instrument | Complied |
| Investments | | |
| Direction No.07 of 2006 | Investments | Complied |
| Liquidity | | |
| Direction No.04 of 2013 | Liquid Assets | Complied |
| Operational | | |
| Direction No.02 of 2013 | Writing off of Loans & Advances | Complied |
| Direction No.10 of 1991 | Register of Written-off Loans | Complied |
| Direction No.01 of 2005 | Deposits | Complied |
| Direction No.02 of 2007 | Business Transactions with Directors and their Relatives | Complied |
| Direction No.02 of 2010 | Insurance of Deposit Liabilities | Complied |
| Direction No.04 of 2012 | Information System Security Policy | Complied |
| Direction No. 02 of 2016 | Maximum Interest Rates on Deposits and Debt Instruments | Complied |
| Corporate Governance | | |
| Direction No. 03 of 2008 | Corporate Governance | Complied |
| Direction No. 04 of 2008 | Corporate Governance Amendment | Complied |
| Direction No. 06 of 2013 | Corporate Governance Amendment | Complied |

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| Direction No.03 of 2011 | Assessment of Fitness and Propriety of Directors and Officers Performing Executive Function | Complied |
| Reporting Requirement | | |
| Direction No.16 of 1991 | Audited Accounts | Complied |
| Direction No.02 of 2011 | Reporting Requirements | Complied |
| Other Directions | | |
| Direction No.04 of 1991 | Transfer of Assets | Complied |
| Direction No.11 of 1991 | Fixed Assets | Complied |
| Direction No.15 of 1991 | Accrued Interest | Complied |
| Direction No.05 of 2001 | Deposits-Incentive Schemes | Complied |
| Direction No.04 of 2005 | Closure of Office/s for Business | Complied |
| Direction No.01 of 2013 | Structural Changes | Complied |
| Direction No. 01 of 2016 | Opening, Closure and Relocation of Business Places | Complied |
| Direction, No.03 of 2009 | Stimulus Package Conditions | N/A |
| Direction No. 02 of 2018 | Loan to Value Ratio for Credit Facility Granted in Respect of Motor Vehicles | Complied. |
| Direction No. 01 of 2018 (Jan 2018) | Financial Customer Protection Framework | Customer Protection Framework Policy was tabled and obtained approval in March 2018 Board. |
| Rules | | |
| Rule No.01 of 2006 | Advertisements | Complied |
| Circulars | | |
| Circular No.01 2006 | Panel of External Auditors | Complied |
| Determination and Notices | Determination of the Inclusion of Unsecured Debentures in Capital Funds of Finance Companies | Complied |
| Guidelines | | |
| Guidelines No.02 of 2006 | Publication of Half Yearly Financial Statements | Complied |
| Guidelines No. 01 of 2007 | Maintenance of Savings Accounts for Minors | Complied |
| Instructions | | |
| | Collection of Information for the Facts Book | Complied |
| | Operation of Investment Fund Account | Complied |

Circular issued by Bank
Supervision Department

Regulations

Sri Lanka Deposit Regulations No.01 of 2010
Sri Lanka Deposit Regulations No.01 of 2011
Sri Lanka Deposit Regulations No.02 of 2010

Circulars

Sri Lanka Deposit Insurance Scheme Circular No.01 of 2010
Sri Lanka Deposit Insurance Scheme Circular No.02 of 2010
Sri Lanka Deposit Insurance Scheme Circular No.01 of 2011

Complied

Circular No. 01 of 2017

Concessions in respect of Credit Granted to Flood
Affected Borrowers

Complied

Circular No.01 of 2018

Credit Rating

Complied

**Financial Intelligence Unit
No.06 of 2006**

Compliance with the Reporting Requirements under the
Financial Transaction Reporting Act (Address
verification process)

Rule No.01 of 2011 &

Know Your Customer (KYC) and Customer Due

Complied

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|---|--|----------|
| Amendment Rule No. 01 of 2011 (KYC/ CDD Rules) | Diligence (CDD) | Complied |
| Rules, No. 1 of 2016. | Financial Institutions (Customer Due Diligence) | |
| Circular No. 03 of 2012 | Compliance with the reporting requirements under the Financial Transaction Reporting Act No.06 of 2006 | Complied |
| No 01 of 2018 | Guidelines on Money Laundering and Terrorist Financing Risk Management for Financial Institutions | Complied |