



BY REGISTERED POST/FAX

Ref: IBSL/DG/LEG/16/05/226

13th May 2016

✓ **Chief Executive Officers/Principal Officers of all Insurance Companies**
Principal Officers of all Insurance Brokering Companies

Dear Madam/Sir,

Role and responsibility of the principal officer of an insurer and an insurance broker – Insurance Board of Sri Lanka: Direction # 09 – 13.05.2016 issued under Section 96A of the Regulation of Insurance Industry Act No. 43 of 2000

The Board of IBSL at its 158th meeting has decided to issue the following direction to all insurers and insurance brokers in terms of Section 96 A of the Regulation of Insurance Industry Act, No. 43 of 2000:

The Principal Officer of an insurer or an insurance broker shall be the Chief Executive Officer and/or the Managing Director and/or the individual who is responsible for implementing the directions of the Board of Directors of the company.

However, in terms of Section 94 of the Regulation of Insurance Industry Act, No. 43 of 2000, approval of the Board of IBSL is required for the appointment of the Principal Officer.

Your attention is drawn to Direction # 3 of the Insurance Board of Sri Lanka, which should also be complied with.

Though the above Direction comes in to force with immediate effect, insurers and insurance brokers are given a grace period until 12th May 2017 to comply with same.

Please acknowledge receipt of this letter.

Yours faithfully,

Damayanthi Fernando
DIRECTOR GENERAL
RA/KD

Cc: Mr. Dirk Pereira, President, Insurance Association of Sri Lanka
Mr. Rukmal Seneviratne, President, Sri Lanka Insurance Brokers Association