

(Translation)

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Notification of the Securities and Exchange Commission
No. KorDor. 28/2540
Re: Application for a License to Undertake
Securities Borrowing and Lending Business

By virtue of Section 14 of the Securities and Exchange Act B.E. 2535 (1992) and Clause 3 of the Ministerial Regulation No. 9 (B.E. 2540) (1997) issued under the Securities and Exchange Act B.E. 2535 (1992), the Securities and Exchange Commission hereby issues the following regulations:

Clause 1. A person who intends to apply for a license to undertake securities borrowing and lending business shall submit an application in the Form No. 90-11 attached hereto, with two copies thereof, to the Securities and Exchange Commission through the Office of the Securities and Exchange Commission.

Clause 2. In submitting an application under Clause 1, the applicant shall submit the following evidence, with two copies thereof, together with the application:

- (1) a company affidavit;
- (2) a copy of a memorandum of association of a company certified by the Partnership and Company Registrar of the Ministry of Commerce;
- (3) an article of association certified by the Partnership and Company Registrar of the Ministry of Commerce;
- (4) an organization chart of the company and a list of its executives;
- (5) evidence on education of the person having the power of authorization or management of securities borrowing and lending business.

In the case where the applicant is a commercial bank or finance company, the applicant shall submit additional evidences as follows:

- (1) evidence stating that the applicant is entitled to undertake securities borrowing and lending business, under the law controlling its business;
- (2) a confirmation letter of the agency that supervises the business undertaking of the applicant as to whether the applicant is capable to maintain its capital funds as well as reserve according to rules issued under the law controlling its business.

In the case where the applicant is a financial institution established under specific law, the applicant shall submit only the evidences under (4) and (5) of the first paragraph.

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Clause 3. This notification shall come into force as from the day following its publication in the Government Gazette.

Notified this 31st Day of July 1997.

Thanong Bidaya
(Mr. Thanong Bidaya)
Minister of Finance
Chairman of the Securities and Exchange Commission

**Application for a License to Undertake
Securities Borrowing and Lending Business**

1. Applying Date
2. Name, Head office, Telephone number and Facsimile of the applicant
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3. Core business of the applicant
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4. Name and position of each member of the Board of Directors of the applicant, scope and limitation of power of each member in acting on behalf of the juristic person
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5. The commission of offences of the applicant under the law controlling business of the applicant within the period of three years prior to the applying date (Details of each offense, committed period and punishment or other sanction imposed by the supervised organization or agency shall be specified)
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6. Names, positions, education background and working background of the person having the power of authorization or management of securities borrowing and lending business
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7. Internal control system and risks control and risk management measures for the operation of core business of the applicant (specify brief details)
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8. Work plan and manual for risks control and risk management for securities borrowing and lending business (specify complete details)
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9. Operational system for the undertaking of securities borrowing and lending business (specify complete details)
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10. Other details voluntary clarified by the applicant

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11. The applicant hereby certify as follows:

- (1) the applicant is fully qualified and has no prohibited characteristics as prescribed by the Ministerial Regulation No. 9 (B.E. 2540) (1997) issued under the Securities and Exchange Act, B.E. 2535(1992);
- (2) each member of the Board of Directors of the applicant is fully qualified and has no prohibited characteristics as prescribed by the Securities and Exchange Act, B.E. 2535(1992);
- (3) all statements appear in this application as well as all evidences annexed herewith are true and correct.

Signed A member of the Board of Director
having authority to sign for an on
behalf of the applicant

Seal (if any)

Signed A member of the Board of Director
having authority to sign for an on
behalf of the applicant