

## **Securities and Exchange Act B.E. 2535**

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**Section 140.** The securities company shall prepare an account showing the financial condition of each private fund in the form specified in the notification of the Office and shall keep the supporting documents which evidence the correctness of such account.

In managing a private fund of the nature specified by the notification of the Office, the securities company shall prepare financial statements of the private fund pursuant to its actual conditions, and shall comply with the rules, conditions and procedures specified by the notification of the SEC, which shall take into account the standards approved by the Board of Auditing Practices under the law relating to auditors.

The financial statements under the second paragraph must be examined and given opinion by an auditor approved by the Office, and such auditor must not be a director, staff member or employee of such securities company.

The auditor of the private fund must adhere to the code of conduct and perform the auditing to provide opinion on the financial statements in compliance with the requirements of the law relating to auditors and additional requirements as specified in the notification of the SEC.

In the case where the securities company prepares the supporting documents for entry into accounts or disclose information in the financial statements inaccurately or incompletely, the auditor shall disclose the facts and material impact on the financial statements in his audit report on which he is to sign in order to give his opinion.

Any auditor who fails to comply with the provisions of the fourth paragraph or the fifth paragraph shall be subject to revocation by the Office of the approval given for such auditor.

**(As amended by Section 6 of the Securities and Exchange Act (No.2) B.E. 2542)**

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