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Notification of the Securities and Exchange Commission

No. KorKhor. 9/2552

Re: Rules on Application for Approval and Granting of Approval to Undertake Trust Business

By virtue of Section 8, Section 54, Section 55, Section 56 and Section 57 of the Trust for Transactions in Capital Market Act B.E. 2550 (2007) which contain certain provisions relating to the restriction of rights and liberties of persons, which Section 29 in conjunction with Section 32, Section 33, Section 41 and Section 43 of the Constitution of the Kingdom of Thailand so permit by virtue of law, the Securities and Exchange Commission hereby issues the following regulations:

Clause 1. In this Notification:

“Securities company” means any company which obtains a license under the law on securities and exchange to undertake securities business in the following categories:

- (1) mutual fund management;
- (2) private fund management; or
- (3) securities brokerage, securities dealing or securities underwriting, but not including brokerage, dealing or underwriting of securities limited to debt securities or investment units.

“Major shareholder” means any holder or beneficial owner of shares in the amount exceeding ten percent of the total shares with voting rights of the applicant.

For the purpose of the first paragraph, a beneficial owner of shares shall mean the beneficial owner of shares pursuant to the fourth paragraph of Section 25 of the Derivatives Act B.E. 2546 (2003).

Clause 2. A commercial bank under the law on financial institution business, a financial institution established under a specific law or a securities company may apply for approval to undertake trust business.

Clause 3. An applicant shall be granted an approval to undertake trust business upon meeting the following qualifications:

(1) having paid-up registered capital not less than one hundred million (100,000,000) baht;

(2) not having a reasonable ground to believe that the applicant has financial condition which is likely to cause damage or any other circumstances indicating the applicant's financial hardship, as well as not having a reasonable ground to believe that the applicant has any deficiency or inappropriateness regarding control and sound business conduct;

(3) being able to maintain capital funds and set aside reserve capital in compliance with the law establishing such legal entity or the law controlling business undertaking of such legal entity;

(4) being able to show that the person who is director, manager or person with power of management who is responsible for trust business of the applicant or major shareholder meets the qualifications and does not have any prohibited characteristics notified by the Office;

The provision in the first paragraph shall also be applied to a director, manager and partner of the applicant's major shareholder which is a juristic person.

(5) being able to show that there shall be sound and efficient management systems;

(6) being able to show that there shall be efficient policies and measures for prevention of conflicts of interest, prevention of improper access to inside information among work units and personnel, internal control and risk management in undertaking trust business, including measures for controlling and monitoring of business operation in compliance with established policies and measures;

(7) being able to show that there shall be work systems which are ready for undertaking trust business;

(8) being able to show that there shall be readiness in terms of personnel to be in charge of trust business.

Clause 4. An applicant shall submit an application together with supplementary documents to the Office in accordance with the format and procedures provided in the electronic work system of the Office.

Clause 5. In cases where the Office considers that the applicant is qualified in all respects under Clause 3, within sixty days from the date on which the Office receives the complete application and supplementary documents, the Office shall submit the matter to the Securities and Exchange Commission for consideration of granting an approval. The Securities and Exchange Commission shall complete its consideration within thirty days from the date on which it receives the matter from the Office.

In cases where the Securities and Exchange Commission grants an applicant an approval to undertake trust business, a license certificate shall be issued as evidence and shall be in the form attached herewith.

Clause 6. In considering an application under Clause 5, the Office, in addition to reviewing the application together with supplementary documents, shall have power to instruct the applicant to give explanation in person or submit further supplementary documents as deemed appropriate within a specified period of time. In such case, the period from the date on which the Office gives such instruction to the date on which the applicant gives explanation or submits further supplementary documents in full, shall be excluded from the counting of time periods specified under Clause 5.

Clause 7. A person approved to undertake trust business (trustee) shall comply with the following conditions:

(1) The trustee shall commence trust business only after the Office has examined and considered that the trustee has satisfied the qualifications under Clause 3(5), (6), (7) and (8);

(2) The trustee shall maintain the qualifications and arrangements set out under Clause 3 at all time during the period of undertaking trust business;

In cases where the trustee fails to satisfy any condition set out under the first paragraph, the Securities and Exchange Commission may revoke such approval.

Clause 8. Fees for application and granting of approval to undertake trust business under this Notification shall be as follows:

(1) Fees for application for approval to undertake trust business shall be thirty thousand (30,000) baht per application and shall be paid on the date of application submission;

(2) Fees for granting of approval to undertake trust business shall be five hundred thousand (500,000) baht and shall be paid on the date of receipt of a license certificate.

Fees for business undertaking shall be as per the governing notification of the Securities and Exchange Commission.

Clause 9. This Notification shall come into force as from 1 July 2009.

Notified this 4th day of June 2009.

(Mr. Vijit Supinit)

Chairman

The Securities and Exchange Commission

Remarks: The reason for issuing this Notification is to prescribe rules on granting of approval for undertaking trust business so as to ensure appropriateness and credibility of a trustee in managing trust property in accordance with the settlor's intention, the trust instrument and this Act.

Licence No.

The Securities and Exchange Commission

License to Undertake Trust Business

By virtue of Section 54 of the Trust for Transactions in Capital Market Act B.E. 2550, the Securities and Exchange Commission hereby grants to _____
which is registered as _____ registration number _____ at _____
on _____ (date/month/year) _____ the license to undertake trust business;

Whereas the company shall comply with the Trust for Transactions in Capital Market Act B.E. 2550.

This license shall come into force as from (date/month/year) _____

Given on (date/month/year) _____

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Chairman

The Securities and Exchange Commission