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Notification of the Office of the Securities and Exchange Commission

No. SorNor. 21/2555

Re: Details of Carbon Fund Scheme

By virtue of Section 118(1) and Section 129 of the Securities and Exchange Act B.E. 2535 (1992) which contains certain provision relating to restriction of rights and liberties of persons, which Section 29 in conjunction with Section 33, Section 34, Section 41, Section 43, Section 44 and Section 64 of the Constitution of the Kingdom of Thailand so permit by virtue of law, the SEC Office hereby issues the following regulations:

Clause 1. This Notification shall be applicable to the preparation of details of carbon fund scheme.

Clause 2. In this Notification:

The terms “mutual fund”, “management company”, “non-retail investor” and “commitment” shall have the same meaning with the definitions of such terms as specified in the Notification of the Capital Market Supervisory Board concerning rules, conditions and procedures for establishment and management of carbon fund.

Clause 3. Management company shall demonstrate the following details of mutual fund scheme:

- (1) specific characteristic of mutual fund;
- (2) investment policy of mutual fund;
- (3) asset value of mutual fund;
- (4) sale and acceptance of redemption of investment units;
- (5) restriction related to allotment and transfer of investment units;
- (6) solicitation for unitholders’ resolution;
- (7) undertaking related to mutual fund management;

- (8) effectiveness of mutual fund scheme;
- (9) amendment to mutual fund scheme;
- (10) collection of fees and other expenses;
- (11) dissolution of mutual fund.

Clause 4. Particular on specific characteristic of mutual fund shall contain the following details:

(1) name of mutual fund scheme which include in its names the term “carbon fund” at the beginning;

(2) name of management company;

(3) name of mutual fund supervisor;

(4) type, objective and maturity of mutual fund;

(5) characteristic of mutual fund which is mutual fund offering for sale [of investment units] specifically to non-retail investor;

(6) amount of scheme capital, policy related to raising scheme capital after registration of asset as mutual fund and operational procedure (if any);

(7) par value of investment units;

(8) classification of investment units shall at least contain the following details:

(a) class of investment units by demonstrating whether or not it is single or multi-class, providing that in case of multi-class investment units, rules and procedures for classification of investment units shall be demonstrated;

(b) privilege or benefit that unitholder is eligible to receive as well as dividend policy, providing that in case of multi-class investment units, information on each class of investment units shall be demonstrated.

Clause 5. Particular on investment policy of mutual fund shall at least contain details of assets in which mutual fund is eligible to invest or possess as well as investment proportion.

Clause 6. Particular on asset value of mutual fund shall at least contain details related to calculation of net asset value, value of investment units, selling price of investment units and redemption price of investment units (if any);

Clause 7. Particular on sale and acceptance of redemption of investment units shall at least contain details related to date of investment units trading, minimum value of investment units trading (if any), cases where management company reserves the rights to sell investment units, suspension of acceptance of sale or redemption order, refusal to sell or accept redemption of investment units according to order already received and postponement of deadline for payment of investment unit redemption.

Clause 8. Particular on restriction related to allotment and transfer of investment units shall at least contain the following details:

(1) requirement stating that unitholders shall be non-retail investor only;

(2) requirement stating that management company or investment units registrar shall not accept investment units transfer registration for any person other than non-retail investor.

Clause 9. Particular on solicitation of unitholders' resolution shall at least contain the following details:

(1) transaction required to be approved by unitholders' resolution, providing that which transactions required ordinary resolution or special resolution. In case of soliciting unitholders' resolution for amendment to mutual fund scheme or management procedure, it shall comply with Section 129 of the Securities and Exchange Act B.E. 2535 (1992);

(2) requirement stating that rules and procedures for soliciting unitholders' resolution as well as effectiveness of such resolution shall comply with requirements specified in commitment between unitholders and management company.

Clause 10. Particular on undertaking related to mutual fund management shall at least contain the following details:

(1) assigning others to undertake operation related to investment in other assets for mutual fund (if any), providing that scope of assignment and name of appointee shall be indicated;

(2) appointing any person related to operation of mutual fund, for instance, investment advisor, financial advisor, legal advisor or auditor, etc.

Clause 11. Particular on effectiveness of mutual fund scheme shall at least contain the following requirements:

(1) management company shall have duty to comply with mutual fund scheme, commitment and the Securities and Exchange Act B.E. 2535 (1992) as well as notifications, rules and orders issued by virtue of such law, providing that in case

where any requirement in mutual fund scheme contradicts to or is inconsistent with requirements prescribed in such notifications, rules or orders, if management company has proceeded to comply with such notifications, rules or orders, management company shall be deemed to have been complied with mutual fund scheme;

(2) management company shall appoint mutual fund supervisor as specified in mutual fund scheme, providing that mutual fund supervisor shall be an authorized signatory to sign commitment. Affixing signature of mutual fund supervisor legally appointed shall be deemed to have a binding effect to all unitholders;

(3) in case where any unitholder has expressed intention to buy or invest in investment units of mutual fund under this mutual fund scheme, such unitholder shall be deemed as binding to requirements in mutual fund scheme and commitment.

Clause 12. Particular on dissolution of mutual fund shall have requirements demonstrating that in case where any of the following circumstances is apparent, management company shall dissolve mutual fund:

(1) number of unitholders of mutual fund decreases below the number specified in the Notification of the Capital Market Supervisory Board concerning rules, conditions and procedures for establishment and management of carbon fund;

(2) management company is unable to undertake to have aggregate value of assets of mutual fund complied with investment requirements as specified in the Notification of the Capital Market Supervisory Board concerning rules, conditions and procedures for establishment and management of carbon fund;

(3) the SEC Office issues order to dissolve mutual fund under Section 128 of the Securities and Exchange Act B.E. 2535 (1992);

(4) the SEC Office issues order to revoke approval for establishment of mutual fund under the Securities and Exchange Act B.E. 2535 (1992) as well as Notifications, rules and orders issued by virtue of such law.

Clause 13. Specifying requirement in mutual fund scheme that management company may amend the mutual fund scheme as deemed to have been obtained the unitholders' resolution or other requirements in similar manner, shall be allowed only in the following cases:

(1) amendment of information resulting all unitholders to receive additional benefit;

(2) amendment made to comply with the Securities and Exchange Act B.E. 2535 (1992) as well as notifications, rules and orders issued by virtue of such law;

(3) rectification of names and other details of person.

Clause 14. This Notification shall come into force as from 16 September 2012.

Notified this 31th day of August 2012.

- Signature -
(Vorapol Socratyanurak)
Secretary-General
Office of the Securities and Exchange Commission