

TRANSLATED VERSION
codified up to No.2 as of June 16, 2014

Readers should be aware that only the original Thai text has legal force and that this English translation is strictly for reference.

Notification of the Securities and Exchange Commission

No. KorNor. 1/2554

**Re: Rules, Conditions and Procedure for Borrowing Money
and Encumbering the Asset of Infrastructure Mutual Fund**

By virtue of Section 14 of the *Securities and Exchange Act B.E. 2535 (1992)*, as amended by the *Securities and Exchange Act (No.4) B.E. 2551 (2008)* and Section 126(5) of the *Securities and Exchange Act B.E. 2535 (1992)* as amended by the *Securities and Exchange Act (No.3) B.E. 2546 (2003)* which contain certain provisions 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 Securities and Exchange Commission hereby issues the following regulations:

Clause 1 This Notification is applicable to the infrastructure fund which is in form of mutual fund, in the following matters:

- (1) borrowing money;
- (2) encumbering the assets.

Clause 2 In this Notification, the terms “*management company*” “*infrastructure mutual fund*” “*infrastructure asset*” “*greenfield project*” and “*brownfield project*” shall have the same meaning as defined in the *Notification of the Capital Market Supervisory Board concerning Rules, Conditions and Procedures for the Establishment and Management of Infrastructure Mutual Fund*.

Clause 3 The *management company* may borrow money on behalf of an *infrastructure mutual fund* only if it has specified such action in the mutual fund scheme and prospectus, and has complied with the following rules:

- (1) the purpose of borrowing money is in compliance with Clause 4;
- (2) a lender is not fund supervisor of the *infrastructure mutual fund*;
- (3) financial leverage ratio of the *infrastructure mutual fund* shall conform to Clause 5.

Clause 4 The *management company* may borrow money specifically for the following purposes:

- (1) to acquire an *infrastructure asset*;
- (2) to construct, improve or develop the *infrastructure asset* which is a *greenfield project* to be a *brownfield project*;
- (3) to renovate the *infrastructure asset* invested by the *infrastructure mutual fund* to be proper in order to seek economic benefits;
- (4) to refinance the loans or encumbrances incurred by the *infrastructure mutual fund* itself or the infrastructure business being subsidiary of the *infrastructure mutual fund* for the purpose of proceeding in sub clause (1) (2) or (3):
- (5) any other purpose as stipulated by the Notification of the SEC Office.

Clause 5 The leverage of the *infrastructure mutual fund* shall not be more than three times of total asset value unless such exceeding ratio does not occur from additional loans.

The calculation for the ratio in the first paragraph shall also include the debt and equity of all subsidiary companies of *infrastructure mutual fund* under the consolidated basis of the financial statement.

Clause 6 The *management company* shall impose the limitations on liabilities arising from loan agreement under the following rules:

- (1) providing the loan agreement with a clause stating that the liability of the *infrastructure mutual fund* shall not exceed the total asset value of the *infrastructure mutual fund*;
- (2) the commitment between the unitholders and the *management company* shall not contain:
 - (a) any term indicating that the *infrastructure mutual fund* has the right to recall the returning capital or benefits rightfully received by the unitholders in any cases;
 - (b) any term indicating that the unitholders have to be responsible for any damages arising from the agreements between the *infrastructure mutual fund* and third party.

Clause 7 The *management company* may use the asset of the *infrastructure mutual fund* as collateral under loan agreement as prescribed in this Notification.

Clause 8 This Notification shall come into force as from 16 January 2011.

Notified this 6th day of January 2011.

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(Vijit Supinit)
Chairman
Securities and Exchange Commission