

(UNOFFICIAL TRANSLATION)

Codified up to No. 5

As of 3 July 2018

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. KorMor. 10/2559

Re: Determination of Fees for Undertaking Business

According to Licenses

By virtue of Section 14(2) of the *Securities and Exchange Act B.E. 2535 (1992)*, the Securities and Exchange Commission hereby issues the following regulations:

Clause 1 The following notifications shall be repealed:

(1) *Notification of the Securities and Exchange Commission No.*

KorThor/Khor/Dor/Nor. 16/2553 Re: Determination of Fees for Undertaking Business According to Licenses dated 1 December 2010;

(2) *Notification of the Securities and Exchange Commission No.*

KorThor/Khor/Dor/Nor. 12/2554 Re: Determination of Fees for Undertaking Business According to Licenses (No. 2) dated 28 April 2011;

(3) *Notification of the Securities and Exchange Commission No. KorMor.*

5/2556 Re: Determination of Fees for Undertaking Business According to Licenses (No. 3) dated 15 May 2013.

Clause 2 In this Notification:

“*licensee*” means a licensee specified in Clause 3;

“*fee*” means a fee for undertaking business according to license;

“*income*” means an income before deducting expenditures from undertaking business according to license;

“*investment unit*”⁴ means the following securities:

⁴ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 14/2561 Re: Determination of Fees for Undertaking Business According to Licenses (No. 5)* dated 3 July 2018 (effective on 16 July 2018).

(1) the *investment unit* specified under the *Law on Securities and Exchange*;
(2) a financial instrument or certificate representing the right of the holder as the owner or beneficiary of a collective investment scheme established under foreign law, either in the form of company, trust or others.

Clause 3 This Notification shall apply to the *licensees* of the following licenses:

(1) all types of securities business license except the followings:

- (a) debt securities brokerage;
- (b) securities borrowing and lending business.

(2)² licenses for providing securities registrar services except such license specified under the *Notification of the Securities and Exchange Commission concerning Rules, Conditions and Procedures for Application of Licenses and Granting of Licenses for Operating Business as Securities Clearing House, Securities Depository and Securities Registrar under the Innovation Development Program to Support Provision of Capital Market Services* [regulatory sandbox].

Clause 4 A *licensee* shall pay to the SEC Office a fee according to the obtained license at a rate varies based on business volume or at the fixed rates set out in this Notification. In the case where a licensee has obtained more than one license, the licensee shall pay the total fees of all licenses together. In this regard, the payment obligation shall only apply to the licenses that have been activated.

Clause 5 The *licensees* of the following licenses shall pay a fee at a rate varies based on business volume. In any case, the amount to be paid shall not be less than the minimum rate specified in Clause 6:

- (1) securities brokerage;
- (2) securities dealing;
- (3) securities underwriting;
- (4) mutual fund management;

² Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 19/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 3)* dated 24 April 2017 (effective on 16 May 2017).

(5) private fund management.

¹The provision under Paragraph 1 shall not be applicable to a licensee under Paragraph 1(1) (2) or (3) who has notified and executed the intention to comply with the *Notification of the Capital Market Supervisory Board concerning Temporary Rules for Undertaking Business of Certain Types of Securities Business Operator and Derivatives Business Operator*.

Clause 6⁴ The fee required to be paid by any of the *licensees* under Clause 5 shall not be less than the minimum rate of 25,000 baht per year and not more than the maximum rate of 10,000,000 baht per year.

In the case where a licensee has suspended the operation of all types of securities businesses specified under Paragraph 1 of Clause 5 throughout any calendar year, such licensee shall pay the minimum fee as specified under Paragraph 1 without the obligation to pay the fee based on business volume.

Clause 7⁴ A securities brokerage licensee shall pay the fee according to the following criteria:

(1) the license fee for members of the Stock Exchange who undertakes securities brokerage business on the Stock Exchange shall be at the rate of 0.001 percent of the trading value, regardless of whether such trading is for clients' accounts or proprietary account, deducted by the following items:

- (a) the trading value derived from the trading transactions of securities brokerage *licensees* who are not members of the Stock Exchange;
- (b) the trading value of debt securities.

¹ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 13/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 2)* dated 20 February 2017 (effective on 1 March 2017).

⁴ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 14/2561 Re: Determination of Fees for Undertaking Business According to Licenses (No. 5)* dated 3 July 2018 (effective on 16 July 2018).

⁴ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 14/2561 Re: Determination of Fees for Undertaking Business According to Licenses (No. 5)* dated 3 July 2018 (effective on 16 July 2018).

(2) the license fee for non-members of the Stock Exchange who undertakes securities brokerage business on the Stock Exchange shall be at the rate of 0.001 percent of the trading value derived from the trading transactions through securities companies which are members of the Stock Exchange, regardless of whether such trading is for clients' accounts or proprietary account, deducted by the trading value of debt securities;

(3) the license fee for members of a foreign stock exchange who undertakes securities brokerage business on such stock exchange shall be at the rate of 0.001 percent of the trading value on such stock exchange, regardless of whether such trading is for clients' accounts or proprietary account, deducted by the following items:

(a) the trading value derived from the trading transactions of securities brokers who are not members of such foreign Stock Exchange;

(b) the trading value of debt securities.

(4) the license fee for non-members of a foreign Stock Exchange who undertakes securities brokerage business on such foreign Stock Exchange shall be at the rate of 0.001 percent of the trading value derived from the trading transactions through securities companies which are members of such foreign Stock Exchange, regardless of whether such trading is for clients' accounts or proprietary account, deducted by the trading value of debt securities;

(5) the license fee for securities brokerage outside the Stock Exchange and a foreign stock exchange shall be at the rate of 1 percent of the fee *income* from such securities brokerage business, excluding *investment units* and debt securities.

Clause 8 A securities dealing *licensee* shall pay the fee at the rate of 1 percent of the net capital gain from dealing of debt securities.

Clause 9 A securities underwriting *licensee* shall pay the fee at the rate of 1 percent of the fee *income* from underwriting securities, excluding *investment units*.

Clause 10 A mutual fund management *licensee* shall pay the fee according to the following criteria:

(1)¹ the mutual fund management fee shall be in accordance with the following criteria:

(a) the fee rate shall be 0.001 percent of the net asset value under management in each calendar year, calculated from the average of the total net asset value under management on the last business day of each month;

(b) in the case where a mutual fund management *licensee* invests in or holds *investment units* of other funds under its management as an asset of the mutual fund, the fee rate shall be 0.001 percent of the net asset value under management in each calendar year, calculating from the total net asset value under management deducted by the net asset value from the investment in or holding of *investment units* of other funds under its management. In this regard, such net asset value shall be calculated from the average of the total net asset value under management on the last business day of each month.

(2) the license fee for mutual fund registrar shall be at the rate of 1 percent, calculated from the fee *income* from providing the registrar services to the mutual funds under its management;

(3) the fee for selling and accepting redemption of *investment units* shall be at the rate of 1 percent, calculated from the fee *income* that the *licensee* collects from such selling or accepting redemption of *investment units* deducted by one of the following fees:

(a) the fee for selling and accepting redemption of *investment units* paid to other securities companies which are a selling agent;

(b) the fee for selling and accepting redemption of *investment units* withheld by other securities companies which are a selling agent.

Clause 11 A private fund management *licensee* shall pay the fee according to the following criteria:

(1) the license fee for private fund management shall be 0.001 percent of the net asset value under management in each calendar year, calculated from the average of the total net asset value under management on the last business day of each month;

(2) the license fee for provident fund registrar shall be at the rate of 1 percent,

¹ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 13/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 2)* dated 20 February 2017 (effective on 1 March 2017).

calculated from the fee *income* from providing the registrar services to the provident funds under its management.

Clause 12⁴ A *licensee* for undertaking securities brokerage outside the Stock Exchange or foreign stock exchange, securities dealing, or underwriting of *investment units* shall pay a fee at the rate of 0.001 percent of the selling value of all types of the *investment units* sold, including the *investment units* linked with insurance policy and the switching-in value, and excluding the value of the automatic switching to money market funds as specified in fund schemes.

Clause 13 In the case where a *licensee* for securities brokerage, securities dealing, or underwriting of *investment units* is a commercial bank or a financial institution established under specific law whose securities business is limited to debt securities, such *licensee* shall be exempted from the minimum fees under Clause 6 for undertaking such securities businesses and the fees specified under Clause 7, Clause 8, and Clause 9, but shall pay the fee in accordance with the followings criteria:

- (1) the dealing of securities which is limited to debt securities shall pay the fixed-rate fee of 1,000,000 baht per year;
- (2) the underwriting of securities which is limited to debt securities shall pay the fixed-rated fee of 1,000,000 baht per year.

Clause 14 A *licensee* undertaking the following businesses shall pay the fixed-rate fees as follows:

- | | |
|-------------------------------------|-------------------------|
| (1) dealing of debt securities | 1,000,000 baht per year |
| (2) underwriting of debt securities | 1,000,000 baht per year |
| (3) securities financing | 500,000 baht per year |
| (4) inter-dealer brokerage | 50,000 baht per year |
| (5) venture capital fund mangement | 50,000 baht per year |
| (6) securities registrar | 50,000 baht per year |
| (7) investment advisory | 25,000 baht per year |

⁴ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 14/2561 Re: Determination of Fees for Undertaking Business According to Licenses (No. 5)* dated 3 July 2018 (effective on 16 July 2018).

- (8) securities brokerage, securities dealing, or securities underwriting whereby a **licensee** has notified and executed its intention to comply with the *Notification of the Capital Market Supervisory Board concerning Temporary Rules for Undertaking Business of Certain Types of Securities Business Operator and Derivatives Business Operator*. 25,000 baht per year

In the case where the remaining period up to the end of the first calendar year of the licensed business operation is shorter than six months, the **licensee** shall pay 50 percent of the relevant fee as specified in Paragraph 1.

Clause 15 A **licensee** shall pay a fee based on business volume to the SEC Office in two installments:

(1) the first installment: the minimum rate specified under Clause 6 shall be paid by 31 January of the year, except for the first year of business operation whereby the **licensee** shall pay the minimum fee on the first day of the business operation;

(2) the second installment: the remaining fee that exceeds the minimum fee under (1) shall be paid by 31 January of the following year.

In case of termination of business or revocation of license, a **licensee** shall pay the unpaid fee or the remaining fee within thirty days from the date when the Minister approves the termination of business or revocation of license, as the case may be.

Clause 16³ A **licensee** shall pay the fixed-rate fee to the SEC Office per calendar year within 31 January of the year, except for the following cases:

(1) a **licensee** who commences the business operation in the first year shall pay the fee on the first day of business operation;

(2) a **licensee** under Clause 19/1 who has paid the minimum fee to the SEC Office shall comply with the rules specified in such Clause instead.

³ *Notification of the Securities and Exchange Commission No. KorMor. 30/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 4) dated 14 December 2017 (effective on 1 January 2018).*

Clause 17¹ In paying the fees under Clause 15, Clause 16 and Clause 19/1, a *licensee* shall prepare and submit a report on the payment of fees according to licenses to the SEC Office as per the forms and procedures provided on the website of the SEC Office.

Clause 18 A securities company licensed to undertake securities business under the *Ministerial Regulation No. 5 B.E. 2539 (1996)* promulgated under the *Securities and Exchange Act B.E. 2535 (1992)* who obtains an exemption of fee for undertaking business according to *the Notification of the Securities and Exchange Commission No. KorThor/Nor/Yor. 47/2546 Re: Determination of Fees for the Operation of Licensed Businesses* dated 30 December 2003, and the *Notification of the Securities and Exchange Commission No. KorThor/Khor/Dor/Nor. 16/2553 Re: Determination of Fees for Undertaking Business According to Licenses* dated 1 December 2010, shall be exempted from the fees according to this Notification from the year 2017 until the year in which the SEC Office is unable to deduct the fee for undertaking business at the rate of Baht 5,000,000 per year or the fee for undertaking business calculated according to rules prescribed herein, whichever amount is higher.

Clause 19 A *licensee* who has not paid the total fee or the remaining fee under *the Notification of the Securities and Exchange Commission No. KorThor/Khor/Dor/Nor. 16/2553 Re: Determination of Fees for Undertaking Business According to Licenses* dated 1 December 2010 shall make the payment according to rules and timeframe prescribed in such Notification until the fees are completely paid in full.

Clause 19/1³ A *licensee* under Paragraph 1(1) (2) or (3) of Clause 5 who has notified and executed the intention to comply with the *Notification of the Capital Market Supervisory Board concerning Temporary Rules for Undertaking Business of Certain*

¹ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 13/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 2)* dated 20 February 2017 (effective on 1 March 2017).

³ Amended by the *Notification of the Securities and Exchange Commission No. KorMor. 30/2560 Re: Determination of Fees for Undertaking Business According to Licenses (No. 4)* dated 14 December 2017 (effective on 1 January 2018).

Types of Securities Business Operator and Derivatives Business Operator shall calculate and pay the fee in accordance with the following criteria:

(1) the calculation and payment of fee for the calendar year of 2017 shall be the sum of the total of the fees under (a) and (b) specified below, deducted by the minimum fee previously paid to the SEC Office. In this regard, any additional payment or refund of fees shall be completed by 31 January 2018;

(a) the fixed-rate fee specified under Paragraph 1(8) of Clause 14;

(b) the fee based on business volume outside of the compliance period under the *Notification of the Capital Market Supervisory Board concerning Temporary Rules for Undertaking Business of Certain Types of Securities Business Operator and Derivatives Business Operator*.

(2) the calculation and payment of fee for the calendar year of 2018 onwards shall be the sum of the fixed-rate fee specified under (1)(a) or the fee based on business volume specified under (1)(b), whichever is the higher amount, deducted by the fee previously paid to the SEC Office. In this regard, any additional payment of fee shall be completed by 31 January of the following year.

Clause 20 This Notification shall come into force as from 1 January 2017.

Notified this 7th Day of November 2016.

-Signature-

(Mr. Voravidh Champeeratana)

Chairman

Securities and Exchange Commission