

UNOFFICIAL TRANSLATION

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 Capital Market Supervisory Board No. Tor Thor. 8/2561

Re: Rules, Conditions and Procedures for Selling, Repurchasing and Redeeming Units of ASEAN Collective Investment Scheme and APEC Asia Region Funds Passport

By virtue of Section 16/6 and Section 113 of the *Securities and Exchange Act B.E. 2535 (1992)*, as amended by the *Securities and Exchange Act (No. 4) B.E. 2551 (2008)*, the Capital Market Supervisory Board hereby issues the following regulations:

Clause 1 The *Notification of the Capital Market Supervisory Board No. Tor Thor. 7/2557 Re: Rules, Conditions and Procedures for Selling, Repurchasing and Redeeming Units of Foreign Collective Investment Scheme* dated 2 June 2014 shall be repealed.

Clause 2 In this Notification:

The terms, “***institutional investor***”, “***ultra-high net worth investor***” and “***high net worth investor***” shall have the same definitions as specified in the *Notification of the Securities and Exchange Commission concerning Determination of Definitions of Institutional Investor, Ultra-High Net Worth Investor and High Net Worth Investor*.

The terms, “***unit***”, “***ASEAN Collective Investment Scheme***”, “***APEC Asia Region Funds Passport***”, “***CIS operator***”, and “***home regulator***” shall have the same definitions as specified in the *Notification of the Capital Market Supervisory Board concerning Provisions relating to Offering for Sale of Units of Foreign Collective Investment Scheme*.

“***big retail investor***” shall have the same definition as specified in the *Notification of the Capital Market Supervisory Board concerning Establishment of Mutual Funds for Retail Investors and Non-Retail Investors, and Execution of Agreements for Management of Private Funds*.

“***foreign collective investment scheme***” means *ASEAN Collective Investment Scheme* and *APEC Asia Region Funds Passport*.

“***securities company***” means an entity granted a license to undertake securities business in the category of securities brokerage.

“***Notification on Standard Conduct of Business***” means the *Notification of the Capital Market Supervisory Board concerning Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries*, including the notifications of the Office of the Securities and Exchange Commission, orders and circulars issued or providing guidelines in accordance with the aforementioned Notification of the Capital Market Supervisory Board.

Clause 3 This Notification shall be applicable to any *securities company* providing services related to selling, repurchasing and redeeming *units of foreign collective investment scheme*.

Clause 4 In providing services related to selling, repurchasing and redeeming *units of foreign collective investment scheme*, a *securities company* shall comply with the regulations specified in the *Notification on Standard Conduct of Business*, *mutatis mutandis*, except in the case where this Notification prescribes specific regulations otherwise.

In contacting and providing services related to selling, repurchasing and redeeming *units* of a *foreign collective investment scheme* under this Notification, the provisions related to information on fund performance of the *foreign collective investment scheme* to be offered for sale in comparison with other mutual funds or collective investment schemes in the same investment policy under the *Notification on Standard Conduct of Business* shall not apply.

Clause 5 The SEC Office may announce a detailed guideline for the benefit of compliance with the requirements under this Notification, and the compliance with such guidelines shall be deemed to be in compliance with the requirements under this Notification.

Clause 6 A *securities company* shall provide services related to selling, repurchasing and redeeming *units* of *foreign collective investment scheme* only on the approved list of the SEC Office which is publicly disclosed on the website of the SEC Office in accordance with the *Notification of the Capital Market Supervisory Board concerning Provisions relating to Offering for Sale of Units of Foreign Collective Investment Scheme*.

Clause 7 Prior to accepting to be a selling agent of *units* of *foreign collective investment scheme*, a *securities company* shall arrange to have a written agreement with the *CIS operator* at least in the following matters:

(1) the *CIS operator* shall deliver the information that has a material impact on *foreign collective investment scheme* to investors to *the securities company*;

(2) in case of selling *units* of *ASEAN Collective Investment Scheme* to *institutional investor, ultra-high net worth investor, high net worth investor* or *big retail investor*, the *CIS operator* shall deliver the same information as required to be delivered to investors or submitted to the *home regulator* pursuant to the law or relevant rules of the *home regulator*'s jurisdiction to the *securities company*. In this regard, the *CIS operator* shall certify in writing that such information is the same as the one delivered to investors or submitted to *home regulator*, as the case may be;

(3) the *CIS operator* shall deliver the information under sub-clauses (1) or (2) to the *securities company* within the same period as having duty to deliver to investors or submit to *home regulator*, as the case may be.

Clause 8 Prior to selling *units* of *foreign collective investment scheme*, a *securities company* shall at least undertake the following matters:

(1) delivering or distributing the following documents, containing the material information which is not different from the draft submitted to the SEC Office in accordance with the *Notification of the Office of the Securities and Exchange Commission concerning Additional Provisions related to Offering for Sale of Units of Foreign Collective Investment Scheme* to investors:

(a) fact sheet and annual report (if any);

(b) comparison of regulations on management of *ASEAN Collective Investment Scheme* under law or regulations of *home regulator*'s jurisdiction and the regulations on management of mutual funds as stipulated by virtue of Section 117 [of the *Securities and Exchange Act B.E. 2535 (1992)*], in case of selling *units* of *ASEAN Collective Investment Scheme* to *institutional investor, ultra-high net worth investor, high net worth investor* or *big retail investor*;

(2) preparing supplementary information for offering for sale of *units* of *foreign collective investment scheme* which was prepared and distributed in the

jurisdiction where the *home regulator* is established, and such information shall be kept at the office or on the website of the *securities company* and shall be delivered to investors upon request.

Clause 9 In the case where a *CIS operator* fails to comply with the agreement made with a *securities company* under Clause 7, the *securities company* shall not provide any additional services related to selling, repurchasing and redeeming *units* of *foreign collective investment scheme* managed by such *CIS operator*.

Clause 10 In the case where the SEC Office finds that any *securities company* violates or fails to comply with this Notification or the guidelines specified by the *securities company* in compliance with this Notification, or has inappropriate behaviors in performing the duty to give investment advice and provide services related to selling, repurchasing and redeeming *units* of *foreign collective investment scheme* under this Notification, the SEC Office may order the *securities company* to amend, act or omit to act in any way to comply with this Notification.

Clause 11 This Notification shall come into force from 16 February 2018.

Notified this 17th day of January 2018.

(Mr. Rapee Sucharitakul)
Secretary-General
Office of the Securities and Exchange Commission
Chairman
Capital Market Supervisory Board