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**Notification of The Office of the Securities and Exchange Commission**

**No. Sor Thor/Nor. 26/2545**

**Re: Prescribing Factors in Considering the Seriousness of Behavior as Prohibited Characteristics of Persons who are or will be Major Shareholders of the Securities Companies.**

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By virtue of the third paragraph of Clause 5 of the Notification of the Ministry of Finance, Re: Prescribing conditions requiring securities company to apply for approval of persons who are major shareholders dated 23 February 2000 as amended by the Notification of the Ministry of Finance, Re: Prescribing the conditions requiring securities company to apply for approval of persons who are major shareholders (No. 2), dated 4 April 2002, the Office of the Securities and Exchange Commission hereby issues the following regulations:

**Clause 1.** The Notification of the Office of the Securities and Exchange Commission No. SorThor/Nor. 19/2543 Re: Prescribing factors in considering the seriousness of behavior as a prohibited characteristics of persons who are or will be major shareholders of the securities companies dated 30 May 2000, shall be repealed.

**Clause 2.** In this Notification,  
“major shareholder” means a person who holds shares, notwithstanding directly or indirectly, exceeding ten percent of voting right shares of a securities company;

“Notification of the Ministry of Finance” means the Notification of the Ministry of Finances on prescribing the conditions requiring the securities company to apply for approval of persons who are major shareholders;

“Office” means the Office of the Securities and Exchange Commission.

**Clause 3.** For the purpose of implementation of the third paragraph of clause 5 of the Notification of the Ministry of Finance, the Office hereby prescribes the factors in considering the seriousness of behavior as prohibited characteristics of persons who are or will be major shareholders of the securities companies, as follows:

(1) major factor which is the facts that the Office give more weight than other facts in considering, as follows:

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(a) the scope of effect from the behavior of prohibited characteristics such as impact to money market or capital market, the public in general or a specific group of people, etc.;

(b) the significance of the behavior of prohibited characteristics such as the relevant amount of money and transactions;

(c) the person who has taken advantage from the prohibited characteristics.

(2) subordinate factors which is the facts that the Office uses to increase or decrease the weight in considering the facts in general:

(a) the involvement of a person in the prohibited characteristics such as being a principal, an user or a supporter, etc.;

(b) the complicated nature of the action or the tools using for such action such as using a disguised name of other person or establishing a company for concealment;

(c) the record of behaviour of prohibited characteristics of the similar case in the past;

(d) the intention to violate or failure to comply with the relevant law, rules or related regulations;

(e) other posterior behaviors such as giving beneficial facts or evidence in the trial of the case or the proceedings, or concealing or destroying the evidence of the case or giving false statements, etc.;

**Clause 4.** A person having the prohibited characteristics under the Notification of the Ministry of Finance shall be prohibited to be major shareholder within the following periods:

The prohibited characteristics	Level of seriousness of behavior	Maximum prohibited period to be major shareholder
clause 4 (4)(5)(6)(7)(8) or (9) of the Notification of the Ministry of Finance	minimal moderate intense	one year three years five years
clause 4 (10) of the Notification of the Ministry of Finance	minimal moderate intense	one year two years three years

**Clause 5.** This Notification shall come into force as from 16 June 2002.

Notified this 23<sup>rd</sup> day of May 2002.

Prasarn Trairatvorakul  
(Mr. Prasarn Trairatvorakul)  
Secretary-General  
Office of the Securities and Exchange Commission