

NOTIFICATION OF THE STOCK EXCHANGE OF THAILAND

Re: Trading of Securities of a Member or a Company having Connection with the Member in the Capacity of a Broker or an Agent of a Customer (No. 1), 1999

Whereas it is deemed expedient to prescribe the rules for trading of securities of a member or a company having connection with the member in the capacity of a broker or an agent of a customer to ensure transparency and avoidance of conflict of interest in the trading of such securities by virtue of Clause 4 and Clause 38 of the Regulations of the Stock Exchange of Thailand Re: Trading, Clearing and Settlement of Securities on the Exchange (No. 2), 1999 dated August 31, 1999.

The Stock Exchange of Thailand hereby issues the following regulations:

1. This Notification shall come into force on September 6, 1999.

***2.** In case that a member carries out the trading of securities of its own company or a company having connection with the member in the capacity of a broker or an agent of a customer, the member shall proceed as follows:

(1) To trade such securities in cash only;

(2) To provide a suitable and clear measure for rectifying an error in the trading of securities of its own company without causing the member to become a holder of securities of its own company;

(3) To disclose conflict of interest to a customer in case of recommendation or advice concerning the investment in such securities;

(4) To disclose conflict of interest in report or article on the analysis of the investment in securities in case of preparation and distribution the analysis concerning such securities;

In case that a member carries out the trading of securities of a company having connection with the member in the capacity of a broker or an agent of a customer, the member shall comply with the first paragraph (3) and (4).

*(*Amended October 20, 2008)*

3. A member shall prepare the rules governing prohibition of the use of inside information concerning the trading of securities of its own company or a company having connection with the member in the capacity of a broker or an agent of a customer, and the rules governing prohibition of the trading of such securities which would cause a conflict of interest between the member and a customer for the purpose of implementing in the organization of the member, including the punishments of its employees in the case of violation or non-performance of such rules.

4. A member shall report a list of companies having connection with the member, and report the variation in the list of companies having connection with the member to the Exchange within the period of time and in the form prescribed by the Exchange, by specifying the names of the companies having connection with the member and the relationship showing such connection with the member, and shall announce the list of those companies openly at the office of the member.

5. A member shall provide a system for monitoring and inspecting its performance under this Notification, and report to the Exchange immediately when it is found that the member violates or fails to perform according to this Notification.

Notified on this 31st day of August 1999.

(Signed) Surat Palalikit

(Mr. Surat Palalikit)
Executive Vice President,
acting for the President