

Regulation of Thai Bond Market Association

Amended (No. 4) B.E. 2554

By virtue of the provisions of Article 237 of the Securities and Exchange Commission Act B.E. 2535 and Article 29 of Trade Association Act B.E. 2509, and Clause 120 of the Regulations of Thai Bond Market Association, dated 21 September 2005, there shall be a resolution of ordinary general meeting for amendment of the Regulations of Thai Bond Market Association as follows:

- 1 The provision on the definition of the term “Order of Punishment” in Clause 4 of the Regulations of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Order of Punishment” means Order of punishment resolved by the Board, the Managing Director, and the Committee resulting in punishment to the persons breaching or involving in breaching the rules and regulations of the Association”

- 2 The following provision on the definition of the term “Stipulation of the Association” shall be added in Clause 4 of the Regulations of Thai Bond Market Association dated 21 September 2005

“Stipulation of the Association” means the regulations, notifications, rules, or any other document having the same feature prescribed by the Association in order to force the member, the trader, and the person filing an application for debt instrument registration”

- 3 Provision in Clause 6 (3) of the Regulations of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 6 (3) Associate Member is Securities Company licensed to engage in the trading of debt instrument but limiting to those who have outright debt instrument trading value at the average of less than one hundred million (1,000,000) Baht per month for the past calendar year and wish to be Associate Member of the Association”

- 4 Provision in Clause 14 of the Regulations of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 14 The Member shall have the following rights:

- (1) To participate in the meetings, debate and express his views in the general meetings of the Association;
- (2) To propose the opinions or recommendation to the Association and the Board concerning the Association’s business;
- (3) To use the services made available by the Association pursuant to the rules, terms and conditions and procedure prescribed by the Association”

5 Provision in Clause 16 of the Regulations of Thai Bond Market Association dated 21 September 2005, as amended by Clause 1 of the regulations of Thai Bond Market Association amended (No. 3) B.E. 2553 (2010) dated 10 May 2010 shall be repealed and replaced with the following provision:

“Clause 16 The Board of Director shall have no more than 11 members, consisting of 1 Managing Director who shall be a director by position and the person elected by the Ordinary and Extraordinary Members not more than 10 persons, of whom not less than 3 directors shall be independent directors”

6 Provision in Clause 17 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 17 The independent directors under Clause 16 shall not be executive, director, managing director, person having day-to-day managerial powers, personnel, employees, or major shareholders of the Member”

7 First paragraph of provision in Clause 71 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 71 A Disciplinary Committee shall consist of 5 members consisting of 2 Directors representing the Association and at least 3 members from non-member companies comprising of at least one expert in securities business and one expert in law”

8 Provision in Clause 75 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 75 The Disciplinary Committee shall have the power to consider the charge and mete out punishment to the Members and bond traders who committed or took part in the breach of rules and regulations of the Association except for the following:

- (1) Revocation of the membership;
- (2) Other cases as prescribed by the Board”

9 Provision in Clause 77(4) of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 77(4) Period to clear up the charge shall not exceed sixty (60) days from the date of receiving letter of notification”

10 Provision on the name of Section 11 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Section 11 Membership Admission Fee, Annual Fee, Debt Instrument Registration Fee and Other Services Fee”

11 Provision in Clause 118 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 118 The Member who requests for the registration of debt instrument with the Association shall pay the registration fee in accordance with types and rates prescribed by the Board notification.

The Board may change, modify or exempt the debt instrument registration fee upon approval of the SEC”

12 Provision in Clause 119 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 119 Debt instrument registration fee in accordance with Clause 118 shall not apply to those bonds issued by the government, State enterprises, the Bank of Thailand, the financial Institution Development Fund, or any other debt instrument upon the resolution on fee exemption of the Board”

13 First paragraph of provision in Clause 120 of the Regulation of Thai Bond Market Association dated 21 September 2005 shall be repealed and replaced with the following provision:

“Clause 120 Modification of Rules of the Association can be done upon obtaining the approval of the Board. The Board shall present the said change to the meeting of the Members for approval.

The voting for the resolution in the meeting of Members shall be in accordance with Clause 105 to 108 *mutatis mutandis*”

14 This regulation shall come into effect as from 11 May 2011.

Given on this 23rd day of May 2011

(Mr. Bandid Nijathaworn)

Chairman

Chairman of the Board

The Thai Bond Market Association

Remark:

The ThaiBMA was granted the license of securities business related association under Securities and Exchange Act B.E. 2535 and had objectives to be a Self-Regulatory Organization (SRO) in order to supervise members and set industry standard in bond trading business. ThaiBMA

is also mandated as the sole information center and pricing agency for the bond market. Members are required to comply with the regulations issued by ThaiBMA to be in accordance with the same standards.

The amendment of this Regulation was aimed to make clearer the definitions regarding rights of Members, the component of the Board of Directors and the Disciplinary Committee, and qualification of Independent Directors etc.