

**Notification of the Board of Directors of the Thai Bond Market Association
Re: Arbitration Proceeding**

By virtue of Clause 20 (2) of the Articles of Association of the Thai Bond Market Association dated September 21, 2005, the Board of Directors of the Thai Bond Market Association hereby issues the followings:

**Part 1
General Provisions**

Clause 1 In case there is any dispute of the Member arising from or in conjunction with trading of debt instrument between the Member or between the Member and its client, the parties may file a petition to the Association for the settlement thereof by arbitration proceeding.

Clause 2 The arbitration proceeding shall be done in accordance with this Notification. In case there is no specification set out herein, such matter shall be done in accordance with what agreed by the parties or where the Arbitrator thinks fit, as the case may be.

Clause 3 At any time before the arbitral tribunal issues an award, either party or both parties may jointly file a petition to the Association to cease the procedure under this Notification. In this relation, the party who file the petition shall pay or jointly pay, as the case may be, the remuneration and expenses arising out of the procedure under this Notification.

**Article 2
Submission of Dispute**

Clause 4 A petition of dispute shall be submitted to the Association in writing and in accordance with the form stipulated by the Association. The petition shall at least contain the followings together with supporting evidence and document:

- (1) Name and address of the parties having the dispute;
- (2) Point of dispute and details thereof;
- (3) Claim and requisition for determination of the dispute;
- (4) Appointment of the Arbitrator;
- (5) Consent for the Association to charge fee, remuneration, and expenses arising out of Arbitration proceeding.

In case there are petitioners having the same right of claim under the same fact and legal point, such petitioners may jointly submit the petition by appointing their

representative in writing for performing any action of arbitration proceeding on behalf of all of them. Such appointment shall be submitted together with the petition.

Clause 5 Upon the Association has received and inspected the petition:

(1) In case the Association is of the opinion that the submitted petition is uncompleted or unclear, the Association shall order the petitioner to correct it within 30 days from the date of receipt of the Association's order or the date the petitioner should have received the same. If the petitioner fails to comply with such order within the stipulated period of time, it shall be deemed that the petitioner does not prefer to take further arbitration proceeding. In this relation, the Association shall cease the proceeding.

(2) In case where the petition is made in accordance with Clause 4, the Association shall forward copy thereof together with supporting evidence and documents to the other party for objection.

Clause 6 Upon receipt of copy of the petition together with supporting evidence and documents, such party shall submit the letter of acceptance for starting the arbitration proceeding and a letter of appointment of arbitrator including a letter of consent. The Association shall ask for remuneration and expenses arising out of the Arbitration Proceeding including an objection to the dispute (if any).

The aforementioned documents shall be submitted to the Association within 30 days from the date of receipt of copy of the petition together with supporting evidence and documents. If the party fails to submit the documents mentioned in paragraph one or fails to submit the same completely within the stipulated period of time, the Association shall terminate the proceeding for such matter.

Article 3 Dispute Mediation

Clause 7 Either party may express his intention in writing to the Association so that one of the Arbitrators of the Association shall act as a mediator for the existing dispute prior to the arbitration proceeding to be proceeded by Arbitral tribunal. In this relation, the Association shall notify the other party of such intention.

The other party is required to response to such notification in writing within 15 days from the date of receipt of such notification whether he agrees with the proposed mediation. In case there is no response in writing from such party within such period of time, it shall be deemed that he disagree with the proposed mediation and the Association shall take further arbitration Proceeding.

Clause 8 During the mediation, the Association shall suspend the arbitration proceeding. In case the mediation is concluded, the parties shall enter into a compromise agreement and sign therein.

In case the mediation can't be concluded regardless whether failure of the parties to reach a conclusion or the association is of the opinion that it's useless to keep on mediating the dispute, the parties shall notify the Association of their intention not to keep on mediating or notifying the Association to cease the mediation, as the case may be. In this relation, the parties shall enter into the arbitration proceeding.

Article 4 Appointment of Arbitrator(s)

Clause 9 In the arbitration proceeding, there shall be an arbitral tribunal consists of three arbitrators to determine the dispute. The arbitral tribunal consists of the person appointed by the Board as a Chairman of the Arbitrators. Each of the parties shall also appoint one Arbitrator. Managing director or the Association's employee assigned by the manager shall act as a secretary to the arbitral tribunal.

The Association shall prepare names list of Arbitrators as approved by the Board. The Board shall also appoint one of the Arbitrators under such list as Chairman of the arbitral tribunal under each dispute.

Clause 10 The person being appointed as an arbitrator shall disclose any circumstances likely to give rise to justifiable doubts as to his impartiality or independence.

The party may challenge an arbitrator if there is circumstance that give rise to justifiable doubts as to his or her impartiality or independence by submitting the letter of challenge together with the ground thereto to the Association within fifteen days from the date he knows or ought to have known of such ground. However, the challenge shall be done prior to the last date of arbitration proceeding.

In case the Arbitrator who is being challenged doesn't quit from being the arbitrator or the other party disagrees with such challenge, the arbitral tribunal shall determine such challenge. The challenge shall not suspend the arbitration proceeding. The Arbitral tribunal or the arbitrator so challenged still has the power to keep on the proceeding until the date the challenge is determined. In this relation, the Arbitral tribunal shall determine the challenge prior to determining of the award. The determination of the challenge shall be done within 30 days from the date the challenge was submitted under paragraph two.

Clause 11 In case an arbitrator vacates, resigns, dies, or unable to perform his duty due to whatsoever reason during the arbitration proceeding, a new arbitrator shall be appointed to replace such vacant arbitrator under the same procedure of the vacant arbitrator.

Article 5 Arbitration Proceeding

Clause 12 The arbitral tribunal shall cause all of the parties to sign an arbitration contract which aims to settle an existing dispute. The contract shall also be stated that the parties agree to comply with the obligations therein.

Clause 13 The party may appoint his representative or any person to render his assistance in the arbitration proceeding. Such appointment shall be made by in writing and notifying the Association of name and address or his representative or appointed person.

Clause 14 The meeting of the arbitral tribunal shall consist of the arbitrators not less than a half of all of the arbitrators to form a quorum. The meeting can be held at the place and time as the Arbitral tribunal thinks fit.

Clause 15 At the arbitration proceeding by the arbitral tribunal, the parties shall be treated with equality, and each party shall be given a full opportunity of taking evidences and presenting his allegation/defense in accordance with the circumstances of the dispute. In case there is no any other evidence to be taken, the arbitrator shall terminate the proceeding.

Article 6 Award

Clause 16 If, during the arbitration proceeding, the parties agree to settle the dispute, the arbitral tribunal shall terminate the proceeding. If the parties make a request and the arbitral tribunal considers that such settlement is not against the law, the arbitral tribunal shall make an award accordingly and it shall be deemed that the arbitration proceeding is terminated.

Clause 17 An award shall be made in writing and signed by the arbitral tribunal together with the date/month/year and the place where the award is made. The award shall also state clearly the reasons upon which it is based. However, it shall not prescribe or decide any matter beyond the scope of the arbitration contract or the request of the parties except where it is the award made in accordance with the agreed settlement under Clause 16, or it is the fixing of fee and cost of arbitration or the remuneration for the arbitrators.

Clause 18 An award shall be made within 180 days from the date of appointment of the last arbitrator.

Unless otherwise agreed by the parties in term of the period of time for making an award as mentioned in paragraph one, the parties may agree to extend such period of time. In case the parties fail to reach a conclusion thereof, the arbitral tribunal shall decide make a final thereof.

Clause 19 After the award is made, the arbitral tribunal shall send copy of the award to all of the parties and the Board. In this relation, the Board may consider to disclose the award to other members without disclosing names of the parties unless the parties give consents to do so.

Clause 20 In case an award contains an insignificant error or mistake, the arbitral tribunal when it thinks fit or upon the request of either party, the arbitral tribunal shall correct such error or mistake.

Article 7 **Arbitrator's Remuneration and Other Expenses**

Clause 21 The parties shall pay arbitration fees and Arbitrator's remuneration as follows:

(1) Arbitration Fee at the rate of 1% of the amount of the claim but not exceeding 10,000 baht

(2) Arbitrator's remuneration shall be in accordance with the amount of the claim as follows:

The amount of the claim which is not exceeding 500,000 baht, Arbitrator's remuneration shall be at the rate of 2.5% of such amount but not less than 10,000 baht.

The amount of the claim at 500,001 baht – 1,000,000 baht, Arbitrator's remuneration shall be at the rate of 2.0% of such amount but not less than 12,500 baht.

The amount of the claim at 1,000,001 baht – 5,000,000 baht, Arbitrator's remuneration shall be at the rate of 1.5% of such amount but not less than 20,000 baht.

The amount of the claim at 5,000,001 baht – 10,000,000 baht, Arbitrator's remuneration shall be at the rate of 1.0% of such amount but not less than 75,000 baht.

The amount of the claim at 10,000,001 baht – 50,000,000 baht, Arbitrator's remuneration shall be at the rate of 0.5% of such amount but not less than 100,000 baht.

The amount of the claim which is exceeding 50,000,000 baht, the Arbitrator's remuneration shall be 250,000 baht.

In case of fraction thereof, such fraction shall be calculated in full amount.

Clause 22 Both parties shall bear all of the expenses arising out of the arbitral tribunal equally. Unless otherwise agreed by the parties.

For the purpose of calculation of the aforementioned expenses, it shall be deemed that the Arbitral tribunal has been started from the date on which the Association has appointed the Chairman of Arbitrator.

Clause 23 Either party shall pay money as a security for the expenses and remuneration of the Arbitrator(s) in the amount specified by the Board of the Thai Bond Market Association within fifteen days from the date on which the Chairman of Arbitrator Tribunal has been appointed by the Thai Bond Market Association. The Arbitrator tribunal has the power to order the parties to pay additional money as the security for the aforementioned expenses and remuneration as it thinks fit.

In case either party fails to pay the money as mentioned in the first paragraph or fails to pay the additional money, it shall be deemed that such party decides not to take further process of the arbitral tribunal unless otherwise approved by the Board to extend the period for making such payment in case of necessity and reasonable ground.

Clause 24 This Notification shall come into effect as from December 1, 2005.

Giving on this 10th day of November 2005

(Mr. Sommai Phasee)

Chairman of the Board
The Thai Bond Market Association