

**NOTIFICATION OF THE BOARD OF GOVERNORS  
OF THE STOCK EXCHANGE OF THAILAND**

**Re : Prohibiting Management or Shareholders and Related Persons from  
Selling Shares and Securities within a Specified Period, 2001**

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By virtue of Clause 29 of the Regulations of the Stock Exchange of Thailand Re: Listing of Ordinary Shares or Preferred Shares as Listed Securities, 2001 dated January 22, 2001, the Board of Governors of the Stock Exchange of Thailand hereby prescribes the following regulations:

1. This Notification shall come into force on February 1, 2001.
2. In this notification:

“securities” means warrants to purchase shares, convertible debentures, or other securities convertible into shares.

“financial institution” means a commercial bank, finance company, finance and securities company and shall include any other financial institution prescribed in a notification by the Board.

“person who procures excess shares” means an underwriter with the duty to procure excess shares for delivery to persons allotted excess shares or return to their lenders bound by in the allotment of excess shares.

“allotment of excess shares” means allotment of excess shares to subscribers who have subscribed shares more than those underwritten where the said excess shares have been simultaneously allotted with the offer of underwritten shares.

“sell” means sell, dispose of, distribute, transfer, exchange or do any act which is a disposal of shares or securities from possession or any act which results in a disposal of shares or securities from possession in advance, except through inheritance or with permission from the Exchange for the lending of securities to persons who procure excess shares under the Notification of the Office of the Securities and Exchange Commission regarding the allotment of securities in excess of the amount underwritten.

“gains” means the differences in the price of shares or the price of securities arising from the selling price being higher than the purchasing price calculated from the price of share or securities as of the date of acquisition by the person who is subject to prohibition excluding commission fee or any other related benefits, and shall be separately calculated in respect of each transaction without setoff. The calculation of purchasing or selling price shall be based on the actual purchasing or selling price, but the selling price shall not be lower than the average price of the said shares or securities appearing in the Exchange's report on securities trading on the date such shares or securities are traded.

**\*3.** An applicant shall prohibit the following persons from selling their shares in the aggregate amount of 65 percent of its paid-up capital after the completion date of filing an application for public offering of its shares, as well as other securities which can be converted into shares in proportion to the shares of those persons that are subject to such prohibition within the period under Clause 4:

(1) persons who take part in the management of the applicant;

(2) other shareholders in case that the persons under (1) hold shares in aggregate lower than the amount specified above.

*(\*Amended November 29, 2004)*

**\*3/1** -

*(\*Repealed November 29, 2004)*

**\*4.** The prohibition of sale under Clause 3 shall be effective for a period of 1 year and 6 months from the commencement date of trading of the applicant's shares on the Exchange. Upon completion of every 6-month period of trading of the applicant's shares on the Exchange, the persons subject to prohibition of sale under Clause 3 can gradually sell their shares or securities that are subject to the prohibition of sale at 25 per cent of the number of all shares or securities that are subject to the prohibition of sale under Clause 3 and Clause 5.

In case that an applicant relies on the qualifications concerning its investment in a project which is basic public utility in applying for the listing of its shares for trading on the Exchange, the prohibition under Clause 3 shall be for the period as follows:

(1) In case that the applicant has commercial income from the operation of its main business before filing an application for listing its shares as listed securities, the period of prohibition of sale shall be fixed as from the date of commencement of trading of the applicant's shares on the Exchange until the date on which the applicant's shares have been traded on the Exchange for 3 years.

After the date on which the applicant's shares have been traded on the Exchange for 1 year, the persons whom are prohibited from the sale under Clause 3 can gradually sell their shares or securities subject to the prohibition of sale at 20 per cent of the number of all shares or securities that are subject to the prohibition of sale under Clause 3 and Clause 5. Upon completion of every 6-month period thereafter, those persons can gradually sell their shares or securities at 20 per cent of the number of all shares or securities subject to the prohibition of sale.

(2) In case that the applicant has no commercial income from the operation of its main business before filing an application for listing its share as listed securities, the period of prohibition of sale shall be fixed as from the date of commencement of trading of the applicant's shares on the Exchange until the date on which the applicant has had commercial income from the operation of its main business for 3 years.

After the applicant has commercial income from the operation of its main business for 1 year, the persons whom are prohibited from the sale under Clause 3 can gradually sell their shares or securities subject to the prohibition of sale at 20 per cent of the number of all shares or securities that are subject to the prohibition of sale under Clause 3 and Clause 5. Upon completion of every 6-month period thereafter, those persons can gradually sell their shares or securities at 20 per cent of the number of all shares or securities subject to the prohibition of sale.

*(\*Amended March 24, 2003)*

**\*5.** In case of the following events occurring in the period of prohibition under Clause 4, the applicant shall prohibit the persons subject to the prohibition of sale under Clause 3 from selling their shares or securities which have been acquired through the allocation or conversion according to the proportion of the shares or securities of those persons that are subject to the prohibition of sale and the remaining period of prohibition under Clause 4:

(1) the applicant increases its capital and allocates the shares for capital increase to existing shareholders.

(2) the applicant issues and allocates any securities to existing shareholders.

(3) the existing shareholders exercise their right to convert securities into shares.

*(\*Amended March 24, 2003)*

**6.** Any persons subject to prohibition wishing to loan their shares to the person who procures excess shares for allotment of excess shares must obtain approval from the Exchange, whereby the persons subject to the prohibition shall apply for approval from the Exchange through the applicant or listed company, as the case may be.

Loan of shares for allotment of excess shares under paragraph one must be completed prior to the first day of the new issues of shares of the applicant or of the listed company commence being traded on the Exchange.

**7.** The applicant or listed company shall deposit the shares or securities of persons subject to the prohibition to sell with the securities depository center specified by the Exchange before the Board approves the applicants' shares to be traded on the Exchange, or before the Exchange approves the shares for capital increase to be traded on the Exchange, or within 3 days from the applicant having notified of the right or having received payment for the price of the securities, as the case may be.

**8.** In the case of necessity which prevents compliance with provisions under Clauses 3, 4 or 7, the Exchange shall have the power to approve relaxation whereby the applicant or the listed company must request an extension in writing stating reasons for not being able to comply with such requirements.

In the case where securities listing application is pending, the applicant shall file a request for extension together with the securities listing application.

**9.** The Exchange may relax the requirement of the shares or securities deposit under Clause 7 in the following cases:

\***(1)** A person whom is prohibited from the sales has pledged the shares or securities subject to the prohibition of sales or placed them as security for the borrowing with a financial institution before the Board approves the listing of the applicant's shares for trading on the Exchange.

*(\*Amended October 9, 2002)*

**(2)** the person subject to prohibition from selling shares intends to pledge or place the shares or securities subject to the prohibition as collateral against borrowing with a financial institution, or shall give them to a person who procures excess shares for the purpose of allotting excess shares.

The person subject to prohibition shall enter into agreement with the financial institution with a condition prohibiting the financial institution from enforcing the pledge or payment of debt from such securities or shares during the sale prohibition period, or enter into agreement with the person who procures excess shares whereby the period prescribed to return such shares to the persons subject to the sale prohibition shall be within the prescribed period under the Notification of the Securities and Exchange Commission concerning the allotment of shares in excess of the amount underwritten.

**10.** In the case of persons subject to the sale prohibition pledging or placing the shares as collateral with a financial institution, the applicant or the listed company shall have a written confirmation of the agreement made with the financial institution in with a condition prohibiting the financial institution to enforce pledge or payment of debt from the said securities or shares within the period of prohibition and shall send such to the Exchange before the Board approves the applicant's shares to be listed on the Exchange, or before the Exchange approves shares for increased capital to be listed on the Exchange, or within 7 days from the date of entering into agreement as the case may be. The confirmation of agreement shall specify the number of shares or securities pledged or placed as collateral against borrowing.

**11.** In the case of redemption of pledge or placement of collateral against borrowing or return of the loaned shares during the period of prohibition under Clause 4, the applicant shall deposit the said shares or securities with the securities depository center specified under Clause 7 within the time given in the following until the prohibition period under Clause 4 has expired:

**(1)** Within 3 business days of the date of redemption of the pledge or placing collateral against borrowing.

**(2)** Within 5 business days that the person procuring excess shares returns the entire amount of shares to the person subject to the prohibition, or the ending period which the person procuring excess shares shall procure the shares to be returned to the person subject to prohibition under the Notification of the Securities and Exchange Commission, Re: Allotment of Shares in excess of the Underwritten Amount. The deposit period shall be either of the said periods whichever is earlier in the case of the person procuring excess shares to return the loaned shares by exercising the right to purchase shares from the existing shareholders or from the Exchange.

(3) Within 12 business days of the person procuring excess shares returns the entire amount of shares to the person subject to the prohibition, or the ending period which the person procuring excess shares shall procure the shares to be returned to the person subject to prohibition under the Notification of the Securities and Exchange Commission, Re: Allotment of Shares in excess of the Underwritten Amount. The deposit period shall be either of the said periods whichever is earlier in the case of the person procuring excess shares to return the loaned shares by exercising the right to purchase shares from the applicant or from the listed company.

**12.** In the case persons subject to the prohibition to sell shares or securities under this Notification sells the shares or securities in violation of this Notification, the applicant or listed company shall fine such person in the amount equal to the gains from the sale of the said shares or securities and shall deliver such fine to the Exchange within 7 days of the violation or of the applicant becoming aware of such violation.

In the case that the applicant or the listed company does not deposit shares at the depository center within the prescribed period under Clause 11 (2) and (3) on the account of the act or omission to act by the person subject to prohibition, such person shall be deemed to have sold shares in violation of this Notification and the applicant or listed company shall fine such person in the amount equal to the difference between the offer price and the price of the loaned shares which is calculated from the share price as of the date of acquisition by the person subject to prohibition provided that the fine shall not be less than Baht 200,000 and shall be delivered to the Exchange within 7 days of the violation or of the applicant becoming aware of such violation.

**13.** Should the period of prohibition to sell that persons are subject to under the Notification of the Board of Governors of the Stock Exchange of Thailand according to the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Rules and Procedures for Prohibiting, Management or Shareholders and Related Persons from Selling Shares and Securities within a Specified Period (No.1), 1999 dated January 13, 1999, has not expired prior to the date of this Notification coming into effect, such period shall remain in effect until the period of prohibition to sell that persons are subject to has expired under such the Notification of the Board of Governors of the Stock Exchange of Thailand.

Notified on this 22nd day of January 2001.

(Signed) Amaret Sila-on

(Mr. Amaret Sila-on)  
Chairman of the Board  
The Stock Exchange of Thailand