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Regulation of the Stock Exchange of Thailand
Re: Listing and Delisting of Investment Units of Mutual Fund B.E. 2560 (2017)

By virtue of the second paragraph (1) of Section 170 of the Securities and Exchange Act B.E. 2535 (1992), the Board of Governors of the Stock Exchange of Thailand, with the approval of the Securities and Exchange Commission, hereby issues the following regulations.

1. This Regulation shall come into force from 1 February 2018 onwards. **Effectiveness**
2. The following shall be repealed: **Repeals**
 - (1) Regulation of the Stock Exchange of Thailand Re: Listing of Investment Units as Listed Securities B.E. 2544 (2001) dated 22 January 2001;
 - (2) Regulation of the Stock Exchange of Thailand Re: Listing of Investment Units as Listed Securities (No. 2) B.E. 2545 (2002) dated 18 March 2002;
 - (3) Regulation of the Stock Exchange of Thailand Re: Listing of Investment Units as Listed Securities (No. 3) B.E. 2550 (2007) dated 2 July 2007;
 - (4) Regulation of the Stock Exchange of Thailand Re: Listing of Investment Units as Listed Securities (No. 4) B.E. 2553 (2010) dated 28 September 2010; and
 - (5) Regulation of the Stock Exchange of Thailand Re: Listing of Investment Units as Listed Securities (No. 5) B.E. 2554 (2011) dated 1 August 2011.
3. In this Regulation: **Definitions**
 - “Exchange” means the Stock Exchange of Thailand;
 - “Board” means the Board of Governors of the Exchange, provided that if the President of the Exchange is assigned to perform duties on behalf of the Board of Governors of the Exchange under this Regulation, this term shall include the President of the Exchange so assigned except for the provisions of Clauses 11, 15, 18 and 21;
 - “Office” means the Office of the Securities and Exchange Commission;
 - “the Notifications of the SEC” means the notifications of the Securities and Exchange Commission, the notifications of the Capital Market Supervisory Board or the notifications of the Office of the Securities and Exchange Commission in relation to the respective category of mutual fund;
 - “listed securities” means the securities listed or authorized to trade on the Exchange;
 - “property fund” means a property fund established pursuant to the Securities and Exchange Act B.E. 2535 (1992) whose investment units are listed on the Exchange.
 - “mutual fund manager” means a fund manager or a property fund manager pursuant to the Notifications of the SEC as the case may be;
 - “management company” shall have the same meaning as defined in the Notifications of the SEC.

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4. This Regulation shall not apply to the followings: **Exemption from rules**
- (1) Listing and delisting of investment units of an ETF pursuant to the regulations of the Exchange regarding listing and delisting of ETF investment units and disclosure of information of an ETF; and
 - (2) Listing and delisting of investment units of infrastructure fund pursuant to the regulations of the Exchange regarding listing and delisting of investment units and disclosure of information of infrastructure fund.

SECTION 1
Qualifications of Securities

5. The investment units for which an application for listing may be filed with the Exchange shall have the following qualifications: **Qualifications of securities**
- (1) Specify the name of the bearer; and
 - (2) Have no restrictions on transfer of investment units, unless the restrictions are in accordance with the law and are included in the mutual fund management scheme.

SECTION 2
Qualifications of Mutual Funds

6. The mutual funds for which the management companies may file an application for the listing of investment units shall have the following qualifications: **Qualifications of Mutual Funds**
- (1) The mutual fund management scheme of which has been approved by the Office;
 - (2) The mutual fund manager shall have the qualifications and possess no prohibited characteristics as determined by the Office with regard to the approval of mutual fund managers respective category of mutual fund; and
 - (3) Have no fewer than 50 holders of investment units on the date of the filing of the application.

SECTION 3
Filing of Application and Consideration for the Listing of Securities

7. The management company shall file an application for listing all the investment units that are issued in each category applied for registration. **Filing of application of all investment units for each category**
8. The management company shall file an application to the Exchange and other documents as required by the Exchange, and pay the fee for filing the application for listing. **Application method**

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9. During the consideration of the application, if the management company wishes to amend any information or documents which have been filed with the Exchange according to Clause 8, the management company shall submit the request for amendment clearly specifying the differences and reasons, unless the Board considers that the proposed amendment is material, in which case the Board may consider such amendment to constitute a new listing application. **Amendment**
10. In considering the application, the Exchange may instruct the management company to make any additional clarification and submit additional documents or evidence as it deems appropriate within the time period prescribed. **Clarification or submission of additional documents**
11. In considering the application and listing of securities, the Board may designate the President of the Exchange to consider the qualifications of the investment units and mutual funds. The President of the Exchange shall order the listing of investment units when the President of the Exchange finds that such investment units possess the qualifications in accordance with the rules, conditions and procedure under this Regulation. **Entrusting President with listing securities**
12. The Board shall complete its consideration of application within 7 days from the date on which the Exchange receives complete and correct documents and evidence from the management company. **Period for consideration of application**
- In calculating the time under the first paragraph, the period of time between the date on which the management company submits the request to amend information or documents under Clause 9 or the date on which the Exchange gives instruction under Clause 10 until the date on which the Exchange receives correct and complete information or documents shall not be counted.
13. After the Board considers the application and finds that the investment units possess the correct qualifications according to the rules and conditions under this Regulation, the Board shall order the investment units to be listed, and the Board may prescribe any conditions it deems appropriate. **Listing of securities and commencement of trading**
- The trading of the listed securities under the first paragraph on the Exchange shall commence within 2 business days from the date of the order for the securities to be listed.
14. The management company shall submit an application for the registration of the increase in the registered capital of the mutual fund in the form prescribed by the Exchange within 7 days from the date the Office accepts such increase for registration. **Filing of application in case of capital increase**
- The investment units issued from the increase in the registered capital of the mutual fund shall be listed securities, and the Board shall be deemed to have ordered such investment units to be listed on the date the management company allocates those investment units.
- The provisions of Clauses 9, 10, 11 and 12 shall apply to the consideration for the listing of the increase in the registered capital of the mutual fund under the first paragraph *mutatis mutandis*.
15. The management company shall pay the fee for the listing of securities at the rate and within the time period specified by the Board. **Fee**

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16. The management company shall designate the Exchange or a third person approved by the Exchange to act as its listed securities registrar. **Securities registrar**

SECTION 4
Miscellaneous

17. The management company shall strictly comply with the law on securities and exchange, regulations of the Exchange and circulars of the Exchange. **Compliance with the law**

18. The Board shall be empowered to prescribe procedures to accomplish the objects of this Regulation. **Power of the Board**

SECTION 5
Delisting

19. The investment units may be delisted upon the occurrence of one of the following events: **Grounds for delisting**

(1) The investments unit or mutual fund does not possess all the qualifications under Clauses 5 and 6 (1) and (2);

(2) Upon the maturity date of the fund management scheme or occurrence of any event known in advance to cause the dissolution of the fund

(3) The management company performs the following acts that may severely affect the rights, benefits, or decisions of investors or the change in the price of investment units;

(a) violates or fails to comply with the law on securities and exchange, regulations of the Exchange, listing agreement with the Exchange, and circulars prescribed by the Exchange;

(b) discloses false information in the application, financial statement or report of the mutual fund submitted to the Exchange or disclosed to the public, fails to disclose material information of the mutual fund, or there is any mistake in the disclosure of material information of the mutual fund; or

(c) Undertakes any act or there is any circumstance that may cause severe damage to the rights, benefits, or decisions of investors or the change in the price of investment units;

*(4) The auditor issues disclaimer of opinion on the financial statements of the mutual fund for 3 consecutive years;

(*Amended 21 March 2019. Forced 1 April 2019.)

(5) When the mutual fund is dissolved pursuant to the rules prescribed in the Notifications of the SEC;

(6) When the management company requests the investment units to be delisted;

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(7) When the property fund is converted into the real estate investment trust pursuant to the notifications of the Securities and Exchange Commission, or the notifications of the Capital Market Supervisory Board, or the notifications of the Office of the Securities and Exchange Commission regarding the conversion of property fund into real estate investment trust;

(8) The Exchange order a temporary suspension of trading of the investment units by posting SP (Suspension) sign on such investment units pursuant to the regulation of the Exchange regarding temporary suspension of the trading of listed securities for a period of more than 2 years due to the management company's violation or failure to comply with the law on securities and exchange, rules, regulations, notifications, orders, resolutions of the Board, listing agreement with the Exchange, as well as any circulars prescribed by the Exchange, or the management company's failure to report, clarify or disclose material information to the Exchange promptly; or

(9) The management company is unable to eliminate the grounds for the delisting of the investment units of the mutual fund or to repossess the qualifications in order to resume trading pursuant to the procedure prescribed by the Exchange.

While the Exchange considers delisting or while the mutual fund is in the process of elimination of the grounds for delisting, the Exchange may order a temporary suspension of trading of the investment units or post the sign on the investment units pursuant to the regulations of the Exchange regarding the delisting of securities.

20. Upon the order of the Board to delist the investment units, the management company shall take the following actions:

Procedure upon the order to delist securities

(1) Dissolve the mutual fund in accordance with the rules prescribed under the Notifications of the SEC and as specified in the mutual fund management scheme or obligation between the management company and the holders of investment units; or

(2) In case the Board orders the delisting of the investment units as requested by the management company, the management company shall provide reasonable exit for the holders of investment units who conduct trading in Thailand such as providing mechanism to accommodate the sale of investment units of the holders of investment units on the Exchange etc.

Reasonable Exit in case of voluntary delisting of securities

21. The Board may designated the President of the Exchange to delist the investment units upon the occurrence of the following events:

Entrust to delist securities

(1) Where the investment units are delisted under Claus 19 (7);

(2) There is an event as specified in the mutual fund management scheme or obligation between the management company and the holders of investment units; or

(3) The management company dissolves the mutual fund in accordance with the rules prescribed under the Notifications of the SEC.

22. The regulations of the Exchange regarding the delisting of securities shall apply to the delisting of investment units under this Section *mutatis mutandis* to the extent that those provisions are not contrary or inconsistent with this Regulation.

Application of regulations regarding delisting of securities mutatis mutandis

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SECTION 6
Transitory Provision

23. The regulations, orders, circulars, procedures or policies of the Exchange issued under the repealed Regulations in Clause 2 which are in force before this Regulation comes into force or which remains in force due to the transitory provisions in that Regulation shall continue to remain in force until the new regulations, orders, circulars, procedures or policies on such matter come into force.

**Transitory
Provision**

24. Where any of the regulations, orders, circulars, procedures or policies of the Exchange is applied *mutatis mutandis* or refers to the repealed Regulations or the provisions of the repealed Regulations in Clause 2, such application or reference to that Regulations or provisions of that Regulations shall mean the application or reference to rules on such matter pursuant to this Regulation.

**Transitory
provision**

25. Where a management company is obliged to comply with the rules, conditions and procedures under the repealed Regulations in Clause 2 and has not duly complied with such rules, conditions and procedures, such obligation shall continue to remain until there is due compliance.

**Transitory
Provision**

Notified on 25 December 2017.

(Signed) Chaiyawat Wibulswasdi

(Mr. Chaiyawat Wibulswasdi)

Chairman

The Stock Exchange of Thailand

Reason for Promulgation : As the Exchange deems it appropriate to prescribe the rules for the delisting of investment units so as to possess more clarity, it is therefore appropriate to issue this Regulation.