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## **Practice Guideline regarding Trading, Clearing and Settlement of Securities in the Exchange**

By virtue of clauses 20, 35, 42, 47, 48, 50, 51, 52, 53 and 78 of the Notification of The Stock Exchange of Thailand Re: Procedures on Trading, Clearing and Settlement of Securities in the Exchange B.E. 2560 (2017) dated 28 August 2017, The Stock Exchange of Thailand hereby issues the following regulations:

### **1. Storing Data**

Members must store data relating to the recording of Trading Orders by the clients in order to examine the transactions for at least in the past 2 years or as prescribed by the Exchange. The data to be stored shall include the source of the Trading Orders such as the office, branch, Internet Protocol (IP) Address, etc. and Members shall deliver such data to the Exchange for examination upon request.

### **2. Data from the Trading System**

#### **2.1 Data that Members must disclose**

The Exchange prescribes that Members have to disclose the following data from the Trading System to clients:

- (1) the names of the securities, and the lowest and highest prices of all securities on such trading day;
- (2) the highest bid price, the lowest offer price and the latest trading price of all securities at the time;
- (3) the highest and lowest trading price, as well as the opening price of all securities on such trading day;
- (4) the closing price of all securities on the preceding business day, and the change of last trading price of all securities at that moment compared to the closing price of such securities on the preceding business day;
- (5) volume, value and number of transactions of each security at that moment;
- (6) the volume of securities to be traded at the highest bid price and the lower price next to such price respectively, as well as at the lowest offer price and the higher price next to such price respectively, of all securities at that moment;
- (7) the prices calculated by the Trading System to be or as the opening and closing prices
- (8) the Exchange's index and the changes of such index compared to the index of the preceding business day;
- (9) the signs under the regulations of the Exchange such as NP, NR, H, SP, XR, or XD, etc.;
- (10) information which the Exchange informs Members through the Trading System.

#### **2.2 Data that Members may disclose**

Members may disclose the following data from the Trading System to each client:

- (1) status of such client's Trading Order;
- (2) traded price already executed according to the client's Trading Order.

### 3. Program Trading

Members shall seek approval from the Exchange before using Program Trading in accordance with the following rules, conditions and procedures:

(1) In requesting permission to use Program Trading with several strategies under the same Pre-trade Risk Management Control. Members shall file an application to the Exchange as specified.

When the Exchange approves the application under paragraph one, if Members wish to add more strategies to be used under such Pre-trade Risk Management Control, Members shall file the application to the Exchange in the form specified by the Exchange at least 7 business days in advance and must obtain approval from the Exchange before operating such additional strategy.

(2) In requesting permission to use Program Trading with a specific strategy. Member shall file an application to the Exchange as specified by the Exchange.

When the Exchange approves the use of Program Trading under (1) or (2), if Members wish to make changes to the following matters, Members shall file application to the Exchange in the form specified by the Exchange at least 7 business days in advance. On this basis, Members may have to carry out testing as specified by the Exchange and must obtain approval from the Exchange before making such change:

- (1) change of the Risk Management Control
- (2) change of the logic or function of Program Trading, or
- (3) change of parameters which will increase the risks or affect the logic or function of the Program Trading.

### 4. Trading Hours

The Exchange shall open daily Trading through the Trading System according to the rules, procedures, and within the following periods:

Trading Session	Trading Time	Trading Method	Trading Type
1. Pre-opening Session I:	9:30 a.m. to opening time	• Automated Order Matching (AOM), by matching only once at opening time	Board Lot
2. Trading Session I	Opening time to 12:30 p.m.	• Automated Order Matching (AOM)	▪ Board Lot ▪ Odd Lot
		• Trade Report	▪ Trade Report – Big Lot ▪ Trade Report – Foreign ▪ Trade Report – Buy-in ▪ Trade Report - Member buy-in
<b>Intermission</b>			
3. Pre-opening Session II	2:00 p.m. to opening time	• Automated Order Matching (AOM), by matching only once at opening time	▪ Board Lot

Trading Session	Trading Time	Trading Method	Trading Type
4. Trading Session II	Opening time to 4:30 p.m.	• Automated Order Matching (AOM)	▪ Board Lot ▪ Odd Lot
		• Trade Report	▪ Trade Report – Big Lot ▪ Trade Report – Foreign
5. Pre-closing Session	4:30 p.m. to closing time	• Automated Order Matching (AOM), by matching only once at closing time	▪ Board Lot
		• Trade Report	▪ Trade Report – Big Lot ▪ Trade Report – Foreign
6. Off-hour	Closing time to 5:00 p.m.	• Trade Report	▪ Trade Report – Big Lot ▪ Trade Report – Foreign ▪ Trade Report – Off-hour

### 5. Opening and closing time for Trading

The Trading System will randomly choose the opening and closing time for daily Trading as follows:

▪ Opening time for Trading	
Trading Session I	The Trading System will randomly specify the opening time at one point of time between 9:55 a.m. to 10:00 a.m.
Trading Session II	The Trading System will randomly specify the opening time at one point of time between 2:25 p.m. to 2:30 p.m.
▪ Closing time for Trading	
The Trading System will randomly specify the closing time at one point of time between 4:35 p.m. to 4:40 p.m.	

### 6. Minimum particulars in recording Trading Orders and Trade Report

Trading Order or Trade Report in the Trading System shall contain at least the following details:

- 6.1 name of securities
- 6.2 bid or offer price or trading price
- 6.3 volume of securities
- 6.4 type of trader to be classified as follows:
  - (1) investment for accounts of Members or Non-member Securities Company (Principal)
  - (2) foreign client (Foreign)
  - (3) clients who are asset management companies, banks, capital companies, non-life insurance companies, life insurance companies, juristic persons in the type of corporation, private funds, government pension funds, provident funds or other juristic persons of the same nature (Institution)
  - (4) clients other than the three types above (Customer)
- 6.5 ID number of Member
- 6.6 ID number of authorized officer
- 6.7 Client ID

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- 6.8 type of order for Automated Order Matching (AOM) or type of Trade Report
- 6.9 other particulars as specified by the Exchange.

**7. Volume and value for bid and offer for Automated Order Matching (AOM)**

Each bid or offer shall not be more than 10 million units of such securities in volume and shall have a total value of not more than Baht 500 million.

**8. Board Lot**

8.1 The Board Lot of each type of securities equal 100 units of such securities as specified by the Exchange. The Exchange may consider changing the Board Lot of securities of which the daily closing price is at least Baht 500 for six consecutive months to 50 units of such securities.

8.2 The Exchange may consider changing Board Lot from 50 units under 8.1 back to 100 units in the following cases:

- (1) daily closing price of such securities is lower than Baht 500 for six consecutive months; or
- (2) there is an event which may cause the trading price of such securities to be lower than Baht 500 on the first day of such event.

8.3 Board Lot under 8.1 and 8.2 shall not be applicable to Depository Receipts pursuant to the Regulations of the Stock Exchange of Thailand Re: Listing, Disclosure of Information and Delisting of Depository Receipts. One Board Lot of Depository Receipts shall be equal to one unit of Depository Receipts.

**9. Tick Size**

The Exchange prescribes the following tick sizes for bid or offer price:

**9.1 General case**

Bid or Offer Price				Tick Size
	Lower than		2 Baht	0.01 Baht
at least	2 Baht	But lower than	5 Baht	0.02 Baht
at least	5 Baht	But lower than	10 Baht	0.05 Baht
at least	10 Baht	But lower than	25 Baht	0.10 Baht
at least	25 Baht	But lower than	100 Baht	0.25 Baht
at least	100 Baht	But lower than	200 Baht	0.50 Baht
at least	200 Baht	But lower than	400 Baht	1.00 Baht
at least	400 Baht			2.00 Baht
and above				

**9.2 Exception**

The Exchange prescribes that the tick size for the following bids or offers shall equal Baht 0.01:

- (1) Investment Units of mutual funds, except investment units of Infrastructure Funds and investment units of property funds
- (2) Foreign ETF Units.

**10. Announcement of sign indicating Trading price with no rights or benefits**

The Exchange may announce the following signs on any securities to indicate that the trading price is without rights or benefits:

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<b>Sign</b>	<b>Meaning</b>
1. XD (Excluding Dividend)	Trading price, excluding dividends payment
2. XR (Excluding Right)	Trading price, excluding the right to subscribe to newly issued securities to its shareholders in proportion of their existing securities holding and in the same class of such securities (Right Offering)
3. XB (Excluding Other Benefits)	Trading price, excluding the right to subscribe to newly issued securities except specified in 2
4. XW (Excluding Warrant)	Trading price, excluding the right to receive a warrant
5. XT (Excluding Transferable Subscription Right)	Trading price, excluding the right to receive transferable subscription rights
6. XN (Excluding Capital Return)	Trading price, excluding capital return
7. XI (Excluding Interest)	Trading price, excluding interest payment
8. XP (Excluding Principal)	Trading price, excluding principal payment
9. XA (Excluding All)	Trading price, excluding any benefit under 1 to 8 of more than one item.

**Effective Date**

The Exchange prescribes that this Practice Guideline be effective from September 11, 2017 onwards.

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