

(UNOFFICIAL TRANSLATION)

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No. PorKor. (Wor) 5 / 2022

27 September 2022

Re: Revision of the Guideline on the Screening of Customers who trade Securities via Direct Market Access (DMA) System
To: Managing Directors
All Member Companies and Non-Member Securities Companies
Reference: Circular No. PorKor. (Wor) 4 / 2021 Re: Guideline on the Screening of Customers who trade Securities via Direct Market Access (DMA) System dated 15 March 2021
Attachment: Guideline on the Screening of Customers who trade Securities via Direct Market Access (DMA) System

The Stock Exchange of Thailand (“**SET**”) has prescribed Guideline on the Screening of Customers who trade Securities via Direct Market Access (DMA) System to ensure the same standard in the performance of work by the member companies as detailed in the circular referred to hereunder.

To ensure that such guideline is appropriate and is in compliance with the revision to the definition of investors pursuant to the Notification of Securities and Exchange Commission No. Kor Jor 39/2564 Re: Determination of the Definitions of Institutional Investors, Ultra-High Net Worth Investors, and High Net Worth Investors. Hence, SET, jointly with the Association of Thai Securities Companies, revised the guideline on the screening of Customers who trade Securities via Direct Market Access (DMA) System, the details of which are outlined in the attachment.

SET therefore revoke the guideline and circular referred to and replace with this guideline and circular, which is effective from 1 October 2022 onwards.

Please be informed accordingly.

Yours sincerely,

(signed)(Miss Pataravasee Suvarnsorn)

(Miss Pataravasee Suvarnsorn)
Senior Executive Vice President
on behalf of the
President

Securities Trading Department

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Attachment

Guideline on the Screening of Customers who trade Securities via Direct Market Access (DMA) System

Qualifications of DMA client

A customer whom the member company may permit to trade via DMA System shall at least possess the following qualifications:

1. Be an Institutional Investor pursuant to Notification of the Securities and Exchange Commission No. Kor Jor 39/2564 Re: Determination of the Definitions of Institutional Investors, Ultra-High Net Worth Investors, and High Net Worth Investors (“**SEC Notification**”), which it shall be a juristic person Institutional Investors; or
2. Be an Ultra-high Net Worth Investor or an individual Institutional Investor pursuant to the SEC Notification, which the aforementioned investors shall possess knowledge or experience, and having investment in securities or futures contract as stipulated in the schedule of Ultra-high Net Worth Investor’s qualification attached to the SEC Notification (and its amendments), and shall also possess the following qualifications and lack the following prohibited qualifications:
 - 2.1) Possess knowledge of the law and stipulation in relation to securities trading such as unfair acts concerning securities trading, submission of inappropriate trading orders and sale of securities not actually in possession etc.; and
 - 2.2) Have not been impeached or is in the process of being impeached by the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand (“**SET**”), or capital market regulatory body in foreign country, and not engaged in the submission of inappropriate trading orders pursuant to the relevant stipulation of SET or foreign stock exchange (in case the Ultra-high Net Worth Investor is a juristic person, the management of the juristic person shall not possess such prohibited qualifications).

Procedure for the Consideration of Customers’ Qualifications

To ensure that there has been assessment of the qualifications of a customer whom the member company may permit to trade securities via DMA System pursuant to this guideline and for the purpose of submitting documents / information which may be requested by the SET or an authorized regulatory body, in relation to the aforesaid proceeding by a member company. The member company shall proceed at least as follows:

1. Stipulate an appropriate regulations or guideline for consideration of DMA customers’ qualifications in writing, to be in accordance with the prescribed criteria;
2. Supervise the compliance of the regulations or guideline as stipulated in item 1., including to review the customers’ qualifications information to ensure that it is up to date, in accordance with the performance or revision of Know Your Client: KYC information;
3. Store documents and evidence for the screening of qualifications of customers whom the member company permit to trade securities via DMA System such as document evidencing the assessment of customers’ qualifications, including supporting evidence showing the customers’ qualification, which shall be able to promptly deliver upon SET request; and
4. Ensuring that the person in charge of the customer screening procedure designated by the member company sign to acknowledge such assessment.
