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NOTIFICATION OF THE STOCK EXCHANGE OF THAILAND

Re: Purchase of Securities through Cash Balance Account B.E. 2565 (2022)

By virtue of Clause 3 the Regulation of the Stock Exchange of Thailand Re: Measures in Case of Abnormality in the Trading of Securities on the Exchange B.E. 2544 (2001) dated 29 August 2001 as amended by the Regulation of the Stock Exchange of Thailand Re: Measures in Case of Abnormality in the Trading of Securities on the Exchange (No. 6) B.E. 2565 (2022) dated 23 March 2021, Clauses 9, 14 and 16 of the Regulation of the Stock Exchange of Thailand Re: Delisting of Securities B.E. 2564 (2021) dated 5 October 2021, Clause 4 of the Regulation of the Stock Exchange of Thailand Re: Measure in case of Events that may affect the Listed Companies' Financial Condition and Business Operation B.E. 2561 (2018) dated 5 March 2018 as amended by the Regulation of the Stock Exchange of Thailand Re: Measure in case of Events that may affect the Listed Companies' Financial Condition and Business Operation (No. 2) B.E. 2562 (2019) dated 21 March 2019 and Clause 10 of the Regulation of the Stock Exchange of Thailand Re: Rules, Conditions and Procedures for Temporary Suspension of Listed Securities Trading B.E. 2562 (2019) dated 20 December 2019, the Stock Exchange of Thailand, with the approval of the Securities and Exchange Commission, hereby issues the following rules:

1. This Notification shall come into force from 4 April 2022 onwards.

Effectiveness

2. The following shall be repealed:

(1) Notification of the Stock Exchange of Thailand Re: Purchase of Securities through Cash Balance Account B.E. 2562 (2019) dated 21 March 2019;

(2) Notification of the Stock Exchange of Thailand Re: Purchase of Securities through Cash Balance Account (No. 2) B.E. 2564 (2021) dated 19 November 2021.

3. In this Notification:

Definition

“Board” means the Board of Governors of the Exchange;

“Member” means a member of the Exchange;

“Securities” means listed securities;

“Trading” means the purchase or sale of Securities on the Exchange;

“Cash Balance Account” means an account in which the customer places the full purchase price of Securities with the Member before purchasing the Securities, or which contains terms allowing the Member to debit the total purchase price in the customer’s bank account upon the customer’s instruction before purchasing the Securities, or to transfer payment for the sale of Securities into such account;

“Abnormal Trading Condition” means where the Trading condition of any of the Securities on the Exchange possesses one or both of the following characteristics:

(a) There is a drastic change in prices or Trading volume of any Securities or a high concentration on the Trading of any Securities, which is likely to affect the Trading condition as well as characteristics prescribed by the Exchange;

(b) There is a high turnover ratio of Trading which is likely to affect the Trading condition as well as characteristics prescribed by the Exchange;

“Short Selling” means the sale of Securities whereby Securities must be borrowed for the purpose of settlement.

Section 1

Purchase of Securities through Cash Balance Account

Part 1

General Case

4. Where the following events occur to any Securities and the Exchange prescribes that the trading of such Securities shall be through Cash Balance Account, the Member shall ensure that the customer purchases such securities through Cash Balance Account according to Clause 5:

(1) the Securities are undergoing measures under the Regulation of the Exchange regarding Measure in case of Events that may affect the Listed Companies’ Financial Condition and Business Operation;

(2) the Securities for which Trading is allowed in case the listed company is undergoing the procedure pursuant to the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Procedures for Action for the Elimination of the Grounds for Possible Delisting of Ordinary Shares in parts related to procedures for action against listed companies whose operation or financial position fit the criteria for possible delisting;

(3) the Securities for which trading is allowed prior to the date of delisting as prescribed by the Board pursuant to the Regulation of the Exchange regarding Delisting of Securities;

(4) the Securities for which temporary trading is allowed during the trading of such Securities has been suspended by posting of the SP sign pursuant to the Regulation of the Exchange regarding Rules, Conditions and Procedures for Temporary Suspension of Listed Securities Trading.

5. The Member shall ensure that the customer purchases the Securities through Cash Balance Account on the business days prescribed by the Exchange for which the Securities are determined to be purchased through Cash Balance Account, and the purchase of Securities through such account shall be conducted throughout the Securities purchase period as determined by the Exchange.

During the period which the Exchange prescribes Securities to be purchased through Cash Balance Account under the first paragraph, if the event which causes such Securities to be purchased through Cash Balance Account has ended, the purchase through Cash Balance Account under this Part shall continue for another 1 business day following the date such event has ended.

Purchase of Securities through Cash Balance Account in general case

Period for the purchase of Securities through Cash Balance Account

Part 2
In case of Abnormal Trading Condition of Securities

6. Where the Member is required to ensure that the customer purchases the Securities through Cash Balance Account in case of Abnormal Trading Condition of Securities, the Member shall ensure that the customer purchases the Securities through Cash Balance Account for a period as determined by the Exchange.

In case the Abnormal Trading Condition of Securities has still continued, the Member shall ensure that the customer continues to purchase the Securities through Cash Balance Account until the Abnormal Trading Condition of Securities has ceased.

Purchase of Securities through Cash Balance Account in case of Abnormality Trading Condition of Securities

Section 2
Short Covering

7. In case the Member's customer conducts short selling of any Securities before the date the Exchange announces that the Member shall ensure that the customer purchases such Securities through Cash Balance Account within the period under Section 1 as the case may be, the Member may allow the customer to conduct short covering in the same account as the account in which the customer has conducted the short selling.

Short covering within the period in which Trading is conducted through Cash Balance Account

Transitory Provisions

8. In case the Member is required to ensure that the customer purchases the Securities through Cash Balance Account pursuant to the Notifications repealed under Clause 2 prior to the date this Notification comes into force and the period for the taking of such actions has not yet ended, the Member shall ensure that the customer continues to purchase the Securities through Cash Balance Account pursuant to the Notifications repealed under Clause 2 until the period for the taking of such actions has not yet ended even if this Notification has already come into force.

Transitory Provisions

9. The orders, circulars, procedures or policies of the Exchange, which were issued under the Notifications repealed under Clause 2 or which are still in force as a result of the transitory provisions under the Notifications repealed under Clause 2 that were in force until the date this Notification comes into force, shall remain in force to the extent that they do not contravene or contradict this Notification until the new orders, circulars, procedures or policies on such matters are issued and comes into force.

Transitory Provisions

In case there is any reference to the Notifications repealed under Clause 2, such reference shall be deemed to mean a reference to this Notification.

Notified on 23 March 2022.

(Mr. Pakorn Peetathawatchai)
President
The Stock Exchange of Thailand

Reason for Promulgation: Whereas the Exchange considers it appropriate to revise the criteria for which the Member shall ensure that the customer purchases the Securities through Cash Balance Account in case of Abnormal Trading Condition of Securities, it is, therefore, appropriate to issue this Notification.