

Notification of Thailand Clearing House Co., Ltd.

re: Guidelines on Punishment for Members who Fail to Comply with the Criteria of TCH

Whereas Regulation 308 of TCH (with respect to securities) provides that TCH may consider punishing members if the members violate, or fail to comply with, their duties under the regulations, circular letters or orders of TCH,

TCH hereby prescribes the penalties in accordance with the following criteria:

1. TCH may fine members who fail to take steps regarding risk management in the securities clearing and settlement system as follows:

(1) where the members fail to deliver a report on their financial condition as prescribed by TCH, or deliver a report on their financial condition, which contains incomplete or inaccurate information, TCH may fine the members Baht 5,000 per day, which shall be calculated in accordance with the period that such report is not delivered, or has been delivered but with incomplete information.

(2) where a member delivers a report on its financial condition as prescribed by TCH, but such report contains incomplete or inaccurate information, and this results in the member placing collateral in an amount that is less than the members must place with TCH, TCH may impose a fine on the member totaling 0.50% of the value of collateral which the member must additionally place.

(3) where the member did not place collateral, or did not place the full amount of collateral in accordance with Chapter 400, TCH may fine the member in accordance with the period that the collateral has been incompletely and inaccurately placed, as follows:

(a) no more than one (1) business day, a fine of 0.50% of the value of the collateral that has not been fully placed shall be imposed;

(b) more than one (1) business day, but not more than two business days, a fine of 0.75% of the value of the collateral that has not been fully placed shall be imposed.

2. TCH may fine a member who defaults in settling the securities, in accordance with the Net Clearing data as follows:

(1) where the member's securities settlement default is due to an operational error made by the member (human error), and this does not cause damage to the securities clearing and settlement system, TCH may fine the member as follows:

(a) for the first default in one calendar year, TCH may fine the member Baht 5,000 a time;

(b) for the second default in the same calendar year, TCH may consider fining the member Baht 10,000 a time;

(c) for the third default or more in the same calendar year, TCH may fine the member Baht 50,000 a time

(2) where the member's securities settlement default arises from causes other than those specified in (1), TCH may fine the member as follows:

(a) in the case where the general member defaults, TCH may fine the member for the amount of no more than two (2) times the defaulted amount;

(b) in the case the associated member defaults, TCH may fine the member for the amount of no more than four (4) times the defaulted amount.

3. TCH may fine the defaulting member in accordance with the Gross Clearing data for the amount of Baht 300 per transaction, plus a fee to be collected by the Bank of Thailand.

4. TCH may fine the member who defaults in securities delivery in accordance with the Net Clearing data, as follows:

(1) where the member's securities delivery default arises from an operational error made by the member (human error), and such defaulting member can demonstrate that it has sufficient securities for the purpose of delivering securities in default within a reasonable period and as deemed expedient by TCH, and it will not cause damage to the securities clearing and settlement system, TCH may fine the member as follows:

(a) for the second default in the same calendar year, TCH may fine the member Baht 2,000 per securities;

(b) for the third default or more in the same calendar year, TCH may fine the member Baht 5,000 per securities.

(2) where the member's securities settlement default arises from causes other than those specified in (1), TCH may fine the member as follows:

(a) in the case the general member defaults, TCH may fine the member in accordance with the defaulting period as follows:

(a.1) no more than one business day, a fine of 0.50% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed;

(a.2) more than one (1) business day, but no more than two business days, a fine of 0.75% of the value calculated from amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed;

(a.3) more than two (2) business days, but no more three business days, a fine of 1.00% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed;

(a.4) more than three (3) business days, but no more five business days, a fine of 1.75% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed;

(a.5) more than five (5) business days, but no more seven business days, a fine of 2.50% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed;

(a.6) more than seven (7) business days, but no more 14 business days, a fine of 3.75% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded, shall be imposed.

Such fine shall not be less than Baht 300 per time, per securities.

(b) in the case an associated member defaults, TCH may fine the member at the rate of 5% of the value calculated from the amount of delivery defaulted securities, multiplied by the average trading price of the securities on the date such securities are traded.

Such fine shall not be less than Baht 300 per time, per securities.

(c) in the case a member defaults on delivery investment unit of Thai Trust Fund, TCH may fine the member at the rate of 1% of the value of investment unit of Thai Trust Fund.

5. TCH may fine the member who defaults on delivery of securities in accordance with the Gross Clearing data for the amount of Baht 300 per transaction.

6. In the case that the member defaults on securities settlement or securities delivery in accordance with any report of TCH, TCH may fine the defaulting member in accordance with such report, regardless of whether such member has a duty to settle or deliver securities in accordance with the amended report or the newly prepared report, which replaced such report.

7. TCH may waive the fine for the member who defaults on securities settlement or securities delivery, in accordance with the Net Clearing data or Gross Clearing data, in any of the following cases:

(1) The default on securities delivery is due to an operational error made by the member (human error), it is the first default in a calendar year, and such defaulting member can demonstrate that it has sufficient securities for the purpose of delivering securities in default within a reasonable period and as deemed expedient by TCH, and it will not cause damage to the securities clearing and settlement system.

(2) The default on the securities settlement or securities delivery arises from a force majeure and is deemed to be expedient by TCH.

The Notification shall come into force from 15 February 2010 onwards.

Announced on the 9 day of February 2010

(Mrs. Nongram Wongvanich)

Authorized Person

Thailand Clearing House Co., Ltd.