

(Unofficial Translation)

This translation is for the convenience of those unfamiliar with the Thai language.

Please refer to the Thai text for the official version

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AIMC Logo

Notification of the Association of Investment Management Companies

No. SorJorKor. Ror. 7/2545

Re: Rules and Procedures for Determining the Fair Value of Investments

When Calculating the Net Asset Value of Mutual Funds

for Situation When the Thai Bond Dealing Centre's Bonds Trading Report is Delayed

By virtue of clause 2 of the notification of the Securities and Exchange Commission No. Sor Nor. 13/2542 Re: The calculation of the net asset value of mutual funds dated 29 April B.E.2542, subsequent to clause 25 of the notification of the Board of directors of the Securities and Exchange Commission No. Kor Nor.46/2541 Re: Rules, Conditions and Procedures for Establishment and Management of Funds dated 16 December B.E.2541 which require that the calculation of the net asset value of funds shall be in accordance with the rules and procedures prescribed by the Association of Investment Management Companies and approved by the Securities and Exchange Commission. Hence, to establish the procedures for determining the fair value of debt securities used in calculating the net asset value of funds, that is standardized and comparable, by virtue of clause 25 of the Regulations of the Association of Investment Management Companies, the board of directors of the Association of Investment Management Companies hereby issues rules and procedures for determining the fair value of investments when calculating the net asset value of mutual funds for situation when the Thai Bond Dealing Centre's Bonds trading report is delayed, with the approval of the Securities and Exchange Commission as follows:

Clause 1 The notification of the Association of Investment Management Companies No. SorJorKor. Ror. 3/2545 Re: Rules and Procedures for Determining the Fair Value of Investments when Calculating the Net Asset Value of Mutual Funds for Situation When the Thai Bond Dealing Centre's Bonds Trading Report is Delayed, dated 13 March B.E.2545 shall be revoked.

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Clause 2 In this Notification,

“Mutual fund” refers to closed-end fund and open-end fund.

“Closed-end fund” refers to a non-redeemable mutual fund operated by a management company.

“Open-end fund” refers to a mutual fund which is redeemable and managed by a management company.

"Dealing centre" refers to the Thai Bond Dealing Centre

"Member" refers to a company which is a member of the Association of Investment Management Companies licensed to operate a securities business involving mutual fund management.

"Last bond yield" refers to the last transacted yield for a bond on the trading day reported by Thai Bond Dealing Centre.

"Last traded price" refers to the last transacted price for a bond on the trading day reported by the Thai Bond Dealing Centre.

Clause 3 This notification shall be an integral part of the notification of the Association of Investment Management Companies No. SorJorKor. Ror. 5/2545 Re: Rules and Procedures for Determining the Fair Value of Investments for the Calculation of Net Asset Value of Mutual Funds dated 20 June B.E.2545.

Clause 4 In the event the Thai Bond Dealing Centre experiences a delay in the reporting of the daily trading information of Bonds and the report is issued after 18:00 hrs., the member shall use the latest bond yield transacted on the previous business day, or the last traded price on the previous business day for Bonds traded only on price basis. Use this method to determine the value of the investment when calculating the fund net asset value for that particular business day. However, if yields and prices traded on that particular day when the fund net asset value is being calculated is extremely volatile, it will not be suitable to adopt the previous day's yield or price to determine valuations. The member shall proceed according to clause 7 of the notification of the Association of Investment Management Companies No. SorJorKor. Ror. 5/2545 Re: Rules and Procedures for Determination of the Fair Value for the Calculation of Net Asset Value of Mutual Funds dated 20 June B.E.2545.

If the Thai Bond Dealing Centre experiences delays in reporting the daily trading information on a review date (every 15th and last business day of the month) or on any additional review date the member may use, and the report is issued after 18.00 hrs., the member should

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proceed according to 4.5.1 (2) (3) (4) or 4.6.1 (2) (3) (4) of the notification of the Association of Investment Management Companies No. SorJorKor. Ror. 5/2545 Re: Rules and Procedures for Determining the Fair Value for the Calculation of Net Asset Value of Mutual Funds dated 20 June B.E.2545 (as the case may be) to determine an appropriate yield.

Clause 5 This notification shall be effective from 2 July B.E.2545 onwards and members shall strictly comply.

Announced on 20 June B.E.2545

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(Mr. Vichate Tantiwanich)

Chairman of the Association of Investment
Management Companies