

(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. 2/2559

**Re: Rules and Procedures Regarding the Net Asset Value or Price of Foreign Fund Held
for Calculating the Net Asset Value of a Foreign Investment Fund
(Feeder Fund or Fund of Funds Only)**

This is to prescribe procedures regarding the fair value of a foreign fund held when calculating the net asset value of an open-end foreign investment fund (feeder fund or fund of funds only), whereby an investor must not be able to know the value or price (as applicable) of the foreign fund (master fund) held which will be used to calculate the net asset value of the open-end foreign investment fund before the investor places an order during trading hours (forward pricing). If an investor were to gain access to the value or price data, other unitholders of the open-end foreign investment fund may be exploited if that investor were to place an arbitrage trade to generate an unfair gain. By virtue of clause 25 of the notification of the Association of Investment Management Companies, the board of directors of the Association of Investment Management Companies hereby issues the following rules. This notification shall be an integral part of the notification of the Association of Investment Management Companies Re: Rules and Procedures for Determining the Fair Value for the Calculation of Net Asset Values of Mutual Funds:

Clause 1 The notification of the Association of Investment Management Companies No. SorJorKor. Ror. 1/2554 Re: Rules and Procedures Regarding the Net Asset Value or Price of Foreign Fund Held for Calculating the Net Asset Value of a Foreign Investment Fund (Feeder Fund or Fund of Funds Only), dated 28 March B.E.2554 shall be revoked.

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Clause 2 In this Notification,

(1) "Association" refers to the Association of Investment Management Companies.

(2) "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.

(3) "Office of the SEC" refers to the Office of the Securities and Exchange Commission.

(4) "Open-end foreign investment fund (feeder fund or fund of funds only)" refers to a redeemable mutual fund whose domestically-mobilized money is invested in a foreign fund, averaging at least 80% of fund net asset value. Furthermore, in the case of a feeder fund, the investment must be in a single foreign fund, averaging at least 80% of fund net asset value. For fund of funds, the investment must be in foreign funds and warrants of foreign funds, averaging at least 65% of fund net asset value.

(5) "Business day" refers to a day in which the member is open for normal business operations.

(6) "Unit value" refers to the net asset value divided by the total units outstanding on the business day when calculation is made.

(7) "Trading days for investment units" refers to business days when investors may trade fund units as stated in the fund scheme.

(8) "Trustee" refers to the trustee of the mutual fund.

Clause 3 When determining the fair value of an open-end foreign investment fund (feeder fund and fund of funds only), the member shall use the net asset value of the investment units of the foreign fund held in the calculation. This must be done in such a way that an investor must not be able to know the value or price (as applicable) of the foreign fund held, which will be used to calculate the net asset value of the open-end foreign investment fund (feeder fund or fund of funds only) before the investor places an order during trading hours (forward pricing).

Furthermore, although the foreign fund held has an actively traded market, the member shall determine the net asset value of the open-end foreign investment fund (feeder fund and fund of funds only) with the forward pricing method as well, instead of simply using the value of the foreign fund mentioned in paragraph 1. Comply with the notification of the Association Re: Rules and Procedures for Determining the Fair Value of Investments for Calculating the Net Asset Values of Mutual Funds.

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Clause 4 If the total holdings of the foreign fund on any business day based on the previous closing price does not exceed 20% of fund NAV on the previous business day, the member may choose to apply the fair price for the foreign fund units based on the notification of the Association Re: Rules and Procedures for Determining the Fair Value of Investments for the Calculation of Net Asset Values of Mutual Funds, if at least one of the following conditions are met:

1) Foreign fund invested is in a time zone that lags behind Thailand's time zone, e.g., fund in the United States (USA), etc.

2) Foreign fund invested has no value or price data, e.g., public holiday of foreign fund or unexpected crisis which causes a sudden announcement of a public holiday or no announcement of foreign fund's value or price.

3) Foreign fund invested is experiencing a delay in the announcement of unit value or price.

Clause 5 This Notification shall be effective from 1 August B.E.2559 onwards and members shall strictly comply.

Announced on 1 August B.E.2559

-Signature-

(Mrs. Voravan Tarapoom)

Chairman of the Association of Investment Management
Companies