

(Unofficial Translation*)

Regulation of the Bank of Thailand

No. Sor.Ror.Khor. 3/2554

Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities on a Special Financial Institution Holiday (Case of Emergency)

1. Rationale

To stipulate rules on the purchase of debt instrument with repurchase agreement to provide intraday liquidity facilities on a special financial institution holiday announced in case of an emergency in accordance with the Bank of Thailand's Business Continuity Plan, to cater for financial institution customers' cash withdrawal requirements, thereby facilitating smooth operating of the payment systems.

2. Statutory Power

By virtue of the provision of Articles 41, 44 and 45 of the Bank of Thailand Act B.E. 2485 (1942) and subsequent amendments in the Bank of Thailand Act (4th) B.E. 2551 (2008).

3. Scope of Application

This Notification applies to financial institutions that signed an agreement to be bound to Regulation of the Bank of Thailand Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities on a Special Financial Institution Holiday (Case of Emergency).

4. Essence

4.1 In this Regulation,

“BOT” shall mean the Bank of Thailand.

“Financial Institution” shall mean

(1) Financial institution established under the Financial Institutions Business Act; and

(2) Other financial institution as announced by the BOT.

“Debt instrument” shall mean

(1) Treasury bill

* This translation is for the convenience of those unfamiliar with the Thai language. Please refer to the Thai text for the official version.

(2) R-bill

(3) Government bond

(4) BOT bond

(5) Bond or debenture issued by a government institution or state-owned enterprise or a financial institution established under a specific law as deemed appropriate by the BOT.

“Intraday Liquidity Facilities – ILF” shall mean funds that a financial institution receives from the BOT for BAHTNET’s intraday liquidity maintenance as required by the Regulation of the Bank of Thailand Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities.

4.2 In case that the BOT announces a special financial institution holiday (case of emergency) and on which a financial institution incurs a need to use liquidity to cater for people’s cash withdrawal needs, the said financial institution shall notify such need to the BOT. In this regard, the BOT may consider providing credit to the financial institution by purchasing its debt instruments for the purpose of providing liquidity in response to cash withdrawal needs through the “Intraday Liquidity Facilities” system.

4.3 A financial institution wishing to leverage this Regulation shall prepare the following documents as required by the BOT.

(1) Agreement (form S-1)

(2) Power of Attorney (form S-2)

(3) Power of Attorney authorizing the BOT to conduct debt instrument transaction for the purpose of proceeding with the purchase of debt instrument with repurchase agreement to provide intraday liquidity facilities on a special financial institution holiday (case of emergency) (form S-3).

4.4 Definition and rules of the Regulation of the Bank of Thailand Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities and notifications or any other regulations issued under such Regulation shall apply to the purchase of debt instrument with repurchase agreement to provide intraday liquidity facilities on a special financial institution holiday (case of emergency) as per this Regulation mutatis mutandis unless otherwise specified in this Regulation.

In this connection, any other documents not required by this Regulation that a financial institution prepares in accordance with the Regulation of the Bank of Thailand Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities shall also apply and be binding for the financial institution according to this Regulation.

4.5 The BOT reserves the right to revise, amend, add or change any regulation, notification or document relating to this Regulation and will inform financial of any change in advance.

4.6 The BOT shall have the final judgment to the interpretation of any regulation, notification or guideline issued in relation of this Regulation.

5. Effective Date

This Regulation shall be in force on 26th October B.E. 2554 (2011) onwards.

Given on 26th October B.E. 2554 (2011).

(Mr. Prasarn Trairatvorakul)

Governor

Bank of Thailand