

(Unofficial Translation^{*})

Regulation of the Bank of Thailand

No. SorRorKhor. 1/2559

Re: Debt Instrument Transaction Services

1. Rationale

To allow for fast and efficient operation of the Bank of Thailand as registrar of debt instruments for the government, state-owned enterprises, financial institutions established under specific laws or other government institutions, the Bank of Thailand hereby revises the regulation on debt instrument transaction services to be more comprehensive and in line with current services. Rules governing the roles of a registrar of debt instruments are also clarified. Moreover, as there are numerous regulations on debt instrument transaction services for both scrip and scripless instruments, it is deemed appropriate to combine them into this one single Regulation for ease of reference.

2. Statutory Power

By virtue of the provision of Articles 8(4), 39 and 40 of the Bank of Thailand Act B.E. 2485 and subsequent amendments in the Bank of Thailand (No. 4) Act B.E. 2551.

3. Annulment

(1) Regulation of the Bank of Thailand No. ForForTor. 1/2551 re: Transfer, Collateralization and Pledging of Debt Instrument and Changes in Debt Instrument Registration B.E. 2551

(2) Regulation of the Bank of Thailand re: Deposit, Withdrawal and Transfer of Debt Instrument that the Bank of Thailand is the Registrar and Payment Agent B.E. 2549

(3) Regulation of the Bank of Thailand No. SorRorKhor. 1/2556 re: Debt Instrument Registration Service for Redemption

(4) Circular of the Bank of Thailand No. ForForTor. (11) Wor. 4/2549 re: Revision of Transaction Items for Fee Collection, dated 8 May B.E. 2549 (2006)

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

4. Scope of Application

This Regulation shall be enforced with the rightful owners or stakeholders or related persons to the debt instrument transaction services that the Bank of Thailand acts as the issuer, registrar or payment agent.

5. Essence

Chapter 1

General

Article 1 : Definition. In this Regulation,

“BOT” shall mean the Bank of Thailand’s action by the Governor or the persons authorized by the Governor.

“TSD” shall mean the Thailand Securities Depository Co., Ltd. or any other organization established by the Stock Exchange of Thailand or authorized by the Securities and Exchange Commission Thailand, to be the center which provides securities depository and withdrawal services.

“Debt instrument” shall mean treasury bill, promissory note, bond, debenture and any other debt instrument that the BOT acts as the issuer, registrar or payment agent whereby the BOT as the agent has the duty to pay the interest, principal and any other payments.

“Scrip debt instrument” shall mean a debt instrument that the BOT, as the registrar, issues a scrip.

“Scripless debt instrument” shall mean a debt instrument that the BOT is a registrar of and is in the TSD’s scripless system.

“Individual debt instrument account for transaction with the BOT” shall mean a debt instrument account belonging to each legal entity that is a member of the BOT’s operation system for transaction purposes.

“Business day” shall mean the BOT’s business day.

“Rightful owner” shall mean the person whose name appears as the rightful owner of the debt instrument, regardless of whether such person is an individual or legal entity.

“Authorized person to manage debt instrument” shall mean the following persons.

(1) For a minor, the father or mother or the court appointed guardian or any other person whose name appears as the manager on the scrip.

(2) For an incompetent person, the court appointed carer.

(3) For a quasi-incompetent person, the court appointed guardian to co-act with the rightful owner.

(4) For a deceased rightful owner, the inheritance administrator.

“Minor” shall mean a person, under 20 years of age, who has not reached the legal age.

Chapter 2

Types of debt instrument transaction services

Article 2 : Scrip debt instrument transaction services

A rightful owner or stakeholder or related person authorized by law may notify the BOT to proceed with scrip debt instruments as follows.

- (1) Change information on the record
- (2) Issue a new scrip to replace an old one
- (3) Transfer the right to the debt instrument in two cases as per below.

General case shall mean transfer of the right to an individual or a legal entity by intention of the rightful owner; and

Auction case shall mean transfer of the right through an auction resulting from enforcement of collateral or court judgment or any other reasons to an individual or a legal entity.

(4) Register and withdraw registration to use debt instrument as collateral

(5) Change conditions or details on the use of debt instrument as collateral

(6) Register and withdraw registration for sequestration of debt instrument

(7) Register and withdraw registration for insurance set aside

(8) Register and withdraw registration for asset maintenance of branches of foreign commercial banks according to the Financial Institutions Business Act B.E. 2551 and amendments thereafter

(9) Register and withdraw registration of debt instrument for redemption and debt instrument redemption

Scrip debt
instrument
transaction
services

(10) Issue a certification of rightful ownership in debt instrument, certification of debt instrument status, substitute document for certification of withholding tax deduction or any other documents deemed appropriate by the BOT.

(11) Administer inheritance as announced by the BOT

(12) Any other actions as announced by the BOT

Article 3 : Scripless debt instrument transaction services

A rightful owner or stakeholder or related person authorized by law may notify the BOT to proceed with scripless debt instruments as follows.

Scripless debt
instrument
transaction
services

(1) Deposit scrip and withdraw debt instrument from the scripless debt instrument system in order to issue a scrip

(2) Deposit script and withdraw debt instrument from the individual debt instrument account for transaction with the BOT

(3) Issue a certification of rightful ownership in debt instrument in the individual debt instrument account for transaction with the BOT

(4) Issue substitute document for certification of withholding tax deduction

(5) Any other actions as announced by the BOT

Chapter 3

Request for debt instrument transaction services

Article 4 : Request for debt instrument transaction services

(1) A person requesting for debt instrument transaction services shall submit a request form and supporting documents containing all the necessary details and signatures of related persons as announced by the BOT. The BOT shall proceed only once all the correct documents are received.

Request
procedures

In case that the rightful owner is a minor, incompetent person, quasi-incompetent person or deceased person, the authorized person to manage debt instrument shall be the person to make the request as the case may be.

The BOT may ask the person requesting for debt instrument transaction services to present the originals of all the document copies to the BOT or to submit additional documents.

(2) Channels to request for debt instrument transaction services

Request
channels

A person requesting for debt instrument transaction services shall submit a request form and supporting documents through a channel to request for debt instrument transaction services at the BOT service counter, or by post to the BOT or through any other channels as prescribed by the BOT.

(3) In case that a rightful owner or stakeholder or related person authorized by law cannot proceed by him/her own self, the rightful owner or stakeholder or related person authorized by law may prepare a power of attorney to authorize another person to proceed on his/her behalf. Identification documents of the persons giving and receiving the power of attorney shall be attached. The aforementioned must be according to the BOT's announcement.

Power of
attorney

In case that the rightful owner is a foreign legal entity, the power of attorney to identify the custodian who is a Thai resident must be attached. The duration of the power of attorney shall be specified and there shall also be witnesses and document certifiers meeting one of the following requirements.

Power of
attorney from a
foreign legal
entity

- If the witness is a Thai consular, certification shall follow these orders.

(a) Officer of the Thai embassy abroad (if any); and

(b) Officer of the Ministry of Foreign Affairs, Thailand.

- If the witness is a notary public officer, magistrate officer or any other person with the authorization by a foreign government to act as witness, certification shall follow these orders.

(a) Officer of the Ministry of foreign affairs or international chamber of commerce of that foreign country;

(b) Officer of the Thai embassy abroad (if any); and

(c) Officer of the Ministry of Foreign Affairs, Thailand.

(4) The following requests for debt instrument transaction services cannot be granted after the register book closing date to repay the last principal installment as announced by the BOT.

Transactions
that cannot be
performed after
the register
book closing
date to repay
last principal
installment

(a) Transfer of the right to debt instrument

(b) Register to use debt instrument as collateral

(c) Change conditions or details on the use of debt instrument as collateral

(d) Register and withdraw registration for insurance set aside

(e) Register and withdraw registration for asset maintenance of branches of foreign commercial banks

(f) Register and withdraw registration of debt instrument for redemption

(g) Deposit scrip and withdraw debt instrument from the scripless debt instrument system in order to issue a scrip

(h) Deposit scrip and withdraw debt instrument from the individual debt instrument account for transaction with the BOT

Article 5 : The BOT shall charge fees for the provision of debt instrument transaction services at the rates announced by the BOT.

Service fees

Chapter 4

Debt instrument interest payment and principal repayment to the rightful owners

Article 6 : The BOT shall pay debt instrument interest for each installment on a pre-specified interest payment date announced by the issuer to the rightful owners or any other persons authorized by the rightful owners according to the BOT's registration name list or the TSD's notification to the BOT. The name list shall be as of the last business day before the register book closing date for interest payment as announced by the BOT.

BOT shall pay debt instrument interest according to its name list or the TSD's notification

The BOT shall deduct withholding tax at the rate specified by law and send a certification of withholding tax deduction to the rightful owners by post or any other means as deemed appropriate by the BOT.

Article 7 : The BOT shall make principal repayment of each lot of debt instruments to the rightful owners on the pre-specified principal repayment date or any other date specified in the regulation or notification of the debt instrument issuer. Repayment shall be in accordance with the BOT's registration name list or the TSD's notification to the BOT. The name list shall be as of the last business day before the register book closing date for principal repayment as announced by the BOT.

BOT shall make principal repayment according to its name list or the TSD's notification

Article 8 : The BOT shall make interest payment and principal repayment as per its announcement.

Chapter 5

Rights and responsibilities of the BOT

Article 9 : The BOT shall reserve the rights to revise, amend, add or change the regulation, notification or any other documents in connection to this Regulation as it deems appropriate. In this case, an announcement shall be made by the BOT in advance.

BOT can revise, amend, add or change the regulation and suspend service

Article 10 : The BOT shall reserve the rights to suspend service to any person who violates or refuses to comply with the BOT's regulation or related laws, or behaves in a manner that suggests intention to avoid compliance. In the case that the BOT finds a debt instrument scrip that has been void, forged or amended, whether all or in parts, the BOT shall confiscate such debt instrument scrip.

Chapter 6

Temporary provision

Article 11 : Withdrawal or enforcement of collateral as per Article 5 of the Regulation of the Bank of Thailand No. ForForTor. 1/2551 re: Transfer, Collateralization and Pledging of Debt Instrument and Changes in Debt Instrument Registration B.E. 2551 shall be enforced with previously collateralized debt instruments according to Article 3 of such Regulation until withdrawal or enforcement of such collateral is completed.

6. Effective Date

This Regulation shall be in force on 17th February B.E. 2559 (2016) onwards.

Given on 17th February B.E. 2559 (2016).

(Mr. Veerathai Santiprabhob)

Governor

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