



(Unofficial Translation¹)

Regulation of the Bank of Thailand

No. SorRorKhor. 2/2566

Re: Purchase of Debt Instruments with Repurchase Agreement
to Provide Intraday Liquidity Facilities
(Third Amendment)

1. Rationale

To stipulate additional criteria for debt instruments that financial institutions are able to pledge as collateral at the Bank of Thailand (BOT), the BOT prohibits the use of debt instruments for which the financial institutions are the issuers or the guarantors as collateral at the BOT to prevent wrong-way risk and to be consistent with the collateral requirements for the BOT's open market operations.

2. Statutory Power

By virtue of Section 44 and Section 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. Amendments

Regulation of the Bank of Thailand No. SorRorKhor. 2/2552 Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities, dated 16th November 2552 (2009) and the amendments thereafter.

4. Scope of Application

This Regulation shall be enforced with financial institutions that have submitted the Letter of Agreement to be entitled to the benefits under and bound to the Bank of Thailand Regulation Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities, dated 16th November 2552 (2009).

5. Contents

The provision of the definition of “Debt instrument” in Regulation of the Bank of Thailand No. SorRorKhor. 2/2552 Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities, dated 16th November

¹ This translation is for the convenience of those unfamiliar with the Thai language. Please refer to the Thai text for the official version.

2552 (2009), and the subsequent amendments in the Bank of Thailand Regulation No. SorRorKhor. 1/2558 Re: Purchase of Debt Instrument with Repurchase Agreement to Provide Intraday Liquidity Facilities (second amendment), dated 6th May 2558 (2015), shall be repealed and replaced by the following:

“Debt instrument” shall mean the following debt instruments to be sold under a repurchase agreement to maintain BAHTNET's intraday liquidity:

- (1) Treasury bills, promissory notes for debt restructuring, and government bonds;
- (2) Debentures, bonds, or debt instruments issued by state enterprises or financial institutions established under specific laws as specified by the BOT whose principal and interest are guaranteed by the Ministry of Finance;
- (3) Debentures, bonds, or debt instruments issued by state enterprises or financial institutions established under specific laws as specified by the BOT whose principal and interest are not guaranteed by the Ministry of Finance; however, such debt instruments or their issuers have a credit rating of at least AAA from TRIS, or an equivalent rating from a credit rating agency as specified by the BOT, or at least an equivalent rating to the Thai government as assigned by S&P or Moody's;
- (4) Bonds or debt instruments issued by the Financial Institutions Development Fund;
- (5) BOT bonds;
- (6) Other bonds or debt instruments as approved by the BOT.

The debt instruments, as stated in (2) and (3) of the above definition of debt instruments, must be issued by the following state enterprises or financial institutions established under specific laws:

1. State enterprises registered with the ThaiBMA with the bond type by issuer indicated as State Owned Enterprise
2. The Government Savings Bank
3. The Government Housing Bank
4. The Bank for Agriculture and Agricultural Cooperatives
5. The Export-Import Bank of Thailand
6. The Small and Medium Enterprise Development Bank of Thailand
7. Secondary Mortgage Corporation

In the case where a financial institution wishes to sell debentures, bonds, or debt instruments under (2) and (3) of the definition of debt instruments with a repurchase agreement to maintain BAHTNET's intraday liquidity, such debentures, bonds,

or debt instruments must not be debentures, bonds, or debt instruments issued or guaranteed by that financial institution.”

6. Effective Date

This Regulation shall come into force from 25th December B.E. 2566 (2023) onwards.

Announced on 25th December B.E. 2566 (2023)

(Mr. Sethaput Suthiwartnarueput)

Governor

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