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.

Notice of the Competent Officer

Re: Rules and Practices regarding Currency Exchange

(No. 37)

By virtue of the power conferred upon him by Clause 3 of the Notification of the Ministry of Finance on Exchange Control dated 31st March B.E. 2547 and the amendments thereof, the Competent Officer gives a notice as follows:

Clause 1. The following provision shall be added as Clause 47/5 in Part 9 Gold Trading of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547;

"Clause 47/5 For purchase or sale of gold in Thailand on electronic service systems conducted outside of futures exchanges, the buyer or seller who is a gold trading service provider on such electronic service systems shall comply with the following.

(1) For purchase or sale of gold settled in Thai Baht, the following rules shall be complied with:

(a) Purchase or sale of gold with a counterparty is allowed where the aggregate value on each side does not exceed 50 million baht per day per counterparty per electronic service system.

(b) Purchase or sale of gold with a counterparty in excess of 50 million baht per day per counterparty per electronic service system requires submission of an application to the Competent Officer in the form, together with related documents, as specified on the Bank of Thailand's website prior to undertaking such transactions. The Competent Officer may request additional documents and will consider the application as deemed necessary and appropriate. Additional conditions may also be imposed upon approval.

(c) Purchase of gold is allowed only with a seller who holds gold in its gold trading account and has fully paid for such gold.

(d) Purchase or sale of gold shall be examined prior to undertaking such transaction and it shall be ensured that it is conducted solely for the buyer's or seller's own account. No transaction shall be undertaken where there is reasonable cause to believe that it is intended to avoid, or facilitate the avoidance of, compliance with applicable rules.

(e) Payments for gold to, and receipts of payment for gold from, a counterparty shall be effected only through electronic payment methods and shall be made in full. Net settlement is not allowed.

(f) Gold must be delivered only to the buyer or recorded in the buyer's gold trading account.

(2) Purchase or sale of gold settled in foreign currencies is allowed, and the provisions under (1) (c) to (f) shall apply mutatis mutandis.

Where there is a justifiable necessity that compliance with the provision under (1)(c) to (f) and (2) is not possible, the buyer or seller who is a gold trading service provider on electronic service systems shall submit an application for approval to the Competent Officer. The Competent Officer will consider the application as deemed necessary and appropriate and may impose additional conditions upon approval.

For transactions under the first paragraph, the buyer or seller shall not act on behalf of another person, nor undertake the transaction for the purpose of avoiding, or facilitating the avoidance of, compliance with the applicable rules under the Exchange Control laws.

The provisions in the first paragraph shall not apply to the purchase or sale of gold with other gold trading service providers, manufacturers of gold-related products, or the purchase of gold on electronic service systems that offer gold sales only."

Clause 2. Any person who holds gold in its gold trading account with a value exceeding 50 million baht prior to 31st January B.E. 2569 is allowed to sell gold to the buyer who is a gold trading service provider on electronic service systems without being subject to the trading limit prescribed in Clause 1.

Clause 3. This Notice shall come into force as from 1st March B.E. 2569.

Announced on the 29th January B.E. 2569

(Ms. Pimpan Charoenkwan)

Competent Officer