



SKFM Mekong Fund Not For Retail Investors

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Terms/Definitions

“Accredited Investors” means:

- (1) Institutions which can invest such as commercial banks, securities companies, insurance companies, mutual funds, provident funds, social security funds, and private funds; and
- (2) High net worth investors which shall mean the following investors:
 - (a) A juristic person having either of the following characteristics:
 - having shareholders’ equity as stated in the latest audited financial statements of 100 million Baht or more; or
 - having direct investment in securities or derivatives as stated in the latest audited financial statements of 20 million Baht or more.
 - (b) An individual person who, when his/her assets are combined with their spouse’s assets, fall into any of the following categories:
 - having a net asset value of 50 million Baht or more excluding the property used as his/her principal residence;
 - having an annual income of 4 million Baht or more;
 - having direct investment in securities or derivatives of 10 million Baht or more.

“AIMC” means the Association of Investment Management Companies.

“Bid Price” means the redemption price of investment units calculated according to the value of the investment units at the end of the relevant Trading Day minus the back-end fee (if any).

“Benchmark” means a Benchmark which is 50% SET Total Return Index and 50% FTSE Vietnam used by the Fund.

“BOT” means The Bank of Thailand.

“Business Day” means any day, other than a Saturday or Sunday, or a financial institution holiday as announced by the BOT, on which banks are open for business in Thailand.

“Commitment” means the document setting out the details, rights, duties and responsibilities of the following parties in respect of the Fund: the Management Company, the Trustee, the Custodian, the Auditor, the Registrar, the Selling and Redemption Agents, the Distributor, the Fund Advisor, the Consultant, and the Unitholders.



“Destination Fund” means the fund in which an investor is subscribing for units when switching from one fund to another.

“Financial Institution” means financial institutions as defined under the law on interest of loans of financial institutions.

“Investment Limit” means the investment limit set by the SEC and/or the BOT and/or any other authorized legal authorities which allow or approve the Fund managed by the Management Company to invest offshore.

“Investment Unit Value” means the net asset value of the Fund divided by the total number of outstanding investment units at the end of the Trading Day on which the calculation is made.

“IPO” means initial public offering.

“Listed Company” means a company whose securities are listed or whose securities have been approved for trading on the Stock Exchange of Thailand.

“Management Company” means Siam Knight Fund Management Securities Company Limited.

“Mutual Fund or Fund” means SKFM Mekong Open-End Fund.

“NAV” means net asset value.

“Non-Retail Investor” means an investor whose minimum initial investment in the fund is not less than 500,000 Baht.

“Offer Price” means the selling price of investment units calculated according to the net asset value of the investment units at the end of the relevant Trading Day plus the front-end fee (if any).

“Office of the SEC” means the Office of the Securities and Exchange Commission.

“Price Compensation” means an increase or reduction in the number of investment units held by any person who subscribes for or redeems investment units at an incorrect price or the payment of money in an amount equivalent to the difference between the incorrect and the correct prices of the investment units in lieu of increasing or decreasing the number of investment units.

“Primary Fund” means the fund in respect of which an investor is redeeming units when switching from one fund to another.

“Prospects” means this Prospects the details of which are in accordance with the regulations of the Securities and Exchange Commission.



“**Recalculation of Retrospective Price**” means an amendment to the investment unit price as a consequence of a miscalculation of the effective investment unit price applied retrospectively from the first date of miscalculation until the present.

“**Registrar**” means the Bank of Ayudhya Public Company Limited.

“**SEC**” means Securities and Exchange Commission.

“**Selling or Redemption Agent**” means a natural person or juristic person who is appointed to process subscription or redemption orders of investment units.

“**Scheme**” means SKFM Mekong Fund Scheme.

“**Summary Prospectus**” means the document entitled “Fund Prospectus (Q&A)”.

“**Tender Offer**” means a general offer to buy securities of a company in accordance with the Notification of the SEC on Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers.

“**Trading Day**” means any date on which investment units in the Fund can be subscribed for and/or redeemed.

“**Trustee**” means Bank of Ayudhya Public Company Limited.

“**VAT**” mean Value Added Tax at the prevailing rate.

“**Warrant**” means an instrument which confers on the holder a right to buy a certain security at a pre-determined price on a pre-determined date.

1. Name, Type and Maturity of the Mutual Fund Scheme

1.1	Name of Fund Scheme (in Thai):	กองทุนเปิด เอสเคเอฟเอ็ม แม่โขง.
1.2	Name of Fund Scheme (in English):	SKFM Mekong Fund.
1.3	Fund Abbreviation:	SMF.
1.4	Type of Scheme:	Open-end fund.
1.5	Type of Offering:	Multiple Offering.
1.6	Maturity Specification:	Indefinite.
1.7	Maturity:	Indefinite.
1.8	Maturity Due Date:	Indefinite.

1.9 Conditions of maturity:

1.9.1 The Management Company may terminate the Scheme during or after the period of the IPO, or decide not to register the Fund, or dissolve the Scheme without a resolution of the Unitholders in any of the circumstances listed below (the Management Company will proceed in this respect based on maximizing the benefits of the Fund and Unitholders):

- (1) The total subscription amount is not sufficient for the Fund's registration.
- (2) In the opinion of the Management Company, the Fund is unable to properly invest as the implementation of the Fund's investment policy would be hampered by factors which significantly adversely affect the financial returns of the Fund. The Management Company can proceed at its own discretion in this regard.
- (3) The regulations related to offshore investment limits is amended making offshore investment difficult/impossible.
- (4) The Management Company considers that it is inappropriate to invest offshore and/or the offshore investment environment is such that it is reasonable to think that closure of the Fund would protect the Unitholders' benefits and returns from the Fund.
- (5) The Fund is not able to invest in any securities which fit with the Scheme's investment policy and which is in line with its objectives.

1.10 Fund Characteristics: A fund for Accredited Investors and Non-Retail Investors.

1.11 Method of selling: In Thailand.

1.12 Approval date of the Fund: 27 June 2017.

2. Fund Capital, Par value, Number of Investment Units, Offer Price, Minimum Amount of Subscription and Redemption Orders, Minimum Unit Balance

2.1 Fund capital: 10,000,000,000.00 Baht.

2.2 Fund capital amount:

2.2.1 During the period of the IPO of the Mutual Fund, the Management Company may offer investment units for sale in an amount exceeding the Fund capital by up to 15% of the Fund capital.

2.2.2 The Management Company reserves its right to request an approval from the Office of the SEC and/or the BOT or any relevant government entities to increase the Scheme's capital and/or the limit of the offshore allocation as approved by the BOT in case the Management Company invests offshore. If the Management Company considers such an increase may benefit its Unitholders and the Fund and the request has been



approved, action on the part of the Management Company to increase the Scheme's capital and/or the limit of the offshore allocation shall be considered approved by the Unitholders and shall not be considered an amendment of the Scheme. Such increase of the Scheme's capital and/or the limit of the offshore allocation shall be carried out in accordance with the rules and procedures prescribed by the Office of the SEC

2.2.3 The Management Company reserves its right to cancel the Fund's registration and/or the IPO before the ending of the proposed period of offering investment units in the Fund where the first initial subscription amount is not sufficient for investing in foreign countries, or where other factors adversely impact on the management of the Fund. In the event that the Management Company consider it preferable to cancel the Fund, they will return subscription payments to investors and inform the SEC within seven (7) days from the last day of the offering period or the date of cancelation of the Fund registration (as the case may be)

- 2.3 Par value per unit: 10.00 Baht.
- 2.4 Number of investment units: 1,000,000,000.0000 units.
- 2.5 Initial public offering price per unit: 10.00 Baht.
- 2.6 The minimum amount of the initial subscription order depends on the class of units purchased:
- 2.6.1 Class A: General (Non-Retail) Investor: 500,000.00 Baht.
- 2.6.2 Class I: Institutional Investor: 10,000,000.00 Baht (approximately USD 290,000.00 or equivalent).
- 2.7 The minimum amount of subsequent subscription order depends on the class of units purchased:
- 2.7.1 Class A: General (Non-Retail) Investor: 50,000.00 Baht.
- 2.7.2 Class I: Institutional Investor: 1,000,000.00 Baht (approximately USD 29,000.00 or equivalent).
- 2.8 The minimum amount of the redemption order depends on the class of units redeemed:
- 2.8.1 Class A: General (Non-Retail) Investor: 50,000.00 Baht.
- 2.8.2 Class I: Institutional Investor: 1,000,000.00 Baht (approximately USD 29,000.00 or equivalent).
- 2.9 Minimum redemption unit: Not specified.
- 2.10 Minimum value of outstanding unit balance depends on the class of units (in the case of both classes, the value will be calculated according to the cost method):

2.10.1 Class A: General (Non-Retail) Investor: 500,000.00 Baht.

2.10.2 Class I: Institutional Investor: 10,000,000.00 Baht (approximately USD 290,000.00 or equivalent)

2.11 Minimum outstanding unit balance: Not specified.

2.12 Additional details:

The Management Company reserves its right at its discretion to amend the minimum amount of initial subscription order, minimum amount of subsequent subscription order, minimum amount of redemption order, minimum redemption unit, minimum value of outstanding unit balance and the minimum outstanding unit balance in the future, provided that any such amendment is made for the benefit of the Unitholders. However, the Management Company shall announce such matter to the Unitholders at least thirty (30) days in advance by posting a notice at the offices and on the website of the Management Company and the offices of the Selling Agents, and shall notify the Office of the SEC. In case the amendment is beneficial to Unitholders, the Management Company shall announce such matter not less than one (1) day in advance.

3. Objectives of Mutual Fund Scheme, Benchmark, Investment Policy, Overseas Investments, Types of Securities Investment (Domestic and Overseas), Investment in Derivatives, Type and Ratio of Investments

3.1 Objectives of the Mutual Fund Scheme:

To raise funds from Institutional Investors and/or General (Non-Retail) Investors who wish to invest in domestic equity securities as well as foreign equity securities and expect a capital gain from such investment.

3.2 Investment policy: Equity securities.

3.3 Special Features: None.

3.4 Type of mutual fund: Investment in Thai and foreign securities.

3.5 Borrowing policy (if any): None.

3.6 Investment in Derivatives: Possibly invest in derivatives for hedging purposes.

3.7 Investment in Structured Notes: None.

3.8 Management Style: Active Management.

3.9 Benchmark:

- 3.9.1 This Fund shall use a Benchmark which is 50% SET Total Return Index and 50% FTSE Vietnam Index as its Benchmark. The SET Total Return Index measures market performance, including price movements (capital gain/loss), rights offered to current shareholders, and income from dividend payments (assuming they are reinvested in securities). The FTSE Vietnam Index is comprised of the shares of companies listed on the Hoh Chi Minh Stock Exchange, which has foreign investment limits available.
- 3.9.2 The Management Company reserves its right to change the Benchmark as deemed appropriate according to its investment policy and as approved by the Trustee of the Fund. The Management Company shall notify any such change to all Unitholders in advance by posting an announcement at the office and on the website of the Management Company and at the offices of the Selling or Redemption Agents. However, in case of any change of the Benchmark due to compliance with the AIMC's notifications, terms and conditions and/or the Office of SEC's notifications and conditions regarding the standards of mutual fund performance, or due to termination of the service of disclosing data and rates by Benchmark providers, the Management Company shall notify such changes to the Unitholders in advance by posting an announcement at the office and on the website of the Management Company and at the offices of the Selling or Redemption Agents.

3.10 Payments from the Fund to Unitholders: Simple methods of payment.

3.11 Details on the investment policy and special features of the Fund:

- 3.11.1 The Fund's policy is to invest in equity securities which are registered on the Stock Exchange of Thailand as well as on international stock exchanges. The Fund emphasizes value investing in the shares of Thai and foreign companies with strong links to the Greater Mekong Sub-Region (GMS) (including Thailand, Vietnam, Laos, Cambodia, Yunnan province of China, and Myanmar) with a development theme and poised to benefit from ASEAN (AEC) integration. The Fund will invest on average at least 80% of the Fund's net asset value in such securities in each financial year. The remaining net asset value will be invested in deposits or other assets or profit acquisition by other means as prescribed by SEC or the Office of the SEC.
- 3.11.2 The Fund shall not invest in structured notes, non-investment grade debt securities, or unrated debt securities.
- 3.11.3 The Fund may invest in or hold derivatives for efficient portfolio management according to the Office of the SEC's regulations concerning the Fund.
- 3.11.4 The Fund may invest in unlisted securities.
- 3.11.5 The Fund might invest in other mutual funds, which, in turn, invest in the GMS Sub-region.
- 3.11.6 The investment limits (which define the Fund and make it fall into a particular specific category of fund) as mentioned in the Scheme shall not be applicable during the pre-



investment period which covers approximately a thirty (30) day period following the Fund's registration date.

3.12 Overseas investment policy:

To invest up to 50% of the NAV in equity securities listed on international stock exchanges. Any such investment must not exceed the allotted foreign investment quota.

3.13 As regards domestic investments, the type of securities or other assets that can be invested in or profit acquisition by other means:

The Management Company shall invest in securities, other assets or undertake other methods of investment in accordance with the notifications of the Office of the SEC as follows. In case that the Office of the SEC has amended the notification related to the investment ratio regarding domestic investments, the Management Company shall invest in the securities or other assets of the Fund in compliance with such amended notification.

Part I: Type and required characteristics of general instruments in which the Management Company can invest

3.13.1 Type of Instruments:

(1) Equities:

- (a) Shares.
- (b) Share Warrants.
- (c) Transferrable Subscription Rights.
- (d) Depositary receipts with the underlying assets in the form of shares or warrants.
- (e) Other assets similar to clauses (a) to (d) approved by the Office of the SEC.

(2) Deposits.

3.13.2 Required characteristics of instruments and investment policy:

(1) The instruments above that the Management Company can invest in must have the following characteristics:

- (a) No conditions attaching to the asset that causes the investor to have more liabilities than the investment cost of the instrument.
- (b) Be transferable.

- (c) The Management Company can consistently access pertinent information regarding such instrument and the fair price or value of such instrument is available for consideration. Such information must be available from reliable sources which conform to accepted international standards.

Part II: Unit trusts of collective investment schemes (“CIS”), infrastructure funds and property funds where that unit trust is regulated and overseen by Thai regulators

- 3.13.3 The required qualifications of the investment and the applicable investment policy are the same as that in clause 3.13.2 (1) (a) and (b) above.
- 3.13.4 In case that the Mutual Fund invests in a CIS which itself is a mutual fund, such CIS must have the following investment policy:
- (1) It must invest in assets of a type and class which are the same as the assets in which the Fund could invest.
 - (2) It must invest in assets which can be calculated on a pro rata basis and the proportion of the investment is in accordance with the limits of the Fund regarding investment in a single entity and the product limit for assets which are classified as a Systematic Investment Plan (“SIP”) of the Fund.
 - (3) If it invests in derivatives, it must invest in derivatives in accordance with the global exposure limit of the Fund.
- 3.13.5 Where a feeder fund invests in a CIS, such CIS must not itself be a feeder fund.

Part III: Deposits or near-cash

- 3.13.6 Holdings of deposits or near cash must concern deposits or near cash of the following:
- (1) Commercial banks, finance companies or credit foncier companies regulated by the Financial Institution Laws.
 - (2) Government Savings Bank.
 - (3) Government Housing Bank.
 - (4) Bank for Agriculture and Agricultural Co-operatives.
 - (5) Secondary Mortgage Corporation.
 - (6) SME Bank.
 - (7) Import-Export Bank of Thailand.
 - (8) Islamic Bank of Thailand.

- (9) An international financial Institution which has the same qualifications as the deposit-taking.
- (10) Institutions referred to at nos. (1) to (9).

Part IV: Derivatives

3.13.7 The Fund can be the contractual partner in a contract concerning one or more of the following underlying assets or entities:

- (1) Assets in which the Fund is allowed to invest.
- (2) Interest rates.
- (3) Exchange rates.
- (4) Credit (e.g., credit rating).
- (5) Gold.
- (6) Crude oil.
- (7) A commodity index, an inflation index or an Index which is comprised of goods or assets referred to at nos. (1) to (6) or (9) of this sub-section.
- (8) An Index which is comprised of the indexes noted at (7) of this sub-section.
- (9) Other underlying assets or entities as specified by the SEC.

3.13.8 In case that a derivatives contract refers to the price of the underlying asset or entity, the given price must be the spot price or futures' price only. The price of an underlying asset or entity which is not an index or composition of an index must be accepted and disclosed publicly.

3.13.9 The Management Company can invest in derivatives when:

- (1) The Fund has clearly declared the details of the investment in the derivatives and the underlying asset or entity in the Prospects.
- (2) The Fund is the contractual partner of the derivatives contract in either of the following cases:
 - (a) Derivatives traded on an organized exchange.

- (b) The contractual partner of an “Over-the-Counter (“OTC”) or privately traded derivative in Thailand must be a commercial bank, a bank created by a special law, a derivatives agent or a derivatives trader.
 - (3) In case of settlement by delivering products when a derivative contract matures, such products must be assets that the Fund can invest in, regardless of whether the Fund would be a consignee or a consignor.
- 3.13.10 In case that the underlying asset or entity of a derivatives contract is an index according to 3.13.7 (7) and (8) above, such index must have the following qualifications:
- (1) The calculation method of the index is clearly defined and specifies the source of the underlying assets or entities or other factors for calculation. The calculation method is up to date and proper to the index composition in question. The underlying asset price is independent of market movement.
 - (2) The index must have at least one of the following qualifications:
 - (a) The index is adequately diversified as follows:
 - (i) The weighting of each underlying index is less than or equal to 20% of the total weighting of the derivative (the consideration of weighting excludes indexes based on gold or crude oil).
 - (ii) The weighting of one underlying index is less than or equal to 35% of the total weighting of the derivative in accordance with market conditions but the weighting of any other index must not exceed the weighting specified above (the consideration of weighting excludes indexes based on gold or crude oil).
 - (b) Other indexes apart from those given at (a) which follow these conditions:
 - (i) The index comprises instruments or contracts in which the Fund can directly invest.
 - (ii) The investment as calculated on a pro rata basis is the same as if the Fund directly invested in the underlying instruments or entities in accordance with the single entity limit of the Fund.
 - (c) The index is composed of or related to gold or crude oil.
 - (3) The index is developed by a trust institution and operates independently from the Management Company. In case such institution is a subsidiary of the Management Company, the Management Company shall have a conflict of interest policy in place.
 - (4) The price and other pertinent information of the index is disclosed on a daily basis via media that can present up-to-date information.

- (5) In case of a commodity group index, that index must be calculated from one or more of the following sources:
- (a) Spot price or futures' price of the underlying commodity.
 - (b) The spot price or futures' price of the index of one commodity.
 - (c) Any futures' price that refers to the index of one commodity.
- (6) In case of an inflation index, it must be calculated from the source of an inflation report from the Thai or a foreign government authority or calculated from the prices of products and services that the Management Company can show form the basis of the calculation method of such index and reflect the inflation rate appropriately.
- 3.13.11 The Management Company must put aside liquid assets in an amount that fully covers the value of the derivatives contract at maturity according to the regulation of the SEC.
- 3.13.12 In case that the Management Company invests in derivatives where the underlying asset or entity is not the same asset as to be used for hedging purposes, the investment approach to such derivatives must follow the regulations of the SEC.
- 3.13.13 The Management Company must ensure that the following details are included in any OTC or privately traded derivatives contract as follows:
- (1) The contractual partner shall calculate and inform the Management Company of the fair value of the derivatives every 15th and last day of each month. In case such days do not fall on a Business Day of the Management Company, the contractual partner will calculate and inform the Management Company the fair value by the next Business Day.
 - (2) In case there is an event which significantly impacts the price of derivatives, the contractual partner shall calculate and inform the Management Company of the fair value of the derivatives immediately.
 - (3) The contractual partner shall allow the Management Company to clear its holding of derivatives when the Management Company so requests.
- 3.13.14 The Management Company must abide by the following conditions:
- (1) The Management Company can be the contractual partner of a credit derivatives contract for hedging purposes only.
 - (2) The Management Company can be the contractual partner of a credit derivatives contract in respect of which the transaction is or is similar to:
 - (a) A Credit Default Swap. That is, a financial contract under which the buyer purchases insurance (the right to be compensated) from the seller in the event

of a loan default by a debt issuer. The contractual partner to the buyer, the insurance seller, is legally bound to pay the debt in the event of a loan default by the debt issuer. In case of a credit default, the obligation of the risk insurance seller will be effective immediately (in case of no credit default, the seller's obligation will expire in accordance with the term of the contract). Regardless of whether there is a single or multiple credit default, the insurance seller has to pay the premium and interest under the debt according to the first obligation in default when the credit default occurs. If credit default occurs, then settlement will take place only in respect of the obligation in respect of which there has been default. The credit default obligations will expire only when credit events occur in relation to every obligation in the group or the contract matures.

- (b) Total Rate of Return Swap: An agreement under which the total return payer makes payment based on the return of an underlying asset, while the total return seller is bound to make payments based on a set rate either fixed or variable and the depreciation (if any) of the fair value of the underlying assets. Payments due from each party to the other are netted off at the end of the Swap agreement (i.e., when a credit event occurs or the agreement matures).
- (3) The obligation must be of a standard type approved by the International Swaps and Derivatives Association (ISDA) or any other standard which the SEC accepts, and which has the following characteristics:
 - (a) Legally binding and not contradictory to the Securities and Exchange Act or other laws.
 - (b) Not contain conditions that render the rights to the underlying asset or entity in the fixed income instrument or derivatives contract ineligible.
 - (c) Not contain conditions that require the Fund to compensate the contractual partner in any circumstances.

3.14 As regards foreign investments, the type of securities or other assets that can be invested in or profit acquisition by other means:

The Management Company shall invest in securities and other assets or undertake other methods of investment in accordance with the notifications of the Office of the SEC as follows. In case that the Office of the SEC has amended the notification related to the investment ratio regarding foreign investments, the Management Company shall invest in securities or other assets of the Fund in compliance with such amended notification. Investment in foreign securities instruments or derivatives must only be undertaken in countries where the relevant regulator is a member of the International Organisation of Securities Commission (“**IOSCO**”) or where such instruments are traded in a foreign market that is a member of the World Federation of Exchanges (“**WFE**”) or the instrument is issued by a company that is established in the Greater Mekong Sub-region (“**GMS**”) and offers the instrument in question in the GMS.

Part I: Type and required characteristics of general instruments in which the Management Company can invest

3.14.1 Type of Foreign Instruments:

- (1) Equities:
 - (a) Shares.
 - (b) Share Warrants.
 - (c) Transferrable subscription rights.
 - (d) Depositary receipts with shares or warrants as underlying assets.
 - (e) Other assets similar to (a) to (d) approved by the Office of the SEC.

3.14.2 Required characteristics of investment instruments and investment policy:

- (1) The instruments above that the Management Company can invest in must have the following characteristics:
 - (a) No conditions attaching to the asset that causes the investor to have more liabilities than the investment cost of the instrument.
 - (b) Be transferable.
 - (c) The Management Company can consistently access pertinent information regarding such instrument and the fair price or value of such instrument is available for consideration. Such information must be available from reliable sources which conform to accepted international standards.

Part II: Unit trusts of a CIS, infrastructure funds and property funds where the unit trust is regulated by foreign regulators

3.14.3 The requisite qualifications of the investment and the applicable investment policy is the same as that in 3.13.2 (1) above.

3.14.4 In case that the Mutual Fund invests in a foreign CIS which itself is a mutual fund, such CIS (mutual fund) must have the following qualifications:

- (1) It must be issued and offered by a foreign regulator which is a member of IOSCO or is a unit trust of a foreign CIS which is traded in the foreign markets of WFE's members.
- (2) The CIS operator of such fund must be regulated by the IOSCO's members.

- 3.14.5 The countries where the unit trust is regulated must have a policy in place to protect investor's benefits and be a country approved by the Office of SEC.
- 3.14.6 The unit trust in which the Fund is investing must limit the amount of money it borrows for the necessity of temporarily managing liquidity, and the investment policy of the CIS must be as follows:
- (1) 80% or more of the net asset value of the CIS must be made up of assets of a type and class that the Fund can directly invest in.
 - (2) The CIS must invest in assets of a type which can be calculated on a pro rata basis and the proportion of its investment must be in accordance with the limit of the Fund regarding investment in a single entity. This condition does not apply to assets which are classified as a SIP.
 - (3) The CIS must invest in assets which can be calculated on a pro rata basis and the proportion of the investment is in accordance with the product limit for assets of the Fund which are classified as a SIP.
 - (4) The CIS must Invest in derivatives in accordance with the global exposure limit of the Fund.
- 3.14.7 Where a feeder fund invests in a foreign CIS, such foreign CIS must not itself be a feeder fund, unless this is necessary and a benefit to Unitholders. In the latter case, the SEC must provide approval before the Fund invests and the Fund must also disclose pertinent information and the rationale and fees for such an investment.

Part III: Deposits with foreign financial institutions or foreign issued instruments which are equivalent to near-cash

- 3.14.8 Investments in deposits or near-cash must concern deposits or near cash of deposit-taking institutions as specified by the Office of the SEC.

Part IV: Derivatives

- 3.14.9 The Fund can be the contractual partner in a contract concerning one or more of the following underlying assets or entities:
- (1) Assets in which the Fund is allowed to invest.
 - (2) Interest rates.
 - (3) Exchange rates.
 - (4) Credit (e.g., credit rating).

- (5) Gold.
- (6) Crude oil.
- (7) A commodity index, an inflation index or an Index which is comprised of goods or assets referred to at nos. (1) to (6) or (9) of this sub-section.
- (8) An Index which is comprised of the indexes noted at (7) of this sub-section.
- (9) Other underlying assets or entities as specified by the SEC.

3.14.10 In case that a derivatives contract refers to the price of the underlying asset or entity, the given price must be the spot price or futures' price only. The price of an underlying asset or entity which is not an index or composition of an index must be accepted and disclosed publicly.

3.14.11 The Management Company can invest in derivatives when:

- (1) The Fund has clearly declared the details of the investment in the derivatives and the underlying asset or entity in the Prospects.
- (2) The Fund is the contractual partner of the derivatives contract in either of the following cases:
 - (a) Derivatives traded on an organized exchange.
 - (b) The contractual partner of an "Over-the-Counter ("OTC") or privately traded derivative in Thailand must be a commercial bank, a bank created by a special law, a derivatives agent or a derivatives trader.
- (3) In case of settlement by delivering products when a derivative contract matures, such products must be assets that the Fund can invest in, regardless of whether the Fund would be a consignee or a consignor.

3.14.12 In case that the underlying asset or entity of a derivatives contract is an index according to 3.14.9 (7) and (8) above, such index must have the following qualifications:

- (1) The calculation method of the index is clearly defined and specifies the source of the underlying assets or entities or other factors for calculation. The calculation method is up to date and proper to the index composition in question. The underlying asset price is independent of market movement.
- (2) The index must have at least one of the following qualifications:
 - (a) The index is adequately diversified as follows:

- (i) The weighting of each underlying index is less than or equal to 20% of the total weighting of the derivative (the consideration of weighting excludes indexes based on gold or crude oil).
 - (ii) The weighting of one underlying index is less than or equal to 35% of the total weighting of the derivative in accordance with market conditions but the weighting of any other index must not exceed the weighting specified above (the consideration of weighting excludes indexes based on gold or crude oil).
 - (b) Other indexes apart from those given at (a) which follow these conditions:
 - (i) The index comprises instruments or contracts in which the Fund can directly invest.
 - (ii) The investment as calculated on a pro rata basis is the same as if the Fund directly invested in the underlying instruments or entities in accordance with the single entity limit of the Fund.
 - (c) The index is composed of or related to gold or crude oil.
- (3) The index is developed by a trust institution and operates independently from the Management Company. In case such institution is a subsidiary of the Management Company, the Management Company shall have a conflict of interest policy in place.
- (4) The price and other pertinent information of the index is disclosed on a daily basis via media that can present up-to-date information.
- (5) In case of a commodity group index, that index must be calculated from one or more of the following sources:
- (a) Spot price or futures' price of the underlying commodity.
 - (b) The spot price or futures' price of the index of one commodity.
 - (c) Any futures' price that refers to the index of one commodity.
- (6) In case of an inflation index, it must be calculated from the source of an inflation report from the Thai or a foreign government authority or calculated from the prices of products and services that the Management Company can show form the basis of the calculation method of such index and reflect the inflation rate appropriately.
- 3.14.13 The Management Company must put aside liquid assets in an amount that fully covers the value of the derivatives contract at maturity according to the regulation of the SEC.
- 3.14.14 In case that the Management Company invests in derivatives where the underlying asset or entity is not the same asset as to be used for hedging purposes, the investment approach to such derivatives must follow the regulations of the SEC.

3.14.15 The Management Company must ensure that the following details are included in any OTC or privately traded derivatives contract as follows:

- (1) The contractual partner shall calculate and inform the Management Company of the fair value of the derivatives every 15th and last day of each month. In case such days do not fall on a Business Day of the Management Company, the contractual partner will calculate and inform the Management Company the fair value by the next Business Day.
- (2) In case there is an event which significantly impacts the price of derivatives, the contractual partner shall calculate and inform the Management Company of the fair value of the derivatives immediately.
- (3) The contractual partner shall allow the Management Company to clear its holding of derivatives when the Management Company so requests.

3.14.16 The Management Company must abide by the following conditions:

- (1) The Management Company can be the contractual partner of a credit derivatives contract for hedging purposes only.
- (2) The Management Company can be the contractual partner of a credit derivatives contract in respect of which the transaction is or is similar to:
 - (a) A Credit Default Swap. That is, a financial contract under which the buyer purchases insurance (the right to be compensated) from the seller in the event of a loan default by a debt issuer. The contractual partner to the buyer, the insurance seller, is legally bound to pay the debt in the event of a loan default by the debt issuer. In case of a credit default, the obligation of the risk insurance seller will be effective immediately (in case of no credit default, the seller's obligation will expire in accordance with the term of the contract). Regardless of whether there is a single or multiple credit default, the insurance seller has to pay the premium and interest under the debt according to the first obligation in default when the credit default occurs. If credit default occurs, then settlement will take place only in respect of the obligation in respect of which there has been default. The credit default obligations will expire only when credit events occur in relation to every obligation in the group or the contract matures.
 - (b) Total Rate of Return Swap: An agreement under which the total return payer makes payment based on the return of an underlying asset, while the total return seller is bound to make payments based on a set rate either fixed or variable and the depreciation (if any) of the fair value of the underlying assets. Payments due from each party to the other are netted off at the end of the Swap agreement (i.e., when a credit event occurs or the agreement matures).

- (3) The obligation must be of a standard type approved by the International Swaps and Derivatives Association (ISDA) or any other standard which the SEC accepts, and which has the following characteristics:
- (a) Legally binding and not contradictory to the Securities and Exchange Act or other laws.
 - (b) Not contain conditions that render the rights to the underlying asset or entity in the fixed income instrument or derivatives contract ineligible.
 - (c) Not contain conditions that require the Fund to compensate the contractual partner in any circumstances.

3.15 Investment ratio of the Fund regarding investment in local or foreign securities:

The Management Company shall invest in securities and other assets or adopt other methods of investment in accordance with the notifications of the Office of the SEC as follows. In case that the Office of the SEC has amended the notification related to the investment ratio, the Management Company shall invest in the securities or other assets of the Fund in compliance with such amended notification accordingly.

Part I: Investment Ratio Limits in respect of a Single Entity, Issuer, Payer or Contractual Party (Single Entity Limit):

No.	Asset Type	Ratio (% of NAV)
1	Unit Trust of a CIS	No limit
2	Deposits or near-cash	Not exceeding 20%
3	<p>Assets:</p> <p>3.1. Equity instruments which are listed on the Stock Exchange of Thailand or a foreign stock exchange for investors, excluding equities of listed companies that are in the process of appealing not to be delisted on the Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.2. Equity instruments which are issued by listed companies in accordance with either Thai or foreign laws. The stocks are traded on the Stock Exchange of Thailand or on a foreign stock exchange for investors, excluding equities of listed companies that are in the process of appealing not to be delisted in Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.3. IPO stocks according to 3.1.</p>	<p>Total ratio (for each asset type) not exceeding the higher of:</p> <p>(1) 15% or</p> <p>(2) An amount equivalent to the weighting of that asset in the Benchmark + 5%</p>

	<p>3.4. OTC (privately traded) Derivatives the issuer of which has an investment grade credit rating.</p> <p>3.5. Unit trust of an infrastructure or property fund:</p> <p>3.5.1. that is listed on the Stock Exchange of Thailand or on a foreign stock exchange for investors or in the IPO period for listing, excluding equities of listed companies that are in the process of appealing not to be delisted on the Stock Exchange of Thailand or on a foreign stock exchange.</p> <p>3.5.2. that is not diversified.</p>	
4	Unit trust of an infrastructure or property fund that diversifies their investments in infrastructure projects, in freehold or leasehold.	No limit
5	Other assets apart from No. 1-4 (SIP).	Total not exceeding 5% per issuer

Remark: In the case of the assets mentioned below, there is no investment ratio limit in respect of a single entity, issuer, payer or contractual partner:

- (1) Deposit or near-cash for the Fund's operation.
- (2) Derivatives listed on an organized exchange.

Part II: Investment Ratio Limit in respect of Investment in a Group of Companies (Group Limit):

No.	Asset Type	Ratio (% of NAV)
1	Investment in companies in the same group or acting as the contractual partner of such companies.	<p>Total ratio not exceeding the higher of:</p> <p>(1) 25% or</p> <p>(2) An amount equivalent to the weighting of that asset in the Benchmark + 10%</p>

Remark: In case of the assets mentioned below, there is no group limit:

- (1) Deposit or near-cash for the Fund's operation.
- (2) Derivatives listed on an organized exchange.

Part III: Investment Ratio Limit in respect of a Product Type (Product Limit):

No.	Asset Type	Ratio (% of NAV)
1	<p>Deposits and certificates of deposit when the following persons are the issuers, payers or contractual partners:</p> <p>(1) Banks created by a special law, (2) Commercial banks, (3) Finance companies, (4) Credit foncier companies, (5) Secondary mortgage corporations, (excluding assets that the Fund receives in respect of an ownership transfer from the contractual partner to a derivatives contract.)</p>	<p>- Not exceeding 45% of the NAV of the Fund in any financial year, unless the tenure of the Fund is less than one (1) year, in which case the holding should not exceed 45% of the average NAV of the Fund's duration.</p> <p>- The above ratio is not applied when the tenure of the Mutual Fund is equal to or more than one (1) year but it will mature in six (6) months or less.</p>
2	<p>Assets</p> <p>(1) Deposits or near-cash in respect of which the fixed deposit period is more than 12 months. (2) Total SIP assets according to No. 3 of this part</p>	Total (in aggregate) not exceeding 25%
3	Total SIP assets (including SIP assets noted at Part I, No. 5.	Total not exceeding 15%
4	<p>Derivatives:</p> <p>Derivatives transactions for hedging purposes.</p> <p>Derivatives transactions for non-hedging purposes.</p>	<p>Cannot invest in complex types of derivatives.</p> <p>Not exceeding the net exposure of the underlying.</p> <p>Not exceeding 100% of the NAV.</p>

Remark: No product limits apply to investments in deposits or near-cash for the Fund's operation.

Part IV: Investment Ratio and Concentration Limits:

No.	Asset Type	Ratio (% of NAV)
1	Shares of one company	<p><u>In the case of a Mutual Fund (which is not the Vayupak Fund)</u></p> <p>Total number of shares of one company that every mutual fund under the management of the Management Company holds must not exceed 25% of the total rights of voting of that company (not including the Vayupak Fund).</p>
2	Unit trust of a single CIS	<p>Not exceed one-third of the total units of a domestic or foreign CIS, unless the Office of the SEC provides an exemption. The unit trust of the CIS must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.</p>
3	Unit trust of a single Infrastructure Fund	<p>Not exceeding one-third of the total units of such Infrastructure Fund, unless the Office of the SEC provides an exemption. The unit trust of the Infrastructure Fund must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.</p>
4	Unit trust of a single Property Fund	<p>Not exceeding one-third of the total units of such Property Fund, unless the Office of the SEC provides an exemption. The unit trust of the Property Fund must be small, a newly registered fund (registered within two (2) years) and make public offers of units to investors.</p>

The investment ratio calculation and policy are in accordance with the regulations of the SEC regarding investments.

Part VI: Process when the investment assets and/or the investment ratio do not meet the required qualifications

3.15.1 In the event that the Fund has invested in assets under the specified rules but the assets subsequently do not qualify as assets that the Fund can hold, the Management Company shall perform the following actions:

- (1) Prepare a report identifying the type of assets, the amount of such asset held, the investment ratio applying to the asset and the date on which such asset ceases to conform to the required qualifications and submit it to the Office of the SEC and the Trustee within the Business Day following the date on which the investment ceases to conform to the required qualifications and keep a copy of such report at the office of the Management Company.
- (2) Dispose of assets which do not meet the qualifications on the first occasion by taking into account the benefits of investors, but in any case no later than ninety (90) days as from the date of disqualification.
- (3) When the status of assets changes from disqualified to qualified or the Management Company disposes of disqualified assets, the Management Company shall prepare a report identifying the name of the asset, the amount held (or previously held) and the ratio of investment in such asset, and the date on which such asset is considered to be qualified or the date on which the disqualified asset is disposed of (as the case may be) and submit it to the Office of the SEC and the Trustee within the Business Day following the date on which the asset is considered to be qualified or is disposed of (as the case may be).

3.15.2 In the case where the Fund has invested in or acquired assets which at the time of investment or acquisition were of values not exceeding the limits of the investment ratio prescribed above, but such values have later exceeded prescribed limits for five (5) consecutive Trading Days with such excess not caused by an increase of investment, the Management Company shall do the following:

- (1) Prepare a report identifying the type of asset, the amount of such asset held, the relevant investment ratio applying to that asset and the date on which the value of the investment exceeds the prescribed investment ratio and submit it to the Office of the SEC and the Trustee within the Trading Day following the last of the five (5) consecutive Trading Days on which the investment's value exceeds the limits and keep a copy of such report at the office of the Management Company.
- (2) Not invest further in assets that exceed the investment ratio until the holding of such assets is rectified to be in accordance with the specified investment ratio.
- (3) Fix matters (e.g., dispose of assets) to ensure that the Fund's holding is in accordance with the specified investment ratio at the first opportunity considering the benefits of investors, but in any case not later than:
 - (a) Thirty (30) days from the end of the financial year in case the investment's value exceeds the prescribed limits which apply to investments in deposits or near-cash according to No. 1 of Part III.
 - (b) Ninety (90) days from the date that the investment's value exceeds the prescribed limits in respect of investments that do not fall under (3) (a).

- (4) When the Management Company is able to rectify matters to ensure that the Fund's holding is in accordance with the specified investment ratio, the Management Company shall prepare a report identifying the name of the assets in question, the amount of the investment, the ratio of investment in such assets and the date on which the Fund's holding of such asset was rectified to be in accordance with the prescribed investment ratio, and then submit such report to the Office of the SEC and the Trustee within the Business Day following the date on which the holding of such assets is rectified to be in accordance with the prescribed investment ratio.
- (5) In case that the Fund holds the shares of any company and it ought not to hold those shares in accordance with No. 1 of Part IV, the Management Company shall perform not only the actions as set out above at (1) (2) (3) and (4), but it must also perform the following actions:
 - (a) Refrain from exercising the right to vote in respect of those shares that exceed such investment ratio, unless such voting is necessary and appropriate and an exemption is granted by the Office of the SEC.
 - (b) In case the Fund holds the shares of a listed company and its holding is beyond the threshold which requires the holder to make a Tender Offer, the Management Company shall proceed to ask for a waiver by reducing the portion of the Fund's shareholding or relinquishing hold of controlling power or submit to the Office of the SEC a request for a waiver in accordance with the Notification of the Office of the SEC on the Rules, Conditions and Procedures for Acquisition of Securities for Business Takeover.
- (6) In the case where the Fund has invested in or acquired assets which at the time of investment or acquisition were of values not exceeding the limits of investment ratio prescribed above, but such values later have exceeded limits due to any of the following causes, the Management Company shall perform the actions set out above at 13.5.2:
 - (a) The Fund invests in assets which gives them the right to invest in further assets and the Fund so invests or has the right to further invest.
 - (b) The Fund obtains assets via a donation.
- (7) In any case where the Management Company sees that rectification is not beneficial to the investors, and the Management Company therefore does not perform any amendment to make the investment comply with the rules specified in clause 3.15.1 (2) or 3.15.2 (3) (b), the Management Company can instead perform any action at its own discretion as deemed appropriate by mainly considering the benefits of investors and submit a report on operations of the Management Company to the Office of the SEC, the Unitholders and Trustee prior to the due date of amendment to comply with such rules. To submit such report to the Unitholders, the Management Company shall post an announcement on its website.

Part VII: Process when an investment of the Fund is not in accordance with the investment policy given the Fund's type

3.15.3 In the event that the investments of the Fund are not in accordance with the investment policy of the Fund given the Fund's type, the Management Company shall perform the following actions:

- (1) Prepare a report on the investment and provide a reason why it does not follow the investment policy qualifications and submit it to the Office of the SEC and the Trustee within the Business Day following the date on which such case occurs and keep a copy of such report at the office of the Management Company.
- (2) Take action to ensure that the composition of investments is in accordance with the investment policy within ninety (90) days from the date on which the composition of investments do not qualify. Alternatively, the Management Company shall amend the Fund's type (to fit with the composition of the Fund's investments) if the Unitholder's resolve to do so within such ninety (90) day period.
- (3) As regards amendment of the Fund's type, the Management Company must arrange for the existing Unitholders to exit the Fund before such amendment is effective. The process for exit must be fair and provide a reasonable period of time for the investor to exit. If the Unitholders resolve to amend the Fund's type, the Management Company must waive the back-end fee for every Unitholder until the amendment is effective. In case that the amendment of the Fund's type is not effective after ninety (90) days from the date that the composition of investments of the Fund do not qualify, the Management Company cannot offer additional units to investors.

4. Class of Unit

4.1 There are 2 classes of units:

1. For General (Non-Retail) Investors (SMF-A)

Suitable for accredited investors who wish to invest in amount below that required for an Institutional Investor (SMF-I).

The investor can place a subscription order with the Management Company or the Selling Agents on any Trading Day from the start of business to 3.30 p.m.

Minimum amount of initial subscription order: 500,000.00 Baht.

Minimum amount of subsequent subscription order: 50,000.00 Baht.

The investor can place a redemption order with the Management Company or Selling Agents on any Trading Day from the start of business to 12.00 p.m.



Minimum amount of redemption order: 50,000.00 Baht.

Minimum value of outstanding unit balance (based on cost method): 500,000.00 Baht.

The Management Company shall make payment of redemption proceeds to Unitholders within five (5) Business Days from the day following the Trading Day that net asset value is calculated.

Statements issued to investors can be denominated in US Dollars upon the investor's request.

2. For Institutional Investors (SMF-I)

Suitable for Institutional Investors as specified by the Management Company and any large investor who wishes to invest in the amounts set out below.

The investor can place a subscription order with the Management Company or the Selling Agents on any Trading Day from the start of business to 3.30 p.m.

Minimum amount of initial subscription order: 10,000,000.00 Baht.
(approximately 290,000.00 USD).

Minimum amount of subsequent subscription order: 1,000,000.00 Baht.
(approximately 29,000.00 USD).

The investor can place the redemption order with the Management Company or Selling Agents on any Trading Day from the start of business to 12.00 p.m.

Minimum amount of redemption order: 1,000,000.00 Baht.
(approximately 29,000.00 USD).

Minimum value of outstanding unit balance: 10,000,000.00 Baht.
(approximately 290,000.00 USD).

The Management Company shall make payment of the redemption proceeds to Unitholders within five (5) Business Days from the day following the Trading Day that net asset value is calculated.

Statements issued to investors can be denominated in US Dollars upon the investor's request.

- 4.2 The Management Company reserves its right to amend the definition of Institutional Investor by posting an announcement at the Management Company's office and on its website and the Selling Agent's office at least seven (7) days before the amendment, but such amendments can only be made where they are for the benefit of Unitholders.

5. Initial Public Offering

- 5.1 Channels for the IPO:

5.1.1 Management Company.

5.1.2 Selling agent.

5.1.3 Any other channels further specified by the Management Company.

5.2 Details of the initial public offering:

The period of the IPO will be 17 to 25 July 2017 from the opening time of the Management Company or Selling Agents (if any) to 3.30 p.m. on every Trading Day.

As regards the last day of the IPO period, the Management Company reserves the right to accept payments from subscribers made by cheque or draft only until 12.00 p.m. on that day.

As regards any payments that for whatever reason cannot be cleared on the last day of the IPO period, or where for whatever reason there is no evidence of receipt of a payment from the payee bank on the last day of the IPO period, the Management Company reserves the right to refuse to accept the subscription order of investment units relating to that payment.

5.2.1 The Management Company will offer units to accredited investors with a par value of 10.0000 baht per unit plus the front-end fee (if any) and VAT. Subscribers can contact the Management Company or Selling Agents appointed by the Management Company if they wish to purchase units. In case the subscription amounts are equal to the registration amount of the Fund before the end of the IPO period, the Management Company shall consider ending the offering and registering the Mutual Fund.

5.2.2 In the case of an individual investor, up to four (4) persons can jointly hold units with others. A juristic person investor cannot jointly hold units with others, following the regulations specified by the Management Company, except when the Management Company allows a juristic person investor to do so on a case by case basis. The Management Company shall post an announcement at the office and on the website of the Management Company or at the offices of the Selling Agents to inform the Unitholders in advance when it allows such joint holdings.

5.2.3 Investors can request the Summary Prospects, subscription form and account opening form at the office of the Management Company or the Selling Agents.

5.2.4 Placement of subscription order:

(1) With the Management Company:

(a) Subscribers must complete and clearly fill in their details in the account opening form and submit all documents to the Management Company or the Selling Agent within the date and time specified in the Summary Prospects.

- (b) Pay the initial minimum subscription amount plus the front-end fee (if any) and VAT.
- (2) With the Selling Agent:
- (a) Subscribers must completely and clearly fill in their details in the account opening form and submit all documents to the Management Company or the Selling Agent within the date and time specified in the Summary Prospects.
 - (b) Pay the initial minimum subscription amount plus the front-end fee (if any) and VAT.

5.3 Receipt of payment and place of custody of subscription payment:

- 5.3.1 Subscribers shall make the subscription payment to the Management Company or the Selling Agent by cheque, draft, or direct debit order that can be collected within the same clearing region as that used by the Management Company. Payment shall be made into any of the following accounts provided by the Management Company.

Account Name “Siam Knight Fund Management Securities Co.,Ltd. – Subscription”

Bank	Branch	Type of Account	Account Number
Kasikorn Bank	Silom Road	Savings	025-8-21586-9
Siam Commercial Bank (SCB)	Sathorn Road	Savings	101-2-43947-9
Bank of Ayudhya (BAY)	Rama 3	Savings	777-1-79858-2

Or payment shall be made into any other deposit accounts provided by the Management Company to be the account for receiving subscription payments in the future. However, the Management Company reserves the right to amend the account details. Any such change shall not be considered as non-compliance with the Scheme.

- 5.3.2 In the event that payment is made by cheque, the subscriber shall provide the date of the subscription order, cross the cheque and make it payable only to the subscription account of the Fund.
- 5.3.3 A subscriber who has made a subscription payment shall not be able to withdraw his subscription order and request a refund of the subscription payment.
- 5.3.4 A Registrar appointed by the Management Company will deliver to Unitholders the confirmation note and invoice for the front-end fee (if any) by post within fifteen (15) Trading Days from the end of the IPO period, except the Management Company reserves the right to proceed in a different manner.

5.3.5 The Management Company reserves the right to amend, modify or add to the payment methods in the future according to the rules and conditions specified by the Management Company, and such amendment, modification or addition shall not be regarded as an amendment to the scheme. Such amendment, modification or addition shall be published at the office and on the website of the Management Company.

5.4 Allocation of investment units:

5.4.1 The Management Company shall allocate investment units to all subscribers according to their subscription order and payment of subscription amounts. In case the Management Company does not receive the full amount of subscription payment as specified in the subscription order and according to the procedures for placing subscription orders, the Management Company shall allocate investment units on the basis of the payment received.

5.4.2 In the event that the amount subscribed by subscribers in the IPO exceeds the Scheme capital, the Management Company may offer additional investment units up to an amount of 15% of the Scheme capital. The Management Company shall allocate investment units on a first-come first-served basis according to the date that the Management Company receives subscription orders. In the event that two (2) or more subscription orders are placed simultaneously and there are not enough investment units to be allocated, the Management Company shall allocate units to competing subscribers on a proportional basis according to the amount ordered. The Management Company reserves the right to allocate or not allocate investment units, fully or partially, without having to notify the Unitholders in advance, in the event that the Management Company considers that such action protects the best interests of the Fund.

5.4.3 The Registrar shall submit a confirmation note confirming the subscription of units to subscribers by mail within fifteen (15) Business Days from the day following the closing date of the IPO. However, the rights of Unitholders shall arise only when the Registrar has recorded the fact and the pertinent details of the subscription of investment units of Unitholders in the unitholder register book.

5.5 Refund of subscription payment:

5.5.1 The Management Company shall refund subscription payments without interest to subscribers who have not been allocated units within fifteen (15) Business Days from the day following the closing date of the IPO.

5.5.2 In case the Management Company terminates the Scheme after the IPO period because the total number of Unitholders is not more than thirty five (35) persons or investment units were allocated to any person or persons of the same group in an amount exceeding one third of the total outstanding investment units, the Management Company shall report such matter to the Office of the SEC within fifteen (15) Business Days from the day following the closing date of the IPO and shall refund subscription payments and/or the benefits thereof (if any) to the subscribers within one (1) month from the day following the closing date of the IPO. In respect of the refund of



subscription payments, the Management Company shall issue crossed cheques payable in the name of the subscribers and submit them by registered mail to the subscribers at the addresses provided on the fund account opening application form or transfer cash to the subscribers' accounts as provided in the said application form.

5.6 Required documents for opening an account:

5.6.1 Subscribers must have a fund account with the Management Company for processing any transaction in respect of any fund managed by the Management Company. Subscribers have to fill in the details required in the account opening form and attach the following documents:

Individual

- (1) Copy of Identification Card, or
- (2) Copy of Government ID Card and House Registration, or
- (3) Copy of Passport (for foreign investor),

and / or other required documents as further specified.

Juristic Person

- (1) Copy of Company Registration, and
- (2) Example of authorized director's or authorized person's signature and the conditions applying to the signing of documents by such persons, and
- (3) Copy of the Identification Card of such directors and authorized persons, and
- (4) Power of Attorney in case the authorized persons are not the authorized directors as specified in the corporate documents or affidavit.

5.6.2 In the case of joint Unitholders of between two (2) and four (4) persons, the Management Company will register those Unitholders to be joint-Unitholders in the unitholder register book, and the first person referred to in the account opening form will be considered the person who has the rights of the Unitholder and who will receive any redemption amounts or dividend payments.

5.7 Limitation on the offering of units:

The Management Company reserves its right to reject subscription orders if they do not comply with the regulations of SEC or where it seems likely in the opinion of the Management Company that acceptance of the subscription order will negatively affect management of the Fund or may cause any legal or reputational risk to the Management Company or Fund, but in any case the

Management Company will be concerned with the Unitholder's benefits when considering such matters.

6. Offers after the Initial Public Offering

6.1 Channels for offers after the IPO:

- 6.1.1 Management Company.
- 6.1.2 Selling Agent.
- 6.1.3 Internet.
- 6.1.4 Any other channels further specified by the Management Company.

6.2 Details of offer after the IPO:

6.2.1 In the case of placing a subscription order with the Management Company or the Selling Agent:

- (1) Investors can place subscription orders on any Trading Day during the period specified in the Summary Prospects at the Offer Price available on that Trading Day, and such Offer Price will be certified by the Trustee. The value of investment units on that Trading Day shall be the basis of the calculation of the net asset value.
- (2) If the Management Company or the Selling Agent receives a subscription order after the specified date or time, the transaction shall be considered as a subscription order made on the next Trading Day at the offer price of that next Trading Day.
- (3) Subscribers shall subscribe for at least the minimum amount of subscription order (if any). Subscribers shall complete and clearly fill in their details in the account opening form, complete a subscription order form according to the procedures relevant to each method of placing a subscription order and submit any other documents that the Management Company may additionally require and pay the subscription amount in full, and submit all of the above to the Management Company or the Selling Agent.
- (4) The Management Company reserves its right to amend the minimum amount of subscription order in the future, and such amendment shall not be regarded as an amendment to the Scheme. However, in the event that such an amendment is made, the Management Company shall provide notice to Unitholders at least three (3) days in advance by posting an announcement at the office and on the website of the Management Company and at the office of the Selling Agent.

6.3 Receipt of payment and place of custody of subscription payment:

- 6.3.1 Subscribers shall make the subscription payment to the Management Company or the Selling Agent by cash, cheque, draft, or direct debit order that can be collected within

the same clearing region as that used by the Management Company. Payment shall be made into the following accounts provided by the Management Company.

Account Name “Siam Knight Fund Management Securities Co., Ltd. – Subscription”

Bank	Branch	Type of Account	Account Number
Kasikorn Bank	Silom Rd	Savings	025-8-21586-9
Siam Commercial Bank (SCB)	Sathorn Rd	Savings	101-2-43947-9
Bank of Ayudhya (BAY)	Rama 3	Savings	777-1-79858-2

Or payment shall be made into any other deposit accounts provided by the Management Company to be the account for receiving subscription payments in the future. However, the Management Company reserves the right to amend the account details. Any such change shall not be considered as non-compliance with the Scheme.

- 6.3.2 In the event that payment is made by cheque, the subscriber shall provide the date of the subscription order, cross the cheque and make it payable only to the subscription account of the Fund.
- 6.3.3 A subscriber who has made a subscription payment shall not be able to withdraw his subscription order and request a refund of the subscription payment.
- 6.3.4 In the case that a subscriber makes a payment using a cheque or draft after the period for accepting cheques or drafts, the Management Company shall consider that such order is for subscription of the investment units on the next Trading Day at the Offer Price calculated at the end of the next Trading Day. For any cheque or draft that cannot be cleared from the bank of a subscriber, the Management Company reserves its right to suspend trading with such a subscriber and also notify such subscriber or assign the Selling Agent who accepted such subscription order to notify such subscriber by phone or any other means within the Business Day following the date on which the Management Company receives confirmation that the cheque or draft cannot be cleared.
- 6.4 Allocation of investment units:
- 6.4.1 The Registrar shall deliver a confirmation note to Unitholders by any means as evidence for such subscription of investment units within five (5) Trading Days from the day following the date that the valuation of the investment units is calculated.
- 6.4.2 The rights of Unitholders shall only come into existence when the Registrar has recorded the fact and pertinent details of the subscription of investment units of Unitholders in the unitholder register book.

6.4.3 Any increase in the number of investment units held by an investor shall be made on the Trading Day following the Trading Day on which the net asset value of the investment units is calculated.

6.4.5 Any offshore investor must take responsibility for any regulations and any tax obligations related to their investment.

6.5 Offering investment units via the internet:

The Management Company may allow the trading of investment units via the internet in order to facilitate Unitholders, and such trading shall not be regarded as an amendment to the Scheme. Regarding the terms and conditions relating to the procedures for the subscription of investment units, these shall be in accordance with the details specified in clause 6.2.1. Prior to providing a service via the internet, the Management Company shall provide notice to the Unitholders of its intention to do so by posting an announcement at the Management Company's office and on its website.

6.6 Refund of subscription payment:

The Management Company shall refund the subscription payment for any unallocated portion of units without interest thereof to the subscribers within fifteen (15) Business Days from the day following the relevant Trading Day. To refund the subscription payment, the Management Company shall pay by a cheque crossed and make payment in the name of the subscriber and submit it by registered mail to the address as specified in the Fund account opening application form or transfer cash to the account of the subscriber as specified in the Fund account opening application form.

6.7 Limitations on subscription orders:

In case the Management Company wishes to protect the benefits of the Mutual Fund or of Unitholders or the Management Company's reputation or to comply with its legal responsibilities or where it considers that the subscription order of any person or persons of the same group would cause such person or persons of the same group to hold more than one third of the total outstanding investment units, the Management Company reserves the right to allocate or not allocate investment units, fully or partially, without having to notify the Unitholders in advance.

6.8 Other conditions:

The Management Company reserves its right to change, amend or add to the procedures regarding the offering of investment units or payment methods for subscription in the future according to the rules and conditions specified by the Management Company, and such change, amendment or addition shall not be regarded as an amendment to the Scheme. However, in the event of any such change, amendment or addition, the Management Company shall provide notice to the Unitholders by posting an announcement at the Management Company's office and on its website.

7. Redemption of Investment Units

7.1. Channels for redemption of investment units:

- 7.1.1 Management Company.
- 7.1.2 Selling Agent.
- 7.1.3 Internet.
- 7.1.4 Any other channels further specified by the Management Company.

7.2 Details of channels for redemption of investment units:

The Management Company will accept a redemption order on any Trading Day, and it will be possible to redeem investment units on any Trading Day within one (1) month of the Fund registration date. The Management Company shall provide a notice to Unitholders indicating when they will be accepting redemption orders by posting an announcement seven (7) days in advance at the Management Company's office and on its website or at the office of the Redemption Agent.

7.3 Method of redemption of investment units: At the discretion of the Unitholder.

7.4 Details of additional redemption of investment units:

7.4.1. Investment unit redemption through the Management Company or Selling Agents:

- (1) The Unitholders can redeem their investment units on any Trading Day during the period specified in the Summary Prospects at the Bid Price on that Trading Day as certified by the Trustee. The value of investment units on that Trading Day shall be the basis of the calculation of the Bid Price. If the Management Company or the Redemption Agents receive any redemption order after the specified date or time, the Management Company shall consider such redemption order as having been placed on the following Trading Day at the Bid Price of that next Trading Day.
- (2) The Unitholders shall complete and clearly fill in their details in the redemption order form according to the procedures applying to each channel for redemption, and they must identify the number of investment units to be redeemed or the amount that the unitholder wishes to receive from such redemption order, which in any case shall not be less than the minimum value of the redemption order (if any).
- (3) The Management Company shall accept any redemption order of investment units issued by a unitholder provided such order complies with the rules laid down in the Scheme. The Management Company shall make any payment of redemption proceeds to Unitholders within five (5) Trading Days from the day following the Trading Day on which the net asset value of the investment units is calculated. The Management Company shall transfer the redemption proceeds to the deposit account of the

unitholder according to the account number as provided in the application form or issue a crossed cheque payable in the name of the subscriber.

- (4) The right of Unitholders to redemption shall only arise when the Registrar has recorded the redemption order of a Unitholder in the Unitholder register book.
- (5) Reduction of the number of investment units held by an investor following redemption of investment units will be carried out on the Trading Day following the Trading Day on which the net asset value of the investment units is calculated.
- (6) In the event that any redemption order causes the value or number of investment units held in an account of the unitholder to be less than the specified minimum value or number, the Management Company reserves the right to redeem all of the investment units held by that Unitholder as shown in the Unitholder register book.

7.4.2 Investment unit redemption via the internet:

The Management Company may allow the trading of investment units via the internet in order to facilitate Unitholders, and such trading shall not be regarded as an amendment to the Scheme. Regarding the terms and conditions relating to the redemption of investment units via this channel, these shall be in accordance with the details specified in Clause 7.4.1. Prior to providing such service via the internet, the Management Company shall provide notice to the Unitholders by posting an announcement at its office and on its website or at the office of the Redemption Agent.

7.5 Other Conditions:

The Management Company reserves its right to change, amend or add to the procedures regarding redemption of investment units and the payment method for redemption proceeds in the future for the convenience of Unitholders according to the rules and conditions specified by the Management Company, and such change, amendment or addition shall not be regarded as an amendment to the Scheme. However, the Management Company shall provide notice of any such change, amendment or addition to the Unitholders by posting an announcement at its office and on its website or at the office of the Redemption Agent.

7.6 Period of acceptance of a redemption order: Any Trading Day

7.7 Details of period of acceptance of a redemption order:

The Management Company shall provide the redemption service on any Trading Day from 9.00 a.m. until 12.00 p.m.

7.8 Redemption of investment units:

Unitholders are not required to inform the Management Company in advance if they wish to redeem.

7.9 Details of additional redemption of investment units: None

7.10 Additional details: None

8. Switching of Investment Units

8.1. Channels for the switching of investment units:

- 8.1.1 Management Company.
- 8.1.2 Selling Agent.
- 8.1.3 Any other channels further specified by the Management Company.

8.2. Details of switching of investment units:

- 8.2.1 The Management Company may allow Unitholders to place switching orders. If they do, the Management Company shall provide notice to the Unitholders by posting an announcement at its office or on its website or at the offices of the Selling Agents.
- 8.2.2 The Management Company reserves the right to suspend the acceptance of switching orders temporarily or permanently in case that the Management Company considers that such suspension will be of benefit to the Fund and Unitholders. In such a case, the Management Company shall provide notice to Unitholders by posting an announcement at its office or on its website or at the offices of the Selling Agents.

8.3 Procedures for switching of investment units:

8.3.1 Management Company or Selling Agents:

Unitholders are able to place a switching order to switch investment units by filling in a switch order form specifying the number or value of investment units to be switched. The Management Company or the Selling Agents shall submit evidence of receipt of switching orders to the relevant Unitholder.

8.3.2 Electronic channel:

- (1) The Management Company may receive switching orders via an electronic channel. To do this, the Unitholder shall sign a switch order form to use the switching service via an electronic channel and declare that they will comply with the conditions specified by the Management Company in the relevant application form. However, in the case of any failure of the electronic system which causes the Management Company to be unable to accept switching orders, it shall be deemed that a switching transaction via the electronic channel has not been delivered to the Management Company.
- (2) The Management Company shall consider that Unitholders who agree to use the switching service via an electronic channel accept and are bound by the conditions and procedures prescribed in the relevant application form (as amended from time to time) and agree to take any risks that may arise from failure of the electronic system.

- (3) The Management Company shall inform the Unitholders prior to providing such a service by publishing a notification at its office or on its website or at the offices of the Selling Agents.

8.3.3 Date and time of switching of investment units:

In case of switching investment units in the Fund, the Unitholders are able to place a switch order at the office of the Management Company or the office of the Selling or Redemption Agents on any Trading Day. The date on which the Destination Fund receives the subscription monies from the Primary Fund is the effective date of switching.

8.4 Offer and Bid Prices of investment unit in case of switching:

- 8.4.1 In the case of the switching of investment units, the Management Company shall use the following valuation methods to determine the Offer and Bid Prices of investment units:

- (1) In respect of the Primary Fund (the fund from which the investor is redeeming his units), the Bid Price shall be the price at the end of the Trading Day on which the Management Company or the Selling or Redemption Agents receives the switching order and on which the Management Company or the Selling or Redemption Agent has performed the switching transaction, less the switching fee and expenses (if any).
- (2) In respect of the Destination Fund (the fund in respect of which the investor is subscribing for units), the Offer Price shall be the price at the end of the Trading Day established by the Management Company and published on its website. In any case, such Trading Day shall not be later than the date that the Destination Fund receives the subscription monies from the Primary Fund. The Management Company shall provide notice of the Offer Price to all Unitholders by posting an announcement at its office or on its website or at the offices of the Selling Agents.
- (3) The right of Unitholders to purchase investment units in the Destination Fund shall arise only when the Destination Fund receives the subscription payment from the Primary Fund.

9. Payment of Redemption Proceeds and Switching of Investment Units with Securities or Other Assets in lieu of money

In the event that the Management Company is unable to pay the redemption proceeds to Unitholders in the form of money and decides to make such payment to Unitholders in the form of securities or other assets in lieu of money, the Management Company shall obtain the prior approval of the Office of the SEC to do so, and such action (provided it is approved by the Office of the SEC) on the part of the Management Company shall be considered as having been approved by the Unitholders. Any such process adopted in respect of the above must be practicable and fair to all Unitholders of the Fund. In addition, the Management Company shall



inform all Unitholders at least sixty (60) days in advance of the necessity to pay redemption proceeds in the form set out above and the process for doing so.

10. Postponement of Due Date of Payment of Redemption Proceeds Payment to Unitholders

10.1 The Management Company may postpone the due date for payment of redemption proceeds to Unitholders who have placed a redemption order in the following circumstances:

10.1.1 The Management Company considers in good faith and reasonably believes that the following circumstances exist (as confirmed by the Trustee):

- (1) The Management Company is unable to offer, dispose of, or transfer securities or assets of the Fund.
- (2) The Fund does not receive payment for securities or assets in which the Fund has invested on the normal due date, and such event is beyond the control of the Management Company.

10.1.2 After the placing of the redemption order but before the payment of the redemption proceeds the Management Company suspended payment of redemption proceeds to Unitholders because the Management Company found that the Bid Price of investment units is incorrect and the Trustee had not verified the information contained in the report on the Recalculation of Retrospective Value and the report on Price Compensation. Such incorrect Bid Price must be different from the correct Bid Price by 1 Satang or more and the difference must account for 0.5% or more of the correct Bid Price.

10.1.3 The redemption order has been placed during a period in which the Management Company found that the Bid Price of investment units is incorrect and the Trustee had not verified the information contained in the report on Recalculation of Retrospective Value and the report on Price Compensation. Such incorrect Bid Price must be different from the correct Bid Price by 1 Satang or more and must account for 0.5% or more of the correct Bid Price.

10.2 In respect of the postponement of the redemption proceeds payment for Unitholders under 10.1.1 to 10.1.3 above, the Management Company may postpone payment for up to ten (10) Trading Days from the day after the date that the redemption order has been made, unless any exemption is granted by the Office of SEC. In the event of postponement of payment of the redemption proceeds, the Management Company shall perform the following operations:

10.2.1 Inform the Unitholders who have placed a redemption order of the postponement of the due date of payment of the redemption proceeds and also disclose the relevant details immediately.

10.2.2 Notify the Office of the SEC immediately regarding the postponement of the due date of payment of the redemption proceeds and submit a report stating the reasons for postponement together with supporting evidence (all of which must be approved by the



Trustee under clauses 10.1.1 to 10.1.3 above). The Management Company may assign the Trustee to act on its behalf in this matter.

10.2.3 If Unitholders place redemption orders during a period in which payment of redemption proceeds has been postponed, the Management Company shall accept such a redemption order and pay the redemption proceeds according to the date on which the order is placed.

11. Rejection or Suspension of Acceptance of Subscription or Redemption or Switching Orders of Investment Units

11.1 The Management Company may refuse to accept a subscription, redemption or switching order of investment units, or may suspend the acceptance of subscription, redemption or switching orders, although only in the following cases:

11.1.1 The Thai Stock Exchange is unable to open for normal trading.

11.1.2 The Management Company considers and honestly and reasonably believes, upon the consent of Trustees, that the following circumstances exist:

- (1) The Management Company is unable to offer, dispose of, or transfer securities or assets of the Fund reasonably.
- (2) The Management Company is unable to calculate the net asset value of the Fund fairly and reasonably.
- (3) That there are other necessary reasons for refusal or suspension relating to the safeguarding of Unitholders' best interests.

Such rejection of subscription, redemption or switching orders, or the suspension of the acceptance of subscription, redemption or switching orders according to 11.1.2 (a) to (c) above shall not continue for more than one (1) Trading Day, unless otherwise permitted by the Office of the SEC.

11.1.3 The Fund has invested in foreign securities or assets and the following events occur which cause significant adverse effects to the Fund:

- (1) The Stock Exchanges that the Fund has invested in are unable to open for normal trading. In particular, the Fund has invested more than 10% of the net asset value of the Fund in securities traded on such stock exchanges.
- (2) The Fund is unable to exchange foreign currency freely - that is, normal inward or outward remittance of currency.
- (3) The Fund does not receive payment in respect of securities or assets that the Fund has invested in on the normal due date, and such event is beyond the control of the Management Company, and these circumstances are verified by the Trustee

11.1.4 Rejection of subscription orders or suspension of acceptance of subscription orders in respect of specific investors as a result of the following circumstances:

- (1) The Management Company reasonably suspects that such investors are involved in or subject to any of the following acts:
 - (a) The commission of a predicate offence or the offence of money laundering according to the law on Anti-Money Laundering, regardless of Thai laws or any potentially relevant foreign laws.
 - (b) Providing financial support for terrorism.
 - (c) The issuing of an order for the seizure or restraining of property of the investor by a person in legal authority or where such a seizing or restraining order is pending.
- (2) The Management Company is unable to carry out the “Know Your Customer” processes and due diligence.
- (3) In case that the SEC announces a special holiday, the Management Company must suspend acceptance of subscription, redemption or switching orders of investment units on that holiday. In such a case, the Management Company shall inform Unitholders of the suspension at least five (5) days in advance by posting an announcement in the office of the Management Company and the offices of the Selling Agents.

11.2 When the events under Clause 11.1 occur and the Management Company intends to reject a subscription, redemption or switching order or suspend the acceptance of a subscription, redemption or switching order, the Management Company shall adhere to the following procedures:

- 11.2.1 Promptly Inform Unitholders or prospective investors who have placed a subscription, redemption or switching order of the rejection or suspension of the acceptance of that subscription, redemption or switching order, and if the rejection or suspension is caused by the circumstances under clauses 11.1.1 to 11.1.3, the rejection or suspension must be immediately disclosed to other Unitholders and prospective investors by any means.
- 11.2.2 Promptly report to the Office of the SEC the rejection or suspension of the acceptance of subscription, redemption or switching orders of investment units, together with the reason for the rejection or suspension and provide an action plan of the Mutual Fund.
- 11.2.3 In case that the Management Company rejects or suspends acceptance of subscription, redemption or switching orders of investment units according to clauses 11.1.1 to 11.1.3 for more than one (1) Trading Day, the Management Company shall follow the following procedures prior to recommencing the acceptance of subscription, redemption or switching orders:

- (1) Submit a report regarding (1) the rejection or suspension of the acceptance of subscription, redemption and switching orders and (2) the investment position of the Fund regarding the latest Trading Day prior to the rejection or suspension date to the Office of the SEC one day prior to the re-opening of acceptance of such orders.
- (2) Promptly inform Unitholders or prospective investors who have placed subscription, redemption or switching orders of the recommencement of the acceptance of subscription, redemption or switching orders, and also disclose this information to other Unitholders and prospective investors by any means.

11.2.4 In case the Management Company refuses to accept or suspends the acceptance of subscription, redemption or switching orders of investment units, the Management Company may cease the calculation and announcement of the net asset value of the investment units and the Fund as a whole, and the Offer Price and Bid Prices.

11.3 The Management Company will reject subscription, redemption or switching orders, or suspend the acceptance of subscription, redemption or switching orders, during any period in which the Management Company considers that the Offer or Bid Price of investment units is incorrect and where the Trustee has not verified the information contained in the report on the Recalculation of Retrospective Value and the report on Price Compensation. It will be considered that the Offer or Bid Price is incorrect where the stated price is one (1) Satang or more, higher or lower than the correct Offer Price and the difference accounts for more than 0.5% of the correct value. The Management Company will announce the rejection or suspension of the acceptance of subscription, redemption or switching orders at the office or on the website of the Management Company and the offices of the Selling or Redemption Agents and also notify immediately any persons who have already placed a subscription, redemption or switching order.

12. Suspension of Acceptance of Subscription, Redemption or Switching Orders of Investment Units on Instructions of the SEC

To protect the benefits of the Unitholders or where it is necessary for the stability of the national economy and its financial status or to maintain the stability of the financial market system, the Office of the SEC may announce and instruct the Management Company to temporarily suspend the acceptance of subscription, redemption or switching orders of investment units of the Fund for any period that the Office of the SEC deems appropriate, but such period shall not exceed twenty (20) consecutive Trading Days, unless otherwise approved by the SEC.

13. Conditions and Limitations on Allocation and Transfer of Investment Units

13.1 In case the Management Company considers it necessary to protect the benefits of the Mutual Fund or the Unitholders, to protect the Management Company's reputation, to comply with its legal responsibilities, or where it considers that the subscription order of any person or persons of the same group would cause such person or persons of the same group to hold more than one third of the total outstanding investment units, the Management Company reserves the right to allocate or not allocate investment units, fully or partially, without having to notify the Unitholders in advance.

13.2 The Management Company shall reject the issuance of investment units to investors who are not General (Non-Retail) Investors or Institutional Investors, except where a person has inherited investment units and in accordance with the notifications of the SEC.

14. Dividend Payment

14.1 Dividend payment policy: None

14.2 Rules on dividend payment:

The Scheme shall not make a dividend payment to Unitholders but any profits gained will be used for further investments in order to generate further income for the Fund.

14.3 Dividend payment schedule, procedures and restrictions on dividend payments to Unitholders:

None

15. Fees and expenses charged to the Fund and subscribers or Unitholders

15.1 Cap on fees and expenses charged to and payable by the Fund:

15.1.1 General (Non-Retail) Investor Class:

Not exceeding 7.00% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

15.1.2 Institutional Investor Class:

Not exceeding 7.00% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

15.2 Fees and expenses charged to and payable by the Fund:

15.2.1 Cap on Annual Management Fees:

(a) General (Non-Retail) Investor Class:

Not exceeding 3.30% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

(b) Institutional Investor Class:

Not exceeding 3.30% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

15.2.2 Cap on Annual Trustee Fee:

(1) General (Non-Retail) Investor Class:

Not exceeding 1.10% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

(2) Institutional Investor Class:

Not exceeding 1.10% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

15.2.3 Cap on Annual Registrar Fee:

(1) General (Non-Retail) Investor Class:

Not exceeding 0.22% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

(2) Institutional Investor Class:

Not exceeding 0.22% per annum of the NAV after liabilities (with the exception of the Management Fee, Registrar fee, Trustee Fee and any other fee of a similar character) have been deducted and including VAT.

15.2.4 Annual investment advisor fee: None.

15.2.5 Annual distribution fee: None

15.2.6 Other fees:

(1) Fees and expenses related to the Fund:

(a) Actual expenses for the IPO as follows, which for accounting purposes will be accrued by the Fund on a daily basis over a period of five (5) years:

- (i) Advertisements, seminars, marketing expenses, the Fund's seminars: the actual amounts charged will be accrued but only up to an amount not exceeding 1,000,000 Baht in aggregate.
 - (ii) Fund establishment, Mutual Fund registration fee and other expenses incurred in complying with the SEC's laws and regulations.
- (b) Actual fees and expenses for Fund management as follows, which for accounting purposes will be accrued by the Management Company at one time or amortized over an appropriate period (considering the expenses in question):
- (i) Advertisements, seminars, marketing expenses, the Fund's seminars: the actual amounts charged will be accrued but only up to an amount not exceeding 0.15% of the total net asset value of the Fund.
 - (ii) Fees and expenses of custodians abroad, including costs associated with investments in securities aside from the annual trustee fee.
 - (iii) Fees and expenses for securities trading, and fees and/or expenses relating to the transfer or acceptance of securities, such as stamp duty, broker fees, etc
 - (iv) Fees and expenses for holding a subscription account, Mutual Fund account, an account for redemption proceeds, an account for dividend payments or other accounts opened with banks, and any fees and expenses associated with subscription payments or payment of redemption proceeds or dividend payments, such as any fees charged by banks, stamp duty, postage fees, cheque book fees, etc.
 - (v) Expenses for the preparation, printing, translation and transmission of documents relating to the management of the Mutual Fund, including postage fees and any fees for delivering documents and reports to Unitholders.
 - (vi) Expenses for compiling and processing forms relating to the Mutual Fund, such as account opening forms, subscription forms, redemption forms, switching forms, unit transfer application forms, confirmation notes, specimen signature cards, statements of investment unit trading, cheque voucher forms for the Mutual Fund account, subscription account, account for redemption proceeds payments and account for dividend payments, etc.
 - (vii) Expenses for compiling and forwarding the Prospects, annual report, semi-annual report, and any other reports related to the Mutual Fund; letters of notice, reports, newsletters and journals, including reports prepared by the Management Company in accordance with the notifications stipulated by the Office of the SEC or the AIMC.
 - (viii) Expenses for publishing announcements in daily newspapers prepared by the Management Company in accordance with the notifications stipulated by the Office of the SEC or the SEC or the AIMC, such as expenses for publishing announcements of the net asset value, the value of investment units, Offer and Bid Prices of investment units and the fact of the closing of the register book for dividend payments, etc.
 - (ix) Expenses relating to any amendments to the Scheme, such as expenses for newspaper publications, the holding of Unitholders' meetings, requesting resolutions of Unitholders, etc., including any expenses incurred in complying with the relevant notifications stipulated by the Office of the SEC or the SEC or the AIMC.

- (x) Remuneration for auditors, audit fees, and other expenses charged by the auditor; and legal fees and expenses arising from compliance with orders or laws or notifications stipulated by the Office of the SEC or the SEC or the AIMC.
 - (xi) Expenses arising from debt collection or from legal proceedings regarding the collection of the debts of the Mutual Fund; and expenses arising from tracking Unitholders for payment of any benefits from investments, such as redemption proceeds and dividends, etc.
 - (xii) Trustee fees, expenses in connection with deposits, and any other expenses incurred during the liquidation of the Mutual Fund until the registration of the dissolution of the Fund with the Office of the SEC.
 - (xiii) Expenses associated with any investment abroad, such as fees or expenses of a foreign depository (sub-custodian) abroad, costs of a trustee abroad, costs of voting in shareholders' meetings or the costs of appointment of a proxy to vote at an AGM or EGM of a company in which the Fund has invested.
 - (xiv) Expenses (if any) of any legal proceedings in the event that the Trustee files a lawsuit against the Management Company in respect of the conduct of its duties or in respect of a claim for compensation from the Management Company for benefits due to Unitholders or when instructed by the Office of the SEC.
 - (xv) Expenses for using the SET index and other indexes needed for reference in the Fund.
 - (xvi) Expenses related to the management of the Mutual Fund.
- (c) The rate of fees and expenses mentioned here at 15.2.6 and charged to the Fund can be stated exclusive of value added tax, specific business tax or any other taxes. Payment of any taxes applying to such fees and expenses shall be the responsibility of the Mutual Fund.

15.3 Fees charged to subscribers or Unitholders:

15.3.1 Cap on Front-end Fee:

- (1) General (Non-Retail) Investor Class:
 - (a) During the IPO period: Not exceeding 3.30% of the par price (including VAT).
 - (b) After the IPO period: Not exceeding 3.30% of the unit price (including VAT).
- (2) Institutional Investor Class:
 - (a) During the IPO period: Not exceeding 3.30% of the par price (including VAT).
 - (b) After the IPO period: Not exceeding 3.30% of the unit price (including VAT).
- (3) The Management Company reserves its right to charge a different front-end fee to different investor groups, and the Management Company will post an announcement at its office and on its website and at the Selling Agent's office at least seven (7) days in advance if it wishes to do so.

15.3.2 Cap on Back-end Fee:

- (1) General (Non-Retail) Investor Class: 1.10 % of the unit price (including VAT).
- (2) Institutional Investor Class: 1.10 % of the unit price (including VAT).
- (3) The Management Company reserves its right to charge a different back-end fee to different investor groups, and the Management Company will post an announcement at its office and on its website and at the Selling Agent's office at least seven (7) days in advance if it wishes to do so.

15.3.3 Cap on Switching Fees:

- (1) General (Non-Retail) Investor Class:
 - (a) Switching into this Fund:
Not exceeding 3.30% of the Offer Price of investment units (including VAT).
 - (b) Switching out of this Fund:
Not exceeding 1.65% of the Bid Price of investment units (including VAT).
- (2) Institutional Investor Class:
 - (a) Switching into this Fund:
Not exceeding 3.30 % of the Offer Price of the investment units (including VAT).
 - (b) Switching out of this Fund:
Not exceeding 1.65 % of the Bid Price of investment units (including VAT).
- (3) The Management Company reserves its right to charge a different switching fee to different investor groups, and the Management Company will post an announcement at its office and on its website and at the Selling Agent's office at least seven (7) days in advance if it wishes to do so.

15.3.4 Transfer Fee: Applicable

- (1) General (Non-Retail) Investor Class:

Ten (10) Baht per 1,000 units or any fraction thereof or according to the fee the Registrar would charge. The Registrar will collect the fee from the transferor on the transfer request date.

(2) Institutional Investor Class:

Ten (10) Baht per 1,000 units or any fraction thereof or according to the fee the Registrar would charge. The Registrar will collect the fee from the transferor on the transfer request date.

15.3.5 Issuance fee for Statement of Holding:

50 Baht per one Investment Unit Certificate.

15.3.6 Exit fee: None

15.3.7 Other fees:

(1) Fees for trading securities:

(a) Subscription or redemption of units:

Not exceeding 0.55% of the Offer or Bid price (including VAT). The Management Company will charge this fee when an investor subscribes for or redeems units and such fee is included in the calculation of the Bid or Offer price. Such a fee pays for the expense or fees associated with securities trading when the Fund is charged such expenses or fees.

(b) Switching units:

Not exceeding 0.55% of the Offer or Bid Price (including VAT). The Management Company will charge this fee when an investor switches-in to or switches-out of holding investment units in the Fund and such fee is included in the calculation of the Bid or Offer Price. Such a fee pays for the expenses or fees associated with securities trading when the Fund is charged such expenses or fees.

(2) Fees paid for the transfer of redemption proceeds to Unitholders' accounts in accordance with the rate specified by the commercial banks and charged to the unitholder by deducting the relevant fee from the amount being transferred to the unitholder's account.

(3) Fees paid in respect of the deduction of subscription payments from the subscribers' deposit account in accordance with the rate specified by the commercial banks and charged to the Unitholders by deducting the relevant fee from the deposit account of the subscriber.

15.4 Method for calculation and payment of fees:

- 15.4.1 The annual management fee, the annual trustee fee and the annual registrar fee shall be calculated on the basis of the net asset value (the total value of assets less the total value of expenses and fees). The total value of fees and expenses figure deducted from the total value of assets for the calculation of the net asset value excludes any management fee, trustee fee and registrar fee payable. The annual management fee, the annual trustee fee and the annual registrar fee shall be charged on a monthly basis to the Fund.
- 15.4.2 Any fees associated with the buying of securities will be included in the cost of the security. Any fees associated with the selling of securities will be deducted from the proceeds of sale received by the Fund.
- 15.4.3 The Management Company will ask the Fund to pay for any expenses that occur which are payable by the Fund.
- 15.4.4 Fees related to the Fund management under other topics shall be deducted from the Mutual Fund as actual expenses in the full amount in one lump sum or paid as expenses of the Mutual Fund averaged on a daily basis over the period of the expense. However, such deduction shall be in accordance with any related notifications.
- 15.4.5 If the AIMC and/or SEC or the office of SEC and/or any other related authority has amended or added or modified the regulation relating to the NAV calculation, the Management Company reserves its right to act in accordance with the amended method and considers that this is deemed to have been approved by the Unitholders.

15.5 Changes in fees and expenses:

- 15.5.1 The Management Company reserves the right to change the calculation of the NAV to ensure that the calculation is consistent with the fees and expenses mentioned at clauses 15.1, 15.2 and 15.3, and it shall be deemed that such action on the part of the Management Company is approved by the Unitholders. The Management Company can do the aforementioned by performing the following actions:
- (1) In the case where fees or expenses are increased by an amount not exceeding 5% of the specified fees of the Scheme within a period of one (1) year, the Management Company shall inform the Unitholders no less than sixty (60) days in advance according to the following procedures:
- (a) By publishing an announcement in at least one (1) daily newspaper for three (3) consecutive days.
- (b) By posting an announcement at the office and on the website of the Management Company and at the offices of the Selling Agents.
- (2) In the event that the fees or expenses are proposed to be increased by an amount exceeding 5% of the specified fees in the Scheme within a period of one (1) year, the Management Company shall increase the fees only after obtaining the approval of



Unitholders by a resolution passed by a majority vote, and where such vote accounts for more than half of the total outstanding investment units.

- (3) In the event that fees or expenses are decreased, the Management Company shall post an announcement on the reduction of fees or expenses at the office or on the website of the Management Company and at the offices of the Selling Agents.
- (4) However, the Management Company shall report any amendment mentioned under (1), (2) and (3) to the Office of the SEC within fifteen (15) days from the date of the amendment of the fees or expenses.

15.6 Remarks

- 15.6.1 Any fees or expenses mentioned under clause 15.2. include VAT but do not include any other taxes. In the event that any other taxes are payable on such fees and expenses, such other taxes will be at the Fund's expense.
- 15.6.2 Any fees or expenses mentioned under clause 15.3. include VAT but do not include any other taxes. In the event that any other taxes are payable on such fees and expenses, such other taxes will be at the Unitholder's expense.
- 15.6.3 For the benefit of Unitholders, the Management Company reserves the right in its sole discretion to be responsible for any fee or expense as set out in clause 15 above.

16. The Calculation Method and Period for Calculation and Announcement of Net Asset Value, Investment Unit Value and Investment Unit Prices (Offer and Bid Prices); Rules and Procedures Applicable Regarding Inaccurate Investment Unit Value

16.1 The calculation method, period for calculation and announcement of the net asset value, investment unit value and investment unit price (Offer and Bid Price) in respect of domestic and foreign investments:

16.1.1 The Management Company shall calculate and announce the following net asset values in accordance with the rules and procedures stipulated in the notifications of the Office of the SEC:

- (1) Total net asset value of the Fund.
- (2) Net asset value per unit of the units held by the General (Non-Retail) Investor Class.
- (3) Net asset value per unit of the units held by the Institutional Investor Class.

16.1.2 The sum of the net asset value of each unit class will be equal to the total net asset value of the Fund. The profit from investments will be the profit of the Fund and allocated according to the proportion of the net asset value of each unit class.

16.1.3 The net asset value calculation method:

- (1) The Fund is divided into 2 unit classes so the net asset value calculation of each class must be undertaken separately.
- (2) The net asset value of the Fund will be calculated from the total net asset value of each unit class and the NAV for each unit class will be allocated according to the proportion of the prior day's NAV of each class. The first or IPO NAV calculation will be the average of all the net asset values of all subscriptions of each class of units adjusted by only the related items.
- (3) In calculating the net asset value, the value of investment units, and Offer and Bid Prices, the Management Company will use the closing prices of foreign securities or assets published on systems such as Bloomberg or Reuters, etc. In the event that the date of calculation of the NAV falls on a foreign holiday abroad or for any other reason beyond the Management Company's control there are no prices for foreign securities on that day, the Management Company will consider the latest published price. The Management Company may change the sources, date and time of the references used in the calculation of net asset value, the value of investment units, and the Offer and Bid Prices mentioned above with the approval of the Trustee. Such a change shall not be regarded as an amendment to the Scheme.
- (4) In converting the net asset value, the value of investment unit, and the Offer and Bid Prices of foreign currencies into Baht, the Management Company will use the exchange rate from Bloomberg at about 4.00 pm on the calculation day or any other appropriate sources of exchange rates and/or make the calculation at any other time considered appropriate, provided approval is given by the Trustee in accordance with the rules and procedures of the SEC or the AIMC.

16.1.4 The Management Company shall calculate and announce the net asset value, the value of the investment unit, and the Offer and Bid Price of the investment units of the Fund in accordance with the following rules:

- (1) The net asset value and the value of investment units shall be calculated at the end of every Trading Day.
- (2) The Offer and Bid Price of investment units shall be calculated at the end of every Trading Day, with the value of investment units as at the end of that Trading Day being used as the basis for the calculation of the Offer and Bid Prices of the investment units.
- (3) The announcement of the net asset value and the value of investment units for any particular Trading Day shall be made as follows:
 - (a) for the Trading Day prior to the latest Trading Day, the announcement will be made within the latest Trading Day;

- (b) for the latest Trading Day, the announcement will be made within the next Trading Day.
- (4) The announcement of the Offer and Bid Prices of the investment units shall be made within the Trading Day following the Trading Day on which the calculation of the Prices are made.
- 16.1.5 The value of investment units is the net asset value of the Fund divided by the total outstanding investment units at the end of the Trading Day on which the calculation is made.
- 16.1.6 The procedures regarding the announcement of the net asset value, the value of the investment unit, and the Offer and Bid Price of the investment units mentioned above shall be verified by the Trustee.
- 16.1.7 Regarding the announcements of value and price under clauses 16.1.4 (3) (a) and (b) above, the Management Company shall post such announcements at its office or on its website and at the offices of the selling and redemption agents within the period in respect of which investors are able to use such information for supporting their investment decisions, except in the case of a mutual fund for institutional investors where the Management Company may take any actions so as to make the investors aware of such information. However, the Management Company may use any additional means to make investors aware of such information, such as publishing such information in a newspaper, etc. Such action shall not be regarded as an amendment to the Scheme.
- 16.1.8 In the event that the net asset value, the value of investment units, the given number of investment units, and Offer and Bid Price of the Fund are incorrect, the Management Company shall comply with the rules and procedures specified in the notifications of the Office of the SEC.
- 16.1.9 In the following cases, the Management Company shall be exempted from performing the calculation and announcement of the net asset value, investment unit value, and Offer and Bid Price of investment units of the Mutual Fund:
- (1) When the Management Company refuses to offer investment units or accept subscription or redemption orders of investment units or suspends the acceptance of subscription or redemption orders, such exemption shall be effective merely during such period specified.
 - (2) When the Management Company has cause to dissolve the Mutual Fund, the exemption shall be effective from the date on which such cause arose.
 - (3) Where an exemption is granted by the Office of the SEC.

16.1.10 In making the announcement of net asset value, investment unit value and Offer and Bid Price according to clause 16.1.4, the Management Company shall be subject to the following rules:

- (1) Regarding the application of decimal places to the net asset value, value of investment units, the Offer and Bid Price or the number of investment units of the Fund, the Management Company shall be subject to the following rules:
 - (a) In calculating and announcing the net asset value, use and announce figures representing two (2) decimal places in accordance with the international decimalization standards.
 - (b) In calculating the value of investment units, use figures representing five (5) decimal places in accordance with international decimalization standards. As to the value of investment units used for calculation of the Offer Price of investment units, the fifth decimal place shall be disregarded and the fourth decimal place increased by 0.0001. As to the value of investment units used for calculation of the Bid Price of investment units, the fifth decimal place shall be struck off.
 - (c) In announcing the value of an investment unit or the Offer and Bid Price, use and announce figures representing four (4) decimal places with the removal of the fifth decimal place.
 - (d) In calculating the number of investment units, use figures representing five (5) decimal places in accordance with international decimalization standards, but the result shall be presented with only 4 decimal places with the removal of the fifth decimal place.
- (2) Where there is any excess in the calculation under 16.1.10 (a) to (d), the Management Company shall amalgamate such benefit with the assets of the Fund.
- (3) The Management Company will inform the Unitholder of the net asset value, the value of investment units, and the Offer and Bid Price via an announcement on its website. The Management Company reserves the right to announce via other channels and considers that this is approved by the Unitholders. The Management Company will announce a change in the channels for announcing the net asset value, the value of investment units, and the Offer and Bid Price thirty (30) days in advance by posting an announcement at the office or on the website of the Management Company or at the office of the Selling Agent.

16.2 Sources of information on the disclosure of net asset value, investment unit value, and the Offer and Bid Price:

Disclosure shall be made through the investment unit information dissemination system established by the AIMC (NAV Center) and/or newspaper and/or the website of the Management Company.

16.3 Rules and procedures in case of an announcement of an incorrect investment unit value:

16.3.1 Where the figure announced as the investment unit value is incorrect and varies from the correct value by one (1) Satang or more (whether higher or lower than the correct value) but the difference between the correct and incorrect value does not exceed 0.5% of the correct value:

- (1) The Management Company shall prepare and submit a report on such error to the Trustee within seven (7) Business Days from the date that the incorrect value of the investment unit has been acknowledged by the Management Company. Such report shall contain, at least, the following particulars:
 - (a) The incorrect price of the investment unit.
 - (b) The correct price of the investment unit.
 - (c) The causes of the incorrect pricing of the investment unit.
 - (d) Any preventative measures adopted against incorrect pricing of investment units, except where such error is caused by uncontrollable external factors.
- (2) In case that the pricing of the investment units is incorrect due to a cause such as incorrect interest rates, the Management Company shall rectify the price of the investment unit from the date on which the incorrect price has been acknowledged by the Management Company.

16.3.2 In the case where the announced investment unit value is incorrect and varies from the correct value by one (1) Satang or more (whether higher or lower than the correct value) and the difference between the correct and incorrect value accounts for more than 0.5% of the correct value:

- (1) The Management Company shall recalculate the value of the investment unit retroactively as from the date on which the price of the investment unit is incorrect to the date that the price of the investment unit is correct.
- (2) The Management Company shall perform the following actions only on the dates on which the incorrect value of the investment unit varies from the correct price by one (1) Satang or more (whether higher or lower than the correct value) and the difference between the correct and incorrect values accounts for more than 0.5% of the correct value:
 - (a) Prepare a report on the Recalculation of the Retrospective Price of the investment units and Price Compensation within the Trading Day following the date on which such incorrect price of the investment units is known to the Management Company, and submit such report to the Trustee within the Trading Day following the date on which the Report on the Recalculation of the

Retrospective Price and the Report on Price Compensation have been completed. Such report shall contain, at least, the following particulars:

- (i) The incorrect price of the investment units.
 - (ii) The correct price of the investment units.
 - (iii) The causes of the incorrect pricing of the investment units.
 - (iv) Any actions taken by the Management Company when the investment units had been found to be incorrectly priced.
- (b) Correct the investment unit value within the date on which the Trustee verifies the information contained in the report on Recalculation of the Retrospective Price of the investment unit and Price Compensation under paragraph (2)(a) above.
- (c) By any means necessary, procure the acknowledgement of investors to the fact that the value or price has been corrected, including the date, month and year of such correction within three (3) Trading Days from the date on which the Trustee has verified the information contained in the reports under clause 16.3.2 (2) (a) above.
- 16.3.3 In the case where the announced investment unit value is incorrect and varies from the correct price by one (1) Satang or more (whether higher or lower than the correct value) and the difference between the correct and incorrect value accounts for more than 0.5% of the correct value, in addition to carrying out the actions as stated above at clause 16.3.2 the Management Company shall also perform the following actions on the following specified dates:
- (1) Prepare updated reports on the Recalculation of the Retrospective Price of the investment units and Price Compensation referred to at clause 16.3.2 (a) when the Management Company has ascertained the incorrect price.
 - (2) Carry out the procedure regarding Price Compensation as specified in clause 16.4.4. and take any action to make any persons subscribing for or redeeming investment units during the period in which the price of the investment units was incorrect aware of the price correction under clause 16.3.2 (2) (b) and the Price Compensation within five (5) Trading Days as from the date that the Trustee has verified the information contained in the relevant reports.
 - (3) Prepare a report on the measures implemented or to be implemented to prevent incorrect pricing of investment units and submit such report together with a copy of the report on the Recalculation of the Retrospective Price of investment units and the report on Price Compensation compiled under clause 16.3.2 (2) (a) to the Office of the SEC within seven (7) Trading Days from the date on which the Trustee has verified the information contained in the reports, except where the incorrect pricing of the

investment units is caused by uncontrollable external factors, in which case the Management Company shall not submit the report on preventative measures to the Office of the SEC but shall instead submit a copy of a document certified by the Trustee confirming that the incorrect pricing of the investment units was caused by uncontrollable external factors.

16.3.4 In relation to price compensation as set out under clause 16.3.3 (2), the Management Company shall comply with the following rules and procedures:

(1) Where the incorrect price of the investment units understates the correct price, the Management Company shall act as follows:

(a) In the case of subscription of investment units:

(ii) The Management Company shall reduce the number of investment units of the subscriber by the amount equivalent to the difference between the incorrect and the correct price.

(ii) Where it appears that the subscriber has no investment units remaining or has insufficient investment units for such a reduction, the Management Company shall make a payment in an amount equivalent to the difference between the incorrect and correct price or reduce the number of remaining investment units held by the subscriber to the maximum extent possible and make a payment for the remainder to provide compensation to the Fund, except where the incorrect pricing of the investment units is caused by uncontrollable external factors, for example, where the price of a security according to the latest market price given by the Stock Exchange of Thailand or an over-the-counter centre is incorrect and such cause is certified by the Trustee.

(b) In case of redemption of investment units:

The Management Company shall increase the number of the investment units of a person who redeems the investment units by an amount equivalent to the difference between the incorrect and correct price of the investment units, or make a payment out of the Fund in an amount equivalent to the difference of such prices, so as to provide compensation to a person who redeems investment units in such circumstances. Should the person who redeems the investment units have no investment units remaining after redemption, the Management Company shall only make payment out of the Fund in an amount equivalent to the difference in the incorrect and correct prices.

(2) Where the incorrect price of the investment unit overstates the correct price, the Management Company shall act as follows:

(a) In case of subscription of investment units, the Management Company shall increase the number of the investment units of the subscriber by an amount equivalent to the difference between the incorrect and correct price of the

investment units, or make a payment out of the Fund in an amount equivalent to the difference between the incorrect and correct prices, so as to provide compensation to the subscriber.

- (b) In case of redemption of the investment units, the Management Company shall reduce the number of the investment units of a person who redeems investment units by an amount equivalent to the difference between the incorrect and the correct price of the investment units. Where it appears that a person who redeems investment units has no investment units remaining following redemption or has fewer investment units than the number by which his holding was to be reduced, the Management Company shall make a payment in an amount equivalent to the deficiency, or reduce the number of the remaining investment units and make a payment in an amount equivalent to the remaining deficiency (as the case may be), so as to provide compensation to a person who redeems investment units in such circumstances, except where the incorrect pricing of the investment units is caused by uncontrollable external factors, for example, where the price of a security according to the latest market price given by the Stock Exchange of Thailand or an over-the-counter centre is incorrect and such cause is certified by the Trustee.

16.3.5 In the case where the Management Company is required to make monetary compensation to any person who subscribed or redeemed investment units in an amount of less than one hundred (100) Baht, the Management Company may include such compensation with any other payment to be made to such Unitholders at the earliest opportunity. In case that such person is no longer a Unitholder, the Management Company shall pay the price compensation within five (5) Trading Days from the date on which the Trustee has certified the information contained in the report on the Recalculation of the Retrospective Price of the investment units and the report on Price Compensation. In making a payment out of the Fund as compensation to a person who redeems investment units under clause 16.3.4 (1) (b) or to a subscriber under clause 16.3.4 (2) (a), the Management Company may make such payment out of its own monies instead of the monies of the Fund.

16.3.6 The Management Company shall be responsible for any expenses incurred due to incorrect pricing such as expenses for posting an announcement regarding the correct price in a newspaper, any cheque issuing fee, expenses for transferring compensation to Unitholders and persons redeeming investment units, etc., unless such error is caused by uncontrollable external factors.

17. Related Persons

17.1 Name of Management Company: Siam Knight Fund Management Securities Co., Ltd.

17.2 Name of Trustee: Bank of Ayudhya (Public) Company Limited.

17.3 Name of insurer (in case of funds with insurance): None.

17.4 Outsourcing: None.

17.5 Advisers: None.

17.6 Auditor:

Mr. Prawit Wiwanthananutr or Mr. Therdong Thepmungkorn or Mr. Udom Thanuratpong or Ms. Chutima Wongsesarapantchai of PV Audit Co., Ltd.

17.7 Appointment of representatives of Unitholders (only for Country Fund): None.

18. Accounting Period of the Fund

18.1 End of the accounting period:

Not exceeding one (1) year from the day following the date of inception of the Fund.

18.2 End of the first accounting period:

Not exceeding one (1) year from the day following the date of inception of the Fund.

19. Request for Resolution of Unitholders and Procedures for Fund Scheme or Management Procedure Amendment

19.1 In the event that a proposed amendment to the Fund Scheme or management procedures is not approved by a resolution passed by a majority vote of the Unitholders, or such vote does not account for more than half of the total outstanding investment units of the Fund, such amendment must be approved by the Office of the SEC.

19.2 In respect of an amendment to the Fund Scheme or management procedures approved by the Office of the SEC, the Management Company shall notify the Unitholders and publish a notice in at least one daily newspaper within fifteen (15) days from the day following the date of receipt of the Office of the SEC's approval.

19.3 In respect of an amendment of the Fund Scheme or management procedures carried out pursuant to a resolution of Unitholders, the Management Company shall notify the Office of the SEC within fifteen (15) days from the day following the date on which the resolution of the Unitholders has been passed, and also inform all Unitholders of the amendment to the Fund Scheme or management procedures and publish a notice in at least one daily newspaper within fifteen (15) days from the day following the date on which the resolution of the Unitholders has been passed.

19.4 However, if the resolution of the Unitholders is passed by a majority vote of the Unitholders of not more than 55% of the total outstanding investment units of the Scheme, the Management Company shall submit documents and evidence regarding the request for the resolution of Unitholders and vote counting to the Trustee for their approval of the result.

- 19.5 In the event that an amendment of the Fund Scheme may not be carried out pursuant to a resolution passed by a majority vote of Unitholders due to restrictions on the counting of votes of the Unitholders according to the Notification of Capital Market Supervisory Board on Rules of Limitation on the Holding of Investment Units in Mutual Funds and the Duties of the Management Company, the Management Company may request the Office of the SEC's approval in accordance with the guidelines as specified by the Office of the SEC.
- 19.6 If an amendment of the Fund Scheme or management procedures relates to a change of type of the Mutual Fund or a merger and amalgamation of mutual funds, the Management Company will be able to perform such action only once the resolution is passed by a majority vote of Unitholders, with such vote accounting for more than half of the total outstanding investment units of the Fund Scheme.
- 19.7 The Management Company may amend the Mutual Fund Scheme in respect of the following matters, and such amendment shall be deemed to have received approval from the Unitholders:
- 19.7.1 An amendment of the Prospects which would result in all Unitholders receiving additional benefits, such as decreasing the minimum amount of redemption order, increasing the available channels for trading investment units, increasing the available payment channels, reducing the time period for submitting advance subscription orders, increasing the frequency of investment unit trading without significantly affecting the investment status of the Fund, etc.
 - 19.7.2 An amendment required by the Securities and Exchange Act B.E. 2535, including any notifications, rules and orders issued by virtue of such law.
 - 19.7.3 An amendment to the name and any other details of any party named in the Prospects.
- 19.8 The rules and procedures regarding any request for a resolution of the Unitholders, and the enforcement of such a resolution shall be in accordance with the provisions specified in the Commitment between the Unitholders and the Management Company. However, any request for a resolution on the amendment of the Scheme shall be made pursuant to Section 129 of the Securities and Exchange Act B.E. 2535.

20. Other Conditions

- 20.1 The Management Company reserves its right to change the Trading Day and time for subscription, redemption or switching of investment units as deemed appropriate, and any such change shall be regarded as having been approved by the Unitholders. However, the Management Company shall notify such change to the Unitholders and interested persons in advance by posting an announcement at the office and on the website of the Management Company.
- 20.2 The Management Company reserves the right to amend, change, or append the Fund Scheme or its management procedures as deemed appropriate in case the SEC, the Office of the SEC, the Bank of Thailand and/or any other legal authorities amend, change or cancel any laws, notifications, regulations, rules, approvals, orders and waivers with respect to approved limits



and/or approved outstanding limits and/or rules, terms and procedures regarding fund establishment and its management and/or fund management methods, and such amendment, change or cancellation shall be regarded as having been approved by the Unitholders.

20.3 Borrowing or reverse repurchase agreement:

The Management Company may engage in borrowing or be a party to a reverse repurchase agreement on behalf of the Fund in accordance with the rules, conditions and procedures specified in the notifications of the SEC. However, such activities shall be made for the purpose of managing the liquidity of the Fund and monies received from any such borrowing or reverse repurchase agreement shall be considered as redemption proceeds and paid to Unitholders.

20.4 Maintenance of the Fund's capital adequacy:

In case the Management Company fails to maintain the capital adequacy mentioned in Clause 4 of the Notification of the Office of the SEC on Rules on the Maintenance of the Fund's Capital Adequacy and Liability Insurance of the Management Company, the Management Company shall transfer the management of the Fund to another management company by requesting an approval from the Office of the SEC or a resolution passed by a majority vote of Unitholders which accounts for more than half of the total outstanding investment units of the Fund, within fifteen (15) days from the date on which the Management Company became aware of the inability to maintain the capital adequacy of the Fund. However, where necessary and appropriate, the Management Company may request the Office of the SEC for an extension of such period of time. The selection of a new management company shall be based on the best interests of the Unitholders and the Management Company shall be responsible for the expenses arising from the change. In the event that the Management Company fails to find a replacement management company within the specified period, the Management Company shall proceed with the dissolution of the Fund.

20.5 Holding more than one third of investment units:

In case that any person or persons of the same group holds more than one third of total outstanding investment units, the Management Company shall not include the portion of votes exceeding one third of the total outstanding investment units of that person or group of persons when taking a vote on a resolution and the Management Company shall ensure that the portion of investment units held by such person or group of persons is lower than one third of the total outstanding investment units of the Mutual Fund within two (2) months from the date on which the Management Company became aware of the shareholding in question being more than one third of the total outstanding investment units, or immediately dissolve such Mutual Fund, unless it falls under any exclusion prescribed in the Notification of the Office of the SEC or the SEC or the Capital Market Supervisory Board.

20.6 Limitations on the holding of investment units:

Any person or persons of the same group shall not hold more than one third of total outstanding investment units of the Mutual Fund unless it falls under any exclusion prescribed in the



Notification of the Capital Market Supervisory Board on the Rules of Limitation of Holding of Investment Units in Mutual Funds and the Duties of the Management Company.

20.7 Soft Commission:

20.7.1 The Management Company may accept soft commissions in the name of the Fund from the Fund's service providers due to the use of such service provider's services for the management of the Fund, with the following conditions applying:

- (1) The soft commission received shall be assets having an economic value and shall be directly related to the role of the Fund according to laws on Securities and Exchange.
- (2) There must not be any behavior indicating that the Management Company has used the services of the same provider too frequently or more than necessary for the benefit of the Fund (churning).

The allocation of benefits mentioned in the above paragraphs shall be conducted with fairness and shall take into account the type of securities that such Fund may hold.

20.8 Benchmark:

20.8.1 This Fund shall use a Benchmark which is 50% SET Total Return Index and 50% FTSE Vietnam as its Benchmark.

20.8.2 The SET Total Return Index measures market performance, including price movements (capital gains and losses), rights offered to current shareholders, and income from dividend payments (assuming they are reinvested in securities).

20.8.3 The Management Company reserves its right to change its Benchmark as deemed appropriate, according to its investment policy and as approved by the Trustee of the Fund. The Management Company shall notify any such change to the Office of the SEC and all Unitholders at least ninety (90) days in advance, which is in accordance with the rules specified by the AIMC or relevant authorities, by posting the announcement at the office and on the website of the Management Company and at the office of the Selling or Redemption Agents.

20.8.4 However, in case of any change of a Benchmark due to compliance with AIMC's notifications, terms and conditions and/or the Office of SEC's notifications and conditions regarding the standards of mutual fund performance and/or any change of a Benchmark due to termination of the service of disclosing data and rates by Benchmark providers, the Management Company shall notify such changes to the Office of SEC and Unitholders at least seven (7) days in advance by posting an announcement at the office and on the website of the Management Company and at the office of the Selling or Redemption Agents.

20.9 Provisions on FATCA and other similar foreign taxation laws:

20.9.1 In 2010, the United States of America issued the Foreign Account Tax Compliance Act (“**FATCA**”) which became effective from 1 July 2014. FATCA requires a Foreign Financial Institution (“**FFI**”) to report information regarding the accounts of persons subject to US tax (including US individuals/entities, US permanent residents and US tax residents) which are opened or held through an FFI. In addition, there are initiatives by governments in several countries to introduce laws containing provisions and rules similar to FATCA (FATCA and such other laws hereinafter collectively referred to as the “**Relevant Foreign Laws**”). The Mutual Fund and the Management Company are considered as FFI’s under FATCA and are required to enter into an agreement with the US Internal Revenue Service. The Management Company is required to report certain financial information and transactions of US persons and persons having certain characteristics as specified by FATCA, to perform due diligence on its clients to determine their relations with the USA, and to request certain clients to provide identification documents according to FATCA’s rules.

20.9.2 Under the requirements of FATCA, if any mutual fund does not enter into an agreement accepting binding obligations under FATCA’s rules (referred as to “**Non-Participating Foreign Financial Institutions**” or “**NPFFI**”), such mutual fund will be subject to the two following major consequences:

- (1) It will be subject to a 30% withholding on the mutual fund’s income, benefits or proceeds attributable to the disposition of financial assets in the USA (direct investment), starting from 1 July 2014 onwards, and indirect investments in US financial assets (Pass-thru), which may include deposits and investments in financial institutions outside the USA, starting from 2017 onwards. FATCA requires US financial institutions and FFIs to be bound by the obligations arising under FATCA’s rules (which includes Thai banks and financial institutions, custodians and selling and redemption agents).
- (2) Thai and foreign banks and financial institutions, including custodians and selling and redemption agents bound by the obligations under FATCA may reject or suspend any financial transactions or terminate any business relationship with such mutual funds or management companies, possibly causing the mutual fund to be unable to continue making and holding their investments, and/or prevent the efficient making or holding of investments, and/or result in Unitholders being unable to make transactions through selling and redemption agents.

20.9.3 To prevent any negative impacts on the operations of the Management Company and the Mutual Fund and to protect the interests of all Unitholders, the Management Company and the Mutual Fund (acting through the Management Company) have entered into an agreement to comply with the rules and provisions of the Relevant Foreign Laws. In addition, to enable the Management Company and the Mutual Fund to comply with its obligations under the rules and provisions thereof, the Management Company and the Mutual Fund (including other parties involved in the operations of the

Fund, e.g., the trustee, custodian and selling and redemption agents) reserve the right to perform the following actions:

- (1) Request that any unitholder who appears to be a US citizen (or a person specified by the Relevant Foreign Laws) to provide a consent to the Management Company, the Mutual Fund and its representatives to submit information (e.g. name, address, US taxpayer identification number, number and value of outstanding investment units, redemption proceeds or dividends received, etc.) contained in all accounts held through the Management Company to any local and overseas government agencies in accordance with the provisions of the Relevant Foreign Laws.
- (2) Request that any Unitholders submit additional information, documents and/or consents for verifying or proving relations with the USA, such as any Certificate of Loss of US Nationality or any information as specified in the US Internal Revenue Service's forms or notice of information changes/amendment etc., including evidence to verify compliance with the Relevant Foreign Laws (in case the client is a financial institution). In any case, all such requests shall be done in accordance with the rules and provisions of applicable laws.
- (3) Perform any other acts in accordance with the Relevant Foreign Laws.

20.9.4 To protect and mitigate the negative impact on the Fund or all Unitholders from complying with the Relevant Foreign Laws and to gain additional benefits for the Fund or all Unitholders, in the event that a Unitholder refuses to perform its obligations or does not respond to a request of the Management Company within the period specified by the Management Company, the Management Company reserves its rights to perform any or all of the following actions as deemed appropriate and necessary and it shall be regarded that the affected Unitholder has been notified of these potential actions by the Management Company and/or that the Unitholder has performed as agreed in the account opening application form:

- (1) Reject any investment unit subscription/redemption/switching orders from such Unitholder.
- (2) Suspend or terminate services and make a refund to such Unitholder of his/her investment based on the net asset value of the investment units.
- (3) Withhold proceeds from investment income, dividend payments and/or redemption proceeds payable to such Unitholder in accordance with the rules and regulations of the Relevant Foreign Laws, but in any case such withholding shall not be contrary to Thai laws.
- (4) Perform any other acts to protect or mitigate any adverse impact on, or to gain additional benefits for, the Fund and/or all the Unitholders provided such acts are in accordance with the above mentioned Relevant Foreign Laws.

- 20.9.5 The above actions are necessary for the purposes of protecting the interests of the Fund and avoiding any adverse impact from not complying with requirements of the Relevant Foreign Laws, such as the imposition of the withholding requirement or the closure of bank account(s). The Management Company will perform the above actions only against a Unitholder who appears to be a US citizen (or persons as specified by the Relevant Foreign Laws).
- 20.9.6 In the event that there is an amendment to the Thai law to accommodate the operations of the Management Company, the Management Company (including all relevant parties) will comply with the provisions of the domestic law and may submit information regarding Unitholders to any agencies or perform any other acts as required by the Thai government without having to submit a request to the Unitholders.

21. Enforcement of the Mutual Fund Scheme

- 21.1 The Management Company has a duty to comply with the Mutual Fund Scheme, the Commitment between Unitholders and Management Company, and the laws on securities and exchanges as well as the notifications, regulations and orders issued under such laws. However, in case any condition in the Scheme is against or contrary to the rules specified by such laws, notifications, regulations or orders but the Management Company has performed operations in accordance with such laws, notifications, regulations or orders, it shall be regarded that the Management Company has complied with the Fund Scheme.
- 21.2 The Management Company shall appoint a trustee of the Mutual Fund as specified in the Mutual Fund Scheme. The trustee has the authority to sign the Commitment between Unitholders and the Management Company on behalf of Unitholders. If the Commitment is signed by a trustee that has been duly appointed, then the Commitment shall be regarded as binding on all Unitholders.
- 21.3 Once the Unitholders have showed their intention (e.g., by submitting a subscription form) to subscribe or invest in the investment units of the Fund Scheme, it shall be regarded that such Unitholders have agreed to be bound according to the conditions specified in the Fund Scheme and the Commitment between Unitholders and the Management Company.
- 21.4 The Mutual Fund Scheme approved by the Office of the SEC (or as amended according to Section 129 of the Securities and Exchange Act B.E. 2535) and as set out in the Commitment between the Unitholders and the Management Company shall be regarded as a part of the Commitment between the Unitholders and the Management Company.

This Prospectus is the English language version of the Thai Prospectus (which was approved by the SEC on 27 June 2017).