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Procedures
Chapter 400 Trading

***401 Trading Through the Trading System**

401.01 Standards of the Member's Computer System Used in the Trading

401.01-1 Member's Readiness for the Computer System Used in the Trading

The member must be ready in the use of its computer system consisting of computer hardware and software used in the trading which is connected to the trading system as follows:

(1) The member must have in place the management and control of security systems in its operations (Security Management) which meet the standards prescribed by TFEX or a person whom is delegated by TFEX in order to ensure that the member's computer system, including login process and information in the system, is operated under the appropriate management and control of security system. The member shall make the compliance report in accordance with such standards, and must be ready for inspection upon requests by TFEX.

(2) The member must procure a network to connect to the trading system in accordance with the procedures prescribed by TFEX or a person whom is delegated by TFEX, and must protect and maintain the public network to be functional all the time.

(3) The member must have in place the backup plan and backup system for its computer system connected to the trading system which must be capable of immediate implementation, and must arrange for a test of such backup plan and backup system at least once a year. In this regard, the computer backup system provided by TFEX for the member shall be considered as one of the member's backup systems.

(4) The member must participate in a test of the member's computer system used in the trading and a test of backup system with TFEX as prescribed by TFEX.

(5) The member must have a sufficient number of personnel in charge of supervising its computer system which is connected to the trading system in order to coordinate with TFEX during and outside the business hours.

401.01-2 Member's Computer System Used in the Trading

(1) The member may use the computer system used in the trading of its own system or of a service provider or of a system developer. Before using the computer software used in the trading or in the program trading, such computer software must be tested and approved in accordance with the rules, conditions, and procedures prescribed by TFEX.

(2) In case that the member uses service from a service provider or uses software of a system developer, the service provider or the system developer must possess or maintain the qualifications in accordance with the criteria as follows:

(2.1) has a secure financial condition and is not exposed to any risk that may adversely affect its business operation;

(2.2) is experienced in developing and providing services related to computer system or computer software, and has a management system in relation to the development and provision of service of computer software that is acceptable according to international standards or the standards recognized by TFEX;

(2.3) has the sufficient number of executives and personnel who are experienced in the business of computer system development and provision of service of computer system.

(3) In case that TFEX is of the opinion that the member's service provider or system developer cannot maintain the qualifications mentioned above or that the computer system or computer software used in the trading which is connected to the trading system may cause damage to the trading system, TFEX may prohibit the member from using service or using such computer system or computer software or require the member to change its service provider or system developer or to do any other act as TFEX deems appropriate.

(4) The member may allow any person to connect his computer system used in the trading to the member's computer system which is connected to the trading system to enable such person to record the offer into the member's computer system directly or to allow such person to receive data from the trading system through such connection. This shall mean to include the trading through Direct Market Access or other channels or the trading through program trading. In this regard, the member must obtain permission from TFEX in accordance with the rules, conditions and procedures prescribed by TFEX.

401.01-3 Change or Modification to the Member's Computer System

In case that the member wishes to make any change or modification in connection to its computer system as described below, the member shall comply with the rules, conditions and procedures prescribed by TFEX prior to commencing the use of the change or modified computer system:

- (1) change of system developer or service provider;
- (2) change of technology of the computer software;
- (3) change of functional specification of a part of the member's computer system relating to its trading which is connected to the trading system;
- (4) change of network architecture of the member's computer system that is connected to the trading system;
- (5) change of the site of a server of the member's computer system which is connected to the trading system;
- (6) other matters as prescribed by TFEX.

*(*Amended March 31, 2010, Force April 1, 2010)*

***405 The Recording of the Order and the Trading**

*(*Amended November 5, 2010, Force November 8, 2010)*

***405.01-5 Types of Seller and Buyer**

(Cancelled January 31, 2023, Force May 8, 2023)*

***405.01-7 Amendment or Cancellation of the Order**

(Cancelled January 31, 2023, Force May 8, 2023)*

***405.02-6 Amendment or Cancellation of the Recording of Trading**

(Cancelled January 31, 2023, Force May 8, 2023)*

***405.03 Exchange of Futures for Physicals**

In the exchange of futures for physicals, the member shall comply with the rules, conditions and procedures prescribed by TFEX. In this regard, the member must keep documents or evidences

which demonstrate that the client has delivered the physicals in the list of exchange of futures for physicals that are recorded by the member through the trading system in order to submit to TFEX as requested.

*(*Amended April 1, 2019, Force April 5, 2019)*

***405.04 Trading for the Purpose of Equalizing the Delivery of commodity**

Trading for the purpose of equalizing the delivery of commodity can only be conducted by the Delivery Equalizer, and TFEX may prescribe criteria, conditions and methods to be followed by the Delivery Equalizer to ensure orderliness in trading.

*(*Added August 23, 2017, Force September 4, 2017)*

407 Amendment or Cancellation of Trading Transactions

Amendment of Trading Transactions

Amendment of a trading transaction shall be made in accordance with the rules, conditions and procedures prescribed by TCH, and the member shall make a report and clarify the reasons for such amendment of trading transaction to TFEX as prescribed.

Cancellation of Trading Transactions

TFEX will consider accepting the member's application for cancellation of a trading transaction resulting from an automatic matching in accordance with the rules as follows:

(1) A trading transaction which TFEX may consider for cancellation must have the execution price outside the range of price surrounding the current market prices (No Bust Range) designated by TFEX.

(2) In the request for cancellation of a trading transaction,

(2.1) The member shall make known its request for cancellation of a trading transaction executed by it within 10 minutes from the time that the trading system matched the trading order, and shall send an application for cancellation of a trading transaction as prescribed by TFEX within 20 minutes from the time that the trading system matched the trading order.

(2.2) When TFEX receives a notice of such request for consideration of the cancellation of trading transaction from the member, TFEX shall make notification thereof to the counterparty member and announce to the members in general without delay that a request for consideration of the cancellation of such trading transaction is received.

(2.3) If the counterparty member wishes to provide information to TFEX to support the consideration on such matter, it shall make a notice to TFEX within 10 minutes from the time that TFEX makes an announcement to the members in general.

(2.4) Consideration of the cancellation of trading transaction shall be at the discretion of TFEX. The result of such consideration shall be final and binding upon the member having interest in a trading transaction for which the cancellation is requested.

(2.5) When TFEX has considered the cancellation of trading transaction, TFEX shall announce the result of consideration for general information without delay.

(3) Preventive measure

The member shall notify the measure or procedures for preventing a trading transaction for which cancellation is requested from taking place again by providing details according to an application for cancellation of a trading transaction as prescribed by TFEX within the business day following the date of requesting for cancellation of the trading transaction.

(4) Fee for the consideration of the cancellation of trading transaction

The member must pay a fee for the consideration of the cancellation of trading transaction to TFEX when TFEX has received a notice from the member according to (2)(2.1). Such fee must be paid by the member, irrespective of whether the trading transaction is cancelled or not, in accordance with the rules prescribed by TFEX.

411 Stipulation of Position Limit and Reporting on Derivatives Position

***411.04 Request for Permission to Hold Derivatives Position in Excess of the Limit Stipulated in Contract Specification (Position Exemption)**

411.04-1 Request for Permission to Hold Derivatives Position in Excess of the Limit Stipulated

In case that any person wishes to hold derivatives position in excess of the limit stipulated by TFEX, such person shall file an application for position exemption together with documents and evidence as prescribed by TFEX through a member with whom such person opens a trading account.

TFEX will consider an application for position exemption under the first paragraph and notify the result of consideration through the member submitting an application within 7 business days from the date of receiving complete information documents and evidence under the first paragraph.

The member shall have the duty to report information concerning assets, liabilities, obligations and other relevant information of the person who is granted the exemption in accordance with the rules prescribed by TFEX.

TFEX may review and change the position limit previously permitted. In case that such review will cause the position then held by any person to exceed the changed limit, the member shall arrange for such person to hold a position not exceeding the limit changed by TFEX. Unless permission is obtained from TFEX, such arrangement shall be completed within 5 business days.

411.04-2 Registration as a Hedger

In case that any person wishes to be registered as a Hedger, such person shall file an application for registration together with documents and evidence through a member in accordance with the rules and procedures prescribed by TFEX.

TFEX may cancel the registration of a Hedger in accordance with the rules and procedures prescribed by TFEX.

*(*Amended February 22, 2017, Force February 22, 2017)*

411.05 Reporting on Derivatives Position (Reportable Position)

The member shall report the derivatives position in its own account or that of its client within the period and in accordance with the procedures prescribed by TFEX when the member or its client holds a derivatives position as specified in the contract specification. If the position of the member or such client falls below that specified in the contract specification, the member shall continue to report such position for another one business day.

*Where a member reports the derivatives positions held for itself or on behalf of its clients, as per paragraph one, to TCH or another authority as prescribed by TFEX, and TFEX receives the report of such information from TCH or such another authority, it shall be deemed that the member has submitted to TFEX the report on Reportable Position as per paragraph one.

*(*Added April 18, 2014, Force May 6, 2014)*

***412 Circuit Breaker in the Trading of Derivative Contracts**

412.01 The Events for Circuit Breaker

TFEX may consider halting the trading of Derivative contracts when one of the following events occurs:

- (1) when the trading of underlying assets is halted as a result of the activation of Circuit Breaker System of the SET or the underlying assets trading market, or when the underlying assets trading is suspended or when there is any similar event occurs,
- (2) when there is no underlying assets or when the underlying assets have been changed which may affect the capability of price calculation for delivery or using as underlying for calculation of price margin for settlement,
- (3) when there is other incident which may affect the existence of underlying assets or the capability of being underlying assets of such derivative contract.

412.02 Resumption of Trading after the Circuit Breaker

The resumption of trading after the circuit breaker in accordance with the regulation 412.01, TFEX may consider proceeding as follows:

- (1) In the case of regulation 412.01 (1), TFEX will allow the resumption of the trading of Derivative contracts when the halted trading of the underlying assets resumes.
- (2) In the cases of regulations 412.01 (2) and (3), TFEX may consider resuming the trading of Derivative contracts when such event of circuit breaker is remedied or ended.

As per the resumption of trading pursuant to paragraph 1, TFEX may provide a preopening period before the resumption of trading as prescribed by TFEX.

*(*Amended August 24, 2015, Force August 31, 2015)*

***413 Trading via the Internet System**

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*(*Cancelled March 31, 2010, Force April 1, 2010)*

***414 Trading Through the DMA (Direct Market Access) System**

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*(*Cancelled March 31, 2010, Force April 1, 2010)*

Schedule of Fees Relating to Trading

Type of Fee	Rate of Fee	Payment Schedule
1. Fee for the request of cancellation of trading transaction	- 50,000 baht per transaction for the request for cancellation of the 1st to 3rd transactions in the relevant calendar year - 100,000 baht per transaction for the request for cancellation of the 4th and subsequent transactions in such relevant calendar year	Within 3 business days from the date of notification of a request for cancellation of a trading transaction
2. Fee for the issuance of certificate of trading	10 baht per transaction, but not less than baht 100 per one application	On the date of filing an application for issuance of certificate of trading