

This translation is for the convenience of those unfamiliar with the Thai language.

Please refer to the Thai text for the official version

AIMC logo

**Notification of the Association of Investment Management Companies**

**No. SorJorKor.Ror. 2/2566**

**Sales Promotion of Mutual Funds**

These guidelines are intended to ensure that mutual fund sales promotions do not contain characteristics that tempt, lure, entice, or rush the public into accepting a service or invest merely to win a gift or other benefits, all of which distracts the investor from the key factors relevant to the investment decision. Distracting the investor would cause them to pay insufficient attention to the fundamentals of the investment such as features, terms, risks, suitability, personal investment objectives, etc. Furthermore, this notification aims to ensure that mutual fund sales promotion activities contain similar standards and are genuinely useful to the potential investor. To comply with notifications issued by the Securities and Exchange Commission (SEC) regarding detailed guidelines on advertisements and promotions for securities companies and derivative companies, by virtue of clause 25 of the regulation of the Association of Investment Management Companies, the board of directors of the Association of Investment Management Companies hereby issue guidelines for mutual fund sales promotions as follows (except if stated otherwise by the SEC):

Clause 1 The notification of the Association of Investment Management Companies No. SorJorKor.Ror. 1/2556 on Guidelines for the Sales Promotion of Mutual Funds 28 January 2013.

Clause 2 Terms used in this notification

"Association" refers to the Association of Investment Management Companies.

"Member" refers to a company which is a member of the Association of Investment Management Companies licensed to operate a mutual fund management business.

"SEC" refers to the Securities and Exchange Commission.

- “Mutual fund” refers to a mutual fund as defined by the SEC in its detailed guidelines on advertisements and promotions by securities companies and derivative companies.
- “Sales promotions” refers to sales promotions defined by the Capital Market Supervisory Board’s standards for business operators specifically management structure, operations, and services provided by securities companies and derivative companies.
- “Investors” refer to customers of member companies, including potential customers interested in investing in the member’s fund.
- “Units” refers to capital market products issued funds.

Clause 3 This notification shall apply to the sales promotions of fund units, but does not apply to sales promotions of Property Fund (Type 1), Property Fund for Resolving Financial Institution Problems (Type 2), Mutual Fund for Resolving Financial Institution Problems (Type 3), Property and Loan Fund (Type 4), Infrastructure Fund (Infra Fund), Real Estate Investment Trust (REIT), and Infrastructure Trust (Infra Trust).

Clause 4 Member companies may launch sales promotions for mutual funds, but must comply with the following guidelines.

(1) Refrain from using sales promotions to tempt or rush the potential customer to use the member company’s service or invest in a fund without properly considering the fundamentals essential to the investment.

(2) Refrain from using lucky draws to select winners of a gift, reward, or benefit.

(3) Gifts, rewards, and benefits must contain terms and conditions that are clearly stated without misleading the investor and must be appropriate and fair. For example, a customer that invests 10,000-20,000 Baht will receive a gift, reward, or benefit worth 10 Baht, while an investment of 20,000 Baht will receive a gift, reward, or benefit worth 20 Baht, etc.

(4) Investors are widely informed well ahead of time about the sales promotion. Information about the sales promotion should be disseminated beforehand or at least by the first day the sales promotion is effective.

(5) Expenses associated with the sales promotion must not be deducted from the mutual fund itself or any investor in the fund.

(6) Supply of gifts, rewards, and benefits must be sufficient to cover all customers that use the service or invest in accordance with terms and conditions prescribed. Do not limit the quantity of gifts, rewards, and benefits, such as offering such items only to the first 100 customers. However, this rule does not apply to a promotion that encourages a potential customer to open a fund account that does not contain an obligation for the customer to invest a certain amount within a certain time, complying with the consideration described in Clause 6 (1).

(7) Investors that use a service or invest under the same terms and conditions must receive the equivalent gift, reward, or benefit.

(8) Period for the sales promotion must not be less than 15 days, except if the sales promotion is for an Initial Public Offering (IPO) or during a trade fair or other marketing event, including online events or via other electronic channels, where many companies are participating and the member company is not connected with the host of the event. Example of such events is Money Expo, etc.

(9) Value of gifts, rewards, and benefits must not be more than amount described in Clause 6.

Clause 5 If the member company is participating in an event or other marketing activity, including those held online or via other electronic channels, where many companies are participating and the member company is not connected with the host of the event, the member company shall inform the host about the scope of the member's sales promotion. Also refrain from participating in other sales promotions that the host is running, which does not comply with guidelines the member must adhere to.

Clause 6 Value of gifts, rewards, or benefits offered by a sales promotion must comply with the following conditions:

(1) Value of gifts, rewards, or benefits offered to the opening of a fund account with no obligation that the customer must trade or invest a certain amount within a certain deadline set by the company, cannot be more than 200 Baht. This includes applications to use an online / electronic service, such as applying to use a mobile application.

(2) Value of gifts, rewards, or benefits offered must not exceed 0.2% of the minimum purchase amount applicable to each customer. The minimum purchase amount used in the calculation are as follows:

(a) The minimum purchase amount stated. For example, a requirement that each purchase order must be at least 5,000 Baht.

(b) If required purchase amount is stated as a range, use the bottom limit. For example, if the required purchase amount is stated as 10,000-50,000 Baht, determine the value of the gift, reward, or benefit based on 10,000 Baht.

(c) If the required purchase must be over regular periodic intervals, the value of the gift, reward, or benefit must be determined from the amount already invested. For example, a customer investing 10,000 Baht monthly started investing in January. By the end of March, the minimum amount that can be used to determine the value of the gift, reward, and benefit is based on 30,000 Baht.

(3) The value of the gift, reward, or benefit offered for the sales promotion of fund units that involves making investments over a regular interval, such as monthly or quarterly, for at least 1 year, must not be more than 0.5% of the minimum purchase amount required for each customer. For example, the “*Reach Your Dream, Start with 1,000 Baht*” project.

If the member declares the value of the gift, reward, or benefit in advertisements, the member company shall use the value of the gift, reward, or benefit to calculate.

Requirements imposed on the value of the gift, reward, or benefit described in (2) and (3) shall not apply to sales promotions of ETF funds that investors trade on the SET. Member companies shall follow notifications of the AIMC for such sales promotion activities.

Clause 7 For a sales promotion in the form of an event such as those listed below, including events held online or via other electronic channels, the member company need not adhere to Clause 4. However, the member company should not intentionally aim to avoid complying with Clause 4.

(1) Arranging a competition for investors where investment knowledge is being provided throughout the duration of the event to strengthen understanding about investments and benefits available to investors.

(2) Gifts offered on typical occasions widely recognized as culturally normal.

(3) Seminars or entertainment events for investors held for social purposes or to show appreciation.

(4) Any other promotional event that does not impose conditions on the value amount of purchases of fund units.

Clause 8 A promotional event held to raise awareness in the industry or society for purpose of development, education, or to clarify or mitigate problems, including those held online or via electronic channels. For example, a promotional campaign to support the fund management industry or promotional campaign to expand the fund investor base, or promotional campaign to increase long term savings for an aging society, or the *Point to Invest* campaign, etc. hosted by the parties listed below. In such case, member company may choose not to adhere to Clause 4 (6) to (9) and Clause 5. However, the member company should not intentionally aim to avoid complying with Clause 4 (6) to (9) and Clause 5.

(1) Government authority  
(2) State enterprise agency  
(3) Organization, association or agency established for specific purpose  
(4) Private agency, collaborative effort by several individual parties or institutions, etc. that is/are not business operators covered by notification of the Capital Market Supervisory Board regarding business standards, management structure, operations, and services of securities companies and derivative companies.

Clause 9 If a member company offer the convenience to purchase funds by paying with a credit card, member companies must not jointly offer a deal with credit card companies for customers to earn loyalty points by using the card to purchase fund units or pay by installments. Furthermore, member companies can only allow the use of credit cards to purchase fund units if the fund has tax deduction features.

Clause 10 Each sales promotion campaign must be made known, in advance, to the asset management company managing the fund and/or selling agent of that fund. The member company must respond back to confirm acknowledgement of the campaign each time. This is to ensure that the value of gifts, etc. comply with AIMC regulations.

Clause 11 This notification shall be effective 1 September 2023 onwards and member companies shall strictly comply.

Notification issued 1 September 2023

-signature-

(Mrs. Chavinda Hanratanakool)

Chairman

Association of Investment Management Companies