

# **LETTER OF INTENT**

**THAILAND**

**Securities and Exchange  
Commission**

**HONG KONG SPECIAL  
ADMINISTRATIVE  
REGION  
OF THE PEOPLE'S  
REPUBLIC OF CHINA**

**Securities and Futures  
Commission**

**Bangkok, Thailand  
24 November 2004**

## **LETTER OF INTENT**

**Whereas** the Securities and Exchanges Commission of Thailand (“**SEC**”), established pursuant to the Securities and Exchange Act B.E. 2535 (1992),

**And**

the Securities and Futures Commission of the Hong Kong Special Administrative Region of the People’s Republic of China (“**SFC**”), a statutory corporation established pursuant to the repealed Securities and Futures Commission Ordinance (Cap. 24) and continued in existence pursuant to the Securities and Futures Ordinance (Cap. 571),

(each referred to as an “**authority**” and together as the “**authorities**”),

**are** responsible for administering the law governing the securities and capital markets, regulating collective investments schemes and fund management activities as well as facilitating and encouraging market development in their respective jurisdictions;

**And**

are members of the International Organization of Securities Commissions (“**IOSCO**”) to which the IOSCO Objectives and Principles of Securities Regulation apply;

**And whereas**

The authorities wish to facilitate the development of deeper and broader investment markets in both jurisdictions and attain closer regulatory co-operation in a mutually beneficial manner;

### **IT IS HEREBY DECLARED THAT**

The authorities have entered into this Letter of Intent the objective of which is to state their common intention to work towards the attainment of the following goals:-

1. Harmonization of the regulatory framework under their respective regimes in the areas of the regulation, supervision and marketing of investment funds;
2. Mutual recognition and establishment of cross-border trading of mutually acceptable investment funds that are regulated by each respective authority;

3. Further strengthening of regulatory co-operation and assistance between the authorities in matters pertaining to cross-border supervision of fund management activities;
4. The desire to provide one another with the mutual assistance necessary to facilitate the performance of the duties and functions with which each authority is entrusted within its jurisdiction to enforce or secure compliance with its laws and regulations;
5. Maintaining the confidentiality of any request made by one authority to the other, the content of such request, and matters that may arise from the consultation between the authorities for the purpose of facilitating mutual recognition of funds;
6. Periodic exchange of views with one another about matters of common concern with a view to further improving mutual understanding and co-operation between the authorities;
7. Review of the Memorandum of Understanding (“MOU”) that was signed between the authorities on 12 November 1993, with the aim of revising it towards meeting the objectives of the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and The Exchange of Information;
8. Establishing a bilateral working group comprising staff of the authorities to work together with a view to attaining these goals. It is generally intended that such co-operation will be in accordance with the spirit of the IOSCO;
9. The scope of work and conditions pertaining to the above can be varied by mutual consent of the authorities.

This Letter of Intent will come into effect on the date specified below. Each authority may withdraw from the Letter of Intent at any time by giving 30 days prior written notice to the other authority.

**In witness whereof** the authorized representatives of the authorities signify their understanding by signing below.

Dated this 24th day of November 2004  
in Bangkok, Thailand.

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On behalf of the SEC

Mr. Thirachai Phuvanatanarubala  
Secretary-General

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On behalf of the SFC

Mr. Andrew Sheng  
Chairman