

ACT REPEALING OF THE AGRICULTURAL FUTURES TRADING ACT
B.E. 2542, B.E. 2558 (2015)

BHUMIBOL ADULYADEJ, REX.

Given on the 31st Day of October B.E. 2558;

Being the 70th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej graciously pleased to proclaim that:

Whereas, it is expedient to repeal the law on agricultural futures trading;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Legislative Assembly, as follows:

Section 1. This Act is called the “Act repealing the Agricultural Futures Trading Act B.E. 2542, B.E. 2558 (2015)”.

Section 2. This Act shall come into force as from the day following the date of its publication in the Government Gazette.

Section 3. In this Act,

“futures trading” means the purchase and sale under the law on agricultural futures trading;

“futures contract” means a futures purchase and sale contract under the law on agricultural futures trading;

“futures trading business operator” means a business operator of futures trading being a futures broker under the law on agricultural futures trading;

“exchange” means the Agricultural Futures Exchange of Thailand under the law on agricultural futures trading;

“center for futures contract” means the center for futures contracts under the law on agricultural futures contract;

“company” means Agricultural Futures Exchange of Thailand Plc;

“office” means Office of the Agricultural Futures Trading Commission of Thailand under the law on agricultural futures trading;

“SEC” means Office of the Securities and Exchange Commission of Thailand under the law on securities and exchange;

“Trading Commission” means the Agricultural Futures Trading Commission under the law on agricultural futures trading;

“Exchange Commission” means the Agricultural Futures Exchange Commission under the law on agricultural futures trading;

“Securities and Exchange Commission” means Securities and Exchange Commission of Thailand under the law on securities and exchange.

Section 4. The Agricultural Futures Trading Act B.E. 2542 and the Agricultural Futures Trading Act (No.2) B.E. 2550 shall be repealed on the date the Office and Exchange is abolished.

The Office and Exchange shall be abolished after fifteen months as from the date this Act comes into force except in the case where there is a reasonable ground, the Office and Exchange may be abolished before such time period.

The abolishment of the Office and Exchange before the time period prescribed under paragraph two shall be in accordance with the time period prescribed by the Minister of Commerce upon a recommendation of the Exchange Commission and published in the Government Gazette.

The repeal of the Act under paragraph one shall not overrule an offence under the Act committing before the Act is repealed and shall not restrain any right of claim resulting from or relating to the agricultural future trading occurred before and on the last business day of the exchange.

Section 5. The provisions of section 26, section 44, section 75 and section 118 (1) of the Agricultural Futures Trading Act B.E. 2542 shall apply to the center for futures contracts and business operators of futures contracts under the law on agricultural futures trading in a part relating to products or variables as prescribed by the Securities and Exchange Commission upon an approval of the Council of Ministers.

Section 6. SEC and the Center for Futures Contract shall proceed for futures contract trading with an agricultural product as product and variable under the law on futures contract within five months as from the date this Act comes into force.

The Center for Futures Contract shall notify, in writing, the exchange, for no less than thirty days as from the date the Center for Futures Contract Trading arrange the futures contract trading under paragraph one.

When the Center for Futures Contract arranges the futures contract trading under paragraph one, the exchange shall not arrange futures trading unless the exchange has announced the delivery date of such futures trading.

Section 7. In the following cases, a futures trading business operator shall submit an application for a termination of futures trading business to the Office within fifteen days as from the date of completion:

(1) when the exchange has completely carried out futures trading in accordance with the announcement of the delivery date as specified by the exchange under section 6 paragraph three or ;

(2) during the period where the exchange has not completely carried out futures trading and is not in the status of ownership in the exchange for five consecutive business day, the exchange shall announce the termination of general futures trading operation.

Any futures trading business operator who fails to submit an application for termination of futures trading business within the time period as prescribed in paragraph one shall be deemed that such futures trading business operator has submitted, to the Office, the application for termination of futures trading business.

In the case where futures trading business operator does not completely return money or properties for the use of futures trading to customers, the Office shall notify the exchange to pay money or securities placed by such futures trading business operator under section 91 of the Agricultural Futures Trading Act B.E. 2542 to customers on behalf of the futures trading business operator.

Section 8. In regard to issuance of regulations, rules, notifications, orders and specifications under the law on futures contract trading with an agricultural product as product and variable under the law on futures contract, the SEC and the Center for Futures Contract Trading shall take into account more effective promotion and development of agricultural

futures trading in Thailand which will reduce a risk of price fluctuation of agricultural products in the future. Agriculturalists, business operators of agriproduct processing factories and exporters shall be able to make production and commercial plans in accordance with market demand which will lead to price stability of an agricultural product in the long run.

Section 9. The Office and exchange shall deliver, to the SEC Office and the Center for Futures Contract Trading, documents, evidence and information relating to business operation of futures trading which are under their possession, as the case may be and agreed.

Section 10. The Office and exchange abolished under section 4 shall be deemed to be in existence for a necessary time period for liquidation.

Section 11. The Minister of Commerce shall appoint the Liquidation Committee for the Office and the Liquidation Committee for the exchange whereby each committee shall consist of no more than seven persons and shall, at least, consist of a representative from the Ministry of Commerce, a representative of the Comptroller General's Department and a representative of the Auditor General of Thailand.

The provisions of the Civil and Commercial Code on liquidation of registered partnership, limited partnership and company limited shall apply to liquidation of the Office and Exchange mutatis mutandis.

Each liquidation committee shall complete the liquidation of the office and exchange within twelve months as from the day following the date the Minister of Commerce has appointed the liquidation committees.

Each liquidation committee shall receive remuneration as prescribed by the Minister of Commerce by disbursement of properties of the Office or exchange, as the case may be.

Section 12. Upon the completion of liquidation, the liquidation committees shall carry out the followings:

(1) to submit a liquidation report within fourteen days as from the date of liquidation completion to the Minister of Commerce for considering an approval and submit it to the Council of Ministers for acknowledgment and it shall be published in the Government Gazette. In this regard, the date of publication in the Government Gazette shall be deemed the final date for liquidation;

(2) to expeditiously transfer the remaining properties of the Office and the Exchange to the Ministry of Finance;

(3) to submit books, accounting and all documents of the Office and Exchange to the Ministry of Commerce within fourteen days as from the final date of liquidation and the Ministry of Commerce shall maintain them for ten years as from such date.

Books, accounting and documents submitted to the Ministry of Commerce under (3), stakeholders shall be able to inspect without paying any fee.

Section 13. Staff of the Office who wishes to perform the work for the SEC and staff of the Exchange who wishes to perform the work for a company shall express their wishes, in writing, to the commander within sixty days as from the date this Act comes into force.

The staff who expresses their wish under paragraph one shall not be deemed being dismissed due to a lay-off if the time period of working for the office or exchange is chosen to be the time period of working for the SEC or company, as the case may be.

Section 14. Upon abolishment of the office and exchange under section 4, the SEC and company which take the staff who expressed their wishes under section 13 shall be placed in a position suitable to the knowledge, ability and experience and shall receive salary of no less than the salary received at the previous place and the benefits of no less than the staff in the same or equivalent characteristics of the SEC or company, as the case may be.

Section 15. In regard to acceptance of staff of the SEC or company under section 13 before the Office and exchange is abolished under section 4, SEC and the Office and company and exchange shall jointly consider by taking into account the appropriateness and shall be in accordance with the necessary in performing work of each agency.

When the SEC or company accepts a staff of the Office or Exchange, the personnel position of the Office and Exchange shall be terminated.

Section 16. Staff of the Office or exchange who does not express their wishes under section 13 and continue to perform work at the Office or exchange until the date the Office and exchange is abolished or staff of the Office or exchange who selects not to count the period of working time under section 13 paragraph two shall be deemed to be dismissed due to a lay-off and shall not be staff fault.

During the period when the Office and Exchange is not abolished, staffs who do not express their wishes under section 13 and the Office or Exchange does not wish to employ such staffs; the Office or exchange shall terminate the employment of such person.

The Office and Exchange shall disburse the benefits and other welfares under the Rules of the Exchange commission or the Trading Commission as the case may be to the staffs within fifteen days as from the day following the date such person is dismissed.

Section 17. The Minister of Finance and the Minister of Commerce shall have charge and control of the execution of this Act in a part relating to their powers and duties.

Countersigned by

General Prayut Chan-O-Cha

Prime Minister

Remark: The rationale for the promulgation of this Act is that since there are two futures trading in Thailand namely The Agricultural Futures Exchange of Thailand Plc whose duty is to be the center for futures contract trading for general products under the law on future contract and the Agricultural Futures Exchange of Thailand under the law on futures trading, it is expedient to only have futures contract trading under the law on futures contract to increase efficiency and improve futures trading in Thailand to ensure benefits to the agricultural sector and national economy; to reduce the risk of price fluctuation and sensitivity which shall result in purchase of futures trading of more varieties of products. It is, therefore, necessary to enact this Act.