



Notification

Amendment of the Fund Scheme of BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) to be Compliance with FATCA

The United States of America has recently introduced the Foreign Account Tax Compliance Act ("FATCA") which requires a non-US financial institution outside its territories to report information on financial accounts opened or owned by a person subject to American tax. Under FATCA's rules, Non-US financial institutions (including mutual funds under the management of BBL Asset Management Co., Ltd. ("BBLAM")) not complying with such law may be subjected to 30% withholding on withholdable amount arising from their direct or indirect US investments. Moreover, there is now a strong tendency that most Thai and foreign financial institutions will require other financial institutions including our funds to register with the FATCA program as part of their prerequisites for continuing business relationship.

Under FATCA, mutual funds and asset management companies will be required to report investment information and financial transactions of US citizens and persons possessing characteristics as specified by FATCA's rules, to perform the due diligence on clients' information to identify their US linkage, as well as to ask certain clients to produce/present additional documentation as required by FATCA's rules, etc.

To prevent any negative impacts on the funds and to protect the interests of unitholders as a whole, BBLAM, as a sponsor and manager of BTSGIF has engaged itself and the Fund to be bound by FATCA and has already amended the fund scheme, which has been approved by the fund supervisor and the Office of the SEC. **Such amendment in the fund scheme shall take effect from July 1st, 2014 onwards.**

The new Clause as detailed in the attached Table Summarizing the Amendment of the Fund Scheme is deemed to be attached to and form an integral part of the fund prospectus in part of the Schemes of the Fund. This new Clause also contain the information with respect to the rights and duties of the Fund, the Management Company and the clients/ unitholders in relation to the US status of the unitholders and the duty of the Management Company to report information on certain types of unitholders and to perform any other acts as required by FATCA or by any other similar laws introduced domestically or abroad.

Please be informed accordingly. Should you have any queries, please do not hesitate to contact Mutual Fund Business Group tel. 0-2674-6488 extension 8.

Respectfully Yours,

BBL Asset Management Company Limited

Table Summarizing the Amendment of the Fund Scheme of BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF)

| Item | Current Text | New Text |
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| 15. Others | - None - | <p><u>Provisions on FATCA and other similar foreign taxation law</u></p> <p>In 2010, the United States of America has introduced the law namely the Foreign Account Tax Compliance Act (hereinafter referred to as "FATCA") which will be effective on 1 July 2014. FATCA requires a non-US financial institution outside the US jurisdiction (Foreign Financial Institution or FFI) to report information on accounts opened or owned by persons subject to American tax (including US individuals, US entities, US permanent resident and US tax resident). In addition, there are initiatives by governments in several countries to introduce the law contains provisions and criteria similar to FATCA (FATCA and such laws, hereinafter collectively referred to as "Relevant Foreign Law")</p> <p>This mutual fund and the management company are considered as FFI's under the definition of FATCA and are required to enter into the agreement with the US Internal Revenue Service which entail the obligations to provide information on the account owned by US persons and persons possessing characteristics as specified by FATCA, to do the due diligence on information of its clients to determine their US linkage, and to request certain clients to produce/present additional documentation as required by FATCA's rules, etc.</p> <p>Under FATCA, a non-participating mutual fund (Non-Participating Foreign Financial Institution or "NPFFI") would be subject to the following consequences.</p> <p>(1) Being withheld 30% of the withholdable payment payable to the mutual fund by the participating foreign financial institutions or "PFFI" (including Thai banks and financial institutions, custodians and distributors). The withholdable payment includes income, interests or proceeds from the sale of US financial assets invested in the USA by the fund (direct investment) starting from 1 July 2014 onwards and the indirect investment from US financial assets (Pass-thru) which may include deposits and investments with other financial institutions outside the US and will be starting from 2017 onwards.</p> <p>(2) PFFIs (including banks, custodians, distributors, both in Thailand and abroad) may refuse or suspend any financial transactions or even terminate business relationship with the mutual fund or the management company and preventing or hindering the mutual fund to continue with its investment including its unitholders to transact through the distributors.</p> <p>To prevent any negative impacts on the operation of the management company and the mutual fund and to protect the interests of unitholders as a whole, the management company and the mutual fund (by the management company) have entered into an agreement to comply with the rules and provisions of the Relevant Foreign Law. To enable the management company and the mutual fund to discharge its obligations under the rules and provisions thereof, the management company and the mutual fund (including other parties relating to the administration and distribution of the mutual fund e.g. the fund supervisor, the custodians, distributors) reserve the rights to proceed with the following actions:</p> <p>(1) requesting unitholders who appear to be a US citizen (or a person specified by the Relevant Foreign Law)) to provide a consent to the report on all information of his/her account (s) (e.g. name and address, US tax number, units number/value balance, redemption proceeds or dividends payment received, etc.) made by the management company, the mutual fund and the representatives of the aforementioned, to any government agencies both</p> |

| Item | Current Text | New Text |
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| | | <p>domestic and abroad in accordance with the provisions of the Relevant Foreign Law.</p> <p>(2) requesting unitholders to further submit/provide information documents and/or consent for the purpose of US linkage verification e.g. certificate of loss of US nationality or information per items specified in the US Internal Revenue Service’s form or where there are changes on the information previously provided etc. including to provide evidence on the participation of FATCA or Relevant Foreign Law (in case the client is a financial institution) of which all requests shall be done in accordance with the rules and provisions of the Relevant Foreign Law.</p> <p>(3) performing any other acts in accordance with the Relevant Foreign Law.</p> <p>To protect and alleviate the negative impact on the mutual fund and unitholders as a whole and to achieve additional benefits for the mutual fund and unitholders as a whole from being complied with the Relevant Foreign Law, in the event that an unitholder refuses to proceed with or fails to respond to the management company’s request within the period of time specified by the management company, the management company reserves the rights to proceed with any or all of the following actions as it deems appropriate and necessary and it shall be deemed that such unitholder has acknowledged the management company’s action and been notified thereof and/or that the management company has proceeded as agreed in the account opening form.</p> <p>(1) rejecting subscription/switching/transfer of investment units from such unitholder.</p> <p>(2) suspending or terminating the service and arranging for the return of his/her investment at the then Net Asset Value (NAV) of the fund unit to such unitholder.</p> <p>(3) withholding the proceeds from investment income, dividend, redemption proceeds payable to such unitholder in accordance with the rules and provisions of the Relevant Foreign Law but this shall not be in contravention with the Thai law.</p> <p>(4) performing any other act to protect or alleviate the impact or to achieve additional benefits for the mutual fund or unitholders if such acts are in accordance with the Relevant Foreign Law.</p> <p>The above actions are necessary in order to protect the interests of the mutual fund as a whole and to avoid the impact for not complying with FATCA and the Relevant Foreign Law whereby the management company and the mutual fund would face the withholding requirement or the closure of its banking account (s). In practice, the management company will selectively perform the above actions only against unitholders who appear to be a US citizen (or persons as specified by the Relevant Foreign Law).</p> <p>In the event where there will be the amendment to the Thai law to accommodate the management company with the performance of the rights reserved herewith, the management company (including all relevant parties) will perform in accordance with the provisions of the domestic law and may report the information of unitholders to the local government agencies or to perform any other acts as required by the local authorities without the necessity to make a request to unitholders.</p> |