

(Unofficial English Translation)

(For underlying shares and underlying index)

**-Information Memorandum-**

Key Terms and Conditions of Derivative Warrants

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<b><u>Offering Method</u></b>	Direct Listing
<b><u>Guarantor</u></b>	JPMorgan Chase Bank, National Association 383 Madison Avenue, New York, NY 10179, United States
<b><u>Credit Rating of Guarantor</u></b>	Aa2 (Stable outlook) by Moody's Investors Service, Inc.
<b><u>Registrar and Warrants Agent</u></b>	Thailand Securities Depository Co., Ltd.
<b><u>Exercise of Derivative Warrants</u></b>	Automatically exercise at Maturity Date
<b><u>Exercise Expenses Charged by DW Issuer</u></b>	None

**Exercise Procedures**

1. The cash settlement amount means the amount of money per unit of derivative warrant calculated from the difference between the Reference Price and the Exercise Price, multiplied by the Exercise Ratio per Unit (in respect of underlying shares) or Index Multiplier (in respect of underlying index) being applicable at that time. In addition, the Exchange Rate shall be taken into consideration in respect of (i) Underlying Index registered in foreign country, and (ii) Underlying Shares issued by foreign company. Please refer to the formulas set out below:

For Underlying Shares or Underlying Index registered in Thailand

In respect of call derivative warrants : cash settlement amount = (Reference Price – Exercise Price) x Exercise Ratio per Unit or Index Multiplier (as the case may be).

In respect of put derivative warrants : cash settlement amount = (Exercise Price - Reference Price) x Exercise Ratio per Unit or Index Multiplier (as the case may be).

For the purpose of the above formula, 'Reference Price' shall mean, with respect to the Underlying Index, the Final Settlement Price and with respect to the Underlying Shares, the Reference Price.

For Underlying Index registered in foreign country

In respect of call derivative warrants : Cash Settlement = Max [0, (Final Settlement Price – Exercise Price) \* Index Multiplier \* Exchange Rate]

In respect of put derivative warrants : Cash Settlement = Max [0, (Exercise Price - Final Settlement Price) \* Index Multiplier \* Exchange Rate]

For Underlying Shares issued by foreign company

In respect of call derivative warrants : Cash Settlement = Max [0, (Reference Price – Exercise Price) \* Exercise Ratio per Unit \* Exchange Rate]

In respect of put derivative warrants : Cash Settlement = Max [0, (Exercise Price – Reference Price) \* Exercise Ratio per Unit \* Exchange Rate]

2. Net cash settlement means cash settlement deriving from the exercise of derivative warrants after deduction of exercise expenses.
3. If the value of the Net Cash Settlement is more than zero on the Automatic Exercise Date, it shall be deemed that the exercise is automatically made without notifying the holders of derivative warrants. The DW Issuer shall pay the Net Cash Settlement to the holders of derivative warrants (irrespective of whether the holders of derivative warrants have declared the intention for exercising or not) in accordance with the procedures and within the period as specified in the Terms and Conditions.
4. The holders of derivative warrants can reject the exercise by notifying the holders of derivative warrants' brokers in accordance with the procedures determined by each broker.
5. The DW Issuer may request the Stock Exchange of Thailand (the "SET") to suspend the trading of derivative warrants for three (3) Business Days of Thailand prior to the Maturity Date (the Maturity Date shall be included) in order to establish the holders of derivative warrants' right to exercise the derivative warrants. The DW Issuer shall announce the closure date of register book for non-transfer of derivative warrants to the holders of derivative warrants not less than fourteen (14) Business days of Thailand before such closure date of register book through the SET's disclosure system.

### **Exercise of Derivative Warrants and Settlement Procedures**

In the event of automatic exercise, the DW Issuer shall carry out as follows:

1. Where there is no Settlement Disruption Event, the DW Issuer will pay the net cash settlement amount into the holders of derivative warrants' bank accounts, or by issuing a crossed check payable to the holders of derivative warrants whose names appear on the register book as of the Automatic Exercise Date and sent by registered mail, within five (5) Business Days of Thailand after the Automatic Exercise Date;
2. Where there is a Settlement Disruption Event,
  - 1) If such circumstance occurs on or prior to the Last Trading Date and ends within thirty (30) days after the Last Trading Date,
    - 1.1) (in respect of Underlying Shares or Underlying Index which registered in Thailand), the closing price of the Underlying Shares or Underlying Index (as the case may be) on the first Business Day after the end of such occurrence shall be used as the Reference Price or Final Settlement Price (as the case may be);
    - 1.2) (in respect of Underlying Index which registered in foreign country), the Final Settlement Price shall be the price used for delivery or reference for calculation of settlement amount payable on the Last Trading Date (Final Settlement Price) as announced by the Exchange of Final Settlement Price. In the event that such price is not available, the Final Settlement Price shall be determined by referring to the closing price of Underlying Index on the first Business Day of the Exchange of Final Settlement Price after such Settlement Disruption Event ceases to occur; and
    - 1.3) (in respect of Underlying Shares issued by foreign company), the Reference Price shall be the closing price of Underlying Shares on the first day that is a Business Day of Thailand and a Business Day of the Exchange of Underlying Securities after such Settlement Disruption Event ceases to occur.
  - 2) If such circumstance occurs on or prior to the Last Trading Date but does not end within thirty (30) days after the Last Trading Date:

2.1) the DW Issuer shall announce the Fair Price (as defined below) of the Underlying Shares or Underlying Index (as the case may be) to the holders of derivative warrants within twenty (20) days after the thirtieth (30<sup>th</sup>) day after the Last Trading Date;

2.2) "Fair Price" means:

- (a) (in respect of Underlying Shares or Underlying Index which registered in Thailand or Underlying Index which registered in foreign country), a fair price determined by an independent financial advisor listed in the SEC Office's approved list. The Fair Price must be determined for no more than fifty (50) days prior to the date that the DW Issuer announces the Fair Price. Such Fair Price shall be considered as Reference Price or Final Settlement Price (as the case may be); and
- (b) (in respect of Underlying Shares issued by foreign company), a fair price determined by an independent financial advisor licensed or listed on the list of competent authorities to act as financial advisor in the Exchange of Underlying Securities. The Fair Price must be determined no more than fifty (50) days prior to the date on which the DW Issuer announces the Fair Price. Such Fair Price shall be considered as the Reference Price.

The DW Issuer shall pay the Net Cash Settlement (if any) to the holders of derivative warrants' bank accounts, or with a crossed cheque payable to the holders of derivative warrants whose names appear on the register book of the holders of derivative warrants as of the Automatic Exercise Date and sent by registered mail within nine (9) Business Days of Thailand after the announcement date of the Fair Price or the Reference Price or Final Settlement Price (as the case may be).

**Adjustment of Exercise Ratio and Exercise Price** (in case of underlying shares)

The DW Issuer shall adjust the Exercise Ratio and/or the Exercise Price (the "**Adjustment**") if any of the following events occurs.

(a) **Allotment of Newly Issued Shares by the issuer of the Underlying Shares ("Underlying Company") to its Existing Shareholders:**

When the Underlying Company offers the subscription of its newly issued ordinary shares to its existing shareholders according to their respective shareholding ratio (rights issue) and the net price per share of the newly issued shares is less than one hundred percent (100%) of the closing price of the underlying securities (i) (in respect of the Underlying Shares registered in Thailand), on the last Business Day preceding the date on which the SET posts the XR sign, the Adjustment shall be in effect immediately from the first day on which the purchasers of shares of the Underlying Company are not granted the right to subscribe for the newly issued shares (the first day on which the SET posts the XR sign), or (ii) (in respect of the Underlying Shares issued by foreign company), on the last Business Day of the Exchange of Underlying Securities preceding the ex-entitlement date, the adjustment shall be in effect immediately from the first day on which the purchasers of ordinary shares of the Underlying Company are not granted the right to subscribe for the newly issued shares (the ex-entitlement date).

(b) **Distribution of Stock Dividend:**

When the Underlying Company pays all or part of dividends in the form of ordinary shares to its shareholders, the Adjustment of the Exercise Price and the Exercise Ratio shall be in immediate effect from the first day on which the purchasers of the Underlying Company's ordinary shares are not entitled to receive such stock dividend (i.e. (i) (in respect of the Underlying Shares registered in Thailand), the first day on which the SET posts the XD sign, or (ii) (in respect of the Underlying Shares issued by foreign company), the first day on which the purchasers of the Underlying Company's ordinary shares are not entitled to receive such stock dividend (the ex-entitlement date)).

(c) **Payment of Cash Dividend:**

When the Underlying Company pays cash dividends to its shareholders, the Adjustment of the Exercise Price and the Exercise Ratio shall take immediate effect from the first day on which the purchasers of the Underlying Company's ordinary shares are not entitled to receive such dividend payments (i.e. (i) (in

respect of the Underlying Shares registered in Thailand), the first day on which the SET posts the XD sign) or (ii) (in respect of the Underlying Shares issued by foreign company), the first day on which the purchasers of the Underlying Company's ordinary shares are not entitled to receive such dividend payments (the ex-entitlement date).

(d) **Split or Combination of Shares:**

If the Underlying Company changes the par value of its share that subsequently results in a higher number of the shares (the "**Share Split**") or combines its shares that results in a lesser number of the shares (the "**Share Combination**"), then the Adjustment of the Exercise Price and the Exercise Ratio shall be in effect immediately from (i) (in respect of the Underlying Shares registered in Thailand), the date on which the Share Split or the Share Combination takes effect on the SET or (ii) (in respect of the Underlying Shares issued by foreign company), the date on which the Share Split or the Share Combination takes effect on the Exchange of Underlying Securities.

(e) **Merger or Acquisition:**

If it is announced that the Underlying Company will or may (i) enter into a merger or acquisition (including becoming, by agreement or otherwise, subject to the control of its business by another person or company) except where the Underlying Company is the surviving company in such a merger or acquisition, or (ii) sell or transfer all or a substantial part of its assets, the DW Issuer shall adjust the Maturity Date of the derivative warrants to be the last trading date of the Underlying Shares, subject to adjustments of Maturity Dates under the Terms and Conditions, and shall promptly notify the holders of derivative warrants of such change and disclose the information in accordance with the regulations of the SET.

The holders of derivative warrants shall remain entitled to exercise their derivative warrants as prescribed in the Terms and Conditions, and the DW Issuer is obliged to comply with the Terms and Conditions and to take any actions to protect the interests of the holders of derivative warrants.

- (f) The calculation of the Adjustment of the Exercise Price and the Exercise Ratio under paragraph (a) to (e) above shall be independent of one another. The calculation for Adjustment will be made in order of the sequence of those circumstances only if any of those circumstances occurs from the issuance date of derivative warrants until the Last Trading Date. If those circumstances occur simultaneously, then the calculation for the Adjustment shall be made in order of the sequence of those circumstances as announced by the Underlying Company.

In the Adjustment Calculation, the new Exercise Price shall be in three-decimal places and the new Exercise Ratio shall be in five-decimal places. Other decimal places shall be disregarded.

- (g) If there is an event which causes the holders of derivative warrants to lose the rights and benefits that they are entitled to, and such event is not included under paragraph (a) to (e) above, the DW Issuer shall consider and determine the Adjustment of the Exercise Price and/or Exercise Ratio in a fair manner without prejudice to the rights of the holders of derivative warrants. Such determination will be final. The DW Issuer shall also disclose information relating to the Adjustment in accordance with the regulations of the SET and the relevant authorities.

- (h) Except as specified in paragraphs (a) to (e) and (g) above or in any other events as the DW Issuer deems appropriate, no Adjustment shall be made in any other cases.

**Adjustment of Index Multiplier and Exercise Price** (in case of underlying index)

The DW Issuer shall not adjust the index multiplier and exercise price for derivative warrants having an underlying index. However, if the DW Issuer is of the opinion that there is reasonable ground which may materially affect the holders of derivative warrants, the DW Issuer may consider a proper procedure for adjustment of the index multiplier and/or exercise price on a fair basis without any detriment of holders of derivative warrants so as to reduce the impact on DW incurred by such circumstance or to immediately protect holders of derivative warrants from damage. In such case, the date for adjustment of the index multiplier and/or exercise price together with the effective date may be also determined by the DW Issuer.

The DW Issuer shall notify the holders of derivative warrants in accordance with the rules and procedures prescribed by the SET and relevant competent authorities.

### **Event and Consequences of Default**

Each of the following shall constitute an event of default (each, an "**Event of Default**"):

- (a) the DW Issuer fails to make payment, or to deliver or accept delivery of the Underlying Shares, as prescribed in Part 3 of the Terms and Conditions and such Event of Default continues for a period of seven (7) consecutive Business Days of Thailand, unless the default is due to delay or failure of the funds transfer system or the system for delivering and/or accepting delivery of the Underlying Shares;
- (b) the DW Issuer fails to comply with the Terms and Conditions, which materially and adversely affects the rights of the holders of derivative warrants, and such failure continues for a period of fifteen (15) consecutive days from the date the holders of derivative warrants send written notification to the DW Issuer asking that it properly performs in accordance with the Terms and Conditions;
- (c) all or substantial part of the DW Issuer's assets are seized or attached by its creditor for a period of seven (7) consecutive Business Days of Thailand;
- (d) the DW Issuer is in default of payment of its debts in the aggregate amount of not less than THB 100,000,000 (One Hundred Million Baht) or its equivalent in another currency as a result of (1) the DW Issuer fails to pay such debts by the original due date or the date extended by its creditor, or (2) its creditor demands that such debts become due and payable before the prescribed due date as a result of the creditor exercising its right in the event of a default under the relevant agreement.

Provided that the foregoing payment default materially and adversely affects the DW Issuer's ability to make payment under the derivative warrants, and such payment default continues for a period of seven (7) consecutive Business Days of Thailand.

- (e) a shareholders meeting of the DW Issuer resolves to dissolve the DW Issuer, except where such dissolution is for the purpose of a merger or consolidation, and according to the terms and conditions thereof, the surviving entity will expressly assume all the DW Issuer's debts and obligations relating to the derivative warrants; or
- (f) a proceeding is commenced for the purpose of rehabilitation of the DW Issuer or seeking an order of bankruptcy against it under the relevant law, or there is a lawful order or resolution to dissolve the DW Issuer, or the DW Issuer's assets are seized or attached by virtue of a judgment or lawful order, and that such proceeding, judgment, order or resolution is not revoked, withdrawn or rescinded within sixty (60) days of the date of commencement or issuance thereof.

If any Event of Default under paragraph (a), (b), (c) or (d) occurs, the DW Issuer must convene a meeting of the holders of derivative warrants in accordance with the criteria specified in the Terms and Conditions, and:

- (1) the meeting of the holders of derivative warrants may resolve that the DW Issuer be deemed to be in default, wherein the derivative warrants shall be immediately exercised on the date the meeting passes such a resolution and the Reference Price or Final Settlement Price (as the case may be) shall be the closing price of the Underlying Shares or the Underlying Index (as the case may be) on such date or, if there is no closing price of the Underlying Shares or Underlying Index (as the case may be) on such date, the Reference Price or Final Settlement Price (as the case may be) shall be the closing price of the Underlying Shares or Underlying Index (as the case may be) most recently available before such date. The DW Issuer shall compare the Reference Price or Final Settlement Price with the Exercise Price (i) for the purpose of calculating the Cash Settlement Amount payable to the holders of the outstanding derivative warrants (in respect of Underlying Shares or Underlying Index which registered in Thailand), and (ii) in respect of the Underlying Index registered in foreign

country or Underlying Shares issued by foreign company, the prevailing exchange rate at that time (if any) shall be taken into consideration for the purpose of calculating the Cash Settlement Amount payable to all the holders of such unexercised derivative warrants; or

- (2) the meeting of the holders of derivative warrants may resolve otherwise in respect of such default as it considers appropriate.

If any Event of Default under paragraph (e) or (f) occurs, the DW Issuer shall be deemed to be in default and the derivative warrants shall be immediately exercised on the date of the occurrence under (e) or (f). The Reference Price or Final Settlement Price (as the case may be) shall be the closing price of the Underlying Shares or the Underlying Index (as the case may be) on the date of the occurrence under paragraph (e) or (f). If there is no closing price of the Underlying Shares or Underlying Index (as the case may be) on the date of the occurrence under paragraph (e) or (f), the Reference Price or Final Settlement Price shall be the closing price of the Underlying Shares or Underlying Index (as the case may be) most recently available before such date. The DW Issuer shall compare the Reference Price or Final Settlement Price (as the case may be) with the Exercise Price (i) for the purpose of calculating the Cash Settlement Amount payable to the holders of the outstanding derivative warrants (in respect of Underlying Shares or Underlying Index which registered in Thailand, and (ii) in respect of the Underlying Index registered in foreign country or Underlying Shares issued by foreign company, the prevailing exchange rate at that time (if any) shall be taken into consideration for the purpose of calculating the Cash Settlement Amount payable to all the holders of such unexercised derivative warrants.

**Transfer Restriction**

None

**Market Maker Obligation**

For Underlying Shares or Underlying Index which registered in Thailand

In the event that the derivative warrants are listed on the SET, the Market Maker shall perform the bid and offer with spread not exceeding 10 ticks and at a minimum quantity of not less than 20,000 units for not less than 80 percent of the SET trading hours. The Market Maker will not be required to provide bid and offer prices if any of the following events occurs:

1. There is any failure of delivering and/or accepting delivery of the underlying securities or if a Settlement Disruption Event has occurred;
2. The SET orders suspension of trading the underlying securities or discontinues the calculation of the underlying index (as the case may be) and/or orders the trading suspension of the derivative warrants by whatever reasons;
3. The Market Maker does not have sufficient number of derivative warrants to perform its duty;
4. The price of derivative warrants is lower than that stated in Part 1 of the Terms and Conditions (liquidity conditions);
5. Fourteen (14) Business days of Thailand prior to the Maturity date;
6. There is irregular fluctuation on the SET;
7. An Event of Default as prescribed in the Terms and Conditions has occurred in respect of the DW Issuer; or
8. Other cases as disclosed by Market Maker to the SET.

For Underlying Index registered in foreign country

In the event that the derivative warrants are listed on the SET, the Market Maker shall perform the bid and offer with spread not exceeding 10 ticks and at a minimum quantity of not less than 20,000

units for not less than 80 percent of the SET trading hours. The Market Maker will not be required to provide bid and offer prices if any of the following events occurs:

1. There is any failure of delivering and/or accepting delivery of the underlying securities or if a Settlement Disruption Event has occurred;
2. The SET orders suspension of trading the underlying securities or discontinues the calculation of the underlying index (as the case may be) and/or orders the trading suspension of the derivative warrants by whatever reasons;
3. The Market Maker does not have sufficient number of derivative warrants to perform its duty;
4. The price of derivative warrants is lower than that stated in Part 1 of the Terms and Conditions (liquidity conditions);
5. Fourteen (14) Business days of Thailand prior to the Maturity date;
6. There is irregular fluctuation on the SET;
7. An Event of Default as prescribed in the Terms and Conditions has occurred in respect of the DW Issuer;
8. Other cases as disclosed by Market Maker to the SET; or
9. Other circumstances as follows:
  - 9.1 Any event which prevents general investor from trading of the constituent securities of the Underlying Index;
  - 9.2 The suspension of trading of the Futures Contract linked with Underlying Index on the Exchange of Final Settlement Price for any reason whatsoever;
  - 9.3 There is an enactment of law, regulation or an issuance of order(s) of relevant authorities affecting the trading of constituent securities of the Underlying Index and/or trading of the Futures Contract such that the Final Settlement Price cannot be determined; and
  - 9.4 The SET and/or the Exchange of Final Settlement Price is closed or it is out of the trading hours of the SET and/or the Exchange of Final Settlement Price or there is an announcement that the SET and/or the Exchange of Final Settlement Price shall be closed or there is any other circumstance resulting in the trading suspension of the SET and/or the Exchange of Final Settlement Price.

For Underlying Shares issued by foreign company

In the event that the derivative warrants are listed on the SET, the Market Maker shall perform the bid and offer with spread not exceeding 10 ticks and at a minimum quantity of not less than 20,000 units for not less than 80 percent of the trading hours of the Exchange of Underlying Securities and the SET. The Market Maker will not be required to provide bid and offer prices if any of the following events occurs:

1. There is any failure of delivering and/or accepting delivery of the underlying securities or if a Settlement Disruption Event has occurred;
2. the Exchange of Underlying Securities orders the trading suspension of underlying securities or the calculation of underlying index is suspended (as the case may be) and/or the SET orders the trading suspension of the derivative warrants for any reason;
3. The Market Maker does not have sufficient number of derivative warrants to perform its duty;
4. The price of derivative warrants is lower than that stated in Part 1 of the Terms and Conditions (liquidity conditions);
5. Fourteen (14) Business Days of Thailand prior to the Maturity Date;
6. There is irregular fluctuation on the SET and/or the Exchange of Underlying Securities;
7. An Event of Default as prescribed in the Terms and Conditions has occurred in respect of the DW Issuer;
8. Other cases as disclosed by Market Maker to the SET;
9. Any circumstance that results in the general investors being unable to trade the Underlying Shares;
10. There is an enactment of laws or orders of relevant authorities affecting the trading of the Underlying Shares;
11. The SET and/or the Exchange of Underlying Securities is closed or it is out of the trading hours of the SET and/or the Exchange of Underlying Securities or there is an announcement that the SET and/or the Exchange of Underlying Securities shall be closed or there is any other circumstance resulting in the trading of the SET and/or the Exchange of Underlying Securities shall be suspended; or
12. the DW Issuer considers that it will comply with the laws and/or relevant regulations (including administrative orders issued by the president of the United States of America or boycott (either main boycott or secondary boycott) which is carried out or enforced by the government of the United States of America, including the Office of Foreign Assets Control of the Ministry of Finance of the United States of America or any other relevant governmental authorities under any other jurisdiction) whereby such compliance prevents, restricts or affects or may prevent, restrict or affect the DW Issuer or the market maker or the affiliates from/in trading the underlying securities or derivatives of the underlying securities

### **Distribution of Derivative Warrants**

The DW Issuer will distribute derivative warrants to the holders of derivative warrants not less than THB 20 Million or not less than 50 percent of the issued amount of derivative warrants, excluding the derivative warrants that are held by the Market Maker and the DW Issuer. The DW Issuer will arrange for such distribution before the Maturity Date or within 3 months from the first trading date, whichever date comes first.

## **Information of the DW Issuer**

**Paid Up Capital** THB 500,000,000.00 (Baht Five Hundred Million)

**Location of Issuer** Bubhajit Building, 2<sup>nd</sup> - 3<sup>rd</sup> Floors, No. 20,  
North Sathorn Road, Silom Sub-district, Bangrak District,  
Bangkok 10500  
Tel. +66 2684 2600  
Website: <https://www.jpmorgandw41.com>

**Type of Business and Nature of Operation (in brief)** The DW Issuer operates securities businesses as follows:  
1. Securities brokerage;  
2. Securities dealing;  
3. Securities underwriting; and  
4. Derivatives broker

**Financial Statements and Operating Results of the DW Issuer** The investors can study the financial status and the latest operating results on [www.sec.or.th](http://www.sec.or.th) and [www.set.or.th](http://www.set.or.th)

**Prepared by** **JPMorgan Securities (Thailand) Limited**

The investment is subject to risks. The investors shall carefully study details and associated risks before making investment decisions. The investors can study further information on the terms and conditions and material terms of derivative warrants on the documents attached to the prospectus (DW-key information, DW-additional information and DW-specific features of DW series) on [www.sec.or.th](http://www.sec.or.th)

Capitalized terms used and not defined here shall have the meanings given to them in the Terms and Conditions of the relevant derivative warrants.

In the event of any inconsistency between this information memorandum and the Terms and Conditions of the derivative warrant, the Terms and Conditions of the derivative warrant shall prevail over this information memorandum.