

## **Guideline Practice of Foreign Exchange**

November 05, 2020

### **1. Introduction**

- This guideline regarding foreign exchange (FX) transactions (hereinafter referred to as this “Guideline”) aims to provide information that is particularly important for customers when Sumitomo Mitsui Trust Bank (Thailand) (hereinafter referred to as the “Bank”) engages in FX transaction business in accordance with the FX Global Code.

### **2. Relationship between Customers and the Bank in Transactions**

- The Bank is a dealer and a market maker in the FX market and thus engages in price quotation for and the execution of transactions and other related activities. In relation to FX transactions, the Bank will perform its businesses in good faith and will understand and comply with laws, rules and regulations that apply to the FX market.

### **3. Execution of Transactions**

- In relation to FX transactions, the Bank will perform its business in good faith and with transparency and fairness; and will endeavor to enhance customers’ understanding of FX transactions by providing useful information in a timely and appropriate manner.
- A customer may use telephone, emails, an electronic platform, or other means as ways to contact and place orders with the Bank in relation to FX transactions.
- In transactions with customers, the Bank may use an electronic platform provided by an external vendor and quote the exchange rates to customers based on the specifications of such platform.
- When the Bank judges that the execution of FX order of a customer is completed, a transaction is deemed to be concluded, and the market risk transfers to the customer at the time of the conclusion of the transaction.

- To meet customers' requests on transactions, the Bank has reasonable discretion on issues such as whether to handle the customer's order concurrently with other customers' orders, to handle orders in accordance with the time of each order, to execute the order by electronic means or manually, to execute the order or not, when and how to execute the order, and whether to execute the order in part or in whole, unless there is any specific agreement to that effect.
- A customer's final transaction price will be a price of all-in rate which include markup of spread or fee payable to the Bank in consideration for risks taken by the Bank. This will be determined on the basis of the relevant currencies, the amount and period of the transaction, the market environment (such as liquidity and events), the customer's credit status and transaction status and other relevant elements.
- The Bank does not perform pre-hedge on FX order.

#### **4. Information Handling**

- The Bank considers it extremely important to protect customer information and endeavors to ensure customer information confidentiality and security. However, the Bank may, as part of its obligations to supervisory and other authorities, disclose customer information upon the request of these authorities.
- The Bank may utilize executed transactions for analysis purpose of risk management, marketing, pricing for transactions or other relevant purposes.