

CUMULATIVE HYBRID TIER 2 CAPITAL SECURITIES

INDICATIVE PRINCIPAL TERMS AND CONDITIONS

<i>Issuer</i>	:	BankThai Public Company Limited
<i>Facility Description</i>	:	Cumulative Hybrid Tier 2 Capital Securities (“Securities”)
<i>Issue Size</i>	:	Up to Baht 2,500 million
<i>Issue Price</i>	:	Par to the nominal value of the Securities
<i>Use of Proceed</i>	:	The proceeds from the issuance of the Securities will be used by the Issuer for general corporate purpose and to provide the Issuer with Hybrid Tier 2 capital in order to strengthen its capital base.
<i>Maturity Date</i>	:	10 years from the issue date
<i>Interest / Distribution Rate</i>	:	To be determined closer to issuance date, depending on the prevailing market conditions at the time of issuance of the Securities, and under the agreements and conditions of the Securities issued at that time, and to be under the SEC's notification and/or the SET and/ or the notification or regulations of any government agencies concerned which are still in effect at the time of issuance and offering of the Securities (if more than one issue) <i>(The interest payment is referred to as “Distribution” and each payment date is referred to as “Distribution Payment Date”. The Interest / Distribution Rate may also include step up rate)</i>
<i>Mode of Issue</i>	:	Private Placements
<i>Listing Status</i>	:	The Securities will not be listed.
<i>Events of Default</i>	:	There are no events of default under the Securities.

Upon occurrence of any of the following events (**Enforcement Events**):

- (a) a default made in the payment of any nominal value of the Securities on the due date for payment thereof; or
- (b) a default made in the payment of Distribution amounts (including any additional amounts) on the Securities on the due date for payment thereof, which default continues for 14 days consecutively (other than non-payment of Distribution under the item “LIMITATION ON PAYMENT OF DISTRIBUTIONS”)

the holders of the Securities may, at their discretion and without further notice, institute proceedings against the Issuer in Thailand (but not elsewhere) provided that, such holders shall have no right to accelerate payment of such Securities in the case of non-payment of Distribution on, or other amounts owing under, such Securities.

If a Winding Up Proceeding (see below) commences in respect of the Issuer, or an effective resolution of the shareholders of the

Issuer is passed for a Winding Up Proceeding in respect of the Issuer, the holders of the Securities may, at such holders' option, declare the principal of and any Distribution amounts on the Securities to be due and payable immediately, by a notice in writing to the Issuer. Upon such a declaration, such nominal value and any Distribution amounts shall become immediately due and payable.

Winding Up Proceeding means the occurrence of any of the following:

- (a) a court or agency or supervisory authority in Thailand having jurisdiction in respect thereof shall have instituted a proceeding or entered a decree or order for the appointment of a receiver or liquidator in any insolvency, rehabilitation, readjustment of debt, marshalling of assets and liabilities, or similar arrangements involving the Issuer or all or substantially all of its properties, or for the winding up of or liquidation of its affairs and such proceeding, decree or order shall not have been vacated or shall have remained in force undischarged or unstayed for a period of 60 days; or
- (b) The Issuer files a petition to take advantage of any insolvency statute.

Limitation on Payment of Distribution

: If any of the following is satisfied:

(A) If the capital adequacy ratio ("BIS Ratio") of the Issuer is, on a Distribution Payment Date, lower than 0% or;

(B) If the Issuer would, immediately after a Distribution Payment Date, cause the Issuer's BIS Ratio to be lower than 0% ;

(C) If the Bank of Thailand has intervened by ordering a capital increase or decrease of the Issuer and such increase or decrease has not been completed;

then the Issuer shall defer paying Distribution on such Distribution Payment Date, by giving not less than 5 nor more than fifteen (15) business days' notice to the Facility Agent /Paying Agent / and the Trustee (whichever applicable) (which notice shall be irrevocable and shall oblige the Issuer to defer payment of the interest amount which, but for the Payment Limitation Condition, was payable on such Distribution Payment Date).

To the extent that the above clause does not apply, if the Payment Limitation Condition (see below) is met, the Issuer may, at its option, defer the Distribution which would otherwise have been payable on such Distribution Payment Date.

Any such deferral pursuant to the above paragraphs will not constitute or be deemed a default by the Issuer for any purpose whatsoever.

Payment Limitation Condition means that during the [12] month period immediately preceding any Distribution Payment Date, the Issuer did not declare and/or pay any dividend to its shareholders, or make any interest payment or distribution, on

any securities or instruments ranking junior to the Securities, and that the Issuer expects that the net profit for the current fiscal year is expected to be zero or less.

“Deferred Distribution Amount” means any Distribution amount which is deferred by the Issuer pursuant to the Limitation on Payment of Distribution clause herein.

For the avoidance of doubt all Deferred Distribution Amount shall be cumulative.

Dividend and Capital Stopper : In the event that the Issuer has not made a full payment of any Distribution or Deferred Distribution Amount on a Distribution Payment Date then (A) the Issuer shall not pay any dividends to its shareholders or make any interest payment or distribution on any security or instruments ranking pari passu with or junior to the Securities (the **Dividend Stopper**); and (B) the Issuer shall not redeem, purchase, reduce or otherwise acquire any of its ordinary shares, preference shares, securities or instruments ranking pari passu with or junior to the Securities, or any securities of any of its subsidiary undertakings benefiting from a guarantee from the Issuer, ranking, as to the right of redemption of principal, or in the case of any such guarantee, as to the payment of sums under such guarantee, pari passu with or junior to the Securities (the **Capital Stopper**).

Optional Redemption The Issuer may, at its option and subject to the Redemption Conditions (see below) being satisfied, Redeem (see below) the Securities (in whole but not in part) on any Optional Redemption Date.

Redemption Conditions means:

- (1) The Issuer is solvent at the time of any Redemption (see below) of the Securities and immediately thereafter;
- (2) The Issuer is not in breach of BOT’s minimum capital adequacy ratio requirements applicable to the Issuer; and
- (3) The Issuer has obtained the written approval of BOT prior to Redemption of the Securities.

Redeem means:

- (1) redeem the Securities for the Redemption Amount (see 7. REDEMPTION AMOUNT below)

“Redemption” and **“Redeemed”** have the corresponding meanings.

Optional Redemption Date : A date falling no earlier than the fifth anniversary (5th) of the relevant Issue Date, and any Distribution Payment Date thereafter.

Tax Redemption : If there is more than an insubstantial risk that:

- (1) The Issuer would no longer obtain tax deductions for the purposes of Thailand corporation tax for any payment in respect of the Securities;

as a result of a change in, or amendment to, the laws or regulations of Thailand or any political subdivision or any authority thereof or therein having power to tax, or change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date of first issue and the Issuer cannot, by taking reasonable measures available to it, avoid such obligations, then the Issuer may, at its option, Redeem the Securities (in whole, but not in part) at the Redemption Amount, subject to the Redemption Conditions being satisfied on any Optional Redemption Date.

- Regulatory Redemption* : If the Securities no longer qualify as Tier 2 capital of the Issuer for the purposes of BOT's capital adequacy requirements under any regulations applicable to the Issuer, then the Issuer may, at its option, Redeem the Securities (in whole, but not in part) at the Redemption Amount, subject to the Redemption Conditions being satisfied on any Optional Redemption Date.
- Redemption Amount* : In the case of an Optional Redemption, a Tax Redemption or a Regulatory Redemption, an amount equal to 100% of the face value together with accrued but unpaid Distributions (if any) relating to the then current Distribution period (if any) up to (and excluding) the date on which the Securities are Redeemed.
- Ranking* : The Securities are direct and unsecured obligations of the Issuer.
- Amounts payable on the Securities will be subordinated in right of payment upon the occurrence of any winding up proceeding to the prior payment in full of all deposit liabilities and all other liabilities of the Issuer (including liabilities of all offices and branches of the Issuer wherever located and any debt securities (whether subordinated or unsubordinated) of the Issuer that rank senior to the Securities) except, in each case, to those liabilities which by their terms rank equal with or junior to the Securities.
- Claims in respect of the Securities will rank pari passu and without preference among themselves, but in priority to the rights and claims of holders of tier 1 capitals of the Issuer and the preference shares (if any) of the Issuer as well as ordinary equity shares of the Issuer.
- Voting Rights* Holders will not be entitled to receive notice of or attend or vote at a meeting of the ordinary shareholders of the Issuer or to participate in the management of the Issuer.
- Governing Laws* : The Securities will be governed by, and shall be construed in accordance with Law of the Kingdom of Thailand.