(Unofficial Translation)

Office of the Board of Investment Announcement No. Por 13/2543 S cope of Business of Research and Development

Pursuant to Board of Investment Announcement No. 2/2543 regarding the types, sizes and conditions of activities eligible for promotion dated 1 August 2000,

By virtue of Section 13 and Section 16 of the Investment Promotion Act B.E. 2520, the Office of the Board of Investment, as approved by the Board of Investment on 22 September 2000, hereby announces the scope of business of promotional activity 7.12 (Research and Development), as follows:

- 1. <u>Basic Research</u> refers to theoretical or operational activities that are conducted to explore new knowledge from basic natural phenomena and factual observation, without initially considering the application.
- 2. <u>Applied Science</u> refers to research to explore new knowledge with an objective to put it in practice for specific use.
- 3. <u>Experimental Development</u> refers to a systematic operation based on the knowledge from research and/or experience with the objective of producing new materials, products or inventions; to install new procedures, systems and services; or to substantially improve the existing products.

Projects that apply for investment promotion under criteria 1-3 shall submit details of the scope of research and development, customers, tools and equipment for research and development, number of researchers in the project as well as educational background and experience of the researchers.

Effective henceforth.

Announced on 22 November 2000

(Staporn Kavitanon) Secretary General Board of Investment