

**Bank of Thailand Regulation
on Interbank Retail Funds Transfer Clearing System
B.E. 2543**

**Chapter 1
General Provisions**

Article 1. The Bank of Thailand Regulation on Interbank Retail Funds Transfer Clearing System B.E. 2540 dated on 13th January B.E. 2540 shall be repealed.

Article 2. All other notifications, rules, and regulations in so far as dealing with matters governed by this regulation or being inconsistent with its provisions shall be replaced by this regulation.

Article 3. The Bank of Thailand shall arrange for an interbank clearing and settlement for retail funds transfer nationwide between customers of a bank and customers of another bank by having the Electronic Clearing House acting as a center for receiving funds transfer data, classifying the data and calculating clearing balances for settlement among members.

Article 4. In this regulation:

“Clearing House” means the Electronic Clearing House.

“Member banks” mean on-line members and off-line members.

“On-line members” mean the member banks sending or receiving funds transfer data via an online system connecting member banks with the Clearing House which sends electronic report for Interbank Retail Funds Transfer Clearing System.

“Off-line members” mean the member banks sending or receiving funds transfer data via data recording media with the Clearing House for Interbank Retail Funds Transfer Clearing System.

“Funds transfer data”^{1/} means the data prepared by a Sending bank in the prescribed form and procedures for a receiving bank to credit or debit accounts of customers. Funds transfer data shall be composed of:

- (1) Normal round funds transfer data;
- (2) Special round funds transfer data.

“Normal round funds transfer data”^{2/} means funds transfer data whereby a member bank send to the Clearing House within the time schedule specified or extended by the Bank of Thailand.

^{1/} Amendment: Article 1 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{2/} Amendment: Article 2 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

“Special round funds transfer data”^{2/} means funds transfer data whereby a member bank send to the Clearing House after the end of normal round funds transfer data sending period until a period of time specified by the Bank of Thailand.

“Completed funds transfer data” means funds transfer data a member bank has received from the Clearing House for the purposes of crediting or debiting accounts of customers.

“Returned funds transfer data”^{3/} means normal round funds transfer data whereby a member bank cannot credit or debit accounts of customers for whatever reason and has been returned to the sending bank.

“Day” means a banking day of commercial banks.

“Transaction effective date” means a date on which a receiving bank must credit or debit accounts of its customers.

“Net Clearing Position (NCP)”^{4/} means
 (1) Normal round Net Clearing Position;
 (2) Special round Net Clearing Position (if any).

“Normal round Net Clearing Position” means a balance of account calculated on the normal round funds transfer data.

“Special round Net Clearing Position” means a balance of account calculated on the special round funds transfer data.

“Returned Net Clearing Position (Returned NCP)” means a balance of account calculated on the returned funds transfer data.

“Data recording media” means magnetic tapes, magnetic discs or any other data recording media used for recording data and computer readable, having qualifications prescribed by the Bank of Thailand.

“Secret code package” means codes prepared by the Bank of Thailand for security in data recording and verifying data received and sent between member banks and the Clearing House.

“Online system of member bank” means computer systems and communication networks of each member used in communication and delivering of Electronic Report Delivery System.

“Electronic Report Delivery System” means computer system and communication devices, prescribed by the Bank of Thailand, used to send or receive funds transfer data between on-line members and the Clearing House.

“Interbank Retail Funds Transfer Clearing System (SMART)” means

^{2/} Amendment: Article 2 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{3/} Amendment: Article 3 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{4/} Amendment: Article 5 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

computer system, prescribed by the Bank of Thailand, used to send and receive funds transfer data between on-line and off-line members with the Clearing House, including data processing and classifying data for transfer of funds, for clearing of accounts between the member banks.

Article 5. The Bank of Thailand will prepare secret code packages for member banks. The Clearing House will send the same to the member banks according to the prescribed procedures and time schedules.

Member banks must keep those secret code packages be secret. It can be disclosed only for necessity in operation.

Article 6. If there occurs any force majeure which renders clearing of accounts hereunder impossible, the Bank of Thailand will take any action it may deem appropriate in order that the clearing between banks can be done.

Article 6/1^{5/}. Member banks must have generally acceptable contingency plans ready in case there are circumstances preventing the normal operation of On-line System of member banks and Electronic Report Delivery System.

Chapter 2 **Members**

Article 7. A bank which can be a member under this regulation must be a member of the Clearing House under the Bank of Thailand Regulation on Interbank Electronic Cheque Clearing System in Bangkok B.E. 2539.

Application for membership shall be made in writing sendted to the Bank of Thailand and the Bank of Thailand shall notify the applicant and other banks on admittance of the applicant for membership.

Article 8. If any member banks wish to resign from membership under this regulation, such bank must notify the Bank of Thailand in writing not less than one month in advance and must cease sending funds transfer data from the date of the notice but can still receive funds transfer data until the resignation becomes effective. The Bank of Thailand shall notify other member banks thereof.

Article 9. Membership of a member bank shall be terminated if such bank member

- a. has ceased to be a member of the Clearing House under the Bank of Thailand Regulation on Interbank Electronic Cheque Clearing System in Bangkok B.E. 2539 or
- b. has become unable to pay the debtor's balance of account.

The Bank of Thailand shall notify other member banks of such termination of membership.

^{5/} Amendment: Article 6 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

Chapter 3

Representatives of Banks

Article 10. Each member bank shall appoint its representatives to contact the Clearing House by sending a list of names and specimen signatures of the said representatives to the Clearing House to retain as evidence and, if there is any change thereto, notify such change to the Clearing House in advance.

Article 11. Representatives of member bank at the Clearing House must be authorized by the member bank to receive the secret code package, sign the receipt documents or deliver the data recording media or related reports and do any and all other act related to clearing of accounts.

Article 12. Each member bank shall be solely responsible for the act of its representatives and representatives of all member banks must observe instructions of the Clearing House.

Chapter 4

Sending and Receiving of Data

On-line Members

Article 13^{6/}. On-line members shall send normal round funds transfer data via on-line system in the form and procedures prescribed by the Bank of Thailand and deliver to the Clearing House 1 to 7 days in advance prior to the transaction effective date, at the time specified by the Bank of Thailand.

In case any on-line member cannot send normal round funds transfer data within the time specified, it shall request for time extension or request for sending special round funds transfer data in accordance with the conditions, procedures, and time schedule specified by the Bank of Thailand. The receiving bank must credit accounts of its customers on the transaction effective date.

The Clearing House shall not accept any funds transfer data that does not comply with the form and procedures specified by the Bank of Thailand.

Article 14. In case there occurs any obstacle on the on-line system or network line of the on-line members and the on-line members cannot communicate with the Clearing House, on-line members shall notify to the Clearing House. If on-line members desire to send or receive data via data recording media, on-line members shall notify to the Clearing House immediately.

After the on-line member has notified the Clearing House to send data via off-line, the on-line member shall apply the procedures of off-line member mutatis mutandis.

Article 15. On-line members may cancel any sent funds transfer data by filing a request to the Clearing House 1 day in advance prior to the transaction effective date at the time specified by the Bank of Thailand.

^{6/} Amendment: Article 7 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

Article 16^{7/}. The Clearing House shall send funds transfer data that has been classified for each bank and Net Clearing Position to the receiving bank 1 day prior to the transaction effective date at the time specified by the Bank of Thailand.

Article 17^{8/}. In case the on-line member has received normal round funds transfer data which has been classified from the Clearing House but cannot credit or debit the account of its customers, the on-line member shall return the said normal round funds transfer data to the Clearing House on the transaction effective date according to the form, procedures, and time schedule specified by the Bank of Thailand.

In case the returned funds transfer data does not comply with the specified form or cannot be read or processed, causes the Clearing House cannot process the returned funds transfer data to the sending bank, the sending bank shall make a correction and send to the Clearing House again within the time schedule specified by the Bank of Thailand.

If the on-line member does not send the returned funds transfer data to the Clearing House within the time specified by the Bank of Thailand, the funds transfer data that the on-line member has received shall be deemed as completed funds transfer data.

Article 18. The receiving bank may cancel any returned funds transfer data sent to the Clearing House by filing a request to the Clearing House according to the time specified by the Bank of Thailand.

Article 19^{9/}. The Clearing House shall send classified funds transfer data with the Returned Net Clearing Position to on-line members on the transaction effective date within the time specified by the Bank of Thailand.

Off-line Member

Article 20^{10/}. Off-line members shall send funds transfer data recording media in the form and procedures prescribed by the Bank of Thailand with the delivery form to the Clearing House 1 to 7 days in advance prior to the transaction effective date, at the time specified by the Bank of Thailand.

In case any off-line member cannot send normal round funds transfer data within the time specified, it shall request for time extension or request for sending special round funds transfer data in accordance with the conditions, procedures, and time schedule specified by the Bank of Thailand. The receiving bank must credit accounts of its customers on the transaction effective date.

The Clearing House shall not accept any funds transfer data that does not comply with the form and procedures specified.

^{7/} Amendment: Article 8 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{8/} Amendment: Article 9 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{9/} Amendment: Article 10 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{10/} Amendment: Article 11 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

Article 21. Off-line members may cancel the funds transfer data recorded media by filing a request to the Clearing House 1 day prior to the transaction effective date, at the time specified by the Bank of Thailand.

Article 22^{11/}. Off-line member shall take delivery of the funds transfer data recording media which has been classified for each bank and related reports and the Net Clearing Position at the Clearing House 1 day prior to the transaction effective date, at the time specified by the Bank of Thailand.

Article 23^{12/}. In case the off-line member has received normal round funds transfer data, which has been classified for each bank from the Clearing House, but cannot credit or debit the account of its customers, the off-line member shall return the said normal round funds transfer data to the Clearing House on the transaction effective date according to the form, procedures, and time schedule specified by the Bank of Thailand.

In case the returned funds transfer data does not comply with the specified form or the data recording media has no required qualifications or cannot be read or processed, the receiving bank shall send the new returned funds transfer data which is correct and complete to the Clearing House within the time schedule specified by the Bank of Thailand.

If the off-line member does not send the returned funds transfer data to the Clearing House within the time specified by the Bank of Thailand, the funds transfer data that the off-line member has received shall be deemed as completed funds transfer data.

Article 24. The receiving bank may cancel the returned funds transfer data recording media by filing a request to the Clearing House prior to the time specified by the Bank of Thailand.

Article 25^{13/}. The sending bank shall take delivery of the returned funds transfer data recording media which has been classified for each bank and related reports together with the Returned Net Clearing Position from the Clearing House on the transaction effective date at the time specified by the Bank of Thailand.

Chapter 5 **Clearing Procedures**

Article 26^{14/}. The Clearing House shall classify the funds transfer data for each bank according to the funds transfer data that member bank has sent and calculate the Net Clearing Position 1 day prior to the transaction effective date at the time specified by the Bank of Thailand.

Article 27^{15/}. The Clearing House shall classify the returned funds transfer data for each bank according to the returned funds transfer data that the member bank has sent and

^{11/} Amendment: Article 12 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{12/} Amendment: Article 13 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{13/} Amendment: Article 14 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{14/} Amendment: Article 15 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

^{15/} Amendment: Article 16 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

calculate the Returned Net Clearing Position on the transaction effective date at the time specified by the Bank of Thailand.

Article 28^{16/}. The Bank of Thailand shall debit or credit the account of the member bank who is a debtor or creditor respectively in the deposit account of such member banks with the Bank of Thailand in an amount equal to the balance for which each bank is a debtor or a creditor pursuant to the Net Clearing Position and Returned Net Clearing Position on the transaction effective date within the time specified by the Bank of Thailand.

If it appears that at any time a member bank who is a debtor has balance in the deposit account insufficient for any clearing of the amount to which it is a debtor pursuant to the Net Clearing Position or Returned Net Clearing Position and such member bank is not able to deposit sufficient funds to its account within the same day and the specified time, it shall be deemed that such clearing has been unwound. The Clearing House shall notify all member banks and arrange for immediate re-calculation for the Net Clearing Position and Returned Net Clearing Position by excluding the data related to such bank and then notify the new Net Clearing Position and Returned Net Clearing Position to all member banks and debit or credit the account of the member bank.

Article 29. The member banks shall notify the Clearing House of the names, locations, and codes of their respective branches and sub-branches which have been newly opened or relocated at least 7 days prior to sending the funds transfer data for clearing the accounts.

Chapter 6 **Arbitration**

Article 30. If there occurs any dispute in connection with clearing of the accounts under this regulation, the parties in the dispute shall send such dispute to the arbitration.

Arbitration and its decision shall be made pursuant to the law on arbitration.

The arbitrator appointed under the Regulation on Interbank Electronic Cheque Clearing System in Bangkok B.E. 2539 shall act as arbitrator under this regulation.

Chapter 7 **Fees and Penalties**

Article 31. Member banks must pay a processing fee for the funds transfer data and the returned funds transfer data at the rate specified by the Bank of Thailand once a month and the Bank of Thailand shall debit the deposit account of the member banks with the Bank of Thailand in the following month.

The Bank of Thailand may change the fees as it may deem appropriate

^{16/} Amendment: Article 17 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

and shall notify the member banks thereof at least 1 month in advance.

Article 32^{17/}. If any member banks or its representatives violate this regulation or any other rule or regulation issued hereunder, the Bank of Thailand shall fine such member banks at the rate specified by the Bank of Thailand by debiting the deposit account of such member banks at the Bank of Thailand.

Chapter 8 **Miscellaneous**

Article 33. The Advisory Board of the Clearing House under the Regulation on Interbank Electronic Cheque Clearing System in Bangkok B.E. 2539 shall have the duty of giving advice and suggestion for improving the Interbank Retail Funds Transfer Clearing System hereunder.

Article 34. The clearing officer appointed by the Bank of Thailand under the Regulation on Interbank Electronic Cheque Clearing System in Bangkok B.E. 2539 shall be the clearing officer hereunder.

Article 35. In operating the Interbank Retail Funds Transfer Clearing System, the Bank of Thailand shall be liable for any damage which may occur in ordinary situation, except for the damage which arises from any special circumstances or the damage which arises from technical defects of the Interbank Retail Funds Transfer Clearing System.

Article 36. The Bank of Thailand may amend this regulation as it may deem appropriate.

The member banks may propose any amendment to this regulation by writing to the Bank of Thailand.

The Bank of Thailand shall notify the member banks of any amendment to this regulation at least one month prior to its effective date.

Article 37. The Bank of Thailand may change the time schedules specified in this regulation or any notifications issued hereunder as it may deem necessary and appropriate.

Article 38. The Bank of Thailand shall issue any rules or regulations in order to make the clearing of accounts pursuant to this regulation in good order.

Article 39. If there occurs any question on interpretation of any regulations or notifications or directives or rules issued hereunder, the Bank of Thailand shall make a final decision.

Article 40. It shall be deemed that the member banks have agreed to be bound and to comply with this regulation as well as rules or directives enacted, decisions of the Bank of Thailand or decisions of the arbitration.

^{17/} Amendment: Article 18 of Bank of Thailand Regulation on Interbank Retail Funds transfer Clearing System (NO.2) B.E. 2546

Both parties of member banks agreed that the decisions of the Bank of Thailand in Article 39 have a binding effect upon the arbitration and cannot have a different decision, also the parties must notify the arbitrator before having a final decision.

Article 41. The Bank of Thailand may terminate the clearing of accounts under this regulation at any time it may deem appropriate but it shall notify the member banks in writing at least 1 month in advance.

This Regulation shall become effective on 1st December B.E.2543

Given on 1st December B.E.2543

-Signature-

M.R. Chatumongkol Sonakul

Governor

Bank of Thailand