

Rules on Funds Transfer through BAHTNET System
for Banks' Customers^{1/}

The following rules are specified as a guideline for banks in making third party funds transfer (via BAHTNET system) agreement with customers, according to the Bank of Thailand Regulation on BAHTNET services.

Article 1 A funds transferring bank shall make agreements with an ordering party in regard to the following issues:

- (1) Procedures for transmission of funds transfer order to the transferring bank: If funds transfer order from ordering party to transferring bank has not been made in document such as ordering by phone or made in document but not in the original document such as ordering by facsimile, the transferring bank shall request the ordering party to send the original document later.
- (2) Procedures for funds transfer results notification from the transferring bank to the ordering party.
- (3) Procedures for the ordering party to check the funds transfer results and time period of error notification.
- (4) Procedures for canceling or changing of funds transfer orders by the ordering party.
- (5) Procedures for transferring bank to verify and prove or confirm that the funds transferring orders are real and correct as intended by the ordering party.
- (6) Service fees or any other expenses (if any) charged to the ordering party.
- (7) Responsibilities of the transferring bank to the ordering party.
- (8) The right of ordering party to receive proof of funds transfer for verification of funds transfer transaction.
- (9) Procedures for canceling the third party funds transfer (via BAHTNET) agreement by the transferring bank.
- (10) Procedures for refunding to the ordering party if the receiving bank cannot transfer funds to the receiver including procedures for charging the ordering

^{1/} This rule is implemented to Thai commercial banks, foreign banks' branches, and specialized financial institutions from October 1, 2007 onwards

party for refunding in the case that the ordering party indicates details of funds transfer orders incorrectly.

- (11) Information in funds transfer request form to notify ordering party that transferring bank will transfer funds by using the receiver's account number so that ordering party will be attentive and check for correctness of such data.

Article 2 After receiving funds transfer orders from the ordering party, the transferring bank shall take actions as instructed immediately in order to make funds transfer to the receiving bank within the timeframe that is specified by the transferring bank in 9(2); however, it should not exceed the cut-off time agreed among BAHTNET users.

In the event that the transferring bank is unable to conduct transaction as instructed within the timeframe that is specified above due to a particular reason such as unclear orders, insufficient balance in the ordering party's account, incorrect identification of name or account number of the ordering party or the receiver, breakdown at the server or host computer, breakdown at the client computer of transferring bank, communication breakdown between the server and client computer of transferring bank, or any other cases, the transferring bank shall inform the ordering party immediately.

Article 3 If the transferring bank has transferred funds as instructed, but the receiving bank cannot take action for that transaction, the transferring bank shall notify the ordering party immediately and return the funds to the ordering party within the day that the notification is received from the receiving bank.

In the case that the transferring bank cannot refund to the ordering party within the notification day as specified above, the transferring bank shall be responsible for all compensation and any expenses arising from the mistakes of the transferring bank. However, the calculation of compensation shall be in accordance with 1(7).

Article 4 In the case where the transferring bank makes order that is not in-line with the funds transfer instruction from the ordering party, the transferring bank shall take the following actions:

- (1) If the transferring bank transfers funds in excess of the instruction, or transfers the funds twice, the transferring bank can collect only the amount of funds as instructed by the ordering party.

- (2) If the transferring bank transfers funds less than instructed, the transferring bank shall inform the receiving bank to transfer the whole amount back and then the transferring bank shall transfer the funds again with the correct amount. The transferring bank can collect the funds equal to the instructed amount from the ordering party.
- (3) If the transferring bank transfers funds to the person or the receiving bank which is different from the one as instructed, the transferring bank shall take any actions to correct the transaction without any additional fees charged to the ordering party.

Article 5 When the receiving bank receives funds from the transferring bank, the receiving bank shall deposit the funds to the receiver's account on the same day and within the timeframe that the receiving bank specified in 9(3).

Article 6 The receiving bank shall set level of funds transfer amount in order to verify the receiver's account name as appropriate for risk protection. In the case where the receiving bank has any suspicions or finds that the account number or account name of the receiver is incorrect and would like the transferring bank to confirm the receiver's information through BAHTNET message or any other forms, the transferring bank shall cooperate for such request.

Article 7 Banks shall prepare manuals about processes and procedures of the third party funds transfer via BAHTNET system for their customers.

Article 8 In case where banks intend to revise or change any terms or conditions in the funds transfer agreement, banks have to inform the ordering party at least 30 days in advance. Besides, if these cases incur higher expenses or liabilities to the ordering party, banks shall receive consent from the ordering party before making any changes.

Article 9 Transferring banks and receiving banks shall announce service time for the third party funds transfer via BAHTNET at service points and in banks' websites with the following information:

- (1) Service time (opening and closing time of each bank)
- (2) Operating time as the transferring bank
- (3) Operating time as the receiving bank