

Unofficial Translation

This translation is for convenience of those unfamiliar with Thai language.

Please refer to the Thai text for the official version.

---

Notification of the Bank of Thailand

No. FPG. 17/2563

Re: Regulations on the number of, and counting on, “Service Points” of subsidiaries of foreign commercial banks and branches of foreign commercial banks

---

1. Rationale

For the purpose of consistency with the revision of the regulations related to commercial bank’s banking channels and to suit the transformed environments of financial services in the country as well as to allow commercial banks greater flexibility in conducting business,

The Bank of Thailand hereby stipulates a regulation related to the number of, and counting on “Service Points” of subsidiaries of foreign commercial banks and branches of foreign commercial banks, **and further clarifies the use of services from business partners of financial institutions that need to be included in the counting of service point.**

2. Statutory Power

By virtue of Section 13, Section 36 and Section 47 of the Financial Institutions Businesses Act B.E.2551 (2008), the Bank of Thailand hereby issues the regulations on the number of, and counting on, “Service Points” of subsidiaries of foreign commercial banks and branches of foreign commercial banks as set forth in this notification.

3. Repealed Notification

The Bank of Thailand notification No. FPG. 4/2561 Re: Regulations on the number of, and counting on, “Service Points” of subsidiaries of foreign commercial banks and branches of foreign commercial banks dated 29 January 2018.

4. Scope of Application

This notification shall apply to all subsidiaries of foreign commercial banks and branches of foreign commercial banks according to the law on financial institution business.

## 5. Content

### 5.1 Definition

In this notification,

“Subsidiary of foreign commercial bank” means a public limited company licensed to conduct commercial banking business in which no less than 95% of distributed shares are held, directly or indirectly, by a foreign commercial bank.

“Branch of foreign commercial bank” means a branch or an office of foreign commercial bank licensed to conduct commercial banking business in Thailand.

“Service Point” means a unit at which commercial banking services, or services incidental to or necessary to conduct commercial banking services are provided via banking channel.

“Service channel” means a means for providing financial services prescribed in the Bank of Thailand notification regarding regulations on commercial bank’s banking channel.

**“Business partner” means a business partner under the Bank of Thailand notification on regulations on the use of services from business partners of financial institutions.**

### 5.2 Number of Service Points Allowed

Subsidiaries of foreign commercial banks and branches of foreign commercial banks shall be allowed to have the following number of Service Points at maximum as follows;

#### 5.2.1 In general cases,

(1) Subsidiaries of foreign commercial banks shall be able to have the following number of Service Points.

(1.1) Subsidiaries of foreign commercial banks, which are licensed under the Ministry of Finance Notification Re: Regulations, Process and Conditions of the Application to Establish a Subsidiary of Foreign Commercial Bank dated 23 January 2004 (B.E. 2547), shall be able to have no more than 4 Service Points.

(1.2) Subsidiaries of foreign commercial banks, which are licensed under the Ministry of Finance Notification Re: Regulations, Process and Conditions of the Application to Establish a Subsidiary of Foreign Commercial Bank dated 15 November 2011 (B.E. 2554) and under the Ministry of Finance Notification Re: Regulations, Process and Conditions of the Application to Establish a New Subsidiary of Foreign Commercial Bank dated 7 June 2013 (B.E. 2556), shall be able to have no more than 40 Service Points.

(2) Branches of foreign commercial banks shall be able to have no more than 3 Service Points.

5.2.2 Both subsidiaries of foreign commercial banks and branches of foreign commercial banks, which are licensed under the Free Trade Agreement to which Thailand is a party, shall be able to have the number of Service Points as agreed upon between the counterparties.

### **5.3 Service Points Counting**

Both subsidiaries of foreign commercial banks and branches of foreign commercial banks shall count the number of the Service Point as follows;

**5.3.1 In the case that subsidiaries of foreign commercial banks and branches of foreign commercial banks use the services from business partner on behalf of a financial institution as a service channel, any Service Point that is established by the business partner shall each be counted separately as the subsidiaries of foreign commercial banks, and branches of foreign commercial banks' Service Point. The partially or completely use of service from business partners that can substitute services through general branch and electronic branch also need to be included in the counting of Service Point.**

5.3.2 The following services are not included in the number of Service Point.

- (1) Service provided via digital channel or telephone channel
- (2) Electronic fund transfer service
- (3) Electronic bill payment service
- (4) Service via Bill Payment Agent

- (5) Service via other financial institutions' Automatic Teller Machine (ATM) or Cash Deposit Machine (CDM) through ATM POOL or other networks
- (6) Service via paying agents for significant customers
- (7) Service via off-premise banking channel that is not longer than 30 days, and not to avoid setting up a branch
- (8) Service via banking agents appointed prior the effective date of the Bank of Thailand Notification No. FPG. 4/2561 Re: Regulations on the number of, and counting on, "Service Points" of subsidiaries of foreign commercial banks and branches of foreign commercial banks dated 29 January 2018
- (9) Service via head office in the case of subsidiaries of foreign commercial banks
- (10) Other services that the Bank of Thailand deems appropriate and are not regarded as a service point

## 6. Effective date

This notification shall come into force as from the day following the date of its publication in the Government Gazette.

**Announced on 3<sup>rd</sup> August 2020**

(Mr.Veerathai Santiprabhob)  
Governor  
Bank of Thailand

Regulatory Policy Department  
Telephone 0 2283 6876  
E-mail BOPTeam@bot.or.th