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Bank of Thailand

3 September 2021

To Managers

All financial institutions

All non-financial institution companies conducting credit card business

All non-financial institution companies conducting personal loan business under supervision

All non-financial institution companies conducting nano finance business under supervision

No. BOT.RPD2.C. 802/2564 Re: Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19 (sustainable debt resolution)

1. Rationale

As the effect of the coronavirus disease 2019 (COVID-19) pandemic spreading far and wide within the Thai economy, the Bank of Thailand (BOT) had issued measures that were tailor-made to cope with specific problems arising during different development phases of the pandemic. On 28 February 2020, the BOT issued a set of measures to help the debtors who were affected by deteriorating economic conditions. These measures, implemented during 1 January 2020 to 31 December 2021, aimed at providing assistance to all types of debtors in a timely manner; for example, Phase 1-3 measures to help the retail debtors and measures to defer the debt payment for the small and medium enterprise (SME) debtors.

However, as the current COVID-19 development took turn for the worse, with the outlook of a more prolonged, severe and widespread impact on the economy and a high degree of uncertainty, providing debtors with the short-term assistance may not be the best solution for both debtors and financial institutions. Thus, it was deemed necessary for the BOT to expedite and promote ongoing and sustainable debt remediation by focusing on financial institutions and business operators to provide the affected debtors with the long-term debt restructuring plan in order for the debtors to see their debt burden and make a clearer financial plan, along with helping the debtors reduce expenses and management related to such debt restructuring. To execute the above-mentioned measures, financial institutions and business operators should take into account the following principles: **(1) looking at the situation in the long term** in order to design the debt repayment schedule to reflect the debtors' ability to repay in line with the declining current income and the more gradual repayment as the income returns in the future, **(2) providing assistance to a large number of debtors in a timely manner**, **(3) offering the tailor-made plan to each debtor** according to the debtor's specific problems and different recovery path, **(4) ensuring fairness** to both debtors and creditors so that all parties could weather through this difficult time together and **(5) minimizing the moral hazard** that could arise from providing support to debtors who are not affected by the pandemic so that the much-needed assistance would be channeled toward the targeted debtors more effectively. This is to ensure that the appropriate risk-return balance and financial stability as a whole would holistically be achieved so that financial institutions can continue to function effectively as intermediaries to support the long-term economic growth, while **enabling debtors to retain the current level of liquidity as well as having access to new liquidity if needed.**

Thus, the BOT issued this statement to (1) specify the guidelines for sustainable long-term debt restructuring, (2) relaxing the regulations on the credit card business, personal loan business under supervision, and digital personal loan business in order to help alleviate the debt burden and also temporarily provide additional liquidity to debtors still with some ability to repay. This relaxation takes effect starting from the date of signing and (3) specify the guidelines regarding the regulations on asset classification and provisioning for the debt restructuring program so as to help debtors recover faster. More specifically, the sustainable long-term debt restructuring program and the guidelines regarding the regulations on asset classification and provisioning for the debt restructuring program are applied to all types of debtors, namely large corporates, SMEs and retail borrowers.

2. Definitions

"Financial institutions" means the financial institutions and entities residing within the financial group of the financial institutions as stated in the Financial Institution Business Act

"Business Operators" means companies who conduct credit card business, companies who conduct personal loan business under supervision, companies who conduct digital personal loan business and companies who conduct nano finance business under supervision that all are not financial institution

"Debt Restructuring" (DR) means the debt restructuring caused by increased credit risk of debtors[1] which is categorized into

2.1 The debt restructuring of performing debtors (non-NPL) which is a preventive debt restructuring (pre-emptive) initiated since the beginning of the signs of problems in honoring the debt payment by debtors who have not been classified as non-performing debt (NPL)

2.2 The debt restructuring for non-performing debtors (NPL) is considered a troubled debt restructuring (TDR)

3. Guidelines on providing assistance for debtors

3.1 Sustainable long-term debt restructuring

The BOT has encouraged the financial institutions and business operators to have debt restructuring guidelines for all types of debtors who are affected by the pandemic to suit the current situation in which the debtors is severely affected and still facing with a high degree of uncertainty. With such guideline, financial institutions and business operators shall discuss with the debtors in order to properly design the debt restructuring program and consider the benefit will be received by the debtors

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[1] The definition of "Debt Restructuring" in accordance with the Bank of Thailand Policy Re: Policy Statement on Debt Restructuring, dated 31 October 2018 was cancelled. Financial institutions and business operators shall refer to the definition in this letter instead.

primarily. As such, the debt restructuring program shall be designed to be in line with the debtors' ability to repay as well as the projected future cash flow as follows:

3.1.1 Long-term debt restructuring by projecting the debtors' future cash inflows to determine the installment payments throughout the contract period in accordance with the ability to repay of the debtors so as to provide the debtors with a long-term clear picture of their financial positions.

3.1.2 The debt restructuring shall reflect the debtor's ability to repay by means of setting the upcoming installment payment to be in line with the debtors' income stream which has decreased in the current situation. It might be best to offer a low installment payment for the time being when the debtors' income has been severely affected and to step up the installment payment afterwards when the debtors' income recovers with the promising economic outlook in the next 1-2 years. In addition, financial institutions and business operators should not set installment payments that give the debtor a high chance of being unable to pay the debt. The BOT also encourages financial institutions and business operators to offer the debt restructuring program to the debtors for the sake of reducing the debtors' debt burden rather than helping debtors only through lengthening the loan maturity.

During the discussion with the debtors, financial institutions and business operators must explain to the debtors clearly how the debt burden will be changed in the new debt restructuring contracts especially issues that may be unfavorable to the debtors in the future; for example, the possibly higher interest burden or conditions that if the debtors do not comply, they will not get some benefits.

3.1.3 The debt restructuring shall be flexible. Financial institutions and business operators are be able to adjust the terms and conditions of the debt restructuring in order to cope with the still-highly-uncertain circumstances which could lead to the future income stream of the debtors that may be different from what was previously projected.

3.1.4 The debt restructuring shall be executed in a timely fashion for debtors affected by the pandemic, with the emphasis on providing assistance to debtors with different types of problems. The BOT encourages financial institutions and business operators to use digital technology to support the debt restructuring process, especially for those retail debtors and SME debtors, so as to provide the aid for a large number of affected debtors in a timely manner.

In addition, the BOT also urges financial institutions and business operators to take the pre-emptive step in providing the debt restructuring for the debtors, whether they are affected directly or indirectly from the pandemic, as soon as the debtors show signs of difficulty in honoring the payment obligations. This would be to ensure that debtors have sufficient cash flow to carry on the normal daily routine or to continue operating the business under such circumstances.

3.2 Relaxing the regulations on conducting credit card business, personal loans under supervision and digital personal loans

Types of loans	Measures to maintain and increase liquidity
1. **Credit card loans and personal loans under supervision**	• **Reducing the minimum credit card payment rate:** The financial institutions and business operators shall apply the minimum payment on the total credit card outstanding amount of at least 5% in 2022, at least 8% in 2023, and at least 10% from 2024 onwards. • **Increasing the credit limit for credit card and personal loans under supervision (excluding loans using the car registration as collateral) until 31 December 2022**[2] for the debtors who are in need of

[2] At the end of the specified grace period, if there are debtors whose credit limit is higher than the limit prescribed in the Notification of the Bank of Thailand No. FPG. 11/2563 Re: Regulations, Procedures and Conditions for Conducting Credit Card Businesses, the Notification of the Bank of Thailand No. FPG. 12/2563 Re: Regulations, Procedures and Conditions for Undertaking Business of Personal Loan under Supervision and the Letter of the Bank of Thailand No. BOT.FISD. (01) w.977/2563 Re: Regulations, Procedures and Conditions for Conducting the Digital Personal Loan Businesses, financial institutions and business operators are able to allow debtors to gradually repay their debt but cannot grant additional credit to such debtors until they have reduced the credit limit to be lower than the limit as prescribed in the above-mentioned notifications and the letter.

Types of loans	Measures to maintain and increase liquidity
	additional credit lines and have average income or average cash flow per month less than 30,000 Baht as follows - Increasing the credit limit to two times the average monthly income or the average cash inflow per month in the deposit account - No restriction set on the number of credit providers for the personal loans under supervision
2. Digital personal loans	**Increasing the credit limit to 40,000 Baht per person and extending the repayment period of digital personal loans until 31 December 2022** for the debtors who are in need of additional credit. The loan repayment period for each contract must not exceed 12 months, starting from the end of the month which the first loan utilization was made. However, the loan repayment period can be extended to be more than 12 months for the case of debt restructuring.

3.3 Guidelines regarding the process related to the regulations on asset classification and provisioning for the debt restructuring programs for all types of debtors: financial institutions shall adhere to the following, starting from 1 January 2022 to 31 December 2023:

3.3.1 Debt restructuring procedure

Financial institutions shall classify **the debtors who are affected and in the debt restructuring program** into 2 groups according to the nature of the debt restructuring as follows:

(1) The debt restructuring with the purpose of reducing the debt burden of debtors more than just extending the payment timeline. For example, the debt restructuring involving a reduction of accrual interest, a reduction of the contractual interest rate which leads to a decrease in the effective interest rate (EIR) or a decrease in the average of interest rate throughout the contract, or other less-stringent payment conditions (including modifying conditions that will benefit the debtors such as directing the payment towards reducing the principal before interest payment) asset foreclosure, receipt of debtors' equity arising from debt to equity conversion, short-term debt to long-term debt transformation employed with other types of debt restructuring measures that reduces the debtors' debt burden as well as the restructuring package offered with an additional credit line to the debtors.

(2) The debt restructuring involving just the payment timeline extension such as the extension of the payment due date, issuing the grace period on the principle and/or interest payments and short-term debt to long term debt transformation.

3.3.2 Asset classification and provisioning

(1) For the case that financial institutions choose to employ the debt restructuring criteria outlined in Section 3.3.1 (1), the financial institutions shall adhere to the following for the asset classification and provisioning under the stated debt restructuring program

(1.1) Asset classification

(1.1.1) The debt restructuring for non-NPL debtors: Financial institutions are then able to classify such debtors that do not have a significant increase in credit risk in performing stage or stage 1 immediately without having to wait for the outcome whether or not the debtors honor the conditions under the debt restructuring program if the terms and conditions regarding the payment are clearly stated in the agreement or the new contract and, under the financial institutions' judgment, the debtors are able to honor the stated conditions.

(1.1.2) The debt restructuring for NPL debtors: Financial institutions are then able to classify such debtors in performing stage or stage 1 if the debtors are able to honor the payment conditions stated in the new debt restructuring contracts for 3 months or 3 payment due dates consecutively whichever is of longer time period.

(1.1.3) Extending new credit to be used as additional capital or liquidity for continuing the debtors' business operation during the debt restructuring period: financial institutions are able to classify this new credit in performing stage or stage 1 immediately if, under a careful consideration, the financial institutions view that the debtors are able to honor the stated conditions.

(1.1.4) With regards to the re-classification from performing stage (stage 1) to under-performing stage (stage 2), financial institutions shall consider re-classifying the debtors based on the number of days overdue for principal or interest payments of more than 30 days or 1 month from the due date set forth on the contract or the agreement.

(1.2) Provisioning

In case the debt restructuring results in the original effective interest rate (EIR) being inconsistent with the projected cash flow on the loans, financial institutions can employ the new EIR rate to calculate the present value of their restructured loans.

(2) For the case where financial institutions employ the debt restructuring under 3.3.1 (2) and the case of other non-restructured debtors, financial institutions shall adhere to the asset classification and provisioning abide by the Notification of the Bank of Thailand Re: Regulations on Asset Classification and Provisioning of Financial Institutions. However, financial institutions shall use the guidelines for considering a significant increase in credit risk (SICR) outlined in Appendix 1 as a primary guideline in considering changing the classification of the debtors to under-performing stage (stage 2).

If financial institutions employ measures to provide assistance to debtors affected by the COVID-19 according to this letter, financial institutions can calculate the expected credit loss based on the current credit outstanding (the used credit line) without having to calculate the expected credit loss for the unused credit line.

For the debtors whose debt is restructured from 1 January 2021 to 31 December 2021, in accordance with clause 3.3.1, financial institutions can apply the guideline on asset classification and provisioning outlined in Section 3.3.2 of this letter to these debtors from 1 January 2022 to 31 December 2023. However, for the year 2021, financial institutions are still able to comply with the guideline on asset classification and provisioning stated in the Letter of the Bank of Thailand No. BOT.RPD.(23)c. 276/2563 Re: Guidelines in Providing Assistance to Debtors Affected by the Incidents Impacting the Thai economy, dated 28 February 2020.

However, in providing the debt restructuring program to affected debtors, financial institutions should consider the benefits that the debtors will receive as a priority in doing so. If the BOT comes across the case where financial institutions offer the debt restructuring to debtors to meet the conditions for compliance with the guideline on asset and provisioning in Section 3.3.2 (1) without actually helping the debtors, the BOT may order such financial institutions to set aside additional loan loss provision or to re-classify debtors from the procedure under Section 3.3.1 (1) to the procedure under Section 3.3.1 (2)

In addition, for retail and SME debtors who are classified by using the current debt classification developed by the individual financial institution and are in the process of the debt restructuring that cannot be completed by 31 December 2021, financial institutions are able to apply the current classification to those debtors up until 31 March 2022. This would be to ensure that financial institutions and debtors have sufficient time to carefully craft the most suitable debt restructuring programs. However, financial institutions must not treat the period of maintaining the classification during the debt restructuring process as a reason for the debtors failing to honor the debt obligation. Consequently, financial institutions cannot charge interest at the default rate or collect service fees, penalties or any other additional expenses from the debtors.

3.4 Other implementation guidelines

3.4.1 Other relevant guidelines

Financial institutions and business operators shall comply with other relevant operational guidelines, e.g. setting up the policies for providing assistance as well as guidelines for debtor classification, designating personnel for handling the debt restructuring and having guidelines for providing services to debtors with the primary goal of relieving the debt burden of debtors so that they could repay the debt when the situation fared better, according to Attachment 2.

3.4.2 Reporting information regarding the debtor assistance

(1) For the report to the BOT, financial institutions shall report the information regarding the debtor assistance outlined in Section 3.3 to the BOT under the Debt Restructuring Detail (DS_DRD) data set within 21 days from the end of the month to be used in the monthly monitoring of debt assistance being conducted. More details regarding the data reporting will later be conveyed by the Data Management and Analytics Department.

(2) For the report to the National Credit Bureau (NCB), financial institutions and business operators shall report the debt restructuring date to NCB only on the debt restructuring cases of NPL debtors. For the debt restructuring of non-NPL debtors, which is preventive debt restructuring (pre-emptive), both with loss and without loss, financial institutions and business operators do not have to report the debt restructuring date to NCB.

3.4.3 Communication of assistance measures to debtors

Financial institutions and business operators shall communicate such assistance measures to the debtors along with offering the relevant information that is detailed, complete and sufficient for debtors. At the same time, providing relevant knowledge to debtors would be a key for debtors to fully understand and restructure debt to be in line with the financial status of the debtors. In addition, such communication must also be executed within the financial organizations, especially the personnel working at relevant branches or call centers, so as to provide the consistent operational framework to all that would enable them to help and provide information to debtors in a timely fashion.

The BOT hopes that financial institutions and business operators will offer the debt restructuring programs to the affected debtors that are timely and in line with the nature of the debtors' problem. This would help build a cushion for debtors against any additional pressure resulting from various uncertainty situations and, in turn, would enable financial institutions, business operators and debtors to successfully weather this crisis together.

Please be informed and comply with accordingly.

Yours sincerely,

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Appendix 1

<u>Guidelines for considering a significant increase in credit risk (SICR) temporarily for debtors whose debt is restructured under the conditions outlined in Section 3.3.1 (2) as well as other debtors not in debt restructuring programs</u>

Previously, BOT requested each financial institution to have internal policies regarding the guidelines for considering the classification of assets and financial obligations with a significant increase in credit risk (SICR).

The BOT now offered a primary guideline for considering the case of a significant increase in credit risk (SICR) that would lead to the re-classification of the asset classes. Financial institutions are able to apply this guideline temporarily in order to provide assistance to debtors affected by the COVID-19 pandemic according to the conditions of the debt restructuring stated in Section 3.3.1 (2) and to other debtors not in debt restructuring programs during the period from 1 January 2022 to 31 December 2023, as follows:

1. Financial institutions' policies should place significant weight in considering indicators that would signal a significant decline in debt serviceability or a significant increase in credit risks. According to the international standard, one should consider 2 types of indicators; 1) indicators reflecting the potential overdue and 2) indicators reflecting the financial positions, operating performance and debt payment that both address what happened and what would happen in the future.

2. If the indicators set in accordance with the financial institutions' policies signal warning signs, financial institutions should analyze and review process in order to assess the impacts from a deteriorating ability to repay or a significant increase in credit risks and, if it is warranted, consider reclassifying the assets from performing stage (stage 1) to under-performing stage (stage 2). However, after some consideration, if financial institutions decide not to re-classify the assets, relevant evidence and documents should be prepared to support such decision.

3. Primary guidelines for the SICR consideration[1]

(3.1) <u>Regarding the potential overdue</u>: There is evidence indicating that the debtors might have a poor ability to repay or insufficient cash flow to support the debt

[1] Financial institutions may have other different or additional guidelines for SICR consideration aside from these guidelines.

obligation, resulting in the overdue of more than 30 days or one month after the payment due date set forth in the contracts or the agreements.

(3.2) Regarding the financial positions, operating performance and debt payment: There is evidence indicating that the debtors might be faced with the considerably deteriorating ability to repay due to

- The financial position or operating performance tends to deteriorate significantly
- Debtors facing legal actions that significantly affect their financial positions
- The internal ratings of the debtors decrease quite meaningfully

Other Relevant Guidelines

1. Setting policies on providing assistance

Financial institutions and business operators must have policies on providing assistance and guidelines for considering debtors affected by such situations. This consideration might be done at an industry level or by areas that are directly and indirectly affected. Financial institutions and business operators should also employ product programs for the retail and micro-SME debtors[1] so that they could provide assistance to a large number of debtors in a timely manner.

2. Debtor categorization

Financial institutions and business operators must closely monitor the status of the debtors who are directly and indirectly affected and set policies regarding the debtor categorization in accordance with the credit risk management principle. This includes setting up the suitable evaluation process that would be in line with the good risk management and the internal process of financial institutions and business operators. As such, financial institutions and business operators can assert some judgment on the debtor categorization with the best effort in assessing the ability to pay of debtors. Once the debtor categorization is completed, financial institutions and business operators shall consider providing assistance to debtors according to their ability to pay. In this regard, financial institutions and business operators can employ various types of data for the consideration, e.g.

(2.1) Assessing debtors' ability to pay; for example, the data on statistical and debt payment, the risk profile of debtors and the cumulative debt payment made by debtors in comparison with the value of the collateral pledged as well as employing the internal models and data analytics.

(2.2) Determining affected debtors; for example, obtaining the data using questionnaires and debtor interviews, data that debtors provided to financial entities, documents from the employer indicating that debtors in fact experienced a decrease in income, the history of receiving assistance through various measures, debtors' occupation to assess whether debtors belonged to the affected occupation, businesses or areas. Other data

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[1] This can include SME debtors.

includes the assessment of the impact and the recovery path of businesses going forward from conducting the sectorial business analysis or obtaining the information from credible sources such as the Center for COVID-19 Situation Administration (CCSA) or the Office of the National Economic and Social Development Council (NESDC). Financial institutions and business operators shall document the above-mentioned information in the database to support the assessment.

3. Designating personnel for handling debt restructuring

In case the financial institutions possess a limited personnel resource for handling debt restructuring, the BOT allows the financial institutions to employ the credit officers for debt restructuring under the condition that financial institutions must have clear and transparent guiding policies and internal control as well as the appropriate check and balance system.

4. Guidelines for offering assistance to debtors

Financial institutions and business operators must first and foremost consider alleviating the debt burden of debtors so that debtors would have a chance to honor the debt obligation when the situation improved. This must also be executed in a way that does not add on to the existing debt burden too much while making the process as convenient and as informative as possible. Specifically, financial institutions and business operators must provide

(4.1) Convenient channels and process for debtors to inquire about how to receive assistance and make a debt restructuring agreement or other relevant documents. Financial institutions and business operators can employ digital technology to aid the process while complying with the regulations or legislations regarding the electronic transactions outlined in **Section 5** of this appendix.

(4.2) Sufficient information for debtors to make well-informed decisions should be made available by means of disclosing the relevant information, at the minimum, such as information on the comparison between the old and new debt burden, increased amount of debt burden, additional number of installments or information on an increase in interest payments resulting from the debt moratorium or the reduction in installment payment.

(4.3) Process or procedures that are convenient for debtors without requiring the debtors to submit the document or information than deemed necessary.

(4.4) For retail debtors, apart from adhering to the guidelines stated in Section (4.1) – (4.3), financial institutions and business operators shall

(4.4.1) Make available different choices in providing assistance to affected debtors according to types of loans. Financial institutions and business operators can consider offering assistance that would be in line with the risks and ability to repay of debtors according to the policies or criteria of each financial institution and business operator.

(4.4.2) Delay the process to take a hold of collateral (especially housing or vehicles which debtors depend on for generating income) for debtors who have always honored the debt obligation and cooperate fully on the debt restructuring. This would be to ensure that the debtor still has a place to live and practice social distancing while, at the same time, helping to limit any potential social problem.

(4.4.3) For the case where financial institutions and business operators restructure debts for debtors with credit card loans and personal loans under supervision by means of receiving debt transfer or changing the debt type to be term loan, financial institutions and business operators do not have to terminate the cards or the accounts of these debtors. However, the credit limit that is changed to a new loan type when combined with the outstanding balance of the old credit line must not exceed the credit limit previously approved as long as the debtors still honor the debt repayment for the changed-type loan.

In addition, in offering the assistance to the debtors as such, financial institutions and business operators should be mindful that the actions taken would not be deemed as an attempt to evade other BOT regulations; for example, regulations on asset classification and provisioning or the regulations related to interest rates and fee calculations.

5. Guidelines for employing digital technology to help with executing measures to assist retail and SME debtors as well as the debt restructuring agreements

(5.1) The principles

(5.1.1) Application on debtors: This is to facilitate retail debtors and SME debtors who have already had loan contracts with the financial institutions and business operators, and the debtors has gone through the debtor identification and verification process. Under this circumstance, debtors can consider accepting the terms and conditions on the assistance package being offered as well as processing the debt restructuring agreements via electronic channels with more convenience, without having to visit the headquarters or branches of the financial institutions and business operators in person. However, in employing this technology, debtors must have sufficient information for making informative decisions and must receive all relevant documents to be used for reference later.

(5.1.2) Application on financial institutions and business operators: Providing additional channels for financial institutions and business operators to offer payment options and terms that would be in line with debtors' potential while enabling them to provide services to a large number of retail and SME debtors in a timely manner by employing such digital technology. However, the application of digital technology shall be done in accordance with the regulations stated in the law on electronic transactions as well as the principles of the information technology risk management.

(5.2) Examples of the guidelines

Financial institutions and business operators can consider selecting the appropriate guidelines regarding the usage of digital technology in providing assistance to debtors as well as processing the debt restructuring agreements on a case-by-case basis, along with applying the stringent risk management of financial institutions and business operators. The examples of such guidelines are listed as follows.

Channels which financial institutions and business operators interact with the debtors	1. Verification of the debtors' identities	2. Ways to introduce assistance packages to debtors or to inform terms and conditions for debt restructuring	3. Ways to accept the assistance packages or to sign the debt restructuring agreements
1. Telephone	Asking at least 2 questions that can identify the debtors' identities, asking the debtors to confirm the telephone number that will be used for receiving the assistance, processing an agreement or obtaining information regarding debt restructuring	Discussing ways to provide assistance or negotiating terms and conditions of the debt restructuring and recording the conversation along with 1) Sending documents pertaining a summary of the assistance offered or debt restructuring terms and conditions to the debtors via the postal service or email 2) Sending SMS messages to inform the debtors with key information regarding the assistance offered or terms and conditions of debt restructuring (or attaching links of sources with relevant key information)	Using the debtors' confirmation with personnel of financial institutions and business operators which has recorded the conversation[2]
2. Mobile application	Verify by PIN set up previously by debtors for logging in	1) Negotiating or providing information to debtors according to the guidelines for providing assistance or debt restructuring conditions	Asking debtors to re-enter the PIN to confirm while additional requests for debtors to also enter OTP may be possible

[2] In this case, the actions would not be considered as creating the legal note in writing or the documents signed by the debtors, according to the law on electronic transactions

Channels which financial institutions and business operators interact with the debtors	1. Verification of the debtors' identities	2. Ways to introduce assistance packages to debtors or to inform terms and conditions for debt restructuring	3. Ways to accept the assistance packages or to sign the debt restructuring agreements
3. Web link sent via SMS or other types of social media with official accounts (such as Line Official / Line Connect)	Verify the information provided by the debtors through various channels determined by financial institutions and business operators along with asking debtors to confirm the telephone number to be in touch regarding the assistance package, processing an agreement or receiving debt restructuring information. VDO calls and recordings of the conversation could be optional. Financial institutions and business operators might also arrange for the debtors to register so that the username/password would be created prior to logging in.	given to the debtors via various channels. This could be done through VDO calls with the option to record the conversation 2) Having debtors choose to accept the assistance offered or conditions of debt restructuring according to the lists outlined by financial institutions and finance companies and/or providing channels for the debtors to state their preferences about ways to receive assistance or the debt restructuring conditions themselves	1) For the case where the registration is required, the debtors enter the password created for confirmation or 2) If the registration is not required, the debtors enter the OTP received for confirmation

Financial institutions and business operators are able to apply the above-mentioned examples to co-borrowers, guarantors and mortgagors in the same way they used on the debtors. In addition, financial institutions and business operators can consider other approaches in employing digital technology to aid with the process of providing assistance to retail debtors and SME debtors and making debt restructuring agreements other than the examples mentioned previously. However, the application of digital technology shall be done in accordance with the regulations stated in the law on electronic transactions as well as the principles of information technology risk management.

(5.3) Information technology risk management of financial institutions and business operators

(5.3.1) Regarding the guidelines on providing services to debtors, financial institutions and business operators must set up the step-by-step process in providing assistance to the debtors and making debt restructuring agreements in an electronic format following the adoption of digital technology which is approved according to the organization's internal procedures to be used as a guideline for debtor service. This process must be reviewed on a regular basis to ensure that they are still suitable for the related environment and risks.

(5.3.2) Financial institutions and business operators must have in place preventive and security measures on information technology that are in line with the potential risk resulting from employing digital technology, such as stringent data storage, verification and monitoring of potential impersonation of the financial institutions and business operators in providing the service to consumers.

(5.3.3) Financial institutions and business operators must store the evidence regarding communications with debtors, the verification of debtors' identity, choosing to accept the terms and conditions of the debtors and making debt restructuring agreements in an electronic format; for example, messages, pictures, voice and transaction logs or application logs. This evidence must possess sufficient details to be used as evidence for the verification and confirmation of the debtors' intention to receive assistance or make debt restructuring agreements with the financial institutions and business operators.

(5.4) Other related actions

(5.4.1) Financial institutions and business operators must adhere to the Notification of the Bank of Thailand regarding regulations on market conduct such as offering clear, complete and sufficient information for debtors to make informative decisions with true understanding of the issue, having in place a system for downloading the relevant documents and applicable channels to send the documents confirming the debt restructuring. During the transition from using a contract that is signed face-to-face to a contract in electronic form, financial institutions and business operators should consider submitting contracts or documents showing details of new agreements or debt restructuring to debtors, especially information on the debt burden, interest rates charged, repayment period or other necessary information to minimize any errors or arguments that may happen in the future.

(5.4.2) Financial institutions and business operators must clearly inform and communicate to debtors about the assistance information by using digital technology through various channels; for example, call centers, branches and online services. Moreover, they must also provide the information and advice to the debtors so that the debtors can use the service efficiently and safely.

In case financial institutions and business operators would like to employ digital technology for the purpose of offering assistance to the large corporate debtors, they can apply the above-mentioned principles and guidelines stated in Section (5.1) – (5.4), under the regulations prescribed by the law on electronic transactions as well as the principles of information technology risk management to such debtors.