



BANK OF THAILAND NEWS

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Regulation on commercial banks' services, fees and disclosure

The Bank of Thailand issued a regulation on commercial banks' services, fees and disclosure dated 17 November 2003. It is aimed at enhancing banks' transparency and protecting retail customers. Although banks are free to determine appropriate level of fees, they are urged to be more transparent about the terms and conditions of any contract and agreement with the customers, especially with regard to the services and fees.

Commercial banks are required to:

1. Provide at least one copy of a new contract or agreement to customers or at anytime upon customers' requests.
2. Notify customers of any change in the contract or agreement, services, fees, or related conditions at least 30 days before the change comes into effect. In the case that the change adversely affects customers' interest, banks are required to have prior customers' consent unless they are entitled by the contract to act differently.
3. Inform individual retail customers by a registered mail of an outstanding balance in any current and savings account, which has been inactive for more than one year and has not been charged with an account maintenance fee. In the case of fixed deposit account, even with automatic rollover, banks should also contact the customers if the balance has been unclaimed for an extended period of time.
4. Inform customers within 10 days from the date the account has been charged the account maintenance fee. In any case, such fees shall not exceed the outstanding balance in the account.
5. Establish processes and procedures to handle customers' complaints about banks' fees. They should include an easy channel for customers to lodge a complaint, investigation process and response time, means to inform customers and procedures for making compensation due to banks' error.

In addition, banks must regularly update information on bank's service fees and make it available at every bank premise.

**Bank of Thailand
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