



BANK OF THAILAND NEWS

Communications and Relations Office, Management Assistance Department
Tel. 0-2283-5016-7 FAX 0-2281-5648 www.bot.or.th

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Re: The Establishment of Corporate Treasury Center in Thailand

To support companies with international business networks to have flexibility in managing their funds, to reduce their financial costs, and to increase potential competitiveness for Thai corporations in the long-run, the Bank of Thailand issued Notices of the Competent Officer on the procedure and guidelines related to Treasury Center in accordance with the Notification of the Ministry of Finance on the Directions to Treasury Center dated June 30, 2004. The major points are as follows:

1. Thai or Multinational corporations having affiliates or business-related companies of at least 3 companies can seek permission to operate as a Treasury Center in Thailand in order to manage foreign currencies funds for a group of companies.
2. An authorized Treasury Center can engage in the following businesses:
 - (1) Receive and pay foreign currencies on behalf of the group as well as netting of obligations with counterparts abroad.
 - (2) Buy or sell foreign currencies and manage exchange rate risks for the group.
 - (3) Manage liquidity for the group.
 - (4) Record account entries for the group.
3. A company wishing to operate a Treasury Center has to submit a request with related documents to the Minister of Finance through the Bank of Thailand. When the Minister has approved the establishment of the Treasury Center, the company shall set up a new company in Thailand to operate as a Treasury Center and subsequently notify the Bank of Thailand in order to obtain Treasury Center License from the Minister.

The Notice of Competent Officer has been effective since July 5, 2004.

Companies interested in applying for the Treasury Center License can see the details of the regulations and required documents in the Bank of Thailand's website at www.bot.or.th under Laws/ Exchange Control Regulations/ Current Exchange Control Regulations.

Bank of Thailand

6 July 2004