

Unofficial Translation

This translation is for the convenience of those unfamiliar with the Thai language.
Please refer to the Thai text for the official version.

Notice of the Competent Officer

Rules and Practices regarding the Undertaking of Authorized Company

By virtue of the power conferred upon him under Clause 3, Clause 4 and Clause 5 of the Notification of the Ministry of Finance on Directions of the Minister to Authorized Companies dated 3rd October B.E.2548, the Competent Officer gives notice of directions as follows:

Clause 1 An authorized company shall have one of the following qualifications:

(1) being a juristic person registered in Thailand that engages in the traveler's cheque or international credit card issuance business and has paid-up registered capital not less than 100 million Baht.

(2) being a juristic person registered in Thailand owned by an overseas company that has a network in servicing traveler's cheque or international credit card issuance with paid-up registered capital not less than 100 million Baht or its equivalent.

Clause 2 Authorized company's directors, managers or any person with the authority to manage its business shall not have the following prohibited attributes:

(1) being placed under receivership by the court or being bankrupt.

(2) having been imprisoned by a final court judgment for an offence against the Exchange Control Law

(3) being involved in the violation of the Anti-Money Laundering Law or having records of such violation.

Clause 3 In the case where a director, manager or any person having management authority is later revealed to have any prohibited attributes as prescribed in Clause 2, the authorized company shall replace such person within 15 days from the date of the revelation or notification by the Competent Officer.

Clause 4 Any person who wishes to transact business as an authorized company shall submit an application to the Minister through the Bank of Thailand. The application shall contain 2 copies of the following documents:

- (1) The application form as prescribed,
 - (2) A letter certifying that directors, managers or persons having management authority do not have any prohibited attributes as prescribed in Clause 2,
 - (3) A copy or photocopy of Affidavit by Bureau of Company registration, Ministry of Commerce certified within 6 months from the date of submission in the area of
 - List of directors
 - Persons authorized to sign
 - Paid-up registered capital
 - Business location
 - (4) A copy or photocopy of Memorandum of Association, Articles of Association and shareholder list
 - (5) Documents indicating business relation with an overseas company that has a network in servicing traveler's cheque or international credit card issuance, together with a copy or photocopy of the affidavit of the overseas company's registered capital, proof of its traveler's cheque and international credit card issuance business and any other related documents (if any).
 - (6) Map indicating business location and floor plan showing areas of operation.
- The application shall be submitted in June and December. If the applicant wishes to transact business within the areas under supervision of any regional office of the Bank of Thailand under Clause 5, such applicant shall submit the application to the relevant office.

Clause 5 Areas under supervision of the Bank of Thailand are as follows:

a. Regional Offices

- (1) Southern Region Office (located in Hat Yai District, Songkhla)

The area covers 14 provinces: Songkhla, Phuket, Nakorn Sri Thammarat, Krabi, Chumphon, Ranong, Surat Thani, Phang-nga, Trang, Narathiwat, Pattani, Phatthalung, Yala and Satul.

- (2) Northeastern Region Office (located in Muang District, Khon Kaen)

The area covers 19 provinces: Khon Kaen, Nong Khai, Udon Thani, Nong Bua Lamphu, Loei, Sakhon Nakhon, Nakhon Phanom, Kalasin, Chaiyaphum, Maha Sarakham, Yasothon, Roi Et, Nakhon Ratchasima, Buri Ram, Surin, Si Saket, Mukdaharn, Ubon Ratchathani and Amnat Charoen.

- (3) Northern Region Office (located in Muang District, Chaing Mai)

The area covers 17 provinces: Chiang Mai, Lampang, Kamphaeng Phet, Nakhon Sawan, Uthai Thani, Chiang Rai, Phayao, Lampun, Mae Hong Son, Uttaradit, Phrae, Nan, Sukhothai, Tak, Phitsanulok, Phichit and Phetchabun.

b. Head Office

The Head Office of the Bank of Thailand which is located in the Bangkok Metropolitan supervises all provinces other than those mentioned in a.

Clause 6 The Competent Officer may propose to the Minister to refuse permission for, revoke, or not to renew the permit, if the Competent Officer has any suspicion or any reason to believe that an applicant, an authorized company, its director, manager or any person with management authority takes any of the following actions or has any of the following attributes:

(1) fails to comply with or violates the Exchange Control Law, regulations, orders or notifications

(2) engages in any act that would endanger the exchange system

(3) engages in any act that would endanger the public in economic matters

(4) being placed under receivership by the court order or being bankrupt.

(5) has no transaction under the permit for 2 consecutive years

(6) other actions or attributes the Competent Officer deems appropriate.

In the case where the Minister revokes or notifies not to renew the permit, the manager shall return the permit to the Competent Officer within 15 days.

Clause 7 Authorized companies shall comply with the following:

(1) transact the business only at the authorized offices. In case an authorized company wishes to add an area of operation within the authorized office, it shall submit the application together with the floor plan indicating the new area of operation. In case there is a relocation within its authorized office, it shall notify of such relocation to the Competent Officer in writing together with the floor plan indicating the new area of operation within 15 days from the date of relocation.

(2) display its permit issued by the Ministry of Finance at their offices in conspicuous places

(3) display in conspicuous places the placards showing the daily exchange rates for every currency the authorized companies purchase or sell traveler's cheques or pay Baht to international credit card holders.

Clause 8 Authorized companies shall comply with the following rules and procedures:

(1) Authorized companies may purchase traveler's cheques or pay Baht to international credit card holders without any limit.

(2) In case of selling traveler's cheques, authorized companies shall comply with the following rules:

i. Require customers to present their evidences, passports or other traveling documents

ii. The amount sold to each customer shall not exceed USD 5,000 or its equivalent per trip

(3)¹ Authorized companies shall have evidences of every purchase or sale of traveler's cheques or payment of Thai Baht to international credit card holders which include the following details:

- Date of purchase or sale
- Name and address of the customer
- Type of bank notes, amount and type of foreign currencies
- Exchange rate of the purchase or sale
- Total amount of money in Baht
- Number of such evidences
- Number of passport or other traveling documents (only in case of selling traveler's cheques)

Authorized companies shall give such evidences to the customers and keep one copy at the offices for not less than 5 years for inspection by the Competent Officer.

(4)² Authorized companies shall have accounting books, correctly record accounting entries of the purchase or sale of traveler's cheques or the payment to the International credit card holders in every types and currencies and keep them updated at all time. Furthermore, authorized companies shall also be examined by a reliable auditor at least once a year.

The accounting books in the foregoing paragraph shall be kept for not less than 5 years for inspection by the Competent Officer.

(5) The exchange rates used by the authorized companies for the purchase or sale of traveler's cheques or payment of Baht to international credit card holders shall be quoted in line with the average rates of authorized juristic person.

(6) The traveler's cheques purchased by authorized companies or evidences of the right for reimbursement shall be sold to authorized juristic person or sent to companies or financial institutions abroad issuing traveler's cheque or international credit card for collection of payment of foreign currencies within 15 days from the date of purchase of the traveler's cheques or payment of Thai Baht to international

¹ Clause 8(3) amended by the Notice to the Competent Officer : Rules and Practices regarding the Undertaking of Authorized Company (No. 2)

² Clause 8(4) amended by the Notice to the Competent Officer : Rules and Practices regarding the Undertaking of Authorized Company (No. 2)

credit card holders. Authorized companies shall keep the receipts from authorized agents or evidence of claims for reimbursement abroad.

(7) In the case where an authorized company wishes to open a foreign currency account with an authorized juristic person for the operation of authorized company, it shall open such account separately and report the name of the authorized agent and account number to the Competent Officer. The outstanding balances of all foreign currency accounts shall not exceed USD 10 million or its equivalent and shall not use foreign currencies in such accounts for any purpose other than those of the authorized company business.

Clause 9 In the case where an authorized company change the nature or name of its entity, name of its authorized office, shareholders, percentages of ownership, directors, managers or persons having management authority, it shall report such change in writing together with related documents to the Competent Officer within 15 days from the date of change.

In case of changing in directors, managers or persons having management authority, the authorized company shall also submit a certificate indicating that such persons do not have any prohibited attributes as prescribed in Clause 2.

Clause 10 Authorized companies shall submit the reports in the prescribed forms.

Clause 11 This Notice shall come into force as from 7th October B.E.2548.

Given on 7th October B.E.2548
Mr. Suchart Sakkankosone
Competent Officer