

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 Money Transfer Agents

By virtue of the power conferred upon him under Clause 7 of the Ministerial Regulations No. 13 (B.E.2497) issued under the Exchange Control Act B.E.2485 and Clause 3, Clause 4 and Clause 5 of the Notification of the Ministry of Finance on Directions of the Minister to Authorized Money Transfer Agents dated 4th August B.E.2547, the Competent Officer gives notice of directions as follows:

Clause 1. The Competent Officer permits a person to transfer foreign currencies with an authorized money transfer agent.

Clause 2.¹ An authorized money transfer agent must have one of the following qualifications:

(1) Being a juristic person that engages in any of the following businesses:

(1.1) A large department store

(1.2) A hotel business

(1.3) An international business related to the issuance of foreign traveler's cheques and/or international credit cards

(1.4) An international business related to postal service

(1.5) A telecommunication business

¹ Clause 2 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

(1.6) An E-payment service under the laws regulating electronic payment service business, or

(1.7) An authorized money changer under the Exchange Control Law,

Such juristic person shall undertake one of the above businesses for not less than 3 years and have paid-up registered capital not less than 100 million Baht. At least three-fourths of its directors shall be Thai citizens. It shall have persons with the following qualifications as its partners or shareholders contributing at least three-fourths of paid-up registered capital.

(a) A Thai citizen or

(b) A juristic person that has Thai citizens as partners or shareholders contributing at least three-fourths of paid-up registered capital,

(2) Being a juristic person that has paid-up registered capital not less than 100 million Baht; all of its directors being Thai citizens; at least one of its directors, managers or persons having management authority having been the director, manager or any person having management authority of an authorized money changer under the Exchange Control Law for at least 3 years; and all of its shareholders or partners being:

(a) A Thai citizen,

(b) A juristic person that has Thai citizens as partners or shareholders contributing at least three-fourths of its paid-up registered capital, or

(c) A juristic person that has Thai citizens as partners or shareholders contributing at least three-fourths of its paid-up registered capital and having been undertaking Money Changing business under the Exchange Control Law for not less than 3 years,

Such juristic person shall have shareholders or partners according to (c) contributing at least three-fourths of its paid-up registered capital,

(3) A government financial institution, a state entity, a government entity or a state enterprise.

Clause 3. Any person who wishes to undertake money transfer business must have a reliable international money transfer network.

Clause 4.² (Cancelled)

Clause 5.³ An authorized money transfer agent according to clause 2(1) and (2) shall not appoint or allow any person with any of the following attributes to be its directors, managers or any person with the authority to manage its business :

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

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

(3) having been sentenced by the court judgment or order to have properties forfeited or having been convicted by a final court judgement for a money laundering offence against the Anti-money Laundering Law,

(4) having been Designated Person or convicted by a final court judgment for a terrorist financing offence against Combating the Financing of Terrorism Law.

Clause 6. 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 5, the authorized money transfer agent shall replace such person within 15 days from the date of the revelation or notification by the Competent Officer.

Clause 7.⁴ Any person who wishes to undertake money transfer agent business 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 copy or photocopy of Affidavit certified no longer than 6 months prior to the date of submission in the area of:

² Clause 4 cancelled by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

³ Clause 5 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

⁴ Clause 7 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

1. List of directors or partners, as the case may be,
2. Persons authorized to sign or managing partners, as the case may be,
3. Registered capital
4. Business location

(3)⁵ A copy or photocopy of shareholder list, in case of a limited company or limited public company,

(4) Photocopies of identification documents of directors which are photocopies of identification cards in case of Thai citizens, or photocopies of passports in case of not being Thai citizens,

(5) Photocopies of identification documents of partners, in case of a partnership, which are photocopies of identification cards in case of Thai citizens, or photocopies of passports in case of not being Thai citizens,

(6) A letter certifying that the directors, managers or persons having management authority do not have any prohibited attributes as prescribed in Clause 5,

(7) A copy or photocopy of permit of other main business and related documents (if any),

(8) Any document indicating that the applicant has been undertaking one of the businesses as specified in Clause 2 (1) in Thailand for not less than 3 years prior to the date of submission of application, such as audited financial statements for the past 3 years in case of the applicant being a juristic person as prescribed in clause 2 (1),

(9) An affirmation letter of an authorized money changer under the Exchange Control Law certifying no longer than 1 month prior to the date of submission that at least one of its directors, managers or persons with management authority has been a director, manager or person with management authority of such money changer business and specifying the term of office, in case of the applicant being a juristic person as prescribed in clause 2 (2),

(10) A map and photos indicating business location, a floor plan and photos showing areas of operation, and documents indicating that the applicant has or will have the right to operate in such

⁵ Clause 7 (3) amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.4)

location such as a copy or photocopy of a rental agreement, or a consent letter allowing to operate in such location,

(11) Any document and/or contract indicating the availability of a reliable international money transfer network.

If the applicant wishes to undertake the business within the areas under supervision of any regional office of the Bank of Thailand under Clause 8, such applicant shall submit the application to the relevant office.

Clause 8.⁶ 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 20 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, Amnat Charoen and Beungkan.

(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.

⁶ Clause 8 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

Clause 9. 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 money transfer agent, 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)⁷ 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 owner or the manager shall return the permit to the Competent Officer within the period as prescribed by the Competent Officer.

Clause 10.⁸ Authorized money transfer agents shall comply with the following:

(1) Transact the business only at the authorized offices and in case an authorized money transfer agent relocates its area of operation within the authorized office, it shall notify 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 the permits and the following information in conspicuous places of the offices:

(a) Money transfer agent permits issued by the Ministry of Finance,

(b) Daily exchange rates and transaction fees for every currency the authorized money transfer agents provide their services.

⁷ Clause 9 (5) amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.4)

⁸ Clause 10 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

Clause 11.⁹ In undertaking money transfer business, authorized money transfer agents shall comply with the following rules and practices:

(1) Authorized money transfer agents may receive foreign currencies from persons abroad and pay Baht to recipients in Thailand without any limit and shall:

(1.1) Request the recipients in Thailand to submit photocopies of identification documents such as identification cards, passports, or Affidavits,

(1.2) Request the recipients in Thailand or senders abroad to declare the purposes of transfer,

(2)¹⁰ Authorized money transfer agents shall remit foreign currencies overseas as requested by senders in Thailand and pay to recipients abroad only for family support, traveling, studying, payment of goods or any other service expense in an amount not exceeding THB 200,000 or its equivalent per day per customer and shall:

(2.1) Request the customers in Thailand to submit photocopies of identification documents such as identification cards, passports, or Affidavits,

(2.2) Request the customers in Thailand to declare the purposes of transfer,

(3) Authorized money transfer agents shall have evidences of every transaction which include the following details:

(3.1) Name and address of the money transfer agent,

(3.2) Number of such evidences,

(3.3) Date of transaction,

(3.4) Name and address of the customer,

(3.5) Identification or passport number, or registration number of juristic person,

(3.6) Amount and currencies of transfer,

(3.7) Exchange rate of the transaction,

(3.8) Total amount of money in Baht,

(3.9) Purpose of transfer,

⁹ Clause 11 amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.3)

¹⁰ Clause 11 (2) amended by the Notice of Competent Officer Re: Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (No.4)

Authorized money transfer agents shall give such evidences to the customers and keep copies at the offices for at least 5 years for inspection by the Competent Officer,

(4) Authorized money transfer agents shall maintain complete, accurate and timely transaction records regarding all transfers or receipts of transfer of foreign currencies according to (1) and (2) and shall also be examined by a reliable auditor for at least once a year. Authorized money transfer agents shall keep such records for at least 5 years for inspection by the Competent Officer,

(5) The exchange rates used by the authorized money transfer agent shall be quoted in line with the average rates of authorized juristic persons, published by the Bank of Thailand,

(6) In the case where an authorized money transfer agent wishes to open a foreign currency account with an authorized juristic person for the undertaking or money transfer business, it shall open a separate foreign currency account and notify the name of the authorized juristic person maintaining the account and account number to the Competent Officer and must not use foreign currencies in such account for any purpose other than its money transfer business. The authorized money transfer agent shall also comply with rules regarding foreign currency accounts as prescribed in the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereafter.

Clause 11/1.¹¹ In the case where an authorized money transfer agent wishes to provide an electronic channel for receiving requests from persons in Thailand to transfer foreign currencies abroad or to receive transfer in Baht from abroad, the authorized money transfer agent shall further proceed as follows;

(1) Provide the number of permit, exchange rates and fees as prescribed in clause 10 (2) in the electronic channel as information for customers,

(2) Prior to provide the service via the electronic channel for the first time, the authorized money transfer agent shall request the customers to submit identification documents as specified in clause 11 (1.1) or (2.1) and keep such information in the electronic system and keep it updated at all times,

¹¹ Clause 11/1 has been amended by the Notification of Competent Officer on Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (NO.3)

(3) In transferring or receiving transfers for customers, the authorized money transfer agent shall enable identification of the customers and declaration of purposes of transfer in such electronic system with the same information as in the case of request for documents as prescribed in Clause 11 (1) or (2), as the case may be. The authorized money transfer agent shall provide electronic evidences of transfer or receipt of transfer to the customers with information as prescribed in clause 11 (3) and keep such evidences for at least 5 years for inspection by the Competent Officer. In the case where the customers wish to receive paper-based evidences, the authorized money transfer agent shall also provide such evidences to the customers.

Clause 11/2.¹² In the case where an authorized money transfer agent wishes to temporarily undertake the business outside the authorized office, the authorized money transfer agent shall seek approval from the Competent Officer, stating reasons and necessity and submitting relevant documents, at least 15 days prior to the date of operation outside the authorized office.

Clause 12.¹³ In the case where there is a change in the nature of the entity of an authorized money transfer agent; change of name of the entity or name of the office; change of registered address by officials; substantial change of proportion of shareholding or shareholders; or change of directors, managers or persons having management authority of an authorized money transfer agent, it shall notify such change in writing together with related documents to the Competent Officer within 15 days from the date of change in registration.

In case of change of directors, managers or persons with management authority, the authorized money transfer agent shall also submit a certificate indicating that such persons do not have any prohibited attributes as prescribed in Clause 5.

Clause 13. Authorized money transfer agents shall submit the reports in the prescribed forms.

¹² Clause 11/2 has been amended by the Notification of Competent Officer on Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (NO.3)

¹³ Clause 12 has been amended by the Notification of Competent Officer on Rules and Practices regarding the Undertaking of Authorized Money Transfer Agent (NO.3)

Clause 14. This Notice shall come into force as from 11th August B.E.2547.

Given on 6th August B.E.2547

Mrs. Tasna Rajatabhothi

Competent Office