

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.

Notification of the Ministry of Finance
Directions of the Minister to Treasury Centers

By virtue of the power conferred upon him under Article 3 of the Ministerial Regulations No.13 (B.E. 2497) issued under the Exchange Control Act B.E. 2485, the Minister of Finance hereby issues the Directions to the applicants for the treasury center permit and treasury center as follows:

Clause 1. In this Notification:

“Competent Officer” means a person appointed for the execution of the Exchange Control Act B.E. 2485.

“Treasury center”¹ means a person permitted to undertake foreign currency management business.

“Minister” means the Minister of Finance.

“Conglomerate group”² means a group of companies consisting of a parent company, affiliated companies, or companies with related business, or companies with business relationship that entrust treasury centers to manage foreign currencies on their behalf, according to the rules prescribed by the Competent Officer.

Clause 2.³ Treasury centers shall manage foreign currency for conglomerate groups only under the scope listed below:

¹ The definition of “Treasury Center” amended by the Notification of the Ministry of Finance Re: Directions of the Minister to Treasury Centers (No.2)

² The definition of “Conglomerate group” amended by the Notification of the Ministry of Finance Re: Directions of the Minister to Treasury Centers (No.2)

³ Clause 2 amended by the Notification of the Ministry of Finance Re: Directions of the Minister to Treasury Centers (No.4)

(1) Purchase of foreign currency obligations or invoices from conglomerate groups, or agents of conglomerate groups in receiving or paying funds according to foreign currency invoices or obligations and receipt of funds from and payment of funds to counterparties,

(2) Netting of foreign currency income or obligations which arise from or relate to undertaking of treasury center business,

(3) Purchase, sale or exchange of foreign currencies and management of exchange rate risk.

(4) Liquidity management as follows;

(4.1) Borrowing foreign currencies from authorized juristic persons, persons or juristic persons abroad, or conglomerate groups,

(4.2) Issuing and distributing securities denominated in foreign currencies domestically or abroad to raise funds,

(4.3) Lending foreign currencies to a person or juristic persons abroad, or conglomerate groups,

(4.4) Depositing foreign currencies with authorized juristic persons or abroad, investing abroad or investing in securities denominated in foreign currencies issued and distributed domestically.

Treasury centers are allowed to borrow or lend in Baht abroad as prescribed by the Competent Officer.

In the case where treasury centers manage foreign currencies for other businesses of companies undertaking treasury center business which are their own businesses, the scope of foreign currency management for conglomerate groups shall apply *mutatis mutandis*.

Clause 3.⁴ An applicants for the treasury center permit shall meet all of the requirements as prescribed by the Competent Officer and shall submit an application to the Minister through the Bank of Thailand according to rules and practices as prescribed by the Competent Officer. The Minister and the Bank of Thailand shall complete the application process within 60 working days from the date when the Bank of Thailand has received the complete application with all required documents.

⁴ Clause 3 amended by the Notification of the Ministry of Finance Re: Directions of the Minister to Treasury Centers (No.3)

After the application has been approved by the Minister, the treasury center shall register for any changes or additional objectives of the company with related agencies before undertaking treasury center business and shall submit the documents of such changes or additional objectives to the bank of Thailand.

In the case where the permit is lost or substantially damaged, a treasury center shall apply in writing for replacement for the permit from the Minister through the Bank of Thailand within 30 days from the date of acknowledgement of loss or damage. The Minister and the Bank of Thailand shall complete the application process within 45 working days from the date the Bank of Thailand has received the application.

Clause 4.⁵ In undertaking the business as prescribed in Clause 2, treasury centers shall comply with the rules and practices as prescribed by the Competent Officer.

Clause 5. In the case where a treasury center dissolves its business, the owner, manager or liquidator shall notify the Competent Officer in writing within 15 days from the dissolution date and return the permit to the Competent Officer.

Clause 6. The permit granted is valid for one year and it shall be automatically renewed annually unless the Minister notifies of discontinuing the permit in writing not less than 30 days prior to the expiry of the permit.

Clause 7. This Notification shall come into force as from 5th July B.E.2547.

Given on 30th June B.E.2547

Somkid Jatusripitak

Minister of Finance

⁵ Clause 4 amended by the Notification of the Ministry of Finance Re: Directions of the Minister to Treasury Centers (No.2)

