

**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.**

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11 August 2004

To Managers

All Authorized Money Changers

No. SorKorNgor. (31) Wor.3/2547 Re: The Notification of the Ministry of Finance and the Notice of the Competent Officer regarding the Undertaking of Authorized Money Changers

The Ministry of Finance has issued the Notification of the Ministry of Finance on Directions of the Minister to Authorized Money Changers dated 30 July 2004 and the Bank of Thailand has issued the Notice of the Competent Officer on Rules and Practices regarding the Undertaking of Authorized Money Changers dated 6 August 2004 to amend the rules of the issuance of the money changer permit which shall come into force on 11 August 2004.

The Competent Officer requires the authorized money changers whose permits will expire on 31 December 2004 but wish to continue to conduct money changer business to apply for the permits under the new rules by submitting application forms together with related documents within this September instead of applying for the renewal of the permits under the previous rules, otherwise the Bank of Thailand will consider that such authorized money changers have no intention to continue to undertake the money changer business.

Please be informed and comply with accordingly.

With regards,

(Mr. Suchart Sakkankosone)

Competent Officer

Enclosure:

1. Notification of the Ministry of Finance on Directions of the Minister to Authorized Money Changers dated 30 July 2004
2. Notice of the Competent Officer on Rules and Practices regarding the Undertaking of Authorized Money Changers dated 6 August 2004
3. Application form for the establishment of authorized money changer and the certificate of management qualification.

Exchange Control and Credits Department

Financial Markets Operations Group

Tel: 0-2283-5152, 0-2283-5117

**Notification of the Ministry of Finance**  
**Directions of the Minister to Authorized Money Changers**

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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 money changer permit and authorized money changers as follows:

Clause 1 Notification of the Ministry of Finance on Directions of the Minister to Authorized Money Changers dated 20<sup>th</sup> November B.E. 2543 shall be repealed.

Clause 2 In this Notification:

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

“Foreign currency notes” includes foreign bank notes and foreign coins.

“Minister” means the Minister of Finance.

Clause 3 Authorized money changers shall undertake business regarding foreign means of payment only under the scope listed below:

1. Buy foreign currency notes or traveler’s cheques payable in foreign currencies.
2. Sell foreign currency notes to those traveling abroad under the rules and procedures prescribed by the Competent Officer.

Clause 4 An applicant for the money changer permit shall meet all of the requirements as prescribed by the Competent Officer and shall submit an application in the form prescribed together with related documents to the Minister through the Bank of Thailand.

Clause 5 Authorized money changers shall comply with the rules and conditions as prescribed by the Competent Officer.

Clause 6 The permit is granted for the operation of the business only at the authorized office.

In the case where an authorized money changer wishes to relocate its authorized office, the authorized money changer shall seek approval by submitting a letter specifying the reason for relocation together with related documents to the Minister through the Bank of Thailand.

Clause 7 If an authorized money changer dissolves its business, the owner ,the manager or the liquidator shall notify to the Competent Officer in writing and return the permit to the Competent Officer within 15 days from the dissolution date.

Clause 8 The permit granted is valid for one year and it will be automatically renewed annually unless the Minister notifies of discontinuing the permit in writing not less than 30 days prior to the expiry date of the permit.

Clause 9 After the permit expires, the authorized money changer that has been granted the permit prior to the effective date of this Notification and wishes to continue to undertake money changer business shall submit the application in accordance with these regulations as the new applicant.

Clause 10 This Notification shall come into force as from 11<sup>th</sup> August B.E.2547

Given on 30<sup>th</sup> July B.E.2547

Somkid Jatusripitak  
Minister of Finance

**Notice of the Competent Officer**  
**Rules and Practices regarding the Undertaking of Authorized Money Changers**

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By virtue of the power conferred upon him under Clause 3, 4 and 5 of the Notification of the Ministry of Finance on Directions of the Minister to Authorized Money Changers dated 30<sup>th</sup> July B.E.2547, the Competent Officer gives notice of directions as follows:

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

- (1) A juristic person that operates as a hotel that is well-known among foreign guests
- (2) A juristic person with paid-up registered capital of not less than 10 million Baht that engages in any of the following businesses:
  - a. An international dormitory or a large guest house that has foreign guests
  - b. A private entity that serves mostly foreign tourists such as airports, piers, cruise providing rooms for tourists or travel company or travel agent operating business for foreigners traveling in Thailand , etc.
  - c. A large department store or store that mostly has foreign customers
  - d. An international business related to the issuance of foreign travelers' cheques and/or international credit cards
- (3) A juristic person with paid-up registered capital of not less than 1 million Baht and shareholders or partners and managing directors being Thai citizens.
- (4) An authorized duty-free shop
- (5) A government financial institution, a state entity, a government entity or a state enterprise

Clause 2 An authorized money changer which is a private juristic person 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) having been imprisoned by a final court judgment for an offence against the Exchange Control Law
- (3) being involved in 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 money changer 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 undertake money changer 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 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 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) A copy or photocopy of other main business permits and related documents (if any)
- (6) A map indicating business location and a floor plan showing areas of exchange.

The application shall be submitted in March and September. If the applicant wishes to undertake the 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 Rum, 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 money changer, 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 owner or the manager shall return the permit to the Competent Officer within 15 days.

Clause 7 Authorized money changers shall comply with the following:

- (1) undertake the business only at the authorized offices
- (2) display the placards containing the following information in conspicuous places in front of their offices

AUTHORIZED MONEY CHANGER
License No.....

(3) display their permits issued by the Ministry of Finance at their offices in conspicuous places.

(4) Display the daily buying and selling rates of all foreign currency notes or traveler's cheques payable in foreign currencies in conspicuous places.

Clause 8 Authorized money changers shall comply with the following rules and conditions:

(1) Authorized money changers may purchase foreign currency notes or traveler's cheques payable in foreign currencies from customers without any limit.

(2) To sell foreign currency notes to customers, authorized money changers shall comply with the following rules:

- Require customers to present their passports or other traveling documents,
- The amount of foreign currency notes sold to each customer must not exceed USD 5,000 or its equivalent per trip.

(3) Authorized money changers shall have evidences of every purchase or sale of foreign currency notes or traveler's cheques which includes 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 foreign currency notes)

Authorized money changers shall give such evidences to the customers and keep one copy at the offices for at least 3 years for inspection by the Competent Officer.

(4) Authorized money changers shall have accounting books, correctly record accounting entries of purchase or sale of foreign banknote or purchase traveler's cheques in every types and currencies and keep them updated at all time. Furthermore, authorized money changers 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 3 years for inspection by the Competent Officer.

(5) The buying or selling rates used by the authorized money changers for purchasing or selling of foreign banknote or purchasing traveler's cheques shall be quoted in line with the average rates of authorized agents.

(6) Authorized money changers shall sell foreign currency notes to authorized agents at least 80% of the net purchase and sale amount in each month.

(7) Traveler's cheques payable in foreign currencies that Authorized Money Changers have purchased must be sold to authorized agents within 15 days from the date of purchase.

(8) In case of selling foreign currency notes or the traveler's cheques payable in foreign currencies to authorized agents, authorized money changers must keep the receipt as an evidence.

Clause 9 In the case where an authorized money changer 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 money changer shall also submit a certificate indicating that such persons do not have any prohibited attributes as prescribed in Clause 2.

Clause 10 Authorized money changers shall submit the reports in the prescribed forms.

Clause 11 An authorized money changer whose permit does not expire prior to the enforcement of this Notification can undertake its business until the expiry of the permit. After the expiry, if such authorized money changer wishes to continue to undertake its money changer business, it must submit the application under the rules of this Notification.

Clause 12 This Notice shall come into force as from 11<sup>th</sup> August B.E.2547.

Given on 6<sup>th</sup> August B.E.2547

Mrs. Tasna Rajatabhothi

Competent Officer