

Bank of Thailand Notification

No. PSD. 1/2566

**Re: Regulations, Procedures and Conditions on Application for License to Undertake
Designated Payment Systems Business (No. 3)**

1. Rationale

The Bank of Thailand has issued the Bank of Thailand Notification No. SorNorChor. 3/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business dated 16 April 2018 as amended by the Bank of Thailand Notification No. SorNorChor. 16/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business (No.2) dated 7 September 2018 for the purposes of supervision of payment systems to be safe and secure, have risk management in line with international standards, continuously operate under normal and emergency conditions, and ensure free and fair competition in undertaking businesses as well as appropriate consumer protection.

In order to foster the undertaking of the payment systems business to operate with transparency and align with the international standards and good governance principles as well as holistically take the stakeholders and risks into consideration to support sustainable economic growth, the Bank of Thailand, therefore, deems it appropriate to prescribe the prohibited characteristics of business providers of designated payment systems, directors, and persons with managerial power of the business providers.

2. Statutory Power

By virtue of Section 13 and Section 14 of the Payment Systems Act B.E. 2560 (2017), the Bank of Thailand hereby issues regulations, procedures and conditions on application for license to undertake designated payment systems business, as prescribed in this Notification.

3. Amended Notification

The Bank of Thailand Notification No. SorNorChor. 3/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business dated 16 April 2018 as amended by the Bank of Thailand Notification

No. SorNorChor. 16/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business (No.2) dated 7 September 2018.

4. Scope of Application

This Notification shall apply to those intending to undertake designated payment systems business and business providers of designated payment systems according to the law governing payment systems.

5. Content

5.1 The definition of “Financial business” shall be added between the definition of “Person with managerial power” and “BOT” in Clause 4.1 of the Bank of Thailand Notification No. SorNorChor. 3/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business dated 16 April 2018.

““Financial business” means

(1) Financial institution business according to the laws on financial institution business;

(2) Credit card business, personal loan business under supervision, nano finance business under supervision, pico finance business under supervision, electronic system or network business for Peer-to-Peer Lending Platform, for which prior approval must be obtained according to the law;

(3) Asset management business according to the laws on asset management companies;

(4) Foreign exchange business according to the laws on exchange control;

(5) Life insurance business according to the laws on life insurance and non-life insurance business according to the laws on non-life insurance;

(6) Securities business, financial advisory business, investment advisory business, and crowdfunding portal business according to the law on securities and exchange;

(7) Futures business according to the laws on futures business;

(8) Trustee business according to the laws on trust for transactions in the capital market;

(9) Securitization business according to the laws on special purpose vehicles for securitization purposes;

(10) Other businesses as prescribed by Notifications of the BOT

5.2 The provisions in (1.4) (1.5) (1.6) of Clause 4.2 of the Bank of Thailand Notification No. SorNorChor. 3/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business dated 16 April 2018 as amended by the Bank of Thailand Notification No. SorNorChor. 16/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business (No.2) dated 7 September 2018 shall be repealed and replaced by the following;

“(1.4) **Not currently being** temporarily suspended of its entire or partial business operation or been revoked license or registration **to undertake financial business or designated payment systems business or designated payment services business** according to the law governing payment systems.

(1.5) Never been sentenced or ordered by the court that its properties shall be forfeiture for the benefit of the state or never been sentenced by a final court judgment on the ground of committing an offence relating to money laundering under law governing anti-money laundering; or never been a designated person for having committed terrorism **or proliferation of weapons of mass destruction**; or never been sentenced by the final court judgment on the offence relating to financing of terrorism **or proliferation of weapons of mass destruction** according to the law on combating the financing of terrorism and law on control of proliferation of weapons of mass destruction.

(1.5/1) Never been any business providers of financial business or designated payment systems business or designated payment services business without authorization or registration as required by the law that have one of the following actions:

(1.5/1.1) Having engaged in unfair or exploitative actions against consumers;

(1.5/1.2) Having actions indicating the avoidance or support the avoidance of the application for license or registration to be business providers of financial business or designated payment systems business or payment services business; or

(1.5/1.3) Having actions or reasonable cause for suspicion of involving in the actions that may cause damage to the public or affect the overall payment systems.

(1.6) Having directors or persons with managerial power with the following characteristics:

(1.6.1) Being of not less than 20 years of age.

(1.6.2) Having qualifications and not possessed any prohibited characteristics as prescribed in Section 14 of the Payment Systems Act B.E. 2560 (2017).

(1.6.3) Never been in position of a director, managing partner, or person with managerial power of a business provider of financial business when its license was revoked, or when its business registration was revoked, and such person was related to or was responsible for the revocation of such license or business registration.

(1.6.4) Never been imprisoned by the final court judgment for any offence related to the undertaking of financial business or any offence according to the law governing payment systems.

(1.6.5) Never been sentenced or ordered by the court that its properties shall be forfeiture for the benefit of the state or never been sentenced by a final court judgment on the ground of committing an offence relating to money laundering under law governing anti-money laundering; or never been a designated person for having committed terrorism or proliferation of weapons of mass destruction; or never been sentenced by the final court judgment on the offence relating to financing of terrorism or proliferation of weapons of mass destruction according to the law on combating the financing of terrorism and law on control of proliferation of weapons of mass destruction.

(1.6.6) Never been discharged from the position of director or person with managerial power of a financial institution according to the law on financial institution business; or never been discharged from the position of director or person with managerial power of a securities company according to the law on securities and exchange; or never been discharged from the position of director or person with managerial power of a life insurance company according to the law on life insurance or of non-life insurance company according to the law on non-life insurance; unless such discharge was not related to honesty or malpractice.

(1.6.7) Never been punished by dismissal or discharge from government offices, government organizations, or government agencies on charges of dishonest conduct of duty.

(1.6.8) Never been accused, filed a complaint, or being prosecuted in any proceedings by the BOT, the Office of the Securities and Exchange Commission, Office of Insurance Commission, or local and international government agencies for an offence of fraud or corruption, unless the case has a final judgment of not guilty.

(1.6.9) Not having reasonable cause for suspicion of any present or past action that caused or led to fraud, public cheating and fraud, or treatment of consumers that is dishonest or unfair.

(1.6.10) Not having reasonable cause for suspicion of any present or past action that caused or led to selective treatment or seeking gains for oneself or others, or involvement in any decision which may cause conflict of interest, or not having reasonable cause for suspicion of any behavior indicating action of dishonest intent.

For juristic persons under Clause (1.1.1) that are business providers of asset management business or non-financial institution business providers according to the Declaration of the Revolutionary Council Decree 58 subject to the supervision of the BOT, and juristic persons under Clause (1.1.2) – (1.1.5) that have specific laws prescribed the provisions relating to the prohibited characteristics or qualifications of director or person with managerial power of such person, and juristic persons under Clause (1.1.6) shall be exempted from complying with the regulations under Clause (1.6.3) (1.6.4) and (1.6.6) – (1.6.10)”

5.3 The provision in (2) of Clause 4.2 of the Bank of Thailand Notification No. SorNorChor. 3/2561 Re: Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business dated 16 April 2018 shall be repealed and replaced by the following;

“(2) Those intending to undertake designated payment systems business shall submit a license application form together with documents and evidence according to the form attached at the end of this Notification (Attachment 1) to the BOT **and notify of the information about shareholders that hold shares in an amount exceeding 10**

percent of the total shares sold, including the shares held by related persons of such person, to the BOT in accordance with the form stipulated in the manual for the public.

For juristic persons under Clause (1.1.1) that are business providers of asset management business or non-financial institution business providers according to the Declaration of the Revolutionary Council Decree 58 subject to the supervision of the BOT, and juristic persons under Clause (1.1.2) that are not the subsidiaries of foreign commercial banks that have specific laws prescribed the provisions relating to the prohibited characteristics or qualifications of shareholders of such person, and juristic persons under Clause (1.1.3) – (1.1.6) including subsidiaries of foreign commercial banks shall be exempted from notifying of the information about their shareholders under the first paragraph”

Related person under the first paragraph means a person who is related to another person in any of the following manners:

- (1) Being a spouse;
- (2) Being a minor child or adopted minor child; or
- (3) Being a principal, an agent.

In case those intending to undertake designated payment systems business for more than 1 type of business, they can submit a license application form together with the required documents and evidence, all at the same time.”

6. Effective date

This Notification shall be effective from the day following the date of its publication in the Government Gazette.

Announced on 29 June 2023

(Mr. Sethaput Suthiwartnarueput)

Governor

Bank of Thailand