

Unofficial Translation

This translation is for convenience of those unfamiliar with Thai language.

Please refer to the Thai official version.

Bank of Thailand Notification

No. PSD. 2/2566

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

1. Rationale

The Bank of Thailand has issued the Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (2018) as amended by the Bank of Thailand Notification No. SorNorChor. 17/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business (No.2) dated 7 September B.E. 2561 (2018) for the purposes of supervision of payment services to ensure stability, security, reliability and efficiency.

In order to promote the undertaking of designated payment service 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 which will support sustainable economic growth, the Bank of Thailand, therefore, deems it appropriate to prescribe the prohibited characteristics of business providers of designated payment services, directors, and persons with managerial power of the business providers.

2. Statutory Power

By virtue of Section 17 and Section 18 of the Payment Systems Act B.E. 2560 (2017), the Bank of Thailand hereby issues regulations, procedures, and conditions on the application for license and registration to undertake designated payment services business, as prescribed in this Notification.

3. Amended Notification

The Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (2018) as amended by the

Bank of Thailand Notification No. SorNorChor. 17/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business (No.2) dated 7 September B.E. 2561 (2018).

4. Scope of Application

This Notification shall apply to those intending to undertake designated payment services business and business providers of designated payment services 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. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (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 4.2.1 of the Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (2018) as amended by the Bank of Thailand Notification No. SorNorChor. 17/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business (No.2) dated 7 September B.E. 2561 (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 property be forfeited to the state, or never been sentenced by the final court judgment for the offense relating to money laundering according to the law governing anti-money laundering, or never been a designated person for having committed terrorism **or proliferation of weapon of mass destruction**, or never been sentenced by the final court judgment for the offense relating to financing the terrorism **or proliferation of weapon of mass destruction** according to the law governing counter-terrorism and proliferation of weapon of mass destruction financing.

(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, which also have conducted any one of the following doings:

(1.5/1.1) Having engaged in unfair or exploitative courses of conduct against consumers.

(1.5/1.2) Having courses of conduct indicating the avoidance or supporting 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 courses of conduct or presumable suspicion of involvement in 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 possessing any prohibited characteristics as prescribed in Section 14 of the Payment Systems Act B.E. 2560 (2017).

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

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

(1.6.5) Never been sentenced or ordered by the court that its property be forfeited to the state, or never been sentenced by the final court judgment for the offense relating to money laundering according to the law governing anti-money laundering, or never been a designated person for having committed terrorism or proliferation of weapon of mass destruction, or never been sentenced by the final court judgment for the offense relating to financing the terrorism or proliferation of weapon of mass destruction according to the law governing counter- terrorism and proliferation of weapon of mass destruction financing.

(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 dishonesty or corruption.

(1.6.7) Never been punished by dismissal or discharge from government, public service offices, or government agencies for corruption charges.

(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, the Office of Insurance Commission, or both local and international government agencies for any offense of fraud or corruption unless the final judgment found no guilty.

(1.6.9) Not having presumable suspicion of any present or previous course of conduct that has caused or led to fraud, public cheating and fraud, or unfair or dishonest treatment of consumers.

(1.6.10) Not having presumable suspicion of any present or previous course of conduct that has caused or led to any discrimination, or exploitation for oneself or others, or involvement in any decision which may cause a conflict of interest, or not having presumable suspicion of any behavior indicating dishonesty or corruption.

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 Revolutionary Council Decree No. 58 and subject to the supervision of the BOT, or 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 juristic persons, they shall be exempted from complying with the regulations in accordance with Clause (1.6.3) (1.6.4) and (1.6.6) – (1.6.10)”

5.3 The provision in (2) of Clause 4.2.1 of the Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (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 the information of the shareholders that hold shares in an amount exceeding 10 percent of the total number of shares sold, including the shares held by related persons of such shareholders, 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 under the Revolutionary Council Decree No. 58 and subject to the supervision of the BOT, and juristic persons under Clause (1.1.2) that are not the subsidiaries of foreign commercial banks and have specific laws prescribed the provisions relating to the prohibited characteristics or qualifications of shareholders of such juristic persons, and juristic persons under Clause (1.1.3) – (1.1.5) including subsidiaries of foreign commercial banks, they shall be exempted from notifying the information of their shareholders in accordance with the first paragraph”

The 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 services business for more than 1 type of business, they can submit an application form together with the required documents and evidence, all at the same time.”

5.4 The provision in (1.3) (1.4) (1.5) of Clause 4.2.2 of the Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (2018) as amended by the Bank of Thailand Notification No. SorNorChor. 17/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business (No.2) dated 7 September B.E. 2561 (2018) shall be repealed and replaced by the following,

“(1.3) **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.

(1.4) Never been sentenced or ordered by the court that its property be forfeited to the state, or never been sentenced by the final court judgment for the offense relating to money laundering according to the law governing anti-money laundering, or never been a designated person for having committed terrorism **or proliferation of weapon of mass destruction**, or never been sentenced by the final court judgment for the offense relating to financing the terrorism **or proliferation of weapon of mass destruction** according to the law governing counter-terrorism and proliferation of weapon of mass destruction financing.

(1.4/1) 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, which also have conducted any one of the following doings:

(1.4/1.1) Having engaged in unfair or exploitative courses of conduct against consumers.

(1.4/1.2) Having courses of conduct indicating the avoidance or supporting 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

(1.4/1.3) Having courses of conduct or presumable suspicion of involvement in the actions that may cause damage to the public or affect the overall payment systems.

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

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

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

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

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

(1.5.5) Never been sentenced or ordered by the court that its property be forfeited to the state, or never been sentenced by the final court judgment for the offense relating to money laundering according to the law governing anti-money laundering, or never been a designated person for having committed terrorism or proliferation of weapon of mass destruction, or never been sentenced by the final court judgment for the offense relating to financing the terrorism or proliferation of weapon of mass destruction according to the law governing counter- terrorism and proliferation of weapon of mass destruction financing.

(1.5.6) 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 dishonesty or corruption.

(1.5.7) Never been punished by dismissal or discharge from government, public service offices, or government agencies for corruption charges.

(1.5.8) Never been accused, filed a complaint, or being prosecuted in any proceedings by the BOT, the Office of the Securities and Exchange Commission, the Office of Insurance Commission, or both local and international government agencies for any offense of fraud or corruption unless the final judgment found no guilty.

(1.5.9) Not having presumable suspicion of any present or previous course of conduct that has caused or led to fraud, public cheating and fraud, or unfair or dishonest treatment of consumers.

(1.5.10) Not having presumable suspicion of any present or previous course of conduct that has caused or led to any discrimination, or exploitation for oneself or others, or involvement in any decision which may cause a conflict of interest, or not having presumable suspicion of any behavior indicating dishonesty or corruption.

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 Revolutionary Council Decree No. 58 and subject to the supervision of the BOT, or 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 juristic persons, they shall be exempted from complying with the regulations in accordance with Clause (1.5.3) (1.5.4) and (1.5.6) – (1.5.10)”

5.5 The provision in (2) of Clause 4.2.2 of the Bank of Thailand Notification No. SorNorChor. 5/2561 Re: Regulations, Procedures, and Conditions on Application for License and Registration to Undertake Designated Payment Services Business dated 16 April B.E. 2561 (2018) shall be repealed and replaced by the following,

“(2) Those intending to undertake designated payment systems business shall submit a registration application form together with documents and evidence according to the form attached at the end of this Notification (Attachment 2) to the BOT **and notify the information of the shareholders that hold shares in an amount exceeding 10 percent of the total number of shares sold, including the shares held by related persons of such shareholders, 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 under the Revolutionary Council Decree No. 58 and subject to the supervision of the BOT, and juristic persons under Clause (1.1.2) that are not the subsidiaries of foreign commercial banks and have specific laws prescribed the provisions relating to the

prohibited characteristics or qualifications of shareholders of such juristic persons, and juristic persons under Clause (1.1.3) – (1.1.5) including subsidiaries of foreign commercial banks, they shall be exempted from notifying the information of their shareholders in accordance with the first paragraph”

The 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 services business for more than 1 type of business, they can submit an 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 Royal Gazette.

Announced on 29th June B.E. 2566 (2023)

(Mr. Sethaput Suthiwartnarueput)

Governor

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