

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. 3/2566

**Re: Regulations on Supervision of
the Designated Payment Systems Business (No. 2)**

1. Rationale

The Bank of Thailand has issued the Bank of Thailand Notification No. SorNorChor. 4/2561 Re: Regulations on Supervision of the Designated Payment Systems Business dated 16 April 2018 for the purposes of supervision of the designated payment systems to be safe and secure, have risk management in line with international standards, continuously operate under normal and emergency conditions, promote efficiency and competitiveness in undertaking businesses, as well as ensure appropriate system user protection.

In order to foster the undertaking of designated payment systems business to operate with transparency and aligning with the international standards and good governance principles as well as holistic taking the stakeholders and risks into consideration which support the sustainable economic growth, the Bank of Thailand therefore deems it appropriate to amend the regulations on supervision of business providers of designated payment systems business to be in line with the addition to qualifications and prohibited characteristics of directors and persons with managerial power of such business provider.

2. Statutory Power

By virtue of Section 24 Section 25 and Section 26 of the Payment Systems Act B.E. 2560 (2017), the Bank of Thailand hereby issues the regulations on supervision of the designated payment systems business, as prescribed in this Notification.

3. Amended Notification

The Bank of Thailand Notification No. SorNorChor. 4/2561 Re: Regulations on Supervision of the Designated Payment Systems Business dated 16 April 2018.

4. Scope of Application

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

5. Content

5.1 The following statement shall be added as (7.3) under Clause 4.2.3 of the Bank of Thailand Notification No. SorNorChor. 4/2561 Re: Regulations on Supervision of the Designated Payment Systems Business dated 16 April 2018.

“(7.3) Business providers must notify of the information about shareholders as prescribed in the manual for the public to the BOT in writing or by the defined electronic means within 15 working days from the date of having any persons hold or possess shares of the business providers in an amount exceeding 10 percent of the total number of shares sold, including the shares held by related persons of such person.

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

5.2 Clause 4.3 of the Bank of Thailand Notification No. SorNorChor. 4/2561 Re: Regulations on Supervision of the Designated Payment Systems Business dated 16 April 2018 shall be repealed and replaced by the following:

“4.3 Exemption of general regulations for supervision of the financial institutions, foreign commercial banks licensed to setup branches to undertake commercial banking business in Thailand, subsidiaries of foreign commercial banks, specialized financial institutions, state enterprises, foreign juristic persons, asset management companies, and non-financial institution business providers according to the Declaration of the Revolutionary Council Decree 58 subject to the supervision of the BOT, since they have already been under the supervision of specific laws.

(1) The business providers who are financial institutions, specialized financial institutions, and state enterprises, shall be exempted from complying with the

regulations on financial status as prescribed in Clause 4.2.1 (1) - (5) and the regulations on governance as prescribed in Clause 4.2.2 (1.3) and (4).

(2) In the case of the business providers, who are financial institutions and specialized financial institutions under specific laws prescribing regulations relating to risk management and security and subject to the supervision of the BOT, having already complied with such prescribed regulations, they shall be exempted from complying with the regulations in this Notification in the following matters:

(2.1) Notification of a change of directors or persons with managerial power of the juristic person, as prescribed in Clause 4.2.2 (1.4)

(2.2) Arrangement for an audit of the internal control and risk management, and submission of a copy of the audit findings report, as prescribed in Clause 4.2.2 (3.4)

(2.3) Arrangement for an audit of the IT system security, and submission of a copy of the audit findings report, as prescribed in Clause 4.2.3 (2.2)

(2.4) Request for permission to relocate the head office, as prescribed in Clause 4.2.3 (4.2)

(2.5) Notification of a change of the juristic person's name, as prescribed in Clause 4.2.3 (4.3.3) and (4.4.1)

(2.6) Temporary suspension of services, as prescribed in Clause 4.2.3 (5)

(2.7) Reporting and submission of financial statements, as prescribed in Clause 4.2.3 (7)

(2.8) Submission of details of the fees, as prescribed in Clause 4.2.4 (3.3)

(3) The business providers who are foreign juristic persons shall be exempted from complying with the regulations in this Notification in the following matters:

(3.1) Financial status as prescribed in Clause 4.2.1 (1) - (5)

(3.2) Governance as prescribed in Clause 4.2.2 (1.1) (1.3) – (1.4) and (2) – (3)

(3.3) Risk management and security as prescribed in Clause 4.2.3 (1.4) (2.2) (3) (4.1) – (4.2) (4.3.1) – (4.3.2) (5.1) and (7)

In this regard, the business providers shall prepare related documents relating to the exempted regulations as prescribed above and ensure that they are up-to-date and made available for the BOT examination and upon the BOT's request.

(4) The business providers who are financial institutions, asset management companies, and non-financial institution business providers under the Declaration of the Revolutionary Council Decree 58 subject to the supervision of the BOT that have specific laws prescribed the provisions relating to the prohibited characteristics or qualifications of shareholders of such person, as well as foreign commercial banks licensed to setup branches to undertake commercial banking business in Thailand, subsidiaries of foreign commercial banks, specialized financial institutions, state enterprises, and foreign juristic persons, shall be exempted to notify of the information about shareholders under Clause 4.2.3 (7.3)”

5.3 Transitory Provisions

5.3.1 In case directors or persons with managerial power of the business providers, who are in position on the effective date of this Notification, disqualify or have possessed the prohibited characteristics as prescribed in the Bank of Thailand Notification regarding Regulations, Procedures and Conditions on Application for License to Undertake Designated Payment Systems Business (No. 3), such person may continue to hold the position for no longer than 180 days from the effective date of this Notification. The business providers shall expeditiously take action to ensure that their directors or persons with managerial power meet the qualifications and do not possess the prohibited characteristics within the said period.

5.3.2 In case that business providers are granted a license to undertake the designated payment systems business on the effective date of this Notification, they shall notify of the information about shareholders under Clause 4.2.3 (7.3) of the Bank of Thailand Notification No. SorNorChor. 4/2561 Re: Regulations on Supervision of the Designated Payment Systems Business dated 16 April 2018 and the amendments thereafter to the BOT within 60 days from the effective date of this Notification according to the form prescribed in the manual for the public.

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

Payment Systems and Financial Technology Policy Department

Tel. 0 2283 5137, 0 2283 5096