

Summary of Bank of Thailand (BoT)'s regulation on Non-Resident (NR) Thai Baht Account

APPENDIX 1

Type of transaction	Without Underlying Transaction			With Underlying Transaction		
	Non-permission	Permission		Non-permission	Permission	
		No limitation	Limitation by BoT		No limitation	Limitation by BoT
1. THB Lending to NR						
1.1 Direct Loan	X			X		
1.2 O/D (All O/D is considered by BoT as transactions without underlying)			X			
			Total outstanding of O/D, inclusive of other THB credit facilities obtained from each financial institution without underlying must not exceed THB 300 mil per group of NRs*.			
	Note : *per group of NRs means counting transactions of NRs' head offices, branches, agents, and affiliated companies located outside Thailand as a group.					
1.3 Buying THB Debt Securities issued and sold by NR	X			X		
1.4 Guarantee of NRs' Transaction	X			X		
1.5 Derivatives Transactions with Reference to Foreign Exchange Rates and Foreign Exchange Rate Indices i.e. Plain Vanilla Derivatives (FX/THB Forward, Buy-Sell FX/THB Swap, Buy-Sell FX/THB Cross Currency Swap, FX/THB Put/Call Option), and Structured Derivatives as permitted by BOT.			X			X
			max. THB300mil inclusive of other THB credit facilities/group of NRs/each FI			not exceeding underlying value

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1.6 Derivatives Transactions with Reference to Interest Rate and Interest Rate Indices i.e. Plain Vanilla Derivatives (Interest Rate Swap, Basis Swap, Interest Rate Futures, Forward Rate Agreement, Interest Rate Option, and Structured Derivatives as permitted by BOT			X			X
			max. THB300mil inclusive of other THB credit facilities/group of NRs/each FI			not exceeding underlying value
1.7 Other Derivatives Transactions						
1.7.1 Bond Forward or Bond Option related to THB	X			X		
1.7.2 Derivatives Transactions with Reference to Equity						X
						under conditions as permitted by applicable BOT's notification
1.7.3 Credit Derivatives Transactions						X
						under conditions as permitted by applicable BOT's notification

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1.7.4 Derivatives Transactions with Reference to Other Assets and other Variables, prior approval from BOT must be obtained on a case by case basis.						
1.8 Purchase of FX/THB Value Same Day or Value Tomorrow			X			X
			Total outstanding balance inclusive of other THB credit facilities obtained from each financial institution without underlying must not exceed THB 300 mil per group of NRs*.			not exceeding underlying value
2. THB Borrowing from NR						
2.1 Direct Borrowing			X			X
			max. THB10mil inclusive of all other outstanding of each FI/group of NRs			not exceeding underlying value
2.2 B/E Issuance to Borrow THB from NR	X			X		
2.3 Derivatives Transactions with Reference to Foreign Exchange Rates and Foreign Exchange Rate Indices i.e. Plain Vanilla Derivatives (FX/THB Forward, Buy-Sell FX/THB Swap, Buy-Sell FX/THB Cross Currency Swap, FX/THB Put/Call Option), and Structured Derivatives as permitted by BOT.			X			X
			max. THB10mil inclusive of all other outstanding of each FI/group of NRs			not exceeding underlying value

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2.4 Sale of FX/THB Value Same Day or Value Tomorrow			X			X not exceeding underlying value
			Total outstanding balance inclusive of other THB borrowing by each financial institution without underlying must not exceed THB 10 mil per group of NRs*.			
3. NRBA & NRBS						
3.1 Day-End Outstanding Balance	<p>The aggregate outstanding balances of NRBS accounts held at all banks in Thailand must not exceed the regulatory limit of THB 300 million per NR customer at day-end.</p> <p>The aggregate outstanding balances of NRBA accounts held at all banks in Thailand must not exceed the regulatory limit of THB 300 million per NR customer at day-end.</p> <p>Note : Each THB account balance would be daily monitored. Account owner would be promptly notified, if the ending balance tends to be above THB 300 mil. In case that the expected balance is to exceed THB 300 mil, the surplus should be lent to other NRs, otherwise BoT may compel to sell THB value same day at penalty rate to reduce the balance to be under THB 300 mil. Nevertheless, to maintain the balance above THB 300 mil for trade and investment transactions is allowable, whereas account owner needs to present the evidence and obtain the approval from BoT.</p>					
3.2 Interest Payment	BoT does not allow to pay interest to NRBA/NRBS (current and saving account), except for NRBA fixed deposit over 6 months.					
4. Reporting Requirements	<p>The purpose of all payments from NR's THB accounts is needed to report to BoT within 3 days after payment date. Hence, please kindly specify the purpose of transaction in field 72 of your Bank-to-Bank payment (MT200s) by choosing from one of the followings.</p> <ol style="list-style-type: none"> 1) Spot 2) Outright Forward 3) Swap 4) Derivatives 5) Purchase of stocks 6) Purchase of debt instruments 7) Others <p>and in field 70 of your commercial payment (MT100s&MT103s) as per advice by remitter.</p>					
Effective Utilization of non-resident THB account						
To comply with BoT regulation and effectively facilitate the flow of your THB payment, taking a good care of your THB account balance and consistently sending us MT210 by morning Bangkok time is recommended. In this regard, we would also help in early advice for any problem including non-receipt of fund.						