

Questionnaire on Beneficial Ownership Information

Contact Information

Please provide contact details for potential follow-up questions. Contact details will be treated confidentially.

1. Definition of beneficial ownership & mechanisms for obtaining beneficial ownership information

1.1 Please provide the definition of “beneficial ownership” in your country for: (a) legal persons; and (b) legal arrangements, including the relevant legislation (if applicable). Please describe criteria and thresholds that are applied to determine beneficial ownership, including any criteria for exercising control without legal ownership (e.g. voting rights, right to appoint or remove board of directors).

Ans.

A. The Office of Securities and Exchange Commission

The definition of “beneficial ownership” is not presented in the laws and regulations under supervision of the SEC office.

Nevertheless, there is a definition of “ultimate beneficial owner” specified in the Ministerial Regulation Prescribing Rules and Procedures for Customer Due Diligence B.E. 2563 (2020) under the Anti-Money Laundering Act B.E. 2542 (1999), of which the securities companies and derivatives intermediaries shall conduct Customer Due Diligence in accordance with Section 25 of Derivatives Act B.E. 2546 (2003) (the “**Derivatives Act**”) also describe, for the purpose of approval of a major shareholders of a derivatives business operator, that “a beneficial owner of shares”, shall mean any person with direct or indirect power to:

- (1) direct or control the exercise of voting rights in a derivatives business operator;
- (2) direct or control the acquisition, disposal or creation of encumbrance over shares issued by a derivatives business operator; or
- (3) direct or control any other matters as specified in the notification of the Capital Market Supervisory Board, irrespective of whether such power arises from any agreement, understanding, relationship or else, and whether such power arises from the acquisition or holding of shares by such person or by any other persons.

Moreover, Section 89/1 of Securities and Exchange Act B.E. 2535 (1992) (the “**SEA**”) stipulated the definition of “control”, for the purpose of identifying “subsidiary” of a company¹, as follows:

- (1) holding of shares with voting right of a juristic person in an amount exceeding 50 percent of the total number of voting rights of such juristic person;
- (2) having control of majority voting rights in the shareholders’ meeting of any juristic person, whether directly or indirectly or any other reasons;
- (3) having control over appointment or removal of at least half of all directors.

B. Anti-Money Laundering Office (AMLO)

According to Article 3 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020),

“legal arrangement” means a natural person or juristic person who has legally agreed to hold, make use of, dispose of or manage assets in any ways for the benefit of another natural person or juristic person;

“ultimate beneficial owner” means a natural person who ultimately owns or controls the business relationships of a customer of a financial institution or a person engaging in a profession under section 16 or the natural person on whose behalf a transaction is being conducted by the customer or the person(s) who ultimately have a controlling ownership interest in a legal person or a legal arrangement.

Besides, Article 20 prescribes that financial institutions and professions under section 16 shall identify the beneficial owner(s) of the customer and take reasonable measures to verify the identity of such persons, as follows:

- (1) for legal persons:
 - (a) the identity of the natural persons who exercise controlling power over the legal person, taking into account the fact of receiving benefit or ownership

¹ The said definition is applied to a listed company (a public limited company, whose shares are listed on the Stock Exchange of Thailand) and a public limited company, approved by the SEC office to offer for sale of newly issued shares to the public.

(b) to the extent that there is doubt whether the person(s) with the controlling is the beneficial owner or where no natural person exerts controlling power under (a), the identity of the natural persons who exercising control power shall be identified by other means;

(c) where no natural person is identified under (b) above, financial institutions and persons engaging in professions under section 16 shall identify and take reasonable measures to verify the identity of the relevant natural person who holds the position of senior managing official.

(2) for legal arrangements:

(a) in case of a trust – the identity of the settlor, the trustee(s), the protector, the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust including any person in a chain of control/ownership;

(b) in case of a trust under the law on trusts for transactions in the capital market – the identity of the settlor, the trustee(s), the beneficiaries, the purposes of the trust and the asset to be placed under the trust;

(c) for other types of legal arrangements – the identity of persons in equivalent or similar positions under (a) or (b) as the case may be.

Where customers are legal arrangement under paragraph one (2), financial institutions and professions under section 16 shall arrange for disclosure of status for trustee(s) or persons in equivalent or similar positions from the establishment of business relationship or the conduct of occasional transaction with customers.

C. Bank of Thailand

Referred to FINANCIAL INSTITUTION BUSINESS ACT, B.E. 2551 (2008), for financial institutions

Section 4 defines a “**major shareholder**” as a person holding or possessing shares of a financial institution in excess of five per cent of the total shares sold, including shares held by related persons.

“**Related person**” means a person who is related to another person in any of the following manners: (1) spouse; (2) a child or adopted child who is under legal age; (3) a company of which such person or the person under (1) or (2) has power of management; (4) a company of which such person or the person under (1) or (2) has power to control the majority of votes in the shareholders meeting; (5) a company of which such person or the person under (1) or (2) has power to control the appointment or removal of directors; (6) a subsidiary of the company under (3), (4) or (5); (7) an affiliate of the company under (3), (4) or (5); (8) a principal, agent; or (9) other persons having such characteristics as prescribed in the notification of the Bank of Thailand. Where any person directly or indirectly holds shares in any company in the amount of twenty per cent or more of the total shares sold, it shall be presumed that such company is a related person of such person, unless proven otherwise.

Regarding definition of major shareholder, related person and Section 18 stated in FINANCIAL INSTITUTION BUSINESS ACT, B.E. 2551 (2008), No person shall directly or indirectly hold or possess shares of a financial institution in an amount exceeding ten per cent of the total shares sold, except with permission from the Bank of Thailand or in accordance with the rules prescribed in the notification of the Bank of Thailand.

Whereas Non-bank Financial Companies is of reference under Notification of the Ministry of Finance Re: Business which requires authorization under Clause 5 of the Revolutionary Council Decree 58 (Credit Card Business) (Personal Loan under Supervision) and (Nano-Finance for the occupation under supervision) dated 30 July 2020, which defines major shareholder and stakeholder similar to financial institution.

Thus, “**Beneficial ownership**” implies any person who directly and indirectly holding of shares in any Financial Institutions or Non-bank, (including shares held by “Related Persons”)

2. Access to basic information on legal persons

2.1 Please describe the **process** for obtaining *basic information* on legal persons created or registered in your country, including the role of the company registry.

Ans.

A. Department of Business Development, Ministry of Commerce

Department of Business Development has the main responsibilities of providing service of registering the legal entities under the laws supervised by the department such as the Civil and Commercial Code concerning juristic persons (such as partnership and limited company), Public Company Limited Act B.E.2535, Trade Associations Act B.E.2509, Chamber of Commerce Act B.E. 2509, etc. In addition, the department is also in charge of providing information services e.g. business registration documents, and certified copies of registered documents as well as promoting and developing entrepreneurs to have the potential of business operators at all levels in order to improve their competitiveness.

The guideline for obtaining basic information on legal persons is the applicant will fill in all details in the forms prescribed by the department according to each type of registration and submit them for registration to the registrar. Then, the registrar will consider the correctness, completeness, and existence of such information. If the information submitted for registration is in accordance with the laws and prescribed rules, the application is registered. According to the Rule of Office of Central Company and Partnership Registry B.E. 2561 and the amended, article 18 states that the application for registration, lists of registration, and other documents related to registration of partnership and limited company are followed the forms that the registrar specifies following the rule. It can be seen that basic information obtained from the juristic person is information that requires by law and the juristic person have to complete all the forms or submit additional supporting documents to the registrar according to each type of registration. For example, in the registration of a limited company, the applicant must fill details in the memorandum of association form in which the applicant has to specify details such as name of the company, the name of the promoter, objectives, registered capital, number of shares, etc. When the registration has been filed, the information will be recorded in the database of the department.

B. The Office of Securities and Exchange Commission

The Company Registrar

Under Section 4 of the Public Limited Companies Act, B.E.2535 (1992) (the “**PCA**”), the Director-General of the Department of Business Development, Ministry of Commerce

and persons delegated by the Director-General is the company registrar for public limited companies.

The Securities Registrar

In terms of the securities registrar, Section 61 of the PCA states that a company must keep a register of shareholders and Section 62 of the PCA also stipulates that the company may assign any person to keep the register of shareholders on behalf of the company, provided that shareholders and the company registrar must be notified of the keeper of such register.

In the case where the securities registrars are appointed and assigned by the companies or any securities issuers to prepare and record the securities register, Section 223 of SEA specifies that a person operating such businesses shall comply with the rules, conditions, and procedures as specified in the notification of the Capital Market Supervisory Board² which indicates that in providing services as a securities registrar, the securities registrar shall prepare and record the securities register in an accurate, complete, truthful, and updated manner, and establish a code of conduct or rules for securities transfers, pledges, securities attachments, issuance of new securities certificates and other services essential in contacting with the securities registrar and such publications shall be posted in a prominent place at the office of the securities registrar.

In addition, for the benefit of obtaining basic information of the following companies, such companies shall disclose financial and non-financial information to the SEC office³:

- (1) a listed company;
- (2) a public limited company, approved by the SEC office to offer for sale of newly issued shares to the public; and
- (3) a company limited or a public limited company, whose debt securities have been offered for sale in the manner of public offering (PO).

The information required to disclosure includes information relating to legal ownership as specified in Form 56-1 One Report. In this regard, companies shall disclose information on top 10 shareholders (i.e. name and shareholding ratio). In case where such shareholders do not represent the ultimate shareholders, for example, a SPV company or a nominee account, the company must disclose persons who are ultimate shareholders, including their core businesses.

Securities Companies and Derivatives Intermediaries

Securities companies and derivatives intermediaries shall arrange and keep information, document, or evidentiary documentation for the specific period of time⁴ as prescribed by specific notifications. Additionally, they shall obtain client's information for

² The Notification of the Capital Market Supervisory Board No. Tor Dor. 95/2552, Re: Rules, Conditions and Procedures for Providing Services as Securities Registrar. (“**the Notification No. Tor Dor. 95/2552**”)

³ Section 56 of SEA and the Notification of the Capital Market Supervisory Board No. Tor Dor. 44/2556 Re: Rules, Conditions and Procedures for Disclosure regarding Financial and Non-financial Information of Securities Issuers.

⁴ Clause 14 of the Notification No. Tor Thor. 35/2556, Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries.

the purpose of KYC⁵, for instance, personal information of the clients or beneficial owners, and their representatives.

As a result, such intermediaries shall consider received information as prescribed above in order to identify the real client or beneficial owner. In case that the client refuses to give his/her personal information to the intermediaries, or the information is substantially insufficient for identification or not up-to-dated, or there is suspicious circumstance which it could not reasonably identify the real client or beneficial owner, the intermediaries shall deny providing their services to such person.

Asset management company

The process described above in “Securities Companies” section is also imposed on an asset management company as a securities company. Furthermore, the asset management company is obliged to arrange the registration for unitholders and to prepare the register book for each mutual fund which shall be kept in its headquarter. This requires the information of each unitholder, for example, name, serial number, nationality, address, and identification number.⁶

Initial Coin Offering (ICO) Portal

An ICO portal shall keep and disclose information, document, or evidentiary documentation.⁷ This requires the information such as customer’s data, names or ID, to be submitted to the SEC office in 15 days from the closing date of the sale offer. In addition, the ICO portal shall obtain an investor’s information for the purpose of KYC.⁸

As a result, the ICO portal shall consider received information as prescribed above in order to identify the real client or beneficial owner. In case that the client refuses to give his/her personal information to the ICO portal, or the information is substantially insufficient for identification or not up-to-dated, or there is suspicious circumstance which it could not reasonably identify the real client or beneficial owner, the ICO portal shall deny providing its services to such person.

Initial Coin Offering (ICO) Company

Under Section 17 of the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018) (the “**EDDAB**”), an issuer of digital token shall obtain an approval from the SEC office in order to offer newly issued digital tokens to the public. He shall file a registration statement and the draft prospectus to the SEC office. A filed registration statement shall include the detailed information of issuer’s directors, managers, and controlling persons.⁹

⁵ Clauses 30, 31 and 32 of the Notification No. Tor Thor. 35/2556, Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries.

⁶ Clauses 3 and 5 of the Notification No. Sor Nor. 29/2552, Re: Rules and Procedures for Preparation of Register of Investment Unitholders

⁷ Clause 35/1 of the Notification No. Kor Thor. 16/2561, Re: Rules, Conditions and Procedures for Approval of ICO Portal

⁸ Clauses 21 and 22 of the Notification No. Kor Jor. 16/2561, Re: Rules, Conditions and Procedures for Approval of ICO Portal under Section 19 of the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018)

⁹ Clause 36 of the Notification No. Kor Jor. 15/2561, Re: Public Offering of Digital Tokens

A company or owner of digital tokens shall also report the result of the sale of digital tokens to the SEC office within 15 days from the closing date of sale offer.¹⁰

Digital Asset Businesses Operator

A digital asset business operator shall keep and disclose information, document, or evidentiary documentation.¹¹ The information and document shall be kept for the specific period of time as prescribed by the other notification which requires the information such as customer's data, names or ID, to be submitted to the SEC office monthly at 10th of every month. In addition, the digital asset business operator shall obtain a client's information in order to identify a client or beneficial owner for the purpose of KYC.¹²

As a result, the digital asset business operator shall consider received information as prescribed above in order to identify the real client or beneficial owner. In case that the client refuses to give his/her personal information to the digital business operator, or the information is substantially insufficient for identification or not up-to dated, or there is suspicious circumstance which it could not reasonably identify the real client or beneficial owner, the digital asset business operator shall deny providing its service to such person.

Trustee

Please refer to the answer of the Question in 4.2

C. Bank of Thailand

- Public can access basic information on legal persons by searching a name of the legal person on Datawarehouse website, Ministry of Commerce and Stock Exchange of Thailand website, the latter is only for listed companies.

2.2 Please list the **categories** of *basic information* on legal persons that is obtained and recorded by the company registry (or other relevant registries), e.g. name of entity, date of incorporation, tax ID number, etc.

Ans.

A. Department of Business Development, Ministry of Commerce

Basic information on legal persons that the department obtains and records according to the law and regulations can be categorized as follows:

- (1) Name of juristic person
- (2) Juristic person registration number
- (3) Date of establishment

¹⁰ Clause 32 of the Notification No. Kor Jor. 15/2561, Re: Public Offering of Digital Tokens under Section 25 of the EDDB

¹¹ Clause 7/1 of the Notification No. Kor Thor. 19/2561, Re: Rules, Conditions and Procedures for Digital Asset Businesses Management under Section 30 and 31 of the EDDAB

¹² Clauses 23 and 24 of the Notification No. Kor Thor. 19/2561, Re: Rules, Conditions and Procedures for Digital Asset Businesses Management

(4) Registered capital/Number of shares/Share value

(5) Detail of director(s) / shareholders / partners / managing partner(s) / liquidator(s) / witness namely;

(5.1) partner/managing partner: name, age, nationality, ID card number or other personal documents number (in case of foreigner), address, telephone number, occupation, signature.

(5.2) the promoter: name, age, telephone number, ID card number or other personal documents number (in case of foreigner), address, occupation, signature

(5.3) witnesses who certify the signature of the promoters: name, age, telephone number, ID card number or other personal documents number (in case of foreigner), address, signature.

(5.4) director(s): name, age, nationality, identification card number or other personal documents number (in case of foreigner), address, telephone number, signature.

(5.5) shareholders: name, identification card number or other personal documents number (in case of foreigner), nationality, occupation, address.

(5.6) the liquidator(s): name, age, occupation, ID card number or other personal documents number (in case of foreigner), address, telephone number, Fax number, e-mail signature.

(6) Name and/or number of director(s) authorized to sign on behalf of the company

(7) Location of the head office and branches

(8) Objectives of the juristic person

(9) Contact number, email, website

B. The Office of Securities and Exchange Commission

The Securities Registrar

In the case of public limited companies, Section 61 of the PCA requires that a register of shareholders must at least contain the following particulars:

- (1) the names, nationalities, and addresses of shareholders;
- (2) the types, value, reference number and number of shares; and
- (3) the date on which each person was entered in the register as a shareholder or as having ceased to be a shareholder.

In practice, Thailand Securities Depository Co. Ltd (“TSD”), which is one of the securities registrars qualified for providing its services to the issuers of the securities listed on the Stock Exchange of Thailand (“SET”), issues a regulation concerning Provision of Securities Registration Services. The regulation specifies that the TSD (as a securities registrar) shall prepare securities registers by separating securities into each category. Each Register shall at least consist of the following particulars:

- (1) general details:
 - (1.1) name of securities;
 - (1.2) category of securities;
 - (1.3) par value;
 - (1.4) the total number of securities; and
- (2) details of each securities holder:
 - (2.1) name, nationality, and address of the securities holder;
 - (2.2) securities certificate number (if any);

- (2.3) the number of securities;
- (2.4) date, month, and year of registration as, or cessation to be, a securities holder;
- (2.5) other particulars as required by law.

Other legal person, please referred to the answer of Question 2.1

C. Bank of Thailand

- Examples of basic information, obtained by the Datawarehouse, include Name of entity, Registered Date, Registered Capital, Paid Capital, Registered ID, Board of Directors List, Financial Statement etc.

2.3 Is the company registry available publicly & online in your country? **YES / NO**
If **YES**, please provide links to the company registry and any other relevant registries of legal persons, or provide details about how the public can access them.

Ans.

A. Department of Business Development, Ministry of Commerce

Yes, the Department of Business Development is a government agency under the Ministry of Commerce that welcomes and serves everyone openly. People can come in and get services through both walk-in channel at the Department of Business Development and online channel via the website www.dbd.go.th or the application DBD e-Service. Our online channel can be accessed in order to search for basic information on various operations under the department's responsibilities, for example checking information on the registration of partnerships, companies, associations, commercial registration, business collateral, requesting a certificate, and certified copies of documents, etc. Moreover, the department's website also has several online service systems that facilitate people to contact and get the services from the department directly 24/7 hours, such as e-Registration (the electronic juristic person registration system), e-Filing (the electronic financial statement submission system), e-Service (the system for providing service for juristic person certificates, certified copies of documents and photocopies), DBD Datawarehouse (the source of Thailand's business information), and e-Secured (business collateral registration system), etc. It is noticeable that nowadays, there is no need to come to the office in person and these online systems encourage people to save costs as well as the time of travel favorably.

B. The Office of Securities and Exchange Commission

There is no regulation specifies that securities registrars shall be available publicly and online.

However, Form 56-1 One Report is available on website of SEC and SET and the information on top 10 shareholders of listed companies (i.e. name and shareholding ratio) is available on the SET's website.

C. Anti-Money Laundering Office (AMLO)

Department of Business Development is the main agency in collecting information on legal persons. However, Section 20 of the Anti-Money Laundering Act B.E. 2542 (1999) prescribes that financial institutions and professions under Section 16 shall require all customers to identify themselves prior to conducting any transaction as prescribed in the Ministerial Regulation, unless that customer has previously done so. Section 6 of the Prime Minister Office Notification on Customer Identification Methodology for Financial Institutions and Businesses and Professions under Section 16 prescribes that identification of a customer which is a juristic person, shall have at the minimum information as follows:

- (1) Name of the juristic person;
- (2) Type and purposes of business;
- (3) Address and phone number;
- (4) Taxpayer Identification Number (if any);
- (5) Full name of every person authorized to sign on behalf of the juristic person;
- (6) Information of person who was ultimately given power of attorney to establish business relationship or conduct occasional transaction with financial institution or business or profession under Section 16 as follows:

- (a) Full name;
- (b) Date of birth;
- (c) Personal identification number or, in case of a foreigner, passport number or other identification number issued by government or government agency of citizenship or identification number appears in other identification document issued by the government of Thailand;

- (d) Address as appeared on the personal identification card or on the house registration and current address. In case of a foreigner, identify the country of citizenship and current address in Thailand except a foreigner with no address in Thailand, whose current address shall be used instead;

- (e) Signature of person who was ultimately given power of attorney.

In addition to the information for customer identification under Paragraph one, financial institutions or businesses or professions under Section 16 shall request additional evidence in the following cases:

- (1) For an ordinary juristic person; a registration certificate issued by the registrar within six months, shall be requested. For a juristic person registered outside Thailand, evidence proving juristic person status issued by a reliable agency or organization within six months shall be requested;

- (2) For a government agency, government organization, state enterprise or any other government agency which is a juristic person; a letter of intent to conduct a transaction, a letter of designation or power of attorney shall be requested;

- (3) For a cooperative, foundation, association, club, temple, mosque, shrine and any other juristic person of a similar nature; a letter of intent to conduct a transaction, a registration certificate issued by the relevant agency, a letter of designation or power of attorney shall be requested.

D. Bank of Thailand

- YES. Link to access Department of Business Development, Ministry of Commerce is <https://datawarehouse.dbd.go.th/>.

3. Access to beneficial ownership information of legal persons

3.1 Through which mechanism(s) can competent authorities (such as law enforcement, police, financial intelligence unit and tax agencies) access *beneficial ownership information* on companies and other legal persons created or registered in your country. Please select all that apply.

- Through a registry/registries with beneficial ownership information
- Through a different mechanism (*The Office of Securities and Exchange Commission* and *Anti-Money Laundering Office (AMLO)*)
- Competent authorities do not currently have access to beneficial ownership information

If **REGISTRY**, please provide further details on such registry(ies) including:

- Authority(ies)/agency(ies) responsible for obtaining and maintaining beneficial ownership information and for maintaining the register(ies). Please list if more than one;
 - For registered company in Thailand: Corpus X BOL
 - For listed company in Thailand: Stock Exchange of Thailand website (Bank of Thailand)
- Categories of beneficial ownership information (data fields) obtained, recorded and maintained on the registry(ies), e.g. name, nationality, date of birth, address, etc.;;
 - Accessible beneficial ownership information can be found at Corpus X BOL and official website of The Stock Exchange of Thailand, for example, name of the beneficial owner and shareholding ratio. The Bank of Thailand, in this regard, can check personal information of the beneficial owner, such as date of birth, full name changing, and marriage status, only if such person is holding Thai citizen. (Bank of Thailand)
- Types of legal entities covered within the scope of the beneficial ownership registry(ies), including any exempt entities;
 - All types of entities. (Bank of Thailand)
- Details of the registry's(ies') access policy:
 - Is the information on the registry(ies) available to the public? **YES / NO**
 - If **YES**, please include a link(s) to the registry(ies).
 - Public could access the information through Stock Exchange of Thailand website (Bank of Thailand)
 - If **NO**, please list the authorities/agencies that have access to this information, or that can request access.
 - By accessing to Corpus X BOL, organizations need to pay for the annual fee to access the database. (Bank of Thailand)
 - Does accessing beneficial ownership information in the registry(ies) entail any costs?
Yes (Bank of Thailand)
 - Does the registry(ies) provide features to search information by different types of information, e.g. legal entity name, name of director, name of beneficial owner,

by first or last name, by business address, by registered agent? Is it possible to search for a combination of information (Boolean searches)?

- Yes, Corpus X BOL provides features to search information e.g. first or last name, business address, type of legal entities, range of registered capital, registered date, status, range of income. However, searching by combination of information (Boolean searches) is not applied to this registry. (Bank of Thailand)

- Frequency of updates of information and triggers for updates;
- Any mechanisms to verify beneficial ownership information submitted to the registry(ies) by legal persons or their representatives (if they exist).

3.2 Please describe any other sources (mechanisms) through which competent authorities/agencies can access beneficial ownership information in your country. In each case, please describe how beneficial ownership information on companies and other legal entities is made available to authorities and/or the public (if applicable).

Examples may include through private-public partnerships (e.g. involving financial institutions, notaries and/or corporate service providers), though stock exchange or security exchange commission, or disclosure obligations for participation in public procurement processes, etc.

Ans.

A. The Office of Securities and Exchange Commission

Power of the Competent Officer

Under Section 264 of SEA, a competent official shall have the power to enter into the place of business or premises of regulated entities (i.e. a public limited company, securities company, commercial bank) to inspect accounts or other related documents and evidence; seize or attach documents, or evidence related to the commission of offences under the SEA; order any relevant person to testify or deliver copies of or present, documents, evidence or any objects related to or necessary for the execution of the duties of the competent official.

The following provisions also specify the similar stipulations as Section 264 of SEA mentioned above:

- (1) Section 103 of the Derivatives Act;
- (2) Section 62 of Trust for Transactions in Capital Market Act B.E. 2550 (2007) (the "TTCMA"); and
- (3) Section 51 of the EDDAB.

Other sources/ mechanisms

The SEC office have the power to order regulated entities to access information, for example:

- Under Section 58 of SEA, in cases where the SEC Office is of the opinion that the documents or reports furnished by the company are incomplete or ambiguous, or in case of emergency or any other case which is likely to affect the rights and interests of securities holders or the decision-making on investment or change in the securities price of the company, the SEC Office shall have the power to do one or more of the followings:

- (1) instruct the company to submit additional reports or documents;

- (2) instruct the director, manager, or person with power of management over the company to provide additional explanation;
- (3) instruct the company to arrange an audit by an auditor and report the result of the audit to the SEC Office and disclose the information to the public.

• In case of the securities registrar operating its business under the regulatory sandbox scheme, the SEC office have the power to order an operator to submit a report or present any documents according to a specific period or periodically to the SEC office within a period specified by the SEC office in order for the SEC office to monitor the operator's compliance with the regulations.¹³

• The SEC office also uses various approaches to supervise regulated entities which are promoting self-discipline and encouraging market forces, including on-site inspections. There are 3 types of on-site inspections as follows:

1. Routine periodic inspections: Inspections are determined by the risk assessment (Risk-Based Approach (RBA)). Results from the assessment are used to prioritize inspections or examination plans for regulated entities. Risk-focused audits are also conducted to assess compliance with regulatory requirements.
2. Thematic inspections (industry-wide): These are inspections relating to emerging risks or areas of concern that cut across the industry. Also, thematic inspections may be conducted occasionally for other purposes such as to explore an in-depth understanding on business practices.
3. Cause inspections (ad-hoc): These are more focused inspections of one or more issues and are usually conducted in response to significant/ material complaints, a referral from other departments within the SEC office or other agencies, or to respond to other urgent cases.

B. Anti-Money Laundering Office (AMLO)

Article 20 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020) prescribes that financial institutions and persons engaging in professions under section 16 shall identify the beneficial owner(s) of the customer and take reasonable measures to verify the identity of such persons. Therefore, such information is in possession of financial institutions and professions under section 16. If any agencies require beneficial ownership information, they are able to request the information from those institutions and persons.

3.3 Are foreign legal persons, foreign (express) trusts or foreign legal arrangements allowed to operate in/own assets/ and/or register in your country? **YES / NO**

If **YES**,

- how is basic information on these arrangements recorded (if at all)?

Ans.

A. The Office of Securities and Exchange Commission

As mentioned above, foreign legal persons, foreign trusts or foreign legal arrangements are allowed to operate in Thailand, if they are able to comply with Thai law

and legislation which are the SEA, the TTCMA, the Derivatives Act and the EDDAB. Accordingly, that foreign legal persons, foreign trusts or foreign legal arrangements shall firstly obtain a license or approval from the SEC office and comply with rules, conditions and procedures specified by the SEC office as well. However, under the existing regulations, only Thai incorporated companies are eligible to file the application of license or approval under the aforementioned Acts. For further information, please refer to the answer of Question 2.1 and the answer of Question 4.1 for trust.

- how is beneficial ownership information on these arrangements recorded (if at all)?
Please provide details of the relevant legislation and practices.

Ans.

A. The Office of Securities and Exchange Commission

Please referred to the answer of Question 2.1

B. Anti-Money Laundering Office (AMLO)

Thailand prohibits the formation or governance, under Thai law, of express trusts or other types of legal arrangements with similar structures or functions. However, Thai law does not prohibit the operation of foreign trusts in Thailand. Details of information required by the financial institutions and professions under section 16 prescribed in Article 20 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 and Section 6 of the Prime Minister Office Notification on Customer Identification Methodology for Financial Institutions and Businesses and Professions under Section 16.

4. Access to basic information and beneficial ownership information of (express) trusts and other similar legal arrangements

4.1 Does your country recognize (express) trusts or other similar legal arrangements? **YES / NO**

- If **YES**, please provide a broad overview of your country's system and mechanisms for obtaining beneficial ownership information on (express) trusts and other similar legal arrangements created or registered in your country.
- If **NO**, please skip to question 5

Ans.

A. The Office of Securities and Exchange Commission

There are two types of other similar legal arrangements which are under Thai law and legislation; trust and private fund. These legal arrangements are not recognised as juristic persons in Thailand, thus they could not directly establish any legal relationship by themselves, but by trustee or asset management company.

Trust

The Thai Civil and Commercial Code prohibits the creation of trusts except when provided for by specific legislation, the TTCMA. It stated that a trust shall be exclusively set up for the purpose of benefit of some capital market transactions.

The most common type of trust created under the TTCMA is Real Estate Investment Trusts (“**REIT**”). REIT was created with the purpose of raising capital from investor through the sale of trust unit. Since trust unit fall under category of securities specified in the SEA, it is mandatory to seek an approval from the SEC office in order to issue and offer

trust units to the public. In addition, it is a requirement that trust (e.g. REIT) will eventually be registered as listed securities on the SET. As a result, trust will be subject to the duty of disclosing its financial position and submit annual report to the SEC office and the SET

Private fund

In accordance with Section 133 of the SEA, the securities company shall enter into a written agreement with a person or a group of persons who has authorized the securities company to manage the private fund. An asset management company shall have duty as a securities company and an asset management company to report the information as described in the answer of Question 2.1.

To manage a private fund, an asset management company shall provide client's profile in written form which consists of data as specified by the Association of Investment Management Companies (AIMC). The client's data is, for example, personal data, identification number or registration number, investment experience, financial status and etc.¹⁴

Therefore, an asset management company shall consider received information as prescribed above in order to identify the real client or beneficial owner. In case that the client refuses to give his/her personal information, or the information is substantially insufficient or not up to-dated, or there is suspicious circumstance which it could not reasonably identify the real client or beneficial owner, the asset management company shall deny providing its services to such person.

B. Anti-Money Laundering Office (AMLO)

Thailand prohibits the formation or governance, under Thai law, of express trusts or other types of legal arrangements with similar structures or functions. However, Thai law does not prohibit the operation of foreign trusts in Thailand. Besides, the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020) requires financial institutions and persons engaging in professions under section 16 to identify the beneficial owner(s) of the customer who is other legal arrangement such as unregistered ordinary partnership.

4.2 How is *basic information* on (express) trusts and other legal arrangements obtained and recorded in your country?

Ans.

A. The Office of Securities and Exchange Commission

Trust

The law generally requires a trustee to be responsible for keeping information of the beneficiary ownership. The trustee of REIT is obliged to arrange the registration of unitholders, or otherwise the trustee can assign his obligation to the SET or a licensed securities registrar to arrange the registration on behalf of trustee. The registration of unitholder shall consist of the general and detailed information of each unit holder, for

¹⁴ Clause 36 of the Notification No. Tor Nor. 88/2558, Re: Establishment of Retail Funds and Mutual Funds for Accredited Investors and Execution of Agreement for Management of Private Funds

instance name, nationality and number of units held.¹⁵

Private fund Please referred to the answer of Question 2.1

B. Anti-Money Laundering Office (AMLO)

The Anti-Money Laundering Act B.E. 2542 (1999) prescribes that financial institutions and professions under Section 16 shall require all customers to identify themselves prior to conducting any transaction as prescribed in the Ministerial Regulation. The identification information is detailed in Section 6 of the Prime Minister Office Notification on Customer Identification Methodology for Financial Institutions and Businesses and Professions under Section 16. Such information is a part of a report sent to the Anti-Money Laundering Office when the financial institutions and professions under section 16 carried out a transaction exceeding the threshold prescribed in the Ministerial Regulation or is a suspicious transaction.

4.3 How is *beneficial ownership information* on (express) trusts and other legal arrangements obtained and recorded in your country?

- Through a registry/registries with beneficial ownership information
- Through a different mechanism
- Competent authorities do not currently have access to beneficial ownership information

If **REGISTRY**, please provide details on the registry(ies), authority(ies)/agency(ies) in charge of maintaining the registry(ies), type of information collected, and details on the access policy.

If **ALTERNATIVE MECHANISM**, please provide details on the mechanism, type of information collected, and details on the access policy.

Ans.

A. The Office of Securities and Exchange Commission

Please referred to the answer of Question 3.2

B. Anti-Money Laundering Office (AMLO)

Due to the fact that Thailand prohibits the formation or governance, under Thai law, of express trusts or other types of legal arrangements with similar structures or functions. There is no central database for beneficial ownership information of legal arrangements. However, Article 20 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020) prescribes that financial institutions and professions under section 16 shall identify the beneficial owner(s) of the customer and take reasonable measures to verify the identity of such persons. Therefore, such information is in possession of financial institutions and

¹⁵ Clause 22 of the Notification No. KorRor. 14/2555, Re: Rules for Being Settlor and Trustee of Real Estate Investment Trust

professions under section 16. If any agencies require beneficial ownership information, they are able to request the information from those institutions and persons.

5. Sanctions

5.1 Please describe the types of sanctions, sanctionable conduct, and targets of sanctions for non compliance with beneficial ownership disclosure regulations (whether on the registry(ies) or through an alternative mechanism).

Ans.

A. The Office of Securities and Exchange Commission

The Companies

Form 56-1 One report

Under Section 274 of the SEA, any company which fails to submit information under Section 56, shall be liable to a fine not exceeding one hundred thousand baht and a fine not exceeding three thousand baht per day throughout the period of non-compliance. (*Criminal offence*)

In addition, under Section 281/10 of the SEA, in case where a company makes a false statement or conceals material facts that should have been stated in any document or information under Section 56, such company shall be liable to imprisonment for a term not exceeding two years or a fine not exceeding five hundred thousand baht, or both (*Criminal offence*)

Securities companies

Under Section 282 of the SEA, any securities company which fails to comply with Sections 109, 113, 114 and 116 of the SEA, including the Notification issued thereunder¹⁶ shall be liable to a fine not exceeding three hundred thousand baht and a further fine not exceeding ten thousand baht per day throughout the period of non-compliance. (*Criminal offence*)

According to Section 283 of the SEA, who is responsible for the securities company' failure to comply with Sections 109, 113, 114 and 116 of the SEA, including the Notification issued thereunder¹⁷ shall be liable to imprisonment for a term not exceeding six months or a fine not exceeding two hundred thousand baht, or both. (*Criminal offence*)

Derivatives Intermediaries

Under Section 114 of Derivatives Act, any derivatives business operator who contravenes or fails to comply with the rules, orders or conditions issued under Section 18, or contravenes or fails to comply with the provisions of Section 33 or Section 34, shall be

¹⁶ (e.g. the Notification No. Tor Thor. 35/2556, Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries, and the Notification No. Sor Thor. 14/2562, Re: Rules in Detail related to Providing Services for Securities Companies and Derivatives Business Operators)

¹⁷ (e.g. the Notification No. Tor Thor. 35/2556, Re: Standard Conduct of Business, Management Arrangement, Operating Systems, and Providing Services to Clients of Securities Companies and Derivatives Intermediaries, and the Notification No. Sor Thor. 14/2562, Re: Rules in Detail related to Providing Services for Securities Companies and Derivatives Business Operators)

subject to the administrative sanctions. The administrative sanctions are as follows:

- (1) probation;
- (2) administrative fine;
- (3) public reprimand;
- (4) restriction to operate trust business;
- (5) suspension of trust business operation for a specified period, with regard to particular or all trust instruments; or
- (6) revocation of approval.

(Administrative sanction)

In accordance with, Section 138, if any person who fails to comply with the administrative sanction under Section 111(4) or (5), shall be liable to imprisonment for a term not exceeding one year or a fine not exceeding one hundred thousand baht or both and a further fine not exceeding ten thousand baht for every day during which the contravention continues. *(Criminal offence)*

Trust

A trustee shall provide the operating system to record the ownership of the trust property or the property rights of a trust, incomes, expenses and debts of the trust and any relating accounts of the trust. The trustee shall also manage the trust property in accordance with the trust instrument.¹⁸ Consequently, the trustee shall be responsible for maintaining such system throughout the whole period of the trust.

In case of failure to comply with the duties and conditions stated above, administrative sanction might be imposed upon the trustee in accordance with Section 67 and 70(2) of the TTCMA. The administrative sanctions are as follows:

- (1) probation;
- (2) administrative fine;
- (3) public reprimand;
- (4) restriction to operate trust business;
- (5) suspension of trust business operation for a specified period, with regard to particular or all trust instruments; or
- (6) revocation of approval.

In addition, Section 43 of the TTCMA specify that in cases where a trustee fails to manage the trust in accordance with the trust instrument or the TTCMA, the trustee shall be liable to indemnify the trust. *(Administrative sanction)*

ICO Portal

In case where a ICO portal fails to comply with the criteria specified under Notification¹⁹, the SEC office shall impose any of the following's procedures for the ICO portal:

- (1) requesting for rectification to comply with the criteria within the specified

¹⁸ Section 57 of the TTCMA and Clause 5(2) of the Notification of the Securities and Exchange Commission No. Kor. Khor. 1/2553, Re: Work System, Contact with Investors and General Business Operation of Trustees

¹⁹ Clause 41 of the Notification No. Kor. Jor. 16/2561, Re: Rules, Conditions and Procedures for Approval of ICO Portal

- period of time;
- (2) requesting to take any action or refrain from taking any action;
- (3) imposing the suspension or the revocation of the approval.

(Administrative sanction)

ICO Company

Under Section 58 of the EDDAB, any person who offers digital tokens in the manner which contravenes or fails to comply with the rules, procedures and conditions issued in accordance with the third paragraph of Section 17 shall be liable to a fine not exceeding five hundred thousand Baht, and a further daily fine not exceeding ten thousand Baht for every day during which the contravention continues.

According to Section 59 of the EDDAB, any person who makes a false statement or conceals any fact which should have been disclosed in the registration statement for an offering of digital tokens and draft prospectus pursuant to the first paragraph of Section 17, shall be liable to imprisonment for a term not exceeding five years and a fine not exceeding two times the price at which all the digital tokens were offered by such person but not less than five hundred thousand Baht.

Pursuant to Section 64 of the EDDAB, any ICO company which fails to submit information under Section 25, shall be liable to a fine not exceeding one hundred thousand baht and a further fine not exceeding three thousand baht per day throughout the period of non compliance. *(Criminal offence)*

Digital Asset Businesses Operator

Under Section 67 of the EDDAB, any digital asset business operator who contravenes or fails to comply with Section 31, or contravenes or fails to comply with the rules, procedures or conditions, or orders or notifications issued in accordance with Section 30 or Section 31 shall be liable to a fine not exceeding three hundred thousand Baht and a further daily fine not exceeding ten thousand Baht for every day during which the contravention continues. *(Criminal offence)*

The Securities Registrar

***Please note that the regulation issued by virtue of Section 223 of the SEA does not require the securities registrar for the securities ownership disclosure unless such securities are debentures, or some kinds of bonds specified in the Notification No. Tor Dor. 95/2552.**

Under Section 292 of the SEA, any securities registrar which fails to operate in accordance with the rules, conditions, or procedures issued in accordance with Section 223 shall be liable to imprisonment for a term not exceeding one year or a fine not exceeding three hundred thousand baht and a further fine not exceeding ten thousand baht per day throughout the period of non-compliance. *(Criminal offence)*

In the case where any securities registrar does not comply with the regulation²⁰, the

²⁰ Clause 6 of the Notification of the Securities and Exchange Commission No. Kor Dor. 17/2539 Re: Rules, Conditions, and Procedure for Applying for License and Granting of License to Provide Services as Securities Registrar

Securities and Exchange Commission may revoke the license of the securities registrar, in which case, the SEC office shall notify the revocation of the license to the revoked registrar in writing and such securities registrar shall arrange the delivery of securities and documents related to the securities registrar to the securities issuer or the new registrar appointed by the securities issuer without delay. (*Administrative sanction*)

In the case of the regulatory sandbox scheme, the SEC office may revoke a license if the licensee fails to maintain the qualifications or violates to comply with the regulations for undertaking the business of securities clearing house, securities depository centre or securities registrar under a regulatory sandbox, as the case may be.²¹

B. Bank of Thailand

The answer is referred to 5.2

5.2 Please describe the powers available to the designated authority(ies)/agency(ies) to enforce sanctions for non-compliance with the beneficial ownership disclosure requirements, **including any statistics on enforcement of such sanctions.**

Ans.

A. The Office of Securities and Exchange Commission

Criminal Actions

Criminal actions are divided into two groups as follows;

1. Criminal Fining

Certain offences could be settled by a criminal fine and the Criminal Fining Committee shall determine the fine. After the offender agrees to enter the fining process and pays for the fine in full as ordered by the Committee. The right to pursue a criminal case is terminated.

Offences that could be settled by a criminal fine are prescribed under Section 317 of the SEA, Section 155 of the Derivatives Act, Section 94 of the TTCMA, and Section 95 of the EDDAB.

The Criminal Fining Committee comprises three independent third-parties appointed by the Ministry of Finance, namely:

- (a) representative of the Royal Thai Police;
- (b) representative of the Bank of Thailand; and
- (c) representative of the Fiscal Policy Office, the Ministry of Finance.

2. Criminal prosecution per the process of judgment

Other offences that are not subject to a criminal fine, or whose offender refuses to enter the fining process, or does but fails to pay the fine, in whole or in part, as ordered by the Criminal Fining Committee, the SEC office shall file a criminal complaint with an inquiry official (under the Royal Thai Police or the Department of Special Investigation) for further investigation in accordance with the Criminal Procedure Code.

²¹ Clause 8 of the Notification of the Securities and Exchange Commission No. Kor Thor. 17/2560 Re: Rules, Conditions, and Procedures for Applying for Licenses and Granting Licenses for Operating Securities Clearing House, Securities Depository Center, and Providing Services as Securities Registrar under Regulatory Sandbox to Experiment and Develop Innovation In Support of Service Provision Related to Capital Market

Administrative Actions

Administrative action is a type of law enforcement that involves the issuance of administrative orders on individuals or juristic persons under the SEC office's supervision, in other words, persons licensed, approved, or registered in accordance with the laws administered by the SEC office.

There are 2 types of administrative actions taken by the SEC office as follows;

1. Administrative order issued in accordance with the governing laws when a regulated person fails to maintain qualifications, has a prohibited characteristic, performs duties defectively, or fails to comply with the rules, standards or work ethics specified for the regulated person. The SEC office or other regulators may impose the following orders: rectification of non-compliance operation, restriction of defective business operation, disclosure of improper behaviors, and suspension or revocation of approval, etc.;
2. Administrative sanction which is a type of penalty prescribed in the Derivatives Act (Section 114 – Section 119) and the TTCMA (Section 70 - Section 71).

There are several levels of administrative order issuers, i.e., the SEC Office, the Administrative Sanction Committee and the Securities and Exchange Commission Board. Likewise, the orders can be imposed in many ways, for example, probation, public reprimand, administrative fine, restriction of business operation, business suspension and license revocation, etc. In this regard, the scope of power of the order issuers varies depending on the level of penalty to be imposed on the offender.

Statistics on Enforcement

For statistics on enforcement please refer to the Appendix attached herewith.

The statistics are also available on

<https://www.sec.or.th/EN/Documents/MarketDataEnforcement/enforce-statistic-criminal EN.pdf>

B. Anti-Money Laundering Office (AMLO)

Any financial institutions and professions under section 16 who do not identify the beneficial owner(s) of legal person and legal arrangement as defined in Article 20 of the Ministerial Regulation on Customer Due Diligence B.E. 2563 (2020) fail to observe section 20/1 and shall receive a fine not exceeding one million Baht and an additional amount not exceeding ten thousand Baht for each following day until rectification is made as defined in section 62 of the Anti-Money Laundering Act B.E. 2542 (1999).

C. Bank of Thailand

- **For Financial Institutions**

- Referred to 1 in section 18 of the FINANCIAL INSTITUTION BUSINESS ACT, B.E. 2551 (2008), any person who requests to hold financial institution shares in an amount exceeding ten per cent of the total shares sold, needs to seek for approval from the Bank of Thailand.

- Section 19 Any person who acquires shares of a financial institution such that the number of shares held or possessed by such person is in contravention of Section 18 shall

dispose of the excess shares to other person within ninety days from the date of acquisition of the shares, unless relaxation is granted by the Bank of Thailand, and the period of the relaxation shall not exceed ninety days.

- If the information provided is later found to be false, the Bank of Thailand may revoke its approval.

• **Non-bank Financial Companies**

- Regarding business license application, major shareholder, which includes beneficial owner, must not possess prohibited qualifications or be under prohibitions specified by Notifications of the Ministry of Finance.

- In case of major shareholder addition or alteration after receiving the license, a business operator must notify the Bank of Thailand (BOT) in writing or by electronic means specified in the handbook by the BOT within 15 working days as from the date of such alteration. In case it appears that major shareholder is a person under prohibitions, the BOT shall have the power to issue the order for alteration; otherwise, Minister recommended by the BOT may revoke such license.

6. International Cooperation, asset recovery and challenges

6.1. Does your country make beneficial ownership information available to foreign competent authorities (directly or upon request)? Please provide details of the relevant legislative and regulatory framework in your country that allows for the international exchange of such information.

Ans.

A. Office of the Attorney General

Thailand does not have beneficial ownership information database that allows foreign competent officers to access directly. However, should such officers would like to request the information; they can do so via mutual assistance in criminal matters channel by submitting the request to the Attorney General as a central authority for consideration and decision. Regarding the exchange of information, Thailand has the Act on Mutual Assistance in Criminal Matters B.E. 2535 (1992) and the amendments and Regulation of the Central Authority on Providing and Seeking Assistance in Criminal Matters B.E. 2537 (1994)

B. The Office of Securities and Exchange Commission

Under Section 264/1 of the SEA, upon request of a foreign authority with the power under respective foreign law on securities and exchange or other laws of similar nature, the SEC office shall have the power to provide assistance by gathering necessary information or evidence for the purpose of determining whether there has been any violations of the law on securities and exchange or other laws of similar nature of the requesting country; provided that the assistance shall be subject to the following conditions:

(1) the assistance shall not prejudice the public interest of Thailand or the preservation of national confidentiality;

(2) the matter which is the ground for such assistance must be categorized as the same type of offence under SEA;

(3) the requesting foreign authority agrees or consents to provide reciprocal assistance

to the SEC office upon request.

Section 316 of the SEA specifies that any person, in the performance of his duty under the powers and duties provided in accordance with this Act, having acquired confidential information of any person which, under normal circumstances, should not be disclosed, who discloses such information to another person, shall be criminally liable. However, this shall not apply to the disclosure to the government agencies, state agencies, domestic and international agencies which are responsible for the supervision of money market, capital market, auditors, underlying goods or variables of derivatives contracts under the Derivatives Act, or other organizations as specified in the ministerial regulation.

The following provisions also specify the similar stipulations as Section 316 of SEA mentioned above:

- (1) Section 153 of the Derivatives Act;
- (2) Section 92 of the TTCMA; and
- (3) Section 92 of the EDDAB.

The SEC office has entered into various the bilateral and multilateral MOUs with fellow regulators e.g., EU and European Economic Area (EEA) members, ESCA (United Arab Emirates) and FSA (Japan)²², for the purpose of assistance and information sharing to enhance supervisory efficiency and enforcement. Moreover, the SEC office became a signatory to the International Organization of Securities Commissions (“IOSCO”) Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (“IOSCO MMoU”) at the IOSCO Annual Conference in 2008. This milestone reflects the SEC office’s continued commitment to removing limitation on enforcement cooperation with foreign regulators. The SEC office is among 126 regulators around the world (including 19 in Asia-Pacific) that are signatories of the IOSCO MMoU (as of July 2022). However, such MOUs do not create any legal binding obligations, confer any right, or supersede domestic laws.

The IOSCO MMoU, widely accepted as global multilateral information-sharing arrangement among securities regulators around the world, has enhanced the SEC office’s ability to cooperate and request information from other jurisdictions, which will ultimately enhance the SEC office’s enforcement capabilities.

6.2. Please describe how foreign competent authorities may request or access beneficial ownership information on legal persons and legal arrangements formed in your country. Which agency(ies)/authority(ies) is/are responsible for receiving and responding to foreign requests?

Please provide contact information and instructions.

Ans.

A. Office of the Attorney General

Foreign competent authority may request or access beneficial ownership information by submitting the request to the Attorney General as the central authority who is responsible for considering and determining the request. There are two channels for the request to be submitted as follows:

²² <https://www.sec.or.th/TH/pages/aboutus/internationalrelations.aspx>

- 1) The requesting state having a mutual assistance treaty with Thailand shall submit its request for assistance or enquire further information directly to the Attorney General at the following address:
“International Affairs Department, Office of the Attorney General, Rajaburi Direkriddhi Building, Government Complex, Chaeng Watthana Road Lak Si, Bangkok 10210, Thailand Tel: +662-142-1440, Fax: +662-143-9795 Email: inter@ago.go.th”
- 2) The country which does not have a mutual legal assistance treaty with Thailand can send the request through diplomatic channel (Ministry of Foreign Affairs)

B. The Office of Securities and Exchange Commission

The IOSCO MMoU

The securities regulators who have signed the IOSCO MMoU intent with regard to mutual assistance and the exchange of information for the purpose of enforcing and securing compliance with the respective Laws and Regulations of the jurisdictions of the securities regulators. Securities regulators shall provide each other with the fullest assistance permissible to secure compliance with the respective Laws and Regulations.

Requests for assistance will be made in writing, in such form as may be agreed by IOSCO from time to time, and will be addressed to the requested regulator's contact office. In urgent circumstances, requests for assistance may be affected by telephone or facsimile, provided such communication is confirmed through an original, signed document. Information and documents held in the files of the requested regulator will be provided to the requesting regulator upon request.

6.3. In your opinion, what are the main challenges faced by *foreign competent authorities* to access beneficial ownership information held in your country?

Ans.

A. Office of the Attorney General

The significant challenges in case foreign competent authority requesting for beneficial ownership information are as follows:

- 1) Currently there is lack of clear legal rules for beneficial ownership information – that is – Thailand has Ministerial Regulations on Customer Due Diligence, which may not be corresponding and cover the international standard of beneficial information principle.
- 2) In case of a request for freezing, seizure or forfeiture of beneficial owner in Thailand, there must be such detail of property as location, title deed number, name of real owner, and relevance of the property to an offence attached to the request to the Attorney General, the central authority.

6.4. In your opinion, what are the main challenges faced by *competent authorities of your country* to access/receive beneficial ownership information held in a foreign country?

Ans.

A. Office of the Attorney General

The significant challenges in case Thailand wishing to seek assistance on beneficial ownership information from a foreign state are as follows:

- 1) For some offences, it is necessary to use modern technologies to inspect or access evident, otherwise it is unable to trace or connect to a person who jointly commit such offences as well as used property that may be prosecuted. Law enforcers therefore only prosecute first-line beneficiaries, but are unable to get that real beneficial owner.
- 2) Some foreign states do not accept a request for mutual assistance in criminal matters in English language. Thailand has to attach their preferred language translation, which may cause errors and misunderstanding.
- 3) The asset recovery is an urgent matter because beneficial owners usually diverse their properties in order to avoid inspection by authorities. However, legal rule in making formal request for mutual assistance takes time. Therefore it does not seem to be consistent with the asset recovery circumstances.
- 4) Access to foreign focal points.

B. The Office of Securities and Exchange Commission

The main challenge is to access/receive beneficial ownership information held by the authorities which are non-signatories to the IOSCO MMoU also a member regulators which are not listed in Appendix A to the IOSCO MMoU, since those authorities are not required to comply with the IOSCO MMoU.

6.5. Do you have any case studies or examples where the transparency of beneficial ownership has *enabled or enhanced the effective recovery and return of proceeds of crime in (or for) your country?*

Ans.

A. Office of the Attorney General

So far there is no request for mutual assistance regarding beneficial ownership information and no request for the information access from Thai authorities, too.

B. Anti-Money Laundering Office (AMLO)

The Anti-Money Laundering Office can receive or disseminate reports or information for the execution of the Anti-Money Laundering Act B.E. 2542 (1999) or other laws or under an agreement made between domestic or foreign agencies.

7. Good Practices for Beneficial Ownership Transparency

7.1. Has your country implemented any specific good practices relating to Beneficial Ownership Transparency that you wish to highlight? *Examples could include good practices in verification, data format, searchability, use of technology, enforcement of sanctions, automatic red flagging, use or risk-based approach.*

A. Bank of Thailand

- The Bank of Thailand regulates financial institutions in various perspective, including good governance. As described in section 18, any person (individuals or entities) who requests to hold shares of a financial institution in an amount exceeding ten per cent of the total shares sold, both direct and indirect, needs an approval from the Bank of Thailand.

8. Follow-up to the special session of the General Assembly against corruption

8.1. Please describe any other measures, if any, that your country may have taken to implement paragraph 16 of the political declaration adopted by the General Assembly at its special session against corruption held in June 2021.

Ans.

A. Anti-Money Laundering Office (AMLO)

The Anti-Money Laundering Office is drafting the Beneficial Ownership Information Bill as a preparation for the evaluation of Global Forum on Transparency and Exchange of Information for Tax Purposes. The exchange of information shall be started in September 2023. In addition, it is a remedy for deficiencies in transparency and beneficial ownership of legal persons and legal arrangements according to the evaluation results of the anti-money laundering and countering financing of terrorism regime. It also enhances efficiency in combating money laundering and tax avoidance. The objective of the Bill is to systematically collect beneficial ownership information of legal persons and legal arrangements in a central data center, the Anti-Money Laundering Office. The Secretary General of the Anti-Money Laundering Board is a registrar who keeps and makes use of the information. The relevant agencies are able to check the beneficial ownership and transparency of legal persons and legal arrangements and use it as a tool for front entities investigation. It would be beneficial for combating money laundering and the financing of terrorism and proliferations as well as tax avoidance and corruption.

At present, the Anti-Money Laundering Office is in the process of submitting the Bill to the Council of Ministers via the Secretariat of the Cabinet for principle approval before sending to the Office of the Council of State for technical examination.