

VICKERY & WORACHAI LTD.

LAWYERS

LEGAL NEWSLETTER

MARCH 2003

New Laws and Regulations

- The Notification of the Bank of Thailand
Re: Interest and service fee which can be charged by any commercial bank in respect of the operation of credit card business

Laws and Regulations Updated

- The draft Ministerial Regulations:
 - Re: Rules and regulations on the application for the license, issuance of the license and license period for alien business operation in accordance with Section 7 of the Foreign Business Act B.E.2542 (A.D.1999), B.E.....;
 - Re: Rules and regulations on the application for requesting an alien business operation certificate B.E.....;
 - Re: Rules and regulations on the application for permission for operation of business in accordance with Section 17 of the Foreign Business Act B.E.2542 (A.D.1999), B.E.....; and
 - Re: Specification of the exempted service businesses need not to obtain a license or certificate for operation of alien business, B.E.....
- The draft Ministerial Regulations:
 - Re: Labor protection in case of taking work by working at home, B.E.....; and
 - Re: Specification of the weight that the employer requires the employee to handle.
- The Notification of the Central Commission for Price of Goods and Services Re: Determination of commodities named steel sheet and structural steel sheet as controlled goods.

Vickery & Worachai Ltd.

Lawyers

16th Floor, Diethelm Tower A, 93/1 Wireless Road, Bangkok 10330, Thailand

Telephone: (66) 02-256-6311, 02-650-9691, Fax: (66) 02-256-6317/8, Email: vwlaw@loxinfo.co.th

The Notification of the Bank of Thailand
Re: Interest and service fee which can be charged by any commercial bank
in respect of the operation of credit card business

Effective: 12 January 2003

Relevant Authority: The Bank of Thailand

The significant details of this Notification are as follows:

1. Any commercial bank operating the credit card business shall be allowed to charge its credit card holder or consumer for interest on outstanding balance, default interest, late charge, service fee, or other fee, in aggregate, not exceeding 18 per cent per annum. The commercial bank may also calculate the date number from i) the date of advance payment for the benefit of the credit card holder or consumer, ii) the date of conclusion of applicable statement, or iii) the due date of re-payment for the credit card holder or consumer or the date of deduction from the account according to the statement.

The above fees or service fee are exclusive of operation charge or service fee prescribed by the Bank of Thailand.

2. The commercial bank shall be allowed to charge the service fee related to its credit card financing in case there is any demand against debt for the actual and appropriate amount.
3. The commercial bank shall be allowed to charge the service fee or other fees in case of cash withdrawal through credit card, in aggregate, at the rate not exceeding 3 per cent of the withdrawn cash.

The Drafts Ministerial Regulations:

Re: Rules and regulations on the application for the license, issuance of the license and license period for alien business operation in accordance with Section 7 of the Foreign Business Act B.E.2542 (A.D.1999), B.E.....;

Re: Rules and regulations on the application for requesting an alien business operation certificate B.E.....;

Re: Rules and regulations on the application for permission for operation of business in accordance with Section 17, B.E.....; and

Re: Specification of the exempted service businesses need not to obtain a license or certificate for operation of alien business, B.E.....

Status: *Previously approved by the Ministry of Commerce through the Council of State at the time of the previous cabinet, and are now approved by the present Cabinet*

Relevant Authority: *The Ministry of Commerce*

The significant principles of these drafts are as follows:

1. The draft Ministerial Regulation, Re: Rules and regulations on the application for the license, issuance of the license and license period for alien business operation in accordance with Section 7 of the Foreign Business Act B.E.2542 (A.D.1999) (“ACT”), B.E....
 - 1.1 Specify the required evidence and documents for the application for obtaining the alien business license according to Section 7 of the ACT;
 - 1.2 Specify the place of submission of the above application; and
 - 1.3 The validity of the license shall be for a period of 3 years from the date of issuance of the license.
2. The draft Ministerial Regulation, Re: Rules and regulations on the application for requesting an alien business operation certificate, B.E.....
 - 2.1 Specify the required evidence and documents for the application for obtaining an alien business operation certificate; and
 - 2.2 Specify the place of submission of the above application.
3. The draft Ministerial Regulation, Re: Rules and regulations on the application for permission for operation of business in accordance with Section 17 of the Act, B.E.....
 - 3.1 Specify the required evidence and documents for the application for the alien business license according to Section 17 ACT; and
 - 3.2 Specify the place of submission of the above application.
4. The draft Ministerial Regulation, Re: Specification of the exempted service businesses need not to obtain the license or certificate for operation of alien business, B.E.....

Determine the exempted service businesses which need not to obtain the license or certificate for operation of business under List 3 (21) of the Act.

The draft Ministerial Regulations:

Re: Labor protection in case of taking work by working at home, B.E....; and

Re: Specification of the weight that the employer requires the employee to handle

Status: *Approved in principle by the Cabinet at the Cabinet's Meeting on 25 March 2003*

Relevant Authority: *The Ministry of Labor*

The significant principles of these drafts are as follows:

1. The draft Ministerial Regulation Re: Labor protection in case of taking work by working at home, B.E.
 - 1.1 Specifies the definitions of “taking work by working at home”, “employer”, and “employee”;
 - 1.2 Specifies that the employer who assigns work and provides raw material to the employee for working at home shall inform the labor inspector prior to the date of the assignment;
 - 1.3 A written employment contract, which its details must be in compliance with the Ministerial Regulation, must be arranged by the employer and one duplicate of the contract must be given to such employee for the purpose of examination by the labor inspector;
 - 1.4 Wage must be paid by the employer within the prescribed period of time and shall not be deducted of any amount, except for the deduction which is allowed under the Ministerial Regulation; and
 - 1.5 The employer must not assign any work, which may cause harmfulness against health, sanitary and safety, to its employee and must provide safety tools and equipment for work to the employee.
2. The draft Ministerial Regulation Re: Specification of the weight that the employer requires the employee to handle
 - 2.1 Specifies the weight for the assigned hard work to be handled by the employee who is male, female or minor. In case of over weight, appropriate and bodily unharmed saving devices shall be provided to the employee by the employer;
 - 2.2 The Ministerial Regulation shall be effective upon 180 days after the date of the publication in the Government Gazette.

The Notification of the Central commission for price of goods and services
Re: Determation of commodities named steel sheet and structural steel sheet as controlled goods

Status: *Approved by the Cabinet on 25 March 2003*

Relevant Authority: *The Ministry of Commerce*

The significant principles of the notification is that the steel sheet and structural steel sheet shall be the controlled commodities under the Act Governing Price of Goods and Services B.E. 2542 (A.D. 1999).