

Anti-Money Laundering Office Notification
Re: Guidelines for Prescribing Factors
for Consideration for Low Risk Customer

By Virtue of Article 15 paragraph two of the Ministerial Regulation on Customer Due Diligence for Businesses and Professions under Section 16 Paragraph One (2), (3), (4), (5), (6), (7), (8) and (10) B.E. 2559 (2016), the Secretary General of the Anti-Money Laundering Board hereby issues the Notification of the Anti-Money Laundering office as follows;

Article 1 This Notification shall come into force on the day following the date of its publication in the Government Gazette.

Article 2 Businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) shall undertake money laundering and terrorism financing risk management with every customer in order to set out appropriate customer due diligence measures under Article 11 of Ministerial Regulation on Customer Due Diligence for Businesses and Professions under Section 16 Paragraph One (2), (3), (4), (5), (6), (7), (8) and (10) B.E. 2559 (2016).

Article 3 Businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may consider customers with the following factors or attributes as low risk;

(1) Government, central governmental organization, provincial governmental organization, local governmental organization, state enterprise, public organization or other governmental organization

(2) Chaipattana Foundation, H.M. the Queen's Foundation for the Promotion of Supplementary Occupations and Related Techniques, Sai Jai Thai Foundation.

(3) Financial Institutions as follows;

(3.1) Bank of Thailand, under the law governing Bank of Thailand and other banks specially founded in accordance with respective laws

(3.2) Commercial Banks, Finance Company and Credit Foncier under the law governing financial institution businesses.

(3.3) Asset management companies under the law governing asset management company.

(3.4) Legal persons trading in futures contracts under the law governing futures trading.

(3.5) Legal persons trading in futures contracts under the law governing agricultural futures trading.

(3.6) Securities companies under the law governing securities and stock exchange.

(3.7) Insurance companies under the law governing insurance and life insurance companies under the law governing life insurance.

(3.8) Ad hoc legal persons under the law governing ad hoc legal persons for securitizations of asset.

(4) Mutual funds, pension funds founded under rules of Securities and Exchange Commission and funds founded under specific law such as Government Pension Fund, Social Security Fund.

(5) Public companies listed in the stock exchange market.

Article 4 Businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may classify customers with factors or attributes under Article 3 (1) (3) (4) and (5) who holds other nationalities or reside in other jurisdictions as low risk customers, given that such customers must be under supervision of other reputable government agencies or entities in accordance with anti-money laundering or counter-terrorism financing measures. Such businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) shall regularly conduct risk assessment and revision to ensure the appropriateness of such low risk classification.

Article 5 Businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may prescribe other following financial products or services as low risk;

(1) General insurance

(2) Life insurance under Article 31 (1) and (2) of the Ministerial Regulation on Customer Due Diligence B.E. 2556

(3) Group insurance with the objective for employees' benefit or damage remedy

(4) Financial product for impoverished persons under the government's support and with threshold for each customer

Businesses and professions under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may prescribe other financial product or service which were not specified under paragraph one as low risk financial product or service by considering the following factors;

(1) Financial product or service which create debt obligation

(2) Financial product or service which could not redeem for cash within short period of time

(3) Financial product or service which are not transnational and does not hold any value in other jurisdiction

(4) Financial product or service which are not transferrable or transferrable under complex conditions and procedures

(5) Financial product or service with set threshold for value and number of transactions during possession or service provision.

Article 6 Business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may prescribe other factors or attributes which were not specified under Article 5 for consideration and assessment of customer's low risk by considering the followings;

(1) The customer does not hold other considering factors for high risk classification under Article 13 of the Ministerial Regulation on Customer Due Diligence for Business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) B.E. 2559

(2) The customer's objective is to establish business relationship or to conduct low value and frequency of transaction

(3) The customer strictly intend to use financial product or service with low money laundering or terrorism financing risk

(4) The customer did not act abnormally or was not involved with action led to reporting of suspicious transaction

Business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may consider other conditions for low risk factor prescription but shall not contradict with provision under paragraph one and shall be required to reclassify customer's risk level in case the customer no longer fall within low risk condition.

Article 7 Business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) may conduct reduced customer due diligence on customers with low risk in accordance with this Notification in accordance with Article 15 the Ministerial Regulation on Customer Due Diligence for Business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) B.E. 2559 but shall not affect the operation under Article 18 (1) and (3) of the same Ministerial Regulation.

In case business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) found that a customer is subject to the increase of money laundering and terrorism risk level, business or profession under Section 16 paragraph one (2), (3), (4), (5), (6), (7), (8) and (10) shall immediately conduct enhanced customer due diligence on such customer commensurate with new risk level's standard as prescribed in internal guidelines or measures.

Given on 3 March B.E. 2560 (2017)

Police General Chaiya Siriamphankul

Secretary General of the Anti-Money Laundering Board