

(Translation)

Unofficial Translation*

THE PROVIDENT FUND ACT B.E.2530

BHUMIBOL ADULYADEJ, REX.

Given on the 30th Day of November B.E. 2530;
Being the 42nd Year of the Present Reign

His Majesty King Bhumibol Adulyadej has the Royal Proclamation to announce that:

Whereas it is expedient to have the law governing the provident fund

Therefore, His Majesty the King Bhumibol Adulyadej has graciously been pleased to enact this Act, with the advice and consent of the Parliament, as follows:

Section 1 This Act shall be called the “Provident Fund Act B.E. 2530”.

Section 2¹ This Act shall come into force as from the date following the date of its publication in the Government Gazette.

Section 3 In this Act:

“Fund”² means the Provident Fund.

“Single Fund”³ means a fund established for employees of a single employer.

“Pooled Fund”⁴ means a fund established for employees of multiple employers.

“Wage” means the money paid by the employer to its employees as remuneration for work, regardless of determination, calculation or payment in return for work by any method, and no matter whether it is called by any name, but excluding overtime pay, holiday pay or money or other benefits withheld or additionally paid by the employer to its employees for the benefits of work.

¹ The Government Gazette, Volume 104 Section 254, Special Edition, Page 23 dated 7th Dec 1987

² “Fund” is defined under Section 3 and amended by the Provident Fund Act (No.3) B.E.2550

³ “Single Fund” is defined under Section 3 and amended by the Provident Fund Act (No.3) B.E.2550

⁴ “Pooled Fund” is defined under Section 3 and amended by the Provident Fund Act (No.3) B.E.2550

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“Employer” means a natural person or a juristic person who agrees to recruit employees and to pay wages in return for their work, regardless of having a written employment contract or not.

“Employee” means a person who agrees to work for the employer and receives wages, regardless of having a written employment contract or not.

“Registrar”⁵ means a person appointed by the Minister to be the Registrar of the Provident Fund.

“Competent Official” means a person appointed by the Minister for the execution of this Act.

“Minister” means the Minister taking charge under this Act.

Section 4 The Minister of Finance shall take charge under this Act and shall have power to appoint the Registrar and competent officials and to issue Ministerial Regulations governing other affairs for execution of this Act.

The Ministerial Regulations shall come into force upon their publication in the Government Gazette.

CHAPTER 1 ESTABLISHMENT

Section 5⁶ The Fund shall only be established by agreements between the employer and its employees and shall be registered under this Act in order to provide security for employees in cases of their death, termination of employment or resignation from the Fund; whereby, employees and the employer shall pay their respective contributions to the Fund as per the criteria prescribed in the Regulations of the Fund; provided that the Fund may be established as a single fund or a pooled fund with one or multiple investment policy (policies).

Section 6 Upon agreements between the employer and its employees for establishment of the Fund under Section 5, an application for registration of the Fund shall be submitted to the Registrar as per the criteria and methods prescribed in the Ministerial Regulations.

With respect to the provident funds for employees established before the date when this Act shall come into force, if intended to be established as the Fund under this Act, the action under Paragraph 1 shall be taken.

Section 7 The Fund which has duly been registered shall become a juristic person.

⁵ “Registrar” is defined under Section 3 and amended by the Provident Fund Act (No.2) B.E.2542

⁶ Section 5 has been amended by the Provident Fund Act (No.3) B.E.2550

Section 7/1⁷ The Fund shall be comprised of assets, as follows:

- (1) Savings and contributions;
- (2) Provident funds of employees under Section 6 Paragraph 2;
- (3) Additional allowances under Section 10 Paragraph 3;
- (4) Donated assets;
- (5) Assets acquired through investment; or fruits of assets of the Fund;
- (6) Assets of employees wholly transferred from the original fund or from the Government Pension Fund; provided that the transfer of such assets to the Fund shall be in accordance with the criteria and methods prescribed and announced by the Registrar;
- (7) Other assets as prescribed and announced by the Registrar;

Section 8 Regarding the application for registration of the Fund, in case, the Applicant has correctly and completely complied with the provisions contained in Section 6 and has prescribed the regulations correctly in accordance with Section 9; and such regulations are not contrary to the laws or objectives of the Fund, then, the Registrar shall accept to register the Fund and shall issue a certificate of registration to the Fund.

The Registrar shall publish the registration of the Fund in the Government Gazette.

Section 9 Regulations of the Fund shall consist of at least the following particulars:

- (1) The name of the Fund, which shall begin with the words "Provident Fund" and end with the words "duly registered";
- (2) The location of the Office;
- (3) Objectives
- (4) Procedures for admission and termination of membership;
- (5) Requirements on the number of directors, methods of election and appointment of directors, the term in office, the vacation of office of directors and meetings of the Fund Committee;
- (6) Requirements on employees' savings and the Employer's contributions to be paid to the Fund;
- (7) Requirements on the criteria and methods of calculation of benefits to be given to employees;
- (8)⁸ Requirements on the criteria, methods and period of payment upon termination of membership or dissolution of the Fund under Section 25; provided that such requirements shall not unreasonably deprive the employees' rights under the Fund;
- (9) Requirements on the operating expenses of the Fund;
- (10)⁹ Requirements on the general meetings or on members' meetings as per investment policies or cases of employers and establishment of the Fund with multiple investment policies or the pooled fund;

⁷ Section 7/1 has been added by the Provident Fund Act (No.3) B.E.2550

⁸ Section 9(8) has been amended by the Provident Fund Act (No.3) B.E.2550

⁹ Section 9(10) has been amended by the Provident Fund Act (No.3) B.E.2550

(11) Other particulars as prescribed in the Ministerial Regulations;

The Fund Committee shall file an application for registration of amendments of Regulations of the Fund to the Registrar within 15 days as from the date when the resolutions on the amendments thereof have been passed; and such amendments thereof shall not come into force until the Registrar has duly registered the same;

Section 10 At each time of wage payment, employees shall pay their savings to the Fund, which shall be deducted from their wages and paid by the Employer to the Fund at the rate fixed in the Regulations of the Fund; provided that the payment of employees' savings and the Employer's contributions to the Fund shall not be lower than two percent but shall not exceed fifteen percent of the wages.¹⁰

Employees and the Employer may, with the Minister's approval, mutually agree to pay employees' savings and the Employer's contributions to the Fund at a rate higher than those fixed in Paragraph 1.

The Employer shall remit money under Paragraph 1 into the Fund within three working days as from the date of wage payment. In the event that the Employer has remitted employees' savings and the Employer's contributions into the Fund later than three working days, the Employer shall pay an additional allowances to the Fund during such period of delay of money remittance, at the rate of five percent per month of the amount of employees' savings or the Employer's contributions which has been remitted in delay.

Section 10/1¹¹ In cases of economic crisis, public calamity or any event affecting the economic situation in any locality, the Minister shall be empowered to determine types of businesses, periods or any conditions so that employees or the Employer shall be entitled to suspend or postpone the remittance of employees' savings or the Employer's contributions into the Fund for not exceeding one year at each time, thus, in accordance with the criteria prescribed and announced by the Minister.

Section 11 The Fund Committee shall be established consisting of representatives elected by employees and representatives appointed by the Employer, with their duties to supervise general affairs of the Fund; and the Fund Committee shall be empowered to appoint the Fund Manager who shall represent the Fund in its affairs relating to the third parties. For this purpose, the Fund Committee may designate, in writing, one or several members of the Committee to act on its behalf.

The Fund Committee shall file an application for registration of the appointment of the Fund Manager or any change of members of the Committee within fourteen days as from the date of such appointment of the Fund Manager or such change of members of the Committee.

CHAPTER 2 MANAGEMENT OF THE FUND

¹⁰ Section 10 Paragraph 1 has been amended by the Provident Fund Act (No.4) B.E.2558

¹¹ Section 10/1 has been added by the Provident Fund Act (No.4) B.E.2558

Section 12¹² The Minister shall have powers and duties of general supervision and control for compliance with the provisions of this Act.

For the execution of provisions contained in Paragraph 1, the Minister may assign any affiliated body to perform the duties on his/her behalf and may appoint personnel of such body as the competent official for the execution of this Act.

Section 12 bis¹³ The Registrar shall have powers and duties of supervision of the Fund and shall have powers to demand the Fund Manager to clarify matters of facts and to provide reports relating to the management of the Fund.

In the event that the Registrar considers that the Fund Manager has managed the Fund in the manner which may cause damage to the Fund, the Registrar shall have powers to demand the Fund Manager to remedy such damage and to refrain from such action; or to order the removal of the Fund Manager.

Section 12 tres¹⁴ The Registrar shall provide reports on supervision of the management of the Fund and shall submit them to the Minister for at least twice a year.

For the benefits of supervision and control in accordance with the provisions of this Act, the Minister may order the Registrar to further report the operating results or to clarify matters of facts on any matters.

Section 13¹⁵ The Fund shall be managed by a person who is not the Employer and shall be licensed to operate the security business in the category of personal fund management under the law governing securities and exchange.

Section 14¹⁶ Regarding the management of the Fund, the Fund Manager shall have duties and shall be subject to the provisions relating to the personal fund management under the law governing securities and exchange.

Section 15 The Employer shall absolutely separate accounts and financial documents or other assets of the Employer from the accounts and financial documents or other assets of the Fund.

Section 16¹⁷ Regarding the investment or seeking of benefits of the Fund, the Fund Manager shall take employees' savings and the Employer's contributions for investment or shall seek benefits under the investment policies declared by employees.

¹² Section 12 has been amended by the Provident Fund Act (No.2) B.E.2542

¹³ Section 12 *bis* has been added by the Provident Fund Act (No.2) B.E.2542

¹⁴ Section 12 *tres* has been added by the Provident Fund Act (No.2) B.E.2542

¹⁵ Section 13 has been amended by the Provident Fund Act (No.2) B.E.2542

¹⁶ Section 14 has been amended by the Provident Fund Act (No.2) B.E.2542

¹⁷ Section 16 has been amended by the Provident Fund Act (No.4) B.E.2558

In the event that employees fail to declare their intention to select any investment policy, to invest or to seek benefits under the original policy that employees used to invest; however, in the absence of the original policy, the Fund Manager shall invest or seek benefits under the policy prescribed in the Regulations of the Fund. In case, it is not prescribed in the Regulations of the Fund, the Fund Manager shall invest or seek benefits under the policy with the least possible risks.

Section 17¹⁸ The Fund Manager shall provide accounts for separation of assets of all funds by recording incomes and expenses of the Fund according to the types of funds, as follows:

(1) In case of a pooled fund, incomes and expenses of the Fund shall be recorded according to the stake-holding of employees of each employer; provided that the following incomes and expenses of the Fund shall be calculated and recorded as incomes or expenses in the accounts of employees of the same employer;

(a) Additional allowances paid by the Employer into the Fund;

(b) The Employer's contributions and benefits thereof that employees whose membership has been terminated shall not be entitled to receive; and it is prescribed by the Regulations of the Fund to be assets of the Fund;

(c) Damages or interest to be paid by the Fund as per the Court's judgments or orders;

(d) Money vested in the Fund under Section 23 Paragraph 4;

(e) Other incomes or expenses as prescribed and announced by the Registrar;

Incomes of the Fund under Paragraph 1 (a)(b)(d) and (e) may be specified in the Regulations of the Fund to be recorded according to the stake-holding of employees or to be recorded as the average according to the number of employees of any one or several employers.¹⁹

(2) In case of a fund with multiple investment policies, accounts of assets of each investment policy shall be separately provided; provided that incomes and expenses incurred from the management of investment under a particular investment policy shall be recorded as incomes and expenses in the account of such investment policy; meanwhile, other incomes and expenses shall be distributed in proportion to the value of assets under each investment policy and shall be recorded as incomes and expenses in the account of such investment policy;

Section 18²⁰ (Repealed)

Section 19²¹ (Repealed)

Section 20²² The Fund Manager shall vacate the office before the expiry date of the Contract upon:

(1) Removal by the Registrar's order under Section 12 *bis* Paragraph 2;

¹⁸ Section 17 has been amended by the Provident Fund Act (No.3) B.E.2550

¹⁹ Section 17 (1) Paragraph 2 has been added by the Provident Fund Act (No.4) B.E.2558

²⁰ Section 18 has been repealed by the Provident Fund Act (No.2) B.E.2542

²¹ Section 19 has been repealed by the Provident Fund Act (No.2) B.E.2542

²² Section 20 has been amended by the Provident Fund Act (No.2) B.E.2542

- (2) Disqualification from the office of the Fund Manager;
- (3) Contract termination by the Fund or by the Fund Manager;
- (4) Dissolution of the Fund under Section 25;

Section 21²³ In the event that the Fund Manager has vacated his office under Section 20 (1)(2) or (3), the Fund Committee shall appoint a new fund manager within thirty days as from the date when the existing fund manager vacated his office; and shall notify the appointment of a new fund manager to the Registrar within fourteen days as from the date of appointment thereof.

Section 22 Employees and the Employer may request for inspection of accounts and documents of the Fund at the Fund Office during the operating hours.

CHAPTER 3

PAYMENTS FROM THE FUND AND DISSOLUTION OF THE FUND

Section 23²⁴ Subject to Section 23/2, Section 23/3 and Section 23/4, when the membership of the Fund of an employee has been terminated due to a cause other than the dissolution of the Fund, the Fund Manager shall pay a lump sum of money to such employee as per the criteria and methods prescribed in the Regulations of the Fund and as prescribed in Section 23/1, thus, within a period of not exceeding thirty days as from the date of termination of the membership.²⁵

In the event that the membership of the Fund of an employee has been terminated due to death, in case, the employee has not specified the name of his or her beneficiary to receive money from the Fund in his or her will or in writing given to the Fund Manager; or the employer has specified such name of his or her beneficiary but such person did not survive the employee, money shall be paid from the Fund under Paragraph 1 to the eligible persons as per the following criteria:

- (1) Children of the deceased employee shall be entitled to receive two portions of the payment; but in case, the deceased employee has at least three children, they shall be entitled to receive three portions of the payment;
- (2) Spouse of the deceased employee shall be entitled to receive one portion of the payment;
- (3) Parents or the surviving father or mother of the deceased employee shall be entitled to receive one portion of the payment;

In case, the deceased employee has no such person as mentioned in (1)(2) or (3); or in case, the deceased employee has such person but such person did not survive the deceased employee, the portion or portions of money that such person is entitled to receive shall be divided among the surviving successors proportionally as prescribed in Paragraph 2.

In case, the deceased employee has no such eligible person to receive money from the Fund under Paragraph 2 or the deceased employee has no such statutory heir, such money shall be vested in the Fund.

²³ Section 21 has been amended by the Provident Fund Act (No.2) B.E.2542

²⁴ Section 23 has been amended by the Provident Fund Act (No.3) B.E.2550

²⁵ Section 23 Paragraph 1 has been added by the Provident Fund Act (No.4) B.E.2558

Section 23/1²⁶ In case of a pooled fund, the Fund Manager shall, upon termination of membership of the Fund of an employee, calculate benefits thereunder of such employee from accounts of stake-holding of employees of the same employer.

In case of a fund with multiple investment policies, the Fund Manager shall, upon termination of membership of the Fund of an employee, calculate benefits thereunder of such employee from assets in the account of the investment policies in which such employee has the stake-holding.

Section 23/2²⁷ Upon termination of membership of the Fund of any employee due to retirement or resignation at the age of not lower than completely 55 years old, as per the Regulations of the Fund, in case, such employee has declared his or her intention to receive money from the Fund in installments, the Fund Manager shall pay money from the Fund as per the intention of such employee who shall maintain his or her membership of the Fund for a period of time specified in the Regulations of the Fund; however, such employee and the Employer shall no longer be obliged to pay employees' savings or the Employer's contributions for such employee; provided that the receipt of money from the Fund in installments shall be in accordance with the criteria prescribed and announced by the Registrar.

Section 23/3²⁸ Upon termination of membership of the Fund of any employee due to his or her termination of employment for any reason whatsoever, such employee shall be entitled to maintain the whole amount of money that he or she is eligible to receive in the Fund and to maintain his or her membership of the Fund; whereby, such employee and the Employer shall not be obliged to pay employees' savings or the Employer's contributions to the Fund as per a period of time prescribed in the Regulations of the Fund, which shall not be less than ninety days as from the date of his or her termination of employment.

Section 23/4²⁹ In the event that the Employer has disengaged from a pooled fund and has not yet established a new fund; or upon termination of membership of the Fund of any employee due to his or her termination of employment for any reason whatsoever, or upon dissolution of the Fund, in case, such employee has declared his or her intention that the Fund Manager or the liquidator shall transfer the whole amount of money that he or she is eligible to receive from the Fund or the remaining amount of money to be paid in installments under Section 23/2; or shall transfer money maintained in the Fund under Section 23/3 to the Retirement Mutual Fund or to other funds with the objective of using it as security in case of termination of employment or senility, then, the Fund Manager or the liquidator shall take action as per the intention declared by the employee; provided that the Registrar may prescribe and announce the methods and conditions thereof.

Section 24³⁰ Rights of claims for money from the Fund under Section 23, Section 23/2 and Section 23/3 shall be neither transferable nor subject to any liability to execution.

Section 25 The Fund shall be dissolved upon:

- (1) Business dissolution by the Employer;

²⁶ Section 23/1 has been added by the Provident Fund Act (No.3) B.E.2550

²⁷ Section 23/2 has been amended by the Provident Fund Act (No.4) B.E.2558

²⁸ Section 23/3 has been added by the Provident Fund Act (No.3) B.E.2550

²⁹ Section 23/4 has been added by the Provident Fund Act (No.4) B.E.2558

³⁰ Section 24 has been amended by the Provident Fund Act (No.3) B.E.2550

- (2) Dissolution by resolutions of the General Meeting;
- (3) Dissolution by the Regulations of the Fund; or
- (4)³¹ Dissolution by the Registrar's order under Section 27;

In the event that the Fund has been established with the participation of more than one employer, the dissolution of business of some employers or their disengagement from the Fund shall not be cited as an excuse for compulsory dissolution of the Fund, except that the it is prescribed by the Regulations of the Fund to dissolve accordingly.

Upon occurrence of the circumstance under Paragraph 2, the Fund Committee shall notify the Registrar the same within seven days as from the date when some employers have dissolved their businesses or have disengaged from the Fund; and the liquidation of the Fund shall be provided only for the portion of assets of the Employer and its employees according to the methods prescribed in the Regulations of the Fund. Upon the liquidation thereof, the Fund Committee shall notify the same to the Registrar within seven days as from the date of completion of the liquidation.

Section 26³² Upon the dissolution of the Fund under Section 25(1)(2) or (3), the Fund Committee shall notify the same to the Registrar within seven days as from the date of dissolution of the Fund; and shall also commence the liquidation thereof within thirty days which shall be complete within one hundred and fifty days as from the date of dissolution of the Fund; except in case of necessity, the Registrar may approve the extension of such period of time as it may think fit.

Section 27³³ The Registrar shall, by the Minister's approval, be empowered to order a dissolution of the Fund in any of the following cases:

- (1) There is a circumstance to believe that operation of the Fund shall be contrary to the objectives or to the laws;
- (2) There is a circumstance to believe that operation of the Fund may not be continued for any reason whatsoever;

When the Registrar has issued its order to dissolve the Fund under Paragraph 1, the Fund shall be liquidated by a liquidator appointed by the Registrar.

Section 28 Regarding the liquidation of the Fund, the provisions contained in the Civil and Commercial Code governing liquidation of registered partnerships, limited partnerships and limited companies shall apply *mutatis mutandis*.

During the liquidation process, in case, the liquidator deems it expedient, some portions of money may be paid to employees; and upon completion of the liquidation, the total outstanding amounts thereof shall be paid to employees completely within a period of not exceeding thirty days as from the date of completion of the liquidation; in case, there is any remaining amount of money, it shall be managed as prescribed in the Regulations of the Fund.

Expenses and remunerations relating to the liquidation hereunder shall be paid from assets of the Fund.

³¹ Section 25(4) has been amended by the Provident Fund Act (No.2) B.E.2542

³² Section 26 has been amended by the Provident Fund Act (No.2) B.E.2542

³³ Section 27 has been amended by the Provident Fund Act (No.2) B.E.2542

CHAPTER 4 THE COMPETENT OFFICIAL

Section 30 For the purpose of audit of the management of the Fund, the Registrar and the Competent Official shall have their powers, as follows:

- (1) To enter Office of the Fund or of the Fund Manager for audit of businesses, assets and liabilities of the Fund during the operating hours;
- (2) To order directors, officers and the Manager of the Fund with duties relating to the management of the Fund, to submit or produce the list of documents or other evidences of the Fund;
- (3) To call such persons as mentioned in (2) for inquiries or declaration of matters of facts relating to the management of the Fund;

Section 31³⁴ Regarding the performance of duties, the Competent Official shall present his or her identification card to the related persons.

Identification card of the Competent Official shall be in accordance with the form prescribed and announced by the Registrar.

CHAPTER 5 PENALTIES

Section 32 Any fund which has failed to use its name beginning with the Thai words “กองทุนสำรองเลี้ยงชีพ” (meaning "Provident Fund") and ending with the words “ซึ่งจดทะเบียนแล้ว” (meaning "duly registered") or to use its name in words of a foreign language but failing to use words which have conveyed such meanings in its seals, nameplates, letters, notices or other documents relating to its businesses shall be fined for not exceeding five thousand Baht.

Section 32 Any person who has used a name beginning with the Thai words “กองทุนสำรองเลี้ยงชีพ” (meaning "Provident Fund") and ending with the words “ซึ่งจดทะเบียนแล้ว” (meaning "duly registered") or has used a name in words of a foreign language which have conveyed such meanings in his or her seals, nameplates, letters, notices or other documents relating to his or her businesses despite not being a fund under this Act, shall be fined for not exceeding five thousand Baht and imposed with extra fines of five hundred Baht per day until the use of such name shall be repealed.

Section 34³⁵ Any fund committee that has failed to comply with Section 11 Paragraph 2, Section 21, Section 25 Paragraph 3 or Section 26 or has appointed any unqualified person under Section 13 as the Fund Manager shall be fined for not exceeding ten thousand Baht.

³⁴ Section 31 has been amended by the Provident Fund Act (No.2) B.E.2542

³⁵ Section 34 has been amended by the Provident Fund Act (No.2) B.E.2542

Section 35³⁶ Any fund manager who has failed to comply with the Registrar's orders under Section 12 *bis* or has failed to comply with the provisions contained in Section 16, Section 17, Section 23, Section 23/1, Section 23/2 or Section 23/4 shall be fined for not exceeding fifty thousand Baht.

Section 36³⁷ (Repealed)

Section 37 Any employer who has failed to comply with the provisions contained in Section 15 shall be fined for not exceeding twenty thousand Baht.

Section 38³⁸ (Repealed)

Section 39³⁹ (Repealed)

Section 40 Any person who has failed to comply with orders of the Registrar or of the Competent Official or has obstructed or failed to facilitate the Registrar or the Competent Official to perform their duties under Section 30 shall be fined for not exceeding five thousand Baht.

Section 41 In the event that the Fund Committee has committed an offence under Section 34, it shall be regarded that all members of the Fund Committee have committed such offence, except it can be proved that such member of the Fund Committee has not connived at the actions of other members of the Fund Committee or has reasonably managed to prevent the occurrence of such offence.

Section 42 Regarding offences under this Act, the Committee, as appointed by the Minister, shall be empowered to impose fines under Section 38 of the Criminal Procedure Code.

The Committee, as appointed by the Minister under Paragraph 1, shall consist of three members, one of which shall be the Inquiry Official under the Criminal Procedure Code.

When the Committee has imposed fines in any case; and the alleged offender has paid fines as per the prescribed rates and within the period of time as prescribed by the Committee, it shall be regarded as settlement of the offence.

Section 43 Regarding offences under this Act, if not preferred to the Court or the matter not submitted to the Committee to impose fines under Section 42 within one year as from the date when the Registrar or the Competent Official has found the commission of such offences or within five years as from the date of commission of such offences, then, such offence shall be barred by prescription.

³⁶ Section 35 has been amended by the Provident Fund Act (No.4) B.E.2558

³⁷ Section 36 has been repealed by the Provident Fund Act (No.2) B.E.2542

³⁸ Section 38 has been repealed by the Provident Fund Act (No.2) B.E.2542

³⁹ Section 39 has been repealed by the Provident Fund Act (No.2) B.E.2542

Counter-Signature:
General Prem Tinsulanonda
Prime Minister

Office of Justice Affairs

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Note:- Reason for promulgation of this Act: Whereas, it is expedient to promote the voluntary establishment of the Provident Fund between the Employer and its employees with intentions to provide welfare to employees upon termination of their employment and to promote the fundraising of savings in the private sector for national economic development; for this purpose, it is deemed expedient to prescribe the criteria for operation and management of the Fund for security of the Provident Fund and for the benefits of employees; therefore, it is necessary to enact this Act.

The Provident Fund Act (No.2) B.E.2542⁴⁰

Section 2 This Act shall come into force when a period of ninety days as from the date following the date of its publication in the Government Gazette has been elapsed, except that Section 4 shall come into force as from the date following the date of its publication in the Government Gazette.

Section 15 The Fund Manager who has been appointed to manage the Fund that employees and the Employer agreed to establish prior to the date when this Act shall come into force shall be empowered to continue managing such fund for not exceeding one year as from the date when this Act has come into force; and the provisions governing the qualifications of the Fund Manager and the management of the Fund, including penalties on such matter which have come into force before the date of enforcement of this Act shall apply to the Fund Manager during such period of time.

For the benefits of supervision and management of the Fund by the Fund Manager under Paragraph 1, the Registrar may prescribe and announce the criteria, methods and additional conditions for the Fund Manager to comply with.

In the event that the Fund Manager under Paragraph 1 is a security company which has been licensed to operate a security business in the category of personal fund management under the law governing securities and exchange; and the Fund intends to allow the Fund Manager to manage the Fund as per the provisions relating to the management of personal fund under the law governing securities and exchange, then, the Fund Manager shall file an application to the Registrar; and upon receiving an approval, the Fund Manager shall take action as per the application submitted.

Section 16 Any fund manager who has breached or failing to comply with the criteria, methods and conditions prescribed by the Registrar under Section 15 Paragraph 2, shall be fined for not exceeding fifty thousand Baht.

Section 17 Regarding offences under Section 16, the Committee, as appointed by the Minister under Section 42 of the Provident Fund Act B.E.2530, shall be empowered to impose fines.

Section 18 All Ministerial Regulations relating to the criteria, methods and conditions of management of the Fund, announcements of the Ministry of Finance, announcements of the Fiscal Policy Office, orders and circular notices relating to the management of the Fund shall still apply to the Fund Manager under Section 15 of this Act for not exceeding one year as from the date when this Act shall come into force.

⁴⁰ The Government Gazette, Volume 116 Section 137A, Page 9 dated 30th December 1999

Section 19 The Minister of Finance shall take charge under this Act.

Note:- Reason for promulgation of this Act: Since the management of a provident fund under the law governing the provident fund is regarded as business operation in the category of investment management in a similar manner to the security business operation in the category of personal fund management; therefore, for management of such fund in accordance with the same standard and principles with the personal fund management; and for relief of burden of contribution into the Provident Fund of the Employer and its employees, it is expedient to amend powers of the Minister and of the Registrar relating to the supervision and management of the Fund more appropriately; and it is prescribed that the management of such fund shall be governed by the provisions relating to the personal fund management under the law governing securities and exchange; therefore, it is necessary to enact this Act.

The Provident Fund Act (No.3) B.E.2550⁴¹

Section 2 This Act shall come into force when a period of thirty days as from the date following the date of its publication in the Government Gazette has been elapsed.

Note:- Reason for promulgation of this Act: Since the law governing the provident fund which is currently enforced is not in conformity with the changing situations, it is expedient to amend the law appropriately; whereas, assets of employees in the Government Pension Fund may be transferred into the Provident Fund; and the Provident Fund shall have multiple investment policies for selection by members thereof as per their requirements; and employees whose membership of the Fund has been terminated due to termination of employment shall be entitled to maintain money in the Fund; and employees whose membership of the Fund has been terminated due to retirement shall be entitled to receive money from the Provident Fund in installments; whereas, employees whose membership of the Fund has been terminated due to such reasons may maintain their membership of the Provident Fund; but may no longer be required to pay employees' savings or the Employer's contributions to the Provident Fund, thus, for continuous saving of money through the Provident Fund and for the utmost benefits of members of the Provident Fund; therefore, it is necessary to enact this Act.

The Provident Fund Act (No.4) B.E.2558⁴²

Section 2 This Act shall come into force when a period of ninety days as from the date following the date of its publication in the Government Gazette has been elapsed.

Note:- Reason for promulgation of this Act: Since the law governing the provident fund which is currently enforced contains certain provisions which are not in conformity with the changing situations,

⁴¹ The Government Gazette, Volume 124 Section 100A, Page 6 dated 28th December 2007

⁴² The Government Gazette, Volume 132 Section 74A, Page 1 dated 11th August 2015

it is expedient to amend the law appropriately so that employees shall be able to pay employees' savings at the rate higher than the Employer's contributions, which shall provide an opportunity to employees to generate more savings. In cases of economic crisis, public calamity or any event affecting the economic situation, the Minister of Finance shall be empowered to issue announcements that employees or the Employer may suspend or postpone the remittance of employees' savings or the Employer's contributions to the Fund and may improve the criteria for investing employees' savings or the Employer's contributions or for seeking benefits for employees who have not declared their intentions to select investment policies; and may improve the methods of recording of incomes of a pooled fund and amend the criteria for payment of money from the Fund to employees whose membership has been terminated due to termination of employment to be able to receive money from the Fund in installments; and may add cases of transfer of money to the Retirement Mutual Fund or to other funds with the objective of using it as security in case of termination of employment or senility, therefore, for flexibility and solutions to problems and obstacles on the operation of the Fund so that employees shall be able to save their money adequately for subsistence during their senility; therefore, it is necessary to enact this Act.

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