

## EABC BY LAWS – Proposed Amendment AGM 2024 about banking and electronic funds transfer processes

This Explanatory note is for EABC members

### Commentary:

As EABC modernises to support digital or on-line payments, the opportunity is taken to ensure that the ByLaws fully support all payment modes, are technology-neutral, reduce petty cash holding upper limit to a more realistic level, and avoid unclear language, with only one approval scheme.

The changes maintain prudential oversight for out payments, and ensure full flexibility in terms of receiving monies.

### Proposed Amendments

#### Cash management of Association.

48.1. ~~Any monies belonging to the Association including t~~The cash of the Association shall be deposited in the name of the Association with a commercial bank or banks located in the province of the Association. The Board of Directors must, (by simple super-majority resolution of two thirds), approve ~~each~~the commercial bank.

48.2. The amount of petty cash for use in operation of the Association shall not exceed THB 2500,000. ~~The Treasurer shall be responsible for maintaining oversight of such cash.~~

~~Subject to these By Laws, withdrawals from bank accounts shall be subject to joint signing of the President (or in lieu, one of Board of Directors), and the Treasurer.~~

#### 49. Disbursements by Association.

49.1. Joint authorization of any two Directors from among ~~the President, the Vice Presidents, the Secretary or the Treasurer~~two groups of directors (of up to three each) as provided for in this Article 49.1 must be sought to disburse funds of the Association for use in relation to the affairs of the Association up to THB 500,000 each time with one from each group A and B as follows:

- (i) Group A: President, a Vice President, a director
- (ii) Group B: Treasurer, a different Vice President, a different director

or other permutation of two groups of up to three in each group as determined by the Board.

Each authorising person must have been identified by the relevant bank for any particular bank account.

The Board may, by simple majority resolution, allow for single authorisation payments by President or Treasurer up to THB 5,000 for any one payment.

49.2. Any disbursement of more than THB 500,000 in one single payment shall, require a simple resolution of the Board of Directors.

49.3 The means of disbursement may be by petty cash, by cheque or by electronic means. The structured approval should be the same. That is signing in the case of cheque, or in the case of electronic funds transfer, electronic approval (by physical or virtual token or other means approved by the Board of Directors). Electronic funds transfer may include use of short codes such as Thai QR Code of the payee, or Prompt Pay QR Code of the payee, or any other means, subject in all cases to applicable approval requirements.

#### **49A. Receipts to Association's bank accounts**

There are no restrictions as to the means by which funds may be received by the Association into its bank accounts. This may be by cash deposit, cheque deposit, electronic funds transfer which may be by Thai QR Code or Prompt Pay QR Code (issued by the bank for the Association's bank account, or any other means approved by the Board, for any of the Association's bank accounts) and any other means lawfully in use in Thailand for depositing or transferring funds into the bank account of a trade association.