

**The Government Savings Bank Act**  
**(No. 3)**  
**B.E. 2546 (2003)**

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BHUMIPOL ADULYADEJ REX.

Given this 29<sup>th</sup> Day of September B.E. 2546 (2003)

Being the 58<sup>th</sup> Year of the Present Reign.

His Majesty the King Bhumibol Adulyadej has been graciously pleased to proclaim that:

Whereas it is expedient to amend laws on the Government Savings Bank;

Be it, therefore, enacted by His Majesty the King, by and with the advice and consent given by the National Assembly, as follows:

Section 1. This Act is called “the Government Savings Bank Act (No. 3) B.E. 2546 (2003)”

Section 2. This Act shall be come into force as from the day following the date of its publication in the Government Gazette.

Section 3. The Provisions in Section 12 of the Government Savings Bank Act B.E. 2489 (1946) shall be repealed and replaced by the following:

“Section 12. There shall be a board of directors called the “Board of Directors of the Government Savings Bank”, comprising a chairperson and other directors of not less than six in number but not exceeding thirteen in number as appointed by the Council of Ministers and the Director-General shall be a director and secretary.”

Section 4. The following shall be added as the Section 12/1, Section 12/2, and Section 12/3 of the Government Savings Bank Act B.E. 2489 (1946):

“Section 12/1. The chairperson or the directors as appointed by the Council of Ministers shall have a 3-year term of office.

In the case where the chairperson or the directors as appointed by the Council of Ministers vacate the office prior to the expiration of their terms of office, or in the event that the Council of Ministers appoints additional directors

while the previous appointed directors are still in office, the office term of the directors appointed to replace the vacant post or the additional directors shall be equal to the remaining term of the previously appointed directors.

Upon the expiration of the term of office under paragraph one, if a new chairperson or new directors have not yet been appointed, the chairperson or the directors vacating office on the expiration of their term of office shall resume office until the newly appointed chairperson or directors shall take over the positions.

The chairperson or the directors vacating office on expiration of term of office may be re-appointed for not exceeding two consecutive terms of office.

Section 12/2. The person with the following qualifications is prohibited from being the chairperson or the directors so appointed by the Council of Ministers:

- (1) The person who is an officer or employee of the Government Savings Bank;
- (2) The person who is a director or holds any office in other banks;
- (3) The person who is bankrupt or used to be bankrupt;
- (4) The person who has ever been sentenced by a final judgment to imprisonment, except for commission of negligence or petty offences;
- (5) The person who is incompetent or quasi-incompetent;
- (6) The person who used to be a director, manager, deputy manager, or assistant manager of any commercial bank whose license is revoked unless exempted by the Council of Ministers;
- (7) The person who is blemished or tarnished of corruption in any financial institution or mismanaged any financial institution in a gross mistake manner.

Section 12/3. Apart from vacating office upon the expiration of the term under Section 12/1 the chairperson or the directors as appointed by the Council of Ministers shall vacate office upon:

- (1) Death;
- (2) Resignation;
- (3) Removal by the Council of Ministers as a result of defect in duty or impaired misconduct or inefficiency;
- (4) Possession of the disqualifications under Section 12/2;

(5) Absence from the meeting in excess of 3 consecutive times without any reasonable ground.”

Section 5. The Provisions in Section 13, Section 14, Section 15, Section 16, and Section 17 of the Government Savings Bank Act B.E. 2489 (1946) shall be repealed and replaced by the following:

“Section 13. In a meeting of the Board of Directors, there shall be directors present in a number of not less than one half of the total number of directors to constitute a quorum. If the chairperson is not present at the meeting or is unable to perform his duty, the meeting shall elect one director to act as the meeting chairperson.

Decision of the meeting shall be made by a majority of votes. One director shall have one vote. If votes are tied, the meeting chairperson shall give the casting vote.

Section 14. The Board of Directors shall have the authorities to lay down policies and take general supervisory action in favor of the Government Savings Bank. The aforesaid authorities include:

(1) Appointment or removal of and determination of salary of, the Director-General by consent of the Council of Ministers;

(2) Establishment or dissolution of the branches and agents;

(3) Determination of general scopes and conditions of a variety of businesses under Section 7(1) - (7);

(4) Laying down the rules and regulations of the Government Savings Bank in respect of management and operation;

(5) Presentation of balance sheet, financial position, and annual report under Section 25 and Section 26;

(6) Determination of rules and conditions with respect to post filling, appointment, promotion or salary raising, disciplinary punishment, or removal from office of the officers;

(7) Demand for security from officers, and determination of salary, gratuity, or other monies of the officers.

Section 15. The chairperson and the directors shall be entitled to the remuneration as set forth by the Council of Ministers.

The chairperson, the Director-General, directors, officers, and employees may be entitled to the bonus under rules issued by the Council of Ministers.

Section 16. The Director-General shall be the manager of the Government Savings Bank and shall have the authorities to manage the businesses and affairs of the Government Savings Bank in accordance with laws, regulations, rules, orders, and requirements of the Government Savings Bank and as assigned by the Board of Directors and shall have the authorities, as follows:

(1) Post filling, appointment, promotion or salary raising, disciplinary punishment, or removal from office of the officers in accordance with the rules and conditions as designated by the Board of Directors;

(2) Determination of practices on operation of the Bank and performance of officers which shall not be contrary to or inconsistent with the rules or requirements of the Board of Directors.

Section 17. In the businesses concerning the third party, the Director-General shall act on behalf of the Government Savings Bank and shall be the representative of the Government Savings Bank. For these businesses, the Director-General may authorize his office or any officer or any person to act on his behalf as stipulated by the Board of Directors.”

Section 6. The Provisions in paragraph two and three of Section 23 of the Government Savings Bank Act B.E. 2489 (1946) shall be repealed and replaced by the following:

“For this matter, the receipt voucher given by the minor to the Government savings Bank for the money received shall cause the Government Savings Bank to be discharged from all liabilities in respect of the amount so paid.”

Section 7. The Provisions in Section 24 of the Government Savings Bank Act B.E. 2489 (1946) shall be repealed and replaced by the following:

“Section 24. If in Depositor is deceased, the Government Savings Bank shall do as follows:

(1) In the case of appointment of the administrator, after having made the payment in accordance with the notice given by the administrator of an estate, the Government Savings Bank is discharged from the money paid;

(2) In the event of appointment of the executor, the Government Savings Bank shall verify genuineness and existence of the will in conformity to the rules as set forth by the Board of Directors and then shall make the payment in accordance with the notice of such executor of a will;

(3) In the case where there are no administrator and executor, the Government Savings Bank shall return the amount deposited by the deceased to the person quoting and verifying that he is the legal heir in order as prescribed by laws, provided that the Government Savings Bank may require a surety;

(4) In the event that there is any dispute with regard to the money deposited by the deceased, the Government Savings Bank shall return the said money merely under final judgment;

(5) In the event that the deceased has deposited money for the benefit of another person who is minor, the Government Savings Bank shall enter the name of such person in lieu of the deceased but such person shall be entitled to the withdrawal when such person becomes sui juris or when such person is in writing permitted by the person exercising the parental power specifying that the above-mentioned withdrawal is for the benefit of the minor.”

Section 8. The chairperson and the directors who are in the term of office prior to the date of enforcement of this Royal Decree shall be in the term of office until other chairperson or directors are appointed under the Government Savings Bank Act B.E. 2489 (1946) as amended by this Act.

Section 9. The Minister of the Ministry of finance shall be in charge of the execution of this Act.

Countersigned by:

Thaksin Shinnawatara

Prime Minister.

*Remarks:- The reasons for the promulgation hereof are as follows: whereas it is expedient to amend the Government Savings Bank Act B.E. 2489 (1946) in the part relevant to elements, qualifications, appointment, term of holding office, meeting authorities, and remuneration of the Board of Directors of the Government*

*Savings Bank, inclusive of the authorities of the Director-General of the Government Savings Bank to manage and operate the Government Savings Bank in the efficient and flexible manner more than ever by putting the stipulating of the old criteria as prescribed in the Royal Decrees on the same place, and whereas it is expedient to repeal the criteria on return of deposit or interest to the married woman in accordance with the provisions in Section 1476 of the Civil and Commercial Code which has been amended that the husband or the wife can manage Sin Somros in the manner apart from being specified by laws without any consent given by the other spouse, and whereas it is expedient to amend the criteria on the deposit management in the case where the depositors are deceased to be more appropriate and fair; therefore, it is necessary to enact this Act.*