

*(Unofficial Translation)**

PROVIDENT FUND ACT
(No. 4)
B.E. 2558

BHUMIBOL ADULYADEJ, REX.,

Given on the 27th day of July B.E. 2558;
Being the 70th Year of the Present Reign.

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

Whereas it is deemed expedient to amend the law governing provident funds;

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

SECTION 1. This Act shall be called "the Provident Fund Act (No. 4) B.E. 2558".

SECTION 2. This Act shall come into force on and from the ninetieth day following the date of its publication in the Government Gazette.

SECTION 3. The provision in the first paragraph of Section 10 of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 2) B.E. 2542 shall be repealed and replaced with the following provision:

"SECTION 10. At each payment of wages, the employee shall pay his savings into the fund through the employer's deduction from wages, and the employer shall pay the contribution into the fund at the rate prescribed in the fund's article, provided that the rate so prescribed shall not be less than two per cent but not more than fifteen per cent of the wages."

* Readers should be aware that only the original Thai text has legal force and that this English translation is strictly for reference. The SEC, Thailand cannot undertake any responsibility for its accuracy nor be held liable for any loss or damages arising from or related to its use.

SECTION 4. The following provision shall be added as Section 10/1 of the Provident Fund Act B.E. 2530:

“SECTION 10/1. In cases of economic crisis, disaster or any other severe events widely affecting economic condition, the Minister may approve the employees or employers being unable to pay savings or contributions into the fund to seize or postpone such payments for the period not exceeding one year at a time, provided further that the Minister may extend the period or prescribe the condition as necessary and expedient.”

SECTION 5. The provision in Section 16 of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 3) B.E. 2550 shall be repealed and replaced with the following provision:

“SECTION 16. In respect of investing or seeking benefits for the fund, the fund manager shall make use of the employee’s savings and the employer’s contribution in accordance with the investment policy assigned by the employee. In cases where no investment policy has been assigned by the employee, the previous investment policy shall apply. In cases where no previous investment policy, the investment policy specified in the fund’s article shall apply. In cases where the fund’s articles do not specify such investment policy, the investment policy associates with minimal risks shall apply.”

SECTION 6. The following provision shall be added as the second paragraph of Section 17(1) of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 3) B.E. 2550:

“Incomes of the fund under (a), (b), (d) and (e) of the first paragraph may be specified in the fund’s articles to be recorded in accordance with the employees’ interest or recorded as the average by the number of employees of one or more employers.”

SECTION 7. The provision in the first paragraph of Section 23 of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 3) B.E. 2550 shall be repealed and replaced with the following provision:

“SECTION 23. Under Section 23/2, Section 23/3 and Section 23/4, when an employee’s membership terminates on a cause other than the dissolution of the fund, the fund manager shall make payment out of the fund to the employee in accordance with the rules and procedures provided in the fund’s articles and as prescribed by Section 23/1, and such payment shall be made in one lump sum within thirty days from the date of termination of membership.

SECTION 8. The provision in Section 23/2 of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 3) B.E. 2550 shall be repealed and replaced with the following provision:

“SECTION 23/2. In cases where any employee’s membership terminates due to his retirement as specified in the fund’s article or his resignation at the age of no less than 55 years old, if such employee declares his intention to receive installment payments from the fund, the fund manager shall make such payments from the fund as intended by the employee who shall maintain his membership for the period of time specified by the fund’s articles. The employee and his employer, however, shall not make further payments of savings or contribution respective to such employee. In this regard, receipt of payment from the fund shall be in accordance with the criteria specified by the registrar.”

SECTION 9. The following provision shall be added as Section 23/4 of the Provident Fund Act B.E. 2530:

“SECTION 23/4. In cases where the employer disengage from pooled fund and has not established the new fund or the employee’s membership terminates due to termination of employment for whatever reasons or the fund has been dissolved, if the employee declares his intention to the fund manager or the liquidator to transfer all of the amount of benefits entitled to receive from the fund by such employee or the remaining amount in cases of installment payments under Section 23/2 or to transfer the amount of benefits maintained in the fund under Section 23/3 to the retirement mutual funds or any other fund with the objective to serve as a security for termination of employment or old age, the fund manager or the liquidator shall proceed with the employee’s intention, providing that the registrar may prescribe the criteria and condition.”

SECTION 10. The provision in Section 35 of the Provident Fund Act B.E. 2530 as amended by the Provident Fund Act (No. 3) B.E. 2550 shall be repealed and replaced with the following provision:

“SECTION 35. Any fund manager who fails to comply with the order of the registrar under Section 12bis, or fails to comply with Section 16, Section 17, Section 23, Section 23/1, Section 23/2 or Section 23/4 shall be subject to a fine not exceeding fifty thousand baht.”

Countersigned by:

General Prayut Chan-ocha

Prime Minister