

**STUDENT LOAN FUND ACT,
B.E. 2560 (2017)**

HIS MAJESTY KING MAHA VAJIRALONGKORN BODINDRADEBAYAVARANGKUN;
Given on the 26th Day of January B.E. 2560;
Being the 2nd Year of the Present Reign.

His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun is graciously pleased to proclaim that:

Whereas it is expedient to revise the law on student loan fund;

Be it, therefore, enacted by the King, by and with the advice and consent of the National Legislative Assembly, as follows.

Section 1. This Act is called the “Student Loan Fund Act, B.E. 2560 (2017)”.

Section 2.¹ This Act shall come into force after the expiration of one hundred eighty days as from the date of its publication in the Government Gazette.

Section 3. The Student Loan Fund Act, B.E. 2541 (1998) shall be repealed.

Section 4. In this Act:

“Fund” means the Student Loan Fund;

“borrower” means a student who receives a student loan from the Fund;

* Translated by Associate Professor Dr. Pinai Nanakorn under contract for the Office of the Council of State of Thailand's Law for ASEAN project. – Tentative Version – subject to final authorisation by the Office of the Council of State.

¹ Published in Government Gazette, Vol. 134, Part 12a, dated 27th January 2017.

“student loan” means the money allocated to the borrower for funding tuition fees, expenses incidental to education and living expenses;

“student” means a person studying at an educational institution and shall also include a person to whom admission is granted for a study at an educational institution;

“educational institution” means a school, a higher educational institution or any other State-owned educational institution, a private school obtaining a licence for establishing a formal school under the law on private schools and a private higher educational institution obtaining a licence for the establishment thereof under the law on private higher educational institutions;

“tuition fees” means money payable for tuition fees, subscription fees and fees collected by an educational institution from students;

“expenses incidental to education” means such expenses other than tuition fees, as collected from students in accordance with the rules, notifications or orders of an educational institution for purposes incidental to education;

“living expenses” means expenses necessary for the living during an educational pursuit;

“Office” means the Student Loan Fund Office;

“Board” means the Student Loan Fund Board;

“Manager” means the manager of the Student Loan Fund;

“Minister” means the Minister having charge and control of the execution of this Act.

Section 5. The Minister of Finance shall have charge and control of the execution of this Act and shall have the power to issue Ministerial Regulations and Rules in the execution of this Act.

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

CHAPTER I ESTABLISHMENT OF THE FUND

Section 6. There shall be established a fund called the “Student Loan Fund”.

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The Fund shall be a State agency under superintendence by the Minister and shall have an entity as a juristic person which is not a Government agency under the law on administrative organisation of State affairs or a State enterprise under the law on budgetary procedures and other laws.

The Fund has as its objects the support and promotion of education through the granting of student loans in the following manners:

- (1) student loans to destitute students;
- (2) student loans to students pursuing a study in a field indicating the apparently principal need for the production of manpower and the need for national development;
- (3) student loans to students pursuing a study in a field in which shortage is encountered or a field specifically intended to be promoted by the Fund;
- (4) student loans to students with good academic performance, with a view to building up excellence.

Section 7. The Fund consists of the money and property as follows:

- (1) the money and property received and transferred under section 56;
- (2) subsidies received from the Government or money received from the annual budgetary appropriation under section 10 paragraph one;
- (3) money or property received from the operation within the powers and duties of the Fund;
- (4) money or property donated or given to the Fund;
- (5) fruits, revenues or any interests accruing on the money or property of the Fund;
- (6) any money or property other than that in (1) to (5) as received by the Fund.

Section 8. Affairs of the Fund are not subject to the law on labour protection, the law on labour relations, the law on social security and the law on compensation.

Section 9. The Fund has the powers to carry out activities within the objects under section 6 and such powers shall include:

- (1) making purchases, making procurement, taking a lease, granting a lease, holding ownership, having possession, making disposal, making juristic acts or carrying out any activities in connection with movable property or immovable property;

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- (2) establishing information technology systems and retaining evidence and documents in connection with the granting of student loans;
- (3) securing benefits from the money and property of the Fund;
- (4) carrying out any other activities related or incidental to the attainment of the objects of the Fund.

Section 10. In each financial year, the Minister shall take action in requesting the budgetary appropriation for the contribution into the Fund as may be needed.

The money received by the Fund need not be remitted to the Treasury under the law on treasury balance, the law on budgetary procedures or other laws.

Section 11. The money of the Fund shall be expended on the following activities:

- (1) providing student loans;
- (2) financing expenses incurred in the operation of the Fund;
- (3) financing expenses incurred in the administration of the Fund and other expenses related or incidental to the management of the Fund;
- (4) financing expenses incurred in the exploitation with a view to acquiring benefits under section 12.

Section 12. The money of the Fund may be put into exploitation with a view to acquiring benefits, through depositing with banks which are State enterprises or commercial banks or purchasing securities issued by the Government, State enterprises or State agencies, in accordance with the rules, procedures and conditions prescribed by the Board.

Property of other types of the Fund may be put into exploitation with a view to acquiring benefits in accordance with the rules, procedures and conditions prescribed by the Board.

Section 13. The property of the Fund used or acquired for the purpose of the operation in accordance with the objects of the Fund under this Act shall not be subject to legal execution, including administrative execution, and no person may invoke a period of prescription or a period of time for possession as a defence against the Fund on any matter in connection with the property of the Fund.

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CHAPTER II
BOARD

Section 14. There shall be a board called the “Student Loan Board”, consisting of:

(1) Permanent Secretary for Finance as Chairperson;

(2) five *ex officio* members, namely, Permanent Secretary for Education, Secretary-General of the National Economic and Social Development Board, Director of the Bureau of the Budget, Comptroller-General and Director-General of the Revenue Department;

(3) not more than five qualified members appointed by the Minister from persons possessing apparent knowledge, capability and experience in education, information technology, finance or accounting and law, provided that there shall be at least one a qualified person in each field.

The Manager shall be a member and secretary, and the Manager shall appoint one official of the Fund as assistant secretary.

Section 15. A qualified member must possess the qualifications and must not be under the prohibitions as follows:

(1) being of Thai nationality;

(2) being not over seventy years of age;

(3) not being a bankrupt or not having been a dishonest bankrupt;

(4) not having been sentenced by a final judgment to a term of imprisonment except for an offence committed through negligence or a petty offence;

(5) not being an incompetent person or a quasi-incompetent person;

(6) not having been sentenced or ordered by the Court to the effect that property shall vest in the State by reason of unusual wealthiness or an unusual increase of property;

(7) not being a political official, a holder of a political position, a member of a local assembly or a local administrator, an executive member or a holder of any executive position in a political party, an adviser to a political party or an official of a political party;

(8) not having been expelled, dismissed or removed from employment by reason of dishonesty in the performance of duties or grave misconduct;

(9) not being a person directly or indirectly interested in the operation of the Fund.

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Section 16. A qualified member shall hold office for a term of four years and may be re-appointed but may not serve for more than two consecutive terms.

At the expiration of the term under paragraph one, if the appointment of new qualified members has not yet been made, the qualified members who vacate office upon the expiration of the term shall remain in office in the interest of the continuance of work until the qualified members newly appointed take office.

Section 17. In addition to the vacation of office upon the expiration of the term under section 16, a qualified member vacates office upon:

- (1) death;
- (2) resignation;
- (3) being removed by the Minister on the ground of neglect of duties, misbehaviour or lack of competence;
- (4) being disqualified or being under any of the prohibitions under section 15.

Section 18. In the case where a qualified member vacates office before the expiration of the term and the appointment of a qualified member is made to fill the vacancy or in the case where there is any appointment of an additional qualified member during the term of office of the qualified members already appointed, the person appointed to fill the vacancy or to be an additional qualified member shall be in office for the remaining term of the qualified members already appointed, except that where less than ninety days remain in the term of office of the qualified members the appointment of a replacing or additional qualified member may be omitted and the Board shall consist of the total existing members.

Section 19. The Board has the powers and duties as follows:

- (1) to lay down policies and strategies and exercise oversight over affairs of the Fund to ensure conformity with its objects;
- (2) to monitor and assess the operation of the Fund to ensure conformity with its objects;
- (3) to make recommendations to the Minister in connection with a request for the budgetary appropriation for the contribution into the Fund;

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(4) to consider and approve an annual expenditure budget for the operation and administration of work of the Fund;

(5) to determine the scope of the granting of student loans under section 37 and to consider and approve student loans to students for the purposes of educational support and promotion;

(6) to prescribe rules, procedures and conditions for educational institutions' participation with the Fund and the form of a memorandum of understanding on participation with the Fund under section 38;

(7) to prescribe rules, procedures and conditions in connection with the granting of student loans to students and the repayment of money to the Fund;

(8) to prescribe rules, procedures and conditions in connection with the exploitation of money or property of the Fund with a view to acquiring benefits under section 12;

(9) to consider and make recommendations to the Minister on issuance of Ministerial Regulations prescribing rules, procedures and conditions for the making of requests for borrowers' personal data under possession of other persons and the disclosure of borrowers' information on receipt of student loans and repayment thereof to the Fund;

(10) to prescribe rules, procedures and conditions for engaging financial institutions or juristic persons to administer and manage the granting of student loans and monitor as well as accelerate repayment of student loans;

(11) to prescribe rules, procedures and conditions for granting borrowers relaxation on loan repayment to the Fund, reducing debts or suspending loan repayment to the Fund under section 44 paragraph three;

(12) to prescribe rules, procedures and conditions in connection with liability of sureties under section 49 paragraph three;

(13) to prescribe rules, procedures and conditions for the selection of the Manager, the conclusion of a contract with the Manager and also the determination of remuneration or other benefits of the Manager under section 31;

(14) to lay down any measures as may be needed for the purposes of the administration of the Fund and the follow-up of repayment of money to the Fund;

(15) to prescribe regulations in connection with personnel administration, finance, procurement, accounting and auditing as well as other regulations necessary for the operation and administration of work of the Fund;

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(16) to consider results of studies, analysis and appraisal of the need for student loans of students at present and in the future, as submitted by the Manager;

(17) to issue Regulations, Rules and Notifications for the purposes of carrying out any other activities in the execution of this Act;

(18) to carry out any other activities as provided in this Act or for ensuring conformity with the objects of the Fund.

The Board may delegate its powers under (2), (5), (14) and (18), insofar as they are not concerned with the prescription of rules, procedures and conditions, to the Manager or any other person for carrying out the acts on behalf of the Board.

Section 20. At a meeting of the Board, the presence of not less than one-half of the total number of members is required to constitute a quorum.

At a meeting of the Board, if the Chairperson is not present or is unable to perform the duty, one member shall be elected at the meeting to preside over the meeting.

A decision of a meeting shall be by a majority of votes. In casting votes, each member shall have one vote. In the case of an equality of votes, the person presiding over the meeting shall have an additional vote as a casting vote.

Section 21. In the performance of duties under this Act, the Board may appoint a sub-committee for considering or proposing opinions on any matter or entrust a sub-committee to perform any act as it deems appropriate.

Section 22. There shall be a sub-committee in charge of supervising and appraising educational institutions participating with the Fund, consisting of Permanent Secretary for Education as Chairman, Secretary-General of the Basic Education Commission, Secretary-General of the Higher Education Commission, Secretary-General of the Vocational Education Commission, Director of the Office for National Education Standards and Quality Assessment, a representative of the Bureau of the Budget, a representative of the Comptroller-General's Department and three qualified members appointed by the Board from persons with works or knowledge and expertise or experience in finance or accounting, law, economics, information technology or any other field beneficial to the supervision of the operation of educational institutions, as members.

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The Manager shall be a member and secretary, and one representative of the Ministry of Education and one official of the Fund appointed by the Manager shall be assistant secretaries.

Section 23. The sub-committee in charge of supervising and appraising educational institutions participating with the Fund has the powers and duties as follows:

- (1) to give the Board recommendations and advice on the performance of the duty under section 19 (6);
- (2) to monitor, inspect and supervise educational institutions participating with the Fund to ensure their compliance with the rules, procedures and conditions prescribed by the Board under section 19 (6) and report results thereof to the Board;
- (3) to analyse problems and limitations in connection with the performance of duties of educational institutions and recommend measures for solving problems to the Board;
- (4) to perform other duties as entrusted by the Board.

Section 24. There shall be a sub-committee in charge of supervising repayment to the Fund, consisting of Comptroller-General as Chairperson, a representative of the Ministry of Education, a representative of the Bureau of the Budget, a representative of the Comptroller-General's Department, a representative of the Fiscal Policy Office and three qualified persons appointed by the Board from those possessing knowledge and expertise or experience in finance or accounting, law, economics, information technology, labour or any other field beneficial to the supervision of repayment to the Fund, as members.

The Manager shall be a member and secretary, and the Manager shall appoint one official of the Fund as assistant secretary.

Section 25. The sub-committee in charge of supervising repayment to the Fund has the powers and duties as follows:

- (1) to give the Board recommendations and advice on the prescription of the rules, procedures and conditions in connection with borrowers' repayment to the Fund under section 19 (7);

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(2) to monitor, inspect and supervise repayment to the Fund to ensure compliance with the rules, procedures and conditions prescribed by the Board under section 19 (7) and report results thereof to the Board;

(3) to give the Board recommendations and advice on the performance of duties under section 19 (11) and (14);

(4) to give the Manager recommendations and advice on the performance of duties insofar as they are concerned with the follow-up of repayment to the Fund;

(5) to analyse problems and causes of borrowers' failure to make repayment to the Fund and propose measures for solving problems to the Board;

(6) to perform other duties as entrusted by the Board.

Section 26. The qualifications and prohibitions of qualified members under section 15 and meetings as well as decisions at a meeting under section 20 shall apply to a sub-committee under section 21, the sub-committee in charge of supervising and appraising educational institutions participating with the Fund and the sub-committee in charge of supervising repayment to the Fund *mutatis mutandis*.

Section 27. The Chairperson, members, secretary and assistant secretaries of the Board, the Chairperson, members, secretary and assistant secretaries of a sub-committee appointed under this Act shall be entitled to meeting allowances and other benefits in accordance with the Rule prescribed by the Minister.

CHAPTER III OFFICE OF THE STUDENT LOAN FUND

Section 28. The Fund shall have its principal office called the "Office of the Student Loan Fund" to be located in Bangkok and may establish its branches at any other places as may be needed.

Section 29. The Office has the powers and duties as follows:

- (1) to carry out work of the Fund and co-ordinate with Government agencies and organisations concerned;
- (2) to serve as the secretariat of the Board;
- (3) to prepare annual reports on work performance of the Fund for public dissemination;
- (4) to perform any other activities as entrusted by the Board.

Section 30. The Fund shall employ a Manager who possesses knowledge and expertise in administration and management and also possesses the qualifications and is not under the prohibitions as follows:

- (1) being of Thai nationality;
- (2) being not over sixty-five years of age;
- (3) being able to work for the Fund on a full-time basis;
- (4) not being or not having been a bankrupt;
- (5) not being an incompetent person or a quasi-incompetent person;
- (6) not having been sentenced by a final judgment to a term of imprisonment;
- (7) not having been expelled, dismissed or removed from employment by reason of dishonesty in the performance of duties or grave misconduct;
- (8) not being a Government official or an official or employee of a Ministry, a sub-Ministry, a Department, local administration, a State enterprise under the law on budgetary procedures or any other State agency;
- (9) not being or having been a political official, a holder of a political position, a member of a local assembly or a local administrator, an executive member or a holder of any executive position in a political party, an adviser to a political party or an official of a political party, except having vacated such position for not less than three years;
- (10) not being a manager or holding any other similar position in a partnership or a company or any other organisation;
- (11) not being a person directly or indirectly interested in any agreement made with the Fund or in any business undertaken for the Fund;

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(12) not being a shareholder in a financial institution or a juristic person engaged under section 33 paragraph two or in any other company which is a shareholder in such financial institution or juristic person.

Section 31. The selection of the Manager and the conclusion of a contract with the Manager shall be in accordance with the rules, procedures and conditions prescribed by the Board.

A contract of employment of the Manager shall be for a term not exceeding four years and, upon the expiration of the term of the contract of employment, the Board may grant one extension of the term thereof for a period not exceeding four years.

The contract of employment shall also specify details as regards the holding of office, vacation of office and conditions for work probation of the Manager.

The Manager shall be entitled to wages, remuneration or other benefits as prescribed by the Board.

Section 32. In addition to the vacation of office under the contract of employment, the Manager vacates office upon:

- (1) death;
- (2) resignation;
- (3) being disqualified or being under any of the prohibitions under section 30;
- (4) the Board passing a resolution terminating the employment on the ground of neglect of duties, misbehaviour or lack of competence.

Section 33. The Manager shall have the powers and duties as follows:

- (1) to administer affairs of the Fund in conformity with the law, Regulations, Rules, Notifications, orders, policies and resolutions of the Board with a view to the attainment of the objects of the Fund;
- (2) to study, analyse and appraise the operation and finance of the Fund for the purpose of preparing action plans, projects and annual operating plans of the Fund as well as finance plans and an annual budget for submission to the Board;
- (3) to prepare an accounting report and an annual report on work performance of the Fund for submission to the Board;

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(4) to study, analyse and appraise the need for student loans of students at present and in the future for submission to the Board;

(5) to administer and manage the granting of student loans to students;

(6) to take action in monitoring and accelerating repayment of student loans under contracts concluded by borrowers;

(7) to co-ordinate, supervise and monitor the operation of work of educational institutions with a view to the attainment of the objects of the Fund;

(8) to perform any other duties as provided in this Act or as entrusted by the Board or the Chairman of the Board or as stipulated in the contract of employment.

In carrying out the activities under (5) and (6), the Manager may engage financial institutions or juristic persons to perform duties on behalf of the Manager generally or on an *ad hoc* basis, in accordance with the rules, procedures and conditions prescribed by the Board.

Section 34. The Manager shall represent the Fund in its affairs dealing with third parties. For this purpose, the Manager may authorise any person to perform the duty in accordance with the rules, procedures and conditions prescribed by the Board.

Section 35. The Manager shall be the superior of officials and employees of the Fund and be answerable to the Board in the administration of the Fund to ensure conformity with its objects, the law, Regulations, Rules, Notifications, orders, policies and resolutions of the Board.

Section 36. When the office of the Manager becomes vacant and a new Manager has not yet been appointed or in the case where the Manager is not present or is present but unable to perform duties, the Deputy Manager shall be the acting Manager. In the case where there is no one holding office of Deputy Manager, the Board shall appoint one of its member or one official of the Fund as acting Manager.

The acting Manager shall have the same powers and duties as those of the Manager.

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CHAPTER IV
GRANTING STUDENT LOANS

Section 37. Before each academic year commences, the Board shall, by Notification, prescribe the nature of student loans, the scope of the granting of student loans, academic subjects, educational institutions or educational levels and study programmes in respect of which student loans may be granted.

The Notification under paragraph one shall be disseminated to the general public by:

- (1) posting it openly at the Office and disseminating it via electronic media of the Fund;
- (2) furnishing it to educational institutions and requesting such educational institutions to disseminate it to the general public by, at least, posting it at a conspicuous place in educational institutions' areas.

Section 38. An educational institution intending to participate with the Fund under this Act shall submit an application therefor to the Fund in accordance with the rules, procedures and conditions prescribed by the Board.

The educational institution to which approval is granted for participation with the Fund under paragraph one shall conclude a memorandum of understanding with the Fund in accordance with the form prescribed by the Board and must strictly perform the duties provided in the memorandum of understanding. If any educational institution fails to perform the duties correctly and completely, the Fund may revoke the participation of such educational institution.

Section 39. Any student who intends to apply for a student loan must pursue a study at an educational institution participating with the Fund under section 38 and must be of Thai nationality, possess the qualifications and be under no prohibitions as prescribed by the Board.

Section 40. Any student who intends to apply for a student loan of any description shall submit an application to the Board, in accordance with the form and procedures prescribed by the Board.

Section 41. A student for whom a student loan is approved must conclude a loan agreement in accordance with the form, rules, procedures and conditions prescribed by the Board.

In concluding a loan agreement under paragraph one, the Board may also require a surety for the repayment to the Fund.

Section 42. A borrower is bound to perform a loan agreement strictly.

For the purposes of administering the Fund and following up repayment to the Fund, a borrower has the duties as follows:

(1) to give consent, at the time of the conclusion of a loan agreement, authorising the person in charge of paying assessable incomes under section 40 (1) of the Revenue Code to deduct the borrower's assessable incomes in an amount notified by the Fund for the purpose of repayment of the student loan to the Fund;

(2) to notify his status as the borrower to the head of a State agency or private agency with which he enters into employment, within thirty days as from the date of commencement of the employment and give consent to the deduction of his assessable incomes in the execution of section 51;

(3) to give consent to the Fund for accessing his personal data which are in possession of other persons and give consent to the Fund for disclosing data in connection with the loan and repayment thereof to the Fund.

Section 43. In each academic term, the borrower shall notify his request to the Fund for disbursement of a student loan. In this regard, the academic registration, the amount of tuition fees, expenses incidental to education and living expenses must be certified by the educational institution in accordance with the form prescribed by the Board.

The Fund shall pay tuition fees and expenses incidental to education, in the amount notified under paragraph one, to the educational institution where the borrower pursues a study while living expenses shall be paid by the Fund directly to the borrower's account, and

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it shall be deemed that the money paid to such educational institution or borrower is part of the student loan, repayment of which is required to be made by the borrower to the Fund.

It shall be deemed that the amount of the tuition fees, expenses incidental to education and living expenses as notified and as transferred by the Fund to the educational institution and the borrower is the correct amount, as to which the borrower shall be bound and liable to repay to the Fund. If any amount of the student loan has been received by the borrower, the Fund shall also notify it to the borrower.

CHAPTER V REPAYMENT TO THE FUND

Section 44. The borrower, upon completion or discontinuance of the study, has the duty to make repayment of the student loan received under the loan agreement to the Fund in accordance with such amount, period of time and procedure as notified by the Fund.

The Board may allow interest or any other benefit to be chargeable against the borrower as from any time after completion or discontinuance of the study, provided that the rate of interest or any other benefit chargeable on the date of the agreement must not exceed seven and a half percent per year and compound interest is prohibited.

In the case where it is necessary, the Manager may grant the borrower relaxation to the effect that repayment shall be made to the Fund differently from the amount, period of time or procedure prescribed under paragraph one or to the effect that the debt shall be reduced or repayment to the Fund shall be suspended as requested by the borrower, as an individually particular case or generally, in accordance with the rules, procedures and conditions prescribed by the Board under section 19 (11).

In the case where any borrower defaults on repayment to the Fund without being granted relaxation under paragraph three, the Board may require the borrower to pay additional money at the rate not exceeding one and a half percent per month.

Section 45. For the purposes of administering the Fund and following up repayment to the Fund, the Fund shall have the powers to carry out the following activities:

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(1) to request for personal data of the borrower from agencies or organisations in public and private sectors or any persons possessing such personal data;

(2) to disclose information on the borrower's loan and repayment to the Fund to agencies or organisations in public and private sectors or any persons as requested;

(3) to proceed with measures prescribed by the Board under section 19 (14).

The pursuit of the action under (1) and (2) shall be in accordance with the rules, procedures and conditions prescribed in the Ministerial Regulation.

Section 46. For the purpose of the operation of the Fund under section 45 (1), agencies or organisations in public and private sectors or any persons possessing personal data of the borrower shall furnish the data to the Fund as requested by the Fund, within a reasonable time.

Section 47. The borrower may make repayment to the Fund prior to the period of time under section 44 or terminate the loan in writing at any time.

The borrower who gives a written notice terminating the loan under paragraph one shall be bound to make repayment of the student loan totally received to the Fund within thirty days as from the day following the date of the notice terminating the loan.

Section 48. Upon the occurrence of any of the following events, the Fund may terminate a loan agreement of the borrower:

(1) it appears thereafter that the borrower has not been eligible for applying for the loan, concealed the fact which should have been disclosed or given fundamentally false statements;

(2) the borrow fails to perform the loan agreement or any promise given to the Fund.

The borrower whose loan agreement is terminated under paragraph one shall be bound to make repayment of the student loan totally received to the Fund within thirty days as from the day following the date of the notice terminating the loan.

Section 49. In the case of the death of the borrower, the loan agreement and the borrower's duties as well as liabilities towards the Fund shall be extinguished.

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In the case where the borrower has such disability or infirmity as to be unable to work, the Manager shall have the power to order suspension of the demand of repayment under a loan agreement, in accordance with the Rule prescribed by the Board.

In the case of the death of the surety, the proceeding in connection with liabilities of the surety shall be in accordance with the rules, procedures and conditions prescribed by the Board.

Section 50. As regards debts arising under this Act, the Fund shall have a preferential right over all property of the borrower in the first rank of precedence next to supplies of daily necessities under section 253 (4) of the Civil and Commercial Code.

Section 51. Any person, group of persons or juristic person in the public and private sectors that makes payment of assessable incomes under section 40 (1) of the Revenue Code shall have the duty to deduct assessable incomes of the borrower who is an official or employee of such payer thereof for the purpose of repayment of the loan in the amount notified by the Fund. In this regard, remittance thereof shall be made to the Revenue Department within the period of time fixed for remittance of withheld income tax, in accordance with the rules, procedures and conditions prescribed in the Notification of the Director-General of the Revenue Department.

The deduction of the money under paragraph one must be made in a manner first allowing repayment to the Fund after the tax withholding as well as the deductions towards the funds under which deductions are to be made against the borrower under the law on Government Pension Fund, the law on Provident Fund, the law on labour protection and law on social security.

The Revenue Department shall, upon receipt of the money from the payer of the assessable incomes under paragraph one, remit the same to the Fund in accordance with the rules, procedures and conditions prescribed by the Revenue Department with the approval of the Ministry of Finance.

If the payer of the assessable incomes under paragraph one fails to deduct the assessable incomes, makes deduction thereof without remitting the same or with remitting the same in a deficient amount not corresponding to that notified by the Fund or makes deduction thereof and remitting the same after the period of time under paragraph one, the payer of the assessable incomes shall be liable to pay the money required to be remitted on the part of the

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borrower in the amount notified by the Fund plus the additional money at the rate of two percent per month of the amount not yet remitted by the payer of the assessable incomes or in the amount representing the deficiency, as the case may be, as from the day following the date on which the remittance under paragraph one becomes due.

In the case where the payer of the assessable incomes has deducted the assessable incomes of the borrower, it shall be deemed that the borrower has made repayment the student loan in the amount deducted.

CHAPTER VI FINANCE AND ACCOUNTING

Section 52. The Board shall make available appropriate accounting systems capable of controlling as well as administering student loan debtors and preparing financial reports accurately indicating the financial standing and operational outcomes of the Fund, in accordance with generally recognised accounting principles.

Section 53. Receipt of money, disbursement of money and retention of money of the Fund shall be in accordance with the Rule prescribed by the Board.

Section 54. The Fund shall make available internal audits of its finance, accounting and procurement and report audit results to the Board at least once a year.

The Board may appoint a licenced auditor, who is not an official or employee of the Fund, for conducting an internal audit of a particular matter, with direct answerability to the Board, in accordance with the Rule prescribed by the Board.

Section 55. The Fund shall prepare financial statements for submission to the auditor within one hundred twenty days as from the end of every accounting year.

The accounting year of the Fund shall be by reference to the financial year under the law on budgetary procedures.

Every year, the Office of the Auditor-General or the person approved by the Office of the Auditor-General shall be the auditor of the Fund and prepare an audit report for submission to the Minister within one hundred fifty days as from the end of the accounting year.

The Fund shall publish in the Government Gazette its annual report indicating financial statements together with the auditor's audit report as well as a summary of works of the past year.

TRANSITORY PROVISIONS

Section 56. All business, property, rights, duties, obligations, commitments, officials as well as employees and the budget of the Student Loan Fund under the Student Loan Fund Act, B.E. 2541 (1998) and of the Student Loan Fund which is associated with future incomes under the Rule of the Ministry of Finance on Administration of the Student Loan Fund, B.E. 2549 (2006) issued under the Treasury Balance Act, B.E. 2491 (1948) as existing on the date prior to the date on which this Act comes into force shall be transferred to the Student Loan Fund under this Act.

Section 57. The Manager under the Student Loan Fund Act, B.E. 2541 (1998) holding office on the date prior to the date on which this Act comes into force shall be the Manager under this Act and remain in office until the vacation of office under the original contract of employment or on any other ground.

Section 58. In the initial period, the Student Loan Board shall consist of members under section 14 (1) and (2) and the Manager under section 57 shall be a member and secretary, for performing the duties of the Board under this Act *pro tempore* and the Minister shall appoint qualified members under section 14 (3) within ninety days as from the date on which this Act comes into force.

The Manager under paragraph one shall appoint one official of the Fund transferred under section 56 as assistant secretary.

Section 59. In the initial period, the sub-committee in charge of supervising and appraising educational institutions participating with the Fund under section 22 and the sub-

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committee in charge of supervising repayment to the Fund under section 24 shall consist of *ex officio* members and shall perform the duties *pro tempore* until the Board has appointed members to form the full composition of the sub-committees under section 22 and section 24.

Section 60. Officials and employees of the Student Loan Fund under the Student Loan Fund Act, B.E. 2541 (1998) as transferred to become officials and employees of the Fund under section 56 shall receive the same salaries or wages as well as benefits as those currently received *pro tempore* until they are recruited and appointed to hold office in the Office of the Student Loan Fund, provided that they shall not be granted lower salaries or wages than those currently received.

Section 61. Debts of borrowers under the Student Loan Fund Act, B.E. 2541 (1998) and debts of recipients of a repayable scholarship under the Rule of the Ministry of Finance on Administration of the Student Loan Fund, B.E. 2549 (2006) issued under the Treasury Balance Act, B.E. 2491 (1948) which remain in arrears or which have not yet fallen due shall be deemed to be debts which the borrowers or recipients of a repayable scholarship are bound to repay to the Fund under this Act in accordance with the rules, procedures and conditions prescribed by the Board.

Section 62. All applications submitted by students for loans from the Student Loan Fund under the Student Loan Fund Act, B.E. 2541 (1998) and the Student Loan Fund which is associated with future incomes under the Rule of the Ministry of Finance on Administration of the Student Loan Fund, B.E. 2549 (2006) issued under the Treasury Balance Act, B.E. 2491 (1948) pending the consideration on the date prior to the date on which this Act comes into force shall be deemed to be applications for student loans under this Act and shall be proceeded with under this Act.

Section 63. All actions brought before the Court by the Student Loan Fund under the Student Loan Fund Act, B.E. 2541 (1998) and the Student Loan Fund which is associated with future incomes under the Rule of the Ministry of Finance on Administration of the Student Loan Fund, B.E. 2549 (2006) issued under the Treasury Balance Act, B.E. 2491 (1948) shall be taken over by the Student Loan Fund under this Act. In this regard, the Student Loan Fund under this Act may challenge documents already submitted or cross-examine or challenge evidence already taken.

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In the case where the Court has rendered judgment for execution under paragraph one, the Student Loan Fund under this Act shall become the judgment creditor instead.

Section 64. All Regulations, Rules and Notifications issued under the Student Loan Fund Act, B.E. 2541 (1998) and the Rule of the Ministry of Finance on Administration of the Student Loan Fund, B.E. 2549 (2006) issued under the Treasury Balance Act, B.E. 2491 (1948) as in force on the date prior to the date on which this Act comes into force shall continue to be in force insofar as they are not contrary to or inconsistent with this Act until Ministerial Regulations, Regulations, Rules or Notifications are issued under this Act.

Countersigned by:

General Prayut Chan-o-cha

Prime Minister

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