

Amendment Act to Thailand's Civil & Commercial Code

As of June 9, 2020, the Thai Cabinet has introduced an Amendment to Thailand's Civil & Commercial Code ("Amended CCC"). The Amended CCC was introduced to update both Civil & Commercial Code up to the current practice and standard. The Amended CCC has been approved by the Thai Cabinet and currently in the final stage of pending parliamentary approval.

Below are the key amendments to the Civil & Commercial Code (CCC):

1. Formation of a partnership limited or company limited may now be applied at any Company and Partnership Registration Office as announced by the Thai minister (Section 1016);
2. The Thai minister may also waive related fee and reduce the required documents to be submitted in relation to partnerships and limited companies (Section 1020/1);
3. Memorandum of Association ("MOA") will become void if a limited company fails to be established within a three-year period;
4. MOA that had been registered prior to the enforcement of the Amended CCC and had exceeded the three-year period shall be granted a 180 days extension from the effective date of the Amended CCC, the said MOA will become void if it passes the extension period;
5. Companies which have company seals must affix their company seals on all share certificates (Section 112);
6. In support of the social distancing guideline ("New Normal"), the Board of Directors' meeting may now be held without having to be present in person or in the same venue (unless restricted by company's Articles of Association).
7. Following (6), New Normal meeting must comply with all related Ministerial Regulations (i.e. Security Standard for Electronic Meetings issued by Thailand Ministry of Digital Economy and Society) and once complied, directors attending the Board of Directors' meeting via electronic means shall be deemed present at the meeting and have the rights to vote;
8. Notice of shareholders' meeting (i.e. Annual General Meeting and/or Extraordinary General Meeting) must be sent to all shareholders whose names are on the company's share register book via registered mail with acknowledgment of receipt.
9. Companies with bearer shares must still make an announcement via local newspaper in addition to sending the notice of shareholders' meeting to all shareholders (Section 1175).

Overall, this Amended CCC was designed to further promote the ease of doing businesses in Thailand. Companies are encouraged to stay-up-to date on the latest amendments and regulations. For further details and updates, please contact us at law@ilct.co.th

International Legal Counsellors Thailand Ltd.

บริษัท ที่ปรึกษากฎหมายสากล จำกัด

Affiliation : Russin & Vecchi



+66 2 679 6005



+66 2 679 6041



www.ilct.co.th



law@ilct.co.th