

BILL OF AMENDMENT OF THAI CCC

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On 9 June 2020, the Thai Cabinet approved the Bill of Amendment of Civil and Commercial Code (No....) B.E... (the “**Bill**”) as proposed by the Ministry of Commerce (“**MOC**”) and reviewed by the Office of the Council of State. If enacted, the Bill would ease the registration process for, and create more flexibility in the business operation of partnerships and companies as well as reducing costs for entrepreneurs. The key aspects of the Bill are summarized below.

1. Applications for registration of partnerships or companies may be filed at any business registration office as prescribed by the Ministerial Regulation (e.g. an application for registration of a partnership or a company having its head office address in Chonburi Province may be filed in Bangkok Metropolis).
2. The Minister will be authorized to reduce or exempt the fees for registration, certification or examination of corporate documents from the MOC database and other fees related to partnerships and companies.
3. A Memorandum of Association (“**MOA**”) will expire if it has not been registered for incorporation within three years of registration with the MOC (currently, an MOA will expire if it has not been registered for incorporation within 10 years of registration with the MOC). In addition, any MOA which has been registered with the MOC more than three years prior to the effective date of the Bill, but has not yet been registered for incorporation, may be done so within 180 days after the effective date of the Bill.
4. Every share certificate shall bear a corporate seal only if a company has a seal.
5. Board meetings may be held via any means of technology. It is no longer necessary for directors to be physically present at board meetings except when the Articles of Association prohibit otherwise. The directors attending such meeting via electronic means will be deemed present, counted as a quorum and entitled to vote in the board meeting so far as the meeting is held in compliance with the terms, conditions and procedures as set out in the Ministerial Regulation.
6. The notice for every general meeting of shareholders must be sent to all shareholders by post with reply mail (currently the notice must also be published in the local newspaper) with the exception that if the company has bearer shares, the notice must also be published in a local newspaper.

The Bill will now be proposed to the Parliament before enactment. We will keep you updated on the progress of this Bill.



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