Doing Business in Thailand 2015







Preface

In order to cope with the challenges of today's rapidly changing world, every country is striving to improve its strength and capabilities in all aspects. Thailand, like many other nations, is undertaking the same effort with particular emphasis on the economic sector which is integral to building the country's strength and competitiveness.

The Office of the Public Sector Development Commission (OPDC), as the main agency in driving the development of the government sector, recognizes the importance of supporting government agencies to improve their operations to meet the requirements for all related parties, especially the business sector. To assist in the facilitation of doing business, OPDC has developed the "Doing Business in Thailand" manual, to provide businesses, potential investors and related parties with a single source of accurate and up-to-date information of government services.

In this manual, OPDC has brought the case studies used in the World Bank's Ease of Doing Business study as guiding examples in explaining the details of doing business in Thailand. During the making of this manual, we have received invaluable cooperation in compiling the relevant information from related agencies, to whom we would like to express our sincere appreciation and gratitude.

Lastly, we hope that this manual will be beneficial to related parties, and will lead to further development and improvement of the operations of the government sector, in order to continuously provide our services to investors in conducting business in Thailand.



Office of the Public Sector Development Commission

June 2014

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Symbols



Time to complete task



Fees/Expenses (Baht)



Related Agencies



Related Laws & Regulations



Points to Note



Further Information



Contact Information/ Website for further inquiries

Overview

Starting a Business

Operating a Business

Dealing with **Business Issues**







Registering **Property**



Protecting Investors

Paying **Taxes**

Trading **Across Borders** **Enforcing** Contracts

Resolving Insolvency











Reserve the Company Name



Deposit Paid-in Capital



Obtain Corporate Seal



the Company Connect



Obtain **Building Permit**



Obtain Occupancy **Permit**



Connect Telephone



Request & Water



Submit Request and Make Payment



Conduct External **Connection Works** (if any)







Obtain Certified Copies of Company **Documents**



Register **Property**



Credit Information



Legal Rights in Collateral



Legal Rights in Claims



Information Disclosure



Directory Liability



Ease of Shareholder Suits





Tax Calculation



Tax Filing and Payment





Port Handling



Customs Clearance & Port Handling

* Excludes document preparation time











Bankruptcy



Starting a Business

1. Starting a Business

There are various types of business entities which investors can set up in Thailand, with Company Limited being the most popular. This manual will describe the procedures involved with starting a business, using setting up of a Company Limited as an example.



Related Agencies





Department of Business Development



Revenue Department

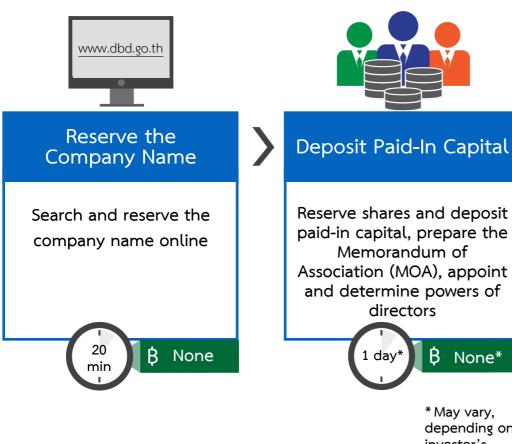


Social Security Office



Department of Labor Protection and Welfare

Process, Time and Fees in Registering a Business:



B None*

* May vary, depending on investor's arrangements

Stores Obtain Corporate Seal

Obtain a corporate seal**



370

** The law does not require the company to obtain a corporate seal unless stated in the company's regulation that the authorization of directors require affixation of the company seal.



Register the Company

Register the company and submit Working Regulations (if any)



\$ 8,760***

- *** Registration Fees for Company Limited with
- 1.5 Million Baht capital include:
- Registration of the company & certificate 8,350 Baht
- Stamp duty for the MOA 200 Baht
- Stamp duty for the Company Regulation (if any) 200 Baht
- · Stamp duty for Power of Attorney (if any) 10 Baht

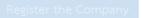
- For Other Types of Business Entity, please see Appendix 1-1
 - For information on investment incentives, please visit www.boi.go.th



- Department of Business Development www. dbd.go.th, Call Center 1570
- · Social Security Office www.sso.go.th, Call Center 1560
- · Department of Labour Protection www.labour.go.th, Call Center 1546

Deposit

Obtain Corporate Seal





Starting a Business

Reserving the Company Name





Related Laws and Regulations



- Civil and Commercial Code Section 18, Section 67, and Section 115
- Rule of Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 Clause 24-29 and Clause 38-39

Related Agency





Department of Business Development







Register an Account (One of the Founders



Search* and Reserve the Company Name



Print out the Notice of Reservation

The promoter must sign the Notice to accept all terms and conditions, and attach it to the Request for Registration.



* Point to Note:

The promoter is responsible for ensuring that the requested company name is not identical or similar to, or similar to, an existing name, whether in terms of the spelling or the pronunciation. The name must also comply with the Rule of Office of the Central Company and Partnership Registration. If the company name is not distinguishable from the name already registered, the promoter may be liable for damages done to related stakeholders and must change the company name accordingly.



For guidance on reservation of the company name, please visit www.dbd.go.th



Office of the Central Company and Partnership Registration, Floor 9, Department of Business Development Tel. 0 2547 4450 and 0 2547 5982 or 1570 Ext. 3323, 3680

Deposit Paid-In Capital





May vary, depending on investor's arrangements

To complete both the memorandum registration and the company registration in one day, all of the following steps must also be proceeded on the same day.

Related Laws and Regulations



- Civil and Commercial Code Section 1105 and Section 1110
- Rule of Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 Clause 46

Related Agency





Department of Business Development



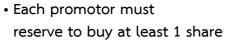
At least 3 founders/ promoters submit the Memorandum of Association

Promoters' qualifications:

- An ordinary person, not juristic
- 12 years of age and older
- Able to sign the Request for Registration



Buy all shares to issue the authorized capital



- The share value must be at least 5 Baht per share (No minimum registered capital requirement)
- All shares must be bought prior to the company registration



Convene a statutory meeting

For details on the Meeting Agenda, please see Appendix 1-2



Promoters
transfer the business
to the directors



The directors call upon subscribers to pay for the shares

The directors require every promoters and subscribers to pay at least 25% of the total share value

Notes:

- The promoters must submit the Memorandum of Association within 30 days after the Company Name reserved is approved.
- The company directors must sign the request for Company Registration and submit it within 3 months after the statutory meeting is held.

 Otherwise, the meeting is considered nullified, and in order to proceed with the registration, another statutory meeting must be held.



For examples on the Powers of Company Directors, please visit www.dbd.go.th

Further information on related document and laws & regulations can be found in Appendix 1-3



Starting a Business

Obtain Corporate Seal





The law does not require the company to obtain a corporate seal unless stated in the company's regulation. If it is stated that the authorization of directors requires affixation of the company seal, the seal must also be registered.

Related Laws and Regulations



- Identification of the Offense of Registered Partnership, Limited Partnership, Company Limited, Association and Foundation Act B.E. 2499 Section 3 and Section 5
- Rule of Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 Clause 40-43

Related Agencies





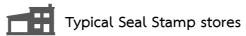
- Department of Business Development
- Seal makers or related stores

Guidance on Obtaining Corporate Seal*

- •The seal must not violate any regulations
- · If the seal contains the Company Name, the name must be identical to the name requested for registration and it must states the type of organization.
- •To register more than one Corporate Seal, the company must clearly state which one is to use in what occasion.



Order and Purchase A Corporate Seal





Register
The Corporate Seal

Submit the request with the request for Company Registration at the Office of Business Registration in the area which the business is located



Point to Note: The Corporate Seal must not violate the regulations, otherwise it cannot be registered and the business may be fined.



* For Regulations on Corporate Seal, please visit www.dbd.go.th



Starting a Business

Register the Company







- Registration fees for Company Limited with 1.5 Million Baht capital include:
- Registration of the Company and Certificate 8,350 Baht
- Stamp duty for the MOA 200 Baht
- Stamp duty for the Company Regulation (if any) 200 Baht
- Stamp duty for Power of Attorney (if any) 10 Baht

Related Agencies





Department of Business Development



Revenue Department

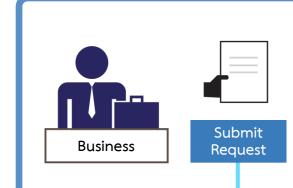


Social Security Office



Department of Labour Protection and Welfare

At the Office of Business Registration in the area which the business is located.





Officer verifies all documents and completes the registration



Make payment and receive:

- Registration Certificate
- Receipt Note of Copy of Company Work Regulations



START

Start the Business

1. Register the Company

2. Obtain Taxpayer Identification Number

3. Register New Business

(For further registration of social security and workmen's compensation fund)

(when hiring 1 or more employees)

Note:

Must register within 30 days from employment date.

(Please see Appendix 1-5)

4. Submit Company Work Regulations (if any)

(when hiring 10 or more employees)

Note:

Only required after hiring 10 or more employees and must be announced to all employees within 15 days.

(Please see Appendix 1-6)



- Office of the Central Company and Partnership Registration, Department of Business Development Floor 4, Nonthaburi 1 Road, Nonthaburi or at 87 branch office nation wide
 - Social Security Office http://www.sso.go.th/wpr/category.jsp?lang=th&cat=860
 - Department of Labour Protection and Welfare http://www.labour.go.th

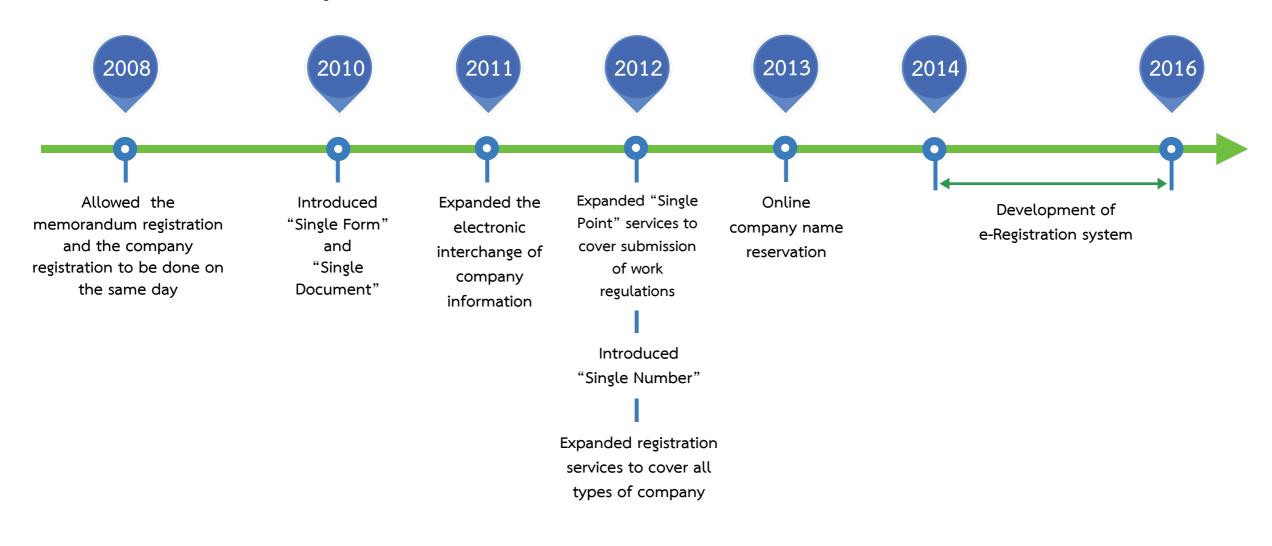
Further information on related document, fee, and laws & regulations can be found in Appendix 1-4

Developments and Reforms in Starting a Business





Department of Business Development, Revenue Department, Social Security Office, and Department of Labour Protection and Welfare has improved their services to facilitate Starting a Business as followed.





Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Department of Business Development	Developed the e-Registration system DBD is developing the e-Registration system during 2014-2016. The system will offer full services for Company Registration online.	-	Will be available in 2016
Department of Business Development	Introduced online company name reservation DBD has made company name reservation faster and more convenient with the introduction of its online platform. A company could make name reservation online and the officer would confirm the submitted name only if: 1) its use would constitute an offence or is offensive 2) its foreign name does not match its Thai name 3) it does not conform to the Thai language	-	14 January 2013
	If the name submitted is similar to that of other existing companies, the promoter requested for the name will be liable as stated in the Civil and Commercial Code Section 18, Section 67, and Section 115 and must change the name immediately. Online name reservation enabled businesses to proceed with company registration without having to visit the Registration Office, which saved both time and cost for the businesses. Notification of the results is also faster (within 20 minutes).		



Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date	
	Developed "Single Point" service, introduced "Single Form" and "Single Document", and expanded registration services to cover all types of company Upon completion of company registration, the business would receive a Company Registration Number. This number would automatically be recognized as the business's Tax ID Number and can be used as the reference for Employer Account registration and work regulations submission. As a result, 4 steps could be done at a Single Point in 1 simple step, reducing time involved from 25 days to 1 hour since 2012.			
	1) Expanded "Single Point" services to cover submission of work regulations and passed on the initiative to the Department of Labour Protection and Welfare	Order of the Department of Labour Protection and Welfare No. 611/2554 Regarding the Power of Attorney in Accepting Work Regulations under Section 108 Paragraph 2 of Labour Protection Act B.E. 2541 (Ordered on 20 September 2011)	1 March 2012	
Department of Business Development Revenue Department Social Security Office Department of Labour Protection and Welfare Telepartment of Social Security Office Telepartment of Social Security Social Security Social Security Office Telepartment of Social Security Social Security Office Telepartment of Social Security Social Securi	2) Expanded registration services to cover all types of company	 Order of the Ministry of Labour No. 240/2554 Regarding the Appointment of Officials under the Social Security Act B.E. 2533 (Ordered on 23 December 2011) Order of the Ministry of Labour No. 241/2554 Regarding the Appointment of Officials under the Workmen's Compensation Act B.E. 2537 (Ordered on 23 December 2011) Order of the Ministry of Labour No. 88/2553 Regarding the Appointment of Officials under the Social Security Act B.E. 2533 (Ordered on 5 July 2010) Order of the Ministry of Labour No. 89/2553 Regarding the Appointment of Officials under the Workmen's Compensation Act B.E. 2537 (Ordered on 5 July 2010) Notification of the Social Security Office Regarding the Registration Forms under the Social Security Act B.E. 2546 (and its Amendments) 	16 February 2012	
	3) Introduced "Single Number"	Notification of the Director-General of Revenue Department Regarding the Requirements of Taxpayer Identification Number in Complying with the Revenue Code (No. 3) (Announced on 11 January 2012)		
	4) Introduced "Single Form" and "Single Document"	 MOU on the Development of e-Starting Business (Signed on 23 March 2010) Notification of the Ministry of Finance Prescribing the Appointment of Officials (No. 55) Regarding the Appointment of Assessment Officials under the Revenue Code (Announced on 21 June 2010) Order of the Ministry of Labour No. 88/2553 Regarding the Appointment of Officials under the Social Security Act B.E. 2533 (Ordered on 5 July 2010) Order of the Ministry of Labour No. 89/2553 Regarding the Appointment of Officials under the Workmen's Compensation Act B.E. 2537 (Ordered on 5 July 2010) Notification of the Social Security Office Regarding the Registration Forms under the Social Security Act B.E. 2546 (and its Amendments) 	6 July 2010 (Central area) 1 October 2012 (Nationwide)	





Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
 Department of Business Development Department of Labour Protection and Welfare Customs Department Excise Department Department of Employment Department of Industrial Works Board of Investment The Industrial Estate Authority of Thailand 	Expanded the electronic interchange of company information Expanded the electronic interchange of company information to involve the Customs Department, Excise Department, Department of Employment, Department of Industrial Works, Board of Investment, and the Industrial Estate Authority of Thailand	MOU on the Development of e-Doing Business	12 May 2011
Department of Business Development	Allowed the memorandum registration and the company registration to be done on the same day	The Civil and Commercial Code Amendment Act (No. 18)	2008

Dealing with Construction Permits

2. Dealing with Construction Permits

This section discusses the steps in obtaining a construction permit, including telephone and water connections, by using an example of building a new 2-story warehouse located in Bangkok for the associated procedures, time and costs. The sample building is used for general storage, has a complete architectural plan and accompanying documents certified by a licensed architect and engineer, and is located 10 meters from the main water and telephone networks. The construction time is approximately 30 weeks, excluding any delays.



Related Agencies





Bangkok Metropolitan Administration



• TOT Public Company Limited



 Metropolitan Waterworks Authority

Process, Time and Fees in Obtaining Building & Occupancy Permit, Telephone and Water Connection:



^{*} Time taken in practice and as stated by the law



- To obtain permits for other types of building, please see further information at http://office.bangkok.go.th/bcd
- To obtain permits in other provinces, please contact local municipal offices



- Public Works Department, Bangkok Metropolitan Office www.bangkok.go.th, Tel. 02 246 0301-2
- Metropolitan Waterworks Authority www.mwa.co.th, Call Center 1125
- TOT Public Company Limited www.tot.co.th, TOT Contact Center 1100 or 02 505 1100



Obtain Building Permit





- Time taken in practice and as stated by the law, after the day the documents are submitted.
- ** Drawing inspection fee 651 Baht (50 Satang per Square Meters) Building permit fee 20 Baht

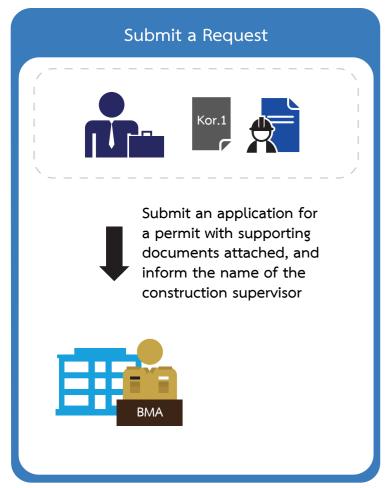


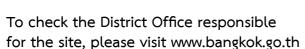
Related Agency

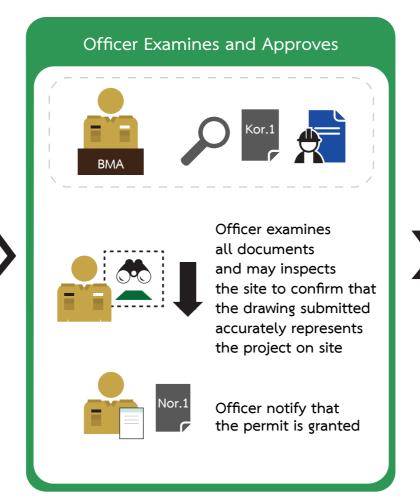


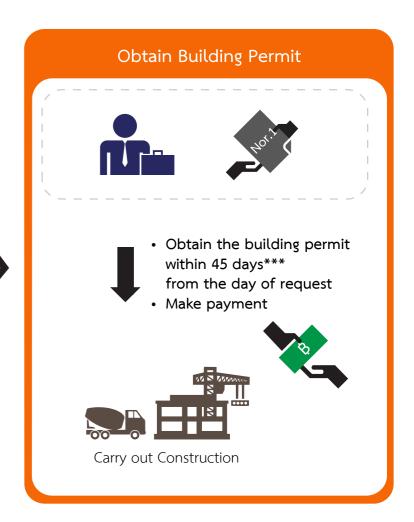
• Bangkok Metropolitan Administration

At the District Office in the area which the site is located.









*** For case that the drawing does not require any further edits.



Public Works Department, Bangkok Metropolitan Administration Tel. 02 246 0301-2 For locations and contact information of other offices, please visit www.bangkok.go.th



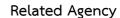






* Time taken in practice and as stated by the law, after the day the documents are submitted.

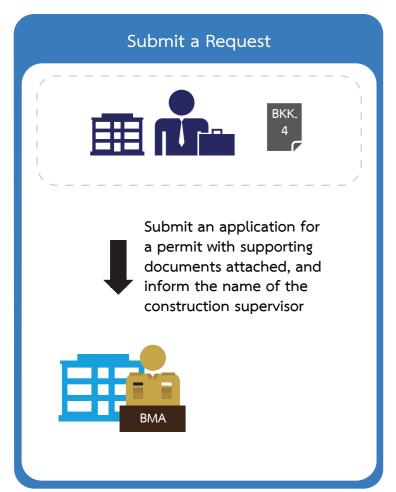
** Occupancy permit fee 10 Baht

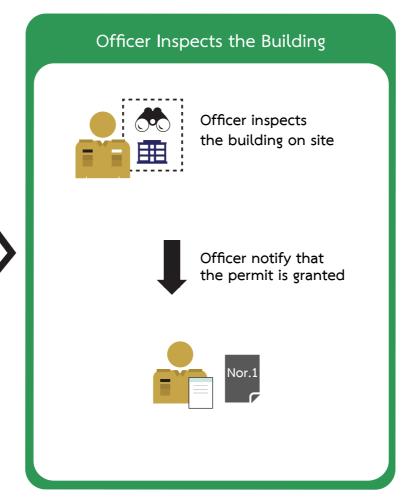




Bangkok Metropolitan
 Administration

At the District Office in the area which the site is located.







To check the District Office responsible for the site, please visit www.bangkok.go.th

*** For case that the construction is completed and all required safety equipments are in place.



Public Works Department, Bangkok Metropolitan Administration Tel. 02 246 0301-2 For locations and contact information of other offices, please visit www.bangkok.go.th

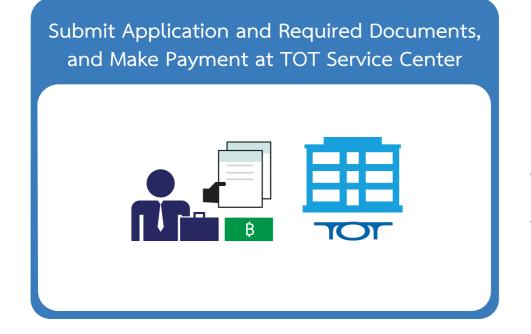


Request & Connect Telephone













For more information on Service Center and telephone connection, please visit http://www.tot.co.th



TOT Public Company Limited www.tot.co.th TOT Contact Center Tel. 1100 or 02 505 1000

Post-Construction

Request & Connect Water





- * Request for A Company
- ** For water meter size 3/4 inches
 Related cost 6,000 Baht (Excluding VAT)
 Deposit 600 Baht (Returned when the service is terminated)



Related Agency



 Metropolitan Waterworks Authority

Submit Application and Required Documents



>

Officer Inspects Site and Bills Cost within 2-14 Days



>

Make Payment at Bill Collection Section



(With cash or cheque)

Officer Installs Service Meter within 3-15 Days



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Metropolitan Waterworks Authority <u>www.mwa.co.th</u> Call Center Tel. 1125

Further information on related document and laws & regulations can be found in Appendix 2-1

Developments and Reforms in Getting a Construction Permit





The Bangkok Metropolitan Administration has improved its services as follows:





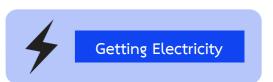


Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Bangkok Metropolitan Administration (BMA)	Allowed district directors to approve construction permit on behalf of the Bangkok Governor BMA has facilitated Dealing with Construction Permit by allowing district directors to act on behalf of Bangkok Governor under Building Control Act B.E. 2522 (1979) except for permit of high-rise buildings and large buildings.	Order of Bangkok Metropolitan Administration Office No. 369/2556 The Power of Attorney of the Bangkok Governor on Building Control	1 April 2013
Bangkok Metropolitan Administration (BMA)	Offered One Stop Services at Bangkok Service Center BMA has offered one stop service centers under the name "Bangkok Service Center" with the aim to cover all of Bangkok's 50 districts. Each District Office provides various kind of public services, which are administered by 10 different sections. The center has given out service handbooks to guarantee the standard of service quality.		Available at some of the Offices since 2007

Getting Electricity



3. Getting Electricity



This section discusses the procedures, time and costs for getting an electricity connection by using the case of a newly constructed 2-story building located in Bangkok and not situated in any special industrial or economic zone. The building is connected to a main road and does not require more than 150 meters of external connection work. The connection is a 3-phase, 4-wire, 230/400 Volt, 140 kVA.

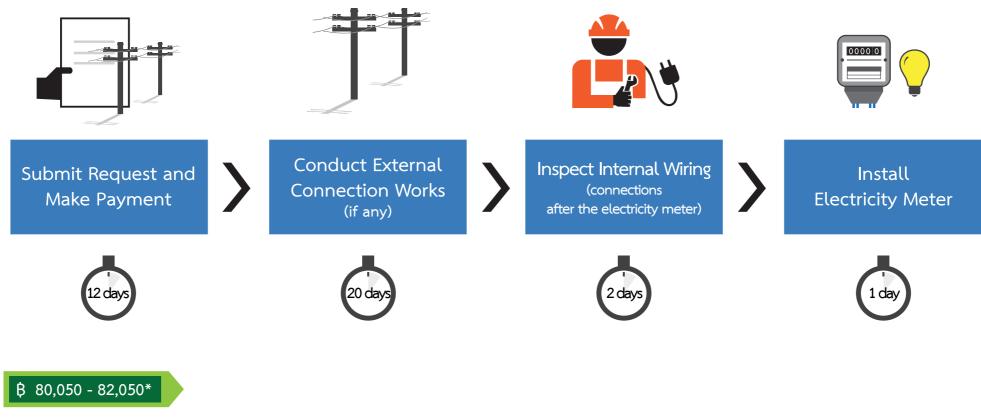
Related Agencies





Metropolitan
Electricity Authority

Process, Time and Fees in Getting Electricity Connection:



^{*} Fee to be paid before start of work, exclusive of deposits

For requests outside of Bangkok, Nonthaburi and Samutprakarn, please contact the Provincial Electricity Authority at www.pea.co.th

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Metropolitan Electric Authority www.mea.or.th, MEA Call Center 1130

Submit Request and Make Payment





Related Agency





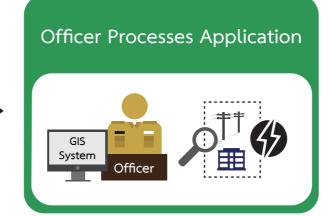
Officer Inspect Site

to Estimate Cost

• Metropolitan
Electricity Authority

At the Metropolitan Electricity Authority





If GIS data is sufficient



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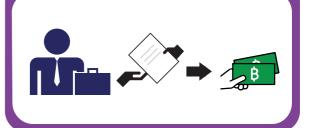
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B 80,050 - 82,050*

Remark If GIS (Geographic Information System) data is sufficient, the cost estimate can be provided and paid on the day of submission.

- * Must make payment prior to the inspection. Payment can be made with cash or cheque. Costs including:
- Contribution in aid of construction 30,000 Baht (If requires additional cable to the 140 meters connection, the client has to pay additional cost, in this case 3,000-5,000 Baht)
- Contribution in aid of the transformer 34,800 Baht
- Internal connection works inspection fee 2,9500 Baht
- Electricity meter installation and connection fee 9,300 Baht
- A deposit of 48,000 Baht must also be made prior the meter installation. It can paid with cash, government bond, or Bank Guarantee. This deposit will be returned on electricity service cancellation, meter size reduction, change of account, usage reduction, change of deposit.

Acknowledge of Cost and Make Payment



There may be additional costs to the payment made on the day the request was submitted.

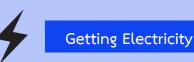


Forms can be downloaded at www.mea.or.th



Metropolitan Electricity Authority <u>www.mea.co.th</u> MEA Call Center Tel. 1130 Inspect Internal Wiring

Install
Electricity Meter

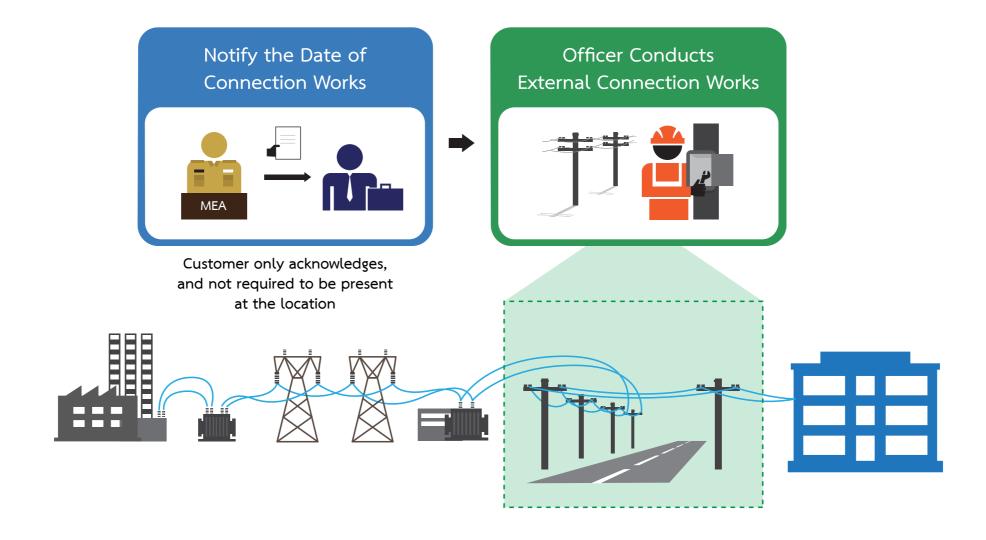


Conduct External Connection Works (if any)

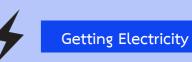








Install Electricity Meter



Inspect Internal Wiring (Connections behind

(Connections behind the electricity meter)

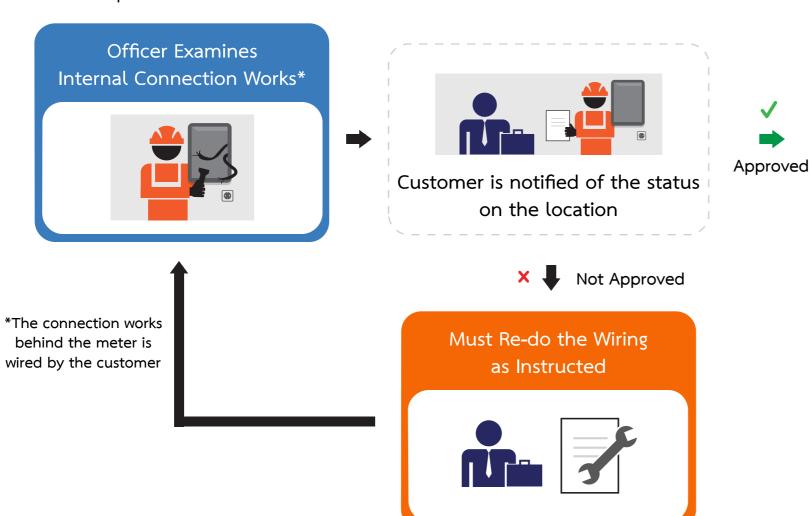






Electricity Authority

At the requested location



Set Appointment of Meter Installation

Install Electricity Meter







Electricity Authority









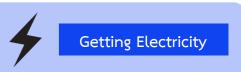
Developments and Reforms in Getting Electricity





Metropolitan Electricity Authority has improved its services as follows:







Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Metropolitan Electricity Authority	 Paid dividends to electricity users who made deposits MEA allocated its dividends into 1) Payments to electricity users who made deposits as regulated by the Energy Regulatory Commission 2) Budget for activities that would benefit electricity users directly and/or the utility, as regulated by MEA Board of Directors MEA's dividends would be in the form of the annual electricity bill discounts, depending on the annual savings rate of Krungthai Bank for State Enterprises. Only medium businesses (Type 3), large businesses (Type 4), and specific businesses (Type 5) who made deposits would be eligible. 	 Regulations of the Metropolitan Electricity Authority Regarding Deposits Management (No. 3) B.E. 2556 Order of the Metropolitan Electricity Authority No. 64/2555 Regarding Exemptions of Deposits 	2013
Metropolitan Electricity Authority	Set the Guaranteed Standard of Performance Implemented the Guaranteed Standard of Performance by setting time estimations for new installation / new customer (starting on the day after payment and that requirements met) in the case which the supply system is readily available and no external connection work is required (for low pressure). The standards are: • For the installation of electricity less than 15 (45) Amperes for 1-phase, 2-wire and for 3-phase, 4-wire, to be completed within 5 working days • For the installation of electricity between 30 (100) – 50 (150) Amperes for 1-phase, 2-wire and for 3-phase, 4-wire, to be completed within 10 working days • For the installation of electricity between 200 – 400 Amperes 3-phase, 4-wire, to be completed within 23 working days	Notification of Metropolitan Electricity Authority No. 18/2552	2009

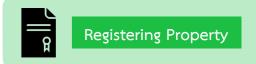
Registering Property

4. Registering Property

This section discusses registration of property, using the example of transferring property between the seller and buyer who are both limited liability companies. The property is a piece of land with a 2-story warehouse, and is free of title disputes.







Related Agencies





Department of Business Development



Department of Land

Process, Time and Fees for Registration of Property:



Obtain Certified Copies of Company's Documents

Request for Certified Copies of Company Affidavits, Memorandum of Association & Company Regulation, List of Shareholders from Department of **Business Development**





* 450 Baht (650 Baht if requested at the Bank) if a company requests for certified copies of the Company Affidavits, 2 pages of Memorandum of Association, 2 pages of Company Regulation and 1 page of List of Shareholders



Register Property

Register the Property at the Land Office where the property is located















- ** Registration fee is 2% of appraised value
 - Withholding Tax is 1% of appraised value or selling price, whichever is higher
 - Specific Business Tax is 3.3% of appraised value or selling price, whichever is higher



- Department of Business Development www.db.go.th, Bureau of Business Information Tel. 02 547 4368, 02 547 4389
- Department of Land www.dol.go.th, Tel. 02 141 5555



Obtain Certified Copies of Company's Documents





Related Agency



• Department of **Business Development**



Request for Certified Copies of Documents





Make Payment



Receive Certified Copies of Documents

Place





Bank











Company **Affidavits**



Memorandum of Association and Regulations



List of Shareholders

At least 450 Baht for the request at DBD for certified copies of the Company Affidavits, 2 pages of Memorandum of Association, 2 pages of Company Regulations, and 1 page of List of Shareholders

Note: The company may use the company registration certificate that it already has if no important details has been changed However, it must be signed by an authorized representative for validity.

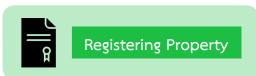


Please visit www.dbd.go.th for online request of certified copies of document. For further information on e-Certificate, please visit www.dbd.go.th



Floor 3, Department of Business Development www.dbd.go.th Tel. 0 2547 4368 and 0 2547 4389

Further information on related documents, costs, and laws & regulations, can be found in Appendix 4-1



Register Property





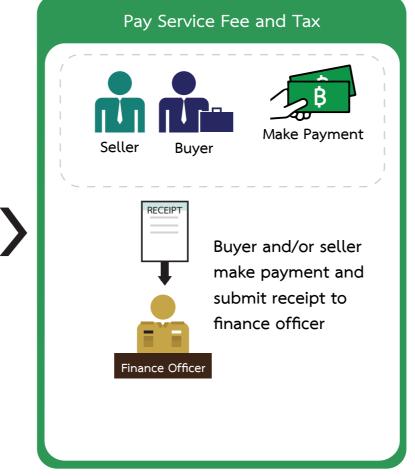




At the Land Office that the property is located.



- If the shareholder is a company, it must also submit the company registration and list of shareholders



Payment

Channels	Details	
Land Office	Cash or Credit Card / Debit Card (Bangkok Only)	
ATM	(3)	
Card for Real Estate Business	(Bangkok and 50 Provinces) (Bangkok Only)	



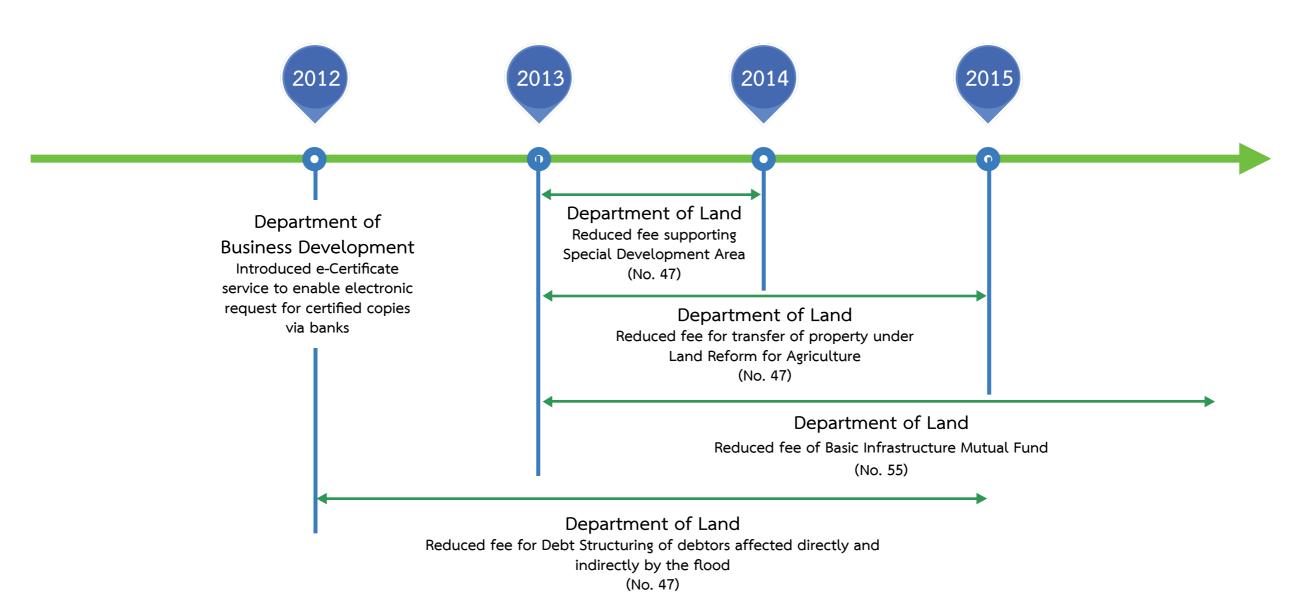
Department of Land www.dol.go.th
Tel. 02 141 5555

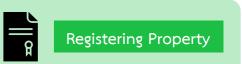
Developments and Reforms in Registering Property





Department of Business Development and Department of Land have improved their Registering Property services as follows:







Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Department of Lands	Reduced fee for transfer of property under Land Reform for Agriculture Reduced fee for transfer of property from 2% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Notification of the Ministry of Interior given on 30 April 2013 	30 April 2013 - 31 December 2015
Department of Lands	 Reduced fee of Basic Infrastructure Mutual Fund Reduced fee for transfer of property from 2% to 0.01%, at the maximum of 100,000 Baht Reduced fee for mortgage of property from 1% to 0.01%, at the maximum of 100,000 Baht Reduced fee for hire of property from 1% to 0.01%, at the maximum of 100,000 Baht 	Ministerial Regulations No. 55 (B.E. 2556) issued under the Land Code B.E. 2497	29 March 2013
Department of Lands	Reduced fee supporting Special Development Area • Reduced fee for transfer of property from 2% to 0.01% • Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 20 March 2013 	1 January 2013 - 31 December 2014

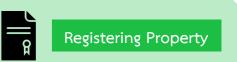




Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Department of Business Development	Introduced e-Certificate service to enable electronic request for certified copies via banks Request for certified copies of documents can be submitted via 6 banks, 3,900 branches (Krungthai Bank, Bangkok Bank, Government Savings Bank, Kasikorn Bank, Siam Commercial Bank, and Thanachart Bank)	 Civil and Commercial Code Chapter 3 Part 22 Partnerships and Companies Public Limited Company Act B.E. 2535 Ministerial Regulations Regulating Service Fee for Registration, Document Certification, and Other Services Relating Partnerships and Companies B.E. 2549 (Given on 8 May 2006) Rule of the Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 Certificate of Electronic Transactions Development Agency (Public Organization) 	20 January 2013
Department of Lands	Reduced fee for Debt Structuring of debtors affected directly and indirectly by the flood Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 20 September 2011 	28 September 2012 - 31 December 2015
Department of Lands	Reduced fee for Debt Structuring Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 20 September 2012 	28 September 2012 - 31 December 2012



Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Department of Lands	Reduced fee for Debt Structuring • Reduced fee for transfer of property from 2% to 0.01% • Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Notification of the Ministry of Interior given on 26 January 2010 	1 January 2011 - 31 December 2011
Department of Lands	Reduced fee for Mergers and Acquisitions under the Financial Master Plan Phase 2 Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 9 September 2010 	15 October 2010 - 31 December 2010
Department of Lands	Reduced fee to support real estate transactions Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 31 May 2010 	1 June 2010 - 30 June 2010
Department of Lands	Reduced fee to support real estate transactions Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 26 December 2010 	29 March 2010 - 31 May 2010





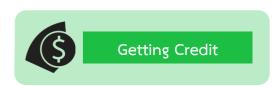
Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Department of Lands	Reduced fee for transfer of property under Land Reform for Agriculture Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 30 March 2010 	26 January 2010 - 31 December 2012
Department of Lands	Debt restructuring only for public limited company and limited company which had reorganizations Reduced fee for transfer of property from 2% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Notification of the Ministry of Interior given on 20 April 2010 	1 January 2010 - 31 December 2010
Department of Lands	Reduced fee for transfer and mortgage of real estate and condominium, supporting Special Development Area Reduced fee for transfer of property from 2% to 0.01% Reduced fee for mortgage of property from 1% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 24 December 2009 	1 January 2010 - 31 December 2010
Department of Lands	Reduced fee for Debt Structuring • Reduced fee for transfer of property from 2% to 0.01%	 Ministerial Regulations No. 47 (B.E. 2541) issued under the Land Code B.E. 2497 Ministerial Regulations Regulating Service Fee for Condominiums B.E. 2553 Notification of the Ministry of Interior given on 20 April 2010 	1 January 2010 - 31 May 2010

Getting Credit



5. Getting Credit

To provide information on access to credit information and the mechanisms in supporting and protecting borrowers and lenders, this section discusses credit information that investors can obtain, usage of collateral and claiming orders in the case of insolvency.









National Credit Bureau Co., Ltd.



· Bank of Thailand





Insolvency Court

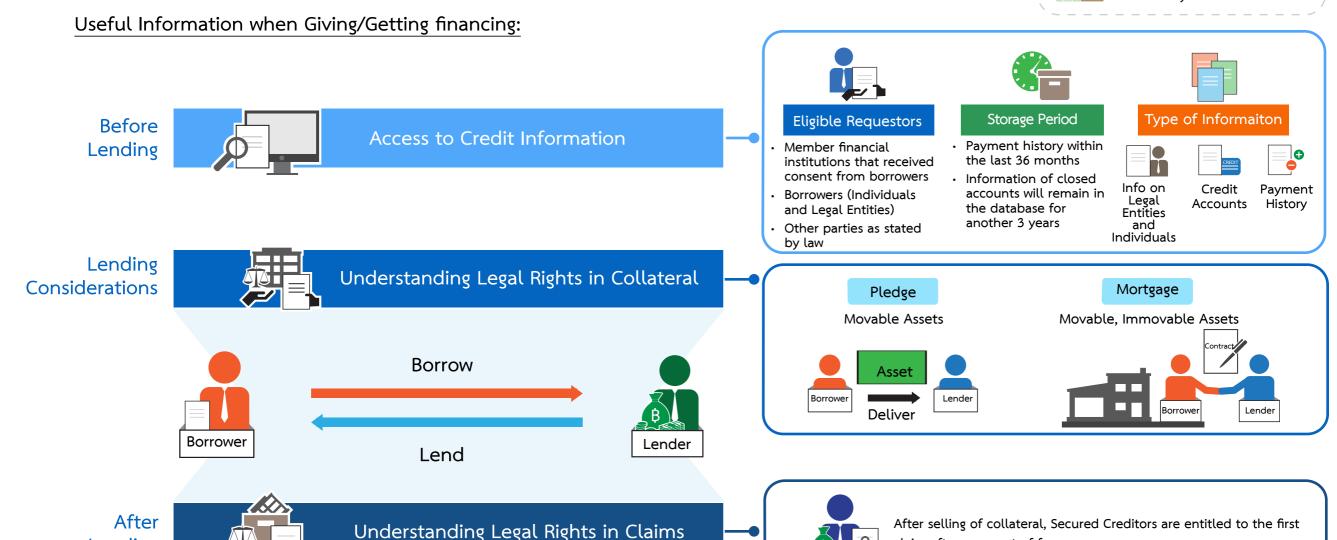


· Legal Execution Department



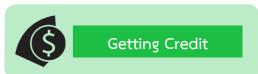
claim after payment of fees.

• Fiscal Policy Office



Lending

For further information on getting credit information, please visit www.ncb.co.th



Credit Information



In Thailand, the National Credit Bureau is responsible for collecting and disclosing credit information. Third party credit information are disclosed to member financial institutions, while ordinary persons and legal entities may only request for their own records.



Related Laws and Regulations



Credit Information Business Act B.E. 2545

Related Agencies



• National Credit Bureau Co., Ltd.



- Bank of Thailand
- Credit Information Protection Committee





Eligible Requesters

- Member financial institutions that received consent from borrowers
- · Borrowers (Individuals and Legal Entities)
- Other parties as stated by law

Storage Period

- Payment history within the last 36 months, showing the actual status of payment every month-end.
- Information of closed accounts will remain in the database for another 3 years. The information will be erased from the credit information system month by month, starting from the oldest until the 36th month.

Info on Legal Entities and Ordinary





Credit Accounts

Type of Information

Example of disclosed information

- Legal Entity Name, Location, Registration Number
- Ordinary Persons Name, Address, National ID Number
- Type of credit
- Account opening-closing date date/overdue date
- Credit Line
- Credit Line Used/ Outstanding Balance/ Overdue Balance (including interest)
- Latest payment
- Account Status (normal/closed/>90 days overdue)



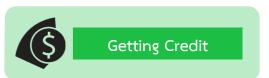
Payment History

- Actual monthly payment (on time/overdue)
- Outstanding amount (no outstanding amount/ less than 30 days outstanding/31-60 days outstanding/61-90 days outstanding)



For further information on getting credit information, please visit www.ncb.co.th

Further information on channels and fees in obtaining credit information can be found in Appendix 5-1



Legal Rights in Collateral



According to Thailand's Civil and Commercial Code, immovable and movable property can be used as collateral under the following conditions:

Related Laws and Regulations



• Civil and Commercial Code



Related Agencies



• Central Bankruptcy Court



• Legal Execution Department



Immovable Property

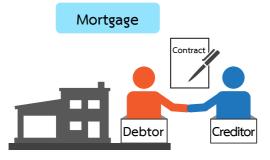
Denotes land and assets permanently attached to or is part of the land

Movable Property

Denotes properties other than immovable property, including the rights attached

Usage Conditions:

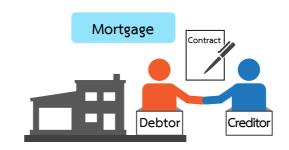
Immovable property can be mortgaged. The debtor (mortgager) assigns the property to the creditor (mortgagee) as a security for the loan/obligation without delivering the property.

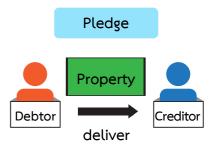


Movable property can be mortgaged and pledged.

For a pledge contract, the debtor (pledgor), delivers the property to the creditor (pledgee) as a security for the loan. Only registered movable properties under the Civil and Commercial Code Section 703 can be mortgaged. For example:

- (1) Vessels weighing 5 tons or more
- (2) Floating Houses
- (3) Other properties requiring registration as stated by the law, such as factory machines and cars







Getting Credit

Legal Rights in Claims



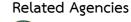
According to the Civil and Commercial Code and the Bankruptcy Act, secured creditors have the rights to receive debt repayment before other creditors, whether in a bankruptcy or reorganization process. However, during reorganization, secured creditors do not have the right to enforce the secured assets, unless permitted by the court.

Related Laws and Regulations



• Bankruptcy Act B.E. 2483



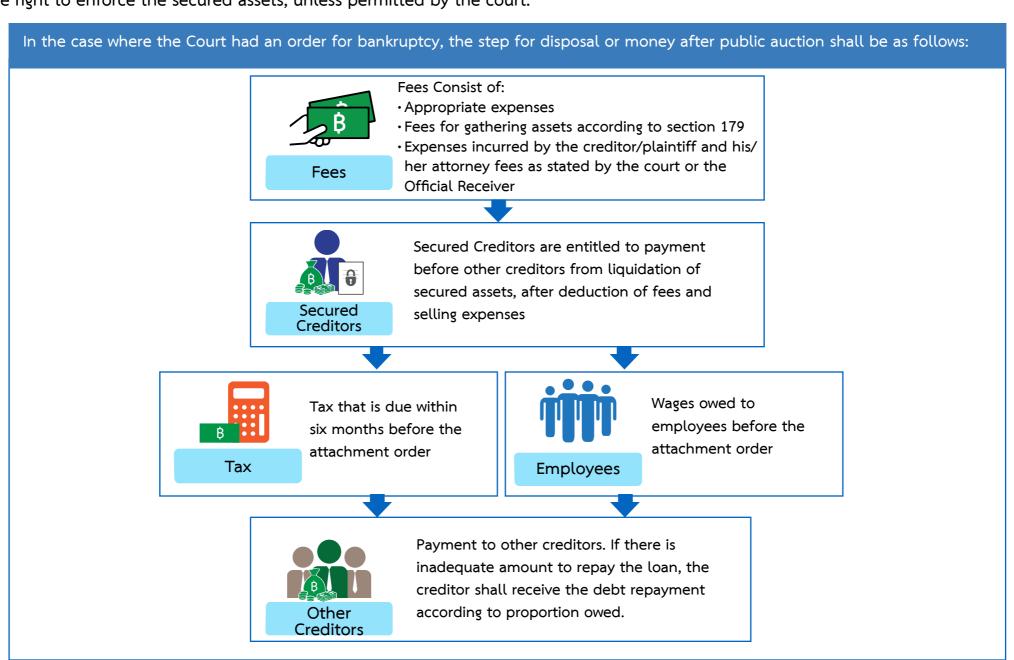




🔰 • Central Bankruptcy Court



• Legal Execution Department



More information can be found in the Bankruptcy Act B.E. 2483, section 130

Developments and Reforms for Getting Credit





The Credit Information Committee, the National Credit Bureau, and the Ministry of Finance has made the following development efforts:



The Credit Information Protection Committee
Issued the standard for collecting credit information in order to increase the amount of available data and access to credit

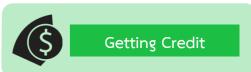
The National Credit Bureau Co., Ltd.

Increase the channels in obtaining credit information



Ministry of Finance

Proposed draft for the Commercial Collateral Act B.E.... aimed at increasing the types of assets that can be used as collateral





Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Fiscal Policy Office, Ministry of Finance	 Proposed draft for the Commercial Collateral Act B.E aimed at increasing the types of assets that can be used as collateral, which contains the following main points: Section 8. Property that can be used as collateral includes: Businesses 2. Claims 3. Movable property being used in business operations Immovable property, in the event that the debtor conducts real estate business Intellectual property 6. Other property as stated in the Ministry's regulation Section 9. Rights to assets or future assets as stated in any contracts or legal relations can be used as collateral Section 14. To set up a collateral registry under with Department of Business Development 	Commercial Collateral Act B.E	Under consideration
National Credit Bureau Co., Ltd.	Increase channels to obtaining one's credit information in order to help borrowers better prepare themselves before applying for loans, and to check the correctness of information. If any incorrect information is found, the information owner can ask the related bank to make the necessary adjustments. Channels for requesting credit information include: 1) Bank Counter Service 2) ATM 3) Mobile Phones 4) Representatives - 4 branches of Citi Advance in major shopping malls 5) Credit Bureau's Service Center at Saladaeng BTS Station	-	September 2010
Credit Information Protection Committee	 Issued the standard for collecting credit information in order to increase the amount of available data by expanding the financial institution, leading to faster credit approvals: 1) Factoring businesses are to be included as financial institutions and factoring transactions treated as credit transactions 2) Factoring businesses need to compute and submit information on factoring transactions. 	-	14 February 2010

Protecting Investors



6. Protecting Investors

This section discusses the rights and protection of investors when investing in publicly traded and listed companies. Regulations for protecting minority shareholders usually centre around disclosure of information, director accountability and practices on related-party transactions, shareholder participation, good governance and other safeguards for investors.

Useful Information for Investor Protection:



What types of company information are available?

Information Disclosure

The type and level of information disclosed reflect the level of transparency and allow investors to make informed investment decisions.

Information Disclosed:



Financial Statements



Annual Information Disclosure Form



Annual Reports



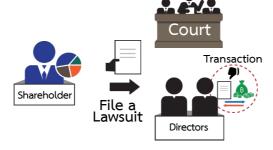
News on Significant Changes/Important **Business Transactions**



What is the level of accountability/ liability of Directors?

Directory Liability

Director liability indicates the ability to hold directors responsible for their actions, causing directors to exercise greater caution when making business decisions, have increased transparency and accountability, which lead to higher levels of investor confidence.



In the case of transactions involving Directors' conflict of interest:

- Investors may file a claim against Directors for damages caused by their actions if those actions result from breach of fiduciary
- The Court may void the transaction upon a successful claim by the shareholder.
- Directors have to repay profits made from the transaction.
- Fines and imprisonment may be applied against the Directors.



How does the law protect minority shareholders?

Ease of Shareholder Suits

Investors have the rights to file a lawsuit to protect their own interest.



No less than 20% of shareholders may request the Registrar to appoint an inspector to investigate a transaction



Related Agencies





· The Stock Exchange of Thailand



• The Securities Exchange Commission



Ministry of Commerce

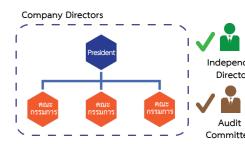


How ares standards for management structure and shareholder participation in major transactions being set?

Governance

Corporate governance includes governance structure and safeguards for investors.

Governance Structure



Major transactions require approval from shareholder meetings unless under special exceptions.



Safeguards such as

- Regulation for changing of voting rights - changes require approval from the shareholder meeting
- Limitation of share blocking
- Regulation on cross-shareholding no more than 25% and prohibited for parent and subsidiary company



- The Stock Exchange of Thailand www.set.or.th, Tel. 02 299 2222
- The Securities Exchange Commission www.sec.or.th, Tel. 1207 or 02 695 9999



Information Disclosure



Investors may access the following information of listed companies through the SET and SEC website:



Annual Registration Statement 56-1

Annual Registration Statement

Basic information that investors need to know about the company, such as nature of business, management structure, shareholder information, financial position, operating results, risks, including information on transactions that may have conflict of interest.

Conditions

 Submit to the SEC within 3 months after the end of the accounting period

Type of Information

Annual Registration Statement (F 56-1)

Related Laws and Regulations



- · Public Limited Companies Act B.E. 2535
- The Securities and Exchange Act
 B.E. 2535 and related notifications
- The Stock Exchange of Thailand's Regulations



Related Agencies





- The Stock Exchange of Thailand (SET)
- The Securities Exchange Commission (SEC)





Financial Statements

Important information showing the financial position and performance of the business

Conditions

- To be submitted according to the disclosure calendar
- Must be audited by certified auditors in SEC's approved list

Type of Information

- Quarterly Financial Statements
- Yearly Financial Statements

Annual Report

Information showing operating results and financial position of the company, including major changes in the past year, and information on transactions that may have conflict of interest

Conditions

- Submit to shareholders together with the shareholder meeting invitation letter (Meeting must be held within 4 months from the end of the accounting period)
- Submit to SEC no later than the date submitted to shareholders and within 4 months from the end of the accounting period

Type of Information

• Annual Report (F 56-2)

News on Changes / Major Transactions

Conditions

- 1. All related-party transactions must be reported to the board of directors.
- 2. Major transactions and events must be reported to the SEC without delay.
- Shareholder approval must be obtained for transactions under the Public Company Business Act before the transaction is executed. Related shareholders will not have the right to vote.
- 4. All major transactions must be disclosed to the public, SET or shareholders.
- 5. Independent inspectors, such as auditors and financial advisors should review the transaction and provide their opinions before execution.

Type of Information

Major changes that affect the stock price, such as

- Buying/Selling of major assets
- Issuance of shares/instruments to raise capital
- Reorganization
- Take overs
- Seize of operations
- Changes in business/management



For more information on disclosure of information, please visit www.set.or.th



The Stock Exchange of Thailand www.set.or.th/th
Tel. 02 229 2222



Director Liability



Shareholders may hold directors liable in the case of related-party transactions as follows:

Related Laws and Regulations



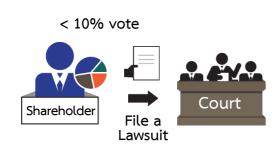
- Public Limited Companies Act B.E. 2535
- The Securities and Exchange Act B.E. 2535

Related Agencies

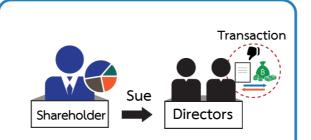




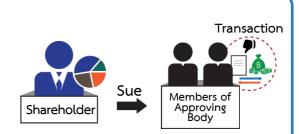
- The Securities Exchange Commission
- กรมพัฒนาธุรกิจการค้า
 - Department of Business
 Development



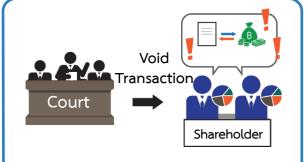
Less than 10% of shareholders may file a lawsuit on behalf of themselves or the company for damage caused by business transactions.



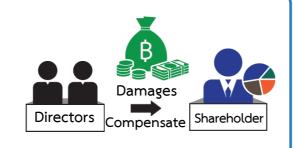
Shareholders may hold Directors liable for the damage from a business transaction if it is due to directors' negligence and breach of fiduciary duties.



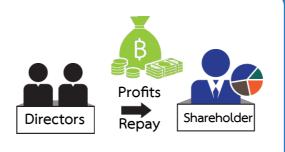
Shareholders can hold members of the approving body of the business transaction liable for the damage or unfairness caused to the shareholders.



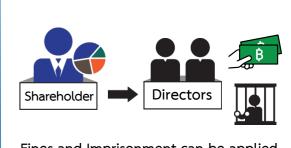
The court can void transactions that cause damages to the shareholders as a result of Directors's breach of duty.



Directors need to pay for damages for the harm caused to the company upon a successful claim by the shareholder.



Directors need to repay the profits made from the transaction upon a successful claim by the shareholder.



Fines and Imprisonment can be applied against directors.



For further information on investor protection, please see the Public Limited Companies Act at http://www.dbd.go.th/dbdweb en/more news.php?cid=249



The Securities Exchange Commission www.sec.or.th
Tel. 1207 or 0 2695 9999



Ease of Shareholder Suits



Shareholders have the following rights:

Related Laws and Regulations



- Public Limited Companies Act
 B.E. 2535
- Code of Civil Procedure

Related Agencies

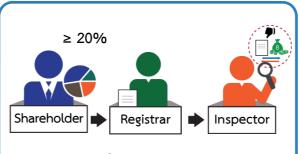




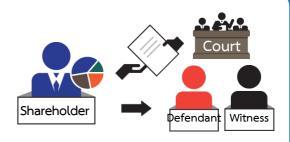
- Department of Business
 Development
- Court of Justice



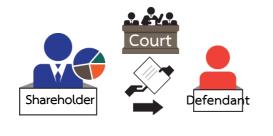
A shareholder may request to examine the company's balance sheet, income statement and auditor's report.



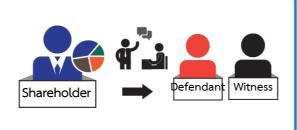
At least 20% of shareholders may request the registrar to appoint an inspector to investigate a business transaction.



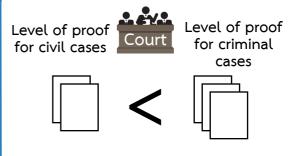
The shareholder plaintiff may request for access to documents by requesting for a court order for submission of documents from the defendant and the witness.



Shareholders may request for documents from the defendant by specifying the documents or type of documents in the list of witness.



Shareholders may question the defendant and witness during trial.



The level of proof required for civil suits is lower than that of criminal cases.



For further information on investor protection, please see the Public Limited Companies Act at http://www.dbd.go.th/dbdweb_en/more_news.php?cid=249



The Stock Exchange of Thailand <u>www.set.or.th</u> โทร 02 229 2222



Governance



Company Board of Directors Independent Directors Independent **Auditors**

Governance structure

- Public Limited Companies issuing new shares to the public must appoint independent directors and auditors as required by law.
- · The chairman of the board of directors and the managing director have separate roles and responsibilities and should be separate persons according to the Principles of Good Corporate Governance for Listed Companies 2012.
- Major transactions must be approved in the shareholder meeting, unless under exceptional cases.

Related Laws and Regulations



- Public Limited Companies Act B.E. 2535
- The Securities and Exchange Act B.E. 2535
- · The Principles of Good Corporate Governance for Listed Companies 2012

Related Agencies





- The Securities Exchange Commission
- - Development The Stock Exchange of

Department of Business

Thailand



Safeguards

- Changes of voting rights must be approved by the shareholder meeting.
- In the case of takeover where the acquirer acquires at least 25% of the shares, a tender offer must be proposed.
- Share blocking is only permitted to protect the company's interests or to keep the proportion between local and foreign shareholders.
- · Cross-shareholding is allowed only according to SEC's regulation, and prohibited in the case of crossshareholding between parent and subsidiary company.



For further information on Governance for publicly listed companies in Thailand, please visit http://www.set.or.th/en/regulations/supervision/listed p1.html http://www.sec.or.th/EN/RaisingFunds/EquityDebt/Pages/link-Laws Regulations/CorporateGovernanceCG.aspx



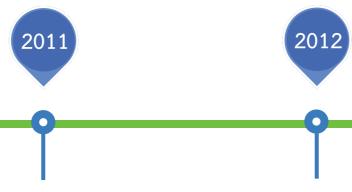
The Securities Exchange Commission www.sec.or.th Call Center 1207 or Tel. 0 2695 9999

Developments and Reforms in Protecting Investors





The Securities Exchange Commission and The Stock Exchange of Thailand made the following developments:



The Securities Exchange Commission

Amended the Securities and Exchange Act
(No. 4) B.E. 2551 to hold directors responsible
for their actions in the case that
any director or executive acts in bad faith or
with gross negligence which causes damage to
the company or causes the company to lose
benefit that it should have been obtained

The Stock Exchange of Thailand

Developed the electronic system to allow direct submission of information from the authorized person of the publicly listed company





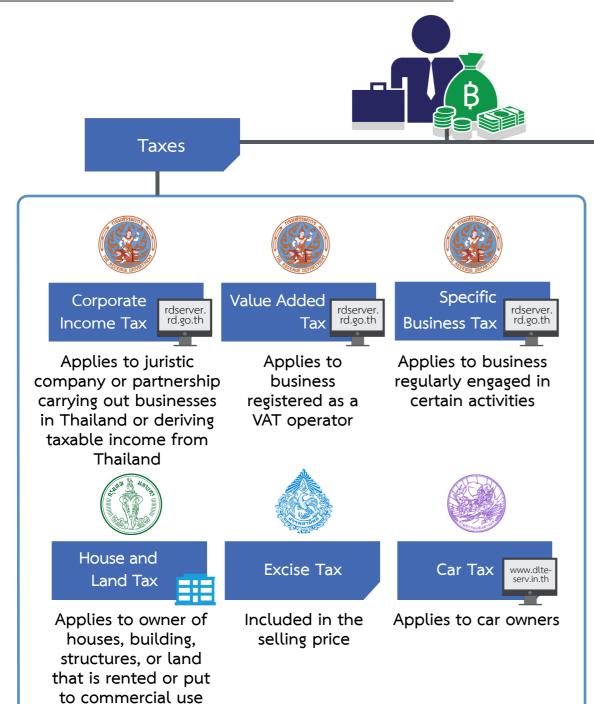
Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
The Stock Exchange of Thailand	Developed the electronic system to allow direct submission of information from the authorized person of the publicly listed company so that investors may receive up-to-date information for decision making	Rules, Conditions and Procedures Governing Submission of Information of Listed Companies, 2012	30 January 2012
The Securities Exchange Commission	Amended the Securities and Exchange Act (No. 4) B.E. 2551 to hold directors responsible for their actions in the case that any director or executive acts in bad faith or with gross negligence which causes damage to the company or causes the company to lose benefit that it should have obtained Section 89/21 states that any director or executive who acts in bad faith or with gross negligence which causes damage to the company or causes the company to lose benefit that it should have been obtained, shall not be allowed to make use of an approval or ratification by the shareholders' meeting or the board of directors in order to release him from liabilities. The act or omission to act shall include the following cases: (1) request of a resolution of the board of directors or the shareholders' meeting by presenting a false statement or concealing material facts which should have been stated therein; (2) cases relevant to misappropriation of asset or benefit of the company; (3) cases relevant to exploiting asset of the company for benefit.	Securities and Exchange Act (No. 4) B.E. 2551 Section 89/21	2011

Paying Taxes

7. Paying Taxes

This section discusses taxes and mandatory contributions that businesses are subjected to pay.

Applicable Taxes and Contributions for Businesses:





Related Agencies





Revenue Department



• Bangkok Metropolitan Administration



• Excise Department



 Department of Land Transport



Social Security Office

Other Types of Taxation:

Withholding Tax

Certain types of income are subjected to withholding tax at source. The payer of income is required to deduct and submit the tax withheld to the Revenue Department.

Stamp Duty

The execution of 28 different items of documents and instruments requires stamp duty to be admissible by the court and officials.



Contributions

Social Security

Contributions

Compensation

Workmen

Applies to business

that hire employees

Fund

www.sso.

- Revenue Department www.rd.go.th, Call Center 1161
- · Bangkok Metropolitan Administration www.bangkok.go.th, Tel. 02 2242141-69
- Department of Inland Transportation www.dlt.go.th, Call Center 1584
- · Social Security Office www.sso.go.th Call Center 1506

Calculate CIT

Corporate Income Tax (CIT)

A juristic company or partnership carrying out a business in Thailand or deriving taxable income from Thailand



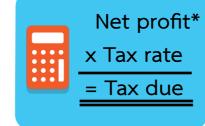
For information on

- Conditions for calculation of net profit and net loss, please see http://www.rd.go.th/publish/37764.0.html#section65bis
- Items which shall not be allowed as expenses, please see

http://www.rd.go.th/publish/37764.0.html#section65ter

• Deductible taxes - please see Appendix 7-1

*Net profit must be computed on an accrual basis



File and pay

Related Laws and Regulations

• Revenue Code

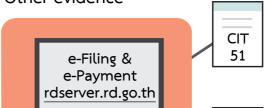
Related Agency



Revenue Department

Supporting document

- Balance Sheet
- Income Statement
- Statement of Cash Flow
- Other evidence



Mid-year

Filing

CIT

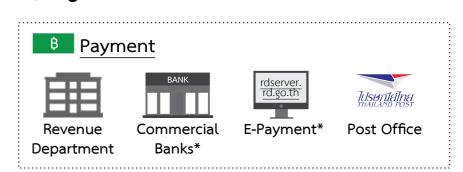
50

Within 2 months after the end of the first six months of the accounting period

Year-end

Within 150 days after the closing date of the accounting period

For e-Filing, the Revenue Department allows an additional time of 8 days



* Only at banks listed in Appendix 7-2

Tax rate

20% Ordinary company Small and medium enterprise (SME):

Net profit (Baht)	Tax rate
< 300,000	Exempt
300,000 - 1,000,000	15%
> 1,000,000	20%

For accounting periods commencing on or after 1 January 2013



Revenue Department www.rd.go.th Call Center Tel. 1161



To claim a tax refund, the taxpayer must fill in the 'Request for Tax Refund' section in Form CIT 50 and certified by the Director / Partner / Manager and affixed with the corporate seal (if any).

Value Added Tax (VAT)

Related laws and regulations

• Revenue Code

Related Agency





Revenue Department



Calculate VAT



7% of total price

File and pay

Filing

Within the 15th of the following month, regardless of whether the business generates income

For e-Filing, the Revenue Department allows an additional time of 8 days

Taxable person

(to be registered as VAT registered entity)

- 1. An entity which has an annual turnover exceeding 1.8 million Baht
- 2. An entity which regularly supplies goods or provides services in Thailand
- 3. A foreign entity which regularly carries out business in Thailand and has a representative in Thailand

Responsibilities

- 1. Collect VAT
- 2. Issue tax invoice
- 3. Prepare records and documents as required by law
- 4. File and pay VAT



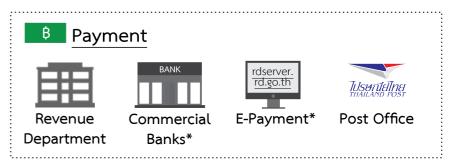
VAT

30

e-Filing &

e-Payment

rdserver.rd.go.th



* Only at banks listed in Appendix 7-2



To claim a tax refund, the taxpayer must fill in the 'Request for Tax Refund' section in Form VAT 30. Otherwise, it will be deemed as a tax credit in the following month.

Specific Business Tax (SBT)

Related laws and regulations

SBT

40

e-Filing &

e-Payment

rdserver.rd.go.th

• Revenue Code

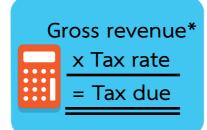
Related Agency



A business regularly engaged in









Business	*Tax base	Tax rate
Banking under the law governing commercial banking or any other specific law	Interest, discounts, service fees, other fees, profits from foreign exchange	3.0
Business of finance, securities and credit foncier	Interest, discounts, service fees, other fees, profits from foreign exchange	2.5
3. Life insurance	Interest, service fees and other fees	2.5
4. Pawn brokerage	Interest, fees, remuneration from selling overdue property	3.0
Business with regular transactions similar to commercial banks	Interest, discounts, service fees, other fees, profits from foreign exchange	0.1 (Exempt**)
6. Real estate	Gross receipts	3.0
7. Sale of securities in a securities market	Gross receipts	3.0

Note: Municipality tax at the rate of 10% is imposed on top of SBT.

^{**} Currently exempt from SBT under Royal Decree 240



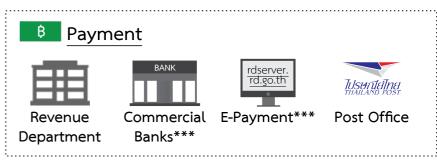
To request a tax refund, the taxpayer must fill in Form Kor.10

Filing Within

Within the 15th of the following month, regardless of whether the business generates income

For e-Filing, the Revenue Department allows an additional time of 8 days





*** Only at banks listed in Appendix 7-2

House and Land Tax



House and Land Tax (HLT)

For house and land outside of Bangkok, please contact the municipal office of the area that the property is located.

Filing

Por. Ror.

Dor. 2

Within February

Related laws and regulations



• House and Land Tax Act B.E. 2475 (A.D. 1932)

Related Agency



 Bangkok Metropolitan Administration

Owner of a house, building, structure, or land that is rented or put to commercial use



Submit a declaration

form

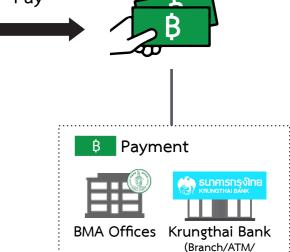
Bangkok Metropolitan Administration Office

Receive a notice of the assessed value and tax due

of annual rental value

Pay .2.5%

Taxpayer must pay HLT within 30 days after receiving the notice



Internet Banking)

Finance Department, Bangkok Metropolitan Administration www.bangkok.go.th Tel. 02 224 0569



To appeal the decision, the taxpayer has to submit Form Por.Ror.Dor.9 within 15 days after receiving the notice.

Excise Tax

Retail price of fuel oil comprises of 1. Excise Tax, 2. Tax for the Ministry of Interior (10% of Excise Tax amount), 3. Value Added Tax (7% of wholesale price and marketing margin), 4. Contribution to Oil Fund, and

5. Contribution to Energy Conservation Promotion Fund. The government charges these taxes and contributions from producers and importers of oil.





• Excise Department

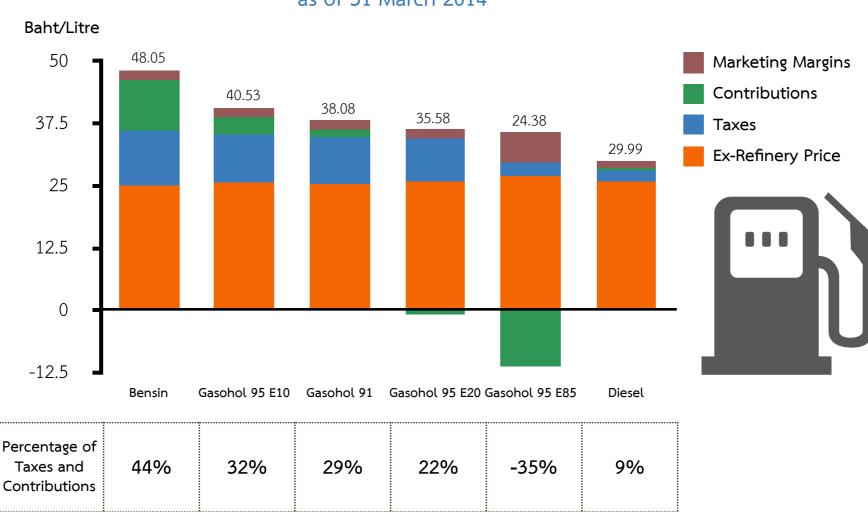


Revenue Department



 Energy Policy and Planning Office

Retail Price Structure of Fuel Oil in Bangkok and Vicinity as of 31 March 2014



Check

tax rate





Car Tax*

A car owner

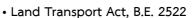
* For a medium-size truck used to deliver products, which weighs 15,300 Kilos when loaded

Tax rate on private car used in shipping

Car Tax

Car weight (Kg)	Tax rate (Baht)
Less than 500	150
500 - 750	300
751 - 1,000	450
1,001 - 1,250	800
1,251 - 1,500	1,000
1,501 - 1,750	1,300
1,751 - 2,000	1,600
2,001 - 2,500	1,900
2,501 - 3,000	2,200
3,001 - 3,500	2,400
3,501 - 4,000	2,600
4,001 - 4,500	2,800
4,501 - 5,000	3,000
5,001 - 6,000	3,200
6,001 - 7,000	3,400
More than 7,001	3,600

Related laws and regulations



 Protection of Car Accident Victim Act, B.E. 2535

Related Agency



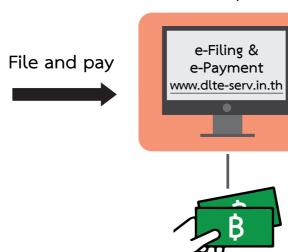
• Department of Land Transport

Car registration

Cai registration

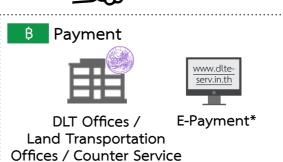
Document required

- Insurance documents
- Vehicle inspection result



Filing

Within 90 days before payment is due



* Only via banks listed in Appendix 7-3



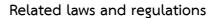
Department of Land Transport www.dlt.go.th Call Center Tel. 1584



- A car in its 6th to 10th year is entitled to 10% tax discount.
- A car over 7 years old must be inspected prior to tax filing and payment.

Social Security Office

Social Security Fund





- Social Security Act B.E. 2533
- Workmen's Compensation Act B.E. 2537
- Labour Protection Act B.E. 2541

Related Agency







Deduct contribution

When hiring employees, employers are required to deduct from the employees' salary and pay monthly contributions of the same amount within the 15th of the following month



83 - 750Baht (5% of Salary*)

Filing and payment

e-Filing & e-Payment www.sso.go.th







B Payment













* Tax base must be between 1,650 - 15,000 Baht/month

Filing Sor. Por. Sor.

Within the 15th of the following month

Workmen Compensation **Fund**



Receive notice of the required contribution

When hiring employees, employers are required to pay contributions by 31st January of the following year

Rate is varied depending on risk factors of the business



* Tax base must not exceeding 240,000 Baht/ Person/Year

And report total salary paid annually within 28 February **B** Payment











If the contribution paid is less than the actual payment required, the business must make additional payment within 31st March. If the contribution paid is more than the actual payment required, the business will be refunded.



Social Security Office www.sso.go.th Call Center Tel. 1506

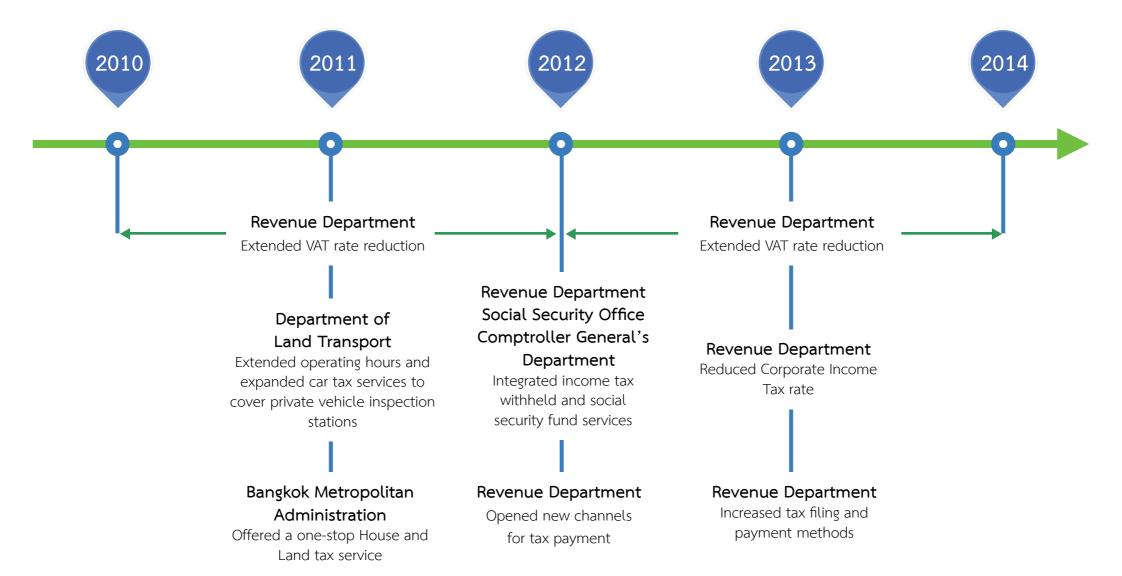
Payment

Developments and Reforms in Paying Taxes





The Revenue Department, Department of Land Transport, Bangkok Metropolitan Administration, Social Security Office, and Comptroller General's Department have improved their Paying Taxes services as follows:







Related Agencies	Developments and Reforms			Related Laws and Regulations	Effective Date
Revenue Department (RD)	Increased tax filing and payment methods 1) Personal Income Tax form (Por.Ngor.Dor.91) can be filed via an iOS application (for iPhone and iPad) called "RD Smart Tax", which can be downloaded from the App Store without any cost. Taxpayers can be assured of maximum security in addition to being able to check their tax refund status. 2) Tax payment channels for all RD taxes have been expanded: - Pay with SCB credit card and debit card without any fee - Pay via e-Payment at www.rd.go.th - Pay via online banking or ATM of participating banks			-	2013
Revenue Department (RD)	Department RD has reduced Corporate Income Tax rate from 23% to 20% for the accounting period			Royal Decree issued under the Revenue Code Regarding Exemption from Revenue Taxes (No. 555) B.E. 2555	1 January 2013
	Tax base	Tax base Tax		333) D.L. 2333	
	Net profit not exceeding 300,000 Baht	Exempt			
	Net profit for the amount exceeding 300,000 Baht, but not exceeding 1 Million Baht	15%			
	Net profit for the amount exceeding 1 Million Baht	let profit for the amount exceeding 1 Million Baht 20%			
Revenue Department (RD)	Extended VAT rate reduction VAT rate reduction from 10% to 7% has been extended.	ed for anot	her two years.	Royal Decree issued under the Revenue Code Regarding VAT Reduction (No. 549) B.E. 2555	From 1 October 2012 to 30 September 2014





Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Revenue DepartmentSocial Security OfficeComptroller General's Department	 Integrated income tax withheld and social security fund services 1) Developed a single form that can be processed by both the Revenue Department and Social Security Office. Businesses can file both income tax withheld and social security fund together online. 2) Social security fund can also be paid at the Revenue Department or paid online via the Revenue Department's e-Payment together with income tax withheld. 	_	Under consideration since 2012
Revenue Department	Opened new channels for tax payment 1) Taxpayers can pay any taxes with Tax Smart Card and credit card. 2) Deadlines for Personal Income Tax, Corporate Income Tax, Withholding Tax, VAT, and SBT online filing have been extended for another 8 days. The extension is only applicable to online tax filing at www.rd.go.th 3) Developed e-Tax invoice and e-Receipt to facilitate businesses.	_	2012
Department of Land Transportation	Extended operating hours and expanded car tax services to cover private vehicle inspection stations	-	2011





Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
Bangkok Metropolitan Administration	Offered a one-stop House and Land tax service Taxpayers can file and pay house and land tax at Bangkok Express Service. Tax payment options available are • via Krungthai bank ATM • via online banking • at Counter Service Time spent in filing and paying house and land tax has decreased from 60 to 45 minutes.	-	2011
Revenue Department	Extended VAT rate reduction VAT rate reduction from 10% to 7% has been extended.	Royal Decree issued under the Revenue Code Regarding VAT Reduction (No. 507) B.E. 2553	From 1 October 2010 to 30 September 2012

Trading Across Borders



Trading Across Borders

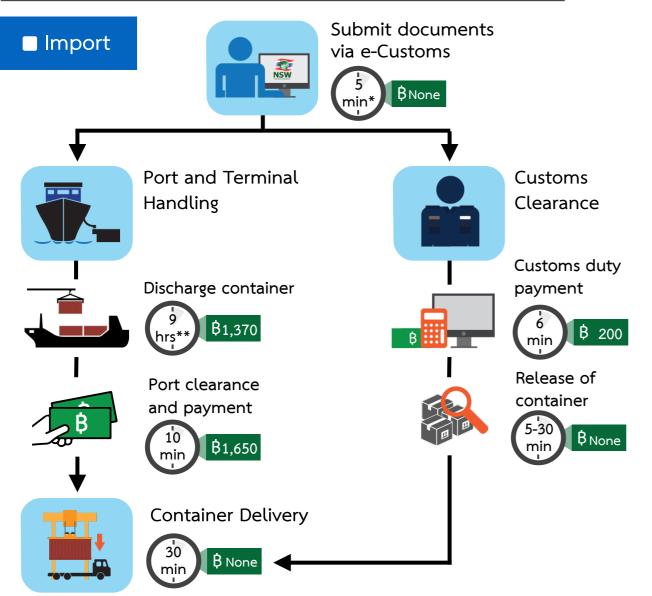
8. Trading Across Borders

This section discusses procedures of importing and exporting by sea transport via Bangkok Port, for non-hazardous and unrefrigerated dry cargo shipped in a 20-foot Full Container Load (FCL). All steps are either taken by representatives (freight forwarders, shipping lines, customs brokers, and agents) or officials. Only fees charged by government agencies are shown — tariffs, duties, and costs associated with representatives are excluded.

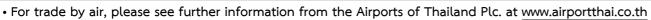
Related Agencies

• Customs
Department
• Bangkok Port

Process, Time and Fees for Import and Export at Bangkok Port:

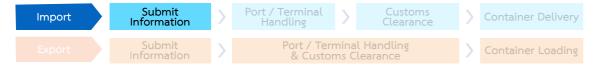






- For trace by land, please see further information from the Customs Department at www.customs.go.th
- For customs incentive schemes, please visit www.customs.go.th
- \searrow
- · Customs Department www.customs.go.th, Customs Care Call Center 1164
- Bangkok Port www.bkp.port.co.th Tel. 02 269 3000

- * Document preparation time is excluded
- ** Average time per vessel



Import



Related Agencies





Customs Department



• Bangkok Port



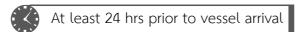
Submit documents

into e-Customs

Representative

Submit required information on e-Customs system

- e-Manifest*
- e-Import



- * e-Manifest related documents
- Vessel Schedule Message
- Ship Agent Operators
- Master Sea Cargo Manifest
- Container List



Receive an automatic response

The system automatically processes and validates data entered. Then

- Issues Ship Arrival Report number;
- Issue Declaration and Payment Number;
- Specifies the Declaration Line.









Port and Terminal Handling

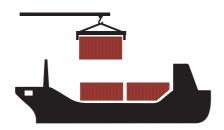
Related Agencies





Bangkok Port

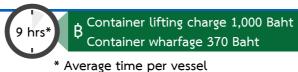
The procedures for vessel berthing and unloading are as follows:





Inward Containers Discharging

Containers are lifted off the vessel and stored in the terminal's marshalling yard and then transferred to the allocated transit shed by Container Terminal Management System (CTMS).



>

Port Clearance and Payment

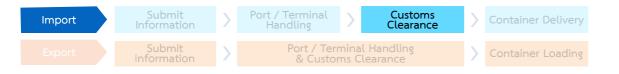
- 1. Obtain Cargo Delivery Order ("D/O") from the freight forwarder.
- 2. Submit D/O at the One Stop Service and make payment to receive:
 - Receipt (Terminal charges and fees)
 - Wharf Receipt
 - Gate Ticket



Bangkok Port admission fee 100 Baht

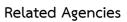
1

The order of vessels at Bangkok Port is on a first-come-first-serve basis, depending on the sequence of vessels arriving at the bar channel of Chao Phraya River. The incoming vessel communicates with the port officers via port radio (Bangkok Port Control) and the Port uses Automatic Ship Identification System (AIS) in recording berthing orders. In conjunction, the meeting for berth allocation takes place at 10.00 am daily.





Customs Clearance





Customs Department



Customs Duty Payment

Payment options:

Import

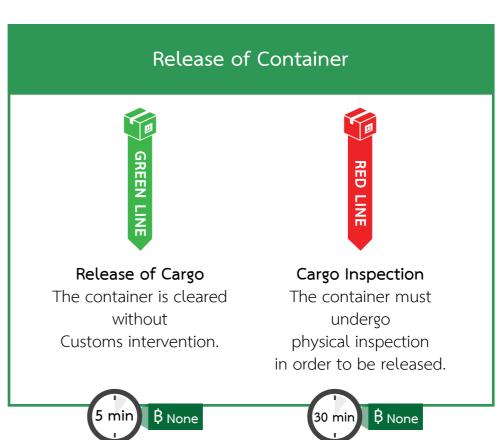
- 1. Pay via e-Payment by submitting bank* and account number into e-Customs
- 2. Pay with cash or cashier cheque by referring to the Declaration and Payment number issued by e-Customs

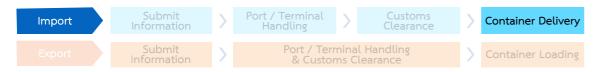
* only banks listed in Appendix 8-1



\$ Fee 200 Baht













Inland Transportation







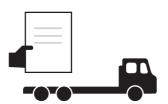


Bangkok Port



Enter Main Gate

Officials examine the documents and Gate Ticket

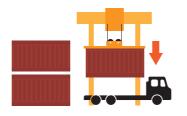


Enter Sub Gate In

Officials check and record

• Container number or the Gate Ticket's barcode

• Vehicle registration plate



Container is loaded onto the vehicle



Exit Sub Gate Out

Officials

- check the container's status in the system,
- inspect the containers and the seal,
- print the Container Slip and sign it for the driver

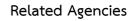


Exit Main Gate

Officials verify all documents and allow the driver to exit Port











Customs Department



Representative

■ Export

Submit required information into e-Customs



into e-Customs

The system issues 14-digits-number



Submit the Cargo Control Report into e-Customs



The system issues the number for Cargo Control Report



Submit the Cargo Control Report at Bangkok Port

The system automatically computes costs and notify a tax payment status for the following:

- 1. Skins of bovine (cattle and buffalo) used in leather production and and tannery process
- 2. Bamboo wood and coconut wood
- 3. Wood veneer









Customs Clearance and Port Handling







Customs Department



Bangkok Port





Request for passage

Submit a form to request passage through the Bangkok Port (Form Tor Kor Tor 308.2) at Main Gate at least 1 hour before the container arrives.



Release of Container

The container must arrive to Bangkok Port at least 3 hours before its vessel berths.









Enter Main Gate

Pay passage fee

Enter Sub Gate In

Officer weighs and examines the quality of the container.

Officer then verifies all documents to issue
Equipment Interchange
Receipt (EIR) and informs the driver of the storing location.

Customs Inspection

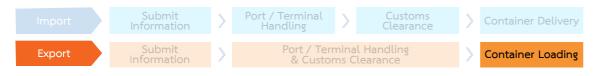
- Officer records the number of cargo control report and checks the system.
- Officer randomly inspects the container using X-Ray.

Unload Container

Unload at Marshalling Yard for pre-loading



Bangkok Port admission fee 100 Baht

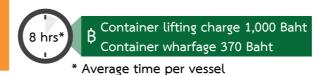




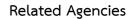




Loading Container

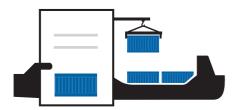


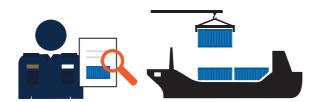


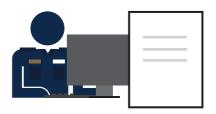




Bangkok Port







Submit Container Loading List



Port Loads Containers onto Vessel



Port Issues Container Loaded Report

Freight forwarder or shipping line submit Container Loading List at least 3 hours prior to container loading.

Officer verifies container details and plans for container loading.

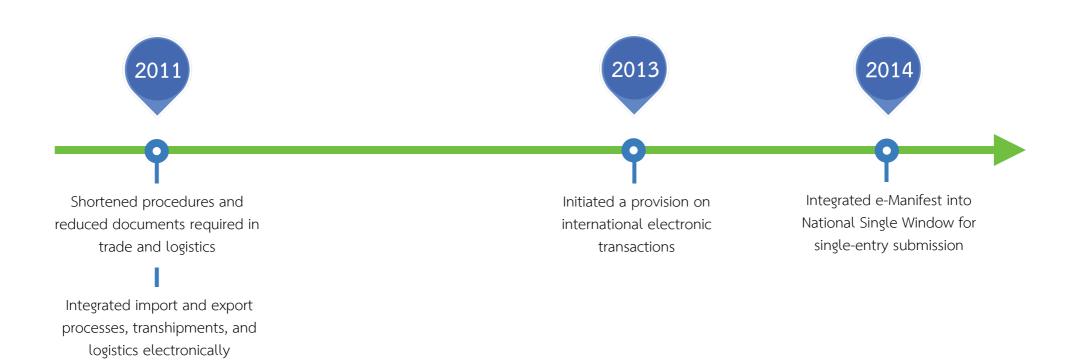
- Officer issues Container Loading Report for freight forwarder or shipping line to confirm within 24 hours after the vessel unberths.
- Officer charges fees and other costs.

Developments and Reforms in Trading Across Borders





Customs Department and Bangkok Port have improved their services as follows:







Related Agencies	Developments and Reforms	Related Laws and Regulations	Effective Date
 Customs Department Port Authority of Thailand Marine Department 	Integrated e-Manifest into National Single Window for single-entry submission Modified Sea Cargo Manifest and Container List documents to enable business to submit all relevant information online at the same time. The e-Manifest module implemented in National Single Window will automatically transfer the information recorded to related agencies.	-	1 May 2014
Electronic Transactions Development Agency Ministry of Information and Communication Technology	Initiated a provision on international electronic transactions Pending for a provision to regulate conducts in international electronic transactions involved in importing, exporting, transshipments, and logistics.	Draft Royal Decree Regulating International Electronic Transactions in Importing, Exporting, Transshipments, and Logistics via a Single-Point data integration system	December 2013
Customs DepartmentMinistry of FinanceMinistry of Information and Communication Technology	Integrated import and export processes, transshipments, and logistics electronically Allowed request for and issuance of certificates required in importing, exporting, transshipments, and logistics electronically, using an interchange of electronic data between government agencies and the private sector (National Single Window).	Draft Regulations of The Office of the Prime Minister on Electronic Data Integration for Importing, Exporting, Transshipments, and Logistics	October 2011
Customs Department	Shortened procedures and reduced documents required in trade and logistics Simplified procedures and minimized documents required by 36 agencies in obtaining certificates through the use of National Single Window since 2011. National Single Window has played an important role in driving Thailand's imports, exports, and logistics.	-	Under Development

Enforcing Contract

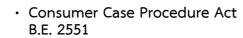




9. Enforcing Contract

This section discusses the process, time and costs in enforcing contracts for the case of a commercial dispute, according to the Civil and Commercial Code. The time and expense demonstrated is based on the case of breach of a sales contract whereby a buyer refuses to pay for the ordered goods.* The judgement is in favor of the seller (plaintiff), and the money is collected through enforcement of judgement via public sale of the buyer (defendant)'s movable assets.

Related Laws and Regulations



 Civil Procedure Code B.E. 2477

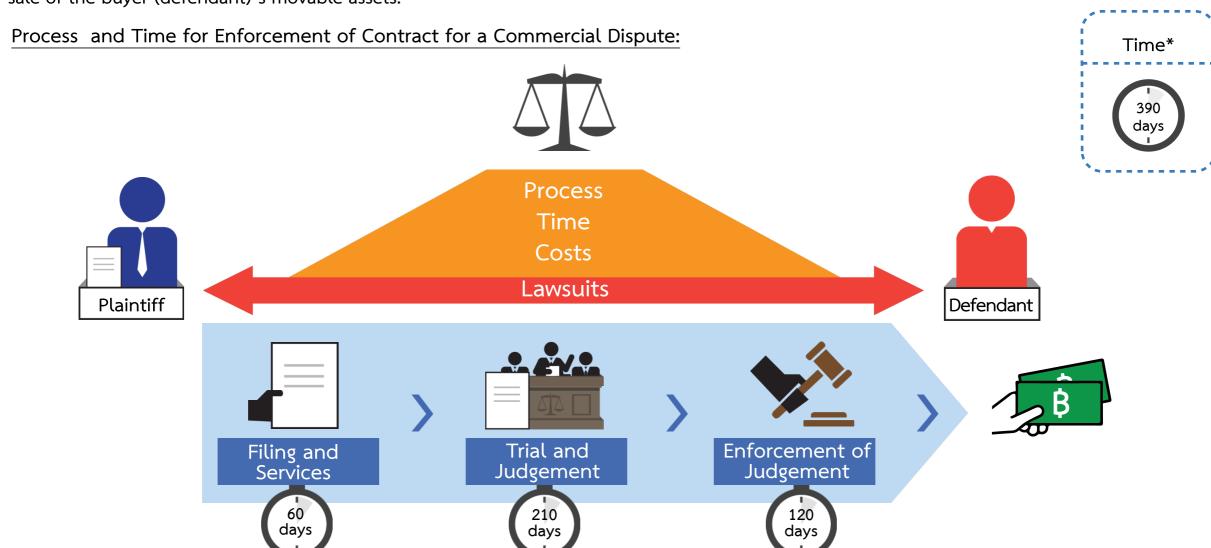
Related Agencies



Court of Justice



Legal Execution
 Department



^{*} Time and costs are based on a sample case of dispute between a buyer and a seller (both located in the country), whereby the buyer orders custom-made goods but refuses to pay, claiming that the goods were not produced to the exact specifications. The seller then sues the buyer before the court. At the end of the dispute, the judgment is in favor of the seller, and the buyer needs to pay the price of the goods. The time indicated begins at the moment the plaintiff files a lawsuit and ends when the payment is made, and includes waiting time during the process. The claim value is assumed to be 200% of GDP per capita, approximately 300,000 Baht



- Court of Justice www.coj.go.th Hotline 1741
- Legal Execution Department www.led.go.th Tel. 02 881 4999



Filing and Service

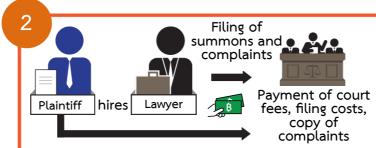


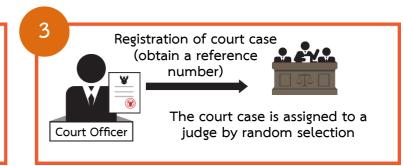




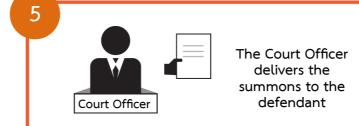
Notes:
Since 2008, for consumer cases, the law requires the court to choose peremptory day as soon as possible and not more than 30 days from the day the court accepts the complaint.



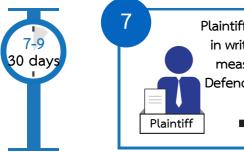


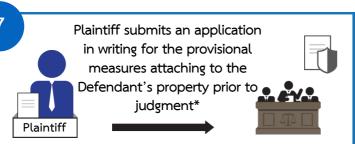




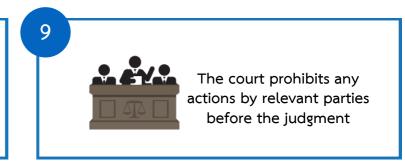




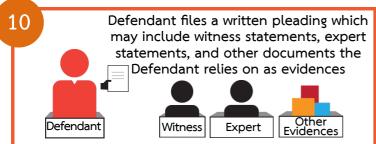














*Unless the Defendant is prone to transfer the assets in dispute, request for attachment of assets by the plaintiff are mostly uncommon since it will delay the trial process and the prospect of receiving the debt repayments.



Court Costs

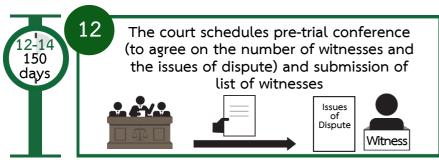
- Court cost is 2% of claim value (no more than 50 million Baht) but not more than 200,000 baht. For claims greater than 50 Million baht, the cost is 0.1%
- Summons & complaints delivery Cost depends on the distance.

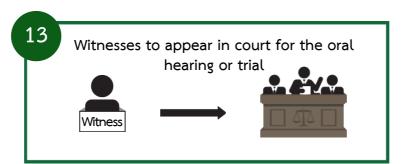


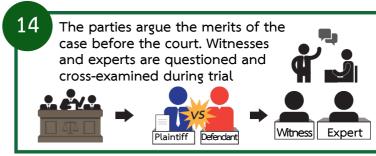
Trial and Judgment



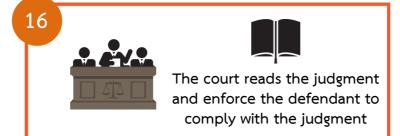


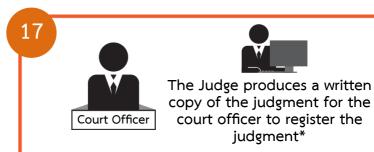




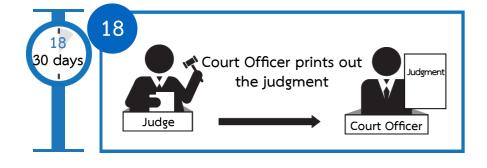












Notes: Since 2008, in Consumer Cases the court makes pre-sentence hearing continuously without adjournments until it is done, except when there is an emergency, in which case the hearing may be postponed for no more than 15 days each time.

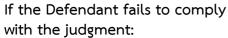
^{*} Defendants have the right to appeal within one month from the days of the judgment, otherwise the judgment is deemed as final.



Enforcement of Judgment



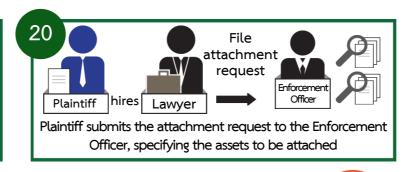


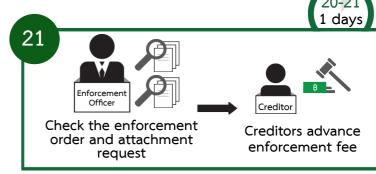




19 Plaintiff requests the court to issue the writ of execution and thereby appoint the Enforcement Officer







3 days

The Enforcement Officer seizes the assets;

- Movable Assets
- Immovable Assets

and inform the Defendant and the Department of Land's officer (in the case of immovable assets



60 days 24 Sale of assets through public auction

40 days

Payment to Plaintiff



- Amount owed according to the judgment
- Court fees
- Attorney fees

*The time indicated applies to uncomplicated cases with the following assumptions:

- No parties file a complaint against request for suspension of the enforcement
- The court does not issue any order to suspend the enforcement
- No objections in serving documents to concerned parties during the enforcement process
- Does not include coordination time between the Legal Execution Department and other agencies
- Attachment of movable asset with no complications
- No objections in selling the asset in the public auction
- The asset is sold after the first selling announcement

For average time taken in enforcement process, please refer to the research report in Appendix 9-1.



Enforcement Fees

Attachment of immovable assets - 2,500 Baht per filing

Attachment of movable assets, order of eviction, demolition - 1,500 Baht per filing

Refer enforcement to other courts - 1,000 Baht per filing

During the enforcement process, if the advanced amount are inadequate or almost used up, the Enforcement Officer may notify the creditors to deposit more payments as deemed appropriate. All expenses that the creditors have advanced will be redeemed after the sale of assets and after the Enforcement Officer has completed the income and expense report.

Developments and Reforms in Enforcing Contract





The Court of Justice and the Legal Execution Department has made the following developments to provide more convenience in enforcement of judgement to the public:



Court of Justice

Introduce a case management mechanism and a full quorum hearing under the continuous trial system



Court of Justice

- Specify the details in proceeding civil and consumer cases
- Set rules and regulations for legal proceedings to improve convenience and speed of service for the public



Legal Execution Department

Change of enforcement costs transfer destination-from government agencies to financial institutions



Legal Execution Department

Set up Mediation Center



Extension of operating hours for courts to fasten the process

Legal Execution Department

- Implement the barcode system to track the case filings
- Implement scheduling of appointment with the Enforcement Officer through the internet
- Set up One Stop Service in of judgment enforcement



Legal Execution Department

Issue Ministerial Regulation on the Rules, Measures and Conditions of Public Auction (No. 3) B.E. 2557



Legal Execution Department

Improve service by adoption of technology to facilitate the enforcement process throughout the country





Related Agencies	Development and Reforms	Related Laws and Regulations	Effective Date	
Court of Justice	Set up a project for after-hour court to fasten the trial and judgment process.	-	From 2012 onwards	
Court of Justice	Specify the details in proceeding of consumer cases.	Regulations of the President of the Supreme Court regarding the proceeding and the conduct of consumer case officer B.E. 2551	24 August 2009	
Court of Justice	Set rules and regulations for legal proceedings to improve convenience and speed of service for the public.	The Consumer Case Procedure Act B.E. 2551 (second amendment in B.E. 2556)	24 August 2009	
Court of Justice	Introduce a case management mechanism and a full quorum hearing under the continuous trial system.	Judicial regulations of the Court of Justice regarding a full quorum hearing and the continuous trial system B.E. 2545	11 November 2002	





Responsible Agencies	Development and Reforms	
Legal Execution Department	Issue Ministerial Regulation on Rules, Measures and Conditions of sale of Public Auction (No. 3) B.E. 2557	20 February 2014
Legal Execution Department		
Legal Execution Department	Implement scheduling of appointment with the Enforcement Officer through the internet to reduce contact time and increase service efficiency and satisfaction.	From 2013 onwards
Legal Execution Department		
Legal Execution Department	Set up 113 Mediation Centers throughout the country to mediate disputes after judgment, both before and after enforcement of judgment with an aim to increase ease of access to justice, efficiency and decrease time to settle the dispute.	From 2011 onwards
Legal Execution Department	Change of payment and transfer method of money and costs relating to enforcement of judgment, by signing MOUs with financial institutions, which includes deposit payments for enforcement and proceeding of the Enforcement Officer to: Increase convenience for debtors to receive the payment; Reduce transfer fees between banks; Reduce operating time for issuing and clearing cheques; Reduce expenses in issuing cashier cheques.	2002

Resolving Insolvency



Resolving Insolvency

10. Resolving Insolvency

When facing insolvency, businesses may go through bankruptcy or reorganization. This section discusses the procedures, time and costs using a case study* to provide investors with a general understanding of the bankruptcy and reorganization process.

Related Laws and Regulations

- Bankruptcy Act B.E. 2483
- Act on Establishing of Bankruptcy Court and Procedure for Bankruptcy Court B.E. 2542

Related Agencies

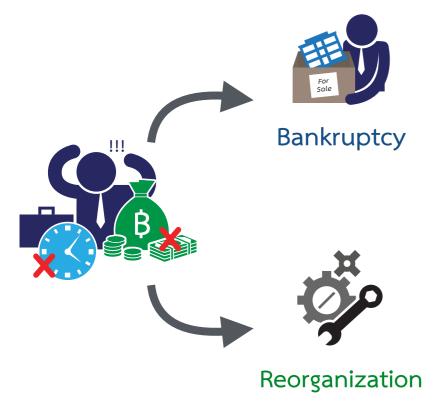






Legal Execution
 Department

Process and Time when going through Bankruptcy or Reorganization:









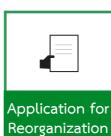




Assets

























* Sample Case:

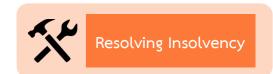
- · The Debtor is a Thai Hotel, experiencing a decrease in revenue
- · There are two types of creditors:
 - 1) The Bank 74% of total debt. The debtor uses all of its assets to secure the loan. The market value of assets is equal to the loan amount.
 - 2) Other Creditors 26% of the debt. (suppliers, employees). These are unsecured creditors.
- If the business is sold as a going concern, the value will be 100% of market value, but if sold as piecemeal, it will receive 70% of market value. Therefore the most likely outcome is reorganization or selling of the business as a going concern.
- · The time indicated is an average figure.



- Central Bankruptcy Court www.cbc.coj.go.th Tel. 02 141 1500
- Legal Execution Department www.led.go.th Tel. 02 881 4999

2.7 years*

(on average)



Bankruptcy



Creditors have the right to sue debtors when:

- There is a certain amount owed to one or more debtors
- The amount owed exceeds 1 Million Baht (for ordinary person) or 2 Million Baht (for iuristic person)
- The debtor resides or conducts business in the Kingdom, whether in person or through a representative, during the bankruptcy filing or within 1 year before the filing
- · The debtor is unable to repay the amount owed, or possess more debt than assets, or behave according to section 8 of the Bankruptcy Act, such as fleeing the country or misappropriation of assets.

Related Agencies



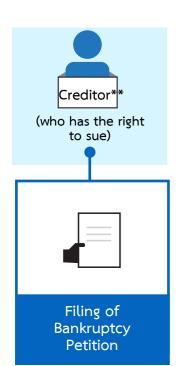


Central Bankruptcy Court



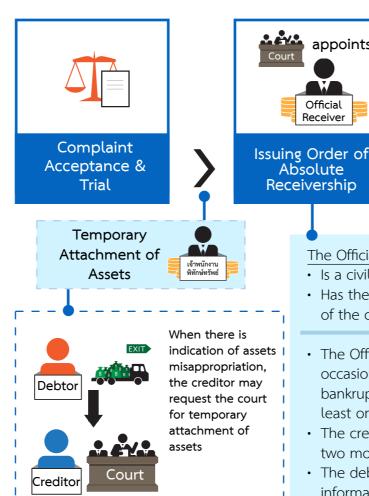
Legal Execution Department

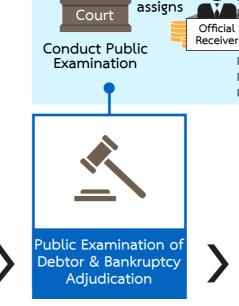
Creditor

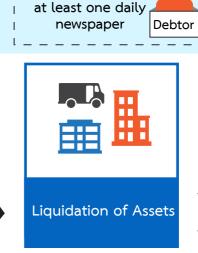


** Secured creditors can file a petition when: (1) The amount received from liquidation of secured assets is inadequate, and other assets can be seized, such as cases for secured creditors that are under the contract to be exempted from Civil and Commercial Code, Section 733 which states that the debtor is not liable for the difference if the value of the property/net proceeds is less than the amount due (2) The debtor still owes the creditor no less than 1 Million Baht (Ordinary Person) or 2 Million (Juristic Person) after the creditor has given up the collateral, or when the value of the collateral in the claim is less than the amount owed.

- * The time shown is an average figure, and could depend on:
- the type of case whether involving any assets.
- · the number of creditors,
- · cooperation from creditors, in the case of no objection to the Official Receiver's orders,
- time before the assets can be sold.







Announce Creditor and

Debtor Appointment /

Publish in



The Official Receiver:

appoints

Official Receiver

- Is a civil servant under the Legal Execution Department, Ministry of Justice;
- Has the duty to manage the debtor's assets in bankruptcy cases in the interest of the creditors.



- The Official Receiver has to convene the first creditor meeting at the soonest occasion to decide on the option of composition, or to ask the court to issue a bankruptcy order. The Official Receiver has to publicize the meeting date in at least one daily newspaper, and inform the debtor and all creditors.
- · The creditors must file for debt repayment with the Official Receiver within two months from the publication date.
- The debtor has to meet with the Official Receiver to provide assets information for investigation, and has the right to request for composition.

Further information on related fees and laws & regulations can be found in Appendix 10-1 Research Report on time taken in enforcement of cases can be found in Appendix 10-2

Resolving Insolvency

Reorganization







(on average)

Criteria for Application for Reorganization

- · When the debtor (Limited Company, Public Company) is insolvent and owes one or more creditor no less than 10 million Baht, regardless of whether the amount is overdue.
- · When the debtor's business has reasonable grounds and prospect for reorganization.
- · When the debtor is undergoing bankruptcy but the court has not yet ordered absolute receivership.

Related Agencies



Central Bankruptcy Court



Legal Execution Department

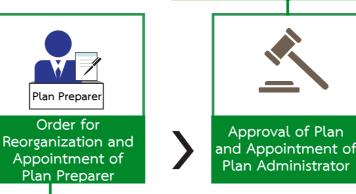




reorganization









plan and appoint the Plan Preparer

Implement the plan within 5 years. extendable for 2 times, no more than 1 year each time.

The Plan Administrator has the duty to:

- Manage assets and liabilities
- Manage the debtor's business
- Request for adjustment of the plan
- Pay off the debt according to the plan

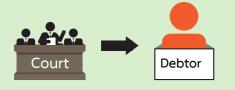






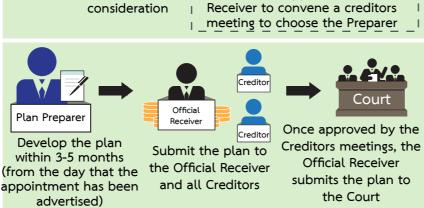


After the Court approves the application



The creditor will receive an automatic stay and the business could continue its operation, provided that it operates under the Bankruptcy Act









- 1. Hold a Thai Nationality
- 2. Is 25 years old and older on the registered date
- 3. Complete a Bachelor Degree or equivalent
 - Plan Preparer possess a degree and at least 3 years experience in Finance, Accounting or Law
 - Plan Administrator possess the qualification and at least 3 years experience in Business Administration
- 4. Be a person of good conduct and has not taken any actions that may lead to doubt of his/her honesty
- 5. Must not be person of unsound mind or mental infirmity
- 6. Not under imprisonment or charged for imprisonment when applying
- 7. Has never been charged with imprisonment
- 8. Not under receivership orders

If the Plan Preparer and Plan Administrator is a juristic person, the criterion of the Ministerial Regulation on Registration and Qualifications of Reorganization Plan Preparer and Plan Administrator, no. 14 and 16 (Appendix 10-3) must be followed.

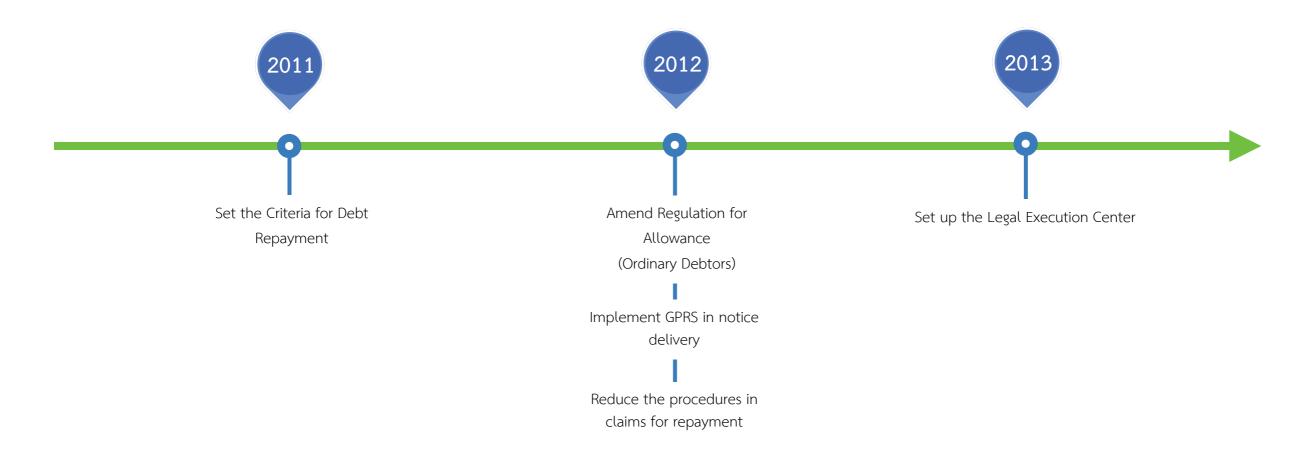
^{*} The time depicted is a average figure, in the case that the Plan Manager can successfully manage the process as planned.

Developments and Reforms on Resolving Insolvency





The Legal Execution Department has made the following improvements:







Related Agencies	Developments and Reforms	Related Laws & regulations	Effective Date
Legal Execution Department	 Set up the Legal Execution Center The Legal Execution Department set up a service center for registration (receiving-sending) of notices, orders, and other documents between the Central Bankruptcy Court and the Legal Execution Department; management of information for attachment orders, re-inspection of attachment, reorganization orders, verification of civil registration and business registration; advertising of attachment orders, coordination with the Central Bankruptcy Court as the Official Receiver; providing preliminary advises on legal execution for commercial and bankruptcy cases. Change the conditions for allowance/living expense (for ordinary persons) If the debtor has already received regular income before the attachment order has been issued, and later requests for the allowance, the Official Receiver shall deduct the amount received from the allowance that the debtor is entitled to. Benefits of this order: There is a clearer guideline that is in line with the Bankruptcy Act which states that the debtor's assets must be seized once the court issues the attachment order. 	Legal Execution Order no. 825/2555	February 2013 18 December 2012
	2) There will be more assets to be seized and debtors will be able to receive more repayment.		
	Implementation of GPRS (General Package Radio Service) to increase the speed and help track the delivery of notices.	-	2012
	Reduce procedures in approval of claims for repayment Amend the regulation to authorize the Official Receiver to screen the initial requests in the case that the secured assets has little/no impact to the whole assets without bringing the matter to the creditor's meeting.		2012





Related Agencies	Developments and Reforms	Related Laws & regulations	Effective Date
Legal Execution Department	Set the criteria for debt repayment In the case that there are no other assets involved in the bankruptcy case except for those used as collateral which the court has already issued an order for repayment to the secured creditors (according to section 289 of the Civil Procedure Code), if the collateral are under execution, or if the court in the civil procedure has already issued the writ of execution for preferred creditors, the Official Receiver need to inform the Enforcement Officer to expropriate the secured assets and hold the debt repayment for other creditors until other assets can be adequately gathered for distribution among the unsecured creditors. Benefits of this order include: 1) Reduction of number of pending cases by treating the Bankruptcy case as not involving any other assets except for the collateral. 2) Speed up the repayment time for the secured creditors since they do not have to wait for compilation of assets in the Bankruptcy case.	Legal Execution Department Order no. 501/2554	21 September 2011

Appendices

Appendix 1-1: Types of Business Entity

Business Entities

(Datails in Annandiv 1-1-1)

(Details in Appe	(Details in Appendix 1-1-1)					
Sole Proprietorship	Ordinary Partnership	Limited Partnership	Company Limited	Public Company Limited	Branch Office	Representative Office and Regional Operating
The owner is solely responsible for the business with unlimited liability	2 or more partners are jointly and wholly liable for all obligations of the partnership	2 or more partners with at least 1 partner whose liability is limited to the amount of capital contributed, and at least 1 being unlimitedly liable for all obligations of the partnership	At least 3 promoters with their liability being limited to the amount they invested in the company	At least 15 promoters with limited liability whose shares may be freely sold and traded to the public	Foreign companies may carry out certain business in Thailand through a branch office and may derive income	Headquarter (ROH) Foreign companies may set up a representative or regional office for limited business purposes and cannot render services to any person other than its head office

Business Categories

(Details in Appendix 1-1-2)

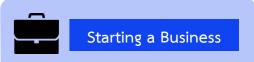
Business Requiring Commercial Registration

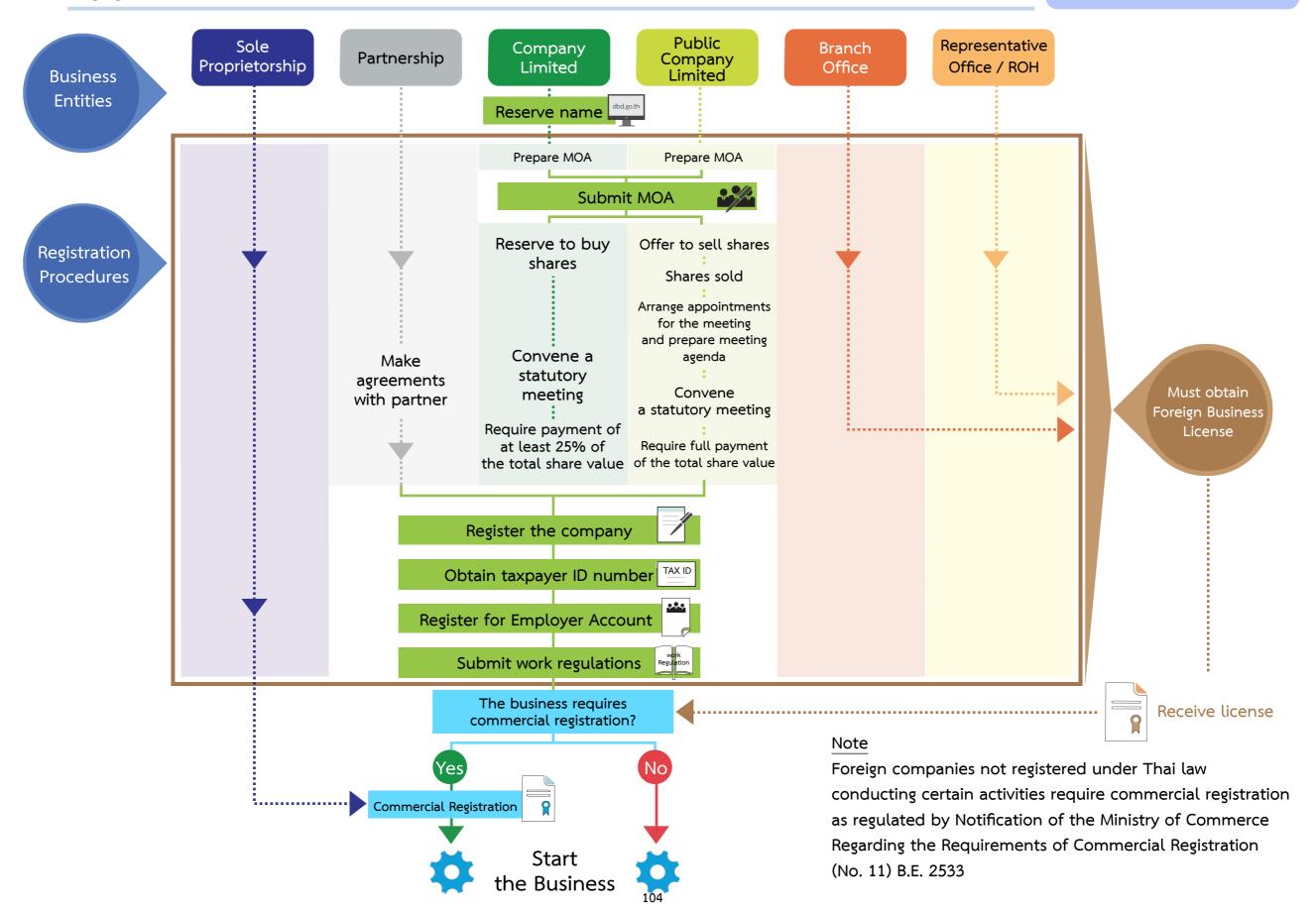
Business Not Requiring Commercial Registration

or affiliated / group companies

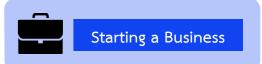


Appendix 1-1-1: Registration Procedures for Other Types of Entity





Appendix 1-1-2: Commercial Registration



The following businesses must conduct commercial registration:

Ordinary Partnership

Sole Proprietorship

Juristic Company under Thai laws

- 1) Persons who conduct the rice mill businesses and machine-operated saw factories
- 2) Persons who conduct sales businesses of any one kind or several kinds of items with the income of more than 20 Baht per day or if such items have total value of 500 Baht or above
- 3) Broker or agent who conducts the businesses of any one kind or several kinds of products and such products can be sold for more than 20 Baht per day
- 4) Persons who conduct any one kind or several kinds of handicraft or industrial businesses and can sell the products for more than 20 Baht per day or if such items have total value of 500 Baht or above in any days
- 5) Persons who conduct marine, transportation businesses via steam launch or motor launch, transportation businesses via rail or tram, transportation via bus, sale by auction, land trading, lending, foreign exchange, note trading, banking, unofficial banking, pawn businesses, and hotel businesses
- 6) Sale or rental of cassette tapes, CD, VDO, DVD or digital VDO for entertainment purposes.
- 7) Sale of jewellery or accessories decorated with jewellery
- 8) Trading of goods and services electronically through internet system.
- 9) Provider of Hosting Service for domain server.
- 10) Provider of Electronic Marketplace service for sales of goods and services via internet
- 11) Manufacturing of CD, Cassette tapes, VDO, VCD or DVD for entertainment purposes.
- 12) Internet Cafe service
- 13) Provider of music-listening and Karaoke service
- 14) Provider of game machines service
- 15) Song booth service
- 16) Factory for processing, craft, handicraft, retail and wholesale of ivory and products from ivory

Registered Partnership Company Limited Public Company Limited

- 1) Sale or rental of Cassette tapes, CD, VDO, DVD or digital VDO for entertainment purposes
- 2) Sale of jewellery or accessories decorated with jewellery
- 3) Trading of goods and services electronically through internet system
- 4) Internet provider
- 5) Provider of Hosting Service for domain server
- 6) Provider of Electronic Marketplace service for sales of goods and services via internet
- 7) Manufacturing of cassette tapes, CD, VDO, DVD or digital VDO for entertainment purposes
- 8) Internet Cafe service
- 9) Provider of music-listening and Karaoke service
- 10) Provider of game machine service
- 11) Song booth service
- 12) Factory for processing, craft, handicraft, retail and wholesale of ivory and products from ivory





Register for Commercial Certificate



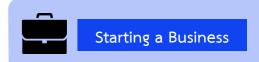
Locations

- 1. In Bangkok:
 - 1) Office of Finance, Bangkok Metropolitan Administration
- 2) Bangkok District Office in the area that the business is located in
- 2. Others: Municipality, Sub-district Administration Office, or Office of Commercial Registration Office (Pattaya City), in the area that the business is located in



For related documents and further information on commercial registration, please visit www.dbd.go.th

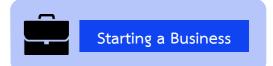
Appendix 1-2: Meeting Agenda



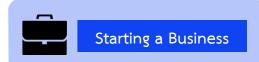
Meeting Agenda

- ✓ Adoption of the regulations of the company (if any)
- ✓ Ratification of any contracts entered into and any expenses incurred by the promoters in promoting the company
- ✓ Determination of the amount to be paid to the promoters (if any)
- ✓ Determination of the number of preference shares to be issued (if any) and, and the nature and extent of the preferential rights accruing to them
- ✓ Determination of the number of ordinary shares or preference shares to be allotted as fully or partly paidup otherwise than in money, if any, and the amount up to which they shall be considered as paid-up
- ✓ Description of the services or property in return for which such ordinary shares or preference shares shall be allotted as paid-up shall be expressly laid down before the meeting
- ✓ Appointment of the first directors and auditors and determination of their respective powers
- ✓ No resolutions of the statutory meeting are valid unless passed by a majority including at least one half of the total number of subscribers entitled to vote, and representing at least one half of the total number of shares to such subscribers

Appendix 1-3



Procedure	Required documents	Related forms	Related laws and regulations
Deposit Paid-in Capital	Receipt of paid-in capital		 Civil and Commercial Code Section 1105 and Section 1110 Rule of Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 (and its Amendments) Clause 46 and the appendix of the Regulations of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554

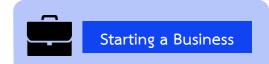


Procedure	Required documents	Related forms	Related laws and regulations
Register the Company	 Notice of company name reservation Certified copy of Thai national ID card of the promoters and all directors Evidence certifying the authorized person's signature (if any) Power of attorney (with 10 Baht of stamp duty paid if proceeded by a representative) Evidence approving the company registration issued by authorized agencies (only required for specific business such as banking, insurance, and securities) Copy of list of subscribers Copy of regulations with 200 Baht of stamp duty (if any) Copy of receipt of payments for shares issued If the limited company has a foreign shareholder owning less than 50% of the registered capital, or has a foreign authorized director, evidence issued by the bank certifying the financial status of every Thai shareholders is required (The financial status should be coherent with the amount of shares owned by each shareholder) Map of the company headquarter and with brief information about other important venues in the area Note All documents must be certified by at least one of the promoters except for copies of Thai national ID cards, which must be certified by the card owners 	 Request for Company Registration Form (Form Bor Aor Jor. 1) Form for Certifying the Company Registration Memorandum of Association (Form Bor Aor Jor. 2) with 200 Baht stamp duty Form of Objective (Form Wor.) Form Regarding the Transaction for Registering the Establishment (Form Bor Aor Jor. 3) Details of Directors (Form Gor.) List of Shareholders' Names (Form Bor Aor Jor. 5) Form Sor Sor Chor. 1 	 Civil and Commercial Code Chapter 3 Part 22 Partnerships and Companies Rule of Office of the Central Company and Partnership Registration for Partnership and Company Registration B.E. 2554 (and its Amendments No. 2-6) Identification of the Offense of Registered Partnership, Limited Partnership, Company Limited, Association and Foundation Act B.E. 2499

Appendix 1-4 (Cont'd)

Procedure	Required documents	Related forms	Related laws and regulations
Register for Taxpayer Identification Number	Business may use Single Form and Single Document obtained from company registration in both registering for taxpayer ID number and registering for employer account		Notification of the Director-General of Revenue Department Regarding the Requirements of Taxpayer Identification Number in Complying with the Revenue Code (No. 3) (Announced on 11 January 2012) Note: Results in the use of company registration number as taxpayer ID number
Register for Employer Account			 Order of the Ministry of Labour No. 88/2553 Regarding the Appointment of Officials under the Social Security Act B.E. 2533 (Ordered on 5 July 2010) Order of the Ministry of Labour No. 89/2553 Regarding the Appointment of Officials under the Workmen's Compensation Act B.E. 2537 (Ordered on 5 July 2010) Notification of the Social Security Office Regarding the Registration Forms under the Social Security Act B.E. 2546 (and its Amendments) Social Security Act B.E. 2533 Workmen's Compensation Act B.E. 2537
Submit company work regulations	Work regulations	Bor Aor Jor. 1	Order of the Department of Labour Protection and Welfare No. 611/2554 Regarding the Power of Attorney in Accepting Work Regulations under Section 108 Paragraph 2 of Labour Protection Act B.E. 2541 (Ordered on 20 September 2011)

Appendix 1-4 (Cont'd)

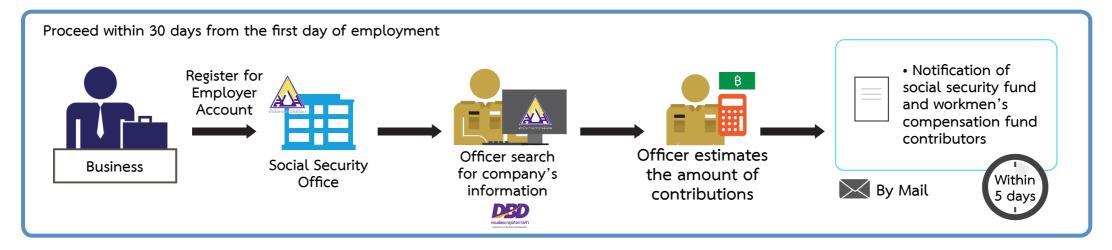




Register the company	Fee 1) Memorandum of Association registration, for each registered capital of 100,000 Baht (with the minimum of 500 Baht and the maximum of 25,000 Baht)	50 Baht
	2) Stamp duty • Memorandum of Association • Company Regulations (if any)	200 Baht 200 Baht
	 Power of Attorney (if any) Company registration, for each registered capital of 100,000 Baht (with the minimum of 500 Baht and the maximum of 25,000 Baht) 	10 Baht 500 Baht
	4) Registration certificate	100 Baht each
	Note: • For certification (5 items, 40 Baht each) • For certified copy of document	200 Baht each 50 Baht per page
	 Payment For walk-in registration, payment can be made at DBD with cash or cashier cheque For online registration; o In Bangkok, payment can be made at DBD with cash or cashier cheque, or via banks (branch office, ATM, or Internet Banking) o In other provinces, payment can be made at BD offices with cash or cashier cheque 	
Obtain taxpayer ID number	None	
Register as VAT entity	None	
Submit work regulations	None	

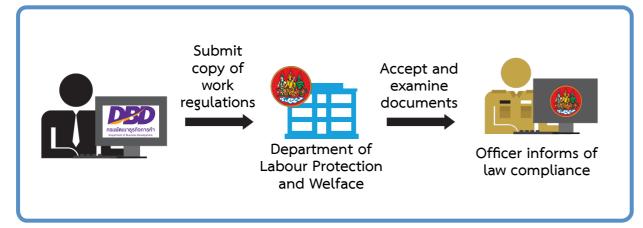
Appendix 1-5: Employer Account Registration

After Starting the Business



Appendix 1-6: Work Regulations Approval

After submitting work regulations at the Department of Business Development, the business may starts. The business must announce its work regulations within 15 days after hiring 10 or more employees. As for the copy of work regulations submitted, DBD would transfer it to the Department of Labour Protection and Welfare to proceed. DBD would only contact the business if the work regulations contradict the law. Time involved varies depending on the content of work regulations submitted.



If the work regulations contain a clause that does <u>NOT</u> comply with the law, the officer would inform the business within 7 days. The business must edit accordingly.

Note DBD only accepts the copy of work regulations as part of the company registration procedures.



For further information and examples of work regulations, please visit http://protection.labour.go.th/doc/bro Eng.pdf

Appendix 2-1

Procedure	Required documents	Related forms	Related laws and regulations
Obtain building permit	 Request for construction permit (Kor. 1) Certified copy of company certificate Certified copy of Thai national ID card and household registration of the authorized director Certified copy of certificate of title (5 copies) Certified copy of architect certificate Certified copy of the architect licence of the design engineer Certificate of the design engineer Certified copy of the engineer licence of the design engineer Letter of consent of the supervising architect (Nor. 4) Certified copy of the architect licence of the supervisor Letter of consent of the supervising engineer (Nor. 4) Certified copy of the engineer licence of the supervisor List of layout and floor plan (5 copies) List of Engineering work calculation Note: All documents must be certified 	 Request for construction permit (Kor. 1) Letter of consent of the supervising architect and engineer (Nor. 4) and their professional licences 	Ministerial Regulation Prescribing Rules and Regulations under the Building Control Act B.E. 2522

Appendix 2-1 (Cont'd)



Procedure	Required documents	Related forms	Related laws and regulations
Obtain occupancy permit	 Notification Document to Municipal Officer to Conduct Inspection (Gor Tor Mor. 4) Certified copy of company certificate Certified copy of Thai national ID card and household registration of the authorized director Certified copy of construction permit (Aor. 1) Certified copy of walkway construction permit 	Notification Document to Municipal Officer to Conduct Inspection (Gor Tor Mor. 4)	Building Control Act B.E. 2522
Request and connect telephone	 Certified copy of company certificate Certified copy of Thai national ID card of the authorized director Certified copy of VAT registration certificate (if any) All documents require affixation of the company seal If proceeded by a representative: Power of Attorney with paid stamp duty Thai national ID card of the representative 	Request for New Telephone Connection Form	
Request and connect water	 Company certificate Certified copy of household registration of the authorized director Certified copy of Thai national ID card of the authorized director Map of the requested location (if any) If proceeded by a representative: Power of Attorney with paid stamp duty (10 Baht) Thai national ID card of the representative 	Request for Water Form	

Appendix 3-1: Getting Electricity



Procedure	Required documents	Related forms	Related laws and regulations
Submit request and make payment	 Copy of Thai national ID of the authorized director and of the representative, and certified copy of company registration Evidence of qualification e.g. contract for rent Layout of the requested location and connection diagram 	Request for Electricity Form Electricity Contract	 Rules of the Metropolitan Electricity Authority Regulating Service Fees Rules of the Metropolitan Electricity Authority Regarding Electricity Services
Conduct external connection works	 For public location, must obtain letter of consent for external connection works For private location, must sign letter of consent for installation 	 Letter of Consent for External Connection Works Letter of Consent for Installation Contract of Connection Works Permission (if any) 	
Inspect internal wiring	SINGLE LINE DIAGRAM LOAD SCHEDULE and electrical calculation	Permission for Internal Connection Works in Private Property (if any)	Standard of Electricity Installation in Thailand (Latest Revision)
Install electricity meter		Meter Installation Form	

B Costs

Payment must be made prior to the inspection by cash or cheque. Costs include:

- Contribution in aid of construction 30,000 Baht (If additional cable in excess of the 140 meters connection is needed, the client has to pay additional cost, in this case 3,000-5,000 Baht)
- Contribution in aid of the transformer 34,800 Baht
- Internal connection works inspection fee 2,950 Baht
- Electricity meter installation and connection fee 9,300 Baht
- A deposit of 48,000 Baht must also be made prior the meter installation. It can be paid with cash, government bond, or Bank Guarantee. This deposit will be returned upon electricity service cancellation, meter size reduction, change of account, usage reduction, change of deposit.

Appendix 4-1: Obtain Certified Copies of Documents



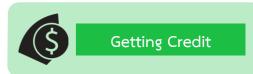
Required documents	Related costs	
Company name and registration number (13 digits)	At DBD At banks Company Affidavit 200 Baht each 200 Baht each 150 Baht (fee)	
	Memorandum of Association and Regulations 50 Baht per page 50 Baht per page	
	List of Shareholders 100 Baht for the first 5 pages After that, 20 Baht per page	
	The MOA has approximately 2 pages. Each amendment adds 1 page. The Regulation has approximately 2 pages, and the List of Shareholders has approximately 1 page. (If request via e-Certificate, no specific page can be selected)	
Related forms	Related laws and regulations	
If requested at DBD or BD office; Bor Thor. 1 Form	Ministerial Regulations Regulating Service Fee for Registration, Document Certification, and Other Services Relating Partnerships and Companies B.E. 2549 (Given on 8 May 2006)	

Appendix 4-2: Register Property



Required documents	Related costs B
 Certificate of Title Company Registration Certificate Company Regulations Memorandum of Association and Objectives List of Shareholders (for limited company or public limited company) List of Shareholders of the Thai company owning shares Thai national ID card, household registration, and signature of the authorized director Company meeting report 	1) Right verification fee (for transfer of ownership) no cost 2) Registration fee 2% of assessed value 3) Corporate income tax withheld 1% of assessed value or selling price, whichever is higher 4) Specific business tax 3.3% of assessed value or selling price, whichever is higher
Related forms	Related laws and regulations
Request for Title Registration and Juristic Act and Rights Verification (Thor Dor. 1 Form) Land Contract (Thor Dor. 13)	Civil and Commercial Code B.E. 2535 and related Ministerial Regulations Land Code B.E. 2497

Appendix 5-1: Requesting Credit Information



According to the the Credit Information Business Act B.E. 2545, section 25, to promote fairness and protection of information owners, individuals have the right to request and verify their own credit information.

Channels and Fees

- 1. Submit requests at NCB Centers to receive information immediately.
- Ordinary Person 100 Baht. (Requesters may request for refund of fees in the case that the loan application is rejected due to credit information by presenting the denial letter)
- Legal Entities 200 Baht
- 2. Submit requests through representative banks via service counters, ATM, Mobile Banking Application or Internet Banking- 150 Baht. Information will be delivered by post (for ordinary persons)

Supporting Documents

1. Request in Person

For Ordinary Persons

• National ID, passport or alien identification card

For Legal Entities

- Copy of Company Registration, certified within 3 months
- Actual and certified copies of ID/Passport of authorized Directors
- Company seal (if any)

2. Request through an Attorney

For Ordinary Persons

- Signed Letter of Power of Attorney
- Actual and certified copy of the assignee's National ID
- Actual and certified copy of the attorney's National ID

For Legal Entities

- Signed Letter of Power of Attorney
- Copy of Company Registration, certified within 3 months by authorized directors and affixed with the company seal (if any)
- Actual and certified copy of National ID or passport of authorized directors
- Actual and certified copy of National ID or passport of the attorney



For further information on getting credit information, please visit www.ncb.co.th

Appendix 7-1: Corporate Income Tax



Deductible Taxes

- 1. Income tax granted exemption under Royal Decree (No.18)
- 2. Income tax granted exemption under Royal Decree (No.300)
- 3. Withholding tax and tax paid by other persons
- 4. Tax paid under CIT51
- 5. Tax granted tax rate reduction of 50% from normal rate
- 6. Tax paid under CIT50 (for additional filing)

Appendix 7-2: Revenue Taxes e-Payment Channels



No.	Channels
1	Krungthai Bank
2	Siam Commercial Bank
3	UOB Bank
4	Kasikorn Bank
5	Bangkok Bank
6	Bank of Ayudhya
7	TMB Bank
8	Thanachart Bank
9	CIMB Thai Bank
10	Citibank
11	HSBC Bank
12	JPMorgan Chase Bank
13	BNP Paribas

No.	Channels
14	Bank for Agriculture and Agricultural Co-operatives
15	Government Savings Bank
16	Mizuho Bank
17	Sumitomo Mitsui Banking Cooperation
18	Deutsche Bank
19	Bank of Tokyo-Mitsubishi UFJ
20	Standard Chartered Bank
21	Tisco Bank
22	Bank of America Merrill Lynch
23	Post Office
24	Counter Service
25	Tesco Lotus

Appendix 7-3 : Car Tax e-Payment Channels

No.	Channels
1	Krungthai Bank
2	Thanachart Bank
3	Bank for Agriculture and Agricultural Co-operatives
4	CIMB Thai Bank
5	Bank of Ayudhya
6	Bangkok Bank
7	TMB Bank
8	Siam Commercial Bank
9	UOB Bank
10	Government Savings Bank
11	Counter Service
12	True Money Express / True Money Service
13	Tesco Lotus

Appendix 8-1: Customs Duty e-Payment Channels



No.	Channels					
1	Bangkok Bank					
2	Kasikorn Bank					
3	The Royal Bank of Scotland N.V. (Bangkok Branch)					
4	Krungthai Bank					
5	JPMorgan Chase Bank (Bangkok Branch)					
6	TMB Bank					
7	Siam Commercial Bank					
8	Citibank					
9	Sumitomo Mitsui Bank					
10	Standard Chartered Bank					
11	CIMB Thai Bank					
12	Bank of Ayudhya					
13	The Hongkong and Shanghai Banking Corporation (Thailand)					
14	Deutsche Bank (Bangkok Branch)					
15	Mizuho Bank (Bangkok Branch)					

Appendix 9-1



Average time taken for enforcement of judgment from the Study on Enforcement of Judgment Duration 2011, Department of Legal Execution, Ministry of Justice

Duration for Enforcement of Judgment	Number of cases (from sample)	%	
Less than 6 months	357	21.8	
7 months – 12 months	523	31.9	
13 months -18 months	276	16.8	
19 months – 24 months	161	9.8	
25 months- 30 months	94	5.7	
31 months- 36 months	58	3.6	
More than 3 years	171	10.4	
Total	1,640	100.0	

Appendix 10-1



Topic	Fees	Related Laws and Regulations
Insolvency	 Court fees for filing for Bankruptcy is 500 Baht Lawyer fees Expense Deposit (paid to the court) is 5,000 Baht Advertisement for Order of Absolute Receivership is 2,000 Baht Fee for creditor's application for debt repayment is 200 Baht, except those under special court order or when the amount owed is less than 50,000 Baht Fee for gathering assets 3% of net amount earned, or for assets unsold, the fees is 2% of the price of the asset, or if there is composition, fees are 3% of the composited amount, whichever is higher Publication of public auction is 600 Baht per time Official Receiver service fees is 50-100 Baht per time 	 Bankruptcy Act B.E. 2483 (amended in B.E. 2547) Act on the Establishment of and Procedure for Bankruptcy Court B.E. 2542 Civil Procedure Code
Reorganization	 Court fees 1,000 Baht Lawyer fees Expense Deposit (paid to the court) for advertisement and notice delivery is 50,000 Baht Expense Deposit (paid to the Official Receiver) is 30,000 - 50,000 Baht (depending on the number of creditors and consideration of the Official Receiver), transferrable from the amount deposited in other stages Fee for creditor's application for debt repayment is 200 Baht, except those under special court order or when the amount owed is less than 50,000 Baht Fee for Registration of the Plan Preparer (as a security for damage that may arise, using general bond) is 500,000 Baht. Once the Plan Preparer has been appointed, the bond is case-specific, ranging from 200,000 -10,000,000 Baht (depending on the value of the case) Official Receiver service fees is 50-100 Baht per time 	 Bankruptcy Act B.E. 2483 (amended in B.E. 2547) Section 90 and Section 90/1 Act on the Establishment of and Procedure for Bankruptcy Court B.E. 2542 Ministerial Regulation on Registration and Qualification of Reorganization Plan Preparer and Plan Administrator

Appendix 10-2



1. Table demonstrating the time taken in enforcement of cases without assets, separated by procedures

Time taken	Receive Court Order - Adjudication of Bankruptcy		Adjudication of Bankruptcy - Report on Icome/Expense to close the case		Report on Income/Expense - Case Closed		All Procedures	
	No. of Cases	%	No. of Cases	%	No. of Cases	%	No. of Cases	%
Total	1,818	100.0	1,818	100.0	1,818	100.0	1,818	100.0
Less than 1 year	350	19.3	1,472	81.0	1,771	97.4	17	0.9
>1 year – 2 years	1,116	61.3	119	6.5	22	1.2	816	44.9
>2 years – 3 years	243	13.5	99	5.5	15	0.9	543	29.9
>3 years – 4 years	57	3.1	50	2.8	2	0.1	138	7.6
>4 years – 5 years	42	2.3	39	2.1	5	0.3	152	8.4
>5 years – 10 years	9	0.5	35	1.9	2	0.1	147	8.1
more than 10 years	-	-	3	0.2	-	-	4	0.2

The record shows that:

91.7 % takes less than 5 years

8.1% takes more than 5 years but less than 10 years

0.2% takes more than 10 years

Appendix 10-2 (Cont'd)



2. Table demonstrating time taken in enforcement of cases with assets, separated by the case information (Adjudicated Bankrupt) from the Research Report on time taken in enforcement of cases 2013, Department of Legal Execution, Ministry of Justice

		Total Time Taken					
Information	Total	< 1 year	>1 year – 2 years	>2 years – 3 years	>3 years – 5 years	> 5 years	
Type of Creditors (Plaintiff)	100.0	-	4.6	13.6	31.8	50.0	
Ordinary Person	100.0	- -	-	-	_	100.0	
Financial Institutions/Securities	100.0	_	5.9	5.9	35.3	52.9	
Other Juristic Persons	100.0	_	_	66.7	33.3	_	
Value of the Case	100.0	-	4.6	13.6	31.8	50.0	
• 1,000,000 - 5,000,000 Baht	100.0	_ 	7.7	15.4	46.1	30.8	
• 5,000,001 - 10,000,000 Baht	100.0	_	_	-	_	100.0	
• 10,000,001 - 20,000,000 Baht	100.0	_	_	-	_	100.0	
• 20,000,001 - 30,000,000 Baht	100.0	-	_	_	_	100.0	
• more than 30,000,000 Baht	100.0	-	-	33.3	33.3	33.4	
Type of Debtors	100.0	-	4.6	13.6	31.8	50.0	
Ordinary Person	100.0	- -	5.3	5.3	31.6	57.8	
Juristic Person	100.0	_	_	40.0	40.0	20.0	
Number of Debtors who file for repayment	100.0	_	4.6	13.6	31.8	50.0	
• 1	100.0	-	_	27.2	36.4	36.4	
• 2	100.0	_	14.3	_	28.6	57.1	
• 3	100.0	-	_	-	_	100.0	
• 4	100.0	-	_	-	100.0	_	

Appendix 10-3: Qualifications for Plan Preparer and Plan Administrator (Juristic Persons)



If the Planner and Administrator is a juristic person, the following criterion of the Ministerial Regulation on Registration and Qualifications of The Plan Preparer, no. 14 and 16 must be met:

Plan Preparer

The Plan Preparer must:

- 1) Have a registered business objective as a financial, accounting or legal advisor
- 2) Have a registered business objective as business and assets management company
- 3) Have a dedicated service for being a Plan Preparer, and must have at least 3 full-time employees whose work is concerned directly with the business of a planner, and at least 50% are Thai Nationals. All the responsible persons must hold at least a bachelor degree and have at least 3 years experience in 1). At least 1 person must be knowledgable in Finance or Accounting.
- 4) Have executives/management team with good conduct, capable or experienced in the business, and have never been discharged from duty or legally charged with fraud, or conduct businesses that are deemed dishonest, or conduct other businesses that led to illegal actions or breach of responsibility or lack of prudence.
- 5) Have credible working methodology and approach

Plan Administrator

The Plan Administrator must:

- 1) Have a registered business objective as business management advisor
- 2) Have a registered business objective as business and assets management company
- 3) Have a dedicated service for business management, and must have at least 3 full-time employees whose work is concerned directly with the business of a planner, and at least 50% are Thai Nationals. All the responsible persons must hold at least a bachelor degree and have at least 3 years experience in 1). At least 1 person must be knowledgable in business administration.
- 4) Have executives/management team with good conduct, capable or experienced in the business, and have never been discharged from duty or legally charged with fraud, or conduct businesses that are deemed dishonest, or conduct other businesses that led to illegal actions or breach of responsibility or lack of prudence.
- 5) Have credible working methodology and approach





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