

Topics February 2024

Two draft ministerial regulations under the Civil and Commercial Code which was amended by the Civil and Commercial Code Amendment Act (No. 23) B.E. 2565 (2022)

The Cabinet resolved to approve the draft ministerial regulations under the Civil and Commercial Code which was amended by the Civil and Commercial Code Amendment Act (No. 23) B.E. 2565 (2022), in total of 2 drafts, with the following important points:

1. Draft ministerial regulations for advertising notices of general meetings via electronic media in the case where a limited company has shares with share certificates issued to the holders, B.E. can be summarized as follows:

Advertising notice calling a general meeting in the case where a limited company has shares with share certificates issued to shareholders (Bearer shares) according to **Section 1175 paragraph one** of the Civil and Commercial Code, as follows: 1) **Originally**, the advertisement of notice for a general meeting is via Newspaper 2) **Newly**, the advertisements of notice for a general meeting can be via Newspaper or electronic media.

2. Draft on ministerial regulations appointing appraisers in the case where there are shareholders objecting to the merger and cannot agree on the share purchase price, B.E. ...

From the original Section 1239/1f the Civil and Commercial Code, there is no provision regarding the appointment of an appraiser, which can be summarized as follows:

Section 1239/1 paragraph two, ruled that for the case where a company has a special resolution to merge companies but there is a minority of shareholders objecting the merger. The first step is for the company to arrange a buyer to purchase the dissenting shareholders' shares at an agreed upon price. But if an agreement cannot be reached in the first step, the share price shall be used as determined by the appraiser by appointing an appraiser in accordance with the rules, procedures and conditions specified in the ministerial regulations.

Appointing an appraiser in the case that some shareholders object to the merger according to a special resolution according to the Civil and Commercial Code. 1) **Originally**, Appointment of the appraiser was not specified. 2) **Newly**, Appointment of the appraiser has 3 steps, as follows:

Step 1: A limited company arranges for a buyer to purchase the shares of the minority shareholders objecting the merger at an agreed upon price.

Step 2: In the case where the minority shareholders who object the merger are unable to agree on the share purchase price. Use the price as determined by the appraiser. The company arranges for an appraiser according to the rules, procedures and conditions as specified, such as a licensed auditor.

Step 3: Minority shareholders who object to the merger refuse to sell their shares within 14 days from the date of receiving the offer to sell their shares. Allow the company to proceed with the merger and such shareholders shall be considered as shareholders of the merged company.