

Escrow Agents Act (No.2) B.E. 2562

The Escrow Agents Act (No. 2) B.E. 2562 (A.D. 2019) was passed by the National Legislative Assembly on the 17th of January 2019 to amend the Escrow Agents Act B.E. 2551 (A.D. 2008) (“EAA”). It was published in the Government Gazette on the 14th of April 2019 and has become effective on and from the 15th of April 2019. The changes aim to promote the use of escrow agents to benefit businesses and the wider public by increasing the flexibility and variety of transactions eligible to services of escrow agents.

The major changes include the followings:

1. The definition of the word “Parties” has been removed so that escrow transactions include all kinds of reciprocal agreements.
2. An escrow agent can now take in escrow and transfer money, property or documents per request of the parties without getting involved with the transfer of ownership or rights of the property between the parties.
3. The process for obtaining and notifying the parties of evidence of the deposit of money in the escrow account is more flexible. The Escrow Regulation Committee will issue relevant implementation rules within 120 days after the 15th of April 2019.
4. Condominiums are now recognized as immovable properties that can be owned and transferred through escrow agents.
5. The Escrow Regulation Committee has been given more powers and obligations to supervise and support escrow agency businesses and to issue guidelines for solving problems arising from implementation of the EAA.



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