More Stringent Measures against Use of Nominee Partners and Nominee Shareholders in Registration of Partnerships and Companies in Thailand

The Central Office of Partnership and Company Registration of the DBD (Department of Business Development) of the Ministry of Commerce issued Order No. 2/2569 re: Rules and Documents in Support of Applications for Establishing and Changing Partnerships and Private Limited Companies with Foreigners Being Partners or Authorized Director dated 14th July 2026 ("**Order 2/2569**") to repeal and replace the DBD's Order No. 2/2568 and Order No. 1/2569, effective on and from 1st August 2026.

Application of the Order 2/2569

Order 2/2569 requires each partnership or private limited company ("**Company**"), upon its initial entity registration or when registering changes to managing partners or authorized directors of existing partnerships or Companies, to file an investment explanation/declaration statement ("**Explanation Statement**") along with evidence proving the sources of funds for its registered capital and/or the receipt of such registered capital, or to file an investment confirmation statement ("**Confirmation Statement**") without such supporting evidence. The applicable requirement depends on the entity structure, type and timing of the registration. These requirements are subject to the specific conditions outlined below.

Registration of New Entities

For registration of (a) a new partnership or a Company in which a foreign partner or a foreign shareholder holding less than 50% of the registered capital, or (b) a new Thai wholly owned Company with a foreign authorized director with power to act for the Company solely or jointly with any other director, the applicant must submit the Explanation Statement plus:

(1) For each Thai partner or Thai shareholder: a bank statement covering a period of three months before the payment date of the registered capital showing the transactions corresponding to the amount of funds and the date of the payment of the registered capital; and

(2) For the managing partner or the director who receives payments of the registered capital for the legal entity from every other partner or shareholder: a bank statement showing the amount of funds and payment date of the registered capital from every other partner or shareholder.

If the managing partner or the director used his/her bank account to both contribute his/her own registered capital and collect the payment of the registered capital from other partners or shareholders of the entity, he/she must also submit a bank statement covering a period of three months before the date on which he/she receives payment of the registered capital from the other partner or shareholder.

Registration of Changes to Managing Partners or Authorized Directors of Existing Entities

For the registration of changes to managing partners or authorized directors of existing entities, a Confirmation Statement is required if:

(1) Partnerships: The structure changes from being either Thai wholly owned partnership or foreign majority owned partnership to a structure where foreigners hold less than 50% of the registered capital <u>and</u> there is no foreign managing partner.

(2) Companies: A foreign authorized director is appointed to a Company that previously had only Thai authorized directors.

Changes to Managing Partners or Authorized Directors Made Within One Year for Entities Registered on or After 1st August 2026

If a partnership or a Company registered on or after 1st August 2026, the effective date of the Order 2/2569, the applicant must submit an Explanation Statement and a bank statement showing that it has received the full amounts of the payments of its registered capital from each and every of its partners or shareholders showing the amount of funds and the payment date.

If the managing partner or the director used his/her bank account to both contribute his/her own registered capital and collect the payment of the registered capital from other partners or shareholders of the entity, a bank statement covering a period of three months before the date on which he/she receives payment of the registered capital from the other partner or shareholder is also required to be submitted with the DBD.

Kowit Somwaiya
Senior Partner
kowit.somwaiya@lawplusltd.com

Naddaporn Suwanvajukkasikij
Partner
naddaporn.suwanvajukkasikij@lawplusltd.com

Sirasa Rungruengsri
Associate
sirasa.rungruengsri@lawplusltd.com

LawPlus Ltd.
Unit 1401, 14th Fl., Abdulrahim Place, 990 Rama IV Road, Bangkok 10500, Thailand
Tel. +66 (0)2 636 0662 Fax. +66 (0)2 636 0663
www.lawplusltd.com