

## Amendment No. 10 to Bankruptcy Act

The Bankruptcy Act (No. 10) B.E. 2561 (A.D. 2018) was published in the Royal Gazette on 2<sup>nd</sup> March 2018. It amended the Bankruptcy Act B.E. 2483 (A.D. 1940) effective from 3<sup>rd</sup> March 2018. The major changes under the Bankruptcy Act No. 10 are listed below.

1. The term “secured creditor” has been changed to include secured creditors under other laws in addition to those under the Civil and Commercial Code, such as the collateral receiver under the business collateral law.
2. After the court issued a receivership order, any person who is a debtor of the debtor in receivership or occupies the assets of such debtor must inform the official receiver with information of such debt or occupied assets within one month after receiving the order from the official receiver.
3. The restriction period for a new composition by the debtor is extended from 3 months to 6 months of the latest composition date.
4. A composition by the debtor cannot be a ground for the official receiver to postpone or cancel the distribution of the debtor’s assets unless there is a reasonable ground for the benefits of the composition.
5. A reorganization petition can be filed against a solvent debtor if the debtor failed to pay debt in a certain amount of not less than THB10 million.
6. If the court dismissed a petition for cancellation of the reorganization or if the court cancelled the reorganization of the debtor, a new reorganization petition cannot be filed against the debtor during a period of 6 months thereafter.
7. If the court orders cancellation of the reorganization, debts incurred in good faith by the planner, the plan administrator, the interim plan administrator, the official receiver or their representatives during the preparation of the reorganization plan for the debtor to continue its business will have preferential rights over all the debtor’s assets and will be ranked in the 1<sup>st</sup> rank with expenses incurred for common benefits of the creditors.

8. A petition for cancellation of a fraudulent act cannot be filed after one year from the date on which that the official receiver knew of the cancellation ground or after a period of 10 years from the date on which the fraudulent act was committed.

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