Lorenz & Partners

Legal, Tax and Business Consultants

Memorandum

Conditions for holding an e-meeting

I. Introduction

The telecommunication technology is developed to the point that an electronic meeting can be conducted as efficiently as a physical meeting but consumes less time and cost. The Emergency Decree regarding teleconference via electronic media B.E. 2563 was as issued on 19 April 2020 and stipulates that an electronic meeting conducted in compliance with the relevant laws is a lawful meeting which, as a consequence, shall be admissible as evidence in any court proceedings.

As a result, board of directors' meetings and shareholders' meetings[1] of a company can now be conducted by means of electronic meeting, subject to the following conditions:

II. Criteria for a lawful e-meeting

1. Meeting participants can join the meeting from anywhere in the world.[2]
2. Every participant must be able to discuss and share opinions in two-way communication via electronic media by audio or audio and video, as the case may be.
3. The telecommunication may be both wireless or non-wireless, for example local area network (LAN), integrated services digital network (ISDN), wide area network (WAN), internet, microwave network, telecommunication network, satellite communication etc.

[1] The wording of this regulation does not explicitly apply to shareholders' meetings as the definition of "participant" does not explicitly name shareholders. Until a written guideline is issued by the Ministry of Commerce, we therefore suggest to apply the e-meeting with care, in particular towards a shareholders' meeting which is held to consider critical matters. This is to avoid any stakeholders claiming an invalid resolution due to incorrect meeting procedure.

[2] Under the previous regulation (Announcement of the National Council for Peace and Order No. 74/2557 (2014), at least one third of the quorum had to be at the same physical place and all participants had to be physically within the Kingdom of Thailand.

4. An e-meeting controlling system has to be in compliance with security standards set by the Ministry of Digital Economy and Society.
5. The recording medium of the electronic meeting must be in compliance with the standards set by the Ministry of Digital Economy and Society.

III. Process of an e-meeting

1. The chairman of the meeting can determine to conduct the meeting as electronic meeting.
2. The invitation letters shall be sent to the participants **either by registered mail, by hand or by email**, and published in the local newspaper. The copy of such invitation letter sent by electronic mail can be kept in electronic form.
3. Conduct the meeting via the controlling system with security standards in compliance with the Announcement of the Ministry of Digital Economy and Society.
4. Arrange for the minutes of the meeting in written form (signatures of the attendees are not required in this case).
5. Record both the voice or voice and video, as the case may be, of every participant for the whole meeting (except if it is a confidential meeting). Record the traffic log (activity of the computer communication). These records shall be deemed part of the minutes of the meeting.
6. Keep record of the voice or voice and video of the meeting as well as the traffic log in a reliable medium and attach the medium to the written minutes of the meeting.

IV. Security standard for the e-meeting controlling system

The Announcement of the Ministry of Digital Economy and Society re security standard of e-meetings B.E. 2557 (2014) stipulates the following criteria:

1. The person arranging the conference has to arrange for the attendees to verify themselves via the electronic medium before the conference starts.
2. The person managing the meeting has to arrange for the e-meeting controlling system in written form before the e-meeting. The person managing the meeting has to arrange for an e-meeting controlling person who can control the system and troubleshoot problems of the participants by way of remote access.
3. The e-meeting controlling system must be ready before the meeting time.
4. The chairman and/or the person controlling the e-meeting has to be able to cut either the signal of the voice or video or both of any participants. He/she shall also be able to pause the information delivery to the tool or communication equipment of any participant in the system immediately in necessary or urgent cases.

5. During the meeting, every participant must be able to watch the meeting details presented in the meeting through their own device throughout the whole meeting except where they are cut or paused as per the abovementioned case.

V. Safety measures of the sound record or sound and video record

The media record of the voice or voice and video of the meeting shall be in compliance with the attachment to the Announcement of the Ministry of Digital Economy and Society re security standard of e-meetings B.E. 2557 (2014):

1. Having the technology or measures to safeguard the information against change or amendment in order to affirm the reliability of the authenticity of the information.
2. In case the information is recorded by the e-meeting controlling system, there must be a reliable method of identification, authentication, authorization, and accountability of the relevant persons. This is to ensure that the recorded information was conducted by the authorized person only.
3. For the recording of the traffic log, there must be a security measure of such record. This information must demonstrate the source, origin, destination, time, date, quantity and period related to the computer system communication.
4. This record of the traffic log shall be recorded in a medium that can maintain the integrity and can identify the person authorized for the access.
5. There must be a level of confidentiality or level of access for the reliability of such record. It shall prevent both the system controller and system manager to amend the recorded information. For example recorded in the centralized log server, data archiving or data hashing.
6. The clock of every device must be set to the standard reference time.