

FAQ: Revocation of Zipmex's Digital Asset Exchange and Broker Licenses

1. After the license revocation has taken effect, what are the necessary next steps for the clients?

Answer

In case of Trade wallet:

Clients having assets in the Trade Wallet must contact Zipmex via email: support.th@zipmex.com to retrieve their assets.

During 27 – 31 May 2024, Zipmex transferred money denominated in Thai baht to the clients' accounts linked with the company and announced this action on the website: <https://updates.zipmex.co.th/?p=289470&lang=th>. As for digital assets, Zipmex is in the process of transferring them. The minimum amount of digital assets that can be transferred out of the account on the blockchain network must not be less than the fees (gas fees and operating fees).

Currently, Zipmex deposits the clients' digital assets with a qualified digital asset depository.

The SEC recommends that Zipmex clients:

- (1) Regularly check emails for asset transfer notifications from the company (including the junk email folder);
- (2) Keep the emails regarding digital asset transfer requests and communications with the company as evidence;
- (3) Regularly check the destination wallet as specified with the company. Once digital assets are transferred, verify that they are correct and match the withdrawal requests (as stated in item 2);
- (4) In case of no responses, check your emails as the company may have requested additional information or documents. Clients can make inquiries with Zipmex Customer Service via the company's Facebook Messenger and/or contact the SEC Complaint Center.

In case of Z-wallet:

The SEC has filed a criminal complaint against Mr. Akalarp Yimwilai, former director and chief executive officer (CEO) responsible for the operations of Zipmex Co., Ltd., for offenses under Section 82 and Section 88 of the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018). It was found that the clients' digital assets that should have existed (as reported by the company), were transferred out before the clients were prompted to accept the new Terms and Conditions. This case is currently under the criminal procedure. Anyone suffering damage from this case can use the information from the criminal complaint in filing a report or a lawsuit or reach out to the SEC Complaint Center for more information via Hotline 1207, press 8.

2. If Zipmex cannot be reached, what will the SEC do to help the clients?

Answer

For assistance in coordinating with the company or further inquiries, the SEC can be reached at the SEC Complaint Center via Hotline 1207, press 8 or email: info@sec.or.th or SEC Office Facebook Page or SEC Live Chat on the SEC website: www.sec.or.th.

3. Does the license revocation affect the legal proceedings against Zipmex in various cases, and if so, how?

Answer

The license revocation does not affect the legal proceedings as they are separate matters. After the effective revocation of its licenses, Zipmex retains its status as a limited company with corresponding rights, responsibilities and liabilities, including the possibility of being subject to legal action.

The criminal complaint against Mr. Akalarp Yimwilai concerns the offenses under Section 82 and Section 88 of the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018). In any case, filing a criminal complaint is merely the commencement of the criminal procedure. The process of determining whether a person has committed a legal offense includes the investigative powers of inquiry officer and the decision to prosecute by public prosecutors.

The police investigation has led to the conclusion that Zipmex is allegedly guilty of “colluding to borrow money through fraudulent means against the public” in violation of the Emergency Decree on Fraudulent Borrowing of Money from the Public B.E. 2527 (1984) and

Section 75 of the Emergency Decree on Digital Asset Businesses B.E. 2561 (2018). The police have forwarded the case to the Department of Special Investigation (DSI). The case is under the DSI's consideration, marking the beginning of the criminal enforcement procedure.

4. How will the SEC provide assistance, relief, or solutions to individuals suffering damage in the Zipmex cases?

Answer

The SEC is not authorized by law to claim rights or damages on behalf of the victims, either in domestic or foreign proceedings. The victims may instead consider filing a civil and/or criminal lawsuit against Zipmex within the statute of limitations timeframe. Nevertheless, the SEC has provided documentation and evidence to the victims upon request and has continuously given updates on the status of the cases. Additionally, the SEC has facilitated meeting venues for victims who choose to pursue class action lawsuits.

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