

## SEC Thailand's Public Hearing on Drafted Regulations for Disclosure Requirements of Mutual Fund

The SEC Thailand is seeking public comments on the draft regulations relating to disclosure requirements of mutual fund. This follows the SEC Thailand's public hearing on the proposal to amend the related regulations on this subject matter, during 30<sup>th</sup> September – 30<sup>th</sup> October 2020, where most of the respondents agreed to the proposed amendments. The SEC Thailand has drafted the regulations while taking the opinions of the respondents into consideration to ensure that the regulations meet the needs of the market and investing public.

The proposed draft regulations amend the existing requirements where identical information relating to mutual fund project is required to be disclosed across multiple offering documents that are provided to the investors, i.e. the constitutive documents, summary of prospects, and factsheet. Such requirements impose undue burdens of preparation and disclosure on the asset management company ("AMC") while not providing additional benefit to the investors. The amendments seek to address this issue by implementing three key principles with respect to the disclosure of information in the constitutive document. These are:

- (1) only information specifically relating to a particular mutual fund is to be disclosed, i.e. fund characteristics, investment policy, and procedures for management;
- (2) identical information that is disclosed across various offering documents and does not fall within the criteria prescribed in paragraph (1), is to be removed, i.e. list of auditors; and
- (3) information which replicates the SEC Thailand's rules and regulations is not required to be disclosed, but mere reference to the title of such regulations is allowed.

The amendments apply to all type of mutual funds, namely, retail fund, Accredited Investors Fund, and Ultra High Net Worth Investors Fund.

The SEC Thailand attaches great importance to elevate AMC's competitiveness while maintaining the highest quality of investor protection. The amendments are part of the SEC Thailand's Regulatory Guillotine\* and emphasize our ongoing efforts to refine the regulatory framework for mutual fund.

For further details of this public hearing, please visit [www.sec.or.th/hearing](http://www.sec.or.th/hearing). Stakeholders and interested parties are also welcome to submit comments and recommendations via the SEC Thailand's website or email: [impd@sec.or.th](mailto:impd@sec.or.th) ; [pheangna@sec.or.th](mailto:pheangna@sec.or.th); [sireetho@sec.or.th](mailto:sireetho@sec.or.th).

The public hearing ends on xx March, 2021.

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\*Regulatory Guillotine is the regulatory review of the existing laws and regulations. The reviewed laws and regulations that are no longer necessary or do not keep pace with situations or remain obstacles to living or occupations will be abolished or revised to lessen burden on people. By doing so, methods used must be done with speed, transparency, low costs with participation from all related parties.