

SEC Thailand's public hearing on the proposed amendment and drafted regulations for liquidation of mutual fund

The Securities and Exchange Commission, Thailand (“SEC”) is seeking public comments on the amendment of principles and draft of regulations relating to the liquidation of mutual fund. This aims to adjust the period of the liquidation to be convenience according to the dissolution of mutual fund and reduce the burden of operation of asset management companies under the Regulatory Guillotine scheme*

The SEC proposes to amend the principles of the liquidation of mutual fund. In case of the default payment of issuer or the illiquid of asset, leading the liquidator unable to sell the property at the liquidate period. Secondly, the case of liquidator payment the redemption via cheque but unitholder do not cash the cheque which cause the liquidator to deposit in lieu of performance of obligation. The SEC proposes that the liquidator should proceed the liquidation under cases mentioned until complete and reporting the liquidation progress monthly via asset management company's website. In addition, the appointment of the liquidator should be done as soon as possible from the date of dissolution of mutual fund and specify the appointment of the liquidator through the SEC's website to reduce the burden of operation of asset management companies.

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. Stakeholders and interested parties are also welcome to submit comments and recommendations via the SEC Thailand's website or email: impd@sec.or.th ; pheangna@sec.or.th; hathaiphath@sec.or.th.

The public hearing ends on xx January, 2022.

*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.