

**SEC Thailand's public hearing on the proposed rules on the offering of investment token, the regulation regarding custodial wallet provider, and other related regulations on the digital asset business operation**

The Securities and Exchange Commission, Thailand ("SEC") is seeking public comments on the proposal on the offering of investment token, the regulation regarding custodial wallet provider, and other related regulations on the digital asset business operation. The proposed rules aim to provide greater protection to investors, which is consistent with the risks and nature of digital assets and related transactions, while continuing to support the development of innovation and technology in order to strengthen the growth of the capital market and the digital economy.

Under this proposal, the principal's points are as follows:

(1) Regulation of investment token by adjusting the investment limit of retail investors in order to comply with the product risk by removing the investment limit of retail investors in the case of asset-backed ICO, specifically real-estate backed ICO and infra-backed ICO, from the original limit that does not exceed 300,000 baht per person per offering;

(2) Review regulations to support custodial wallet providers by allowing them to be able to provide services to related party digital asset business operators in which they have common major shareholders, providing that custodial wallet providers are listed companies or subsidiaries in the group, who have expertise, experiences, and readiness in custody of customers' assets and have systems for safekeeping of such asset in the same way as safekeeping of financial asset and who have expertise and readiness for risk management. And under the condition that such custodial wallet providers are able to comply with the specified independence criteria;

(3) Require digital asset business operators who wish to undertake other businesses to seek approval and obtain permits from the SEC before proceeding in order for SEC's efficient monitor of digital asset business operations; and

(4) Regulation on the credibility of digital asset business operators

- The directors, executives and major shareholders who operate digital asset businesses must not be a director, executive or major shareholder of the company whose license is denied or revoked, or withdraws its submitted license application, or has a history of participating in or supporting

wrongdoings of companies involved in securities business, futures contract, or digital asset business without permission; and

- Digital asset business operators must not provide services through digital asset operators operating illegally. This is to enhance the quality and the credibility of the overall digital asset market.

For further details of this public hearing, please visit [www.sec.or.th/hearing](http://www.sec.or.th/hearing) or <https://law.go.th/>. Stakeholders and interested parties are also welcomed to submit comments and recommendations via the SEC Thailand's website or email: [kanjanachat@sec.or.th](mailto:kanjanachat@sec.or.th), [jira-it@sec.or.th](mailto:jira-it@sec.or.th) or [jirawut@sec.or.th](mailto:jirawut@sec.or.th).

The public hearing ends on 27 April 2023.