

SEC public hearing on draft notification for the collection, disposal, and allocation of Real Estate Investment Trust assets

The Securities and Exchange Commission, Thailand (“SEC”) is seeking public hearing on the issuance of draft notification on the collection, disposal, and allocation of Real Estate Investment Trust (“REIT”) assets. This draft notification will further specify the responsible person and the process of collection, disposal and allocation of REIT assets, which will be used as the general guideline to all REITs.

According to the Public Hearing on principle about the collection, disposal, and allocation of REIT assets, published during 21st September 2022 – 21st October 2022, SEC has desired to issue draft notifications to prescribe rules, conditions, and procedures relevant to the aforementioned collection, disposal, and allocation of REIT assets by considering comments from all stakeholders.

For the collection, disposal, and allocation procedures, REIT manager requires to officially inform the termination of REIT to the SEC, while submitting the accounting records, audited financial statement with its relevant documents or evidences to the trustee¹. Then, the trustee requires to collect REIT’s assets, dispose of the assets, pay debts and expenses, allocate the net assets to the unitholders, deposit the unpaid liabilities and outstanding cheque with deposit office.²

Furthermore, trustee is required to submit the document, showing the net assets that will be allocated to the unitholders and send audited financial statement to the unitholders or publish the financial statement on trustee company’s website within 45 days since distributed the net asset to the unitholders. In this regard, the allocation of net assets, the distribution and the publication of those documents should be completed within 90 days since the termination date.

When all processes are completed, the trustee requires to inform and provide a collection, disposal, and allocation report to the SEC within 30 days. Then, at least 10 years since the SEC has been notified the completion, they also require to collect and retain all relevant documents of the REIT.

For further details of this public hearing, please visit www.sec.or.th/hearing or contact Fund Raising Policy Department at Tel: 0-2263-6221 / 0-2263-6548 / 0-2263-6073 or E-mail nichaya@sec.or.th / parthomrat@sec.or.th / pornkamola@sec.or.th The consultation period ends on 16 December 2023

¹ including a trustee, a liquidator, or an official receiver of the trustee, as the case may be.

² might delegate some duties (e.g., contacting the property buyer, preparing financial, and taking legal actions) to REIT manager or any experts.