



## Real Estate-Backed ICO

The Office of the Securities and Exchange Commission (“SEC”) has completed the measures conducting the real estate-backed initial coin offering (“ICO”) to be in compliance with the REITs. The main objective is to have an appropriate security in order to protect digital asset investors, and fairly preserve the rights of investors. The new measure will be in effect from 1 March 2021.

According to the Notification of SEC No. KorJor 6/2564 on ICO to the public, some important points are set forth below:

- Underlying Asset
  - It must be a completed real estate which shall not be under any dispute;
  - SPV shares and at least 75% of the voting right in real estate; and
  - Right to own or lease real estate.
  
- Number and value for investment
  - Not less than 80% of the total project or not less than 500 million baht.
  
- Obligation of the ICO issuer
  - Manage the asset to be in accordance with the registration statement and the prospectus as well as providing effective measures to manage asset and protect the rights of the investors.
  
- Responsibility and operation of the trustee
  - Preserve asset;
  - Monitor, sustain asset under the operation of the issuer; and
  - Oversee conflict of interest.