

SEC public hearing on proposed ICO portal regulations regarding knowledge test and suitability test

The Securities and Exchange Commission (SEC) is seeking public comments on proposed regulations regarding the criteria for investor communication and service provision by initial coin offering (ICO) portals. The proposed regulations would require ICO portals to ensure that investors who are not institutional investors, ultra-high-net-worth investors, or high-net-worth investors complete a knowledge test before investing unless they have previously passed such a test. Additionally, ICO portals would be required to conduct a suitability test for all investors in digital tokens, and this assessment must be reviewed and updated at least every two years.

In June 2025, the SEC Board passed a resolution approving in principle the proposed regulations regarding investor communication and service provision by ICO portals. In this regard, ICO portals would be required to ensure that investors who are not legal entities classified as institutional investors, ultra-high-net-worth investors or high-net-worth investors take a knowledge test before investing in digital assets unless they have already passed such a test. This proposal aims to reduce the burden on both ICO portals and investors by canceling the requirement for such assessment every three months. In addition, ICO portals must conduct a suitability test to ensure that investors in digital tokens understand the investment risks and have a risk tolerance level appropriate and in alignment with the product risk. These proposed requirements are in line with regulatory practices applicable to both securities and digital asset business operators.

Accordingly, the SEC is conducting this public hearing on the proposed principle and draft regulations with key points as follows:

- (1) To revise the requirement for investors who are not legal entities classified as institutional investors, ultra-high-net-worth investors, or high-net-worth investors to complete a knowledge test before investment by granting an exemption for those who have already passed the test. Under the current criteria, such exemption is only applicable in cases where the aforesaid investors have passed a knowledge test within three months before investment;

(2) To require ICO portals to conduct a suitability test on investors who wish to invest in digital assets before providing services to them. Additionally, the suitability test must be reviewed and updated at least once every two years.

The public consultation is available at the SEC website at https://www.sec.or.th/TH/Pages/PB_Detail.aspx?SECID=1092 and the legal hub at https://law.go.th/listeningDetail?survey_id=NTU2NERHOV9MOVdfRUPTLRFTkO=. Stakeholders and other interested parties are invited to submit their comments and suggestions via the websites or email: sorawitp@sec.or.th or chawin@sec.or.th. The public hearing ends on 1 August 2025.