



## SEC issues facts on board investment

The Office of Securities and Exchange Commission (“SEC”) has been eager to prevent damages for investors, which will potentially arise from the cross default on payment of bonds issued by Stark Corporation which are worth approximately 9.2 billion Baht.

The crucial knowledge which investors should be aware before investing in debt securities is that it is high-risk to lose either principal and interest due to lack of ability to pay the debt due immediately. The SEC provides guidelines to track damages as follows;

### 1. Monitor the bondholders’ representative

Each group of bondholders has representatives to provide information and demand payment of interest, principal and claim for damages to bondholders. Bondholders should attend every bond holders’ meeting and pay attention to meeting

documents, and analyze the information before voting to protect their rights and benefits.

### 2. Prepare evidence of bond ownership

After an issuer of bonds is forced to pay the debt by the resolution of the bondholders’ meeting or at the discretion of the bondholders’ representative, they will assist to enforce collateral (in case of secured bonds), or compulsory debt repayment on behalf of all bondholders. The bondholders should prepare documents to prove of their bond ownership for claiming repayment from the issuer from a sale of the collateral by a public auction (in case of secured bondholders), or general repayment through lawsuit (in case of unsecured bondholders).

### 3. Monitor the progress of repayment

The bondholders shall follow up the collateral enforcement by the bondholders’ representative or the debt repayment by the issuer.