



Broaden Scope of Initial Coin Offering (“ICO”) Portal Outsourcing

On 27 June 2024, the Office of the SEC opened a public hearing on the proposed amendment to ICO portal outsourcing rules and related legislations.

The Office of the SEC has always determined to endorse the usage of investment token as a tool for investment. However, it has been found in the moment that the investment token was not yet sufficiently accessible as an investment tool to the investors with many factors including the limitation on what tasks the ICO portal can outsource to others, which has proved to be an obstacle for some entities with sufficient expertises to perform due diligence on the project and customer base in applying to be an ICO portal because of the lack of some qualities, such as IT system.

Therefore, the Office of the SEC Office proposed the amendment to the rules on outsourcing that will allow the ICO portal to be able to outsource all of its tasks except for the due diligence on digital token, which is a core task of ICO portal business.

In light of this proposed amendment, the Office of the SEC hoped that there would be less difficulty for securities business, such as financial advisors, to apply to be an ICO portal.

Should you have any question, please do not hesitate to contact us via info@bgloballaw.com

