



Shelf Filing of Digital Tokens

On 4 June 2024, the Office of the SEC opened a public hearing on the proposed Rules Related to Shelf Filing of The Digital Tokens Offering to The Public (“Shelf Filing Rules”).

In the past, the Office of the SEC implemented many rules that governs the process of initial coin offering (“ICO”), such as filing requirement and retail investment limitation. However, there has been a rise in demand for the ICO with underlying assets of the same characteristics which are gradually issued in different times, while the current legal measures are not yet compatible with the characteristics of such investment products. Therefore, the Office of the SEC proposed to improve the rules on ICO to be compatible with special natures of such investment products.

The prominent example from this Shelf Filing Rules was that Shelf Filing ICO (“Shelf Filing ICO”) can be gradually sold within 2 years from the date of shelf filing authorisation, instead of the general timeframe of 6 months. Also, the Shelf Filing ICO shall be exempted from retail investment limitation. The Office of SEC also specified that the Shelf Filing ICO is available for soft power project, such as music, movie or animation.

These Shelf Filing Rules are the effort from the SEC Office to endorse technology’s role in investment, promote the investment by tailoring the rules for in-demand investment products, while also support creative economy development with a better access to finance for soft power industry.