

FSC PROPOSES ADDITIONAL RULES CHANGE ON VIRTUAL ASSET SERVICE PROVIDERS

The FSC announced a revision proposal for the supervisory regulation on virtual assets on February 17 as the revised Act on Reporting and Using Specified Financial Transaction Information is scheduled to go into effect on March 25, 2021.¹ The revision proposal will be put up for public notice from February 18 until March 2 and will take effect from March 25.

KEY REVISIONS

(ON VIRTUAL ASSETS) The revised supervisory regulation contains the following details on pricing, exemption for real-name accounts, requirements for virtual asset service providers (VASPs), etc.

- Pricing of virtual assets in fiat money for the purpose of sales, exchange or transfer will be determined by the price displayed by VASPs at the time of sales, exchange or transfer.
- VASPs whose service activities entail no exchange of virtual assets with fiat money will be exempted from the real-name account rule that requires them to maintain real-name accounts with financial institutions.
- New business registration, change and renewal forms have been established for VASPs.
- A VASP will be allowed to serve as a broker between its own customer and another VASP's client only if the other party is a qualified AML compliant VASP and that verifying information on the other party's client is possible.
- An adjustment has been made to the suspicious transaction reporting form to include virtual assets.

(ON STR REQUIREMENT) The revised supervisory regulation stipulates that financial institutions should file suspicious transaction reports to the KoFIU within three business days from the time of detecting suspicious financial transactions for money laundering by their AML officers.

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For press inquiry, please contact Foreign Media Relations at fsc_media@korea.kr.

¹ Please click [here](#) to see more about the revised Act scheduled to go into effect on March 25, 2021.