

FSC APPROVES REVISED RULES ON MISCONDUCT IN FINANCIAL SERVICES

The FSC decided to adopt the revised rules and regulations for the examination and sanctions on financial institutions on April 16 as a follow-up measure to the plans to improve the rules on exemption for misconduct in financial services announced in the previous week.

RULES ON EXEMPTION FROM SANCTIONS¹

The revisions are intended to guarantee exemptions from sanctions for financial services workers, and by doing so, to help encourage them to play a more active role in offering loans and other financial support to the businesses and individuals in need during the COVID-19 pandemic as well as in other crisis situations.

The revised rules and regulations include an ex ante provision to ensure that the exemption from sanctions will be applied to the possible misselling or misconduct cases that have occurred prior to the adoption of these changes.

REQUEST FOR REGULATORY INTERPRETATION AND NO-ACTION LETTER

The FSC also decided to allow financial institutions to anonymously submit requests for regulatory interpretation and no-action letter from April 16. Until now, financial institutions faced obstacles as they were only able to file requests with the company name and the name of the company representative.

From April 16, financial institutions will be able to submit requests anonymously via online at <http://better.fsc.go.kr> and by providing only their contact information such as a telephone number and an email address.

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For any inquiry, please contact Foreign Press & Relations Team at fsc_media@korea.kr.

¹ For detailed information about the revisions, please refer to the press release, "[Plans to Improve Rules on Exemption for Misconduct in Financial Services](#)" (April 8, 2020).