



## Laws and Regulations Announcement

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### **Amendments proposed for the Enforcement Decree of the Act on Registration of Credit Business, etc. and Protection of Finance Users**

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| <b>Agency:</b>                            | Financial Services Commission  |
| <b>Rule:</b>                              | Enforcement Decree of the Act on Registration of Credit Business, etc. and Protection of Finance Users   |
| <b>Announcement Date:</b>                 | February 9, 2017   |
| <b>Summary:</b>                           | The Financial Services Commission proposed amendments to the Enforcement Decree of the Act on Registration of Credit Business, etc. and Protection of Finance Users. The amendments seek to give enhanced protection of peer-to-peer (P2P) investors and borrowers by establishing oversight of moneylenders that are set up and controlled by P2P operators to facilitate P2P lending.  |
| <b>Key Provisions:</b>                    | <ul style="list-style-type: none"><li>• P2P operator performing the matching of investors and borrowers through an online platform is designated an online loan information service provider (OLISP) and moneylender set up and controlled by an OLISP to facilitate its P2P lending an online loan information service-connected moneylender (OLISM).</li><li>• OLISMs must register with the Financial Services Commission.</li><li>• The loan receivables (borrower obligations of principal and interest) of an OLISM participating in P2P lending are exempted from the 1,000% asset-capital ratio limit only when the OLISM sells off its entire receivable holdings to P2P investors.</li></ul> |
| <b>Effective Date for the Amendments:</b> | The public comment period for the proposed amendments runs from February 9 to March 21, 2017.  |

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