



## Laws and Regulations Announcement

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### Amendments Proposed to Regulations on Supervision of Banking, Insurance, Mutual Financial, Mutual Savings Bank, and Specialized Credit Finance Businesses

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<b>Agency:</b>	Financial Services Commission
<b>Proposed amendments:</b>	<ul style="list-style-type: none"><li>• Regulations on Supervision of Banking Business</li><li>• Regulations on Supervision of Insurance Business</li><li>• Regulations on Supervision of Mutual Financial Business</li><li>• Regulations on Supervision of Mutual Savings Bank Business</li><li>• Regulations on Supervision of Specialized Credit Finance Business</li></ul>
<b>FSC Notice number:</b>	2017-218
<b>Announcement date:</b>	August 3, 2017
<b>Summary:</b>	The Financial Services Commission announced amendments to regulations on supervision of banking, insurance, mutual financial, mutual savings bank, and specialized credit finance businesses as a follow-up to the government's August 2 plan to curb speculation in the housing market and help genuine potential home buyers.
<b>Key provisions:</b>	<ul style="list-style-type: none"><li>• Unless specified otherwise under the law, the loan-to-value (LTV) and debt-to-income (DTI) ratios for new mortgage loans are to be reduced to 40%.</li><li>• The new LTV and DTI ratios may be raised by 10 percentage points for low-income and genuine potential home buyers and lowered by 10 percentage points for multiple mortgage loan borrowers.</li><li>• The criteria for the enhanced restrictions on new mortgage lending and maturity extension in speculation-designated areas have been changed from an individual borrower to an individual household.</li></ul>
<b>Public comment for the proposed amendments:</b>	The public comment period for the proposed amendments ends on August 7, 2017.

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