



## Laws and Regulations Announcement

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### Amendments Proposed to Enforcement Decree of the Financial Investment Services and Capital Markets Act

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<b>Agency:</b>	Financial Services Commission
<b>Rule to be amended:</b>	Enforcement Decree of the Financial Investment Services and Capital Markets Act
<b>FSC Notice number:</b>	2018-7
<b>Announcement date:</b>	January 10, 2018
<b>Summary:</b>	<p>The Financial Services Commission announced amendments to the Enforcement Decree of the Financial Investment Services and Capital Markets Act as a follow-up to the revisions to the Financial Investment Services and Capital Markets Act that took effect on October 31, 2017. The amendments seek to facilitate crowdfunding with higher individual investment limits and shortened resale restriction period.</p>
<b>Key provisions:</b>	<ul style="list-style-type: none"><li>• Retail investors' investment limit per issuer over the past one-year period is to be raised from KRW2 million to KRW5 million and accumulative investment limit per annum from KRW5 million to KRW10 million.</li><li>• Social enterprises as defined in the Social Enterprise Promotion Act may raise capital through crowdfunding platforms without any minimum number of years in business. Furthermore, they are to be eligible for investment by startup- and venture business-focused private equity funds.</li><li>• The resale restriction period for investors who purchased their securities in a secondary transaction is to be shortened from one year to six months, which corresponds to the resale restriction period for investors who purchased their securities from the issuer.</li></ul>
<b>Public comment for the proposed amendments:</b>	The public comment period for the proposed amendments ends on February 19, 2018.

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