

ANNEX 12 A : SPECIFIC COMMITMENTS

Section 1 : Specific Commitments of Singapore

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>A. <u>Insurance and Insurance-related Services</u></p> <p>All the commitments in this Schedule are also subject to entry requirements, domestic laws, guidelines, rules and regulations, terms and conditions of the Monetary Authority of Singapore (MAS) or any other relevant authority or body in Singapore, as the case may be, which are consistent with Article 12.8.</p>			
<p>(a) Life insurance services including annuity, disability income, accident and health insurance services</p>	<p>1) Unbound 2) None</p> <p>3) Foreign parties can only acquire equity stakes of up to 49% in aggregate in locally-owned insurance companies provided the acquisition does not result in any foreign party being the largest shareholder. Unbound for licensing¹ of new insurance companies and establishment of new representative offices and activities relating to the use, including via investment, of monies from any social security, public retirement or statutory savings scheme.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound 2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

¹ "Licensing is expressed as, and equivalent to, registration for insurance companies and insurance brokers carrying on insurance business in Singapore as provided in Singapore domestic law on insurance.

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(b) Non-life insurance services including disability income, accident and health insurance and contracts of fidelity bonds, performance bonds or similar contracts of guarantee	1) Unbound 2) None except that compulsory insurance of Motor Third Party Liability and Workmen's Compensation <i>may only</i> be purchased from licensed ¹ insurance companies in Singapore.	1) Unbound 2) None	
	3) Foreign parties can only acquire equity stakes of up to 49% in aggregate in locally-owned insurance companies provided the acquisition does not result in any foreign party being the largest shareholder. Unbound for licensing of new insurance companies and establishment of new representative offices. 4) Unbound except as indicated in the horizontal section.	3) None 4) Unbound except as indicated in the horizontal section.	

² "Licensing is expressed as, and equivalent to, registration for insurance companies and insurance brokers carrying on insurance business in Singapore as provided in Singapore domestic law on insurance

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(c) Reinsurance and retrocession	1) None 2) None 3) Reinsurance companies can establish as branches or subsidiaries. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(d) Insurance intermediation comprising broking and agency services	1) Unbound 2) Agents are not allowed to act for unlicensed ³ insurers. The placement of domestic risks outside Singapore by brokers is subject to the approval of MAS, with the exception of reinsurance risks and insurance risks relating to maritime liabilities of ship-owners insured by protection & indemnity clubs. 3) Unbound except for admission of direct general insurance and reinsurance brokers as locally incorporated subsidiaries. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	
(e) Services auxiliary to insurance comprising actuarial, loss adjustors, average adjustors and consultancy services	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

³. "Licensing is expressed as, and equivalent to, registration for insurance companies and insurance brokers carrying on insurance business in Singapore as provided in Singapore domestic law on insurance

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
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B. Banking and other financial services

All the commitments in this Schedule are also subject to entry requirements, domestic laws, guidelines, rules and regulations, terms and conditions of the Monetary Authority of Singapore (MAS) or any other relevant authority or body in Singapore, as the case may be, which are consistent with Article 12.8.

(a) Acceptance of deposits and other repayable funds from the public	<p>1) Unbound 2) None 3) Only institutions <i>licensed or</i> approved as banks, merchant banks and finance companies can accept deposits.</p> <p>Where a foreign financial institution is subject to legislation in its home country which requires that institution to confer lower priority to depositors of its foreign offices vis-à-vis the home country depositors in receivership or winding-up proceedings, the MAS may exercise appropriate differentiated measures against that foreign financial institution in Singapore to safeguard the interest of the Singapore office's depositors.</p> <p>Establishment and operation of foreign banks, merchant banks and finance companies are also subject to the limitations listed under activities B(a) to B(l) and the following limitations:</p>	<p>1) Unbound 2) None 3) <u>Commercial banks</u> Foreign banks can operate from only one office (excluding back-office operations). They cannot establish off-premise ATMs and ATM networking and new sub-branches. Unbound for provision of all electronic banking services. Location of banks and relocation of banks and sub-branches require prior approval from MAS.</p> <p>Restricted banks can only accept foreign currency fixed deposits from and operate current accounts for residents and non-residents. For Singapore dollar deposits, they can only accept fixed deposits of S\$250,000 or more per deposit.</p> <p>Offshore banks can accept foreign currency fixed deposits from residents and non-residents. For Singapore dollar deposits, they can only accept fixed deposits of S\$250,000 or more per deposit from non-residents.</p>	
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Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p><u>Commercial banks</u> No new full and restricted banks. New foreign banks may only establish as offshore bank branches or representative offices. Representative offices cannot conduct business or act as agents. Banks, with MAS' approval, can operate foreign currency savings accounts only for non-residents. A single/related group of foreign shareholders can only hold up to 5 per cent of a local bank's shares. The limit on aggregate foreign ownership of each domestic bank's shares has been increased from 20 per cent to 40 per cent.</p> <p><u>Merchant banks</u> Foreign banks and merchant banks may establish as merchant bank subsidiaries or merchant bank branches.</p>	<p><u>Merchant banks</u> Merchant banks can operate from only one office (excluding back-office operations). Location and relocation of merchant banks require MAS' prior approval. Merchant banks can, with MAS' authorization, raise foreign currency funds from residents and non-residents, operate foreign currency savings accounts for non-residents and raise Singapore dollar funds from their shareholders and companies controlled by their shareholders, banks, other merchant banks and finance companies.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p><u>Finance companies</u> No new finance companies. Unbound for foreign acquisition of shares in finance companies and transfer or sale of foreign shareholdings in existing finance companies to foreign parties. All finance companies, local and foreign-owned, can only conduct Singapore dollar business. With MAS' prior approval, eligible finance companies can also deal in foreign currencies, gold or other precious metals, and acquire foreign currency stocks, shares or debt/convertible securities.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p><u>Finance companies</u> Location of finance companies and relocation of sub-branches require MAS' prior approval. Foreign-owned finance companies cannot establish off-premise ATMs, ATM networking and new sub-branches.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(b) Lending of all types including consumer credit, mortgage credit, factoring and financing of commercial transaction	<p>1) Unbound 2) None 3) (i) Other than in-house credit cards, credit and charge cards may be issued by card issuers approved by MAS subject to MAS' guidelines.</p>	<p>1) None 2) None 3) Each offshore bank's lending in Singapore dollars to residents shall not exceed S\$200m in aggregate.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>(ii) Financial institutions extending Singapore dollar (S\$) credit facilities exceeding S\$5 million per entity to non-resident financial entities or arranging S\$ equity or bond issues for non-residents, shall ensure that where the S\$ proceeds are to be used outside Singapore, they are swapped or converted into foreign currency upon draw-down or before remittance aboard.</p> <p>Financial entities shall not extend S\$ credit facilities to non-resident financial entities if there is reason to believe that the S\$ proceeds may be used for S\$ currency speculation.</p> <p>(iii) Establishment of credit companies which do not conduct activities requiring MAS' approval is allowed.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>Offshore banks should not use their related merchant banks to circumvent the S\$200m lending limit.</p> <p>Unbound for establishment of off-premise cash dispensing machines for credit and charge cards <i>issuers</i>.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(c) Financial leasing	<p>1) None</p> <p>2) None</p> <p>3) None except as indicated for activity B(b) above.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>None except as indicated for activity B(b) above.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(d) Payment and money transmission services, including credit, charge and debit cards, travellers cheques and bankers' drafts</p>	<p>1) Unbound 2) None 3) Remittance shops, except where the remittance business is conducted by banks and merchant banks, are required to be majority owned by Singapore citizens.</p> <p>Bankers' drafts can only be issued by banks. Only the following can issue stored value cards: a bank in Singapore licensed by MAS; and a juridical person for the payment only of goods or services or both goods and services provided by that person. The limitations indicated in B.b)3) above also apply to the activities listed in B.d).</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound 2) None 3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(e) Guarantees and commitments	1) None except for the limitations indicated in activity A.b) for insurance companies providing contracts of fidelity bonds, performance bonds or similar contracts of guarantee. 2) None 3) None except for the limitations indicated in activity A.b) for insurance companies providing contracts of fidelity bonds, performance bonds or similar contracts of guarantee, and B.b)3)(ii) above. 4) Unbound except as indicated in the horizontal section.	1) None 2) None 3) None 4) Unbound except as indicated in the horizontal section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(f) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise, the following:	1) Unbound except for trading in products listed in B.(f) for own account. Trading in money market instruments, foreign exchange, as well as exchange rate and interest rate instruments can be conducted with financial institutions only.	1) None	
<ul style="list-style-type: none"> - money market instruments (including cheques, bills, certificates of deposit) - foreign exchange - derivative products, including financial futures and options - exchange rate and interest rate instruments, including swaps and forward rate agreements 	2) None 3) Banks and merchant banks are required to set up separate subsidiaries to trade financial futures for customers. Financial futures brokers can establish as branches or subsidiaries. The offer of derivative products by both local and foreign-owned financial institutions is allowed provided:	2) None 3) None except as indicated for activity B(b) above.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<ul style="list-style-type: none"> - transferable securities - other negotiable instruments and financial assets, including bullion 	<ul style="list-style-type: none"> - the product has been offered by the financial institution in other internationally-reputable financial centres and the supervisory authorities of those centres agree to the offer of such products in their markets; - the financial institution's parent supervisor and its head office must be aware and have no objection to the offer of such products in the Singapore branch/subsidiary; and - MAS is satisfied that the financial institution has and continues to have the financial strength and adequate internal controls and risk management systems to trade in these products. 		
	<p>The offer of derivative products involving the Singapore dollar is subject to the requirement indicated in Bb)3)(ii). Moneychangers, except where the money-changing business is conducted by banks and merchant banks, are required to be majority owned by Singapore citizens.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(g) Participation in issues of all kinds of securities, including underwriting and placement as agent and provision of service related to such issues	1) Unbound except for participation in issues of securities for own account, and underwriting and placement of securities through stock-broking companies, banks or merchant banks in Singapore.	1) None	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>2) None</p> <p>3) SGX-ST will admit new trading members. New members will be able to trade directly in S\$ denominated securities of Singapore-incorporated companies with resident investors for a minimum value of S\$200,000.</p> <p>Representative offices cannot conduct business or act as agents. Unbound for foreign acquisition of new and existing equity interests in <i>SGX-ST</i> member companies.</p> <p>Banks' and merchant banks' membership on any securities exchange or futures exchange in Singapore must be held through subsidiaries. Unbound for new Primary and Registered Dealers of Singapore Government Securities.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>2) None</p> <p>3) None except as indicated for activity B(b) above</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(h) Money broking	<p>1) Unbound</p> <p>2) None</p> <p>3) Unbound for new money brokers.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) Unbound</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(i) Asset management, such as cash or portfolio management, all forms of collective investment management, pension fund management, custodial, depository and trust services	1) Unbound 2) None 3) Asset management companies, custodial depositories, and trust services companies can establish as branches, or subsidiaries. Only the Central Depository Pte Ltd is authorised to provide securities custodial depository services under the scripless trading system. Unbound for activities relating to the use, including via investment, of monies from any social security, public retirement or statutory savings scheme. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) None 4) Unbound except as indicated in the horizontal section.	
(j) Settlement and clearing services for financial assets, including securities, derivative products and other negotiable instruments	1) Unbound, except for the provision of settlement and clearing services for financial assets which are listed on overseas exchanges only. 2) None 3) Settlement and clearing services for exchange traded securities and financial futures can only be provided by <i>Central Depository (Pte) Limited and Singapore Exchange Derivatives Clearing Ltd</i> respectively. Only one clearing house established under the Banking Act may provide clearing services for Singapore dollar cheques and inter-bank fund transfer. 4) Unbound except as indicated in the horizontal section.	1) Unbound 2) None 3) Unbound 4) Unbound except as indicated in the horizontal section.	

Modes of supply: (1) Cross-border supply (2) Consumption abroad(3) Commercial presence (4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(k) Advisory and other auxiliary financial services, including credit reference and analysis, investment and portfolio research and advice, advice on acquisitions and on corporate restructuring and strategy	<p>1) Commercial presence is required for provision of investment and portfolio research and advice to the public.</p> <p>2) None</p> <p>3) Financial advisers can establish as branches, subsidiaries or representative offices. Representative offices cannot conduct business or act as agents.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	
(l) Provision and transfer of financial information, and financial data processing and related software by providers of other financial services	<p>1) Unbound except for the provision of financial information by providers such as Reuters and Bloomberg. The Singapore branches of foreign banks can transmit data to their head offices and sister branches for processing provided proper controls exist, the integrity and confidentiality of the data/information are safeguarded, and MAS is allowed on-site access to the data/information at the place where the data/information is processed.</p> <p>2) Only the provision of financial information by providers such as Reuters and Bloomberg is allowed.</p>	<p>1) None for the provision of financial information by providers such as Reuters and Bloomberg.</p> <p>2) None</p>	

Modes of supply: (1) Cross-border supply (2) Consumption abroad(3) Commercial presence (4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>3) The provision of financial information by providers, such as Reuters and Bloomberg, is allowed. The provision of financial data processing services to banks and merchant banks is subject to domestic laws on protection of confidentiality of information of customers of banks and merchant banks.</p> <p>4) Unbound except as indicated in the horizontal section.</p>	<p>3) None</p> <p>4) Unbound except as indicated in the horizontal section.</p>	

Section 2 : Specific Commitments of Korea

Modes of supply: 1) Cross-border supply 2) Consumption abroad3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
FINANCIAL SERVICES			
<p>Horizontal commitments regarding cross-border services and investment will apply to financial services unless the commitments in this schedule define otherwise for avoidance of doubt.</p> <p>All the terms, limitations, conditions and qualifications in this schedule shall apply to investors of Singapore and investments of such investors in financial institutions in Korea.</p> <p>All financial services are subject to the following provisions:</p> <p>(1) For prudential reasons within the context of paragraph 1 of Article 12.6, Korea shall not be prevented from taking measures including requirements related to parent companies, minimum capital requirement, minimum operating funds requirement, business worker's license and approval for business activities.</p> <p>(2) A financial institution must be established for only one type of business defined in related laws such as banking and securities and thus cannot be engaged in other business activities regulated by other relevant laws.</p> <p>(3) Cross-border supply of financial services and supply through consumer movement may not be settled in the Korean currency. After the establishment of commercial presence, financial institutions may handle only transactions, denominated and settled in the Korean currency, with residents. Approval is required for transactions denominated or settled in foreign currencies with non-residents. Approvals are required for transactions with non-residents such as providing won-denominated loans, issuing won-denominated securities with short-term maturities, providing foreign currency denominated financial credits, guaranties or collaterals, financially unsound corporation's borrowing from non-residents and derivatives transactions. Transactions in foreign currencies or with non-residents are required to be reported to relevant authorities.</p> <p>(4) Assets owned by branches must be kept within the territory of Korea. Capital of the head office is not recognized as the basis for determining the extent of funding and lending activities of domestic branches.</p> <p>(5) Demand deposit interest rates are regulated.</p> <p>(6) Management and operation of assets of a financial institution are restricted.</p> <p>(7) A financial institution may not own real estate for non-business purposes.</p> <p>(8) Introduction of new financial products including derivatives is subject to approval.</p> <p>(9) On Mode 1)2)3), Korea undertakes a standstill commitment for limitations on market access and national treatment, where specific commitments are undertaken, in financial services listed in this schedule as of 31 August 1997.</p>			

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>A. Insurance and Insurance-related Services</p> <p>(i) Direct Insurance</p> <p>a) Life Insurance Services including accident and health insurance services</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Commercial presence is permitted only to foreign life insurance companies.</p> <p>Establishment of joint ventures with Korean life insurance companies is not allowed.</p> <p>Recruitment and employment of insurance professionals, including sales personnel, are</p> <p>Top executive personnel of each establishment must reside in Korea.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b) Non-life Insurance services	<p>1) Unbound except for marine export/import cargo and aviation insurance.</p> <p>2) Unbound</p> <p>3) Commercial presence is permitted only to foreign non-life insurance companies.</p> <p>Establishment of joint ventures with Korean non-life insurance companies is not allowed.</p> <p>Recruitment and employment of insurance professionals, including sales personnel, are restricted.</p> <p>Top executive personnel of each establishment must reside in Korea.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ii) Reinsurance and retrocession services	<p>1) None</p> <p>2) None</p> <p>3) Commercial presence is permitted only to foreign reinsurance and retrocession insurance companies.</p> <p>Recruitment and employment of insurance professionals, including sales personnel, are restricted.</p> <p>Establishment of joint ventures with Korean reinsurance and retrocession services is not allowed.</p> <p>Top executive personnel of each establishment must reside in Korea.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>1) None</p> <p>2) None</p> <p>3) None</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(iii) Insurance broking and agency services a) Brokerage	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign insurance brokerage companies. Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b) Agency	1) Unbound 2) Unbound 3) None except : Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	
(iv) Services auxiliary to insurance : applicable only to sub-sector a) and b) a) Claim settlement and adjustment services ¹ b) Actuarial services	1) Unbound 2) Unbound 3) Commercial Presence is permitted only to foreign claim settlement and adjustment companies and actuarial companies. Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) None 2) None 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

¹ Activities which assess and adjust loss and compensation.

Modes of supply:				
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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments	
<p>B. Banking and other financial Services : applicable only to the sub-sectors listed below.</p> <p>(i) Deposit²</p> <p>(ii) Lending³</p> <p>(iii) Financial leasing</p> <p>(iv) Payment and Money transmission</p> <p>(v) Guarantees and commitments</p> <p>(vi) Foreign exchange services⁴</p> <p>(vii) Settlement and clearing⁵</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Commercial presence is permitted only to foreign financial institutions (except for financial leasing) which deal with the same services in their countries of origin.</p> <p>A person may own up to 10 per cent of the stocks of a bank (up to 4 per cent in case of non-financial service business entity) and 15 per cent of the stocks of a provincial bank without special authorization of relevant authorities⁶</p> <p>A person can own up to 100 per cent of the stocks of a bank or a provincial bank with special authorization of relevant authorities.</p> <p>Korean Development Bank and Export-Import Bank of Korea are owned by the government.</p> <p>Foreign exchange position is regulated. The oversold position of spot foreign exchange is US\$ 5 million or 3 per cent of capital (whichever is greatest).</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p>		

2 Activities through which banks obtain funds from the public by receiving deposits or issuing transferable instruments or other securities.

3 Activities through which banks provide funds to the public in order to receive interest via loans or bill discounts.

4 Activities which issue, remit and collect foreign exchange.

5 Activities which settle and clear notes, bills and cheques by banks according to the Article of KFTCI (Korea Financial Telecommunications and Clearings Institute).

6 The definitions of "a person" and "non-financial service business entity" are in accordance with the relevant provision of the Presidential Decree

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments

of the Bank Act.

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Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
	<p>Deposits for specific purposes, such as housing subscription, may be handled only by designated institutions.</p> <p>Securities savings and credit granting are subject to ceilings and operational restrictions.</p> <p>Lending to credit card members through such means as card loans is subject to limitation.</p> <p>For credit card services, maximum limits are applied to fees, interest rates and other charges.</p> <p>The maturity of CDs shall be more than 30 days.</p> <p>Underlying transaction and documentation requirements apply to foreign exchange transactions. Underlying documentation requirements are exempt in the case of forward transactions.</p> <p>Mandatory lending to small-and-medium sized companies is required.</p> <p>Foreign currency loans are subject to ceilings and usage restrictions.</p> <p>Top executive personnel of financial leasing, credit granting and securities savings companies must reside in Korea.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(viii) Trading for own account or for account of customers, whether on an exchange, in an over-the-counter market or otherwise : applicable only to the instruments as listed below. a) Money market instruments (including cheques, bills, certificates of deposit) b) Foreign exchange c) Financial Derivative products (including futures and options) c) Exchange rate and interest rate instruments (including swaps and forward rate agreements) e) Transferable securities f) Other negotiable	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign financial institutions which deal with the same instruments in their countries of origin. Representative offices may be established by pre-notification. Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(ix) Participation in issues of all kinds of securities a) Securities issue b) Underwriting c) Placement d) Other services related to securities	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign financial institutions which deal with issuing of all kinds of securities. Representative offices may be established by pre-notification. Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<p>(x) Asset management : applicable only to services listed below.</p> <p>a) Cash or portfolio management</p> <p>b) All forms of collective investment management</p> <p>c) Custody</p> <p>d) Trust⁷ (including discretionary investment advisory service)</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Commercial presence is permitted only to foreign asset management companies.</p> <p>Representative offices may be established by Pre-notification.</p> <p>To handle a trust business, approval (two types) is required from the Ministry of Finance and Economy both for engaging in businesses other than the main banking businesses and for engaging in the trust business.</p> <p>Unbound for real estate trust business.</p> <p>Top executive personnel of each establishment must reside in Korea.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xi) Credit information services	1) Unbound 2) Unbound 3) Unbound except for equity participation of less than 50 percent in existing financial information companies. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
(xii) Advisory, intermediation and other auxiliary financial services: applicable only to services listed below: a) Investment advice	1) Unbound 2) Unbound 3) Commercial presence is permitted only to foreign investment advisory companies. Representative offices may be established by pre-notification. Top executive personnel of each establishment must reside in Korea. 4) Unbound except as indicated in the Horizontal Commitments Section.	1) Unbound 2) Unbound 3) None 4) Unbound except as indicated in the Horizontal Commitments Section.	

Modes of supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons			
Sector or Sub-sector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
b) Credit rating and analysis	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) Credit rating companies should be designated by the relevant authorities to assess the credit rating of companies which may wish to issue non-guaranteed corporate bonds and commercial papers.</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	<p>1) Unbound</p> <p>2) Unbound</p> <p>3) None</p> <p>4) Unbound except as indicated in the Horizontal Commitments Section.</p>	