

INDUSTRY BY THE NUMBERS

U.S. Financial Services Expanding in Korea

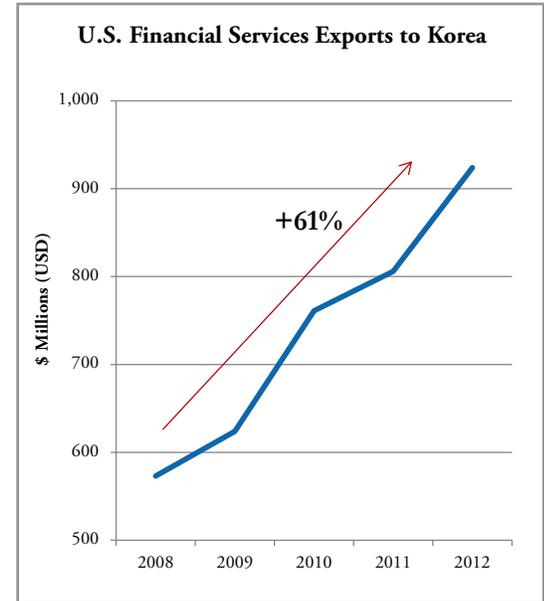
New Opportunities for U.S. Financial Services Providers Abound

The Korea-U.S. Free Trade Agreement (KORUS FTA) opens the Korean market to U.S. financial services companies - including banking, insurance and brokerage services - and provides a gateway for access to the rapidly growing Asian market.

Financial services are the third largest sector of the U.S. economy. In 2012, the United States exported \$924 million of financial services to Korea, a 15 percent increase over the previous year. Since 2008, U.S. financial services exports to Korea have increased by 61 percent.

The KORUS FTA:

- Guarantees the right to full American ownership of a financial institution in Korea, including the establishment of branch banks, insurance companies and asset managers.
- Allows U.S. companies to supply financial services on a cross-border basis, including portfolio management services for investment funds and international transit insurance.
- Allows U.S. companies to engage in new financial services unless those services are specifically prohibited by Korean law.
- Increases transparency by requiring advance notice of proposed regulations and adequate opportunities for companies to comment, and requires all administrative guidance to be in writing and made public.



Korea is the world's eighth largest insurance market, with a total premium value of more than \$65 billion.



The Korean Market is Opening to New Competition

In 2013, the Korean Financial Supervisory Commission (FSC) issued new regulations and a guidebook implementing the Financial Service Data Transfer Provision of the KORUS FTA.

Korea has also passed legislation providing regulatory oversight over the insurance services supplied by Korea Post and is in the final process of regulating sectoral cooperatives to ensure they are subject to the same rules applicable to private suppliers.

*Information based on data from the United States Department of Commerce, Bureau of Economic Analysis and the Korean Financial Supervisory Commission.
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