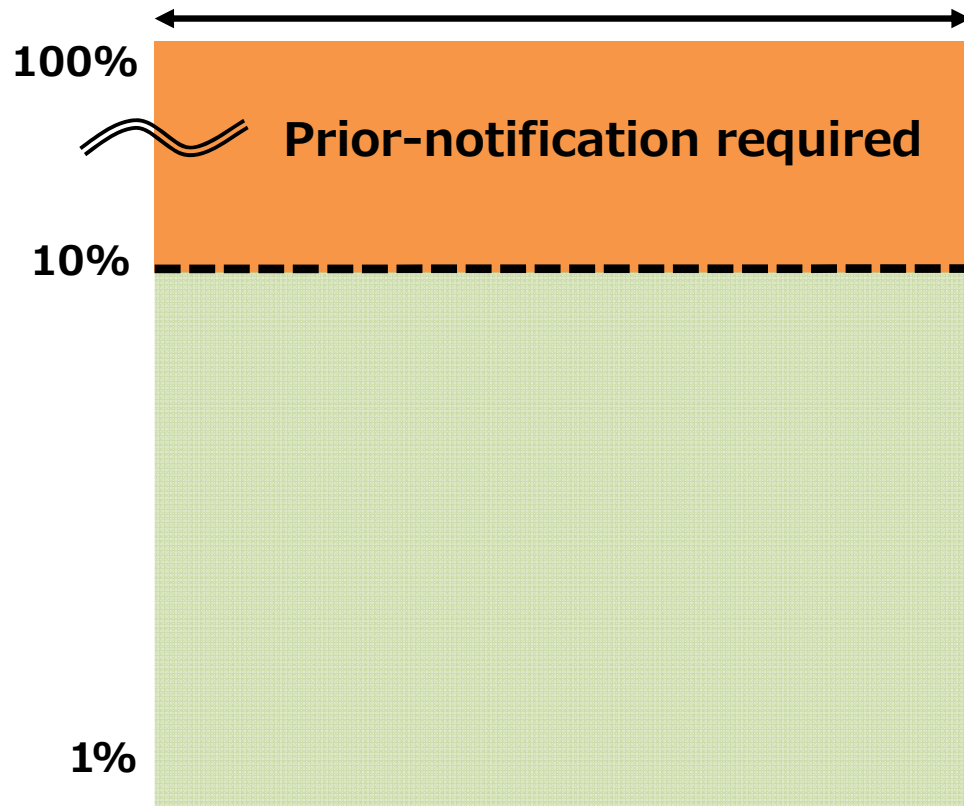


Exemption from Prior-notification Required for Designated Business Sectors

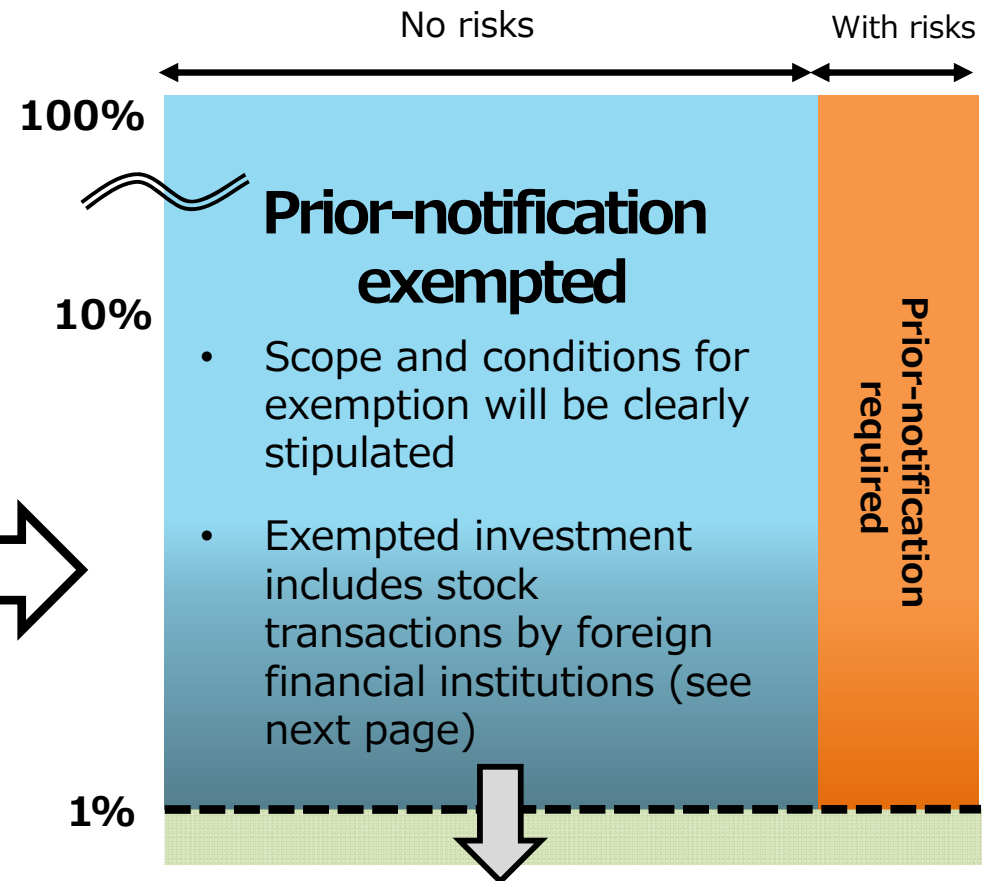
【Current Rule】

No exemption



【New Rule】

Prior-notification will be exempted for such investment that is deemed to pose no risks to national security



Non-compliance with the conditions is subject to the authorities' recommendations and orders for compliance

Clarification of the Prior-notification Exemptions and Burden Mitigation Measures

1. Stock transactions by foreign securities firms using their proprietary accounts will be exempted from the prior-notification requirement, irrespective of the business sectors of the stocks.
2. Stock transactions by foreign banks, insurance companies, and asset management companies will be exempted from the prior-notification requirement, irrespective of the business sectors of the stocks.
3. Threshold for post-investment notification that is applied for exempted firms will be retained at the current 10% for foreign securities firms, foreign banks, insurance companies, and asset management companies.