

# **Financial Transactions Guide for Foreigners in Korea**

2010. 1.

## Revision History

Date	Version	Author
2010. 1.	1.0	Fn Hub Korea

## Scope of Document

This guidebook has been prepared by Fn Hub Korea to improve convenience for foreign nationals in Korea, with assistance from Kookmin Bank, Shinhan Bank, Woori Bank, Korea Exchange Bank, Citibank Korea and Standard Chartered Korea First Bank.

Please contact your bank for further details on financial products and services explained in the guidebook as the information may vary by bank.

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# Chapter 1. Korea's financial system

## I. Real-name financial transaction system

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- The real-name financial transaction system was introduced in Korea on August 12, 1993.
- Under the system, banks verify the identity of an individual conducting financial transactions by checking his/her name, personal identification number and photo ID.
- Therefore, an ID card is required to conduct financial transactions (e.g., opening a bank account). For foreigners, an alien registration card or a passport (travel document) can be used as an ID card.
- If a family member of a foreigner wishes to open a bank account on his/her behalf, the following are required: 1) an alien certificate issued by the Immigration Office that proves the family relationship and 2) the ID card of the account holder.

## II. Deposit insurance system

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- The deposit insurance system provides savings protection guarantees up to a certain limit in order to protect depositors and maintain financial stability in the event banks are unable to repay deposits to depositors due to a payment suspension order or bankruptcy.
- In Korea, the Korea Deposit Insurance Corporation (KDIC) established under the Depositor Protection Act performs the deposit insurance function.
- The Act applies to five types of financial institutions: banks, brokers/dealers, insurers, merchant banks and mutual savings banks.
- For insured financial products, deposits up to KRW 50 million, principal and interest combined, are protected per depositor.
- For more information on the depositor protection system, please visit the KDIC Website<sup>1)</sup>.

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1) <http://www.kdic.or.kr/english>

### III. Korean currency

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- The Korean currency is the won (₩ KRW).
- The value of the won against foreign currencies in August 2009 was as follows:
  - USD 1 = KRW 1,200 ~ 1,300
  - JPY 100 = KRW 1,300 ~ 1,400
  - EUR 1 = KRW 1,700 ~ 1,800
- Korean won banknotes come in four denominations: ₩ 10,000, ₩ 5,000, ₩ 1,000 and ₩ 500. Coins come in six denominations: ₩ 100, ₩ 50, ₩ 10, ₩ 5, ₩ 1 and ₩ 0.5.
- The 10,000-won note is most widely used, while coins with small denominations (₩ 100, ₩ 50, ₩ 10) are rarely used.

### IV. Cashier's checks

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- Cashier's checks are issued and guaranteed by a bank. They come in denominations of ₩ 10,000, ₩ 50,000, ₩ 100,000 million and more.
- They are treated as cash and widely used in Korea since banks guarantee the payment.

- Cashier's checks can be deposited and withdrawn at a bank counter or an ATM (Automated Teller Machine).
- If you deposit a cashier's check issued by another bank, the check cannot be withdrawn until 2:20 p.m. the next business day, whereas checks are cashed immediately at the same bank that issued them.
- You may not be able to deposit checks at an ATM after business hours.

## **V. The Foreign Exchange Transactions Act**

### **1. Designation of a primary foreign exchange transaction bank**

- To facilitate the reporting and management of foreign exchange transactions, it is necessary to first designate a Korean bank as your primary foreign exchange transaction bank. You may only make overseas remittances through the designated bank.
- To designate such a bank, you need to visit the bank you have chosen with a photo ID and remittance documents.



- To change your primary foreign exchange transaction bank, request the change by visiting the bank that you wish to newly designate.

## **2. Restrictions on overseas withdrawals from a foreigner's bank account in Korea**

- Due to the Foreign Exchange Transactions Regulations and restrictions on interstate sharing of electronic networks, transfers of funds from a foreigner's bank account in Korea to an overseas bank account and overseas withdrawals from a foreigner's bank account in Korea are limited.
- A foreigner may withdraw up to USD 5,000 per day and USD 10,000 per month when abroad, if he/she designated a primary foreign exchange transaction bank before leaving Korea.
- For further information, contact your primary foreign exchange transaction bank.

## Chapter 2. Opening and closing a bank account

### I. Overview

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#### 1. Business hours

- 9 a.m. to 4 p.m.<sup>2)</sup> Monday to Friday (closed on national holidays)

#### 2. Procedure

- ① Take a ticket from the queue machine and wait for your number.
- ② Conduct your desired financial transaction at the counter.

#### 3. Additional notes

- (Real name transaction) All financial transactions must be conducted under your real name.
- (ID card) An ID card, such as a passport or an alien registration card, is required to conduct a financial transaction at a bank counter.

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2) 9:30 a.m. to 4:30 p.m. for Standard Chartered Korea First Bank

- (Language) It is possible to conduct transactions in English at many bank counters. Some banks have special branches for foreigners in areas where many foreigners reside.
- (Registered signature) If you have registered your personal signature, instead of a seal, financial transactions cannot be conducted via a proxy.
- (Fees) Transactions at a bank counter normally incur higher fees than electronic transactions.

## **II. Opening a bank account**

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### **1. Required documents**

- An ID card, such as a passport or an alien registration card, and a seal (not necessary if you register your signature) are required.
- If a proxy, including a family member, visits the bank to open an account on your behalf, the proxy should submit the following documents in addition to your ID card and seal.

Proxy	Additional required documents
Family members	<ul style="list-style-type: none"> <li>▪ Documents proving family relationship (certificate of alien registration, etc.)</li> </ul>
Other persons	<ul style="list-style-type: none"> <li>▪ ID card of the proxy</li> <li>▪ Power of attorney certified by a notary public</li> </ul>

※ Other documents (applicant's driver's license, credit card, utility receipts, etc.) may be required in addition to the applicant's ID card to verify identity.

## 2. How to open an account

- Fill out an application form and submit it with your ID card at a bank counter.
- Register your PIN (Personal Identification Number) for your bankbook by entering the number into the PIN pad. PIN registration must be done in person.

## 3. Additional information

- No fees are assessed for opening an account.
- A new account application may be denied if the purpose of financial transactions is unclear or if the applicant applies to open multiple accounts without specific reasons.

- To prevent "voice phishing" attacks, applications for an ATM card, check card, Internet banking or telebanking may be restricted for three months from the date a new bank account is opened.
- To determine if your account is insured, check the deposit insurance statement on the bankbook that you receive when the account is opened.

### **III. Closing a bank account**

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- To close an account, you should visit your bank and submit an application, the ID card that was submitted when you applied for the account, your bankbook and seal (not necessary if signature is registered).

### **IV. Lost or stolen bankbook or ATM card**

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- If your bankbook or ATM card is lost or stolen, you should visit or report the loss to your bank immediately and follow the bank's instructions.
- If you report the loss to your bank by phone, you should visit the bank in person with your ID card to file a written report.

- Re-issuance of a bankbook or an ATM card may incur certain fees.

## **V. PIN errors and changing a PIN**

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- If you forget the PIN for your bankbook or ATM card or if transactions have been suspended because you entered the wrong PIN more than a certain number of times, you need to visit the bank with your ID card to register a new PIN.
- You can use your bankbook and ATM card again after registering a new PIN.

## Chapter 3. Deposits, withdrawals & transfers<sup>3)</sup>

### I. Deposits

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#### 1. Deposit at a bank counter

##### (1) Deposit with a bankbook

- Submit your bankbook and money for deposit to a teller and request a deposit.
- Receive your bankbook and review the transaction results.

##### (2) Deposit without a bankbook

- Complete a deposit application form.
- Submit the application form and money to a teller and request a deposit.
- Review the transaction result.

#### 2. Deposit via ATM

- Insert your bankbook or ATM card into an ATM.
- Select the "Deposit" button.

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3) This guidebook explains only deposits at a bank counter and ATM because deposits using Internet/phone/mobile banking vary from bank to bank.

- Select the type of deposit (cash, checks, or cash & checks).
- Review the transaction results and fees, if any.

## **II. Withdrawals**

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### **1. Withdrawal at a bank counter**

- Fill out a withdrawal application form and apply your signature or seal to it.
  - Submit your bankbook, the application form and your ID card to a teller.
  - Enter your PIN following the teller's instruction.
  - Receive money and verify that it is the correct amount.
- ※ You cannot make a withdrawal without your bankbook.

### **2. Withdrawal via ATM<sup>4)</sup>**

- Insert your bankbook or ATM card into an ATM.
- Select the "Withdrawal" button and enter the amount to be withdrawn.
- Select the type of withdrawal (cash, checks, or cash & checks).
- Enter your PIN.
- Take the money and review the transaction results and fees, if any.

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4) The withdrawal limit is KRW 1 million per transaction and KRW 6 million per day



### **III. Transfers<sup>5)</sup>**

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#### **1. Transfer at a bank counter**

##### **(1) Transfer with a bankbook**

- Complete the transfer application form, being sure to fill in the recipient's name and bank account information.
- Submit your bankbook, the application form and your ID card to a teller.
- Enter your PIN following the teller's instruction.
- Receive a transfer receipt and review the transaction results.

##### **(2) Transfer without a bankbook**

- Complete the transfer application form, being sure to fill in the recipient's name and bank account information.
- Submit the application form and money to be transferred to a teller.
- Receive a transfer receipt and review the transaction results.

#### **2. Transfer via ATM<sup>6)</sup>**

- 5) Please refer to "Chapter 5. Money Exchange and Foreign Exchange Remittance" for overseas remittance or funds transfer to a foreign exchange savings account at another bank in Korea.
- 6) The transfer limit is KRW 6 million per transaction and KRW 30 million per day. If there has been no transaction record over the past year, the limit is KRW 700,000.

- Insert your bankbook or ATM card into an ATM.
- Select the "Transfer" button.
- Enter the recipient's bank account and amount to be transferred.
- Enter your PIN.
- Check that the recipient's name and transfer amount, as indicated on the screen, are correct.
- Take your bankbook or ATM card and review the transaction results.

## Chapter 4. Electronic banking<sup>7)</sup>

- Electronic financial transactions refer to a service that allows funds to be deposited, withdrawn, transferred, exchanged or remitted overseas through the Internet, telephone, mobile phone or a personal digital assistance (PDA).
- Normally, foreigners can subscribe to such a service beginning three months after opening a bank account.
- To subscribe to this service, you must have an account at the bank that provides the service.
- You should confirm whether the bank provides electronic financial transaction service in a language that you use.
- Normally, lower fees are incurred through electronic financial transactions than transactions at a bank counter.

### **I. Automated Teller Machines**

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- ATMs are in service from 8 a.m. to 10 p.m. daily<sup>8)</sup>.

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7) The electronic banking services explained above may not be available at some banks or for some customers.

8) The service hours can vary. (Some ATMs offer a 24/7 availability.)

## 1. Enrollment

- To use ATMs, visit your bank and obtain an ATM card or register your bankbook for the service.

## 2. Service details

- You can use an ATM for deposits, withdrawals, transfers or overseas remittances.
- You can make a withdrawal, using a card issued overseas, at Global ATMs.
- Most ATMs provide service in English and some in Chinese or Japanese<sup>9)</sup> as well. Korea Exchange Bank's ATMs offer services in 17 languages.
- You can deposit any denomination of Korean won banknotes into an ATM. (Deposits and withdrawals of the new 50,000-won banknote can be carried out only at certain ATMs.)
- ATMs do not accept foreign currencies.

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9) Kookmin Bank, Shinhan Bank, Woori Bank, Korea Exchange Bank, Standard Chartered Korea First Bank, and National Agricultural Cooperative Federation (Nonghyup)

## **II. Internet banking**

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- Most banks provide Internet banking service in English. Korea Exchange Bank offers the service in several other languages as well.
- Internet Explorer is mainly used as the Web browser for Internet banking.

### **1. Enrollment**

- Visit your bank with your ID card and apply for Internet banking service.
- Register your ID, password and transfer limit for Internet banking and receive a security card or an OTP (One Time Password) generator.

### **2. How to use Internet banking**

- Visit your bank's Website.
- Log onto the "certificate center" and obtain a certificate.
- Verify your identity using your certificate and log in to Internet banking.

- Make transactions: review account information and transaction details, transfer funds, open a new account, exchange funds, remit funds overseas, etc.

### **III. Phone banking**

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- Phone banking (also called telebanking) refers to a service in which an account holder can transfer funds, check transaction details or report lost or stolen cards or bankbooks by phoning the bank's Automated Response System (ARS) or customer call center.
- Only a few banks<sup>10)</sup> in Korea currently provide phone banking service in English.

#### **1. Enrollment**

- Visit your bank and apply for phone banking service.
- Register a password and a transfer limit for your phone banking service.
- Obtain a security card or an OTP generator.

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10) Kookmin Bank, Woori Bank, Korea Exchange Bank, Citibank Korea, and National Agricultural Cooperative Federation (Nonghyup)

## **2. How to use phone banking**

- Call your bank's phone banking center.
- Enter the service code according to instructions from the ARS.
- Make transactions: review account information and transaction details, transfer funds, report a lost or stolen bankbook or ATM card, review foreign exchange transactions, currency exchange rates, etc.

## **IV. Mobile banking**

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- Mobile banking is a service that allows you to log onto your bank's Website and make transactions via wireless Internet using mobile communications devices such as mobile phones or PDAs.
- Through mobile banking you can check transaction details and foreign exchange rates and exchange funds.
- The exact procedure for mobile banking varies depending on the wireless Internet service provider. Contact your bank for further information on enrollment in and use of the service.

## Chapter 5. Currency exchange and foreign currency remittance

### I. Currency exchange

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- A passport is required to conduct foreign exchange transactions. However, if the amount to be exchanged is less than KRW 1 million, no passport or ID card is needed.
- Additional documents may be required, depending on the purpose of currency exchange.
- The variety and amounts of foreign currencies available for exchange may vary by bank branch. To exchange a large amount or non-dollar currencies, please contact your bank in advance.

#### Foreign currencies which can be exchanged for Korean won:

USD (US dollar)	JPY (Japanese yen)	EUR (Euro)
GBP (British pound)	CAD (Canadian dollar)	CHF (Swiss franc)
AUD (Australian dollar)	HKD (Hong Kong dollar)	CNY (Chinese yuan)
IDR (Indonesian rupiah)	SGD (Singapore dollar)	THB (Thai baht)
DKK (Danish krone)	TWD (Taiwan dollar)	SAR (Saudi riyal)
NOK (Norwegian krone)	NZD (New Zealand dollar)	PHP (Philippine peso)
AED (U.A.E. dirham)	SEK (Swedish krona)	BHD (Bahraini dinar)
KWD (Kuwaiti dinar)	MYR (Malaysian ringgit)	



## 1. How to exchange money

- It is advisable to prepare your passport and other required documents, such as a Declaration of Foreign Currency, an exchange receipt and income verification documents before requesting a foreign exchange transaction at the bank counter.
- Foreigners who subscribe to Internet banking service can exchange no more than USD 10,000 via Internet banking<sup>11)</sup>. The foreign exchange limit may be reduced after business hours.
- If you have requested a currency exchange online, you need to visit your bank and pick up the currency exchanged within one week.
- If you do not retrieve the currency that was exchanged within a week's time, it will be exchanged back and re-deposited to the withdrawal account, which may lead to foreign exchange loss or gain.

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11) Online currency exchange may not be available in some banks.

## 2. Limits on currency exchange and requirements

### (1) KRW → foreign currency

Classification	Notes
Up to USD 10,000	<ul style="list-style-type: none"> <li>▪ Details of foreign currency exchange should be written down in one's passport.</li> <li>▪ When you exchange an equivalent of KRW 1 million or less, identity verification is not necessary and transaction details do not need to be written in one's passport.</li> <li>▪ Currency exchange limits are set according to the date of one's arrival in Korea. Therefore, a fresh limit of USD 10,000 is granted when one departs and re-enters Korea.</li> </ul>
More than USD 10,000	<ul style="list-style-type: none"> <li>▪ Currency exchange is allowed within the amount of foreign currencies that a customer exchanged for KRW in the past. Therefore, receipts or statements of previous exchange transactions are required.</li> <li>▪ KRW cash advances or withdrawals in Korea using your overseas credit card or debit card are included in the total amount exchanged for KRW.</li> <li>▪ Documents are submitted that prove your income in Korea, you can exchange up to the equivalent of your income.</li> <li>▪ There are no exchange limits for a foreign embassy or consulate in Korea and its officials.</li> </ul>

## (2) Foreign currency → KRW

Classification	Notes
Up to USD 20,000	<ul style="list-style-type: none"><li>▪ here is no reporting requirement for the exchange of USD 20,000 or less in a day by the same person</li></ul>
More than USD 20,000	<ul style="list-style-type: none"><li>▪ o exchange cash or traveler's checks exceeding USD 20,000, a Declaration of Foreign Currency<sup>12)</sup> which is issued when one enters Korea is required.</li><li>▪ here are no exchange limits for a foreign embassy or consulate in Korea and its officials.</li></ul>

## 3. Conversion fees

- When buying or selling foreign currency, a certain amount of bank fees are assessed.
- Fees vary depending on the customer rating and place of exchange.

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12) If you carry foreign currencies exceeding USD 10,000 when entering Korea, you should declare it and be issued a Declaration of Foreign Currency.

## **II. Overseas remittance of foreign currency**

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### **1. Information prior to remittance**

- To remit foreign currency abroad, you should visit a bank with an ID card such as a passport or alien registration card and designate the bank as your primary foreign exchange transaction bank.
- You can remit up to USD 50,000 a year without declaring the source of funds.
- To remit more than USD 50,000 a year, you must submit documents proving your income in Korea and records<sup>13)</sup> of previous exchange transactions for the Korean won.
- Remittance fees may vary depending on the amount remitted.

### **2. How to remit funds overseas**

#### **(1) Overseas remittance at a bank counter**

- ① Visit a bank with your passport.

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13) Tax payment-related documents verified by your employer or receipts of previous exchange transactions for KRW.

- ② Designate the bank as your primary foreign exchange transaction bank.
- ③ Fill out an overseas remittance application form.

Classification	Required information <sup>14)</sup>
Information about the recipient	<ul style="list-style-type: none"> <li>▪ Name, address, phone number, and bank account</li> </ul>
Information on the recipient's account	<ul style="list-style-type: none"> <li>▪ Name, address and country of the recipient's bank</li> <li>※ Remittance will be made faster, if you know SWIFT code.               <ul style="list-style-type: none"> <li>- Unique code for each country: 11-digit SWIFT code</li> <li>- US: 9-digit ABA No.(FED wire No., routing No.)</li> <li>- UK: 6-digit Sort Code</li> <li>- Canada: 8-or 9-digit Transit No.</li> <li>- Australia: 6-digit BSB No.</li> <li>- Germany: 8-digit BLZ No.</li> <li>- Europe: IBAN code</li> <li>- Japan: name or code of bank branch</li> <li>- China: name of the branch (name of sub-branch when remitting to a sub-branch)</li> </ul> </li> </ul>

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14) Information required for remittance should be written in English. Sufficient information about the recipient is required to avoid any failure in remittance.

## **(2) Overseas remittance via ATM<sup>15)</sup>**

- To remit overseas by ATM, you should first subscribe to the service and register the necessary information about the recipient.
- Please confirm the remittance limit in advance as it can vary depending on the time of day you use the ATM.

## **(3) Overseas remittance via Internet banking**

- Those who subscribe to Internet banking can remit overseas up to USD 10,000 per transaction. The remittance limit may be lower after business hours.

## **(4) Special remittance services**

- If you designate certain conditions for a remittance, such as amount, date and exchange rate, the bank can automatically process the remittance according to your pre-established conditions.
- To use this service, you need to visit your bank, apply for the service and establish the remittance conditions.

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15) Remittance via ATM is available only in some banks.

## Chapter 6. Using a credit card

### I. Credit cards issued overseas

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- International credit cards issued overseas, such as Visa, MasterCard, JCB and CUP<sup>16)</sup>, can be used at merchants in Korea.
- Global ATMs offer cash advance and cash withdrawal services.

### II. Credit card issuance procedure

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- To get a credit card issued, submit an application together with an ID card such as an alien registration card or a passport and documents proving your debt-servicing ability<sup>17)</sup> to your bank or a credit card company.
- To get an additional card for a spouse or other family members issued, you should submit documents proving the family relationship<sup>18)</sup>.

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16) China Union Pay

17) A certificate of incumbency, a contract of employment, a receipt for income tax withholding, an income tax payment certificate, etc.

18) A alien registration certificate proving the family relationship, the family member's alien registration card and passport.

- The issuing bank or credit card company determines the applicant's eligibility, the rating of the card and the credit limit after evaluating the applicant's repayment ability and creditworthiness on the basis of the documents submitted.
- Under the Foreign Exchange Transactions Act, the issuance of a credit card<sup>19)</sup> which can be used by a foreigner both in Korea and abroad may be restricted. To obtain a credit card which can be used abroad, you must first designate a primary foreign exchange transaction bank.

### **III. Credit card usage and bill payments**

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#### **1. Credit card use**

- You may pay your credit card bills in a lump sum or in installments<sup>20)</sup>, and receive cash advances.
- Credit cards issued by some Korean banks offer overseas cash withdrawal service, in an amount up to the balance of your savings account.

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19) Including a debit card and a check card that will be covered later in this guidebook

20) A card holder can choose the payment period of a credit card bill exceeding KRW 50,000 from 2 to 36 months to pay in installments. (Interest is charged based on the card holder's creditworthiness and installment period.)



- Some banks<sup>21)</sup> issue foreigner-only credit cards.

## **2. Credit card bill payment**

- A credit card statement for a given credit period<sup>22)</sup> is sent by post or e-mail. Some Korean banks and credit card companies provide these statements in English.
- You can select the monthly due date for payment when applying for a credit card. This date can be changed.
- Payment is automatically withdrawn on the due date from a bank account that you have designated in advance.
- Revolving credit is applied to all credit card bills except for installment purchases, but it requires a separate screening process by the bank or the credit card company.
- If all or part of the payment is not settled due to insufficient account balance, the credit card will be suspended immediately.

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21) Shinhan Bank, Woori Bank, and Korea Exchange Bank

22) A credit period refers to a period from the date of a credit card purchase or cash advance to payment due date.

## IV. Debit cards and check Cards

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### 1. Comparison with credit cards

Classification	Credit card	Debit card	Check card
Merchant	Credit card merchant	Debit card merchant	Credit card merchant
Spending limit	Credit limit	Account balance	Account balance
Identity verification	Signature	PIN	Signature
Payment due date	Before end of grace period	At time of purchase	At time of purchase
Hours of service	00:00 - 24:00	08:00 - 23:30	00:00 - 24:00
Installment payment	Yes	No	Yes
Cash advance	Yes	No	No
Cash withdrawal	Yes <sup>23)</sup>	Yes	Yes
Add-on services	Yes	No	Yes

- With a debit card and a check card, payment is made at the time of purchase. The payment is automatically transferred from your account to the merchant's account.

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23) Available only when you use an account of the bank where you got issued a credit card as the settlement account.

## **2. How to obtain a card**

- Check cards are issued by banks and credit card issuers, whereas debit cards are only issued by banks.
- As with a credit card application, you need to submit an ID card. Some banks or credit card companies also require additional documents proving your occupation or income.

## **V. Additional information**

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### **1. Membership fees**

- Annual membership fees can vary depending on the type and level of credit card. Fees for an international credit card are generally higher than those for a "domestic use only" credit card.
- Normally, an annual membership fee must be paid for the first year, but such a fee may be reduced or waived from the second year onward depending on the amount of charges made to the card during the previous year.
- Most debit cards and check cards do not charge annual membership fees, though some may assess such fees.

## **2. Validity period**

- The validity period of a credit card, as set by the card issuer is normally from one to five years. Foreign customers are usually issued cards with shorter validity periods.
- To get a card re-issued, you are required to again submit your ID card and documents proving your debt-servicing ability.

## **3. Spending limits**

- A bank or a credit card company determines the spending limit by evaluating your occupation, income and bank transaction records using a credit scoring system.
- For a debit card or check card, the per-day or per-transaction spending limit is limited to the balance on the account. The limit can be adjusted upon your request.

## **4. Fees**

- Fees are assessed for installment payments and cash advances. If you use revolving credit, you may also pay fees for lump sum payments.

- When using a Korean-issued credit card in another country, you must pay overseas usage fees as set by global credit card issuers. (Visa, MasterCard, JCB, CUP, etc.)

## 6. Notes

- Sign the back of your card immediately upon receiving a new card.
- Take the utmost care to safeguard the secrecy of your PIN.
- Never give your card to another person or ask others to keep or use it. The card holder is responsible for any problems resulting from such actions.
- Should personal information such as your address or telephone number change, inform your bank or credit card company of the changes as soon as possible.
- If you subscribe to SMS (i.e., mobile phone text messaging), transaction details are sent to your mobile phone at the time of credit card purchase. (Currently, this service is only available in Korean.)

## Chapter 7. Other financial services

### I. Loans

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#### 1. Secured loans

- Secured loans are loans in which a borrower pledges his or her savings, bonds or real estate to a financial institution as collateral.
- Loan limits and interest rates vary depending on the value of the collateral and borrower's creditworthiness and repayment ability.
- You can request a deposit-secured loan by submitting your ID card and the bankbook of your savings account, the amount of which you pledge as collateral.
- The lease deposit that a foreigner pays when signing a contract for a lease is generally not accepted as a collateral due to legal restrictions.

#### 2. Credit loans

- Credit loans are extended without collateral by a financial institution based on a borrower's creditworthiness. Therefore,

the criteria for such loans are more stringent and interest rates are higher compared with secured loans.

- Only a limited number of financial institutions<sup>24)</sup> offer credit loans for foreigners. Normally, foreigners eligible for credit loans are those who have been staying in Korea for at least three months and are expected to continue to reside in Korea for a considerable length of time. Those who meet the relevant criteria, including occupation, position, income and credit rating, are eligible for the loan.

## **II. Issuing a certificate of deposit balance**

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- The certificate of deposit balance is a document issued by a bank to prove the balance of an account. Having such a certificate issued may incur a fee.
- If you request the certificate to be issued on the date of application, all deposit and withdrawal transactions will be suspended on that day.

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24) Shinhan Bank, Woori Bank, Korea Exchange Bank, Hana Bank, and National Federation of Fisheries Cooperatives (Suhyup)

### III. Utility bill payments

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- You can pay your Korean taxes and utility bills at a bank counter or ATM.

### IV. Fees

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- Fees may vary by bank. Below is an example of a bank's fee table.

(Currency : KRW)

Classification	Type of Service			During business hours	After business hours
At the counter	Withdrawal			-	N/A
	Transfer	Same bank	Less than 1 million	1,000	
			1 million or more	2,000	
		Another bank	Less than 1 million	1,500	
			1 million or more	3,000	
	Issuance of certificates			2,000	
ATM	Withdrawal from same bank's ATM			-	500
	Withdrawal from another bank's ATM			1,000	1,200
	Transfer to an account at the same bank			500	600
	Transfer to an account at another bank		Less than 1 million	1,200	1,500
			1 million or more	1,500	1,800



## V. How to file a complaint




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- If you wish to file a complaint or receive compensation for any damages inflicted on you in relation to the business of a financial institution, please follow the steps described below:
  - ① Contact the customer service or call center of the respective financial institution and deliver your complaint in person or by phone, fax, post, e-mail or online bulletin board.
  - ② Consult with the customer service center.
  - ③ If you are unable to resolve the complaint through direct consultation with the institution, you may file a complaint with the consumer protection center of the Financial Supervisory Service<sup>25)</sup>.

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25) (TEL) 1332, (Website) <http://www.fss.or.kr>

■ Major banks in Korea

Bank	Website	Tel.
 산업은행	<a href="http://www.kdb.co.kr/">www.kdb.co.kr/</a>	1588-1500
 농협중앙회	<a href="http://www.nonghyup.com/">www.nonghyup.com/</a>	1588-2100
 신한은행	<a href="http://www.shinhan.com/">www.shinhan.com/</a>	1577-8000
 우리은행	<a href="http://www.wooribank.com/">www.wooribank.com/</a>	2008-5000
SC 제일은행 	<a href="http://www.scfirstbank.com/">www.scfirstbank.com/</a>	1588-1599
 하나은행	<a href="http://www.hanabank.com/">www.hanabank.com/</a>	1599-1111
 IBK기업은행	<a href="http://www.ibk.co.kr/">www.ibk.co.kr/</a>	1566-2566
KB  국민은행	<a href="http://www.kbstar.com/">www.kbstar.com/</a>	1588-9999
	<a href="http://www.keb.co.kr/">www.keb.co.kr/</a>	1544-3000
 한국씨티은행	<a href="http://www.citibank.co.kr/">www.citibank.co.kr/</a>	1588-7000
 수협중앙회	<a href="http://www.suhyup.co.kr/">www.suhyup.co.kr/</a>	1588-1515
 대구은행	<a href="http://www.dgb.co.kr/">www.dgb.co.kr/</a>	1566-5050
 부산은행	<a href="http://www.busanbank.co.kr/">www.busanbank.co.kr/</a>	1588-6200
 광주은행	<a href="http://www.kjbank.com/">www.kjbank.com/</a>	1600-4000
 제주은행	<a href="http://www.e-jejubank.com/">www.e-jejubank.com/</a>	1588-0079
 전북은행	<a href="http://www.jbbank.co.kr/">www.jbbank.co.kr/</a>	1588-4477
 경남은행	<a href="http://www.knbank.co.kr/">www.knbank.co.kr/</a>	1588-8585