

## **New Regulation Forces South Korean Cryptocurrency Exchange to Suspend Trading**

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From CCN, Feb 8, 2018: As new de-anonymity rules come into force in South Korea, banking organizations have been forced to implement new burdensome compliance checks on businesses undertaking exchange-based activities. This has forced banks to become even more critical when evaluating digital transaction accounts, a prerequisite for South Korean cryptocurrency exchange ventures to operate in the country. **What Do We Know?** Coinpia, one of South Korea's fledgling cryptocurrency exchanges has announced that it is suspending trading activity due to banking-related problems. In a statement on the exchange's website, the company publicised its [position](#): "Suspension of transactions due to suspension of KRW deposits; KRW deposit interrupted in sustained accordance trading halt guide(lines) (sic)". The announcement articulates the changing legislative environment with new anonymity guidelines impacting banking operations between banks and cryptocurrency exchanges. Compliance is mandatory, Coinpia was unable to open a bank account accepting South Korean Won deposits due to its involvement in crypto trading. The reluctance from banks, excluding the big four Korean exchanges, illustrates the disparity between lawmakers who stated the new regulation wouldn't result in a "ban" whilst banks have become unnerved at the increased compliance demands of accepting new cryptocurrency business. The [Financial Supervisory Service](#) had recently [inspected](#) the top six South Korean banks due to their involvement in virtual currency bank transfers. The [Korean Customs Service](#) similarly reported \$600 million had been found lurking in Korean exchanges with illicit links to organized crime. [...]  
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