

Laws and Regulations	Classification	Major Compliance Issues	Punishment
Criminal Act Act on the Aggravated Punishment, etc. on Specific Economic Crimes (the "Special Economic Crimes Act")	Occupational embezzlement	A person, who has the custody of another's property, shall be prohibited from embezzling or refusing to return it, with intention of illegally owning it.	<p>[Article 356 of the Criminal Act]</p> <p>Imprisonment for not more than 10 years or a fine not exceeding KRW 30 million</p> <p>[Article 3 of the Special Economic Crimes Act]</p> <p>1. If the amount of profit is KRW 500 million or more, but less than KRW 5 billion, imprisonment of definite term of 3 years or more^[1]. A fine equivalent to the amount of profit or less may be imposed concurrently.</p> <p>2. If the amount of profit is KRW 5 billion or more, imprisonment for lifetime or of definite term of not less than 5 years. A fine equivalent to the amount of profit or less may be imposed concurrently.</p>
	Breach of trust	A person, who administers another's business, shall be prohibited from obtaining pecuniary advantage or causing a third person to do so, in violation of one's duty, thereby causing loss to such another's business	
Criminal Act Act on Combating Bribery of Foreign Public Officials in International Business Transactions (the "International Anti-Bribery Act")	Offering of bribe, etc.	<p>1. A person shall be prohibited from promising, giving or expressing his/her intent to give a bribe ^[2] to a public official in relation to such public official's duty with intent to obtain any improper advantage for such transaction.</p> <p>2. A person shall be prohibited from receiving or giving money or valuables to a third person for the purpose of providing bribe to a public official.</p> <p>3. A person shall be prohibited from promising, giving or expressing his/her intent to give a bribe to a foreign public official in relation to any international business transaction with intent to obtain any improper advantage for such transaction.</p>	<p>[Article 133, 134 of the Criminal Act]</p> <p>Imprisonment for not more than 5 years or a fine not exceeding KRW 20 million. Bribe received or money or goods to be received as a bribe shall be confiscated or the value thereof shall be collected.</p> <p>[Article 3(1), 5 of the International Anti-Bribery Act]</p> <p>Imprisonment for not more than 5 years or a fine not exceeding KRW 20 million (if the pecuniary advantage obtained by such offense exceeds KRW 10 million, a fine not exceeding an amount equivalent to double the pecuniary advantage). Bribe received or money or goods to be received as a bribe shall be confiscated or the value thereof shall be collected.</p> <p>[Article 4 of the International Anti-Bribery Act]</p> <p>If a representative of a corporation commits an act in violation of the International Anti-Bribery Act in connection with the business affairs of the corporation, the corporation shall be punished by a fine not exceeding KRW 1 billion (if the pecuniary advantage obtained by such offense exceeds KRW 500 million, the corporation shall be punished by a fine not exceeding an amount equivalent to double the pecuniary advantage).</p>
	Receiving or giving bribe by breach of trust	<p>1. A person, who administers another's business, shall be prohibited from receiving property or obtaining pecuniary advantage from a third person in response to an illegal solicitation concerning his duty.</p> <p>2. A person shall be prohibited from providing property or pecuniary advantage to a third person who administers another's business for illegal solicitation concerning the third person's duty.</p>	<p>[Article 357 of the Criminal Act]</p> <p>1. Receiving bribe by breach of trust: Imprisonment of not more than 5 years or a fine not exceeding KRW 10 million. Bribe received or money or goods to be received as a bribe shall be confiscated or the value thereof shall be collected.</p> <p>2. Giving bribe by breach of trust: Imprisonment of not more than 2 years or a fine not exceeding KRW 5 million</p>
Act on Prohibition of Unlawful Solicitation and Bribery (the "Anti-Bribery Act") ^[3]	Bribery	<p>1. A person shall be prohibited from promising, giving or expressing his/her intent to give money or valuables worth KRW 1 million (per case) or KRW 3 million (per fiscal year) to a public official or his/her spouse.</p> <p>2. A person shall be prohibited from promising, giving or expressing his/her intent to give money or valuables worth KRW 1 million (per case) or KRW 3 million (per fiscal year) to a public official or his/her spouse, in <u>relation to his/her duties</u>.</p>	<p>[Article 22(1) of the Anti-Bribery Act]</p> <p>A person who promises, gives or expresses his/her intent to give money or valuables worth KRW 1 million (per case) or KRW 3 million (per fiscal year) may be subject to imprisonment of not more than 3 years or a fine not exceeding KRW 30 million</p> <p>[Article 23(5) of the Anti-Bribery Act]</p> <p>A person who promises, gives or expresses his/her intent to give money or valuables worth KRW 1 million (per case) or KRW 3 million (per fiscal year) in relation to his/her duties, may be subject to administrative fine equivalent to double or more but not more than 5 times the value of money or valuable; provided that if such person is punished under other law, no administrative fine shall be imposed. [Article 24 of the Anti-Bribery Act]</p> <p>If an officer or employee of a corporation committed the aforementioned act, <u>the corporation shall also be subject to fines or administrative fines set forth in the relevant provision.</u></p>
	Unlawful Solicitation	A person shall be prohibited from, directly or through a third person, making unlawful solicitation to a public official conducting his/her duties, etc. ^[4]	<p>[Article 23(2), (3) of the Anti-Bribery Act]</p> <p>1. Direct solicitation: Administrative fine not exceeding KRW 20 million</p> <p>2. Solicitation through a third person: Administrative fine not exceeding KRW 10 million; provided that if such person is punished under other law, no administrative fine shall be imposed.</p> <p>[Article 24 of the Anti-Bribery Act]</p> <p>If an officer or employee of a corporation committed the aforementioned act, the corporation shall also be subject to fines or administrative fines set forth in the relevant provision.</p>
Political Funds Act	Contribution to political funds	Contribution to political funds in a corporation's name or with funds related to the corporation is prohibited.	<p>[Article 45(2) of the Political Funds Act]</p> <p>Imprisonment for not more than 5 years or a fine not exceeding KRW 10 million. The political contribution provided shall be confiscated or the value thereof shall be collected.</p>
Criminal Act	Indecent act by compulsion	A person shall be prohibited from committing, through violence or intimidation, an indecent act on another.	<p>[Article 298 of the Criminal Act]</p> <p>Imprisonment for not more than 10 years or a fine not exceeding KRW 15 million. Sex offender registration and announcement, or course or treatment attendance order may be imposed concurrently (Article 16, 47 and 49 of the Sex Crimes Act).</p>
Act on Special Cases Concerning the Punishment, etc. of Sexual Crimes (the "Sexual Crimes Act")		A person shall be prohibited from committing an indecent act against another person who is under his/her protection or supervision by reason of his/her business, employment or other relationship, through fraudulent means or by a threat of force.	<p>[Article 10(1) of the Sex Crimes Act]</p> <p>Imprisonment for not more than 2 years or a fine not exceeding KRW 5 million. Sex offender registration and announcement, or course or treatment attendance order may be imposed concurrently (Article 16, 47 and 49 of the Sex Crimes Act).</p>
Equal Employment Opportunity and Work-Family Balance Assistance Act (the "Equal Employment Act")	Sexual harassment	An employer, supervisor or employee shall be prohibited from sexually harassing an employee on job.	<p>[Article 14, 39 of the Equal Employment Act]</p> <p>The employer shall, where an occurrence of sexual harassment on the job has been verified, take disciplinary measure or any other action against relevant offender and if no action is taken, administrative fine of no more than KRW 5 million may be imposed.</p> <p>[Article 37, 38 of the Equal Employment Act]</p> <p>If the employer terminated or imposed other disadvantages on the employee who was sexually harassed on the job, imprisonment for not more than 2 years or a fine not exceeding KRW 20 million.</p> <p>If a representative of a corporation commits the above act, <u>the corporation shall be punished by a fine set forth in relevant provision.</u></p>
Financial Investment Services and Capital Markets Act (the "Capital Markets Act")	Insider trading	A person shall be prohibited from using undisclosed material information of a company which he/her comes to the knowledge in relation to the job for transactions such as transaction of the securities issued by the company and providing such information to a third person.	<p>[Article 443 of the Capital Markets Act]</p> <p>Imprisonment for not more than 10 years or a fine not less than an amount equivalent to the profit accrued or the loss avoided by a violation but not exceeding the amount equivalent to 3 times of the profit accrued or the loss avoided; provided that if three times of the profit accrued or the loss avoided does not exceeding KRW 500 million, the upper limit on the fine shall be KRW 500 million.</p>
Monopoly Regulation and Fair Trade Act (the "MRFTA")	Unfair collaborative act	A person shall be prohibited from engaging in unfair collaborative act set forth in the MRFTA, including fixing, maintaining or changing the price, or determining terms and conditions for the transaction of goods or services, or for payment of prices thereof, with other enterprisers.	<p>[Article 66 and 70 of the MRFTA]</p> <p>Imprisonment for not more than 3 years or a fine not exceeding KRW 200 million (The punishment of imprisonment and fines may be imposed concurrently). If a representative of a corporation commits the above act, the corporation shall be punished by a fine set forth in relevant provision.</p>
Copyright Act	Copyright infringement	A person shall be prohibited from illegally using or copying the copyrighted materials such as computer program protected by the Copyright Act, without an appropriate authority.	<p>[Article 136(1) and 141 of the Copyright Act]</p> <p>Imprisonment for not more than 5 years or a fine not exceeding KRW 50 million. If a representative of a corporation commits the above act, the corporation shall be punished by a fine set forth in relevant provision.</p>
Military Secret Protection Act	Leaking of military secrets	A person who handles or has handled military secrets in the conduct of business shall be prohibited from leaking to others the military secrets he/she has known or possessed in the conduct of that business, intentionally or by negligence. ^[5]	<p>[Article 13, 13- 2, 14, and 15 of the Military Secret Protection Act]</p> <p>Intentional leaking: imprisonment for a limited term of not less than 3 years</p> <p>If the person who leaked the military secrets requested or received money, valuables, or profits, or the person leaked the military secrets for a foreign country or a foreigner: the punishment is increased by 1/2.</p> <p>Leakage through a negligent act: imprisonment of not exceeding 2 years or a fines not exceeding KRW 20 million.</p>

[1] Maximum of imprisonment of definite term is 50 years (Article 42 of the Criminal Act).

[2] Bribe refers to any profit which may satisfy demands or desires of a person, such as money or entertainment (Supreme Court, 2000do5438, 2001.09.18.)

[3] The Anti-Bribery Act will be effective from 2016. 9. 28.

[4] Public officials refer to public officials, quasi-public officials, officers and employees of publically affiliated organizations and public institutions, head and employees of schools, officers and employees of school foundation, and representative, officers and employees of media.

[5] Since the military court has jurisdiction over the leakage of military secrets, the person who leaked military information shall be subject to the trial at the military court (Article 3(2) of the Military Court Act).

* Please note that the above list is based on the laws and regulations effective as of October 31, 2015 and does not include all legal risks.