

TECHNOLOGY TRANSFER AND COMMERCIALIZATION PROMOTION ACT

Wholly Amended by Act No. 8108, Dec. 28, 2006

Amended by Act No. 8852, Feb. 29, 2008

Act No. 8934, Mar. 21, 2008

Act No. 9369, Jan. 30, 2009

Act No. 9582, Apr. 1, 2009

Act No. 9689, May 21, 2009

Act No. 10251, Apr. 12, 2010

Act No. 11231, Jan. 26, 2012

Act No. 11232, Jan. 26, 2012

Act No. 12284, Jan. 21, 2014

Act No. 14663, Mar. 21, 2017

Act No. 14839, Jul. 26, 2017

Act No. 15571, Apr. 17, 2018

Act No. 17524, Oct. 20, 2020

CHAPTER I GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of this Act is to enhance the technical competitiveness of all the industries by formulating and implementing policies appropriate for facilitating the transfer of technologies developed by public research institutes to the private sector for the commercialization of such technologies as well as the smooth trading and commercialization of technologies developed by the private sector, and ultimately to contribute to the growth of the national economy.

Article 2 (Definitions)

The terms used in this Act are defined as follows: *<Amended on Jan. 23, 2013; Jul. 26, 2017>*

1. The term "technology" means any of the following:

(a) Intellectual property, such as patents, utility models, designs, layout-designs of semiconductor integrated circuits, and software, registered or pending in accordance with relevant statutes, such as

the Patent Act;

(b) Capital goods into which the technology under item (a) is integrated;

(c) Information about the technology under item (a) or (b);

(d) Other things specified by Presidential Decree as similar to those under items (a) through (c);

2. The term "technology transfer" means that technology is transferred from its holder (including a person who has a right to dispose of the technology) to another person through assignment, grant of a license, technical guidance, joint research, joint venture, merger and acquisition, etc.;

3. The term "commercialization" means the process by which products are developed, produced or sold using technology, or the improvement of technology related to such process;

4. The term "technology evaluation" means the expression of economic value of any technology, which may be generated through commercialization, in the form of a value, grade, point, etc.;

5. The term "public technology" means technology, the ownership of, a license for, or a right to usage of which belongs to a public research institute;

6. The term "public research institute" means any of the following:

(a) A national or public research institute;

(b) A government-funded research institute established pursuant to Article 8 (1) of the Act on the Establishment, Operation and Fostering of Government-Funded Science and Technology Research Institutions;

(c) A specific research institute governed by Article 2 of the Specific Research Institutes Support Act;

(d) A school under Article 2 of the Higher Education Act;

(e) Any other legal entity or organization related to research and development, which is established pursuant to the Civil Act or any other statute and specified by Presidential Decree to facilitate the transfer and commercialization of technology (hereinafter referred to as "technology transfer and commercialization");

7. The term "relevant central administrative agencies" means the Ministry of Economy and Finance, the Ministry of Education, the Ministry of Science and ICT, the Ministry of Trade, Industry and Energy, and other agencies specified by Presidential Decree;

8. The term "technology trust management business" means business engaging in, under a trust agreement with a technology holder on his or her technology and right to use thereof (hereinafter referred to as "technology, etc."), the management specified by Presidential Decree, such as the settlement or transfer of technology, etc., the collection and distribution of royalties, further development of technology, and technology and asset-backed securitization;

9. The term "technology and asset-backed securitization" means asset-backed securitization under subparagraph 1 of Article 2 of the Asset-Backed Securitization Act by using technology, etc., claims and shares arising in relation to technology, etc., and other property rights as securitization assets;

10. The term "public research institute high-tech holding company" (hereinafter referred to as "technology holding company") means a company that is mainly engaged in the control, management

and support of another company's business through the ownership of the other company's stocks (including shares; hereinafter the same shall apply) to commercialize technologies held by a public research institute and that is registered pursuant to Article 21-3: Provided, That this shall not apply to any company established to commercialize technologies held by an industry-academic cooperation foundation under Article 25 of the Promotion of Industrial Education and Industry-Academic Cooperation Act.

Article 3 (Responsibilities of the Government)

- (1) The Government shall establish and implement a policy for facilitating technology transfer and commercialization to ensure the achievement of the objectives of this Act.
- (2) Each local government shall establish and implement a policy for facilitating technology transfer and commercialization in a region under its jurisdiction, considering the characteristics of the jurisdictional area, according to a policy under paragraph (1).
- (3) Each public research institute shall endeavor to facilitate the transfer of public technology to the private sector.

Article 4 (Relationship to Other Statutes)

- (1) Except as otherwise provided in any other statute, technology transfer and commercialization shall be governed by this Act.
- (2) The Financial Investment Services and Capital Markets Act shall not apply to technology trust management business under this Act: Provided, That Articles 102 and 104, subparagraphs 2 and 4 through 7 of Article 108, subparagraphs 1 through 6 and 8 through 10 of Article 109, and Articles 113 through 117 of the Financial Investment Services and Capital Markets Act shall apply mutatis mutandis to business activities of such technology trust management business. <Amended on Jan. 26, 2012>

CHAPTER II ESTABLISHMENT OF PLANS FOR FACILITATION OF TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 5 (Establishment and Implementation of Plans for Facilitation of Technology Transfer and Commercialization)

- (1) The Government shall establish and implement a plan for the facilitation of technology transfer and commercialization (hereinafter referred to as "facilitation plan") in order to achieve the objectives of a policy on technology transfer and commercialization, including the following matters: <Amended on Apr. 12, 2010>

1. Objectives and strategies of a policy on technology transfer and commercialization;

2. Matters concerning the budget for the implementation of facilitation plans;
 3. Matters concerning the promotion of projects for facilitating technology transfer and commercialization and the expansion of infrastructure for such purposes;
 4. A scheme for vitalizing technology evaluation;
 5. Matters concerning financial support for facilitating commercialization;
 6. Matters concerning the facilitation of technology and asset-backed securitization;
 7. Other matters necessary for facilitating technology transfer and commercialization.
- (2) In order to establish a facilitation plan, the head of each relevant central administrative agency, excluding the Minister of Trade, Industry and Energy, shall draw up a plan for facilitating technology transfer and commercialization regarding research and development projects carried out by each such agency and notify the Minister of Trade, Industry and Energy of the plan. <Amended on Apr. 12, 2010; Mar. 23, 2013>
- (3) When drawing up a plan under paragraph (2), the head of each relevant central administrative agency may include a condition that some of the funds for national research and development projects in the field under its control shall be provided as a subsidy for carrying out projects for facilitating technology transfer and commercialization. <Amended on Apr. 12, 2010>
- (4) The Minister of Trade, Industry and Energy shall integrate plans notified pursuant to paragraph (2) to establish a facilitation plan. In such cases, the facilitation plan shall contain an annual promotion plan and a medium-term promotion plan on a three-year basis. <Amended on Apr. 12, 2010; Mar. 23, 2013>
- (5) Deleted. <Apr. 1, 2009>
- (6) Matters necessary for the establishment and implementation of facilitation plans shall be prescribed by Presidential Decree. <Amended on Apr. 12, 2010>

Article 6 Deleted. <Apr. 1, 2009>

CHAPTER III EXPANSION OF INFRASTRUCTURE FOR TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 7 (Facilitation of Registration and Supply of Information about Technology Transfer and Commercialization)

- (1) The Government shall formulate a policy for the systematic supply of information about technology transfer and commercialization, such as information about technology, technical human resources, facilities and technology evaluation, in order to facilitate technology transfer and commercialization.
- (2) If any of the following persons intends to transfer technology, he or she shall register the details of the technology and other relevant facts with the Korea Institute for Advancement of Technology under Article 38 of the Industrial Technology Innovation Promotion Act (hereinafter referred to as "KIAT") within a

period of not more than six months prescribed by Presidential Decree, unless there is a compelling reason not to do so specified by Presidential Decree, such as where the technology is classified as national confidential information:

1. A public research institute;
2. An institution or organization, other than a public research institute, that develops and holds technology with support from the State, a local government, or a public institution under Article 4 of the Act on the Management of Public Institutions (hereinafter referred to as "public institution");
3. An industrial technology research cooperative under the Industrial Technology Research Cooperatives Support Act.

(3) The Government may assign the following institutions to take charge of supplying information about technology transfer and commercialization and may provide them with support therefor:

1. KIAT;
2. A technology trading agency under Article 10;
3. An exclusively responsible organization under Article 11;
4. A company specializing in commercialization under Article 12;
5. A technology evaluation agency under Article 35;
6. Other relevant specialized institutions prescribed by Presidential Decree.

(4) Matters necessary for the further specific methods of registration of information about technology transfer and commercialization under paragraph (2) and for the support under paragraph (3) shall be prescribed by Presidential Decree.

Article 8 (Fact-Finding Surveys)

(1) The Government may conduct a fact-finding survey on the actual state, etc. of technology transfer and commercialization in order to secure the basic data necessary for facilitating technology transfer and commercialization.

(2) The Minister of Trade, Industry and Energy may request the head of any relevant central administrative agency or public research institute to submit data necessary for conducting fact-finding surveys under paragraph (1). In such cases, the head of the agency or institute who has been requested to submit such data shall cooperate as requested, unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets.
<Amended on Mar. 23, 2013>

(3) The specific scope of documentation, etc. in conducting fact-finding surveys under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

Article 9 Deleted. <Jan. 30, 2009>

Article 10 (Designation of Technology Trading Agency, Revocation of Designation, and Support Therefor)

(1) The head of a relevant central administrative agency may designate an entity that meets standards prescribed by Presidential Decree regarding human resources exclusively responsible for technology trading and other relevant matters, as a technology trading agency, in order to facilitate technology transfer and commercialization.

(2) A technology trading agency designated pursuant to paragraph (1) (hereinafter referred to as "technology trading agency") shall undertake the following business activities:

1. Search for, and demand survey, analysis, and evaluation of, technology eligible for technology transfer and commercialization;
2. Collection, management, and distribution of information about technology transfer and commercialization, and the establishment of an information network for such purposes;
3. Brokerage and mediation services for technology transfer;
4. Other business activities specified by Presidential Decree as those for facilitating the circulation of information about technology transfer and commercialization.

(3) The head of a relevant central administrative agency may revoke the designation of a technology trading agency if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 2, 4 or 5, the designation shall be revoked:

1. Where the trading agency has no record of technology transactions for two years since the designation;
2. Where the trading agency has obtained the designation by fraud or other improper means;
3. Where the trading agency has failed to perform its duty of notification under paragraph (5) on three or more occasions;
4. Where the trading agency voluntarily desires to have its designation revoked;
5. Where the trading agency is no longer able to conduct its business activities under paragraph (2) due to discontinuance of business or any other reason;
6. Where the trading agency no longer meets standards for designation under paragraph (1).

(4) The Government may, within its budgetary limits, reimburse expenses incurred by any technology trading agency in conducting the business activities under subparagraphs of paragraph (2).

(5) Each technology trading agency shall notify KIAT of the information about technology transactions in the course of conducting business activities under paragraph (2).

(6) Matters necessary for the procedure for the revocation of designation under paragraph (3), the assistance by the Government under paragraph (4), the scope of information about technology transactions to be notified in accordance with paragraph (5), etc. shall be prescribed by Presidential Decree.

Article 11 (Organizations Exclusively Responsible for Technology Transfer and Commercialization in Public Research Institutes)

(1) The head of each public research institute specified by Presidential Decree shall set up an organization exclusively responsible for technical transfer and commercialization (hereinafter referred to as "exclusively responsible organization") within such public research institute. In such cases, an exclusively responsible organization set up in a national or public school under Article 3 of the Higher Education Act (hereinafter referred to as "national or public school") shall be a legal entity.

(2) Except as otherwise provided in this Act, the provisions of the Civil Act regarding incorporated foundations shall apply mutatis mutandis to exclusively responsible organizations set up in national or public schools.

(3) The Government may provide any public research institute that has set up an exclusively responsible organization with support necessary for its activities.

(4) Matters necessary for the establishment and operation of exclusively responsible organizations under paragraph (1), the support under paragraph (3), etc. shall be prescribed by Presidential Decree.

Article 12 (Companies Specializing in Commercialization)

(1) The Government shall formulate a policy on fostering and supporting companies specializing in providing commercialization assistance, which are designated pursuant to Article 12-2 (hereinafter referred to as "companies specializing in commercialization") in order to facilitate commercialization in the private sector.

(2) The Government may reimburse companies specializing in commercialization for all or some of expenses incurred in providing commercialization assistance.

(3) The Government may give priority to companies specializing in commercialization when they participate in projects to facilitate technology transfer and commercialization under Article 15 (1).

Article 12-2 (Designation of Companies Specializing in Commercialization and Revocation of Designation)

(1) The head of each relevant central administrative agency may designate a company that is engaged in business activities falling under one or more of the following and meets standards prescribed by Presidential Decree, including human resources exclusively responsible for commercialization assistance, related facilities, etc., as a company specializing in commercialization:

1. Collection, analysis and provision of commercialization-related information;
2. Support for the exploration, development, convergence, etc. of technologies to advance commercialization;
3. Counseling and consulting for commercialization;
4. Invitation and investment of funds necessary for commercialization.

(2) The head of each relevant central administrative agency may revoke the designation of a company specializing in commercialization if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 2, 4 or 5, the designation shall be revoked:

1. Where the company has no record of commercialization assistance prescribed by Presidential Decree for two years since the designation;
2. Where the company has obtained the designation by fraud or other improper means;
3. Where the company has failed to perform its duty of notification under Article 12-3 (1) on three or more occasions;
4. Where the company voluntarily desires to have its designation revoked;
5. Where the company is no longer able to conduct its business activities under paragraph (1) due to discontinuance of business or any other reason;
6. Where the company no longer meets standards for designation under paragraph (1).

Article 12-3 (Notification of Performance of Commercialization Assistance)

(1) Each company specializing in commercialization shall notify the Minister of Trade, Industry and Energy of its performance of commercialization assistance, etc., unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets. *<Amended on Mar. 23, 2013>*

(2) Matters necessary for the scope of notification, procedures therefor, etc. under paragraph (1) shall be prescribed by Presidential Decree.

Article 13 (Nurturing Professional Human Resources for Technology Transfer and Commercialization, and Support Therefor)

(1) The Government shall nurture professional human resources (hereinafter referred to as "professionals") for technology evaluation, technology management, technology contracting, etc. (hereafter in this Article referred to as "technology evaluation, etc.") in order to meet demands for human resources required for technology transfer and commercialization and technology evaluation.

(2) In order to nurture professionals, the Government may reimburse all or some of expenses incurred by any appropriate institution in securing facilities for education, developing teaching materials, and conducting educational programs.

(3) The Government shall formulate a policy necessary for nurturing professionals, such as the introduction of a national qualification system, as prescribed by the relevant Act, and measures to encourage schools under Article 2 of the Higher Education Act to include subjects relating to technology evaluation, etc. in their curricula pursuant to Article 21 of the said Act.

(4) Matters necessary for support under paragraph (2) and a policy under paragraph (3) shall be prescribed by Presidential Decree.

Article 14 (Registration and Cultivation of, and Support for, Technology Traders)

(1) Any person who has expertise in technology transfer and commercialization may be registered as a technology trader with the Minister of Trade, Industry and Energy. *<Amended on Mar. 23, 2013>*

(2) Any person who intends to be registered as a technology trader pursuant to paragraph (1) shall receive education prescribed by Presidential Decree after meeting criteria prescribed by Presidential Decree for careers in, qualifications for, and other requirements for, technology transactions.

(3) Any person who is registered pursuant to paragraph (1) shall provide specialized counseling, consulting and guidance services for technology transfer and commercialization and other technology transaction assistance services, including brokerage and mediation services for technology transfer.

(4) The Minister of Trade, Industry and Energy may revoke the registration of a technology trader if he or she falls under any of the following: Provided, That when he or she falls under subparagraph 1, the registration shall be revoked: *<Amended on Mar. 23, 2013>*

1. Where he or she has been registered by fraud or other improper means;
2. Where he or she has provided services under paragraph (3) by fraud or other improper means;
3. Where he or she has allowed someone else to use his or her registered name.

(5) The Minister of Trade, Industry and Energy may provide technology traders with support necessary for them, such as information and education necessary to offer technology transaction services. *<Amended on Mar. 23, 2013>*

CHAPTER IV FACILITATION OF TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 15 (Advancement of Projects to Facilitate Technology Transfer and Commercialization)

(1) The Government shall advance projects to facilitate technology transfer and commercialization, such as support for technology transfer and commercialization and support for the development of technology in connection with commercialization.

(2) The head of each relevant central administrative agency shall include projects to facilitate technology transfer and commercialization in a plan for execution of funds for national research and development projects in areas under his or her control.

(3) If deemed necessary to efficiently advance projects to facilitate technology transfer and commercialization, the head of each relevant central administrative agency may assign an institution specified by Presidential Decree to conduct the planning, management, and evaluation of those projects on behalf of the agency. In such cases, the head of the relevant central administrative agency may contribute funds for, or reimburse, all or some of expenses incurred in carrying out such business affairs.

(4) Matters necessary for the management, etc. of projects, if any, to facilitate technology transfer and commercialization shall be prescribed by Presidential Decree.

Article 15-2 (Institutions Conducting Projects to Facilitate Technology Transfer and Commercialization)

(1) The Minister of Trade, Industry and Energy may have KIAT conduct the following business activities to efficiently advance projects to facilitate technology transfer and commercialization: <Amended on Jan. 26, 2012; Mar. 23, 2013>

1. Support for the brokerage and mediation of technology transfer, such as the opening and operation of regular technology transaction markets;
 2. Collection, analysis, evaluation and provision of information concerning technology transfer and evaluation;
 3. Investments in technology;
 4. Building of a system to connect to technology trading agencies, exclusively responsible organizations, technology evaluation agencies, etc. under Article 35;
 5. Support for and management of technology traders under Article 14;
 6. Development and dissemination of technology evaluation and technology evaluation techniques;
 7. Cultivating professionals for transfer, evaluation and commercialization of technology;
 8. Statistical surveys and studies concerning technology transfer and commercialization;
 9. Technology trust and management business;
 10. Purchase of technology and further development of the technology purchased or trusted;
 11. Advancement of technology and asset-backed securitization business including the purchase of securitization bonds;
 12. Business of accepting contributed technology, etc.;
 13. Other business activities necessary to facilitate technology transfer and commercialization, which are prescribed by Presidential Decree.
- (2) Any person who falls under any of the following may contribute funds for, or reimburse, some of expenses necessary for KIAT to conduct projects to facilitate technology transfer and commercialization:
1. The State and local governments;
 2. Public institutions (excluding public institutions in which the Government has some contribution quotas);
 3. Non-profit legal entities established under the Civil Act;
 4. Trade association related to technology transfer and commercialization;
 5. Legal entities or organizations related to technology transfer and commercialization, which are prescribed by Presidential Decree.
- (3) Matters necessary for contributing funds or reimbursing expenses under paragraph (2) shall be prescribed by Presidential Decree.

Article 16 (Facilitation of International Technology Transfer and Commercialization)

(1) The Government shall formulate a policy to facilitate international cooperation in mutual technology transfer and commercialization between the Government, enterprises, colleges and universities, research institutes, organizations, etc. and international organizations or foreign governments, enterprises, colleges

and universities, research institutes, organizations, etc.

(2) The head of each relevant central administrative agency may advance the following activities for facilitating international cooperation in technology transfer and commercialization:

1. Investigation and research to promote international cooperation in technology transfer and commercialization;
2. Exchanges of professionals in, and information about, technology transfer and commercialization;
3. Establishment of cooperative systems with foreign institutions, etc. supporting technology transfer and commercialization;
4. Facilitation of export of domestic technology or introduction of foreign technology;
5. Assistance in establishment of joint ventures between domestic and foreign enterprises;
6. Other activities specified by Presidential Decree for facilitating international cooperation in technology transfer and commercialization.

Article 17 (Support for Local Governments' Projects for Facilitating Technology Transfer and Commercialization)

(1) The Government may advance projects for facilitating technology transfer and commercialization jointly with a local government. In such cases, the Government may reimburse expenses incurred by the local government.

(2) Projects advanced by a local government for facilitating technology transfer and commercialization pursuant to paragraph (1) shall include the following:

1. Projects for facilitating technology transfer and commercialization by enterprises;
2. Technology protection and promotion projects to facilitate the commercialization of technology;
3. Projects for the development of exclusive complexes for commercialization of technology.

(3) If a local government organizes a council with public research institutes, technology trading agencies and companies specializing in commercialization in the region and other institutions supporting technology transfer and commercialization in the region in order to facilitate technology transfer and commercialization, the Government may provide support to such council.

Article 18 (Implementation of Technology Protection and Promotion Projects)

(1) In order to facilitate commercialization, the Government may implement technology protection and promotion projects through which it can provide support in funding, human resources, information, facilities, technical guidance, etc. to enterprises that hold technology potential for commercialization.

(2) Matters necessary for entities eligible for technology protection and promotion projects under paragraph (1), the methods of implementing such projects, etc. shall be prescribed by Presidential Decree.

Article 19 (Facilitation of Transfer and Commercialization of Public Technology)

(1) The Government shall establish procedures and methods to ensure that transactions for transferring public technology to the private sector will be conducted in a fair and orderly manner.

(2) The head of each public research institute shall appropriately distribute a certain portion of royalties accruing from the transfer of technology developed by researchers in an institute to persons specified by Presidential Decree as those who have contributed to the transfer of technology among researchers, executive officers, and employees of the institute.

(3) If any of the following persons advances the commercialization of public technology, the Government may provide him or her with necessary support in human resources, facilities, expenses, etc.: <Amended on Jan. 26, 2012>

1. A technology holding company and an investment company under Article 21-4;

2. A research institute company under subparagraph 6 of Article 2 of the Special Act on Promotion of Special Research and Development Zones;

3. A company specializing in the start-up of new technology-based businesses under Article 2 (8) of the Act on Special Measures for the Promotion of Venture Businesses;

4. An industry-academic cooperation technology holding company and a subsidiary company thereof under subparagraphs 6 and 7 of Article 2 of the Promotion of Industrial Education and Industry-Academic Cooperation Act;

5. Other persons prescribed by Presidential Decree.

(4) Guidelines for and methods of appropriate distribution of royalties under paragraph (2) and other necessary matters shall be prescribed by Presidential Decree.

Article 20 (Transfer and Commercialization of Private Technology)

(1) In order to facilitate the transfer of any technology other than public technology (hereafter in this Article referred to as "private technology") between private enterprises, the Government shall formulate a plan for vitalizing a technology market in which technology transactions are conducted between technology suppliers and technology users through sales and purchases of private technology.

(2) The Government shall formulate a plan for financial or other necessary support to facilitate the transfer and commercialization of private technology.

Article 21 (Regulations on Facilitation of Transfer and Commercialization of Public Technology)

(1) The head of each public research institute shall establish and enforce regulations on the facilitation of transfer and commercialization of public technology.

(2) Provisions to be included in regulations under paragraph (1) shall be prescribed by Presidential Decree.

Article 21-2 (Acceptance of Contributed Technology)

(1) Any of the following persons may contribute technology, etc. to the State:

1. A public research institute;
 2. An industry-academic cooperation foundation under Article 25 of the Promotion of Industrial Education and Industry-Academic Cooperation Act;
 3. A private enterprise.
- (2) The Minister of Trade, Industry and Energy shall manage and dispose of (excluding making investment in kind) any technology, etc. contributed pursuant to paragraph (1), notwithstanding Article 8 of the State Property Act. *<Amended on Mar. 23, 2013>*
- (3) If royalties or other earnings accrued through the transfer and commercialization of technology, etc. contributed pursuant to paragraph (1), compensation may be given to a person who has made such contribution or developed such technology, etc.
- (4) Matters necessary for the management, disposal, etc. of technology, etc. under paragraph (2) and for standards, methods, etc. for compensation under paragraph (3) shall be prescribed by Presidential Decree.

Article 21-3 (Establishment of Technology Holding Companies)

- (1) A public research institute may establish a technology holding company solely or jointly with another public research institute.
- (2) Every technology holding company shall meet the following requirements:
1. It shall be a stock company under the Commercial Act;
 2. None of its executive officers shall fall under any ground for disqualification under the subparagraphs of Article 33 of the State Public Officials Act;
 3. It shall have human resources and facilities that meet standards prescribed by Presidential Decree;
 4. It shall have any green technology under subparagraph 3 of Article 2 of the Framework Act on Low Carbon, Green Growth or any advanced technology under Article 5 (1) of the Industrial Development Act.
- (3) In establishing a technology holding company under paragraph (1), the public research institute shall register it with the Minister of Trade, Industry and Energy, as prescribed by Presidential Decree. *<Amended on Mar. 23, 2013>*
- (4) A public research institute shall hold stocks of a technology holding company that it has established in excess of the half of the total number of the company's issued stocks. In such cases, the public research institute may use the Government's contributions to hold those stocks.
- (5) A public research institute may provide technology, etc. in its possession to a technology holding company as investment in kind or transfer technology, etc. in its possession to a technology holding company.
- (6) Article 23 shall apply mutatis mutandis where a public research institute provides technology, etc. in its possession as investment in kind.

Article 21-4 (Establishment of Investment Companies)

(1) A technology holding company may directly establish an investment company by utilizing its own technology or may acquire a third company's stocks or shares to include them in an investment company.

(2) A technology holding company shall hold at least 20 percent of an investment company's stocks for a period prescribed by Presidential Decree or longer: Provided, That the foregoing shall not apply where there exists a cause prescribed by Presidential Decree such as the transfer of shares.

(3) Article 23 shall apply mutatis mutandis where a technology holding company provides technology, etc. in its possession to an investment company as investment in kind. If a technology holding company reinvests technology, etc. with which it was provided as investment in kind pursuant to Article 21-3 (5) in an investment company within a period prescribed by Presidential Decree, it may report such fact to a court with the appraised value of the technology, etc. at the time it was provided with the technology, etc. as investment in kind.

Article 21-5 (Work of Technology Holding Companies)

A technology holding company shall conduct the following work:

1. Transfer and commercialization of technology held by a public research institute or by a technology holding company or investment company established by the institute;
2. Establishment of an investment company or the acquisition of an investment company's stocks for the purpose of the technology transfer and commercialization under subparagraph 1;
3. Technology incubation, business incubation, and other technology and management consulting services for an investment company;
4. Investment or attraction of investment in an investment company directly or through a fund (including any funds under related statutes; hereinafter the same shall apply);
5. Organization or management of a fund to establish or operate an investment company;
6. Other business incidental to those listed in subparagraphs 1 through 5, as prescribed by Presidential Decree.

Article 21-6 (Revocation of Registration of Technology Holding Companies)

The Minister of Trade, Industry and Energy may revoke the registration of a technology holding company if it falls under any of the following subparagraphs: Provided, That when it falls under subparagraph 1, the registration shall be revoked: <Amended on Mar. 23, 2013>

1. Where it has had itself registered by fraud or other improper means;
2. Where it no longer meets either requirements for registration under Article 21-3 (2) or paragraph (4) of the same Article;
3. Where it is engaged in business other than those listed in the subparagraphs of Article 21-5.

Article 21-7 (Operation of Technology Holding Companies)

- (1) A researcher or other staff member of a public research institute may be granted a leave of absence to serve as the representative or an executive officer of a technology holding company.
- (2) A public research institute shall appropriate dividends, earnings, surplus funds, etc. accruing from investments in a technology holding company for the intended business of its own, research and development, re-investment in the relevant technology holding company, the advancement of technology transfer and commercialization, etc.
- (3) The details of paragraphs (1) and (2) and other matters necessary for the operation of technology holding companies shall be prescribed by Presidential Decree.

Article 22 (Assistance in Creation of Rights to Outcomes of Research and Development)

- (1) The Government shall formulate a policy for securing, maintaining and managing intellectual property rights, such as patents, so that rights to outcomes of research and development can be created quickly and transferred to technology users, and may provide support necessary for securing, maintaining and managing intellectual property rights.
- (2) The Government may reimburse some of expenses incurred by a person who has registered the details of technology in his or her possession and other relevant facts with KIAT in accordance with Article 7 (2) in securing and maintaining the intellectual property rights for the technology.

Article 23 (Special Cases concerning Investment of Technology in Kind)

- (1) Where a person who seeks to provide technology in his or her possession to an enterprise as investment in kind has had it evaluated by KIAT or a technology evaluation agency under Article 35 (hereinafter referred to as the "KIAT, etc."), he or she shall be deemed to have had it appraised by a certified appraiser under Article 299-2 or 422 of the Commercial Act.
- (2) In the case of paragraph (1), a person who is in charge of evaluating technology in the possession of KIAT, etc. shall be deemed an appraiser in the application of Articles 625, 630, and 635 of the Commercial Act.
- (3) Where a stock-listed corporation under Article 9 (15) 3 of the Financial Investment Services and Capital Markets Act has had technology in its possession evaluated by KIAT, etc. to conduct merger valuation, etc. following the merger, etc. under Article 165-4 of the same Act, it shall be deemed to have had such technology evaluated based on guidelines under the said Article.

Article 24 (Vesting of Outcomes of Public Research and Development)

- (1) The State, a local government or a public institution shall endeavor to secure intellectual property rights, such as patents, for outcomes acquired by reimbursing expenses incurred in conducting research and development.

(2) Where the State, a local government or a public institution seeks to secure an intellectual property right pursuant to paragraph (1), it shall ensure rights and interests of an institution or enterprise that participates in research and development (referring to an exclusively responsible organization under the latter part of Article 11 (1) if a participant is a national or public school; hereafter in this Article referred to as "participating institution, etc."), as well as rights and interests of the relevant researchers.

(3) The State, a local government or a public institution may vest a participating institution, etc. with rights in outcomes produced from a research and development project advanced or supported by it, with conditions on use attached thereto, as prescribed by Presidential Decree.

(4) A public research institute shall endeavor to make public technology, the rights to which have been vested pursuant to paragraph (3), available to enterprises for use, except where the public research institute itself uses the public technology, the use of such technology is limited pursuant to any relevant Act, or any other exceptional circumstance exists. In such cases, the public research institute may set necessary conditions in making the public technology available for use; and may collect royalties from users of the public technology according to the methods agreed upon by the parties concerned, such as suspending collection of royalties until any profit is generated from the commercialization of such public technology, or allowing to pay the royalties in installments or by a certain amount in proportion to profits. <Amended on Mar. 21, 2017>

(5) If a public research institute intends to allow the use of public technology pursuant to paragraph (4), it shall assure the enterprises that seek to use the public technology of equal opportunities: Provided, That a preferential right may be given to the enterprises that invested in the development of the public technology for a period prescribed by Presidential Decree.

(6) The exclusively responsible organization of a national or public school may use the royalties accruing from the use of public technology, the rights to which have been vested in an exclusively responsible organization pursuant to paragraph (3), after consultation with the head of the national or public school, for the following purposes:

1. Rewards for researchers;
2. Research and development;
3. Technology transfer and commercialization;
4. Application for and registration of intellectual property rights and other business affairs related thereto;
5. Operation of an exclusively responsible organization;
6. Other uses specified by Presidential Decree.

(7) Matters necessary for the management of public technology, the rights to which have been vested in participating institutions, etc. pursuant to paragraph (3), procedures for and conditions on use of public technology and collection of royalties under paragraph (4), the preferential right under paragraph (5), and the use of royalties under paragraph (6) shall be prescribed by Presidential Decree.

Article 25 (Payment of Incentives to Persons Who Saved Budget)

(1) If a person has saved a portion of the budget allocated to a project by applying technology eligible for commercialization, the Government may pay a certain amount of the portion of the budget saved as an incentive to a person who has saved the budget in order to facilitate commercialization.

(2) Further details of guidelines, methods, etc. for payment of incentives under paragraph (1) shall be prescribed by Presidential Decree.

CHAPTER V FINANCIAL SUPPORT FOR TECHNOLOGY TRANSFER AND COMMERCIALIZATION

Article 26 (Financial Support for Commercialization)

The Government shall lay the foundation for financial support, such as investments and loans, to help small and medium enterprises under Article 2 (1) of the Framework Act on Small and Medium Enterprises (hereinafter referred to as "small and medium enterprises") and middle-standing enterprises under subparagraph 1 of Article 2 of the Special Act on the Promotion of Growth and the Strengthening of Competitiveness of Middle-Standing Enterprises achieve commercialization as early as possible.

<Amended on Oct. 20, 2020>

Article 27 (Implementation of Programs for Facilitation of Technology and Asset-Backed Securitization)

(1) The head of each relevant central administrative agency may implement a program for facilitating technology and asset-backed securitization (hereafter in this Article referred to as "program for facilitation of technology and asset-backed securitization") with the following funds:

1. The Government's budget;
2. Funds specified by Presidential Decree among funds for promoting science and technology, fostering small and medium enterprises, etc.

(2) The head of each relevant central administrative agency may use funds under the subparagraphs of paragraph (1) for the following purposes:

1. Compensation for all or some of losses incurred in the course of technology and asset-backed securitization;
2. Reimbursement of expenses incurred during the implementation of a program for facilitation of technology and asset-backed securitization, such as technology evaluation expenses;
3. Other uses specified by Presidential Decree for implementing a program for facilitation of technology and asset-backed securitization.

(3) Matters necessary for implementing programs for facilitation of technology and asset-backed securitization, other than those provided in paragraph (1) and (2), shall be prescribed by Presidential

Decree.

Article 28 (Implementation of Programs to Facilitate Technology-Secured Loans)

(1) The head of each relevant central administrative agency may implement a program to facilitate loans secured by technology (hereinafter referred to as "program to facilitate technology-secured loans"), within budgetary limits, to facilitate commercialization. In such cases, the head of the relevant central administrative agency may compensate for all or some of losses incurred due to loans secured by technology.

(2) Matters necessary for implementing programs to facilitate technology-secured loans, other than those provided in paragraph (1), shall be prescribed by Presidential Decree.

Article 29 (Provision of Subsidies for Advancement of Technology Transfer and Commercialization)

(1) The Government may provide subsidies to any of the following persons to cover working expenses incurred during the advancement of technology transfer and commercialization:

1. A public research institute, KIAT, a technology trading agency, a company specializing in commercialization, and a technology evaluation agency under Article 35;
2. An enterprise participating in technology transfer and commercialization promoted by an entity under subparagraph 1.

(2) Matters necessary for the use, management, etc. of subsidies under paragraph (1) shall be prescribed by Presidential Decree.

Article 30 (Lending of State Property)

(1) If necessary to advance technology transfer and commercialization, the Government may lend, or grant concessions for, State property to an institution participating in technology transfer and commercialization, or allow such institution to use or derive profits from the property, with or without consideration, notwithstanding the provisions of the State Property Act and the Commodity Management Act.

(2) Matters necessary for conditions on, and procedures for, the lending, grant of concessions, use, and derivation of profits under paragraph (1) shall be prescribed by Presidential Decree.

Article 31 (Granting Concessions for Intellectual Property Rights without Consideration)

(1) Notwithstanding the provisions of the State Property Act, if particularly necessary for industrial development, the Government may exempt a licensee for an intellectual property right vested in the State as the results of research and development from all or some of royalties, or grant a gratuitous concession for such intellectual property right to researchers who have performed research and development for the relevant task of research and development or investors in the research and development project, as prescribed by Presidential Decree.

(2) Notwithstanding the provisions of the Commodity Management Act, if particularly necessary for industrial development, the Government may grant a gratuitous concession for instruments and facilities for research, product prototypes, etc., which have been used in the research and development project and the rights to which have been vested in the State, to researchers involved and enterprises participating in the task of research and development, as prescribed by Presidential Decree.

CHAPTER VI ESTABLISHMENT OF TECHNOLOGY EVALUATION SYSTEM

Article 32 (Revitalization of Technology Evaluation)

The Government shall formulate a policy necessary for fostering institutions and human resources capable of conducting reliable technology evaluation, in order to revitalize technology evaluation.

Article 33 (Evaluation of Economic Effects of Research and Development Projects)

In order to facilitate the transfer and commercialization of outcomes of a research and development project, the Government may conduct evaluation of economic effects to evaluate economic impacts that the research and development project is likely to generate.

Article 34 (Development and Dissemination of Technology Evaluation Techniques)

(1) In order to develop an objective and specialized technology evaluation market, the Government shall assign KIAT, etc. to develop technology evaluation techniques. In such cases, the Government may provide support necessary for the development of technology evaluation techniques.

(2) The Government shall disseminate technology evaluation techniques developed in accordance with paragraph (1) to public research institutes, financial companies and enterprises, etc. to facilitate the utilization of such techniques.

Article 35 (Designation of Technology Evaluation Agencies)

(1) The head of each relevant central administrative agency may designate an agency that meets standards prescribed by Presidential Decree regarding human resources exclusively dedicated to technology evaluation, organizations to manage those human resources, etc., as a technology evaluation agency, in order to facilitate technology transfer and commercialization.

(2) Each technology evaluation agency designated pursuant to paragraph (1) (hereinafter referred to as "technology evaluation agency") shall undertake the following business activities:

1. Technology evaluation;
2. Survey and analysis of demand for technology evaluation;
3. Collection, analysis, and distribution of information about technology evaluation and the establishment of an information network for such purposes;

4. Business activities for joint utilization and dissemination of information about technology evaluation.

(3) The head of each relevant central administrative agency may revoke the designation of a technology evaluation agency if it falls under any of the following: Provided, That when it falls under subparagraph 2, 4, or 5, the designation shall be revoked:

1. Where the outcomes of technology evaluation conducted by the agency during one year after the designation have not met the number of cases prescribed by Presidential Decree;
2. Where the agency has obtained the designation by fraud or other improper means;
3. Where the agency has failed to perform its duty of notification under paragraph (4) on three or more occasions;
4. Where the agency voluntarily desires to have its designation revoked;
5. Where the agency is no longer able to conduct its business activities under paragraph (2) due to discontinuance of business or any other reason;
6. Where the agency no longer meets standards for designation under paragraph (1).

(4) Each technology evaluation agency shall notify the Minister of Trade, Industry and Energy of the information about its technology evaluation under paragraph (2) 1, 3, and 4, unless there is a compelling reason not to do so specified by Presidential Decree, such as the maintenance of confidentiality of corporate business or trade secrets. *<Amended on Mar. 23, 2013>*

(5) The Minister of Trade, Industry and Energy shall manage the information about technology evaluation notified under paragraph (4) properly so that such information can be shared among technology evaluation agencies and utilized to facilitate technology transfer and commercialization. *<Amended on Mar. 23, 2013>*

(6) Matters necessary for the procedures for designation under paragraph (1), the procedures for the revocation of designation under paragraph (3), the scope of the notification under paragraph (4), the scheme for the management of information about technology evaluation under paragraph (5), etc. shall be prescribed by Presidential Decree.

CHAPTER VI-2 TECHNOLOGY TRUST MANAGEMENT BUSINESS

Article 35-2 (Permission for Technology Trust Management Business)

(1) Any person who intends to operate technology trust management business shall obtain permission from the Minister of Trade, Industry and Energy, as prescribed by Presidential Decree: Provided, That the foregoing shall not apply where he or she has obtained authorization pursuant to Article 12 of the Financial Investment Services and Capital Markets Act: *<Amended on Jan. 26, 2012; Mar. 23, 2013>*

1. Deleted; *<Jan. 26, 2012>*
2. Deleted; *<Jan. 26, 2012>*
3. Deleted. *<Jan. 26, 2012>*

(2) The Minister of Trade, Industry and Energy shall grant permission for technology trust management business under paragraph (1) to an applicant for such permission, unless the applicant falls under any of the following: <Newly Inserted on Jan. 26, 2012; Mar. 23, 2013; Jan. 21, 2014; Apr. 17, 2018>

1. Where the applicant is a profit-making legal entity, institution, or organization;
 2. Where the applicant fails to hold human resources, organizations, technical capability, etc. prescribed by Ordinance of the Ministry of Trade, Industry and Energy;
 3. Where any executive officer or the representative of the relevant legal entity, institution or organization falls under any of the following:
 - (a) A person under adult guardianship;
 - (b) A person declared bankrupt but not yet reinstated;
 - (c) A person in whose case one year has not passed since his or her imprisonment without labor or heavier punishment declared by a court was completely executed (including cases where such imprisonment is deemed completely executed) or exempted;
 - (d) A person who is under the suspension of the execution of sentence of imprisonment without labor or heavier punishment declared by a court;
 - (e) A person in whose case one year has not passed since he or she was sentenced to a fine;
 4. Where the applicant is a legal entity, institution or organization that is not domiciled in the Republic of Korea;
 5. Where three years have not passed since the permission was revoked (excluding where permission is revoked for falling under item (a) or (b) of subparagraph 3) pursuant to Article 35-7.
- (3) Where the Minister of Trade, Industry and Energy intends to grant permission for technology trust management business pursuant to paragraph (1), he or she shall consult in advance with the Chairman of the Financial Services Commission. In such cases, the Chairman of the Financial Services Commission shall provide his or her opinion within five days on a working-day basis from the date of receipt of a request for such consultation. <Amended on Jan. 26, 2012; Mar. 23, 2013>
- (4) Upon receiving an application for permission for technology trust management business under paragraph (1), the Minister of Trade, Industry and Energy shall notify an applicant of the grant or denial of the permission or, if there is a delay in the permission process, of reasons therefor, within 20 days on a working-day basis from the date of receipt of the application. In such cases, if the grant or denial of the permission or reasons for any delay in the permission process are not notified within the said period, the permission shall be deemed granted on the date after the period expires. <Newly Inserted on Jan. 26, 2012; Mar. 23, 2013>
- (5) In providing notification of reasons for the delay of a permission process pursuant to paragraph (4), the Minister of Trade, Industry and Energy may extend the period for permission processing under paragraph (4) by no more than ten days. <Newly Inserted on Jan. 26, 2012; Mar. 23, 2013>
- (6) Any person who is granted permission for technology trust management business under paragraph (1) (hereinafter referred to as "technology trust management institution") may receive fees from trustors and

users of technology, etc. and other persons involved in the transfer and commercialization of such technology, etc. (hereinafter referred to as "technology trustors, etc.") in connection with his or her business activities. <Amended on Jan. 26, 2012>

(7) The rates or amounts of fees under paragraph (6) shall be determined by each technology trust management institution, after obtaining approval from the Minister of Trade, Industry and Energy. In such cases, the Minister of Trade, Industry and Energy may attach, to the approval, terms and conditions on the applicable period. <Amended on Jan. 26, 2012; Mar. 23, 2013>

(8) Matters necessary for guidelines for fees under paragraph (7), the methods of payment therefor, procedures for approval thereof, etc. shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy. <Amended on Jan. 26, 2012; Mar. 23, 2013>

Article 35-3 (Methods of Trust Work)

(1) No technology trust management institution shall guarantee any compensation for loss or any gains regarding trusted technology, etc.

(2) Each technology trust management institution shall, upon expiration of the term of a trust contract, pay or return the gains, etc. to the beneficiary or trustor, depending on the outcomes of management of the trusted technology, etc.

(3) If a trustor of technology, etc. terminates his or her trust contract before expiration of the term of the trust contract, a technology trust management institution shall return or pay to the trustor gains accruing from the management of the trusted technology, etc. excluding fees for early termination stipulated in the trust contract: Provided, That when the trustor terminates the trust contract on grounds of transaction inconvenience or for any other reasons determined and published by the Financial Services Commission, the fees for early termination shall be included.

(4) Each technology trust management institution may receive trust fees from trustors of technology, etc., as stipulated in trust contracts.

[Previous Article 35-3 moved to Article 35-5 <Apr. 12, 2010>]

Article 35-4 (Consignment of Trust Work)

(1) If a technology trust management institution deems that it is appropriate to consign its trust work to a third party in light of the purposes of trust and obtains consent from the relevant beneficiary regarding such consignment, it may consign part of its trust work prescribed by Presidential Decree to a third party, notwithstanding the provisions of Article 37 (1) of the Trust Act.

(2) When a technology trust management institution consigns its trust work to a third party pursuant to paragraph (1), it shall ensure that the third party is a person suitable to conduct the relevant work in light of the purposes of trust (limited to those who meet qualifications required by related statutes, if any, to conduct the relevant work).

(3) Where a technology trust management institution has consigned its trust work to a third party pursuant to paragraph (1), it shall supervise a third party as necessary to achieve the purposes of trust.

(4) Each technology trust management institution shall be responsible to a trustor of technology, etc. only for the appointment and management of a third party to whom its trust work is consigned pursuant to paragraph (1).

[Previous Article 35-4 moved to Article 35-6 <Apr. 12, 2010>]

Article 35-5 (Duty of Technology Trust Management Institutions)

(1) Each technology trust management institution shall prepare and keep a list of technology, etc. managed by it every calendar quarter, as prescribed by Presidential Decree, to make it available to the general public for inspection or shall publish it through its Internet homepage or any similar means.

(2) Upon receiving a request from a user, each technology trust management institution shall provide an user with the information specified by Presidential Decree as necessary for entering into a contract for the transfer of technology, etc. managed by the institution, within a reasonable period, unless there is a compelling reason not to do so.

[Moved from Article 35-3; previous Article 35-5 moved to Article 35-7 <Apr. 12, 2010>]

Article 35-6 (Supervision)

In order to protect technology trustors, etc. or to facilitate the transfer and commercialization of technology, etc., the Minister of Trade, Industry and Energy may require any technology trust management institution to submit data or necessary reports on the outcomes of business performance for the previous year and the business plan for the pertinent year or may issue an order for correction or any other necessary order to such institution. <Amended on Mar. 23, 2013>

[Moved from Article 35-4; previous Article 35-6 moved to Article 35-8 <Apr. 12, 2010>]

Article 35-7 (Revocation of Permission)

(1) The Minister of Trade, Industry and Energy may revoke the permission of a technology trust management institution or issue an order to suspend its business for a prescribed period not exceeding six months, as prescribed by Presidential Decree, if the institution falls under any of the following subparagraphs: Provided, That when the institution falls under any of subparagraphs 1 through 3, the permission shall be revoked: <Amended on Jan. 26, 2012; Mar. 23, 2013>

1. Where the institution has obtained the permission under Article 35-2 (1) by fraud or other improper means;
2. Where any ground for disqualification under any of Article 35-2 (2) 3 through 5 is applicable to the institution: Provided, That this shall be excluded in cases where a legal entity, institution or organization falling under Article 35-2 (2) 3 has replaced the executive officer or representative at issue and appointed a new one within three months from the date on which an event or cause constituting the

ground for disqualification occurred;

3. Where the institution has continued its business during the period of business suspension after it was subjected to the disposition of business suspension;

4. Where the institution has received fees in excess of limitations approved pursuant to Article 35-2 (7);

5. Where the institution has failed to keep or publish a list of technology, etc. or to provide information within a reasonable period, without a justifiable reason, in violation of Article 35-5;

6. Where the institution has failed to submit any data or report under Article 35-6 without a justifiable reason or has submitted any false data or report;

7. Where the institution has failed to comply with an order issued under Article 35-6 without a justifiable reason.

(2) Detailed guidelines for an administrative disposition under paragraph (1) shall be prescribed by Ordinance of the Ministry of Trade, Industry and Energy, taking into account the types, degree, etc. of violations. *<Amended on Mar. 23, 2013>*

[Moved from Article 35-2 *<Apr. 12, 2010>*]

Article 35-8 (Disposition of Penalty Surcharges)

(1) If the disposition of business suspension is required against a technology trust management institution because it falls under any of Article 35-7 (1) 4 through 7, but it is anticipated that the disposition of business suspension is likely to undermine the public interest, the Minister of Trade, Industry and Energy may impose and collect a penalty surcharge not exceeding 50 million won as a substitute for the disposition of business suspension. *<Amended on Mar. 23, 2013>*

(2) If a person upon whom a penalty surcharge was imposed pursuant to paragraph (1) fails to pay the penalty surcharge by the deadline for payment, the Minister of Trade, Industry and Energy shall collect it in the same manner as delinquent national taxes are collected. *<Amended on Mar. 23, 2013>*

(3) The amounts of penalty surcharges depending upon the types, degree, etc. of violations for which penalty surcharges shall be imposed pursuant to paragraph (1), and other necessary matters, shall be prescribed by Presidential Decree.

[Moved from Article 35-6 *<Apr. 12, 2010>*]

CHAPTER VII SUPPLEMENTARY PROVISIONS AND PENALTY PROVISIONS

Article 36 (Report and Submission of Data)

If necessary for advancing a project to facilitate technology transfer and commercialization under Article 15, the head of each relevant central administrative agency may request any person participating in the project to submit a report or data on his or her performance of the project. In such cases, the person shall, upon receiving a request to submit a report or data on the performance, comply with the request in good

faith, unless there is a compelling reason not to do so.

Article 37 (Hearings)

The head of each relevant central administrative agency shall hold a hearing whenever he or she intends to make any of the following dispositions: <Amended on Jan. 26, 2012>

1. Revocation of the designation of a technology trading agency under Article 10 (3);
2. Revocation of the designation of a company specializing in commercialization under Article 12-2 (2);
3. Revocation of the registration of a technology trader under Article 14 (4);
4. Revocation of the registration of a technology holding company under Article 21-6;
5. Revocation of the designation of a technology evaluation agency under Article 35 (3);
6. Revocation of the permission of a technology trust management institution or the suspension of its business under Article 35-7 (1).

Article 38 (Prohibition against Divulgence of Confidential Information)

No person who has participated in the facilitation of technology transfer and commercialization shall divulge any confidential information of a public research institute or enterprise known to him or her while participating in the facilitation of technology transfer and commercialization.

Article 39 (Entrustment of Business Affairs)

The head of each relevant central administrative agency may entrust the head of KIAT, the head of a technology trading agency, or the head of a technology evaluation agency with part of his or her business affairs, as prescribed by Presidential Decree.

Article 40 (Legal Fiction as Public Officials in Application of Penalty Provisions)

The executive officers and employees of KIAT, a technology trading agency, or a technology evaluation agency who are engaged in the business affairs entrusted by the head of any relevant central administrative agency pursuant to Article 39 shall be deemed a public official in applying Articles 129 through 132 of the Criminal Act.

Article 41 (Penalty Provisions)

(1) A person who has violated subparagraphs 2 and 4 through 7 of Article 108 of the Financial Investment Services and Capital Markets Act that apply mutatis mutandis under the proviso to Article 4 (2) shall be punished by imprisonment with labor for not more than five years or by a fine not exceeding 200 million won: <Amended on Jan. 21, 2014>

1. Deleted; <Jan. 21, 2014>
2. Deleted. <Jan. 21, 2014>

(2) Any person who has divulged confidential information, in violation of Article 38, shall be punished by imprisonment with labor for not more than five years or by a fine not exceeding 50 million won.

(3) A person who has run technology trust management business without obtaining permission in violation of Article 35-2 (1) shall be punished by an imprisonment with labor for not more than three years or by a fine not exceeding 200 million won. <Newly Inserted on Jan. 21, 2014>

(4) Any of the following persons shall be punished by imprisonment with labor for not more than three years or by a fine not exceeding 100 million won: <Amended on Jan. 21, 2014>

1. A person who has acquired a trust asset as part of his or her proprietary property in violation of Article 104 (2) of the Financial Investment Services and Capital Markets Act that applies mutatis mutandis under the proviso to Article 4 (2);

2. A person who has failed to receive an accounting audit in violation of Article 114 (3) of the Financial Investment Services and Capital Markets Act that applies mutatis mutandis under the proviso to Article 4 (2).

(5) Imprisonment with labor and a fine may be imposed concurrently on any person who has committed an offense referred to in paragraphs (1), (3) and (4). <Amended on Jan. 21, 2014>

Article 42 (Joint Penalty Provisions)

If the representative of a legal entity, institution or organization, or an agent, servant or other employee of a legal entity, institution, organization or individual, commits an offense referred to in Article 41 (1), (3) or (4) in connection with the business of the legal entity, institution, organization or individual, not only shall such offender be punished accordingly, but the legal entity, institution, organization or individual shall be punishable by the fine prescribed in the said Article: Provided, That the foregoing shall not apply where the legal entity, institution, organization or individual has not neglected reasonable care and supervision in connection with the relevant business in order to prevent such offense. <Amended on Jan. 21, 2014>

ADDENDA <Act No. 8108, Dec. 28, 2006>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Article 2 (Transitional Measures)

(1) The pre-existing plans for the facilitation of technology transfer and commercialization under Article 4 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed as the plans for the facilitation of technical transfer and commercialization under Article 5 of this Act.

(2) The pre-existing Committee for the deliberation on policies on technical transfer and commercialization under Article 5 of the previous Technology Transfer Promotion Act and the member of the Committee as at the time this Act enters into force shall be deemed the Committee for

deliberation on policies on technical transfer and commercialization under Article 6 of this Act and the member of the Committee.

(3) The pre-existing specialized technology evaluation agencies under Article 8 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed the technology evaluation agencies under Article 35 of this Act.

(4) The technology traders registered with the Korea Technology Transfer Center pursuant to Article 11 of the previous Technology Transfer Promotion Act as at the time this Act enters into force shall be deemed technology traders registered with the Minister of Commerce, Industry and Energy pursuant to Article 14 of this Act.

Article 3 Omitted.

Article 4 (Relationship to Other Statutes)

A citation of the previous Technology Transfer Promotion Act or any provision thereof by any other statute in force as at the time this Act enters into force shall be deemed a citation of this Act or the corresponding provision hereof in lieu of the previous provisions, if there is such corresponding provision herein.

ADDENDA <Act No. 8852, Feb. 29, 2008>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation. (Proviso Omitted.)

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 8934, Mar. 21, 2008>

This Act shall enter into force six months after the date of its promulgation.

ADDENDA <Act No. 9369, Jan. 30, 2009>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Articles 2 through 9 Omitted.

ADDENDUM <Act No. 9582, Apr. 1, 2009>

This Act shall enter into force six months after the date of its promulgation.

ADDENDUM <Act No. 9689, May 21, 2009>

This Act shall enter into force on the date of its promulgation.

ADDENDA <Act No. 10251, Apr. 12, 2010>

(1) (Enforcement Date) This Act shall enter into force three months after the date of its promulgation.

(2) (Transitional Measures) A person who has obtained permission for a patent trust management business under the previous provisions as at the time this Act enters into force shall be deemed a person who has obtained permission for technology trust management business under this Act.

ADDENDA <Act No. 11231, Jan. 26, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force three months after the date of its promulgation.

Article 2 (Applicability to Permission for Technology Trust Management Business)

The amended provisions of Article 35-2 shall apply to any permission for technology trust management business for which an application is filed on or after the enforcement date of this Act.

Article 3 (Transitional Measures concerning Hearings)

If an opportunity to make statements has been given pursuant to the previous provisions as at the time this Act enters into force, a hearing shall be deemed to have been held pursuant to the amended provisions of Article 37.

ADDENDA <Act No. 11232, Jan. 26, 2012>

Article 1 (Enforcement Date)

This Act shall enter into force six months after the date of its promulgation.

Articles 2 through 12 Omitted.

ADDENDA <Act No. 11690, Mar. 23, 2013>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation.

(2) Omitted.

Articles 2 through 7 Omitted.

ADDENDA <Act No. 12284, Jan. 21, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation.

Article 2 (Transitional Measures concerning Incompetent Persons)

Incompetent persons under the adult guardianship under the amended provisions of Article 35-2 (2) 3 (a) shall be deemed to include persons in whose case the declaration of incompetency or quasi-incompetency remains effective under Article 2 of the Addenda to the Civil Act (Act No. 10429).

ADDENDA <Act No. 12844, Nov. 19, 2014>

Article 1 (Enforcement Date)

This Act shall enter into force on the date of its promulgation: Provided, That any Act amended by Article 6 of this Addenda which was promulgated before this Act enters into force but the enforcement date of which has yet to arrive, shall enter into force on the enforcement date of each relevant Act.

Articles 2 through 7 Omitted.

ADDENDUM <Act No. 14663, Mar. 21, 2017>

This Act shall enter into force six months after the date of its promulgation

ADDENDA <Act No. 14839, Jul. 26, 2017>

Article 1 (Enforcement Date)

(1) This Act shall enter into force on the date of its promulgation: Provided, That any statute amended by Article 5 of this Addenda which was promulgated before this Act enters into force but the enforcement date of which has yet to arrive, shall enter into force on the enforcement date of each relevant statute.

Articles 2 through 6 Omitted.

ADDENDUM <Act No. 15571, Apr. 17, 2018>

This Act shall enter into force three months after the date of its promulgation.

ADDENDUM <Act No. 17524, Oct. 20, 2020>

This Act shall enter into force three months after the date of its promulgation.

Last updated : 2021-10-15

