



Fair Trade Commission

Press Release

Establish a Fair Market Economic Order
Economic Democratization ▪ Realize a Creative Economy

12/28/2016 (Wed) Distribution

Anti-Monopoly Bureau, Anti-Monopoly Division

For immediate release upon receipt

Responsible Manager: Sang-Min Song (044-200-4484)

Responsible Official: Hyun-Jeong Bae (044-200-4497)

- KFTC’s position regarding procedural due process and guarantee of the right of defense in the KFTC’s investigation/review process for the Qualcomm matter is presented [below].
 - KFTC has been guaranteeing sufficient procedural rights to Qualcomm during the investigation/review process of the Qualcomm matter, in accordance with relevant laws as well as the regulations of the Korea-US FTA.
 - First, as to the guarantee of the right of defense, including the right of counterargument/reply, KFTC provided more than 6 months to submit arguments after KFTC sent the examination report in November of last year. Also, last May after Qualcomm’s arguments were submitted, during the approximately 5-month period starting July, general committee meetings were held seven times in total. In such ways, KFTC made unprecedented efforts in order to guarantee Qualcomm’s right of defense.
 - Next, as to the right to access information, after sending the examination report in November of last year, KFTC provided all evidential information supporting the alleged violations of law within the scope of relevant laws and the Korea-US FTA.
 - As for the extremely limited portion of information that was not provided, it was information that cannot be provided to Qualcomm, pursuant to laws, as it qualified as third party trade secret. Even in this case, KFTC maximized its efforts to protect the right to access information in such ways as explaining the purpose of the evidence, etc.
- * Note: Qualcomm brought a lawsuit in a U.S. court early this year (1/7/2016) for disclosure of evidence regarding the portion of information KFTC did not disclose pursuant to relevant laws including the protection of trade secrets, etc. However, the U.S. court dismissed the lawsuit on the grounds that the right of defense can be guaranteed under the process of Korean laws, etc. (2/18/2016).

UNOFFICIAL THIRD-PARTY TRANSLATION

- Even in regards to the right of cross-examination, KFTC protected the opportunity to exercise the right to cross-examine by scheduling a separate hearing date (the fourth hearing) in accommodation of Qualcomm's request, but it was Qualcomm itself that abandoned the process.

* KFTC sent a letter to Qualcomm last September (9/7) to guarantee an opportunity to cross-examine, and later Qualcomm responded that they will not exercise the right to cross-examine (10/18).

❖The Fair Trade Commission will create a happy world for citizens through openness, sharing, communication and cooperation, which are the core values of Government 3.0.

[Stationary graphics are omitted.]