

CONDITIONS OF ELECTRONIC FINANCIAL TRANSACTIONS

01/2018

BALLUFF

Chapter 1 General

Article 1 (Purpose)

The purpose of these Terms and Conditions is to set forth relationship between the Company and the Users about Electronic Financial Transaction, with respect to the User's use of Payment Gateway Services, Payment Escrow Services and Electronic Prepayment Means („Point“, „Mileage“, „Cash“) Issuance and Management (hereinafter, collectively referred to as „Electronic Financial Transaction Service“ or „EFT Service“) provided through internet website (<http://www.balluff.co.kr>; hereinafter Balluff Web shop) operated by Balluff Korea Ltd. (hereinafter „Company“).

Article 2 (Definitions)

- The following terms used in these Terms and Conditions shall have the following respective meanings.
 - „Electronic Financial Transaction“ or „EFT“ means a transaction where the Company provides electronic financial business through electronic devices, which is used by Users in an automated manner without personally appearing before or communicating with employees of the Company.
 - „Electronic payment means“ means the payment followed by electronic means such as Electronic Prepayment Means, Credit cards etc. as provided by 11th clause of article 2 of Electronic Financial Transaction Act.
 - „Electronic Payment Transaction“ or „EPT“ means a transaction where a person who makes a payment („Payor“) allows the Company to use electronic payment method and transfer the payment to a person who receives the payment („Recipient“).
 - „Electronic Device“ means a device used in electronically transmitting or processing electronic financial transaction information, including without limitation, automatic cash dispensers, automatic teller machines, payment terminals, computers, telephone or other devices which electronically transmit or process information.
 - „Access Media“ refers means or information used for Transaction Instruction in EFT or ensuring veracity and accuracy of transaction details, set forth in Article 2 Item 10 of the Electronic Financial Transaction Act, including electronic cards or equivalent electronic data (including credit card information), certificate under the Digital Signature Act, User number registered with financial institution or electronic financial business, User's biometric information or Passwords required for use of such means or information.
 - „Electronic document“ means all information which is written, transmitted, received or saved in accordance with 1st clause of article 2 in Electronic Transaction Framework Act.
 - „Transaction Instruction“ means User's instruction to the Company to process EFT in accordance herewith.
 - „Error“ means circumstances where EFT was not executed in accordance with User's Transaction Instruction or these Terms and Conditions without intentional or negligent act of the User.
 - „User“ means a site member who agreed to these Terms and Conditions and uses Electronic Financial Transaction service in accordance herewith.
 - „User Number“ means any combination of numbers and characters selected by User and approved by the Company for the purpose of identifying such User and using the Service.
 - „Password“ means any combination of numbers and characters selected by User and approved by the Company for the purpose of identifying such User and protecting user information.
- Unless defined herein or in this Article, all terms shall be governed by applicable laws such as Electronic Financial Transaction Act.

Article 3 (Presentation and Modification of Terms and Conditions)

- The Company must post these Terms and Conditions to the site before the User enters into EFT and enable the User to check material parts of these Terms and Conditions.
- The Company, at the request of the User, shall distribute (or transmit via email) a copy of these Terms and Conditions to the User in electronic form.
- In the event the Company amends these Terms and Conditions, the Company, must notify the Users by posting such amended Terms and Conditions, by no later than one month prior to effective date thereof, on the screen where financial transaction information is entered and on Balluff Web shop. However, if these Terms and Conditions are amended in an urgent manner due to revision of laws, the amended Terms and Conditions must be posted on the Company's website for at least one month, and Users shall be notified later via email.
- When announcing or notifying the amendments under 3rd clause above, the Company shall make an announcement or notice stating that "If the User does not agree to the amended Terms and Conditions, the User may terminate the agreement within 30 days of announcement or notice. Failure to express intention to terminate the agreement shall be deemed as consenting to the amended Terms and Conditions."
- When User doesn't express intention to terminate the agreement within 30 days from the date of announcement or notice, the user shall be deemed as consenting to the amended Terms and Conditions.

Article 4 (Service hours)

- The company provides Electronic Financial Transaction service 24hours a day as principles. However, it can be changed by finance companies or others' conditions.
- In the event the Company expects to suspend EFT Service for maintenance or replacement of information and communications equipment or facilities, the Company shall announce the withdrawal of service with such dates and reasons 3 days before on Balluff Web shop for Users in advance. However, in case of systems failure recovery, urgent program maintenance, external factors etc. the company may suspend EFT service without notice.

Article 5 (Managing Access Media)

- The Company, in the process of providing Payment Gateway Service, may select an Access Media and verify the User's identity, authority and the contents of Transaction Instruction.
- The User shall not lend, grant use of, assign, transfer, or grant security interest in Access Media to a third party. The User shall not divulge or disclose its Access Media to a third party, and shall use a reasonable caution to prevent theft, forgery or falsification of Access Media.

Article 6 (Confirmation of Transaction)

- The Company shall provide the User's transaction details (including information on the User's request for correction of Error and result thereof) on Balluff Web shop's „My Page“ screen where the User can check such information. At the request of the User, the Company must provide transaction details in writing via fax, mail or personal delivery by no later than 2 weeks from receipt of the User's request.
- Of the transaction details under Paragraph 1 above, the following information must be retained for 5 years:
 - Transaction account name and number
 - Type and amount of transaction
 - Information identifying counterparty of transaction
 - Date of transaction
 - Information that allows identification of Electronic Device and the type thereof
 - Access record of the Electronic Device related to relevant EFT
 - Commission received by financial institution or electronic financial business as compensation for EFT
 - Information regarding withdrawal consent of the Payor in accordance to Article 15 of the Electronic Financial Transaction Act
 - Records of EFT exceeding the amount of KRW 10,000 per transaction
 - Information regarding user's agreement of withdrawal
 - Information regarding EFT requests and changes to conditions

- Of the transaction details under Paragraph 1 above, the following information must be retained for 1 years:
 - Records on small amount EFT (of less than KRW 10,000 per transaction)
 - Records on transaction approval applicable to use of electronic payment method
 - Records on the User's request for correction of Error and result thereof
- User may request written documents set forth in Paragraph 1 above to the following address:
- HR/Fin/Admin (junghwa.kim@balluff.co.kr, 031-8064-1756)

Article 7 (Correction of Errors)

- In respect of using EFT Service, the User may request the Company to correct Errors that he or she becomes aware of.
- Upon receiving such request as provided in Paragraph 1 above or becoming aware of the Error, the Company must immediately investigate and deal with it and notify the result thereof to the User in writing, via telephone or email within 2 weeks from date of receipt of such request or becoming aware of the Error. The Company shall provide a written report upon User's request.

Article 8 (Generating and Retaining EFT Records)

- The Company generates and retains records, from which the Company can track or search details of the User's EFT, or from which any Error in EFT details, if found, can be checked or corrected.
- Types of, and method of retention for, the records to be retained by the Company under 1st clause above shall be subject to 2nd and 3rd clauses of Article 6 hereof.

Article 9 (Withdrawal of Transaction Instruction)

- In case the User uses EPT, User may withdraw Transaction Instruction, before the payment takes effect, by means of transmitting electronic document (including transmission via email) to person specified in 4th clause of article 6 pursuant to these Terms and Conditions. The withdrawal of Transaction Instruction per service shall take effect as specified in Articles 17 and 23 herein.
- In the event the electronic payment has already taken effect, User may be refunded of the payment in accordance with methods of withdrawing an offer as set forth in relevant laws such as Act on Consumer Protection on Electronic Commerce, etc.

Article 10 (Duty of confidentiality)

The company shall not use non-occupational purpose or provide/disclose 3rd party without user's agreement about all information such as personal data, account, access media, and contents, results of EFT except under the law. Also, the company may not use them for the non-occupational purpose.

Article 11 (The Company's Responsibility)

- The Company shall compensate within 10 times of actual amount of damage to user caused by any incidents under the following criteria:
 - Incidents of falsification or forgery of Access Media (Only in case the Company is the main agent who issue, use, or manage Access Media)
 - Incidents caused in the process of executing the agreement or electronically transmitting or processing the transaction information or Transaction Instructions
- Notwithstanding Paragraph 1 above, the Company may impose the responsibilities to the User, in part or whole, in any of the following circumstances:
 - If the User has been damaged by incidents of falsification or spurious Access Media. (Only in case the Company is not the main issuing agent of Access Media).
 - If the User lends, entrusts, assigns the use of, or offers as security the Access Media to a third party to a third party, or if the User divulges or discloses his or her Access Media or neglect it, although the User knows or has reason to know that a third party may gain access to the Access Media and engage in EFT without authorization.
 - If the User as a legal entity (except for a small enterprise under Article 2 Paragraph 2 of the Framework Act on Small and Medium Enterprises) suffers damage, although the Company exercises the duty of due care reasonably required by establishing security procedures and complying therewith thoroughly to prevent the occurrence of an incident.
- In the case transactions cannot be processed or are delayed, despite a Transaction Instruction from the User, due to natural disasters, power outages, fire, communication failures, or other force majeure events without reasons attributable to the Company and the Company notifies the User of the reason for such impossibility or delay (including notices by financial institutions, payment medium issuers or e-commerce companies), the Company shall not be responsible to the User for such damage.
- In the event the Company expects to suspend temporarily EFT Service for maintenance or replacement of information and communications equipment or facilities, the Company must announce such dates and reason on its website to Users in advance.

Article 12 (Dispute Resolution and Mediation)

- In respect of EFT, User may raise opinions or complaints, or request dispute resolution for damage claims, to the dispute resolution officer and person-in-charge specified in the bottom of main page of the Company's website.
- In the event User requests dispute resolution to the Company, the Company must results notify of the results of investigating or handling the matter to the User within 15 days from the date thereof.
- If the User disagrees with the Company's results to the dispute resolution, he or she may apply for mediation of disputes regarding the use of the Company's EFT Service to the Financial Disputes Mediation Committee of the Financial Supervisory Service, as per Article 51 of the Act on Establishment of Financial Services Commission, or the Consumer Dispute Settlement Commission of the Korea Consumer Agency, as per Article 31 Paragraph 1 of the Framework Act on Consumers.

Article 13 (The Company's Duty of Security)

The Company shall exercise caution as an administrator in a faithful manner to ensure safe processing of EFT. In furtherance of ensuring security and reliability for each type of EFT, the Company shall comply with regulations set forth by Financial Services Commission in relation to IT and electronic financial business, e.g., personnel, facilities, Electronic Devices used for electronic transmission or processing.

Article 14 (Priority of Application of Terms and Conditions)

- If the individual agreements between the Company and the User differ from those set forth herein, such agreements shall prevail over these Terms and Conditions.
- Any matters not set forth herein (including definition of terms) shall be governed by consumer protection laws, such as Electronic Financial Transaction Act, Act on Consumer Protection in Electronic Commerce, Etc., E-commerce related laws or Specialized Credit Financial Business Act, and separate terms and conditions.

Article 15 (Jurisdiction)

Jurisdiction over any dispute between the Company and the User shall be determined by Korea Civil Procedure Act.

Chapter 2 Payment Gateway Services

Article 16 (Definitions)

As used in this Chapter, the following terms shall have the following meanings:

1. „Payment Gateway Service“ means, with respect to electronic purchase of product or service, a service of transmitting or receiving payment information or agency or intermediation service for settlement of such consideration.
2. „User“ means a person who agrees to these Terms and Conditions and uses Payment Gateway Service provided by the Company.

Article 17 (Withdrawal of Transaction Instruction)

1. The User using Payment Gateway Service may withdraw a Transaction Instruction until the deposit is (i) recorded in the account ledger, or entered into Electronic Device, of the financial institution in which the recipients account is established or the Company.
2. Any payment received by the Company must be returned to the User if the User successfully withdraws its Transaction Instruction for such payment.

Article 18 (Managing Access Media)

1. The Company, in the process of providing Payment Gateway Service, may select an Access Media and verify the User's identity, authority and the contents of Transaction Instruction.
2. The users shall not perform any of the following acts when using the access media unless other laws give special regulations.
 - 1) Lending or taking over Access Media
 - 2) Renting/leasing or keeping-delivering-distributing Access Media receiving, requesting or promising for rewards.
 - 3) Renting/leasing or keeping-delivering-distributing Access Media knowing it will be used in crime.
 - 4) Any actions for the right of pledge of Access Media
 - 5) The user who helps any of behaviors noted from 1st clause to 4th clause cannot lend, entrust, or provide for transference or security.
3. The User shall not divulge or disclose its Access Media to a third party, and shall use a reasonable caution to prevent theft, forgery or falsification of Access Media.
4. Upon receiving the User's notice of theft or loss of Access Media, the Company shall be liable for losses suffered or sustained by the User arising from a third party's use of Access Media thereafter.

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