

ELECTRICAL CONSTRUCTION BUSINESS ACT

Wholly Amended by Act No. 5726, Jan. 29, 1999

Amended by Act No. 6578, Dec. 31, 2001

Act No. 7171, Feb. 9, 2004

Act No. 7741, Dec. 23, 2005

Act No. 8852, Feb. 29, 2008

Act No. 9179, Dec. 26, 2008

Act No. 9680, May 21, 2009

Act No. 10493, Mar. 30, 2011

Act No. 10957, Jul. 25, 2011

Article 1 (Purpose)

The purpose of this Act is to seek the sound development of electrical construction business and secure the safe and appropriate execution of electrical construction by prescribing basic matters concerning electrical construction business and the execution, technical management of and contracting for electrical construction.

Article 2 (Definitions)

The terms used in this Act shall be defined as follows: <Amended by Act No. 9680, May 21, 2009; Act No. 10957, Jul. 25, 2011>

1. The term "electrical construction" means any work of installing, maintaining, repairing equipment, etc. falling under any of the following items, and any work incidental thereto which are prescribed by Presidential Decree:
 - (a) Electric installations under subparagraph 16 of Article 2 of the Electric Utility Act;
 - (b) Electric instrumentation for using electric power at places using power;
 - (c) Signal indication by electricity;
2. The term "construction business" means engaging in an electrical construction business as a business, regardless of the title thereof, such as a contract or any others;
3. The term "constructor" means a person who has registered a construction business pursuant to Article 4 (1);
4. The term "client" means a person who has awarded a contract for electrical construction to a constructor: Provided, That a contractor who subcontracts a contracted electrical construction is excluded;

5. The term "contract" means a contract under which, regardless of title, such as prime contract, subcontract, consignment and others, either of the parties agrees to perform an electrical construction and the other party agrees to pay consideration for the completion of the work;

6. The term "subcontract" means a contract which a contractor enters into with another constructor for all or part of the contracted electrical construction;

7. The term "contractor" means a constructor awarded a contract for electrical construction from a client;

8. The term "subcontractor" means a constructor who receives a subcontract for electrical construction from a contractor;

9. The term "electrical construction engineer" means any of the following persons recognized by the Minister of Knowledge Economy pursuant to Article 17-2:

(a) A person who has obtained technical qualifications in the field of electricity under the National Technical Qualifications Act;

(b) A person with a specified academic career and experience in the field of electricity.

10. The term "electrical construction management" means management concerning the planning, research and analysis of feasibility, design, procurement, contract, construction management, supervision, assessment and ex post facto management, etc. related to the electrical construction;

11. The term "electrical construction management at risk" means a type of management where an electrical constructor carries out electrical construction management at the pre-construction stage and, in addition, constructs electric installations at the price and within the construction period stipulated in advance, carrying out the comprehensive planning, management and coordination for electrical construction at the construction stage through a separate contract with his/her client for electrical construction and management: Provided, That the design and construction supervision under the Electric Technology Management Act shall be excluded from the scope of a contract for the electrical construction management at risk.

Article 3 (Restrictions, etc. on Electrical Construction)

(1) No electrical construction shall be contracted or executed by a person, other than a constructor: Provided, That this shall not apply to minor electrical construction prescribed by Presidential Decree.

(2) Notwithstanding the main sentence of paragraph (1), any of the following persons may directly execute electrical construction on his/her own demand, as prescribed by Presidential Decree:

1. The State;

2. A local government;

3. A person who has obtained permission pursuant to Article 7 (1) of the Electric Utility Act.

(3) The provisions of Articles 16, 17 (excluding notification), and 22, and subparagraphs 2, 3, 4 (excluding notification) and 5 of Article 27 shall apply mutatis mutandis to electrical construction directly executed pursuant to paragraph (2).

Article 4 (Registration of Construction Business)

(1) A person who intends to perform construction business shall register with a Special Metropolitan City Mayor, Metropolitan City Mayor, Do Governor or Governor of a Special Self-Governing Province (hereinafter referred to as the "Mayor/Do Governor") who has jurisdiction over the place in which the principal business office is located, as prescribed by Ordinance of the Ministry of Knowledge Economy.

(2) A person who intends to obtain registration of a construction business under paragraph (1) shall be equipped with technical capabilities, capital, etc, as prescribed by Presidential Decree.

(3) A person for whom five years have not passed from the date of registration, among those who obtained registration of a construction business under paragraph (1) shall, in accordance with Ordinance of the Ministry of Knowledge Economy, report to the Mayor/Do Governor on the matters regarding technical capabilities, capital, etc, under paragraph (2) (hereinafter referred to as "registration standard") whenever the period prescribed by Presidential Decree elapses.

(4) The Mayor/Do Governor shall, on receipt of registration of a construction business pursuant to paragraph (1), issue a certificate of registration and a registration pocketbook.

Article 5 (Grounds for Disqualification)

No person falling under any of the following items may register construction business under Article 4 (1):

1. An incompetent or quasi-incompetent person;
2. A person who has been declared bankrupt but not yet reinstated;
3. A person in whose case two years have not elapsed since his/her imprisonment without prison labor or heavier punishment, as declared by a court, was completely executed (including the cases where the execution is deemed completed) or exempted by falling under any of the following items:
 - (a) A person who violates Article 172-2 (limited to electricity), 173 (limited to electricity), 173-2 (limited to electricity and excluding a person who commits an offense listed in Article 172 (1)), 174 (limited to electricity and excluding attempts listed in Articles 164 (1), 165, 166 (1) and 172 (1)), or 175 (limited to electricity and excluding a person who prepares or conspires for the purpose of committing an offense listed in Articles 164 (1), 165, 166 (1) and 172 (1)) of the Criminal Act;
 - (b) A person who violates this Act;
4. A person who is under the suspension of the execution of imprisonment without prison labor or heavier punishment as declared by a court for having committed an offense under subparagraph 3;
5. A person in whose case two years have not elapsed since his/her registration was cancelled pursuant to Article 28 (1). In such cases, if a person with his/her registration of construction business cancelled is a corporation, the representative and a person who has committed an act causative of cancellation during such cancellation shall be included;
6. A corporation, an executive of which falls under any of subparagraphs 1 through 5.

Article 6 (Continued Construction after Subject to Disposition of Business Suspension, etc.)

(1) A constructor or his/her general successor who has been subject to a disposition of cancellation of registration or a disposition of business suspension under Article 28 (1) may continue executing electrical

construction works for which he/she concluded a contract, or which was started by obtaining permission, authorization, etc. pursuant to related Acts before having been subject to such disposition. In such cases, where a constructor or his/her general successor who has been subject to a disposition of cancellation of registration continues electrical construction, he/she shall be deemed a constructor until he/she completes the electrical construction.

(2) A constructor or his/her general successor who has been subject to a disposition of cancellation of registration or a disposition of business suspension under Article 28 (1) shall, without delay, notify the client and contractor of the electrical construction in question of the details of the disposition.

(3) Unless any special ground exists otherwise, the client and contractor of electrical construction may terminate a contract for work within 30 days from the date on which he/she receives notification under paragraph (2) from the relevant constructor or he/she becomes aware of such fact.

Article 7 (Succession to Construction Business)

(1) Any of the following persons may succeed to the status of a constructor:

1. Where a constructor dies, his/her successor;
2. Where a constructor transfers his/her business, his/her transferee;
3. Where a corporate constructor merges with another constructor, a corporation which survives a merger, or is established following merger.

(2) A person who succeeds to the status of a constructor under paragraph (1) shall report to the Mayor/Do Governor, as determined by Ordinance of the Ministry of Knowledge Economy.

(3) The provisions of Article 5 shall apply mutatis mutandis to a successor under paragraph (1) .

Article 8 (Restrictions on Transfer of Construction Business)

(1) If a constructor intends to transfer his/her construction business in the course of executing electrical construction works, the constructor shall transfer it along with his/her rights and duties stipulated under a contract for electrical construction works in progress by obtaining the consent of the client, or after terminating the contract for electrical construction in question.

(2) If a constructor intends to transfer his/her construction business for electrical construction works for which the warranty period pursuant to Article 15-2 (1) has not yet expired, the constructor shall transfer it along with the rights and duties on defect repair.

Article 9 (Reporting, etc. on Modification in Registered Matters)

(1) If important registered matters prescribed by Presidential Decree are modified, a constructor shall report such fact to the Mayor/Do Governor.

(2) If a constructor closes construction business, he/she shall report such fact to the Mayor/Do Governor.

Article 10 (Ban, etc. on Lending Certificates of Registration, etc. of Construction Business)

No constructor may allow a third party to award a contract for electrical construction or execute electrical construction works to the third party by using his/her name or trade name, or may lend his/her certificate of registration or registration pocketbook to a third party.

Article 11 (Separate Orders for Electrical Construction and Electrical Construction Management at Risk)

(1) A contract for electrical construction works shall be awarded separately from contracts for other types of construction works: Provided, That this shall not apply in special circumstances prescribed by Presidential Decree. <Amended by Act No. 10957, Jul. 25, 2011>

(2) Electrical construction management at risk shall be ordered separately from construction management of other business types, including construction management at risk under the Framework Act on the Construction Industry: Provided, That this shall not apply where any extenuating circumstances prescribed by Presidential Decree exist. <Newly Inserted by Act No. 10957, Jul. 25, 2011>

Article 12 (Contracts, etc. for Electric Construction)

(1) Contracting parties to a contract or subcontract shall specify the amount of a contract or subcontract, duration of works, or other matters prescribed by Presidential Decree in a written contract, and shall exchange and keep the signed and sealed written contract.

(2) A constructor shall keep an electrical construction contract book in which matters on contracts, subcontracts and their execution are recorded, as determined by Ordinance of the Ministry of Knowledge Economy.

Article 13 (Ban on Additional Restrictions on Qualifications for Receiving Contracts)

Unless otherwise provided for in this Act and other Acts, no client which is the State, a local government or an institution designated as a public institution under Article 4 of the Act on the Management of Public Institutions (hereinafter referred to as "public institution") shall impose restrictions on a constructor concerning its qualifications for receiving contracts.

Article 14 (Restrictions, etc. on Subcontracts)

(1) No constructor may subcontract electrical construction works for which he/she has constructed to other constructors: Provided, That the constructor may subcontract a part of contracted electrical construction works to other constructors in cases prescribed by Presidential Decree.

(2) No subcontractor may re-subcontract electrical construction works for which he/she has subcontracted to other constructors: Provided, That this shall not apply in cases where the subcontracted electrical construction includes the installation of electrical equipment and appliances and the constructor who supplies such electrical equipment and appliances executes electrical construction to install the supplied electrical equipment and appliances.

(3) Where a constructor intends to subcontract electrical construction works for which he/she has contracted under the proviso to paragraph (1), the constructor shall provide prior written notice to the client of such electrical constructor.

(4) Where a subcontractor intends to re-subcontract electrical construction works for which he/she has subcontracted under the proviso to paragraph (2), the subcontractor shall provide prior written notice to the client and contractor of such electrical construction.

Article 15 (Request, etc. for Replacement of Subcontractors)

(1) The client or contractor who receives notification under Article 14 (3) or (4) may, if deemed inappropriate that the subcontractor or re-subcontractor executes such electrical construction works, request the contractor or subcontractor to replace the subcontractor or re-subcontractor by specifying the grounds therefor, as prescribed by Presidential Decree.

(2) The client or constructor may terminate a contract or a subcontract for electrical construction if the contractor's or subcontractor's failure to comply with a request under paragraph (1) without any justifiable ground is deemed likely to cause significant impediments to the result of the electric construction.

Article 15-2 (Electrical Construction Contractor's Warranty against Defects)

(1) A contractor shall be responsible for providing a client with a warranty against any defect occurring to the relevant electrical construction during a period prescribed by Presidential Decree by type of electrical construction within the extent not exceeding ten years from the completion date of the electrical construction.

(2) Notwithstanding the provisions of paragraph (1), a contractor shall not be responsible for providing a warranty against any defects occurring due to any of the following reasons:

1. Where the quality, specification, etc. of the materials provided by the client fails to meet the standards;
2. Where the electrical construction works are executed according to the client's instruction.

(3) Where special provisions exist in other Acts (excluding Articles 670 and 671 of the Civil Act) with respect to warranties against defects in construction works, the provisions of such Acts shall govern.

Article 16 (Execution Management of Electrical Construction)

(1) No constructor shall give a person, other than an electrical construction engineer, the full responsibility for managing execution of electrical construction works.

(2) A constructor shall have an electrical construction engineer manage the execution of electrical construction according to the classification prescribed by Presidential Decree by the scale of electrical construction.

Article 17 (Designation of Person in Charge of Execution Management)

A constructor shall designate a person to be in charge of execution management from among electrical construction engineers under Article 16 (2) and provide notification to the client of such electrical construction (referring to the client and contractor where the constructor is a subcontractor, and the client, contractor and subcontractor where the constructor is a re-subcontractor) for the purpose of enhancing the efficient execution and management of electrical construction works.

Article 17-2 (Recognition as Electrical Construction Engineers)

(1) A person who intends to obtain recognition as an electrical construction engineer shall file an application with the Minister of Knowledge Economy.

(2) The Minister of Knowledge Economy shall recognize an applicant under paragraph (1) as an electrical construction engineer if the applicant falls under any of the items of subparagraph 9 of Article 2.

(3) Where the Minister of Knowledge Economy recognizes the applicant under paragraph (1) as an electrical construction engineer, the said Minister shall issue a certificate on the grade, career, etc. of electrical construction engineer (hereinafter referred to as "career pocketbook") to the relevant electrical construction engineer.

(4) The procedure for application under paragraph (1) and the standard, scope, etc. of technical qualifications, academic background and career under paragraph (2) shall be prescribed by Presidential Decree.

Article 18 (Duties of Electrical Construction Engineers)

Each electrical construction engineer shall manage the execution of electrical construction works in compliance with this Act, the technical standards under Article 67 of the Electric Utility Act (hereinafter referred to as "technical standards") and design drawings and specifications so as to prevent the occurrence of any danger and injury resulting from electrical construction works.

Article 18-2 (Prohibition, etc. of Lending Career Pocketbook)

No electrical construction engineer may allow another person to execute construction by using his/her name nor lend his/her career pocketbook nor may use any other persons' career pocketbook by borrowing it.

Article 19 (Education and Training for Electrical Construction Engineers)

(1) The Minister of Knowledge Economy may have educational and training institutions designated by the Minister of Knowledge Economy (hereinafter referred to as "designated educational and training institutions") carry out education and training for electrical construction engineers to ensure the smooth supply and demand for electrical construction engineers and safe execution of construction works.

(2) Requirements for the designation and supervision of educational and training institutions and the kind, subjects and details of education and training for electrical construction engineers under paragraph (1) shall be prescribed by Presidential Decree.

Article 20 (Reporting on Changes of Details of Designation)

Where important matters determined by Ordinance of the Ministry of Knowledge Economy among such designated details are changed, any designated educational and training institution shall report such fact to the Minister of Knowledge Economy within a period determined by Ordinance of the Ministry of Knowledge Economy.

Article 21 (Revocation of Designation as Educational and Training Institutions)

Where a designated educational and training institution falls hereunder, the Minister of Knowledge Economy may revoke its designation:

1. Where it fails to meet the requirements for designation under Article 19 (2);
2. Where it becomes unable to carry out appropriate educational and training activities due to its suspension of business for not less than three months.

Article 22 (Execution of Electrical Construction)

When a constructor executes electrical construction works, the constructor shall do so in compliance with this Act, technical standards and design drawings and specifications.

Article 23 (Restrictions on Indication of Constructors)

No person, other than a constructor, may indicate that he/she is a constructor or that he/she is likely to be mistaken for a constructor in his/her place of business, advertising matters, etc.

Article 24 (Installation, etc. of Electrical Construction Signs)

(1) A constructor shall install a sign stating the executor, the details of electrical construction works and other matters determined by Ordinance of the Ministry of Knowledge Economy at a conspicuous place of the electrical construction field.

(2) Where a constructor completes electrical construction works for which he/she has contracted, the constructor shall attach or install a signboard stating the executor, the details of electrical construction or other matters determined by Ordinance of the Ministry of Knowledge Economy to a switchboard or on the section which can be easily checked.

Article 25 (Establishment of Constructors' Association)

(1) Constructors may establish a constructors' association for the maintenance of their dignity, technical improvement, improving methods of executing electrical construction works or sound development of construction business by obtaining authorization from the Minister of Knowledge Economy.

(2) A constructors' association shall be a corporation.

(3) A constructors' association shall be established by registering the incorporation of the association.

(4) Matters necessary for the establishment of, supervision over, etc. a constructors' association shall be prescribed by Presidential Decree.

Article 26 (Application Mutatis Mutandis of Civil Act)

Unless otherwise provided for in this Act, provisions concerning incorporated associations in the Civil Act shall apply mutatis mutandis to a constructors' association.

Article 27 (Corrective Orders, etc.)

Where a constructor falls hereunder, the Mayor/Do Governor may order the correction thereof within a prescribed period, or give any other necessary instructions:

1. Where the constructor enters into a subcontract or enters into a re-subcontract, in violation of the main sentence of Article 14 (1) or (2);
2. Where the constructor gives a person other than an electrical construction engineer the full responsibility for managing the execution of electrical construction, in violation of Article 16 (1);
3. Where an electrical construction engineer who manages the execution of electrical construction pursuant to Article 16 (2) is deemed unsuited;
4. Where the constructor fails to designate a person to be in charge of execution management under Article 17 or fails to provide notification on such designation;
5. Where the constructor fails to execute construction works in compliance with this Act, technical standards and design drawings and specifications, in violation of Article 22;

6. Where the constructor fails to install an electrical construction sign or fails to attach or install a signboard of electrical construction, in violation of Article 24;
7. Where the constructor fails to execute electrical construction works for which he/she has contracted, without any justifiable ground;
8. Where the constructor violates this Act or an order under this Act.

Article 28 (Revocation, etc. of Registration)

(1) Where a constructor falls under any of the following subparagraphs, the Mayor/Do Governor may revoke registration or issue an order to suspend its operations for a period not exceeding six months: Provided, That where the constructor falls under subparagraph 1, 3, 4, 7 or 8, the Mayor/Do Governor shall revoke registration thereof:

1. Where the constructor engages in any of the following acts by fraud or other wrongful means:
 - (a) Registration of construction business under Article 4 (1);
 - (b) Reporting on the registration standard of construction business under Article 4 (3);
2. Where the constructor falls short of technical capabilities, capital, etc. prescribed by Presidential Decree pursuant to Article 4 (2);
3. Where the constructor constitutes grounds for disqualification under any subparagraph of Article 5;
4. Where the constructor allows another person to use his/her name or trade name, or lends his/her certificate of registration or registration pocketbook, in violation of Article 10;
5. Where the constructor fails to fulfill a corrective order or instructions under Article 27;
6. Where the constructor falls under any of subparagraphs 1 through 5 of Article 27 and it is impossible to issue to the constructor a corrective order or instructions under the same Article as electrical construction works are completed;
7. Where the constructor fails to commence business within one year after obtaining registration of construction business or suspends his/her construction business for not less than one year on end;
8. Where the constructor operates his/her business during the period of business suspension or has been subject to the disposition of business suspension on at least three occasions during the last five years.

(2) In any of the following cases, paragraph (1) shall not apply for six months from the date on which he/she falls under subparagraph 6 of Article 5 or his/her succession begins:

1. Where a corporation falls under subparagraph 6 of Article 5;
2. Where the successor to the status of construction business falls under any ground for disqualification under subparagraphs 1 through 5 of Article 5.

(3) Where a constructor fails to comply with a corrective order or instructions under subparagraphs 2 through 5 or 8 of Article 27 although the constructor was issued such corrective order or instructions pursuant to the same Article or where a constructor falls under paragraph (1) 2 so that it causes considerable inconvenience to people or threatens to impair public interests because of a disposition of business suspension made to the constructor, the Mayor/Do Governor may impose surcharges not exceeding ten million won on the constructor in lieu of the disposition of business suspension.

(4) Where a person liable to pay surcharges under paragraph (3) fails to pay such by the payment deadline, the Mayor/ Do Governor shall collect it in the same manner as delinquent local taxes are collected.

(5) The standards for an administrative disposition and the amount of surcharges based on the type, severity, etc. of an offense in cases of issuing an administrative disposition pursuant to paragraph (1) or imposing surcharges pursuant to paragraph (3) shall be determined by Ordinance of the Ministry of Knowledge Economy.

Article 28-2 (Revocation, etc. of Recognition as Electrical Construction Engineer)

(1) The Minister of Knowledge Economy shall revoke the recognition of a person who has obtained recognition as an electrical construction engineer fraudulently or in any unlawful manner.

(2) Where the national technical qualification of a person who has obtained recognition as an electrical construction engineer is revoked under Article 16 of the National Technical Qualifications Act, the provisions of paragraph (1) shall apply mutatis mutandis.

(3) Where a person recognized as an electrical construction engineer has lent his/her career pocketbook to another person, the Minister of Knowledge Economy may suspend his/her recognition as an electrical construction engineer for a period not exceeding three years. <Newly Inserted by Act No. 10493, Mar. 30, 2011>

Article 28-3 (Request for Administrative Disposition against Violations in Areas other than District under Jurisdiction)

Where a constructor commits an act falling under any subparagraph of Article 27 or 28 (1) in areas, other than the place in which his/her principal business office is located, the Mayor/Do Governor having jurisdiction over the area where the relevant act is committed may request the Mayor/Do Governor having jurisdiction over the place in which the constructor's principal business office is located to take a measure, such as a corrective order, etc., or an administrative disposition against the relevant constructor.

Article 29 (Request for Measures by Interested Persons)

Where a constructor falls under any subparagraph of Article 27, any interested person may request the Mayor/Do Governor to take appropriate measures against the constructor by specifying the grounds therefor.

Article 29-2 (Investigation, etc. on Actual Conditions of Constructor)

(1) The Mayor/Do Governor may, where deemed necessary to determine whether the registration conforms to the registration standard, the subcontract is appropriate, the construction is executed in good faith, etc., perform any of the following acts by specifying the minimum scope related to the objectives of an investigation:

1. Ordering the constructor to report on the business, execution status, etc.;
2. Requiring a public official under his/her control to investigate the actual conditions on the management by the constructor, or to inspect the materials or facilities necessary for the execution of construction.

(2) Where it is deemed necessary to investigate the actual conditions on the management by the constructor under paragraph (1), the Mayor/Do Governor may require the client of electrical construction, the supervisory official under subparagraph 5 of Article 2 of the Electric Technology Management Act, and other agencies related to electrical construction to submit documents on the status of execution of electrical construction by specifying the minimum scope related to the objectives of an investigation.

(3) In conducting an investigation (including an inspection of materials or facilities; hereafter the same shall apply in this Article) under paragraph (1), the Mayor/Do Governor shall notify the person subject to the investigation of an investigation schedule, including the time and date, reason, details, etc. of the investigation by seven days prior to the investigation: Provided, That where urgent action is required, or where he/she deems it is impossible to achieve the objectives of the investigation due to the destruction of evidence, etc. when prior notification is made, the same shall not apply.

(4) A public official conducting an investigation under paragraph (1) shall carry a certificate indicating his/her authority and produce it to related persons, and deliver a document stating the name of the public official in charge of the investigation, time, objectives of the investigation, etc. to related persons.

(5) Where it is deemed necessary to investigate the actual conditions of the management by a constructor, the Minister of Knowledge Economy may issue, to the Mayor/Do Governor, an order for an investigation on actual conditions under paragraph (1) and for submission of documents under paragraph (2), and request the Mayor/Do Governor to report the results thereof.

Article 30 (Hearings)

Where the Minister of Knowledge Economy or Mayor/Do Governor intends to issue any disposition hereunder, he/she shall hold a hearing:

1. Revoking designation as designated educational and training institutions under Article 21;
2. Revoking registration of construction business under Article 28 (1);
3. Revoking recognition as electrical construction engineers under Article 28-2.

Article 31 (Integrated Management, etc. of Construction Business-Related Information)

(1) The Minister of Knowledge Economy may comprehensively manage the following information and provide it to administrative agencies, clients of electrical construction, the Electric Contractors' Financial Cooperative and associated enterprises who require it:

1. Information on constructors such as constructors' capital, actual conditions of management, status on performance of construction, status of retained technical human resources and others;
2. Electrical construction-related information, such as materials necessary for electrical construction.

(2) The Minister of Knowledge Economy may request any constructor, client, related institution and organization, etc. to submit necessary data for integrated management of information under paragraph (1), as determined by Ordinance of the Ministry of Knowledge Economy.

(3) When an application is made by a constructor, the Minister of Knowledge Economy may evaluate execution capabilities of the constructor, based on the performance results of electrical construction, capital, technical capability and confidence of the constructor and publicly announce the results of such

evaluation, to help the client choose a constructor suited for electrical construction.

(4) A constructor who intends to undergo evaluation of his/her execution capabilities under paragraph (3) and have the results of such evaluation publicly announced shall report every year the performance results of electrical construction and capital in the preceding year and other matters determined by Ordinance of the Ministry of Knowledge Economy to the Minister of Knowledge Economy.

(5) The evaluation of execution capabilities and method of making public announcement under paragraph (3) or other necessary matters shall be determined by Ordinance of the Ministry of Knowledge Economy.

(6) For the purpose of the comprehensive and systematic management of information pursuant to paragraph (1), the Minister of Knowledge Economy may construct and operate a comprehensive electrical construction information system. <Newly Inserted by Act No. 10493, Mar. 30, 2011>

Article 32 (Delegation and Entrustment of Authority)

(1) The authority of the Mayor/Do Governor under this Act may be partially delegated to the head of a Si/Gun/Gu (referring to the head of an autonomous Gu), as prescribed by Presidential Decree.

(2) The authority of the Minister of Knowledge Economy or Mayor/Do Governor under this Act to conduct any of the following affairs may be entrusted to a constructors' association under Article 25, as prescribed by Presidential Decree: <Amended by Act No. 10493, Mar. 30, 2011>

1. Receipt of an application for registration under Article 4 (1);
2. Acceptance of a report on the registration standard of construction business under Article 4 (3);
3. Acceptance of a report on succession under Article 7 (2);
4. Acceptance of a report on modification of registered matters under Article 9 (1);
5. Integrated management and provision of information under Article 31 (1);
6. Request for the submission of documents under Article 31 (2);
7. Evaluation and public announcement of constructors' execution capabilities under Article 31 (3);
8. Receipt of a report under Article 31 (4);
9. Construction and operation of the comprehensive electrical construction information system under Article 31 (6).

(3) The authority of the Minister of Knowledge Economy under this Act to carry out the affairs related to the recognition, revocation of recognition of electrical construction engineers, and hearings, etc. for the revocation thereof may be entrusted to a constructors' association under Article 25 or a corporation or organization which manages the engineers of electrical field, as prescribed by Presidential Decree.

Article 33 (Legal Fiction, etc. of Public Officials in Application of Penal Provisions)

(1) For the purposes of Articles 129 through 132 of the Criminal Act, the following persons shall be deemed public officials:

1. Executives and employees of any designated educational and training institutions;
2. Executives and employees of any constructors' association which performs the affairs entrusted under Article 32 (2) or (3) or of a corporation or organization which manages the engineers of electrical field.

(2) No executives and employees of any constructors' association may, in the course of performing the affairs entrusted pursuant to Article 32 (2), compel any constructor to join the constructors' association or may receive money and valuables, other than fees, under subparagraphs 6 and 7 of Article 35.

Article 34 (Ban on Seizure of Wages)

(1) No amount which constitutes wages payable to construction workers, out of the total value of the contract for electrical construction works for which a constructor has contracted shall be seized.

(2) The scope and method of calculating an amount equivalent to wages under paragraph (1) shall be prescribed by Presidential Decree.

Article 35 (Fees)

A person falling hereunder shall pay fees, as determined by Ordinance of the Ministry of Knowledge Economy or the municipal ordinance of the Special Metropolitan City or of any relevant Metropolitan City, Do, and Special Self-Governing Province:

1. A person who intends to obtain recognition as an electrical construction engineer under subparagraph 9 of Article 2;
2. A person who intends to register construction business under Article 4 (1);
3. A person who intends to report the registration standard of construction business under Article 4 (3);
4. A person who intends to report succession under Article 7 (2);
5. A person who intends to undergo education and training under Article 19 (1);
6. A person who intends to obtain information under Article 31 (1);
7. A person who makes an application to undergo evaluation of his/her execution capabilities and have the results of such evaluation publicly announced under Article 31 (3), and a person who uses publicly announced information regarding execution capabilities.

Article 36 (Prohibition of Divulging Confidential Information)

If a client of electrical construction requests confidentiality concerning the details of the relevant electrical construction, a constructor shall not divulge confidential information which comes to his/her knowledge about the electrical construction.

Article 37 (Prohibition of Divulging Facts Learnt in Course of Performing Duties)

No person hereunder shall disclose to others any adverse facts from among the facts including a constructor's business and financial standing, which come to his/her knowledge in the course of performing his/her duties:

1. Public officials engaged in the registration and supervisory affairs under this Act;
2. Executives and employees of designated educational training institutions;
3. Executives and employees of constructor's associations engaged in entrusted the affairs under Article 32 (2) or (3) or of corporations or organizations which manage the engineers of electrical field.

Article 38 (Policies for Advancing Construction Business)

(1) The Minister of Knowledge Economy may formulate and implement an advancement policy necessary for the sound development of construction business.

(2) An advancement policy under paragraph (1) shall include the following:

1. Basic direction setting on an advancement policy on construction business;
2. Development of electrical construction technology;
3. Measures for securing safety and quality of electrical construction;
4. Measures for fostering small and medium constructors;
5. Major policies related to subparagraphs 1 through 4.

Article 39 (Measures for Support of Small and Medium Constructors)

(1) The Minister of Knowledge Economy may request the State, a local government, or a government-invested institution, which places an order for electrical construction to provide small and medium constructors more opportunities to participate therein, or to take other necessary measures, in order to support small and medium constructors.

(2) The State, a local government, or a government-invested institution shall, upon receipt of a request under paragraph (1), actively cooperate therewith unless any special ground exists to the contrary.

Article 40 (Penal Provisions)

(1) A constructor or a person in charge of execution management designated under Article 17 who places people in danger by causing critical damage to the main parts of major power facilities prescribed by Presidential Decree during a warranty period of defect due to his/her electrical construction executed, in violation of Article 18 or 22, shall be punished by imprisonment for not more than five years, or by a fine not exceeding 50 million won.

(2) The person who causes bodily injury to another person by committing a violation under paragraph (1) shall be punished by imprisonment for not less than one year, or by a fine not exceeding 200 million won, and the person causing death by committing a violation under paragraph (1) shall be punished by imprisonment for not less than three years, or by a fine not less than 30 million won but not more than 500 million won.

Article 41 (Penal Provisions)

(1) A person who commits a violation under Article 40 (1) for being negligent in his/her duties shall be punished by imprisonment without prison labor for not more than three years, or by a fine not exceeding 30 million won.

(2) A person who commits a violation under Article 40 (1) for being negligent in his/her duties, thereby causing bodily harm to another person, shall be punished by imprisonment without prison labor for not more than five years, or by a fine not exceeding 50 million won, and a person who commits a violation under Article 40 (1) for being negligent in his/her duties, thereby causing death, shall be punished by imprisonment without prison labor for not more than seven years, or by a fine not exceeding 70 million won.

Article 42 (Penal Provisions)

A person who falls under any of the following subparagraphs shall be punished by imprisonment for not more than one year, or by a fine not exceeding ten million won:

1. A person who operates construction business without obtaining registration under Article 4 (1);
2. A person who obtains registration under Article 4 (1) by fraud or other wrongful means;
3. A constructor, of the one party, who violates the prohibition, etc. on lending his/her certificate of registration, etc. of construction business under Article 10 and the other party;
4. A person who enters into a subcontract or a re-subcontract, in violation of the main sentence of Article 14 (1) or (2) and the other party;
5. A person who lends a career pocketbook or who uses a career pocketbook borrowed from another person, in violation of Article 18-2;
6. A person who operates business during the period of a disposition of business suspension under Article 28 (1).

Article 43 (Penal Provisions)

A person who falls under any of the following subparagraphs shall be punished by a fine not exceeding five million won: <Amended by Act No. 10957, Jul. 25, 2011>

1. A person who operates construction business without reporting on the registration standard of construction business under Article 4 (3);
2. A person who reports the registration standard of construction business under Article 4 (3) by fraud or other wrongful means;
3. A person who fails to report succession under Article 7 (2) or who reports succession by fraud or other wrongful means;
4. A person who fails to place an order for the electrical construction separately from that for any other type of construction, in violation of Article 11 (1);
- 4-2. A person who fails to place an order for the electrical construction management at risk separately from that for any other type of construction management, in violation of Article 11 (2);
5. A person who fails to perform his/her duties of execution management, in violation of Article 16 (including cases where applied mutatis mutandis under Article 3 (3));
6. A person who fails to designate a person to be in charge of execution management under Article 17 (including cases where applied mutatis mutandis under Article 3 (3));
7. An electrical construction engineer who fails to manage the execution in compliance with this Act, technical standards, and design drawings and specifications, in violation of Article 18;
8. A person who fails to perform execution in compliance with this Act, technical standards, and design drawings and specifications, in violation of Article 22 (including cases where applied mutatis mutandis under Article 3 (3)).

Article 44 (Penal Provisions)

A person who falls under any of the following subparagraphs shall be punished by a fine not exceeding three million won:

1. A person who receives money and valuables, other than fees, in violation of Article 33 (2);

2. A constructor who divulges confidential information which comes to his/her knowledge about any electrical construction, in violation of Article 36;
3. A person who divulges confidential information which comes to his/her knowledge in the course of performing his/her duties, in violation of Article 37.

Article 45 (Joint Penal Provisions)

Where a representative of a corporation or an agent, employee or other servant of a corporation or individual commits an offense under Articles 40 through 44 in connection with the business of the corporation or individual, not only shall such offender be punished accordingly, but such corporation or individual shall also be imposed by a fine under each relevant provision: Provided, That this shall not apply where the corporation or individual has not been negligent in giving due attention to and supervision of the relevant duties to prevent such offense.

Article 46 (Fines for Negligence)

(1) A person who falls under any of the following subparagraphs shall be punished by a fine for negligence not exceeding three million won:

1. A constructor who fails to give notification under Article 6 (2) or his/her successor;
2. A person who fails to report under Article 9, or submits a false report;
3. A person who fails to perform his/her duties in entering into a contract under Article 12 (1);
4. A person who fails to maintain an electrical construction contract book under Article 12 (2);
5. A person who fails to give notification upon entering into a subcontract under Article 14 (3) or (4);
6. A person who fails to notify that a person to be in charge of execution management is designated under Article 17;
7. A person who indicates that he/she is a constructor or that he/she is likely to be mistaken for a constructor, in violation of Article 23;
8. A person who fails to install a sign under Article 24 (1), or who fails to attach or install a signboard under paragraph (2) of the same Article;
9. A person who refuses, interferes with, evades an investigation or inspection under Article 29-2 (1) 2, or who submits a false report;
10. A person who submits a false report under Article 31 (4).

(2) A person who fails to report under Article 29-2 (1) 1 shall be imposed by a fine for negligence not exceeding one million won.

(3) A fine for negligence under paragraphs (1) and (2) shall be imposed and collected by the Minister of Knowledge Economy or the Mayor/Do Governor, as prescribed by Presidential Decree.

ADDENDA

Article 1 (Enforcement Date)

This Act shall enter into force on July 1, 1999.

Article 2 (Transitional Measures on License for Construction Business)

A person who has obtained a license for construction business pursuant to the former provisions at the time this Act enters into force shall be deemed to have registered construction business.

Article 3 (Transitional Measures on Disqualifications for Constructors)

Where any constructor who has obtained a license pursuant to the former provisions at the time this Act enters into force falls under any ground for disqualification under the amendments to subparagraphs 3 through 5 of Article 5 for any cause occurred before this Act enters into force, he/she shall be governed, for two years from the date on which this Act enters into force, by the former provisions.

Article 4 (Transitional Measures on Korea Electrical Contractors Association)

The Korea Electrical Contractors Association established pursuant to the former provisions at the time this Act enters into force shall be deemed the constructors' association established pursuant to this Act.

Article 5 (Transitional Measures on Previous Acts)

The application of administrative dispositions and penal provisions to acts committed before this Act enters into force shall be governed by the former provisions.

Article 6 Omitted.

Article 7 (Relationship with other Acts and Subordinate Statutes)

Where other Acts and subordinate statutes cite the provisions of the former Electrical Construction Business Act at the time this Act enters into force, they shall be deemed a citation of this Act or the corresponding provisions hereof in lieu of the former provisions, if such corresponding provisions exist in this Act.

ADDENDA <Act No. 6578, Dec. 31, 2001>

- (1) (Enforcement Date) This Act shall enter into force six months after the date of its promulgation.
- (2) (Application Example for Report on Registration Standards) The amended provisions of Article 4 (3) shall apply to persons who register construction business on or after the date when this Act enters into force.
- (3) (Application Example for Warranty) The amended provisions of Article 15-2 shall apply to electrical construction works contracted on or after the date when this Act enters into force.

ADDENDA <Act No. 7171, Feb. 9, 2004>

Article 1 (Enforcement Date)

This Act shall enter into force on January 1, 2005.

Articles 2 through 9 Omitted.

ADDENDUM <Act No. 7741, Dec. 23, 2005>

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

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. 9179, Dec. 26, 2008>

This Act shall enter into force on January 1, 2009.

ADDENDA <Act No. 9680, May. 21, 2009>

Article 1 (Enforcement Date)

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

Articles 2 through 5 Omitted.

ADDENDUM <Act No. 10493, Mar. 30, 2011>

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

ADDENDUM <Act No. 10957, Jul. 25, 2011>

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