

GUIDELINES CONCERNING PERMISSION FOR FULL-TIME FACULTY MEMBERS OF SEOUL NATIONAL UNIVERSITY TO HOLD CONCURRENT POSITIONS AS NON-EXECUTIVE DIRECTOR, ETC.

Mar. 21, 2003
Amended on Jul. 1, 2003
Dec. 20, 2004
Sep. 7, 2010
Jul. 2, 2012
Dec. 1, 2015
Feb. 24, 2016
May 18, 2016
Jul. 11, 2016

Article 1 (Purpose)

The purpose of these Guidelines is to provide for matters concerning criteria, procedures, etc., for granting permission for full-time faculty members of Seoul National University to hold concurrent positions as non-executive director, director and auditor (hereinafter referred to as "non-executive director, etc.") of a company under the Commercial Act. <Amended on Dec. 20, 2004; Jul. 2, 2012; Dec. 1, 2015>

Article 2 (Qualification)

- (1) A full-time faculty member of Seoul National University who wishes to hold a concurrent position as non-executive director, etc., shall obtain prior permission, from the President: Provided, that the foregoing shall not apply where the President permits him/her to hold the concurrent position, following deliberation by the Faculty Personnel Committee *ex post facto* for a special reason. <Amended on Feb. 24, 2016>
- (2) Notwithstanding paragraph (1), an *ex officio* director under Article 4 (3) of the Regulations Governing the Operation of Technology Holding Company of Seoul National University, shall be deemed to have obtained permission to hold a concurrent position under these Guidelines. <Newly Inserted on May 18, 2016>
- (3) In principle, persons who may hold concurrent positions as non-executive director, etc. shall be professors or associate professors among full-time faculty members under Article 31 (1) of the Articles of Incorporation of the National University Corporation, Seoul National University.

- (4) Where a faculty member has been subjected to disciplinary action or is deemed to have damaged the social and/or ethical reputation of Seoul National University or the faculty member, the President need not permit him/her to hold concurrent positions as non-executive director, etc.

[This Article Wholly Amended on Dec. 1, 2015]

Article 3 (Criteria for Granting Permission)

Criteria for granting permission to hold concurrent positions as non-executive director, etc. shall be as follows: *<Amended on Jul. 11, 2016>*

1. Criteria for granting permission to hold concurrent positions, shall be limited to no more than two companies for each faculty member, however, where the faculty member holds the concurrent position as *ex officio* director of Technology Holding Company of Seoul National University under Article 2 (2), the aforesaid Technology Holding Company, shall be excluded from the aforesaid companies. *<Amended on Sep. 7, 2010; Jul. 2, 2012; May 18, 2016; Jul. 11, 2016>*
2. A faculty member's time, which may be spent on all the outside activities including as a non-executive director, etc., shall be less than 1/5 (in principle, not more than eight hours each week) of his/her total working hours, and his/her outside activities shall not hinder educational guidance to students and scholarly research, and he/she shall fulfill his/her duty as a faculty member of Seoul National University: *<Amended on Sep. 7, 2010; Jul. 2, 2012; Dec. 1, 2015>*
3. A faculty member who holds concurrent positions as non-executive director, etc. may be reimbursed travel expenses, receive an attendance allowance, expenses incurred in conducting business activities, etc. from the relevant company, and he/she shall specify expenses and allowances he/she receives and shall undergo examination; *<Amended on Sep. 7, 2010; Jul. 2, 2012; Dec. 1, 2015>*
4. A faculty member who holds concurrent positions as non-executive director, etc., shall subscribe to insurance or take other appropriate legal action to prevent the performance of his/her duties as the non-executive director, etc. interfering with his/her research and teaching as the faculty member of Seoul National University: Provided, that where he/she submits a notarized memorandum stating that the chief executive officer of the company indemnifies for losses of the non-executive director, etc., he/she shall be deemed to have taken appropriate legal action; *<Amended on Jul. 2, 2012; Dec. 1, 2015>*
5. A faculty member who holds concurrent positions as non-executive director, etc. shall meet the requirements for qualification of non-executive director, etc. provided for in related Acts, such as Article 542-8 (2) of the Commercial Act; in principle, he/she shall not be entrusted with research from the relevant company within the period during which he/she holds the concurrent position and within two years after ceasing to hold the concurrent position. *<Amended on Dec. 1, 2015>*

Article 4 (Companies Subject to Permission)

- (1) Companies subject to permission for a faculty member to hold concurrent positions as

non-executive director, etc. shall be as follows: Provided, that holding a concurrent position as director or auditor, other than a non-executive director, shall be limited to companies under subparagraphs 4 through 6: <Amended on Jul. 2, 2012; Dec. 1, 2015>

1. A company listed on the Korea Exchange under Article 542-2 (1) of the Commercial Act;
 2. A public enterprise under Article 5 (3) 1 of the Act on the Management of Public Institutions;
 3. A financial institution under subparagraph 1 of Article 2 of the Act on the Structural Improvement of the Financial Industry;
 4. A venture business under Article 2 (1) of the Act on Special Measures for the Promotion of Venture Businesses;
 5. A small and medium enterprise under Article 2 (1) of the Framework Act on Small and Medium Enterprises;
 6. An industry-academia-research cooperation-based technology holding company and its affiliates under subparagraphs 8 and 9 of Article 2 of the Industrial Education Enhancement and Industry-Academia-Research Cooperation Promotion Act.
- (2) Even if a company is not included among companies subject to permission under paragraph (1), the President may permit a faculty member to hold a concurrent position as non-executive director only in the company that has made outstanding contributions to the society and that serves as a model of industry-academia cooperation with Seoul National University following deliberation by the Committee of Personnel Management of Faculty Members. <Amended on Jul. 2, 2012; Dec. 1, 2015>

[This Article Newly Inserted on Sep. 7, 2010]

Article 5 (Procedures for Granting Permission)

- (1) The head of a faculty or department shall recommend the dean of a college or graduate school to grant permission for a faculty member to hold a concurrent position as non-executive director, etc., at the request of the faculty member. <Amended on Dec. 1, 2015>
- (2) The dean of a college or graduate school shall recommend the President to grant permission for a faculty member to hold a concurrent position as non-executive director, etc. following deliberation by the personnel committee of the college or graduate school to which the faculty member belongs. <Amended on Sep. 7, 2010>
- (3) The President shall grant permission for a faculty member to hold a concurrent position as non-executive director, etc. following deliberation by the Faculty Personnel Committee. <Amended on Sep. 7, 2010; Jul. 2, 2012; Dec. 1, 2015>
- (4) An application for permission to hold a concurrent position shall include reasons why a faculty member is suitable for the position of non-executive director, etc. and a role he/she will perform as the non-executive director, etc. <Newly Inserted on Dec. 1, 2015>

Article 6 (Matters for Deliberation)

The personnel committee of each college or graduate school and the Faculty Personnel Committee shall deliberate on the following: <Amended on Jul. 2, 2012; Dec. 1, 2015>

1. Expertise needed to hold the position of a non-executive director, etc.;
2. Necessity of permission, the duration permission is required, companies subject to permission, the length of time permitted to conduct activity as non-executive director, etc. compared to the total working hours;
3. Whether a faculty member adheres to necessary matters and guidelines to prevent the performance of his/her duties interfering with his/her research and teaching.

Article 7 (Duty and Management of Service of Faculty Members Holding Concurrent Positions)

- (1) A faculty member who holds a concurrent position as non-executive director, etc. shall adhere to criteria for granting permission to hold the concurrent position.
- (2) A faculty member who holds a concurrent position as non-executive director, etc. shall contribute a specified portion of the total amount of monetary assistance (total amount of earnings before withholding tax) he/she has received to the Development Fund of Seoul National University, and the amount of contribution shall be 15 percent of the amount exceeding 20 million won a year.
- (3) Each year, a faculty member permitted to hold a concurrent position as non-executive director, etc. shall report the details of any monetary assistance he/she has received from the relevant company, and his/her contribution to the Development Fund under paragraph (2), in writing to the dean of the college or the graduate school to which he/she belongs.
- (4) The dean of the college or the graduate school shall verify whether a faculty member permitted to hold a concurrent position as non-executive director, etc. adheres to criteria for granting permission, such as educational activities after he/she has obtained permission.

[This Article Wholly Amended on Dec. 1, 2015]

Article 8 (Revocation of Permission to Hold Concurrent Positions as Non-Executive Director, etc.)

- (1) Where a faculty member permitted to hold a concurrent position as non-executive director, etc. falls under any of the following, the dean of the college or the graduate college to which he/she belongs, shall request the President to revoke permission to hold the concurrent position as non-executive director, etc. following deliberation by the personnel committee of the college or the graduate school, and the President may revoke permission to hold the concurrent position as non-executive director, etc. following deliberation by the Faculty Personnel Committee: *<Amended on Sep. 7, 2010; Jul. 2, 2012; Dec. 1, 2015>*
 1. Where he/she is deemed to have failed to adhere to any of the criteria for granting permission to hold the concurrent position, under Article 7 (1); *<Amended on Dec. 1, 2015>*
 2. Where he/she fails to perform his/her duty to report under Article 7 (3); *<Amended on Dec. 1, 2015>*
 3. Where he/she engages in conduct that damages the dignity as a faculty member. *<Amended on Sep. 7>*
- (2) Where a faculty member permitted to hold a concurrent position as non-executive director, etc. is sentenced to imprisonment without labor or higher punishment, sentenced to imprisonment without labor or higher punishment with a stay of execution, receives a

deferred sentence of imprisonment without labor or higher punishment; or fails to meet any of the requirements for qualification of non-executive director, etc. prescribed by other statutes, permission to hold the concurrent position as non-executive director, etc. shall become ineffective. <Amended on Jul. 2, 2012; Dec. 1, 2015>

Article 9 (Responsibility)

- (1) A faculty member shall indemnify for any civil or criminal case filed in relation to holding a concurrent position as non-executive director, etc. <Amended on Dec. 1, 2015>
- (2) No faculty member shall be able to hold Seoul National University liable for any disadvantage or loss the relevant company may suffer following the revocation of permission to hold the concurrent position as non-executive director, etc. in terms of any civil or criminal case. <Amended on Dec. 1, 2015>
- (3) Where a faculty member violates any of the conditions of permission under Article 2 (1), the President may restrict permission to hold the concurrent position as non-executive director, etc. for five years from the date holding the concurrent position as the relevant non-executive director, etc., commences; and request a resolution calling for disciplinary action pursuant to Article 34 (1) of the Articles of Incorporation of the National University Corporation, Seoul National University. <Newly Inserted on Dec. 1, 2015; Jul. 11, 2016>

ADDENDUM <Dec. 20, 2004>

These Guidelines shall enter into force on December 20, 2004.

ADDENDA <Sep. 7, 2010>

- (1) These Guidelines shall enter into force on the date of their promulgation.
- (2) A faculty member permitted to hold a concurrent position before these Guidelines enter into force shall be deemed to have obtained permission to hold the concurrent position; in cases of a faculty member who holds the concurrent position as chief executive officer of an enterprise permitted pursuant to statutes and the concurrent position as non-executive director of another company, notwithstanding the proviso to Article 3 (2), the period for which he/she holds concurrent positions shall remain valid until the dates of permission to hold concurrent positions granted.

ADDENDUM <Jul. 2, 2012>

These Guidelines shall enter into force on the date of their promulgation.

ADDENDA <Dec. 1, 2015>

Article 1 (Enforcement Date)

These Guidelines shall enter into force on the date of their promulgation.

Article 2 (Transitional Measures)

Article 7 (2) shall not apply to any faculty member permitted to hold a concurrent position as non-executive director, etc. at the time these Guidelines enter into force until December 31, 2015.

ADDENDUM <Feb. 24, 2016>

These Guidelines shall enter into force on the date of their promulgation.

ADDENDUM <May 18, 2016>

These Guidelines shall enter into force on the date of their promulgation.

ADDENDUM <Jul. 11, 2016>

These Guidelines shall enter into force on the date of their promulgation.

※ 본 영문 규정은 서울대학교에서 사용자의 편의를 위하여 참고용으로 제공하는 것이며, 국문 규정과 영문 규정 간에 의미상의 차이가 있는 경우에는 국문 규정이 효력을 갖습니다. (This Regulation has been translated into English for the convenience of users. If there arises any conflict between the Korean text and the English text, the Korean text shall prevail as authentic.)