

Jisung Horizon Newsletter

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01 Firm News

- Jisung Horizon Advises New Pride Corporation, 1st U.S. Company to be Listed on Korea Exchange
- Legal Advisor of Hyundai AMCO for the 25 Million Dollars Pnom Penh PF
- Legal Advisor of Mirae Asset Securities and Daeshin Securities on Establishment of SPAC
- Legal Advisor of Korea Fair Trade Commission in the Lawsuit filed by Qualcomm
- Legal Representative of KAMCO in Warrant Lawsuit Filed by French Financial Institutions
- Contribution of Article in 'Korean Business Law: The Legal Landscape and Beyond'
- Legal Advisor of Universal Studio Korea Resort Development
- Jisung Horizon Receives High-Ranking in 2009 IB Market M&A Advisory Sector

09 Columns

- Introduction of Special Purpose Acquisition Company (SPAC)

11 New Laws

- Persons Subject to Punishment in Disclosure of Domestic Technology

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(Firm News)

Jisung Horizon Advises New Pride Corporation, 1st U.S. Company to be Listed on Korea Exchange

Jisung Horizon is advising on the listing on the Korea Exchange (KOSDAQ) of New Pride Corporation, the first U.S. company that has obtained the authorization for its listing on March 12, 2009.

At present, ten Chinese companies and one Japanese company are listed on the Korea Exchange (the "KRX"). New Pride Corporation obtained the authorization for the listing as the first U.S. company.

In particular, Jisung Horizon resolved very complex and strict regulatory issues under the U.S. Securities Act and the differences in the legal systems between Korea and U.S., issues with different systems of the KRX and the Korea Securities Depository that have been raised in the course of listing of New Pride Corporation on the KRX by digging into foreign cases of foreign exchanges, such as the Australian Stock Exchange and the London Stock Exchange. Moreover, Jisung Horizon has advised the Financial Supervisory Service several times and has coped with diverse issues in the course of listings of U.S. companies on the KRX. Jisung Horizon's IPO Team is providing advisory services for the listing on the KRX of several Chinese, Japanese and Laos companies and is equipped with the best expertness and teamwork.

[Korean Article Reference]

- [Maeil Economy – New Pride, a U.S. Company, Passes Listing Eligibility Review](#)
- [Asia Economy – New Pride, a U.S. Multi-logistics Company, Passes Listing Eligibility Review](#)

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(Firm News)

Legal Advisor of Hyundai AMCO for the 25 Million Dollars Pnom Penh PF

Jisung Horizon is acting as the legal advisor of Hyundai AMCO for the office project finance of 25 Million Dollars in Pnom Penh, Cambodia.

[Korean Article Reference]

- [Money Today - Hyundai AMCO Finances 25 Million Dollars in Pnom Penh PF](#)

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(Firm News)

Legal Advisor of Mirae Asset Securities and Daeshin Securities on Establishment of SPAC

Jisung Horizon advised on the establishment of each SPAC by Mirae Asset Securities and Daeshin Securities.

SPAC is a special purpose acquisition company formed by private individuals to facilitate investment through an initial public offering (IPO). SPACs are shell companies that have no operations but go public with the intention of merging or acquiring a company with the proceeds of the SPAC's IPO.

[Korean Article Reference]

- [Korea Economy – Mirae Asset SPAC Records Ceiling Price on 1st day of Listing](#)
- [Financial News – Daeshin Securities Completes Registration of 'D-ONE SPAC'](#)
- [Newsis – Mirae Asset Establishes SPAC](#)

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(Firm News)

Legal Advisor of Korea Fair Trade Commission in the Lawsuit filed by Qualcomm

Jisung Horizon was selected as the legal advisor of the Korea Fair Trade Commission ("KFTC") in the administrative lawsuit filed by Qualcomm against the KFTC.

On July 23, 2009, the KFTC imposed a record-high penalty charge of KRW260 billion against Qualcomm, which owns the original technology for CDMA, for allegedly violating the Monopoly Regulation and Fair Trade Act by abusing its market dominant position as a supplier of core parts used in the domestic mobile phones. Qualcomm filed an administrative lawsuit against the KFTC with the Seoul High Court by quoting that "we cannot agree on the ruling of the KFTC."

[Korean Article Reference]

- [Yonhap News – KFTC’s Fine on Qualcomm of KRW260 billion](#)
- [Electronic Times – KFTC serves its official resolution to Qualcomm](#)
- [Seoul Economy – KFTC Imposes on Qualcomm Record-high Fine of KRW260 billion](#)

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(Firm News)

Legal Representative of KAMCO in Warrant Lawsuit Filed by French Financial Institutions

Jisung Horizon was selected as the legal representative of KAMCO in the appellate warrant lawsuit filed by French financial institutions.

KAMCO had promised to deliver warrants in the process of purchasing the claims from the overseas creditors not bound by the workout agreement during Daewoo Group's workout. When Daewoo Group was normalized earlier than expected, a dispute occurred between the foreign creditors that received the warrants and KAMCO concerning the terms and conditions of such warrants.

[Korean Article Reference]

- [Yonhap News – KAMCO's Lawsuit with Daewoo's Overseas Creditors for KRW10 billion](#)
- [Financial News – KAMCO's Lawsuit with Daewoo's Overseas Creditors for KRW10 billion](#)

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(Firm News)

Contribution of Article in 'Korean Business Law: The Legal Landscape and Beyond'

Kenny K. Kang and Sang Hee Lee, attorneys of Jisung Horizon, contributed an article on 'Shareholder Rights' as co-authors to the 'Korean Business Law: The Legal Landscape and Beyond' published in January 2010.

'Korean Business Law: The Legal Landscape and Beyond' provides clear and concise explanations of what the law means relating to South Korea's often complex and changing business law environment. This book is written for a diverse global audience, from lawyers to business leaders, from professors to students, both inside and outside of Korea.

[Article Reference]

- [Korean Business Law: The Legal Landscape and Beyond](#)
- [The Korea Times - Recent Books](#)



This book written by Jasper Kim, a professor of Ewha Graduate School of International Studies is the first of its kind in English that explains Korean business laws for business leaders, bankers, students and academics as well as lawyers.

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(Firm News)

Legal Advisor of Universal Studio Korea Resort Development

Jisung Horizon is acting as the legal advisor of USKRD, a special purpose corporation set up by Lotte Group, POSCO E&C and others for the creation of Universal Studio Korea Resort (USKR) in Hwasung.

USKR will be the largest global theme park in Asia and will also accommodate condominium, mega shopping mall, premium outlet, hotel, silver town and a golf course. Construction of USKR is expected to commence in March 2011 and the theme park will open in March 2014. The total investment amounts to KRW 3 trillion, of which KRW 1 trillion will be used to create the theme park. Eight companies will participate in the development of USKR, including Lotte Asset Development as the largest investor (26.7%), POSCO E&C as a construction investor (24.4%), USK Property Holdings as a strategic investor (13.5%), and Korea Investment & Securities (10.1%) as the financial investor.

[Korean Article Reference]

- [Donga Ilbo - Korea's First Overseas Theme Park, 'Universal Studio' to Begin Construction Next March](#)
- [Maeil Economy - Hwasung Universal Studio to Commence Construction Next Year](#)
- [Seoul Economy - Construction of Hwasung Universal Studio to Commence Early Next Year](#)

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(Firm News)

Jisung Horizon Receives High-Ranking in 2009 IB Market M&A Advisory Sector

한국경제

Korea Economy published an article on the rankings of financial and legal advisors in the 2009 IB Market.

Jisung Horizon was ranked 8th among the legal advisors in the M&A sector.

[Korean Article Reference]

- [Korea Economy\(PDF\) - 2009 IB Market Ranking](#)

(Columns)

Introduction of Special Purpose Acquisition Company (SPAC)



(JISUNGHORIZON [Hee-Suk CHAI](#) · Associate)

The first Korean SPAC 1), Daewoo Securities Green Korea Special Purpose Acquisition Company, was established in December 2009 and was listed on the securities market this month.

SPACs have been in the spotlight in the capital market as it has many merits in diverse aspects. Firstly, from the point of view of general investors, the SPAC will guarantee a return that is equivalent or close to the principal amount, enable the enjoyment of profits accruing from a successful merger and acquisition with small investments and allows high liquidity. Secondly, from the perspective of a corporation that is subject to a takeover, the SPAC can enjoy the effect of becoming a listed corporation through relatively simple procedures and the effect of improvement of financial structure is much larger than that from back-door listing because the merger is targeted to a special purpose company (SPC) that has no contingent liabilities. Lastly, from the view of the financial investors investing in the SPAC (so-called “sponsors”), the SPAC is an investment vehicle that includes all sorts of businesses, such as investment, acquisition, M&A, etc. conducted by investment banks. Therefore, the SPAC is anticipated to be beneficial for the improvement of their profit structure.

In general, the following are pointed out as the major characteristics of the SPAC: (i) the SPAC is formed in a double investment structure in which the management of the SPAC will find the target corporation and its shareholders will decide whether or not to acquire the target, and (ii) the SPAC’s profit structure enables the investors to earn profit from their investment by selling the shares of the merged corporation in the stock market, the value of which is increased through the public offering because the target corporation is acquired within a certain period after the establishment of the SPAC.

In the meanwhile, the Korean SPAC is different from the U.S. SPAC in the following aspects: (i) the shareholding ratio of the equity securities investment traders with KRW100 billion or more of equity must be maintained at a level of 5% or more, (ii) the method of financing is limited to the stocks or stock-related bonds (in particular, the issuance of stock-related bonds is prohibited once the SPAC is listed), and (iii) the method of business combination is limited to a merger. On the whole, the characteristics of the Korean SPAC as above are viewed positively from the perspective of its necessity to take root in the Korean market

by minimizing any side effects from efforts to harmonize with the current system and laws, such as the Commercial Code the Financial Investment Services and Capital Markets Act, and the introduction of the SPAC.

It is my hope that, as in the case of the private equity fund (PEF) which is judged to be a successful introduction, the SPAC will be also introduced with success and become a mainstay of the capital market.

1) A special purpose acquisition company (SPAC) is a corporation formed by private individuals to facilitate investment through an initial public offering (IPO). SPACs are shell companies that have no operations but go public with the intention of merging or acquiring a company with the proceeds of the SPAC's IPO.

(New Laws)

**Persons Subject to Punishment in Disclosure of Domestic Technology
- Partial amendment of the Unfair Competition Prevention and Trade Secret Protection Act -
(Act No. 9895, to be enforced as of March 31, 2010)**

There is a necessity to expand the persons subject to punishment in order to prevent the leakage of existing technology to foreign countries which results in tremendous loss of national interest and decline of national competitiveness. For this purpose, Article 18 paragraph 1 of the Unfair Competition Prevention and Trade Secret Protection Act was revised to expand the persons subject to punishment under the Act to persons that have acquired and used the trade secret knowing that such information will be used in a foreign country. The current law only subjects persons that have disclosed the information to a third party to punishment.



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