



Subject: Request to Postpone Amendments to Article 19(3) of Framework Act on Consumers Pending Consultation with Affected Stakeholders

We thank you for your attention and care for the best interests of the nation's future, and we wish you good health and prosperity. Thank you for your consideration of this message.

On behalf of BSA | The Software Alliance (**BSA**),¹ we wish to raise our concerns regarding the proposed amendments of the Framework Act on Consumers (**Bill Number 2011558 and 2012595**) proposed by Assemblyman Jae Soo Jeon and Assemblyman Yong Hyeon Shin and supported by the Korea Fair Trade Commission (**KFTC**).

We understand that purpose of the proposed amendments is to address the possibility of consumer harm resulting from intentional “performance degradation” of goods which are associated with 4th Industrial Revolution technologies.

However, we are concerned that the proposed amendments, as currently drafted, are extremely broad and could result in disproportionately onerous compliance requirements for enterprisers offering software or cloud-based goods and services. These requirements are likely to be impractical to implement. Perhaps more importantly, the requirement to provide prior information to certain software modifications could undermine the ability for software vendors to provide consumers with automatic updates that are needed to address time sensitive cybersecurity risks. The prior notification requirement could therefore delay the ability for software vendors to defend their users from malicious cyber-attacks.

Overall, in our view, the existing Framework Act already provides effective consumer protection while also encouraging the delivery of innovative products and services.

Therefore, we respectfully urge the National Assembly to ***postpone consideration of the amendments*** and instead ***engage in consultations with potentially affected stakeholders***,

¹ BSA | The Software Alliance (www.bsa.org) is the leading advocate for the global software industry before governments and in the international marketplace. Its members are among the world's most innovative companies, creating software solutions that spark the economy and improve modern life. With headquarters in Washington, DC, and operations in more than 60 countries, BSA pioneers compliance programs that promote legal software use and advocates for public policies that foster technology innovation and drive growth in the digital economy.

BSA's members include: Adobe, Akamai, Amazon Web Services, ANSYS, Apple, Autodesk, AVEVA, Bentley Systems, Box, CA Technologies, Cadence, Cisco, CNC/Mastercam, DataStax, DocuSign, IBM, Informatica, Intel, MathWorks, Microsoft, Okta, Oracle, PTC, Salesforce, SAS Institute, Siemens PLM Software, Slack, Splunk, Symantec, Synopsys, Trend Micro, Trimble Solutions Corporation, and Workday.

including BSA member companies. We are confident that together we can identify better solutions if we more clearly understand the concerns of the government and the bills' proponents.

BSA's members are at the forefront of data-driven innovation, including cutting-edge advancements in data analytics, artificial intelligence, and the Internet of Things. Our members earn users' trust and confidence by remaining deeply committed to protecting personal data and by providing essential security technologies to protect them from cyber threats. Data-driven innovation, enabled by cloud computing, powers the global economy and enhances the positive effect of cutting-edge technologies. Laws and regulations that create a flexible policy environment conducive to cybersecurity and cloud computing will produce significant, positive results as these technologies evolve.

BSA has worked closely with governments around the world in relation to the development of consumer protection, data protection, and cybersecurity policies and legislation. In doing so, we have witnessed first-hand the potential for such policies and legislation to effectively encourage innovation whilst still protecting the interests and rights of consumers.

BSA and its stakeholders are requesting an urgent meeting to discuss these bills with you to establish more efficient and effective amendments

Sincerely,

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