

## **[Franchisor's responsibility for illegal retention of client's data]**

### Facts

In October 2008, Claimant posted a grievance on the customer center of Respondent's website. Upon receipt of Claimant's address and phone number, Respondent sent a gift certificate to Claimant's residence. In June 2011, Claimant inquired some defects of a product of the customer center, Respondent promised to send a gift certificate to Claimant's address in its customer list.

Claimant argued that she was not a constant member of Respondent, and her personal information should have been destroyed upon the fulfilment of the purpose in 2008. Claimant filed mediation with the PIDMC for wrongful retention of unencrypted personal information and damages for emotional distress.

### Mediation Decision

Under the Act on the Consumer Protection in Electronic Commerce, etc., e-Commerce vendors are required to preserve transaction records including any representation, advertisement, contractual obligation for a considerable period of time (Article 6(1) of the Act), and in terms of consumer's grievance and legal dispute, for three year (Article 6(1)iv of the Enforcement Decree of the Act).

In this case, Respondent is believed to keep the personal information at issue legally, and Claimant's petition is groundless. So is it rejected.

Telecom Company's unauthorized provision of combined services without customer's consent

Claimant used wired telephone service for years in his name, and a broadband Internet service in his mother's name, respectively. In September 2009, Claimant discovered he had been admitted to use the combined wired telephone and Internet service in better terms than usual. In December 2009, he filed a complaint with the customer center of Respondent, and Respondent arbitrarily terminated the combined service to his disappointment.

#### Pre-mediation Agreement

Respondent expressed apology for its arbitrary termination of combined services, and promised to pay additional charges, and exempt early termination charge in addition to KRW200,000 as compensation.

Claimant agreed on such suggestion of Respondent, and the case was closed.