

General Conditions of Sale

1. Scope of Application

All supplies and services provided by Seller are on the basis of the terms and conditions contained herein ("General Conditions of Sale"). Any reference(s) made by Buyer to his general terms and conditions are hereby rejected. These General Conditions of Sale shall also apply to all future business, and Seller shall have the right to amend these General Conditions of Sale from time to time. Deviation from these General Conditions of Sale requires the explicit written approval of the Seller.

2. Offer and Acceptance

Seller's quotations are not binding offers but must be seen as invitations to Buyer to submit a binding offer. Individual contracts ("Contract") shall be concluded by Seller's acceptance of Buyer's order (offer). In case the acceptance differs from the offer, such acceptance constitutes a new nonbinding offer of Seller.

3. Product Information

3.1 Any models or samples are merely non-binding examples. They do not guarantee any specific properties.

3.2 Deviation from product information or specific properties shall be permissible provided they are insignificant or unavoidable despite all care.

3.3 No warranty or guarantee is given by Seller in respect of supplies or services under these General Conditions of Sale and all implied terms, whether implied by law or otherwise are expressly excluded to the extent permitted by law.

4. Advice

Technical advice with regard to goods and their application is given to the best of Seller's knowledge based on Seller's research and experience. All advice and information with respect to suitability and application of the goods shall not, however, create any liability of Seller and shall not relieve the Buyer from undertaking his own investigations and tests.

5. Prices

If Seller's prices or Seller's terms of payment are generally altered between the date of Contract and dispatch, Seller may apply the price or the terms of payment in effect on the date of dispatch. In the event of a price increase, Buyer is entitled to withdraw from the Contract by giving notice to Seller within 14 days after notification of the price increase.

6. Delivery

Delivery shall be effected as agreed in the Contract. General commercial terms shall be interpreted in accordance with the INCOTERMS in force on the date the Contract is concluded.

7. Damage in Transit

Notice of claims arising out of damage in transit must be lodged by Buyer directly with the carrier within the period specified in the contract of carriage and Seller shall be provided with a copy thereof.

8. Laws in Country of Destination

Buyer is responsible for compliance with all laws and regulations applicable in the country of destination regarding import, delivery, storage and use of the goods delivered by Seller. Buyer will pay all import, customs duties and any other taxes payable in the country of destination.

9. Delay in Payment

9.1 Delay in due payment constitutes a fundamental breach of contract. Buyer defaults if, when the purchase price is due, he does not pay in response to a reminder, but at the latest if he has not paid within 30 days of receipt of an invoice and the due date for the purchase price, even if Seller has not issued a reminder. If a calendar date for payment has been set Buyer shall be in default, even without a reminder, if he does not pay on time.

9.2 In the aforementioned cases the Seller is entitled to charge interest on the amount outstanding from the due date for payment at the rate of 12 percentage points above the base rate of the Bank of Korea.

10. Lack of conformity

10.1 Buyer must notify Seller in writing if the goods do not conform with the Contract (e.g. defects, wrong shipment or quantity differences) within 2 weeks of receipt of the goods, precisely describing the nature and extent of the lack of conformity. If the lack of conformity cannot be determined without reasonable investigations such notice may be given within six months after receipt of the goods.

10.2 Buyer may declare the Contract void if Seller's breach is fundamental and Seller's remedy has not been performed within a reasonable time, or if Seller fails to deliver within the additional reasonable time granted by Buyer, or Buyer may request a reduction in the purchase price if delivery of substitute goods or remedy of the lack of conformity offered by Seller has not been performed within a reasonable period of time.

11. Liability

11.1 If Seller is not responsible for the lack of conformity, Buyer shall not be entitled to any claims for compensation.

11.2 Seller's liability for any loss or damages suffered by the Buyer shall be limited to the ordinary loss or damages caused by Seller.

11.3 For damages that have arisen through special circumstances, Seller's liability is limited to compensation for those foreseeable at the time of the conclusion of the contract. Seller's liability is further limited to the price of the supplies or services sold by the Seller. In no event shall Seller be liable for any special, consequential, indirect or exemplary damages.

12. Set off, Retention of Payment

A set off or retention of payment is only permitted if counterclaims exist which are either undisputed or adjudicated by final judgment.

13. Security

If there are reasonable doubts about Buyer's ability to pay, especially if he defaults, Seller may revoke credit periods and demand payment in advance or security for further supplies and services.

14. Retention of Title

14.1 Simple Retention of Title

The goods sold shall remain the property of the Seller until the price has been paid in full.

14.2 Expanded Retention of Title

In case Buyer has paid the purchase price for the goods delivered but not yet completely fulfilled other debts arising out of his business relationship with Seller, Seller retains, in addition, title to the goods delivered until all such outstanding debts have been completely paid.

14.3 Retention of Title with processing clause

In the event Buyer processes the goods delivered by Seller, Seller shall be considered manufacturer and shall directly acquire sole title to the newly produced goods. If the processing involves other materials, Seller shall directly acquire joint title to the newly produced goods in the proportion of the invoice value of the goods delivered by Seller to the invoice value of the other materials.

14.4 Free disposal of the goods owned by Seller

Buyer shall have in the ordinary course of business free disposal of the goods owned by Seller, provided that Buyer meets its obligations under the business relationship with Seller in due time.

14.5 Right of Access

At the request of Seller, Buyer shall provide all necessary information on the inventory of goods owned by Seller.

14.6 Late Payment

In the event of late payment by Buyer, Seller is entitled, without rescinding the sales agreement and without granting a period of grace, to demand the temporary surrender of the goods owned by Seller at Buyer's expense.

15. Force Majeure

Any incident or circumstances beyond the Seller's control such as natural occurrences, war, strikes, lock-outs, shortages of raw materials and energy, obstruction of transportation, breakdown of manufacturing equipment, fire, explosion, or acts of government shall relieve Seller from his obligations under the Contract to the extent Seller is prevented from performing such obligations. Seller shall not be liable to the Buyer in such circumstances. The same applies to the extent such incident or circumstance renders the contractual performance commercially impractical for Seller over a long period or occurs with suppliers of Seller. If the aforementioned incidents or circumstances last for a period of more than 3 months, Seller is entitled to withdraw from the Contract without the Buyer having any right to compensation whatsoever.

16. Place of payment

Regardless of the place of delivery of goods or documents, the place of payment shall be Seller's place of business.

17. Communication

Any notice or other communication required to be received by a party is only effective at the moment it reaches this party. If a time limit has to be observed, the notice or other communication has to reach the recipient party within such time limit.

18. Termination

In the event that Buyer becomes insolvent, is adjudged bankrupt or goes into receivership or liquidation or any petition is presented against the Buyer for bankruptcy, receivership or liquidation, the Seller is entitled, without prejudice to its other rights, to immediately suspend or terminate the Contract.

19. Jurisdiction

Any dispute arising out of or in connection with these General Conditions of Sale or the Contract shall be heard, at Seller's option, at the court having jurisdiction over Seller's principal place of business or Buyer's principal place of business.

20. Applicable law

The contractual relationship shall be governed by the laws of Republic of Korea without giving effect to the conflict of laws principles thereof. The provisions of the United Nations Convention on Contracts for the International Sale of Goods and the United Nations Convention on the Limitation Period in the International Sale of Goods, as amended, shall not apply to these General Conditions of Sale and are expressly disclaimed by the Parties.

21. Contract Language

If these General Conditions of Sale are made known to Buyer in another language, in addition to the language in which the Contract has been concluded ("Contract Language"), this is merely done for Buyer's convenience. In case of differences of interpretation, the version in the Contract Language shall be binding.

22. Severability

If any provision of these General Conditions of Sale or the Contract is determined to be invalid, illegal or unenforceable by any governmental entity, the remaining provisions of these General Conditions of Sale shall remain in full force and effect provided that the economic and legal substance of the transactions contemplated is not affected in any manner materially adverse to any party. In the event of any such determination, the parties agree to negotiate in good faith to modify the General Conditions of Sale or the Contract to fulfill as closely as possible the original intents and purposes hereof.