

GENERAL TERMS AND CONDITIONS - LINE IMPROVEMENT PROGRAM (LIP)

1. **Definitions:** Under these General Terms and Conditions, "Supplier" means *TaeguTec Ltd.*, a Korean corporation and/or any entity designated by it to achieve the subject matter purposes of the Line Improvement Program (LIP); "Purchaser" means the entity participating in the LIP and purchasing the Goods, including any successors thereof; "Goods" means the goods, products, services, advice, plans and/or materials manufactured, imported, supplied and/or delivered for or by Supplier to Purchaser; "Contract" means the contract concluded by Supplier and Purchaser for the supply of Goods for the purposes of the LIP, as specified in the LIP documents issued by Supplier, the Supplier Invoice, the Supplier Sales Confirmation documents or as otherwise contemplated therein, whether expressly or impliedly, including by actual acceptance of the Goods by Purchaser and/or by any payment therefor, whereby it is expressly agreed that the conclusion of which shall be deemed to constitute full consent to performing all transactions contemplated thereby on the sole and exclusive basis of these General Terms and Conditions unless otherwise confirmed in writing by Supplier.
2. **Payment:** Unless otherwise specifically agreed in writing, payment for Goods shall be due on or prior to the delivery date of Goods. Payments received after the due date specified in the Supplier invoice shall bear a service charge which will accrue from the due date of said Supplier invoice, at the maximum lawful interest rate applicable, and if none – at the annual rate of 5% above the base rate (as of the due date of the relevant payment) of the central bank of the place of Purchaser's incorporation. All payments shall be made to the Supplier's designated bank account in the same currency and for the same amounts as specified on the face hereof.
3. **Prices, Duties and Taxes:** Unless otherwise specifically agreed in writing, prices set forth herein are net, excluding packaging, and shall be deemed Ex-Works (Incoterms 2010 as amended). Prices are based, inter alia, on production costs for supplies, labor, deliveries, duties and services current on the order date. In the event of material increase in any such costs, Supplier reserves the right to either adjust the prices for Goods accordingly, or to cancel any certain part of the sales relating to undelivered Goods. Duties, taxes, fees, levies and other compulsory payments applicable to the sale of Goods at any time, as well as freight, express, insurance and delivery charges, shall all be borne and paid in full by Purchaser, unless otherwise expressly confirmed in writing by Supplier.
4. **Delivery:** a) Any delivery dates noted on the face of the Supplier Invoice, Sales Confirmation and/or delivery documents, are subject to reasonable adjustment by notice. b) The acceptance of shipment by a common carrier or by any licensed public truckman shall constitute proper delivery. Risk associated with the Goods shall pass to Purchaser on delivery, upon any collection of the Goods by the Purchaser, or with the passing of title in the Goods, whichever occurs first; provided however, that where delivery is delayed due to circumstances caused by or within the responsibility of Purchaser, risk of loss shall pass to Purchaser upon Supplier's notification that Goods are ready for dispatch. Unless otherwise specified in writing on the face of hereof, all charges, expenses or taxes associated with the delivery shall be paid by Purchaser.
5. **Independent Delivery:** Each delivery of Goods shall (without prejudice to Supplier's rights under clause 12) be considered a separate contract and the failure of any delivery shall not vitiate any contract as to deliveries of other Goods and payment therefor.
6. **Cancellation:** Orders manufactured in whole or in part, pursuant to Purchaser's specifications and/or for the purposes of the LIP, may not be cancelled except with Supplier's prior written consent, on terms which will indemnify and compensate Supplier from and against all losses. For the avoidance of any doubt, the LIP shall be implemented on an exclusive "TaeguTec" products basis, for as long as it may require achieve the LIP aspirations, and for no less than two years, subject to the terms of sections 14 and 15. During this time and for the two years following any termination of the LIP, Purchaser will not replace the Goods suggested by the Supplier with other interchangeable competing products, unless: Purchaser is able to demonstrate that (i) a competing product of similar designation and applicability actually reaches proved improvement of performance exceeding 30% by comparison to the Supplier's product; and (ii) the Supplier was notified accordingly and given an adequate prior opportunity to test both products and suggest alternative Company products.
7. **No-Assignment:** No rights or obligations of Purchaser arising out of this Contract may be assigned without the express prior written consent of the Supplier.
8. **Liability:** a) Unless the Supplier shall within 30 days after delivery of the Goods, receive from the Purchaser written notice of any matter or thing by reason whereof it is alleged that Goods are not in accordance with the Contract, Goods delivered shall be deemed to have been supplied, delivered and accepted in all respects in full conformity with the Contract and the Purchaser shall be entitled neither to reject the same nor to raise any claim for damages or for other remedy in respect of any alleged negligence and/or breach of warranty and/or any condition.
b) In any claim, brought subject to the conditions above, Purchaser must prove to the satisfaction of Supplier that it followed Supplier's instructions for use, care, storage, maintenance, handling and application of the Goods.
c) Unless otherwise specifically restricted by mandatory applicable law, Supplier's liability under any claim and in connection with any possible allegation, whether based on negligence, contract, or any other cause of action, shall be limited to either (i) the replacement of the Goods or the supply of equivalent goods; (ii) the repair, or payment of the cost of repair, of the Goods; or (iii) credit in an amount equal to the purchase price specified on the Supplier invoice, or in an amount of equivalent goods, all at Supplier's sole option. Purchaser acknowledges that the remedy available to him as specified herein, is in lieu of any remedies that may be otherwise available to him, now or in the future, whether in law or in equity, relating to any loss or damage, whether directly or indirectly, arising from the purchase and/or the use of Goods, including without limitation, any actual or contingent damages, loss of production, loss of profit, loss of use, loss of contracts or any other consequential or indirect loss whatsoever, whether pecuniary or non-pecuniary. Should any limitation on Supplier's liability hereunder be held ineffective under applicable law then Supplier's liability shall in any event be limited to the minimum amount of damages to which Supplier may limit its liability, where such is greater than the purchase price as specified on the Supplier invoice.
d) Purchaser, for himself and for any other party which may claim either under or through Purchaser, or independently of Purchaser, including Purchaser's employees, directors, officers, representatives, affiliates and personnel, shall indemnify and hold Supplier harmless, from and against any claim or liability for damages for negligence including but not limited to, any claim in connection with the design, manufacture, use, care, storage, delivery, application or maintenance of any Goods sold hereunder, whether alleged to have been committed by Supplier or by any other person whatsoever. Purchaser's undertaking as specified in these subsections 8(c) and 8(d) shall extend and inure to the benefit of Supplier and of Supplier's successors at any time, as well as to Supplier's affiliates, personnel, representatives, managers, directors and officers. Nothing contained herein shall take effect to exclude or limit liability where liability may not be excluded or limited under applicable law, including, without limitation, for death, personal injury and fraudulent misrepresentations.
e) Any and all warranties, undertakings, guarantees or assurances provided herein by Supplier, are specifically limited to Purchaser herein, and not imputed by Supplier, whether directly or indirectly, expressly or impliedly, to any other person or entity, including any subsequent Purchaser or user, bailee, licensee, assignee, employee and agent of Purchaser.
9. **Force Majeure:** Should Supplier be prevented from effecting deliveries of the Goods or any of them by reason of either an act of god, insurrection, riot, war hostilities, terror attacks, warlike operations, piracy, arrests, restraints or detentions by any competent authority, strikes or combinations or lock-out of workmen, fire, floods, droughts, earthquakes, permanent or temporary delay or inability to obtain labor, material or services through Supplier's usual and regular sources, or any other circumstances (whether of a nature similar to those specified, or not) beyond the absolute control of the Supplier, then, in each such cases, the obligation of the Supplier to effect deliveries hereunder shall be suspended until after such prevention shall cease to continue. Should any deliveries under this Contract be suspended under this clause for more than 90 days – either party may withdraw from this Contract and be relieved from any liability; provided however, that Purchaser shall nevertheless accept delivery and pay for such Goods once the Supplier is able to deliver in accordance with the period(s) of shipment named in this Contract. Supplier shall not be liable for, and be relieved from, any loss or damages of any kind resulting from the causes mentioned hereinabove.
10. **Warranty:** a) Supplier warrants that Goods sold hereunder meet their descriptions or specifications, subject to use, storage and application thereof in accordance with and based on Supplier's standard tolerances, instructions of use and recommendations.
b) Unless otherwise restricted by mandatory applicable law, THE WARRANTY SET FORTH HEREIN IS EXPRESSLY IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY AND ALL WARRANTIES OF MERCHANTABILITY, QUALITY AND FITNESS FOR USE AND FOR PURPOSE, ANY ADVICE AND RECOMMENDATION, AND ANY OBLIGATIONS OR LIABILITIES WHICH MAY BE IMPUTED TO SUPPLIER, ANY AND ALL OF WHICH ARE HEREBY EXPRESSLY DISCLAIMED, DENIED AND EXCLUDED. PURCHASER EXPRESSLY AGREES THAT NO WARRANTY THAT IS NOT SPECIFICALLY STATED IN THIS CONTRACT WILL BE CLAIMED OR OTHERWISE ADHERED TO BY PURCHASER AND/OR BY ANYONE ACTING ON PURCHASER'S BEHALF AND/OR BY ANYONE DERIVING THE LEGALITY OF ITS CLAIM FROM PURCHASER, NOR THAT WILL ANY SUCH WARRANTY BE VALID. SUPPLIER NEITHER ASSUMES NOR AUTHORIZES ANY OTHER PERSON TO ASSUME FOR IT ANY OTHER LIABILITY IN CONNECTION WITH THE SALE, USE OR HANDLING OF ANY AND ALL GOODS SPECIFIED IN OR CONTEMPLATED BY THIS CONTRACT. NO WARRANTY IS MADE WITH RESPECT TO ANY GOODS WHICH HAVE BEEN SUBJECT TO ACCIDENT, NEGLIGENCE, ALTERATION, IMPROPER CARE, IMPROPER STORAGE, IMPROPER MAINTENANCE, ABUSE OR MISUSE.
11. **Advice:** Any provisions specified or implied by herein, within the LIP or elsewhere provided by Supplier to Purchaser notwithstanding, any advice, recommendation, information, assistance or service provided by Supplier in relation to the Goods or in respect of their use or application is given in good faith, shall be deemed accepted by Purchaser without imputation of any liability to Supplier, and it shall be the responsibility of the Purchaser to confirm the accuracy and reliability of the same in light of the use of which the Purchaser makes or intends to make of the Goods.
12. **Default:** Upon failure of Purchaser to pay any amounts due hereunder, or in the event of any breach or anticipated breach by Purchaser of any contract with Supplier, or if Purchaser shall either (i) become insolvent, (ii) call a meeting of its creditors, or (iii) make any assignment for the benefit of creditors, or if (iv) a bankruptcy, insolvency, reorganization, receivership or reorganization proceeding shall be commenced by or against Purchaser, then, in each such occasion, Supplier may, at its sole discretion, opt to (1) cancel this and any other contract with Purchaser (without waiving any of Supplier's rights to pursue any remedy against Purchaser); (2) claim return of any Goods in the possession of Purchaser, the title of which has not passed to Purchaser; (3) defer any shipment hereunder; (4) declare forthwith due and payable all outstanding bills of Purchaser under this or any contract; and/or (5) sell all or part of the undelivered Goods, without notice at public and/or on private sale, while the Purchaser shall be responsible for all costs and expenses of such sale and be liable to Supplier for any shortfall in the discharge of the amounts due to Supplier.
13. **Retention of Title:** a) Title shall pass to the Purchaser only upon full payment by Purchaser of the price of the Goods and all other outstanding debt payable by Purchaser to Supplier (if any). Purchaser shall, at Supplier's request, take any measures necessary under applicable law to protect Supplier's title in the Goods, and lawfully notify the Purchaser's present or potential creditors of Supplier's title on and interest in the Goods.
b) Purchaser acknowledges that so long as title has not been transferred in the

Goods, it holds the Goods as bailee and fiduciary agent for the Supplier and shall safely and securely store and keep the Goods separate and in good condition, clearly showing the Supplier's ownership of the Goods and shall respectively record the Supplier's ownership of the Goods in its books.

- c) Notwithstanding the above, Purchaser may use Goods for its own use, or sell Goods, as fiduciary agent for the Supplier to a third party in the normal course of business by way of bona fide sale at market value, whereby the proceeds of such usage of Goods, or such sale, as the case may be, shall, to the extent of the amount being owed by Purchaser to Supplier at the time of receipt of such proceeds, be held by Purchaser on trust for Supplier and specifically ascertained, until payment in full for all payable debts by Purchaser to Supplier.
14. **Duration:** Unless otherwise agreed in writing the LIP shall continue for two years ("Term"). Upon the expiration of the Term, the LIP shall be automatically extended for successive and consecutive one-year periods (each – an "Extended Term") unless either of the Parties sends a prior written notice to the other Party at least three (3) months prior to the expiration of the Term or any Extended Term. In the course of extending the LIP, Supplier shall be entitled to offer a revision and/or amendment of any term or condition of the LIP, including but not limited to range of Goods, prices and any other terms and conditions included therein, provided that they will be adjusted to achieve the LIP aspirations.
15. **Termination:** Either Party shall have the right to terminate the LIP immediately, by written notice, prior to the expiration of the term hereof, upon the occurrence of any of the following events: the other Party's insolvency, adjudication of bankruptcy, written admission of inability to pay debts as they mature, assignment for the benefit of creditors application for or the consent to the appointment of any receiver or trustee in bankruptcy, filing of a voluntary petition in bankruptcy, readjustment of debt, dissolution, liquidation; or if a winding-up petition is filed against the other Party and is not cleared within 14 days; or if the other Party initiates winding-up proceedings or any other similar proceeding or if a receiver is appointed over the whole or any part of its assets; or if an attachment is levied or enforced against any of the substantial assets or property of the other Party and is not discharged within 14 days; or the other Party's material breach which is not cured and remedied within thirty (30) days following notice of such breach. Without derogating from the aforementioned, the Supplier shall be entitled to terminate the LIP at any time in good faith, by providing to the Purchaser prior written notice sixty (60) days before the actual date of termination ("Convenience Termination"). At the event of termination, Convenience Termination or expiration of the LIP, the Purchaser shall discontinue any use of the Supplier's or IMC Group's respective names and trademarks in advertising, promotion, premises, posters, placards, stationary, packaging and the like, within thirty (30) days of the expiration or effective termination date, as the case may be. Termination, Convenience Termination or expiration of the LIP shall be conducted in good-faith at all times, without prejudice to any obligations which were agreed and assumed by either of the Parties before the actual termination or expiration date.
16. **No Good-Will Payments:** Upon termination or expiration or non-renewal of the LIP for whatever reason, the Supplier shall not be obligated and/or shall be discharged from the obligation to compensate the Purchaser in any way including without limitation for goodwill payments, for any period of time, including but not limited to such periods during which the Parties hereto had been transacting prior to or after facilitating the LIP. In case that such payment or any other payment or compensation is or may become required by law, then the Purchaser shall be deemed to have already received such payment in full by reason of discount and/or rebates and/or advice and/or any other participation which was given by the Supplier throughout the duration of the LIP and the Supplier shall be relieved of any obligation or duty to make any such payment. Furthermore, the Supplier shall be entitled to set-off any payment due to the Purchaser as discount, rebate and/or advice and/or any other benefit, against any amount which is required to be paid to the Purchaser by law as compensation for the Purchaser's engagement with the Supplier. In the event that such compensation amount exceeds the amounts due to the Purchaser and available for setoff pursuant to this Section, the Supplier shall be entitled to claim restitution of any previous similar benefits granted to the Purchaser in the course of performing the LIP.
17. **Confidentiality:** "Confidential Information" for all purposes thereof and with respect to any of the Parties (in this section - "Discloser") shall mean any and all information of a proprietary or confidential nature which relates to the Discloser's business in any way or manner, and which is disclosed by Discloser to the other Party (in this section - "Recipient"), including but not limited to, any and all information identified by Discloser as trade secrets, designs, plans, drawings, manufacturing techniques, pricing, pricing data, marketing information, customer and/or suppliers lists and/or any other commercial and/or financial information of any type and nature. During the Term and any Extended Term of the LIP, and for a period of three years after the termination or expiration hereof (or with respect to any Confidential Information - so long as such Confidential Information remains a trade secret) – Supplier and Purchaser, each as a Recipient, shall not, directly or indirectly, disclose to, or use for the benefit of any person, corporation or entity, any Confidential Information; provided however, that neither of them, as a Recipient, shall be under obligation to keep confidential any information which (i) is available to the general public through no breach of the LIP; or (ii) was otherwise lawfully in the Recipient's possession prior to the time in which it was disclosed to the Recipient and as shall be proved by written records of the Recipient; or (iii) was independently developed by the Recipient; or (iv) is required to be disclosed pursuant to a final order of a competent judicial authority, from which no appeal is or can be made. Supplier and Purchaser, each as a Recipient, shall not use for their own benefit Confidential Information which belongs to Discloser or any part thereof, except as authorized in writing by Discloser. Recipient shall be entitled to disclose such Confidential Information of Discloser only to the Recipient's employees whose duties justify the need to know such Confidential Information of Discloser, and on the basis of a clear understanding with such employee of his obligation to protect the confidentiality of such Confidential Information. Confidential Information, as may be disclosed by either of the Parties hereto, shall remain the sole property of Discloser, shall be held by Recipient for the account of Discloser and shall be promptly returned to Discloser, upon the latter's request. Both Supplier and Purchaser acknowledge that a breach of any covenant contained herein by either Party will result in irreparable injury to the business of the other Party and that the remedies at law for such a breach will be inadequate. Accordingly, Supplier and Purchaser agree and consent that, in addition to all other remedies available to Seller at law and in equity, the Discloser, as the case may be, shall be entitled to both preliminary and permanent injunctions to prevent and/or halt a breach or threatened breach by either Party of any covenant contained herein.
18. **Intellectual Property:** The Purchaser acknowledges the Supplier's exclusive right, title and interest in and to the Company's confidential information, brand names, trade names, trademarks, copyrights, patents and all other intellectual property. Accordingly, the Purchaser agrees and irrevocably undertakes to refrain, at any time and for any purpose whatsoever, from infringing, contesting, disputing, challenging or otherwise questioning any such right, title or interest, nor shall it aid or allow others to do so, directly or indirectly. The Purchaser agrees and acknowledges that entering into the LIP, as well as disclosing to the Purchaser by the Supplier any confidential information belonging to the Supplier, or granting access thereto, shall not be construed to imply or affect any right, license or other interests in and/or in connection with the confidential information or the Supplier's proprietary rights, with no exception whatsoever, and the Purchaser specifically waives and relinquishes any and all claims, demands or requirements in connection therewith.
19. **Entire Agreement:** Unless expressly acknowledged and agreed in advance by the Supplier, these General Terms and Conditions shall be considered the sole and exclusive terms regarding the LIP. Any amendments, modifications, additions or adjustments to these Terms and Conditions must be approved in advance in writing by the Supplier. Nothing specified in, or referred to by, any other document, record or instrument whatsoever, which relates to and/or which otherwise subsists in connection with the transactions contemplated by the LIP, whether expressly or impliedly, including any Purchaser order, request or other standard or specific terms presented by the Purchaser and/or by its affiliates, shall or may be interpreted to attribute to Supplier and/or to Supplier's affiliates or representatives (i) any liability, obligation, commitment and/or undertaking, and/or (ii) any waiver in connection with or of any right, whether contractual, proprietary, in-personam and/or equitable, including but not limited to, any and all intellectual property rights in connection with the Goods, which are and shall always remain in the Supplier's exclusive and complete ownership under all circumstances whatsoever, notwithstanding any sale of the Goods hereunder and whether the Goods shall be standard Goods or manufactured to a specific order. The Purchaser shall refrain at all times and for whatever purpose from infringing, contesting, disputing or questioning such rights, patents, trademarks, titles or interests, nor shall it aid or allow others to do so, regardless of whether directly or indirectly. No modification or waiver of any provision hereof shall become valid and effective except upon a written instrument duly signed beforehand by Supplier. No waiver by either party of any default of the other party shall be deemed a waiver of any subsequent or other default. The English version of these General Terms and Conditions shall always be the governing and prevailing version thereof.
20. **Law and Arbitration:** These Terms and Conditions shall be governed by and construed in accordance with the laws of the jurisdiction of Supplier's incorporation and excluding the UN Convention on Contracts for the International Sale of Goods (CISG). Any dispute arising out of or in connection with this Contract shall be finally settled by arbitration in accordance with the Rules of Arbitration of the International Chamber of Commerce ("ICC"), as shall be in effect from time to time. The arbitration shall be held in English, at such location in the state of Supplier's place of business as shall be determined by Supplier, in its sole discretion. The arbitrator shall be mutually appointed by Supplier and Purchaser within 21 (twenty one) days following a written demand for arbitration by either of the parties. Failing to reach an agreement regarding the nomination of an arbitrator, the head of the relevant ICC national committee (located in the Supplier's country of incorporation; and absent such local committee in that specific country – the ICC UK Committee (www.iccuk.net)), shall appoint an arbitrator at the request of any of the parties, a copy of which request for the appointment of an arbitrator shall be provided by the requesting party to the other party. Awards may be enforced in accordance with the 1958 New York Convention and judgment may be entered upon any award in any court having jurisdiction over the parties and/or their assets. The arbitrator's fees shall be paid by both parties in equal parts, unless otherwise determined by the arbitrator. This provision shall survive any termination of any of the terms and conditions herein, and shall be deemed to constitute an independent arbitration agreement between Purchaser and Supplier for all purposes and intents.
21. **Acknowledgement:** Any acceptance of shipment and/or any services which are contemplated by the LIP, and/or any payment for any such or other goods or services, whether completely or partially, are and shall be deemed to constitute full consent to performing all transactions contemplated by the LIP and/or any order, contract or request, thereby exclusively on the basis of these Terms and Conditions.