

STANDARD TERMS AND CONDITIONS OF SALE AND DELIVERY

Of ICS Components Co., Ltd.

1. General

- 1.1 The following Standard Terms and Conditions of Sale and Delivery constitute an integral part of all of our contracts for sale and delivery. The Purchaser shall be deemed to confirm that this terms and conditions apply – also to subsequent transactions, if any – by receipt of this terms and conditions without objecting to them, but not later than on acceptance of delivery of our goods and services. The extent, price and terms of payment of the delivery are those given in detail in our written order confirmation.
- 1.2 Any supplementary oral understandings as well as the exclusions of, alterations of or amendments to these terms and conditions shall require the express written confirmation of our management in order to become effective. This shall also apply to any waiver of the written form requirement contained in the preceding sentence.
- 1.3 The application of any contradicting General Business Terms and Conditions of the Purchaser is objected to, even in the event that they are conveyed to us by a letter of confirmation or by other means.

2. Offers and Contracts

Our offers are not binding. All orders, including those received by our agents or other sales personnel shall be binding on us only upon our confirmation of the order in writing, or delivery of the goods.

3. Prices

- 3.1 All price quotations are in US Dollar, ex-works and include packing. Value-added Tax is not included, and will be charged only to the Korean domestic Purchaser at the statutory rate applicable at the relevant time. The relevant prices are those given in our order confirmation.
- 3.2 Shipping and transportation costs will be charged to the Purchaser separately or paid by the Purchaser.
- 3.3 Insofar as delivery is to be made later than thirty (30) days after conclusion of the contract, we reserve the right to charge the prices applicable on the day of delivery.

4. Payment and Settlement

- 4.1 Delivered goods are payable no later than on the due date stated in the invoice. In the absence of a specified due date, prices for goods are payable within fourteen (14) days of the date of the invoice net without deductions. The punctuality of payment is determined by the date on which we received the funds, or on which they are unconditionally credited to our account.
- 4.2 Checks and discountable, duly taxed bills of exchange will be accepted on account of payment. Bills of exchange, however, will be accepted only if this was expressly agreed. Bills of exchange and checks shall be credited to the Purchaser effective the date on which the funds are at our disposal. The usual bank discounting charges shall be borne by the Purchaser. In case payment of the purchase price is effective by financial means which the Purchaser has acquired by discounting a bill of exchange accepted by the Purchaser, the purchase price claim is fulfilled not until the Purchaser has honoured the bill of exchange.
- 4.3 On default of payment by the Purchaser, we shall be entitled to interest at the usual rate applied by banks for overdraft credits at any relevant time, but in no case less than at 8 percentage points above the base rate of the European Central Bank applicable at any relevant time. Lower interest rates are to be applied if they are proved by the Purchaser. We reserve all rights, in particular the right to claim damages caused by default, where they exceed the amount calculated in sentence 1.
- 4.4 If several claims are outstanding and a payment made by the Purchaser is not sufficient to discharge all outstanding claims, the discharge shall be effective in accordance with the statutory provisions, even if the Purchaser paid expressly on account of a specific claim.
- 4.5 The Purchaser's statutory right to set-off, if any, only applies to undisputed counter-claims or counter-claims finally adjudged by the court. Any statutory rights of withholding of the Purchaser, for example with respect to defects of goods, only apply to those undisputed counter-claims and counter-claims finally adjudged by the court which arise out of the same contractual relationship with us.

5. Delivery Dates, Non-Delivery, Default, Partial Delivery

- 5.1 Confirmed orders and delivery dates shall be subject to our receiving correct and timely deliveries from our suppliers in all cases. Terms and delivery shall only commence after all details of performance have been clarified, and all possibly necessary certificates have been produced by the Purchaser. Terms and dates of delivery shall be extended by any periods during which the Purchaser defaults on performance of his obligations to us.
- 5.2 Events of Force Majeure and circumstances beyond our control which render delivery impossible or unreasonably difficult for us to perform, as e.g. strike, lockout, mobilization, war, war-like circumstances, blockades, import and export restrictions, traffic restrictions, governmental measures, shortage of energy and raw materials inter alia, even if they occur during default, will entitle us to postpone delivery for the period of such impediment. Where the events lead to more than a mere temporary prevention of, or difficulty in performance, we may rescind the contract wholly or in part. The right to postpone the delivery and/or rescind the contract accrues regardless of whether the events listed in Sentence 1 and 2 occurs with us, or with any of our sub-contractors; our exercise of this right does not give rise to any claims for damages by the Purchaser.

6. Shipment, Passing of Risk, Retrieval

- 6.1 Unless otherwise agreed upon in writing, we shall ship the goods ex – possibly external – works or warehouse without insurance at the Purchaser's risk and expense. Shipment route and means of transportation shall be at our discretion. Insurance shall be taken out in favour of the Purchaser only upon his express written request, and at his expense. The assertion of claims for damages sustained during transportation shall be the responsibility of the Purchaser in any event.
- 6.2 The risk shall pass to the Purchaser upon surrender of the goods to the shipping agent or other party charged with the transportation. The same shall apply if we conduct the shipping ourselves.
- 6.3 If shipment is delayed due to our exercise of the withholding right on the Purchaser's default in making any or all of the payments, or due to any other reason for which the Purchaser is liable, the risk shall pass to the Purchaser no later than on the date on which the goods are reported to be ready for shipment.
- 6.4 Goods reported ready for shipment and due to be delivered, must be retrieved for shipment by the Purchaser immediately. Failing this, we shall be entitled to store the goods at the Purchaser's expense and to issue our invoice as for delivered goods.

7. Retention of Title

- 7.1 Title of all goods delivered by us shall be retained by us until all of our claims against the Purchaser arising out of our business relationship, including those arising in the future, have been satisfied. Where current accounts are maintained, title to the goods is deemed to secure our credit balance at a given time. This shall also apply if the Purchaser effects payment with respect to individual claims expressly specified by him.
- 7.2 The processing or re-working of goods subject to our title of ownership, is always deemed to be carried out for us as the manufacturers in pursuance of Korean Civil Law without any liability arising there from for us. If the goods are processed, re-worked or commingled with other goods by the Purchaser, we shall acquire an ownership share in the new objects to be determined by the value relationship between the goods subject to our title, and the value of the other products at the time of processing, re-working or commingling (the "value" is that accorded in the invoice). If our (co-)ownership ceases through the joining together or commingling with other products, the Purchaser hereby transfers and assigns his (co-)ownership rights in the final product to the extent of the value of the goods subject to our title of ownership to us in advance, and shall keep those goods in safe custody for us free of charge.
- 7.3 The goods subject to our title of ownership may only be resold by the Purchaser in ordinary course of business, on the usual terms and conditions, and only so long as he duly meets his payment obligations to us. The Purchaser shall resell the goods only under retention of title, and ensure that his claims from such resale can be assigned to us.
- 7.4 The Purchaser's claims arising from resale of the goods are hereby assigned to us in advance. They shall constitute security for us to the same extent as the goods subject to our title of ownership.
- 7.5 If the Purchaser sells the goods together with other goods not supplied by us, the assignment shall apply only to that part of the invoice price, which is attributable to the resale of the goods delivered by us.

- 7.6 In the event that the Purchaser integrates any claims resulting from the resale of the goods in to a current account with his customers, he hereby assigns to us any acknowledged or final credit balance in his favour in the amount equal to the total of all claims resulting from the resale of our goods and integrated into the current account as aforesaid.
- 7.7 The Purchaser shall be authorized to collect the claims from the resale of the goods as long as he duly meets his payment obligations to us. This authorization may be withdrawn by us at any time in the event of default on payment, discontinuance of payments, transfer of Purchaser's business to third parties, diminished credit- or trustworthiness, the dissolution of the Purchaser's company, or of a breach by the Purchaser of his contractual duties under Clause 7.3 hereof; however, in the event of default on payment, this authorization may be withdrawn only after expiration of a reasonable period of grace.
- 7.8 If the authorization to collect the claims is withdrawn, the Purchaser shall inform his customers for the assignment to us without on due delay and surrender to us all information and documentation required for the collection of the claims. Also, in this case he shall be obligated to surrender all assign to us any collateral for the claims against his customers to which he may be entitled.
- 7.9 If the value of the security existing for our benefit exceeds our claims secured thereby by more than 20% we are prepared to release, at the Purchaser's request, security of our choice equivalent to such excess value.
- 7.10 The Purchaser shall inform us without undue delay of any attachment or other legal or factual impairment of all danger to the goods or to other security existing for our benefit.
- 7.11 The Purchaser shall sufficiently ensure the goods to which we retain title against fire and theft. The Purchaser hereby assigns to us his claims, if any, under the insurance policies with immediate effect.
- 7.12 In the event of default on payment and of the cancellation of the purchase contract, the Purchaser hereby consents to our repossessing or having repossessed the goods owned by us which are in his position with immediate effect. Such repossession shall only constitute notice of cancellation of the respective contract of sale if we expressly confirm this.

8. Notification of Defects and Warranty

- 8.1 The Purchaser shall examine goods delivered without undue delay after receipt. Obvious defects must be reported within 7 days of receipt of the goods, other defects immediately after recovery, in writing, stating details of the order, invoice and shipment numbers, and, insofar as it is possible, accompanied by a reference sample. Failure to report defects in due form and time, shall be deemed approval of the goods with regard to the respective defect. Notification shall be deemed to be effected on the date of receipt by us.
- 8.2 Deviations from quality, amount, colour, processing and weight usual in commercial practice, do not qualify as defects. The over- or under-delivery of 5 % of the ordered goods qualifies as usual in commercial practice.
- 8.3 The Purchaser shall forward the defective goods to us or to an authorized workshop specified by us on demand.
- 8.4 If the complaint is justified, our warranty of defects shall be limited to the repair of deficient products free of charge or, at our discretion, to their replacement with new ones. If the repair or replacement fail, the Purchaser may, at his choice, rescind the contract or reduce the purchase price.
- 8.5 We are entitled to be released from our obligations under the warranty vis-à-vis the Purchaser, in that we may assign our warranty claims against the sub-contractors – even if they are denied – to the Purchaser. In this case, our obligations under the warranty shall only revived when litigation resorted to by the Purchaser against the sub-contractors were unsuccessful.
- 8.6 Claims for damages of the Purchaser based on defects of the goods, in particular for compensation for damage other than to the delivered goods as such (consequential damage), and claims for breach of contract, shall be excluded in accordance with Clause 9 of this contract.

9. Liability

- 9.1 We are liable without any restrictions according to the statutory provisions for all damages caused deliberately or due to gross negligence by our management or executives. In case of damages caused deliberately or due to gross negligence by other employees or agents or in case of breach of material contractual duties which are indispensable to the purpose of the contract due to slight negligence, any damage liability in accordance with the statutory provisions on our part is restricted to those damages which were foreseeable in terms of type and extent at the conclusion of the contract. Any other claims of the Purchaser for direct or indirect damages, regardless of their legal basis, are excluded. This exclusion of liability applies particularly, but not exclusively, to any damages arising out of the breach of contractual or pre-contractual duties as well as tortious conduct.
- 9.2 Our liability for the warranted characteristics, as well as any liability under the Korean Product Liability Code is not affected.

10. Resale of the Goods

Where our product has been expressly ordered, it may not be substituted by any other product. Our trademark, and any other distinctive feature, may not be connected with substitute products by reference in offers, price-lists, catalogues etc., or in any other way.

11. Statute of Limitation

Any and all claims of the Purchaser against us – irrespective of the legal ground on which they are based – shall be statute-barred after 6 months from the date on which the risk has passed, or from the date on which the claim may be arisen, whichever is the earlier. The statutory time limitations under Korean Civil Code and Product Liability Code, as well as the period after which a right is precluded pursuant to the Product Liability Code remain unaffected; for the remainder, the statutory time limitations pertaining to liability remain unaffected insofar as the damage was caused by the deliberate or grossly negligent conduct of the management and executive of our company.

12. Incoterms, Venue, Applicable Law

- 12.1 As far as not otherwise agreed upon in this standard terms and conditions of sale and delivery, the Incoterms shall be applicable in additions.
- 12.2 If the Purchaser is a fully qualified merchant, a legal person under public law or a separate estate under public law, Seoul, Republic of Korea shall be exclusive place of jurisdictions for all disputes directly or indirectly arising out of this contract. However, we are entitled to sue in any other court having jurisdictions.
- 12.3 The Laws of Republic of Korea shall apply. The provisions of the Hague Convention relating to a uniform law on the international sale of goods and the United Nations Conventions on Contracts for the International Sale of Goods (CISG) shall be excluded.

NOTE:

We will store and process data on our customers and purchasers on EDP insofar as this is required for the duly handling of the contractual relationship.