

GENERAL TERMS AND CONDITIONS

THE SALE OF THE GOODS AND SERVICES DESCRIBED ON THE FACE HEREOF (THE "GOODS") IS UPON THE FOLLOWING TERMS AND CONDITIONS, WHICH TOGETHER WITH THE PROVISIONS SPECIFIED ON THE FACE HEREOF SHALL CONSTITUTE THE ENTIRE CONTRACT (THE "CONTRACT") BETWEEN LOTTE FINE CHEMICAL, CO., LTD. (THE "SELLER") AND THE BUYER SET FORTH ON THE FACE HEREOF (THE "BUYER").

1. CONTRACT

1.1 This Contract shall become binding and enforceable against the Buyer when (i) signed or accepted by the Buyer or its agent; (ii) any instructions have been given to the Seller as to delivery or specifications of the Goods; (iii) a letter of credit has been opened; or (iv) the Buyer has paid for or accepted delivery of any part of the Goods, whichever is earlier.

1.2 This Contract, together with any master agreement between the Seller and the Buyer for the purchase and sale of the Goods, constitutes the entire agreement between the Seller and the Buyer and supersedes any and all prior offers, negotiations and agreements between the Seller and the Buyer (including the Buyer's purchase order or contract). No amendment, modification, rescission, discharge, abandonment, trade custom, course of dealing, prior performance, understanding, waiver or supplement to these terms and conditions shall be binding unless made in writing and signed by the Seller.

2. PRICE

2.1 Unless otherwise specified in writing, all prices stated herein are (i) fixed and not subject to any discount, rebate or modification and (ii) exclusive of any taxes, banking charges, stamp fees, collecting commissions and other expenses relating to performance of this Contract, and such taxes and expenses shall be borne and paid solely by the Buyer.

2.2 At any time prior to shipment, the Seller may, upon written notice to the Buyer, change the price, transportation or payment terms specified herein effective on the date set forth in such notice. Buyer's failure to make written objection to any such change within ten (10) days of such notice shall be deemed acceptance thereof. If the Buyer makes an objection within 10 days thereof, the Seller may either terminate this Contract, without any liability, or supply the Buyer upon such terms as were in effect immediately prior to the purported change.

2.3 All additional, new and/or increased customs, duties, taxes, fees, charges, freight, freight surcharges, insurance premiums, import and export surcharges and/or other extra expenses which become payable relating to performance of this Contract shall be borne by the Buyer, even if the Goods are sold on any terms such as "Duty Paid" terms and, upon the Seller's demand, the Buyer shall immediately reimburse the Seller for any subsequent increase in costs of performance by reason of such additional or increased taxes, fees and other charges as well as unforeseen increase in the cost of the Goods to the Seller or force majeure events described in Clause 9 herein. The amount of such increase as computed by the Seller shall be conclusive.

3. PAYMENT

3.1 Payment from the Buyer to the Seller shall be deemed to be duly made when the Seller has actually received such payment in the currency stipulated on the face hereof, without set-off, counterclaim, condition or qualification and free and clear of and without any deduction or withholding whatsoever.

3.2 If payment for the Goods is to be made by a letter of credit, the Buyer shall establish within seven (7) days after the date of this Contract in favor of the Seller an irrevocable, confirmed and transferable letter of credit, in a form and substance acceptable to the Seller and available for beneficiary's draft drawn at sight. Said letter of credit shall be opened by an internationally reputable first class bank satisfactory to the Seller, without restricting the negotiating bank, negotiable for up to 110% of the full contract amount and shall be valid for at least fifteen (15) days after the last day of the shipping month stipulated on the face hereof and shall also provide for availability of partial shipment and transshipment. Said letter of credit shall refer to this Contract number and shall authorize the reimbursement to the Seller for such sums, if any, as may be advanced by the Seller for inspection fees and other expenses incurred by the Seller on the Buyer's account.

3.3 Unless otherwise specified in writing, in the event the Buyer fails to make any payment when due, the Buyer shall pay interest to the Seller on any overdue amount at the rate of eighteen percent (18%) per annum or at the enforceable maximum legal rate of interest available in the Buyer's country calculated daily on the actual outstanding amount on each given day from the due date for such payment until the date when the Seller receives such payment.

3.4 Any payment received from the Buyer may be applied by the Seller against any payment obligation owing by the Buyer to the Seller under this or any other contract, regardless of any statement or condition appearing thereon or referring thereto.

3.5 If the Seller believes that any amount due or to become due to the Seller will not be duly paid, upon the Seller's request, the Buyer shall provide adequate security satisfactory to the Seller covering such amounts.

4. DELIVERY

4.1 Unless otherwise specified on the face hereof, the Goods are sold FCA shipping point (under the International Rules for the Interpretation of Trade Terms, 2000 Edition, ICC Publication No. 560 and its Supplements ("Incoterms")) and acceptance by a common carrier shall constitute a delivery to the Buyer. The Goods involved and held at the Buyer's request at any place, for whatever reason, shall be at the Buyer's sole risk and account. Delivery of any installment of the Goods within thirty (30) days after the date specified therefor shall constitute a timely delivery.

4.2 In case the Seller is responsible for arranging transportation hereunder, the timing of the shipment shall be subject to shipping space being available. If the Buyer is required to arrange the shipment, the Buyer shall provide necessary shipping space on berth terms and give shipping instructions in a timely manner. Otherwise, the Seller may either (i) make such shipping arrangements, including prepayment of freight for the Buyer's risk and account, without prejudice to the Seller's other rights or (ii) postpone the shipment of the Goods with costs of storage borne by the Buyer and if, within 30 days from the date of the scheduled shipment, the Buyer does not make arrangements for such shipment, the Seller may terminate all or part of this Contract without prejudice to the Seller's right to recover damages from the Buyer resulting from such termination.

4.3 Transshipments and partial shipments shall be allowed at the Seller's option. In case of partial shipments, each lot shall be regarded as a separate and independent contract.

4.4 The date of the bill of lading (or the receipt by a common carrier) shall be accepted as conclusive of the date of shipment.

4.5 Unless otherwise specified in writing, all costs, expenses and damage in connection with discharge of the Goods, including demurrage, shall be borne by the Buyer.

5. TITLE AND RISK OF LOSS. Unless otherwise specified in writing, title to the Goods shall pass to the Buyer only upon payment of the full price to the Seller for the Goods. Furthermore, unless otherwise specified in writing, risk of loss for all Goods shall pass to the Buyer FCA shipping point (under Incoterms).

6. INSURANCE

6.1 Unless otherwise specified in writing, the Seller shall provide insurance for an amount equivalent to one hundred and ten percent (110%) of invoice amount. Any additional insurance requested by the Buyer shall be on the Buyer's account and shall be added to the invoice amount for which the letter of credit and/or terms of payment shall provide accordingly.

6.2 If the Buyer is required to provide marine insurance, the Buyer shall provide open cover or provisional insurance before the time of shipment and the letter of credit shall clearly exempt the Seller from providing insurance certificates. If the Buyer is to provide marine insurance under D/P or D/A payment terms, the Buyer shall inform of open policy number and the name of insurance companies before the time of shipment.

7. NO WARRANTIES. ALL EXPRESS, STATUTORY OR IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTIES, ARE HEREBY EXCLUDED AND DISCLAIMED. In addition to the foregoing, all warranties, conditions and other terms implied by statute, common law or any other source of law which might be applicable to this Contract or the Goods are, to the fullest extent permitted by law, excluded from this Contract as they may apply to the Seller. To the extent that the Seller receives or has received the benefit of any guarantee or warranty from the supplier or manufacturer of the Goods, the Seller agrees that it shall use its reasonable endeavors to transfer such guarantee or warranty to the Buyer and the Buyer agrees that it shall not raise any dispute, demand or seek compensation of any nature whatsoever from the Seller in respect of any loss, damage, expenses, consequences of any nature whatsoever if any suffered or incurred by the Buyer on account of defect in design, material or workmanship or defect of any nature whatsoever in the Goods or on account of breach of any guarantee or warranty relating to the Goods. Any claim in this regard shall be raised directly by the Buyer to the supplier or manufacturer, as the case may be, and any compensation, damage, refund or similar payment to which the Buyer becomes entitled shall be borne and paid solely by such supplier or

manufacturer.

8. LIMITATIONS ON SELLER'S LIABILITIES

8.1 In no event shall the Seller or its affiliates, officers, agents and employees be liable for (i) any special, indirect, incidental, consequential or punitive damages and/or (ii) any personal injury and/or property damage arising out of the possession, use or sale of the Goods (or products made therefrom) by the Buyer or others, and the Buyer assumes responsibility for and shall indemnify the Seller against any liability for such injury or damage.

8.2 The total cumulative liability of the Seller for any and all claims shall in no event exceed the price of the Goods with respect to which such claim or claims are made. In the event of (i) non-delivery or (ii) delivery more than thirty (30) days after a scheduled delivery date, the Seller's liability shall not exceed the fair market value of the Goods in question on the Contract date less the Contract price of such Goods.

9. FORCE MAJEURE. The Seller shall not be in breach of this Contract, nor be liable for any delay or failure in performance of any of its obligations hereunder or destruction or deterioration of any or all of the Goods, arising from or attributable, directly or indirectly, to events, acts, omissions or accidents beyond its reasonable control, including, but not limited to (i) acts of God; (ii) fire, explosion, accidents; (iii) armed conflict or threat thereof, civil commotion, terrorist attack, epidemic, other outbreak of state emergency; (iv) labor disputes, strikes, riots, significant shortages of labor; (v) considerable fluctuation of prices or wages, significant change in exchange rates, economic crisis affecting the geographic area(s) pertaining to this Contract; (vi) shortage of energy supply or raw materials, unavailability of transport facilities or loading or discharging facilities, port congestion; (vii) embargo, boycott, imposition of sanctions, import ban, refusal to issue import licenses, other restrictions imposed by laws, regulations, orders or acts of any governmental or regulatory authority; or (viii) bankruptcy, insolvency or inability to perform duties on the part of the manufacturer, supplier or any entity directly or indirectly connected with the manufacture, sale or delivery of the Goods. Upon occurrence of any such force majeure event, the Seller shall have the right to cancel forthwith the whole or part of this Contract by giving notice thereof to the Buyer. The Buyer shall accept any delay in shipment or delivery of any or all of the Goods and/or shall accept the said cancellation. In any such case, the Seller shall not be liable for any loss or damage caused thereby.

10. INTELLECTUAL PROPERTY. Nothing herein shall be construed as passing ownership or giving the right of use of any intellectual property rights, as such ownership and rights are expressly reserved to the lawful owner(s) thereof. The Seller shall not be liable for any infringement and/or claim in any jurisdiction with regard to any models, trademarks, trade names, service marks, designs, copyrights, patterns, and any other intellectual property rights in relation to the Goods. The Buyer shall settle any such claim at its own expense and shall indemnify and hold the Seller harmless from any and all losses, obligations, liabilities, costs and expenses arising out of or in connection with any such claim.

11. SELLER'S REMEDIES. In the event (i) the Buyer or any entity affiliated with the Buyer fails (or admits or manifests its inability) to perform any of its obligations under this or any other contract with the Seller or any of its affiliates; (ii) the Buyer dies or becomes insolvent; (iii) a bankruptcy, dissolution, reorganization, rehabilitation or similar proceeding is instituted by or against the Buyer or any of its major affiliates; (iv) a receiver or trustee is appointed for any property of the Buyer or the Buyer makes any assignment for the benefit of its creditors; (v) the Buyer engages in a criminal act; (vi) the Seller has reasonable grounds to believe that the Buyer is unable to perform its obligations under this Contract; (vii) any dispute and/or claim arises in connection with the intellectual property rights discussed in Clause 10 herein; (viii) any governmental authority in any way restricts or limits the Seller's price or any payment to the Seller; or (ix) any other condition occurs that affects or has a high probability of affecting in a materially negative way the Seller or its affiliates, the Seller shall be entitled to unilaterally and without any liability (1) terminate forthwith this Contract, (2) stop and/or suspend performance of any and all of its obligations under this and/or any other contract with the Buyer; (3) extend the time of delivery hereunder; and/or (4) hold or dispose of any or all of the Goods on the Buyer's own risk and account. In addition, all sums, together with the interest thereon and any other indebtedness owing to the Seller under this and any other contract with the Buyer, shall, at the Seller's discretion, immediately become due and payable and the Buyer shall be liable to the Seller for any loss and damage, including consequential and incidental damage, arising therefrom. Any property held for the Buyer or its affiliates which is in the possession of the Seller or any of its affiliates (whether paid for or not) shall be deemed security for the Buyer's obligations hereunder.

12. COMPLIANCE WITH LAWS. The Buyer shall perform its obligations under this Contract and all Goods delivered hereunder shall be at all times in strict compliance with all applicable laws, rules, regulations, treaties and other requirements imposed by Republic of Korea, the Buyer's country and end-user's country.

13. JURISDICTION. This Contract shall be construed under and governed by the laws of Republic of Korea. The trade terms used herein, unless context requires otherwise, shall be interpreted under the provisions of Incoterms as prevailing on the date of the shipment of the Goods hereunder.

14. ARBITRATION. All disputes, controversies or differences which may arise between the Seller and the Buyer out of or in connection with this Contract shall be settled by arbitration in Seoul, Korea in accordance with the Commercial Arbitration rules of the Korean Commercial Arbitration Board. The award of the arbitrator(s) shall be final and binding upon both the Seller and the Buyer.

15. EXPORT CONTROL. If the Goods and/or technology contained therein are re-exported or re-sold to the end-user(s), the Buyer shall advise the Seller prior to the shipment by the Seller of the intended final destination and end-user(s). The Buyer shall at all times conduct its operations as well as re-export and resale of the Goods and/or technology contained therein in strict compliance with all applicable existing and future laws, rules and regulations. The Buyer shall be responsible for obtaining all approvals, permits or licenses as may be required in connection with any re-export and resale of the Goods and/or technology contained therein.

16. MISCELLANEOUS

16.1 The Buyer shall not (and shall cause its employees or agents not to) directly or indirectly disclose by any means to any person any information acquired as a consequence of this Contract associated with any business, affairs, property or intellectual property of the Seller without the Seller's prior written approval, except as is absolutely necessary for performance of this Contract. Upon request, the Seller shall release the Buyer from its non-disclosure obligations hereunder with respect to information which was or became without violation hereof generally available to the general public or is required to be disclosed by law, court order or legal process. The Buyer shall promptly notify the Seller of such court order or legal process.

16.2 Any notice, request, consent or demand to either party shall be given in writing, by hand delivery, mail or facsimile to the address of such party set forth on the face hereof.

16.3 Nothing contained in this Contract will be construed to create a partnership or joint venture among the Seller and the Buyer.

16.4 Neither this Contract nor any rights or obligations hereunder shall be assigned or delegated by the Buyer without the Seller's prior written approval. Any attempted assignment or delegation without such approval shall in no event relieve the Buyer in whole or in part of its obligations hereunder. The Seller may assign this Contract or any rights hereunder without the consent of the Buyer.

16.5 Any and all of the rights and remedies conferred upon the Seller under this Contract shall be cumulative and in addition to, and not in lieu of, the Seller's rights and remedies granted at law and equity, all of which rights and remedies are fully reserved by the Seller. A failure by either party to enforce at any time any provision hereof shall not constitute a waiver of such provision or of the right of such party thereafter to enforce such provision.

16.6 If any provision hereof is invalid or unenforceable in any jurisdiction, then, to the fullest extent permitted by law (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Seller in order to carry out the intentions of the parties hereto as nearly as may be possible; and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

16.7 The Buyer agrees to pay any and all attorney's fees, as well as any other costs and expenses, that may be incurred by the Seller in order to enforce any of the terms and conditions hereof.

16.8 The headings in this Contract are for purposes of reference only and shall not affect the meaning hereof.

The United Nations Convention on Contracts for the International Sale of Goods (1980) shall not apply to this Contract, the respective rights and obligation of the parties hereunder, performance hereof, or any aspect of any dispute arising therefrom.