

SUPPLY AGREEMENT

This Supply Agreement (the Agreement) is made and entered into this _____ day _____ by and between _____, a corporation organized and existing under the laws of _____ having its registered office at _____ ("Purchaser") and _____, a corporation organized and existing under the laws of the Republic of Korea having its registered office at _____ ("Supplier").

WITNESSETH :

WHEREAS, Supplier possesses technical information and manufacturing skills with respect to _____ ; and
WHEREAS, Purchaser desires to purchase from Supplier on a deferred payment basis and Supplier agrees to manufacture and supply on a deferred payment basis to Purchaser, a certain quantity of _____ as more specifically described herein (the "Commodities") upon the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the premises and mutual covenants hereinafter contained the parties hereby agree as follows :

ARTICLE 1. DEFINITIONS

In addition to the terms defined above, as used herein the following terms shall have the meanings set forth below :

"Bill of Lading" shall mean the bill of lading issued with respect to each shipment of the Commodities.

"Banking Day" shall mean a day on which banks are open for business in Seoul, London and New York.

"Certificate of Acceptance" shall have the meaning set forth in Article 6.02

"Contract Price" shall mean the aggregate amount of the instalments and the Principal Amount to be paid by Purchaser to Supplier hereunder, which such amount is _____ United States Dollars (US \$ _____).

"Default Rate" shall mean _____ percent (_____ %) per annum.

"Dollars" and the sign "\$" shall mean dollars in the lawful currency of the United States.

"Effective Date" shall have the meaning set forth in Article 16.

"Event of Default" shall have the meaning set forth in Article 9.01

"Factory" shall have the meaning set forth in Article 2.02

"First Instalment" shall mean the first payment to be made by Purchaser hereunder which such payment shall be in the amount of _____ Dollars(US\$ _____).

["Guarantor" shall mean a first class international bank satisfactory to Supplier.] (주1)

"Instalments Payable on or before the last Shipment" shall mean, collectively, the First Instalment, the Second Instalment and the Third Instalment [.....], (주2)

"Interest Payment Date" shall mean the last day of each Interest Period.

"Interest Period" shall mean the period beginning on the last Shipment Date and having a duration of six (6) months and each period thereafter commencing on the last day of the then current Interest Period and having a duration of six(6) months.

"Interest Rate" shall mean _____ percent (___ %) per annum.

"Last Shipment Date" shall mean the final Shipment Date set forth in Schedule III hereto.

["Letter of Guarantee" shall mean the irrevocable and unconditional guarantee to be issued by the Guarantor guaranteeing the payment of all sums due and payable under the Notes, substantially in the form of Exhibit satisfactory to Supplier and its counsel.] (ㄹ1)

"Notes" shall mean the promissory notes of Purchaser evidencing the Principal Amount which such notes shall be substantially in the form of Exhibit A hereto and in any event in form and substance satisfactory to Supplier and its counsel.

"Payment Date" shall mean each of the _____ consecutive semi-annual dates occurring on _____ and ___ of each year, the first Payment Date being _____, 19_____ and the last Payment Date being _____, 19_____

"Principal Amount" shall mean _____ Dollars (US\$ _____) and in any event, the amount equal to _____ percent (___ %) of the Contract Price.

"Second Instalment" shall mean the second payment to be made by Purchaser hereunder, which such payment shall be in the amount of _____ Dollars(US\$ _____).

"Shipment Date" shall mean the date entered on the Bill of Lading with respect to each shipment of the Commodities.

(ㄹ1) References to "Guarantor" and "Letter of Guarantee" of "Stand-by Letter of Credit" and "L/C Banks" should be included in this Agreement in accordance with the kind of security required by Supplier and Exim Bank.

(ㄹ2) If necessary, there can be more Instalments according to the nature of the Agreement.

"Specifications" shall mean the specifications to be used for the manufacture of the Commodities as more specifically set forth in Schedule II.

["Stand-by Letter of Credit" shall mean the irrevocable stand-by letter of credit to be issued by the stand-by L/C Bank securing payment of an amount representing principal, interest and, up to a certain limit, default interest under the Notes, substantially in the form of Exhibit C hereto and in any event in form and substance satisfactory to Supplier and its counsel.] (ㄹ1)

["Stand-by L/C Bank" shall mean _____ (name) _____ .]

"Third Instalment" shall mean the third payment to be made by Purchaser hereunder which such payment shall be in the amount of _____ Dollars (US\$ _____).

ARTICLE 2. THE COMMODITIES

2.01 Description

The description, quantity and unit price of the Commodities to be supplied by Supplier to Purchaser

hereunder shall be as set forth in Schedule I attached hereto. All prices stated herein are CIF _____ .

2.02 Specification

The Commodities shall be manufactured in accordance with the Specifications set forth in Schedule II hereto. Manufacture of the Commodities shall occur at _____ (the "Factory"), or such other place as Supplier shall notify Purchaser. Supplier may, at its own risk, subcontract any part of the work undertaken hereunder without prior consent of Purchaser.

2.03 Samples

Supplier shall within _____ () days after the Effective Date in accordance with Purchaser's written instructions produce such samples of the Commodities as Purchaser may reasonably require. The unit prices to be paid by Purchaser for the samples shall be determined by mutual agreement of the parties prior to the manufacture thereof. The samples may be altered, adapted or otherwise changed as Purchaser may reasonably demand to meet its requirements. Upon manufacture of the samples to the satisfaction of Purchaser, Purchaser shall notify Supplier in writing of its acceptance thereof, and thereafter full commercial production of the commodities shall begin.

ARTICLE 3. PAYMENT

3.01 Terms of Payment

The Contract Price shall be in an amount not exceeding _____ United States Dollars (\$) and shall be paid by Purchaser to Supplier in Dollars as follows :

(a) The Instalments Payable on or before the last Shipment.

The First Instalment of _____ U.S. Dollars (US\$ _____) shall be paid within fifteen (15) days after the Effective Date. The Second Instalment of _____ Dollars (US\$ _____) shall be paid upon the _____ (th) Shipment Date set forth in Schedule III hereto or on whichever comes earlier. The Third Instalment of _____ Dollars (US\$ _____) shall be paid upon the _____ (th) Shipment Date set forth in Schedule III hereto or on the _____ (th) _____ whichever comes earlier. Purchaser shall remit the full amount of each of the Instalments in immediately available funds by telegraphic transfer to the account of the Export-Import Bank of Korea with Bankers Trust Company New York, U.S.A. (Account Number 04-029-695) in favor of the Supplier.

(b) Principal Amount

The Principal Amount shall be paid in _____ () equal (or as nearly equal as possible) semi-annual instalments one such instalment being payable on each Payment Date. The last instalment shall in any event be in the amount necessary to pay in full the Principal Amount outstanding. The Principal Amount and interest thereon shall be evidenced by and paid in accordance with the Notes which shall be executed and delivered by Purchaser to Supplier pursuant to Section 4.01 hereof.

(c) Interest

Supplier agrees to pay interest on the Principal Amount outstanding from time to time on each

Interest Payment Date for the Interest Period then ending at the Interest Rate. Interest shall accrue on the basis of the actual number of days elapsed and a year of 360 days. Interest shall accrue from and including the first day of an Interest Period to but not including the last day of such Interest Period.

3.02 Prepayment

Purchaser may, without premium or penalty and upon the giving of thirty (30) days prior written notice to Supplier, prepay, in whole or in part, the Principal Amount on any due date of a Note, provided that such prepayment is accompanied by payment of all interest and other amounts then due hereunder. Partial prepayment shall be credited against payment instalments of the Principal Amount in inverse order of maturity.

ARTICLE 4. SECURITY

4.01 Notes

Purchaser shall, within three (3) Banking Days before the Last Shipment Date, duly execute and deliver to the Supplier _____ () Notes respectively numbered "1" to " _____ " inclusive, evidencing the Purchasers' obligation to pay to the Supplier the Principal Amount plus interest thereon.

4.02 Guarantee [Stand-by Letter of Credit]

Within three (3) Banking Days before the Last Shipment Date, Purchaser shall furnish Supplier with the Guarantee

[Stand-by Letter of Credit] duly executed by the Guarantor [Stand-by L/C Bank].

ARTICLE 5. SHIPMENT

5.01 Shipment Schedule

Supplier shall cause shipment of the Commodities at any Korean port reasonably designated by Supplier not later than the end of each month commencing from ___ to _____ in accordance with Schedule III attached hereto. The Last Shipment Date shall be made not later than _____, excluding delays due to such causes as defined in Article 7 hereof.

5.02 Shipping Advice

Shipping advice shall be given by Supplier to Purchaser promptly after the on-board date of the Bill of Lading and shall contain such information as the contract number, loading port, brief description of the Commodities shipped, name of vessel, expected time of arrival, invoice amount of shipment, and the name of the claim settling agent (if necessary) in Korea.

5.03 Title and Risk of Loss

Title to and risk of loss of the Commodities shall pass to Purchaser when the Commodities have effectively passed the ship's rail at the port of shipment.

5.04 Packing and Marking

Commodities shall be packed in accordance with standard export packing methods and shall be marked in accordance with the reasonable instruction of Purchaser.

5.05 Insurance, Freight, Export License

Supplier shall be responsible for insuring against all risks in maritime transportation from the time the Commodities effectively pass the ship's rail at the port of shipment and shall pay freight for the maritime transportation of the Commodities. Supplier at its own expense will obtain all necessary permits or licenses to export the Commodities prior to the relevant Shipment Date thereof.

ARTICLE 6. INSPECTION

6.01 Time and Place of Inspection

Prior to each Shipment Date, Purchaser or its agent or representative shall at its own expense inspect the Commodities at the Factory or such other place as may be notified by Supplier to Purchaser, Supplier shall provide Purchaser with all reasonable assistance in conducting the inspection, Supplier shall give Purchaser ____ days prior notice of the date on and the place at which the relevant Commodities will be ready for final inspection. If Purchaser fails to conduct inspection at such place within ____ days from the date stated in Supplier's notice, Supplier may conduct the final inspection without Purchaser being present, and in such case the Purchaser shall be obligated to accept such Commodities as are determined by Supplier to be in conformance with this Agreement.

6.02 Result of Inspection

Any Commodity or any accessory or part thereof failing to comply within _____ % of the Specification shall be deemed a defective Commodity and Supplier shall replace such Commodity, accessory or part with a conforming Commodity, accessory or part at its own expense. For inspected Commodities deemed to be conforming with the Specifications, Purchaser shall issue to Supplier a written certificate substantially in the form of Schedule IV to that effect (the "Certificate of Acceptance"), and such issuance shall constitute Purchasers final and binding acceptance of the Commodities so inspected.

ARTICLE 7. FORCE MAJEURE

7.01 Cause of Delay

If the performance of this Agreement by any party, or of any obligation under this Agreement, is prevented, restricted, or interfered with by reason of war, typhoon, revolution, civil commotion, acts of public enemies, blockade, embargo, strikes, lockouts, any law, order, proclamation, regulation, ordinance, demand or requirement having a legal effect of any government, or any other act whatsoever, whether similar or dissimilar to those referred to in this clause, which are beyond the reasonable control of the party affected or its sub-contractor, including weather, then the party so affected shall, upon giving prior written notice to the other party, be excused from such performance to the extent of such prevention, restriction or interference, provided that the party so affected shall use its best effort to avoid or remove such causes of nonperformance, and shall continue performance hereunder with the utmost dispatch whenever such causes are removed. Upon such circumstances arising, the parties shall

meet forthwith to discuss what (if any) modification maybe required to the terms of this Agreement, in order to arrive at an equitable solution.

7.02 Excessive Delay

If the total accumulated time of all delays with respect to each shipment on account of the causes specified in Section 6.01 of this Article aggregates or can reasonably be expected to aggregate one hundred and fifty (150) calendar days or more, then in such event either party may terminate this Agreement in accordance with the provisions of Article 9 hereof.

ARTICLE 8. WARRANTY

8.01 Warranty Terms

Subject to the limitations set forth below, Supplier warrants that the Commodities will be free from defects in material and workmanship and undertakes to repair or replace free of charge any defective parts, including repaired or replaced parts, in the Commodities, provided, however, that the parties expressly acknowledge and agree that this warranty is limited to only such defects in the commodities which are (I) due solely to defective material and/or poor workmanship on the part of supplier and/or its sub-contractors. (II) discovered within twelve (12) months after the shipment date of the applicable commodity and (III) for which notice thereof is duly given to supplier as provided in article 8.02 below.

8.02 Notice of Defects

Purchaser shall notify Supplier in writing, or by telex confirmed in writing, within thirty (30) days after discovery of any defect for which claim is made hereunder. Purchaser's failure to give Supplier such notice within thirty (30) days after discovery of the defect shall constitute an absolute, irrevocable and unconditional waiver of any and all claims arising out of or in any way connected with such defect.

8.03 Remedy of Defects

Upon receipt of notice, Supplier shall promptly deliver the replacement part(s) free of charge C.I.F. ____, or such other port as may be reasonably designated by Purchaser.

8.04 Disclaimer

Purchaser expressly acknowledges and agrees that the warranty contained herein shall not extend to material which ages or deteriorates due to ordinary wear and tear, or to defects or conditions caused, in whole or in part, by deficiencies in supplies, service, or facilities furnished by purchaser. In addition, this warranty does not extend to commodities that have been altered or repaired by personnel unauthorized by supplier, or which have been subjected to misuse, neglect, improper maintenance, accident, or improper installation or storage by purchaser, its customers or personnel acting at purchaser's direction or behalf.

8.05 Purchaser's responsibility

Purchaser shall indemnify and hold Supplier harmless against any and all claims, proceedings, losses, liabilities, suits, judgments, costs : expenses, penalties or fines for injury or damage to any property or

person arising out of or in any way connected with the Commodities. For so long as this Agreement shall remain in force, Purchaser shall procure from a reputable insurance company a Comprehensive General Liability Insurance policy (or its equivalent) in the minimum amount of US \$ _____, per occurrence, and shall at its own expense cause Supplier to be listed as a named insured in such policy.

8.05 Service Engineer

Upon Purchaser's request, Supplier shall dispatch a service engineer to a location reasonably designated by Purchaser to assist Purchaser in providing efficient service to its customers for the period of warranty hereunder. Purchaser shall pay to Supplier all costs associated with such service engineer including but not limited to, salary, transportation, communications, and housing.

ARTICLE 9. DEFAULT

9.01 Event of Default

Each of the following events and occurrences shall constitute an event of default ("Event of Default") :

- (a) Purchaser fails to pay on the due date any of the First Instalment, Second Instalment or Third Instalment.
- (b) Purchaser rejects any shipment of the Commodities following the issuance of a Certificate of Acceptance with respect to such shipment.
- (c) Purchaser fails to execute and deliver the Notes in accordance with Article 4.01 or the Guarantor [L/C Bank] fails to execute and deliver the Letter of Guarantee [Standby Letter of Credit] in accordance with Article 4.02
- (d) Purchaser fails to perform any of its obligations with respect to any of the security instruments provided by it under Article 4 hereof.
- (e) Purchaser fails to pay on the relevant due date any payment of principal, interest, expenses or any other amount which it is obligated to pay under the terms of the Notes.
- (f) Purchaser fails to perform or violates any provision of this Agreement of the Notes.
- (g) Any governmental consent, filing, license or approval granted or required in connection with this Agreement or any Note expires or is terminated, revoked, withdrawn or modified in any way new law or decree is issued which in Suppliers opinion would prevent Purchaser from fulfilling its obligations hereunder or under any Note.
- (h) The whole or a substantial part of the assets of Purchaser is confiscated or attached.
- (i) Purchaser fails to pay when due any indebtedness or fails to observe or perform any term, covenant or agreement contained in any agreement by which it or its assets is bound evidencing or securing any indebtedness, and the effect of such failure is to accelerate, or to permit the acceleration of the maturity of such indebtedness.
- (j) Any change occurs in the ownership or control of Purchaser or Guarantor [L/C Bank] which, in the reasonable opinion of Supplier, constitutes a material adverse change affecting the financial condition or operations of Purchaser or Guarantor [L/C Bank] respectively.

- (k) Purchaser or Guarantor [L/C Bank] suspends or discontinues its business operations, whether voluntarily or involuntarily for a period of ten (10) or more days.
- (l) Purchaser or the Guarantor [L/C Bank] becomes insolvent or unable to pay any money due under any agreement or document evidencing, securing, guaranteeing or otherwise relating to indebtedness in excess of \$ 1,000,000 or its equivalent in any other currency when due or commits or permits any act of bankruptcy, which term shall include (i) the filing of a petition in any bankruptcy, reorganization, winding-up or liquidation proceeding or other proceeding analogue in purpose or effect, (ii) the failure by Purchaser or the Guarantor [L/C Bank] to have any such petition filed by another party discharged within thirty (30) days, (iii) the application for or consent to the appointment of a receiver or trustee for the bankruptcy, reorganization, winding-up or liquidation of Purchaser or the Guarantor [L/C Bank], (iv) the making by Purchaser or the Guarantor [L/C Bank] of an assignment for the benefit of its creditors, (v) the admission in writing by Purchaser or the Guarantor [L/C Bank] of its inability to pay its debts, (vi) the passing of a resolution by, or the entry of any court order or judgment confirming the bankruptcy or insolvency of Purchaser or the Guarantor [L/C Bank] or approving any reorganization, winding up or liquidation of Purchaser or the Guarantor [L/C Bank] of a substantial portion of their respective properties or assets, or (vii) any creditor of the Guarantor [L/C Bank] exercises a contractual right to assume the financial management of the Guarantor [L/C Bank].
- (m) The Guarantor [L/C Bank] attempts to repudiate, rescind, limit or annul the Letter of Guarantee [Stand-by Letter of Credit] ; or any legislation or regulation is proposed, enacted or promulgated the effect of which would be to repudiate, rescind, limit or annul the Letter of Guarantee [Stand-by Letter of Credit] ; or the Guarantor [Stand-by L/C Bank] fails to comply with any legislation or regulations concerning its organization or authority or any change is made in such legislation or regulations which failure or change, in the reasonable opinion of supplier, has a material adverse effect on the ability of the Guarantor [Stand-by L/C Bank] to meet its obligations under the Letter of Guarantee [Stand-by Letter of Credit].
- (n) It becomes unlawful for Purchaser to perform any obligation under this Agreement or the Notes, or for the Guarantor [Stand-by Letter of Credit].
- (o) Any competent governmental authority takes (i) any action to condemn, seize, requisition or otherwise appropriate any substantial portion of the properties or assets of Purchaser (either with or without payment of compensation), (ii) any action to dissolve, liquidate or terminate the existence of the Guarantor [Standby L/C Bank] or to divest the Guarantor [Stand-by L/C Bank] of any material portion of its properties or assets, or (iii) any action relating to Purchaser or the Guarantor [Stand-by L/C Bank] which, in the opinion of Supplier, adversely affects Purchaser or the Guarantor's [Stand-by L/C Bank] ability to pay its indebtedness under this Agreement, the Notes or the Letter of Guarantee [Stand-by Letter of Credit].
- (p) Any circumstances occur which, in the opinion of Supplier, give reasonable grounds for belief that Purchaser or the Guarantor [Stand-by L/C Bank] may not (or may not be able to) perform its obligations under this Agreement, the Notes or the Letter of Guarantee [Stand-by Letter of Credit].
- (q) Supplier fails to manufacture the samples to the satisfaction of Purchaser in accordance with

Article 2.03 hereof within _____ (_____) days after the Effective Date.

- (r) Supplier fails to ship Commodities accepted by Purchaser within _____ (_____) days after Purchaser's issuance of a Certificate of Acceptance therefor.
- (s) Supplier breaches any of its obligations hereunder and such breach is not cured or steps satisfactory to Purchaser have not been taken to effect cure within thirty (30) days of Purchaser's written notice to Supplier.

9.02 Consequences of default

- (a) Upon the occurrence of any of the Events of Default specified in Article 9.01 (a) or (b), successive Shipment Dates shall be postponed until such Event of Default is cured ; provided, however, that if any such Event of Default continues for a period of fifteen (15) days, Supplier may , at its option, rescind this Agreement by giving Purchaser notice to such effect. In the event of such rescission, Supplier shall be entitled to retain all or any part of the instalments paid by Purchaser hereunder.
- (b) Upon the occurrence of any of the Events of Default specified in Article 9.01 (c)-(p), and at the option of Supplier, the obligations of Supplier hereunder shall immediately cease ; supplier may declare, by notice to Purchaser without presentment, demand, notice or protest, all of which are hereby expressly waived by Purchaser, the principal of any instalment and the principal and accrued Interest on the Principal Amount payable hereunder and all other amounts payable hereunder immediately due and payable together with Default Interest accrued on all such sums from the date of such declaration.
- (c) Upon occurrence of any of the Events specified in Article 9.01 (q)-(s), Purchaser may terminate this Agreement ; provided, however, that all amounts then due and payable to Supplier hereunder shall have been paid in full. In the event of such termination, Supplier shall refund the Instalments paid by Purchaser hereunder.
- (d) All expenses incurred by either party in enforcing its rights hereunder, including the fees and expenses of counsel, shall be paid by the other party.

ARTICLE 10. ARBITRATION

All disputes arising between the parties in connection with this Agreement which cannot be settled by mutual agreement shall be finally settled by arbitration in accordance with the Rules of Conciliation and Arbitration of the International Chamber of Commerce before a board of three arbitrators, consisting of one member to be appointed by each of Purchaser and Supplier, respectively, and of third member to be selected by the two members so appointed. In the event the said two arbitrators fail to agree upon a third arbitrator within fifteen (15) days from the date of their appointment, the third arbitrator shall then be appointed by the president of the International Chamber of Commerce. The arbitration award may take the form of an order to pay a sum of money, to perform or refrain from an act, or any combination thereof. The award rendered shall be final and conclusive. No payment under this Agreement shall be delayed or withheld by Purchaser on account of any dispute of whatever nature arising between the parties hereto.

ARTICLE 11. ASSIGNMENT

Neither of the parties hereto shall may assign this Agreement to a third party unless prior written consent of the other party has been obtained. In the event of any assignment by Purchaser, such assignment shall further be subject to the approval of Supplier's bank and/or the relevant Korean governmental authorities, and Purchaser shall at all times remain as the primary obligator for the due performance of all of its obligations under this Agreement. This Agreement shall insure to the benefit of and shall be binding upon the lawful successors, transferees and assignees of either of the parties hereto. Notwithstanding the foregoing, Supplier is entitled to assign to any other party its rights under the Notes and/or the Letter of Guarantee [the Stand-by Letter of Credit] without Purchaser's prior consent.

ARTICLE 12. TAXES

12.01 Taxes in Korea

Supplier shall pay all taxes and duties imposed in the Republic of Korea in connection with the execution, delivery or performance of this Agreement.

12.01 Taxes outside Korea

Purchaser shall pay all taxes and duties imposed outside the Republic of Korea in connection with the execution, delivery or performance of this Agreement except for taxes and duties imposed upon those items to be procured by Supplier for the manufacture of Commodities.

ARTICLE 13. PATENTS, TRADEMARKS, AND COPYRIGHTS

Nothing contained herein shall be construed as transferring any patent, trademark or copyright in the Commodities or any part thereof, all such rights being hereby expressly reserved to the true and lawful owners thereof.

ARTICLE 14. CONFIDENTIALITY

Supplier shall retain all rights with respect to the specifications, plans, working drawings, technical descriptions, calculations, test results and other data, information and documents concerning the design and manufacture of the Commodities, and Purchaser hereby agrees not to disclose the same or divulge any information contained therein to any third parties without the prior written consent of the Supplier except to key employees involved in the usual operation or maintenance of the Commodities.

ARTICLE 15. NOTICE

Any and all notices and communications in connection with this Agreement shall be written in the English

language and (i) personally delivered, (ii) transmitted by registered airmail postage prepaid, or (iii) transmitted by telex to the parties at the following addresses :

To Purchaser:

Telex :

To Supplier:

Telex :

Any notice given by registered air mail shall be deemed to have been received ten (10) days from the date of mailing, any notice personally delivered shall be deemed to have been received upon delivery and any notice sent by telex shall be deemed to have been received when sent. Any party may change its address for the purposes hereof by written notice to the other party.

ARTICLE 16. EFFECTIVE DATE

This Agreement shall become effective from the date (the "Effective Date") on which all of the following conditions have been met:

- (a) This Agreement has been duly executed and delivered by the parties hereto.
- (b) Supplier has obtained the relevant export license with respect to the commodities from the government of the Republic of Korea.

Supplier shall promptly give notice to Purchaser upon the fulfillment of each of the above conditions. This Agreement shall terminate upon payment of all amounts due to Supplier under the terms of this Agreement.

ARTICLE 17. MISCELLANEOUS

17.01 Applicable Law

The parties hereto agree that the validity, formation and interpretation of this Agreement, the Notes, and the Letter of Guarantee [Stand-by Letter of Credit] shall be governed by the laws of the State of New York, United States of America.

17.02 Discrepancies

In the event that any provision contained in the Specifications is inconsistent with any provisions of this Agreement, then in each and every such event the applicable provisions of this Agreement shall prevail.

17.03 Entire Agreement

This Agreement contains the entire agreement and understanding between the parties hereto and supersedes all prior negotiations, representations, understandings and agreements on any subject matter of this Agreement.

17.04 Severability

If any provision of this Agreement or any document executed in connection herewith shall be invalid,

illegal or unenforceable, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired.

17.05 Waiver of Sovereign Immunity

Purchaser represents and warrants that this Agreement is a commercial rather than public or governmental act and that Purchaser is not entitled to claim immunity from legal proceedings with respect to itself or any of its properties or assets on the grounds of sovereignty or otherwise under any law or in any jurisdiction where an action may be brought for the enforcement of any of the obligations arising under or relating to this Agreement or the Notes. To the extent that Purchaser or any of its properties or assets has or hereafter may acquire any right to immunity from set-off, legal proceedings, attachment prior to judgment, other attachment or execution of judgment on the grounds of sovereignty or otherwise, Purchaser for itself and its properties and other assets hereby irrevocably waives such right to immunity in respect of its obligations arising under this agreement, the Notes and all documents executed in connection herewith.

17.06 Amendment

No provision of this Agreement may be amended, modified, waived or rescinded except by a written agreement executed by the parties hereto.

17.07 Counterparts ; Controlling Language

This Agreement may be executed in any number of counterparts. Any single counterpart or a set of counterparts executed, in either case, by both parties hereto shall constitute a full and original agreement for all purposes. This Agreement, all notices delivered hereunder and all documents to be delivered in connection with this transaction shall be in the English language and in the event of any conflict between the English-language version and the non-English language version of any such notice or document, the English-language version shall prevail.

17.08 Independent Contractors

It is expressly understood and agreed that the relationship between the parties created by this Agreement is that of independent contractors. Nothing in this Agreement shall be construed to constitute either party as agent of the other for any purpose whatsoever, and neither party shall bind or attempt to bind the other party to any contract or the performance of any obligation, nor represent to third parties that it has any right to enter into any binding obligation on the other's behalf.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized signatories as of the day and year first written above.

PURCHASER.

BY : _____

Name :

Title :

SUPPLIER:

BY : _____

Name :

Title: