



General Terms and Conditions of Service

1. SCOPE OF NEA'S RESPONSIBILITY

- (a) NEA's OBLIGATION - NEA agrees to use its best efforts to make technically qualified Specialists available at such times and at such locations as Customer reasonably may request to assist Customer in erection or field service work ("Work"). In no event, however, shall NEA be liable to Customer, whether for direct indirect, special, incidental or consequential damages, or in any way, if NEA should, for any reason whatsoever, fail to make one or more Specialists available to Customer.
- (b) FUNCTIONS OF SPECIALISTS - The Specialists will act only in an advisory capacity. They will interpret NEA's drawings, advise Customer regarding the sequence of steps in erection, installation, start-up, inspection, dismantling or repairs, as the case may be, explain features and components of NEA's products and their functions and constructively criticize work conditions, methods and procedures on the job site. They will not supervise personnel supplied by the Customer or train such personnel in any manner whatsoever.
- (c) REPAIRS AND REPLACEMENTS - Customer shall be solely responsible for all decisions with respect to the repair or replacement of Customer's equipment or any part thereof, except to the extent that NEA shall have any rights or obligations with respect to any such repair or replacement under a written warranty issued by NEA or specific equipment.
- (d) RESPONSIBILITY FOR EMPLOYEES, ETC. - Neither NEA nor the Specialists shall be responsible for any acts, omissions or workmanship of any employees, contractors or sub-contractors (whether or not furnished by NEA) or any agents of Customer, or for the failure of any such persons to follow the advice or instructions of the Specialists.
- (e) USED EQUIPMENT - NEA undertakes no responsibility with respect to the repair of used equipment or rehabilitative work performed on used equipment. Customer assumes all risks with respect to all such repairs and work.
- (f) TIME ESTIMATES - Estimates which may be made by NEA or the Specialists as to the duration of the Work or any part thereof, including, but not by way of limitation, the duration of any erection, installation, inspection, start-up, dismantling or repair shall be considered approximations only, and neither NEA nor the Specialists shall be responsible for the accuracy thereof.

2. SCOPE OF CUSTOMER'S RESPONSIBILITY

- (a) SERVICES AND MATERIAL - Customer shall furnish, at his own expense, and be solely responsible for all labor, including supervision, facilities, equipment, materials, tools, supplies, safe storage areas, utilities and other
- (b) services and material required for performance of the Work.
- (c) CUSTOMER'S REPRESENTATIVE - Customer shall designate a person ("Representative") in his organization to represent him fully at the job site in all contacts and dealing with the Specialists. The Representative shall be responsible for coordinating the Work and shall be in charge of the services, equipment and material to be furnished by Customer. The Representative shall inspect and be authorized to accept all details of the Work as they are completed. NEA and the Specialists may rely on any acceptance by the Representative.
- (d) SAFETY - Customer assumes responsibility for taking any and all steps required for the safety of any and all persons who may from time to time be present at the job site, including, but not by way of limitation, compliance with all applicable governmental safety and accident prevention regulations. In particular, Customer shall furnish the Specialists with a safe and sanitary place to work, including first aid, wash-up and toilet facilities at the job site.

3. INVOICING

- (a) TIME REPORTS - At the end of each week, the Specialists will present their time reports for that week to the Representative, who shall confirm that the hours worked as shown thereon are correct and shall indicate his approval by signing the reports.
- (b) INVOICES FOR SERVICES - Invoices will be rendered, at NEA's option, either (i) upon completion of the Work; (ii) upon any interruption of the Work resulting in the Specialists' departure from the job site; or (iii) at four-week intervals. Invoices will be accompanied by copies of approved time reports for the period covered.
- (c) OUTSIDE PROCUREMENT - If, at the request of Customer, NEA shall furnish labor, materials, tools, etc., from outside contractors or outside sources, or if NEA shall obtain outside services at Customer's request, such as, but not limited to, machine or



electrical shop services, the charge to Customer shall be the cost thereof to NEA plus fifteen percent. Customer assumes all risks with respect to such services, labor, materials, tools, etc. Neither NEA nor the Specialists shall have any responsibility with respect thereto.

- (d) TERMS OF PAYMENT - All invoices are payable immediately upon receipt. Any payment not received by NEA within thirty (30) days of the invoice date shall be subject to a charge of one percent per month for each month or fraction thereof that such payment is not received.

4. DELAYS, INTERRUPTIONS, SUSPENSIONS, POSTPONEMENTS

- (a) RIGHT OF NEA SEA TO WITHDRAW - If the Work is delayed, interrupted, suspended or postponed for any reason whatsoever, NEA may withdraw the Specialist or the personnel of contractors furnished by it, or both and make them available at such a later date as NEA shall determine. In such event, NEA's current rates at the time work is resumed shall be charged to Customer. Moreover, Customer will be charged for all costs incurred by NEA by reason of the withdrawal or the return of the Specialists and such personnel (including, but not limited to, travel expenses). NEA shall use its best efforts to make the Specialists and such personnel available at the date the Work is scheduled to resume, but NEA shall not be responsible for any failure to make the Specialists or any such personnel available at such time or at any other time.

- (b) NOTICE AND TERMINATION - If for any reason the Work is to be delayed, interrupted, suspended or postponed, Customer will advise NEA immediately in writing. If for any reason the Work is delayed beyond the expiration date specified under "SERVICE AND ERECTION RATES", or if for any reason the Work is interrupted, suspended or postponed, NEA may, at its option, terminate the Agreement. In such event, NEA shall be relieved of all further obligations hereunder.

5. ENGINEERING INFORMATION

If, at the request of Customer, NEA furnishes engineering services in connection with problems arising at the job site pertaining to equipment supplied by NEA (such as, but not limited to, additional designing caused by a change in application of the equipment, preparation of special drawings or visits by available engineering personnel to the job site), Customer shall pay for such Services at NEA's then current rates.

6. PARTS

Parts and materials furnished by NEA at Customer's request will be invoiced to Customer at NEA's then current prices and under NEA's then current Terms and Conditions of sale.

7. PERMITS

Customer shall, at his own expense, secure all necessary work permits, labor permits and tax exemption certificates, as well as all other permits or authorizations which may be required to permit the Specialists to perform their services. Any loss of services of the Specialists pending procurement of any such permit or authorization shall be for Customer's account and shall be invoiced to Customer at straight time rates.

8. TAXES

Charges quoted under "SERVICE AND ERECTION RATES" do not include any sales, privilege, use, turnover, excise or other taxes. The amount of all such taxes, if any, which NEA may be required to pay by reason of furnishing services to Customer, shall be reimbursed to NEA by Customer upon presentation of invoices thereof.

9. INSURANCE AND LIABILITY

Customer will provide the fire and casualty insurance covering all risks of loss of or damage to the equipment and the job site with respect to which services are furnished by NEA pursuant to the Agreement. Such insurance shall provide that the insurer shall in no event have any right of subrogation against NEA or the Specialists. Customer will also provide property damage insurance in such form and amounts as NEA may specify, protecting NEA and the Specialists as injured parties as well as third parties, against any and all loss of or damage to property arising out of or in connection with the Work or the equipment or job sites with respect to which services are furnished by NEA pursuant to the Agreement, occurring by reason of defects in such Work, equipment or job sites.

NEA will carry workmen's compensation insurance to cover the Specialists while on assignment to Customer and will maintain public liability and property damage insurance in such amounts as NEA shall determine to be adequate with respect to the Specialists' activities. In no event shall NEA or the Specialists be liable to Customer or third parties for any injury to persons or property or for any direct, indirect, special, incidental or consequential damages arising therefrom, to the extent not covered by insurance maintained by NEA. Customer agrees to hold NEA harmless of and from, and to indemnify NEA and the Specialists for, any and all loss or damages of NEA or the Specialists, and any and all claims against NEA or the Specialists, with respect thereto.

NEUMAN & ESSER Korea Co., Ltd.

노이만앤에쎌코리아 주식회사



10. SUBSTITUTION OF PERSONNEL

NEA's obligation is to furnish services and not specific personnel. NEA reserves the right at any time, and from time to time, at its own expense, to recall and substitute any of or all of the Specialists and to furnish other Specialists in lieu thereof.

11. MODIFICATIONS

It is recognized that the nature of field work is such that changes in scope often occur. NEA may, therefore, from time to time, undertake additional services within the normal range of its activities, upon the written order of Customer and an acceptance thereof by NEA in writing. NEA, nevertheless, shall be entitled to rely upon verbal orders of Customer, including instructions of the Representative at the job site, and services performed by NEA pursuant to verbal orders or instructions shall be paid for by Customer on the basis set forth under "SERVICES AND ERECTION RATES".

12. VARIATIONS, MODIFICATIONS, AMENDMENTS

The Agreement may not be varied, modified or amended except by an express writing to that effect, signed on behalf of both NEA and Customer.

13. PRIOR TERMS AND CONDITIONS

These Terms and Conditions terminate and supersede all prior Terms and Conditions, if any, in effect between NEA and Customer with respect to service personnel.

14. WAIVERS

The waiver by NEA of any breach or violation of or default by Customer under any provision of these Terms and Conditions will not operate as a waiver of such proportion or of any subsequent breach or violation thereof or default thereunder.

15. TITLES

The titles appearing at the beginning of the paragraphs and sub-paragraph of these Terms and Conditions have been inserted for convenient reference only and shall not in any way affect the construction, interpretation or meaning of the text.

16. JURISDICTION

All disputes arising from the contractual relationship will be subject to the laws of Korea and to Korea legislation.

17. TERRITORIAL APPLICATION

These Terms and Conditions are applicable only in the sales area of NEA. Terms and Conditions applicable to other areas will be furnished upon request.