

Terms & Conditions

--Valid from 1st of January 2022--

These Terms & Conditions are applied in the case which MKK EUROPE B.V. (hereinafter referred to as "MEB"), a corporation having its office of business at Spinnerij 41, 1185ZS, Amstelveen, The Netherlands supplies the After sales service stipulated in " 1. Definitions". MEB is also European representative of MITSUBISHI KAKOKI KAISHA, LTD. (hereinafter referred to as "MKK"), the manufacturer of MITUBISHI OIL PURIFIER and the licensor of SAMGONG-MITSUBISHI OIL PURIFIER.

1. Definitions

"Products" shall mean those spare parts for MITSUBISHI OIL PURIFIER and SAMGONG-MITSUBISHI OIL PURIFIER.

"After sales service" collectively shall mean sell the Products and/or repair MITSUBISHI OIL PURIFIER and SAMGONG-MITSUBISHI OIL PURIFIER. "Buyer" shall mean the party which issues its purchase order for the After sales service to MEB.

2. Priority

If there are any written specific contract(s) concerning the After sales service dealing between MEB and the Buyer, that contract shall be prioritized than these Term & Conditions.

3. Lead Time of Production

MEB shall agree that MEB shall be bound to supply the After sales service after the acceptance of the order from the Buyer, provided, however, that the Buyer shall place the order with MEB with necessary lead time of production.

4. Charges

All transportation costs and insurances, import duties, fees, taxes and similar assessments or charges shall be for the account of the Buyer except the case they are written in the quotation.

5. Packing

Standard export packing, customary for the kind of the Products shall be accepted by each party.

6. Inspection

The inspection of quality shall be done according to the export regulations of Japan by MKK, which shall be considered as final. Should any specific inspector be designated by the Buyer, all additional charges incurred thereby shall be borne by the Buyer.

7. Risk and Proprietary rights

The risk and proprietary rights of the Products purchased by the Buyer shall, in principle, transfer to the Buyer from MEB at the time when such Products are delivered to the place decided upon by mutual consent of the parties hereto. However, MEB shall reserves the proprietary rights until the full payment for the Products is made hereunder.

8. Payment

- 1) Each payment shall be made by the Buyer in favor of MEB within thirty (30) days of the issuing date of the invoice from MEB.
- 2) Payment shall be taken place without any settlement, deduction or withholding. In case the full amount of any invoice issued by MEB under this Terms & Conditions is not paid by the Buyer when due, any unpaid amount shall bear interest from the due date until paid in full, at an interest of eight (8) % a year.

9. Cancellation

MEB shall deal with cancellation due to the Buyer's convenience under the following conditions.

- a) Cancellation fee for the Products shall be ten (10) % of the list price, but the maximum fee shall be fifty-thousands (50,000) JPY, provided that, the Buyer shall be responsible for settling any irrevocable costs already incurred at the time of cancellation such as but not limited repair parts, repair work personnel expenses, travel and accommodation expenses.
- b) MEB shall accept cancellation for the Products in the case that is within two (2) weeks after the shipment without cancellation fee.
- c) Cancellation for the Products shall not be allowed if two (2) months passed after the shipment.

10. Obligations of the Buyer

- 1) The Buyer warrants that the service engineer(s) dispatched from MEB will be enabled to commence and effect repair work outside the service engineer(s)'s works immediately upon arrival of the Products or the service engineer(s) and without interruption or hindrance. For this purpose, the Buyer shall, before the arrival of the Products or the service engineer(s), make all the arrangements necessary -whether or not expressly agreed upon- to ensure that the work can commence at the agreed date and can be carried out without interruption or hindrance.
- 2) Technical, Safety and Storage Assistance
 - a) In case the repair work takes place at the premises of the Buyer, the Buyer shall take all measures prescribed by law and any other reasonable measures necessary for the

prevention of accidents at the premises of the Buyer. The Buyer shall inform MEB at least seven (7) days before commencement of any work in writing of the valid safety precautions and shall ensure that own personnel responsible for safety matters is present during the times that repair work is to take place. MEB shall be entitled to refuse or suspend repair work if the safety of own service engineer(s) is not sufficiently guaranteed.

- b) The Buyer shall, at no charge, provide MEB with all assistance MEB reasonably requires, such as –but not limited personnel, the necessary devices, implements and auxiliary means, in particular the tools for the assistant personnel and hoisting gear of sufficient capacity (including operating staff), scaffolding etc., as well as cleaning, packing and lubricant materials. Furthermore, the Buyer shall supply heating, lighting, water and electricity and their connections in sufficient capacity and quantity as well as welding gas and other working requirements in so far as these are not to be provided by MEB under the terms of the Agreement. The equipment made available by the Buyer shall be safe and in perfect condition.
- c) The Buyer shall at all times bear responsibility for the storage of all Products delivered, including spare parts and other materials, at least in a dry, closed and lockable room on the site or in its near vicinity, in accordance with normal practice and/or the instructions issued by MKK/MEB. Prior to the commencement of work or installation of these products, they shall be checked by the Buyer, in order to make sure that these products are complete and undamaged. These products lost or damaged during storage shall be replaced or repaired at the expense of the Buyer.

11. Guarantee

- 1) The Buyer shall make all complain to MEB, except for latent defects, regarding the Products in writing as soon as reasonably practicable after arrival of the Products at their final destination and unpacking and inspection thereof, whether by the Buyer or the Buyer's customer(s).
- 2) MEB shall be responsible for latent defects of the Products at any time up to six (6) months after the delivery of the Products. Provided that latent defects shall be one which could not have been discovered notwithstanding inspection and acceptance of the Products by the Buyer or the Buyer's customer(s), and a notice of complain shall be made as soon as practicable after discovery of such latent defects.
- 3) In case the Buyer fails to notify MEB of above-mentioned notice within ten (10) days after discovery of such complains or defects, the Buyer shall be deemed to have waived any claim regarding the Products.
- 4) The above-mentioned warranty shall apply only when the said machine and equipment were used with general attention, not to mention when the installation and operation of

the machine and equipment are conducted in accordance with the installation manual and operation manual submitted by MKK/MEB. Moreover, above-mentioned warranty is based on the premise that the user of said machine and equipment has a usually considered common sense when using the machine and equipment.

- 5) MEB shall not be liable for:
 - a) damages such as aging, corrosion, erosion, rust, wear;
 - b) damages caused by incorrect use and maintenance of the Products due to non-adherence to MKK/MEB's instructions;
 - c) any consequential damages and losses;
 - d) damages caused by third parties;
 - e) damages incurred by third parties; and
 - f) damages caused by "force majeure". Namely, the term "force majeure" as used herein shall include, but not be limited to, fire, flood disaster, earthquakes, lightning, storms, natural calamities, wars, civil disturbances, insurrections, labor dispute, inevitable accidents, harbor blockade, legal control and any other cause which is beyond the control of the party.
- 6) The scope of MEB's warranty and responsibility provided for under this Terms & Conditions shall be limited to modification, repair, replacement of defective parts or sending parts for replacement and any damage occurring secondarily shall be excluded from this warranty. That is to say, the damages such as the damage due to unworkable plant, the procurement of alternate facility, the generation of defective products resulting from the working of the said troubled machine and equipment and the resultant damage extended to other facility are defined as secondary damages. Although MEB shall be making best efforts to deliver the machine and equipment which are free from a failure, if any failure should happen on the part of the machine and equipment the Buyer or the Buyer's customer(s) shall control operation to prevent the expansion of damage. Furthermore, in case it is necessary to avoid risks, the Buyer or the Buyer's customer(s) shall take insurance at own cost.

12. Product Liability

The Buyer shall indemnify and hold MKK/MEB harmless and the directors, officers and employees of MKK/MEB from and against any and all losses, damages (actual, consequential or indirect), liabilities, penalties, fines, claims, demands, suits or actions, and related costs and expenses of any kind (including, without limitation, expenses of investigation and recall, counsel fees, judgements and settlements) for injury to or death of any person or property damage or any other loss suffered or allegedly suffered by any person or entity arising out of or otherwise in connection with any defect or alleged defect of the Products sold by MEB to the Buyer under this Terms &

Conditions , except to the extent such claim is caused by the gross negligence or willful misconduct of MKK/MEB.

13. Force Majeure

In case ,including, without limitation ,of prohibition of export, refusal to issue export license, Act of God, war, blockade, embargoes, insurrection, mobilization or any other actions of Government authorities, riots, civil commotions, warlike conditions, strikes, lockout, shortage or control of power supply, plague or other epidemics, quarantine, fire, flood, tidal waves, typhoon, hurricane, cyclone, earthquake, lightning, explosion, or any other causes beyond the control of MEB, MEB shall not be liable for any delay in shipment or delivery, non-delivery, or destruction or deterioration, delay in repair work ,of all or any part of the Products, or for any default in performance of this Terms & Conditions arising therefrom. And the Buyer shall be, upon the request by MEB, bound to accept delay in shipment or delivery and/or delay in repair work within the reasonable time or to accept cancellation of all or any part of this Terms & Conditions or Contract as the case may be.

14. Liquidated Damages for Delay

If the MEB fails to attain completion of the After sales service within the time for completion specified in the purchase order, the MEB shall pay to the Buyer for every week of delay a penalty amounting to 0.25% of the contract price which delivery has been delayed. The total aggregate amount of such liquidated damages shall in no event exceed ten per cent (10%) of the contract price.

15. Limitation of Liability

- 1) The MEB shall in no event be liable to the Buyer by way of indemnity or by reason of any breach of the contract or in tort or otherwise for loss of use of the Products or any part thereof or for loss of the Products, loss of feedstock, loss of utilities, loss of profit, loss of any contract, or for any indirect, special or consequential loss or damage that may be suffered by the Buyer in connection with this Terms & Conditions and contract.
- 2) The aggregate liability of the MEB to the Buyer under or in connection with this Terms & Conditions and contract shall not exceed the amount ten per cent (10%) of the contract price.

16. Discussions

With respect to any issue which shall not be set forth herein or any dispute hereunder, both parties shall agree to discuss amicably to resolve such situations.

--- END ---