

VERESCENCE PACIFIC
GENERAL PURCHASING TERMS OF PRODUCTS AND/OR SERVICES
DECEMBER 2021

1 – GENERAL PROVISIONS

The present General Purchasing Terms and Conditions govern the purchase orders for products and/or services placed by Verescence Pacific, Inc. (the "Purchaser") to the Supplier, provided, however, that any transaction between the Purchaser and the Supplier that constitutes a production contract under the Fair Transactions in Subcontracting Act shall be additionally subject to the Purchaser's production contract agreement, other than the present General Purchasing Terms and Conditions.

2 – SUBCONTRACTING

The Supplier shall not subcontract to third parties the execution, in whole or in part, of orders, except in case of prior written consent of the Purchaser.

3 – SERVICES

When performing services for the Purchaser, the Supplier may not employ employees who are not covered by Korea's unemployment, health, retirement, and industrial accident compulsory insurances. The Supplier shall perform the services ordered in accordance with the applicable statutes, the rules of the art and the applicable laws and regulations particularly in the areas of environment, hygiene, health, safety laws and regulations and working conditions.

Supplier affect to the proper performance of its services on one hand, the necessary means and materials and on a second hand, the staff under his responsibility and command, which it guarantees the competences.

Any of the Purchaser's own products which would be entrusted by the Purchaser to the Supplier for the performance of its mission will be under its physical and legal custody for the duration thereof. He will therefore be liable for the damages of any shortage, damage or break, and more generally of any damage to the Purchaser's own products entrusted to him to the extent that it is attributable to the Supplier.

4 – ORDER'S MODIFICATION

Any modification regarding the order, if necessary, shall be notified by the Purchaser to the Supplier. As soon as possible following the Supplier's receipt of the Purchaser's notification for request, the Supplier shall notify the Purchaser of the consequences of the inclusion of such modification, including the increasing/decreasing financial costs and the delays of delivery that could occur from the objective perspective.

The Parties shall fully cooperate to reach an agreement on such modification in consideration of the consequences upon such modification, including the increasing/decreasing financial costs and the delays of delivery. In case of failure to reach such agreement, the Supplier shall perform the terms of the order prior to such modification; provided, that the terms of delivery may be adjusted within the reasonable scope.

5 – DELIVERY

- Delivery delays

The Supplier shall comply with the place and time of delivery and/or performance of products and services specified in the order.

The liquidate damages for any delay in delivery and/or performance of products and services will be calculated at the rate of 6% per annum.

- Documents

Each delivery by the Supplier must be accompanied by a delivery note which shall include the number of the purchase order, the total quantity supplied, the number of packages delivered with accuracy of the number and type of items per package, and any documents relating to the products such as: safety data sheets, technical manuals and plans, employment and instruction manuals, certificates of conformity precautions.

- Packaging

The products shall be delivered marked and labeled with their packaging, in accordance with the applicable law and regulations.

Products' packaging have to be designed to ensure the conservation and the optimum safety of the products, persons and property, given their nature, in normally predictable conditions of handling and transportation.

6 – COMPLIANCE – CONTROL – RECEIPT

- Compliance

Products and services must comply with the contract specifications and the use to which the Purchaser intended to use them. They also have to meet the quality criteria as well as the applicable laws. Moreover, they must be designed and constructed so that their implementation, their use, adjustment and maintenance, under conditions consistent with their destination, do not expose people to a risk to their safety or health, and in compliance with applicable health, safety and environmental laws including Occupational Safety and Health Act. The Supplier is obliged to advise and inform clearly and accurately the Purchaser about the use of the products.

- Control

The Supplier shall establish a quality insurance plan with particular constant self-control regarding design and execution of all its products and services in order to ensure their compliance.

- Receipt

In case of services, the final acceptance is subject to the establishment by the Purchaser of a taking-over report without any reservations.

To the extent that is permissible under law, the Purchaser reserves the right to notify the Supplier at any time by all means (fax, email, ...) poor performance or non-performance by the Supplier of its obligations, or losses, damages or non-compliance of the products observed during unpacking or subsequent checks, even if the relevant bills have been partially or fully paid.

Where any defect attributable to the Supplier occurs, the Purchaser may, at its option, require the replacement or repair of the products at Supplier's expense, or the cancellation of the order, without prejudice of any claim for damages.

In such case, the Supplier shall conduct the removal, at its expense, of the rejected products within eight (8) calendar days after notification of the refusal.

7 – WARRANTY

The Supplier warrants the Purchaser against latent defects which could affect the delivered products or services, making them unsuitable for their use, under the applicable laws.

Under contractual warranty and without prejudice to the application of legal provisions referred above and the provisions of Article 12 "TERMINATION" below, the Supplier warrants the supplied products and services against design, workmanship or material defects, and against all operational defects of delivered products and services during a period of twenty-four (24) months from their delivery date. Accordingly, the Supplier shall, particularly during this period, provide at its expense, labor, repairs or replacements of defective products

or parts of products that may be required. In case of replacement of parts, the warranty period shall commence from the replacement date and remain during the same duration as for original parts.

8 – OWNERSHIP TRANSFER

The transfer of ownership takes place on the delivery date. The Purchaser may refuse to pay for the products until the Supplier performs its delivery obligation.

9 – FINANCIAL CONDITIONS

- Price

Unless prior written agreement of the Parties, prices do not include tax and are firm and final.

- Invoicing

Each order will be charged separately. Invoices will be sent in two (2) copies to the address stated on the order, once fully delivered.

In addition to legal terms, the invoices must include, the order number, the references of the delivery note as well as an indication of any Supplier's assignment of receivables, whatever their form.

- Payment terms - Payment – Interest of late payment

Unless otherwise agreed by the Parties in writing, the payment for the products shall be made within sixty (60) days from the end of the month that the issuing date of the Supplier's invoice falls on.

Payment is made by bank transfer.

For any sum due and not paid at the end of this period, the liquidate damages shall be calculated at the rate of 6% per annum. However, these liquidated damages shall not be imposed if the Purchaser's failure of payment results from the non-conformity of any of the products and/or services, the Supplier's contractual breach or an event of force majeure.

10 – INTELLECTUAL PROPERTY

Supplier warrants that it owns, directly or through agreements duly concluded with third parties, all intellectual property rights, know-how and processes related to the manufacture and use of products and/or to the proper performance of the services ordered by the Purchaser. Therefore, the Supplier shall indemnify the Purchaser from and against all claims and legal actions that are filed against the Purchaser by a third party in breach of this Article.

If a third party claims that the products and/or services supplied by the Supplier under the order, constitute an infringement of its intellectual property rights, the Purchaser shall notify the Supplier as soon as possible and, at its option, associate himself with the Supplier to defend himself against such claim or ask the Supplier to ensure the Purchaser's defense. In both cases, it is expressly agreed that this defense is borne by the Supplier and that he will pay all damages, costs and expenses that the Purchaser could be required to assume on the basis of such a claim. The Supplier shall also bear all the financial consequences resulting from the unavailability of the product and/or service in question or the restrictions to which the product and/or service would be submitted.

If such a claim occurs or appears likely, the Supplier shall, within the shortest possible time, or negotiate and compromise with the third party so that the Purchaser can continue to use the product and the service concerned, or proceed to its amendment or replacement with a product or a service that at least is functionally equivalent, all of this, without that the Purchaser bears any load.

If none of the above initiatives is reasonably practicable, then the Supplier shall credit the Purchaser of an amount equal to the price paid by Purchaser for the product and/or service concerned, without prejudice to any damages that the Purchaser could enforce against the Supplier.

All creation delivered by the Supplier to the Purchaser is deemed free of any right held by (a) third party(ies) unless otherwise expressly notified. The provision of all creation imply assignment for the benefit of the Purchaser of all the intellectual property rights attached thereto, whatever the medium, regarding any current or future process attached to these creations. The price paid by the Purchaser to the Supplier is accepted by the latter as a perfect lump-sum counterpart covering the entire transferred rights.

11 – RESPONSIBILITY - INSURANCES

The Supplier shall ensure the execution of the order in its sole and exclusive responsibility.

The Supplier shall be liable for all damage attributable to the Supplier that is caused to the Purchaser or any third party, whether such damages are caused by the Supplier or by persons and property under its authority or custody.

The Supplier shall assume the damages liability for all the consequences, direct or indirect, regarding the injuries and damages caused to the Purchaser due to non-performance or improper performance of the order.

The Supplier shall take out any insurance policy required to carry on its business regarding products and/or services it sells, with a reputedly solvent insurance company and shall maintain it throughout the term of the obligations defined in the present general terms. Supplier occur at the first request of the Purchaser, any certificate of insurance.

12 – TERMINATION

Either Party shall be entitled to cancel the contract under the order in case of default by the other Party where the non-defaulting Party sends the defaulting-Party the notice requesting that such default be cured within a reasonable period and then such default has not been cured within that period. However, the Purchaser and the Supplier shall make every effort, in a spirit of constructive cooperation, to mitigate the damaging consequences of this failure.

The Supplier shall indemnify the Purchaser from and against damages due to his misconduct or offenses, and bear such additional expenses incurred by the Purchaser to complete the order by itself or by one or more other suppliers in order to fulfill the entire agreement.

Termination is made without prejudice to any damages that the Purchaser reserves the right to claim.

13 – CONFIDENTIALITY

All documents, models, objects, such as including plans, descriptions, notes, drawings, samples, mock-ups, processes, machine prototypes, glassware tooling, characteristics and performance of glass furnaces, delivered to Supplier for the order execution is confidential and may not be used for any purpose other than the execution of the order; they remain at all times the full property of the Purchaser to whom they must be fully returned and without charge, at first request of the Purchaser.

More generally, the Supplier undertakes to treat as confidential any information transmitted to him or to which he has access, directly or indirectly, in the frame of the order execution and until such information is in the public domain.

To ensure the respect of this confidentiality obligation, the Supplier shall only disclose confidential information referred above to those of its employees or subcontractors who necessarily need it in the context of the execution of the order, employees or subcontractors

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who shall have been warned of strict confidentiality of such information and shall comply with the confidentiality obligations contained herein. The Supplier has to warranty the compliance with this confidentiality clause by all its employees and any of its subcontractors.

14 – PROVISION OF INFORMATION TO ANY THIRD PARTY

When the Supplier is required to provide any third party with the information regarding the Purchaser, the Supplier may present the name or distinctive sign of the Purchaser, as the case may be, individually, to the extent that the Supplier notifies the Purchaser of such third party and the relevant information and obtains the prior consent of the Purchaser thereof. Without the afore-said notification and prior consent, the information of the Purchaser shall not be provided to any third party.

15 – INTEGRITY AND ANTI-CORRUPTION

The Supplier must conduct business with honesty and integrity and demonstrate the highest standards of business ethics. The Supplier must not engage in bribery, corruption, or other unethical or illegal practices whether in dealings with government officials (which includes government employees or officers at any level, employees or officers at government-controlled or owned entities, employees or officers of public international organizations, and political officials or candidates or anyone acting on such a person's behalf), political parties or others, including individuals in the private sector. This includes, directly or indirectly, paying, giving, offering, promising, or authorizing money or anything of value to anyone to seek to obtain an undue or improper advantage. This also includes any unethical business activities or arrangements between the Supplier and any VERESCENCE employee or any other company or individual.

The Supplier agrees and acknowledges that in carrying out its activities, the Supplier shall comply, and shall cause its affiliates, permitted agents and employees to comply, with all anti-bribery laws and regulations applicable in respect of the activities contemplated by these General Conditions of Purchase.

16 – JURISDICTION – APPLICABLE LAW

The present General Purchasing Terms and Conditions shall be governed and construed in accordance with the law of the Republic of Korea.

Any disputes arising out of or in connection with the validity, construction, performance and/or termination hereof, or any amendment hereof, shall be submitted to the exclusive jurisdiction of the Seoul Central Court as the court of first instance.