

**Contract  
for  
the procurement of Ring forged for propellant  
tank Y-frame making**

**Contract No. KARI-17-0098**

**Between  
Korea Aerospace Research institute  
and  
"Contractor"**

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# General Terms and Conditions

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## Preamble

This Contract made on August \_\_\_\_\_, 2017 by and between Korea Aerospace Research Institute ("KARI") established under the law of the Republic of Korea with its principal office at 169-84 Gwahak-ro, Yuseong-Gu, Daejeon 34133 Korea, and ("Contractor") established under the law of, .

## Witnesseth

WHEREAS, KARI is desirous of acquiring Material defined hereinafter ;

WHEREAS, Contractor has a knowledge and an experience in the development and manufacturing of the Material ;

WHEREAS, Contractor is willing to supply and deliver the Material to KARI ;

WHEREAS, KARI desires to procure and Contractor desires to supply Material in accordance with the terms and conditions provided for hereinafter set forth ;

NOW THEREFORE, in consideration of the premises and the mutual agreements herein contained, the Parties hereto have agreed to as follows:

## Article 1. Definitions

In this Contract, the following words and phrases shall have the meanings as indicated below, unless the context wherein they are used clearly indicates another meaning:

- 1.1 **Contract** means this Contract for the procurement of Ring forged for propellant tank Y-frame making including Appendices as attached hereto, and all amendments that may be agreed to by the Parties in accordance with the terms and conditions of this Contract.
- 1.2 **Contract Specifications** means any and all specifications and requirements as set forth in Appendix B [Technical Requirement], which shall be incorporated into and made binding as an integral part of this Contract.
- 1.3 **Final Shipment** means the date of shipment at the time when Contractor has shipped the final Material, in case of partial shipment, according to the Article 3 hereof, unless otherwise mutually agreed upon.
- 1.4 **Material** means all items to be supplied by Contractor to KARI pursuant to this Contract.
- 1.5 **Month, Week, and Day** mean calendar month, calendar week and calendar day according to the Gregorian calendar, respectively.
- 1.6 **Party or Parties** means KARI or Contractor, or both, according to the context.
- 1.7 **Services** mean technology transfer, technical consulting, inspection/acceptance, supervision, technical training and other services with regard to this Contract .

1.8 **"Subcontract"** means any subcontract, including purchase orders and all similar forms of agreements at any tier under this Contract.

1.9 **"Subcontractor"** means a contractor under any Subcontract, including suppliers and vendors.

1.10 **Technical Data** means all data and information including, but not limited to, material inspection sheet, technical writings, sound recordings, computer software, pictorial reproductions, drawings, and any other data necessary for this Contract .

1.11 **Third Party(ies)** means any individual or legal entity other than the Parties and Subcontractor.

## Article 2. Contract Price and Payment Term

2.1 The Contract Price shall be the sum of **USD TBD** as referred to Appendix A [Offer] which covers any and all costs for supply of the Material to the point of **FCA " " Port (" " )** and also covers all the scope of Services rendered by Contractor as specified in this Contract.

2.2 ~~The Contract Price is a firm and fixed amount not subject to any escalation or to any adjustment or revision for any reason whatsoever, including but not limited to the increase of actual cost incurred by Contractor in the performance of the Contract.~~

The Contract Price is indicative and may change based on mutually agreed tolerance of final quantity of Material a firm produced ready for shipment. The final adjustment or revision shall be provided to KARI for reconciled final payment in advance on final payment.

2.3 The payment of Contract amount specified in Article 2.1 shall be made as per the following payment schedule, unless otherwise agreed upon by the Parties;

No.	Milestone	Payment Due Date	Amount (USD)	Percentage (%)
1	EDC	EDC+1M		40
2	Shipment	Within sixty (60) days of invoice issuing date		30
3	Final Inspection	Final Inspection +1M		30
Total				100

Note] The final payment will be confirmed by invoice due to tolerance on quantity (+/- 15%)

2.4 All payment shall be made by wire transfer to the bank account as designated by Contractor in its invoices within thirty (30) calendar days from the date of the invoice.

2.5 All banking charges incurred in Korea shall be borne by KARI, and those charges incurred outside Korea shall be borne by Contractor.

2.6 The Contractor shall submit one (1) original and two (2) copies of the invoice to KARI and each invoice shall clearly indicate the milestone event related to the respective payment and shall accompany supporting document certifying the completion of the milestone.

## Article 3. Delivery

3.1 All delivery terms used in this Order and all deliveries made are to be in accordance with

### Incoterms 2010

Such delivery shall be **made based upon;**

- a) The Material shall be manufactured and tested;
- b) The Material shall be witnessed or inspected by KARI as per Contract Article 6 "Inspection and Acceptance"; **and.**
- c) The Transshipment shall not be permitted.

3.2 Contractor shall send to KARI preliminary shipping documents for instance, pro forma invoice and packing list by e-mail at least two (2) weeks prior to the delivery date of the respective Material provided for in Appendix A [Offer]. The pro forma invoice shall describe the Material exactly in line with the description as shown in Appendix A [Offer].

3.3 Unless otherwise mutually agreed, Contractor shall make the Material ready for shipment and the Material shall be hand over to the KARI's forwarding agent at the rule of FCA " " **Port (" ")** within the delivery **due** date of **13 weeks, and 20 weeks from EDC** after the Contract as stated in the delivery schedule.

3.4 The date of each clean on board bill/or airway bill shall be construed as the date of each shipment and delivery date.

3.5 As soon as each shipment as provided for in this Article is made, Contractor shall send two (2) copies each of the following shipping documents to KARI.

- a) **Commercial invoice,**
- b) **Packing list, and**
- c) **Manufacturer's Inspection Report.**

3.6 Title and risk of the Material shall be passed to KARI by Contractor upon delivery of the Material by Contractor to KARI.

### Article 4. Extension of Delivery

4.1 KARI may have the right to extend the delivery schedule specified in Appendix A [Offer] for the period of maximum six (6) months, if necessary, at its sole discretion, with the **two (2) months** prior to written notice of extension to Contractor. Contractor shall, during the extension period, properly protect and secure the Material for the avoidance of loss and damage on the Material.

### Article 5. Packing and Marking

5.1 The Material shall be packed in seaworthy packing conditions according to international commercial and industrial practice. Contractor shall apply proper anti-erosion and/or anti-rust compounds or coating, protective water proof wrapping and/or packing, as the case may be.

5.2 Each package of the Material delivered by Contractor shall be marked indicating the following information in sequence on the frame commensurate with the size of package, and which shall be painted with color to be designated by KARI prior to each shipment.

- a)

Korea Aerospace Research Institute  
(KARI CONTRACT NO:)

- b) Shipper's Mark,
  - c) Package Number,
  - d) Commodity Name,
  - e) Port of Discharge,
  - f) Caution Marks, if applicable,
  - e) Net weight, Gross weight and Cubic measurement,
  - f) Origin of Material, and
  - g) Part Name and Operation Number.
- 5.3 Upon consultation by the Parties, Contractor shall reimburse KARI for any and all expenses incurred by KARI as a result of improper and/or faulty packing or marking.
- 5.4 Special Packing Requirements for Service/Spare Parts; Contractor shall make separate packing for Service and spare parts from main Material.

## Article 6. Inspection and Acceptance

- 6.1 KARI shall have the right to carry out by itself or to appoint another qualified inspector for inspection of the Material and general progress during the manufacture, packing and preparation for shipment of the Material.
- 6.2 ~~In the event that KARI desires to dispatch its inspector or its authorized inspector for inspection of Material, Contractor shall make due arrangement for free access of the inspector to Contractor's workshops or Subcontractor's workshops at reasonable time. Each Party shall bear its own costs related to these inspections.~~ In the event that KARI desires to dispatch its inspector or its authorized inspector for inspection of any or all Material, Contractor shall make due arrangement for free access of the inspector to Contractor's Material warehouse subject to reasonable advance notice by KARI and subject to limitations imposed by Contractor for protection of its confidential or sensitive information belonging to Contractor or to Contractor's other customers. Access to the Contractor's Airware™ Aluminium Lithium cast houses shall be prohibited. Contractor's Material warehouse shall be open to inspection during Contractor's normal business hours and subject to compliance with Contractor's regulations and rules (in particular with the Contractor's security and health and safety rules, procedures and regulations) and any requirements imposed by applicable law. Contractor shall use commercial efforts to secure the same rights of access for the inspector to the appropriate premises of its Subcontractors which are relevant to this Contract in order to inspect the Material.
- 6.3 KARI shall be entitled to refuse to accept Material partially or totally if the inspection or testing as aforesaid in the Article 6.1 reveals that the Material is not in accordance with the Contract specifications in Appendix B [Technical Requirement] or approved detailed descriptions, drawings and/or Technical Data involved. In such case Contractor shall repair, replace or modify free of charge the Material in question to bring it into conformity with the Contract specifications and approved detailed descriptions, drawings and/or Technical Data, as aforesaid, and shall notify KARI when the same are ready for new inspection or testing which shall be carried out under the same terms and conditions as the original inspection and testing. In this case, the costs incurred by KARI due to such a re-inspection including but not limited to, travel expenses

of KARI's inspector, any special re-inspection costs and so forth, shall be borne by Contractor. Nevertheless, the failure of KARI to detect non-conformity with the Contract specifications or detailed descriptions, drawings and/or Technical Data during any such inspections or testing shall not relieve Contractor of any of its obligations under this Contract.

- 6.4 KARI shall make the inspection upon the Material at KARI's site at its expense with the presence of Contractor or Contractor's Korean Agent according to the requirements of the inspection and acceptance procedure in standard specifications. The detailed schedule of such inspection shall be mutually agreed through mutual negotiation by the Parties.
- 6.5 In case of missing/shortage item or failure for the Materials to meet the Contract specification or if the tests reveal defective or faulty Materials and/or workmanship attributable to Contractor and/or its Subcontractors, Contractor shall, at Contractor's cost including airfreight, insurance, duties and taxes for customs clearance in Korea, promptly supply the missing/shortage item or at Contractor's option, repair, reimburse or replace the non-conforming Material with new one which conform to the Contract specification. Once the defects have been corrected, the tests shall be repeated as many times as necessary until the Material is conformed to the Contract specification. Costs incurred in connection with any repeated tests, whether direct or indirect, shall be borne by Contractor.

## **Article 7. Performance Guarantee**

- 7.1 Contractor shall guarantee that the Services and Material shall have the performance confirming to the requirements specified in the Appendix B. [Technical Requirements]. Such performance shall be proved by means of the provisions set forth in Article 6 "Inspection and Acceptance" hereof, under the additional condition that KARI shall be satisfied with all documentation provided by Contractor, other than the Contract Specifications, and that performance parameters based on such data or documentation are established by testing and inspection.
- 7.2 Contractor shall be released from this guarantee by the Final Acceptance from KARI. Contractor shall, at its option, either replace or reimburse the non-conforming Material or provide its engineer at its own cost to correct all the defects and/or deficiencies of the Material, if any, to fulfill the requirements of Inspection and acceptance procedure in accordance with the requirements of the Contract specifications, if and when such defects and/or deficiencies have been proven and admitted as not attributable to KARI.
- 7.3 In the event that Contractor does not commence correction of such proven and admitted defects and/or deficiencies, or does not complete the said correction with reasonable diligence, then KARI may, at its option, correct the defects and/or deficiencies at Contractor's expense. In the latter case, Contractor shall reimburse KARI for all costs incurred in connection with KARI's correction of the defects and/or deficiencies within thirty (30) days of receipt of KARI's written invoice setting forth such costs.

## **Article 8. Warranties**

- 8.1 All Services shall be performed according to the highest professional industrial standards and shall conform to the requirements of this Contract and shall comply with all applicable laws and regulations. Material and Services provided or delivered by Contractor to KARI or any person

designated by KARI shall be sufficient, correct, and complete to enable KARI or its Subcontractors to perform their work for this Contract. Contractor hereby warrants the Services and Material shall comply with the Contract specifications when the Material is used under normal operation and proper maintenance conditions. Contractor's obligation under this warranty shall be discharged by furnishing, to KARI's site at Contractor's expense including airfreight, insurance, duties, and taxes for customs clearance in Korea, a similar part to replace any of Contractor's supply, or repairing the defective part which, within the warranty period specified as under, proves to have been defective in manufacture. Contractor may at its option inspect the defective part or request the return of defective part at Contractor's cost in order to confirm KARI's claim.

- 8.2 ~~Warranty Period hereof shall be twelve (12) months from the date of delivery in accordance with the Article 3.3.~~ The Contractor shall give this warranty for a period of twelve (12) months from the date of arrival of the Material at the port or airport of destination provided that the Material are correctly mounted, properly operated and stored in areas that are compliant with moisture and humidity protection requirements. In any event, the Contractor shall not be liable for any damages of the Material and all the cost incurred thereby due to extended warehousing made by KARI such as surface oxidation or damages caused by pallet deterioration.
- 8.3 For the Material and any parts of Material as found defective and replaced or repaired during the warranty period, the warranty period for those repaired or replaced Material and any parts of Material shall be extended for such repair or replacement period.
- 8.4 The warranty provided for in this Article shall not apply to ordinary wear and tear or consequential damages during the warranty period.
- 8.5 In the event that Contractor does not commence immediately the correction on such proven or admitted defects after receipt of notice from KARI, or does not complete the said correction with reasonable diligence, KARI may, at its option, correct the defects at Contractor's expense. In the latter case, Contractor shall reimburse KARI for all costs incurred in connection with KARI's correction of the defects and/or deficiencies within thirty (30) days after receipt of KARI's written invoice setting forth such costs.
- 8.6 Notwithstanding anything contained herein elsewhere, Contractor shall indemnify, defend and hold harmless KARI, its officers, directors, agents and employees from and against any and all property and/or personnel losses, injuries, deaths and/or damage arising from the defective part or parts of Material.
- 8.7 Title passed by Contractor to KARI shall be free and clear of any lien, restriction, reservation, security interest and/or encumbrance.

## Article 9. Performance & Warranty Bond

- 9.1 Contractor shall furnish to KARI within three (3) weeks from the effective date of this Contract, an unconditional and irrevocable standby letter of credit or bank guarantee available by KARI's draft at sight issued by first class international bank acceptable to KARI for a sum equivalent to ten percent (10%) of Contract Price. Such standby letter of credit or bank guarantee shall be drawn in favor of KARI and advised to KARI through Woori Bank (Daejeon Branch at 29 Munye-ro, Seo-gu Daejeon, 35241 Korea, tel : +82-42-488-9704, ext. 312) and shall be valid till the expiry date of warranty period provided for in the Article 8.2. In case Contractor fails to furnish

the standby letter of credit or bank guarantee, then KARI may have the right to terminate this Contract for the Contractor's breach of this Contract. **Or, if it is impossible for the Contractor to furnish the standby letter of credit or bank guarantee, Contractor shall deposit the amount of ten percent (10%) of total Contract Price as a guarantee amount to KARI until the expiry date of the warranty period. KARI shall refund the deposit amount to the Contractor in case the warranty period is ended without any critical claims.**

- 9.2 KARI shall have an unqualified option under this guarantee to invoke the standby letter of credit or bank guarantee and claim the amount thereunder in the event of Contractor's failing to honour any of the commitments entered into under this Contract and/or in respect of any amount due from Contractor to KARI.
- 9.3 After the delivery of Material to KARI, the above standby letter of credit or bank guarantee shall be considered to constitute Contractor's warranty for the Material and its due performance in accordance with the terms and conditions hereof.

## **Article 10. Liquidated Damages for Late Shipment**

- 10.1 If the delivery date set forth in Contract Article 3.3 is not met, KARI shall have the right to apply a liquidated damages, not by way of penalty, of zero point one five percent (0.15%) of the Contract Price per day of such delay unless such delay is an event of Force Majeure and such liquidated damages shall be deducted from the amount of the final payment as set forth in Article 2.3. However, the amount of the liquidated damage shall not exceed ten percent (10%) of the Contract Price.
- 10.2 In the event that the sum of liquidated damages for late shipment as set forth in the Article 3.3 exceeds ten percent (10%) of the Contract Price and the Material still has not been delivered, KARI may terminate this Contract for Contractor's breach of this Contract.

## **Article 11. Permits**

- 11.1 Unless otherwise specified in this Contract, each Party is responsible for obtaining all government approvals from any government authority which has jurisdiction and authority to require such approvals, including, but not limited to, licenses, visas, and permits necessary to carry out such Party's obligations in accordance with this Contract. KARI is responsible for obtaining any necessary Korean government approvals, and Contractor is responsible for all other government approvals.
- 11.2 The Parties shall cooperate and provide each other, upon request of and without cost to the other Party, all reasonable and necessary assistance in obtaining any and all governmental approvals, which they respectively are required to obtain pursuant to this Contract.
- 11.3 Each Party shall be solely responsible for any expenses incurred in obtaining the approvals, which are required under this Article. The Parties shall provide to each other, upon request of and without cost to the other Party, suitable documents or other reasonable evidence to show that they have obtained any and all governmental approvals, which they respectively are required to obtain pursuant to this Contract.
- 11.4 Any failure or delay of Shipment caused by any failure or delay of obtaining permits from all the

necessary Governmental authorization, other than Korean Governmental authorization, shall not affect any clause of this Contract and Contractor shall take the responsibilities for any results from the failure or delay of obtaining any relevant permits or licenses.

## **Article 12. Confidentiality**

- 12.1 Each Party shall confidentially treat all documents, data, materials and information supplied by one Party to the other Party, and shall not disclose the above to any Third Party, and shall not use the above for any other purpose than for the performance of this Contract without prior written consent from the other Party. However this Confidentiality obligation shall not be apply to the information which is made available to the general public.

## **Article 13. Industrial and/or Intellectual Property Rights**

- 13.1 KARI acknowledges and Contractor guarantees that all the Industrial and/or Intellectual Property Rights related to the Services and Material provided are owned by Contractor.
- 13.2 Contractor shall indemnify KARI from and against any and all disputes or claims brought forward by a Third Party on the ground that KARI's use of the Services and Material supplied by Contractor hereunder has infringed any Industrial and/or Intellectual Property Rights of the Third Party.

## **Article 14. Taxation**

- 14.1 Any and all duties and taxes including but not limited to customs duties, income taxes, sales taxes, value added taxes and any other tax-like charges imposed, levied or charged to Contractor outside of Korea shall be for account of Contractor. Any other duties and taxes imposed, levied or charged in Korea shall be for account of KARI.

## **Article 15. Force Majeure**

- 15.1 Force Majeure hereunder shall be constructed as follows :  
War, preparation for war, blockade, revolution, insurrection, mobilization, civil commotions, riots, earthquakes, tidal waves, typhoons, storms, floods, or any other conditions of similar nature beyond reasonable control of the Parties.
- 15.2 Neither Party shall be responsible to the other Party for any delay in performing its obligations under this Contract due to any Events of Force Majeure.
- 15.3 The Party whose performance of obligations hereunder has been affected by any Events of Force Majeure shall notify the other Party within ten (10) days thereafter by sending a detailed statement and sufficient evidence with respect thereto, and promptly of any subsequent change in the circumstances, if any. The affected Party shall exercise its best efforts under the circumstances to remove or remedy the Events of Force Majeure and the effects thereof and resume full performance hereof as soon as possible.

- 15.4 Notwithstanding Article 15.2 hereof, any such delay that has not been notified to the other Party pursuant to Article 15.3 hereof shall not be excused for any reason whatsoever. Notwithstanding Article 15.2 hereof, any delay of performance of the affected Party falling due after delay, failure or incompleteness in exercising the pertinent best efforts to remove or remedy the pertinent Events of Force Majeure or the effects thereof pursuant to Article 15.3 hereof shall not be excused for any reason whatsoever.
- 15.5 Force Majeure shall be established by reasonable written evidence of the Chamber of Commerce and Industry of the country of the Party claiming Force Majeure which shall accompany the written notification of Force Majeure submitted pursuant to Article 15.3.
- 15.6 The Party who has received or is entitled to duly receive the notice of Events of Force Majeure under Article 15.3 hereof may suspend performance of its obligations which shall be due subsequent to such Events of Force Majeure, until the other Party has effected such delayed performance to the full extent after and in view of such Events of Force Majeure.

## Article 16. Termination

- 16.1 KARI may terminate this Contract upon written notice to Contractor:
- a) If Contractor commits a material breach of any of its obligations under this Contract which shall not be remedied within thirty (30) days from the giving of written notice requiring such breach to be remedied;
  - b) If Contractor becomes incapable for a period of ninety (90) consecutive days of performing any of its obligations under this Contract because of Force Majeure; or
  - c) If Contractor or its creditors or any other eligible Party shall file for its liquidation, bankruptcy, receivership, reorganization, dissolution or similar proceedings, or if Contractor is unable to pay any debts as they became due (except debts contested in good faith), or if Contractor's creditors have taken over its management, or if the relevant financial institutions have suspended Contractor's clearing house privileges, and all such events has not been terminated within thirty (30) days from occurrence.
  - d) If the aggregate number of days of delay should exceed sixty seven (67) days, excluding days of delay excused by KARI in writing.

In the event of such termination, Contractor shall return to KARI all materials, data and documentation provided by KARI, at no cost to KARI, and Contractor shall return one hundred percent (100%) of the amount paid by KARI under this Contract. KARI shall return the Material to Contractor, if any. And in the event of the termination pursuant to (a), (c) and (d) above, Contractor shall also pay ten percent (10%) of the Contract Price as termination charge.

- 16.2 KARI may terminate this Contract, in whole or in part, at any time for its convenience, upon sixty (60) days prior written notice to Contractor. In case of such termination for convenience, Contractor shall be entitled to the amount paid and payable up to the date of termination and additional remuneration for all 'work in process', which in any event shall not exceed the Contract Price.

## Article 17. Notice

- 17.1 All notices, requests, demands, approvals, reports, invoices, and other correspondence to be provided pursuant to this Contract shall be in writing and shall be deemed to have been duly given to the Party to be notified: (i) on the date of delivery if delivered in person, (ii) on the date of dispatch if by facsimile, telex or e-mail, or (iii) on the date of receipt if by registered airmail or overnight courier.

For KARI : Korea Aerospace Research Institute  
169-84 Gwahak-ro, Yuseong-gu, Daejeon,  
34133, Korea

Commercial Item  
Mr. Won-Suk LEE  
Procurement Team  
Tel: +82-42-860-2406  
Fax: +82-42-860-2666  
e-mail: wsl@kari.re.kr

Technical Item  
Dr. Jong-Hoon Yoon  
Launcher Structure & Materials Team  
Tel: +82-42-860-2049  
Fax: +82-42-TBD  
e-mail: yjh@kari.re.kr

For Contractor :

## Article 18. Effective Date

- 18.1 The effective date of this Contract ("EDC") is the date on which all of the following conditions have been satisfied:
- The duly authorized representatives of the Parties have signed this Contract; and
  - The appropriate governmental authorities of the Republic of Korea and Contractor's country have duly approved this Contract, if required.
- 18.2 Any amendment to this Contract shall be effective upon signature by the duly authorized representatives of both Parties and the approval of such amendment by the Government of the Republic of Korea, if required.

## Article 19. Governing Law and Arbitration

- 19.1 This Contract shall be construed and governed by the laws of the Republic of Korea.
- 19.2 In cases any controversy or claim arises out of or in relation to this Contract or with respect to a breach hereof, the Parties shall seek to resolve the matter amicably through discussions between themselves. Notwithstanding the foregoing sentence, if the Parties cannot amicably resolve such controversy or claim, it shall be finally settled by arbitration in Seoul, Korea in

accordance with the Commercial Arbitration Rules of The Korean Commercial Arbitration Board and under the law of Korea, the award rendered by the arbitrator(s) shall be final and binding upon both Parties concerned.

## **Article 20. Miscellaneous**

### 20.1 Assignability

This Contract and each and every covenant, term and condition hereof shall be binding upon and inure to the benefit of the Parties and their respective successors, and neither this Contract nor any rights and obligations hereunder shall be assignable or delegable directly or indirectly by either Party without the prior written consent of the other Party.

### 20.2 Entire Agreement

This Contract embodies the entire agreements of the Parties with respect to the subject matter hereof and supersedes and cancels any and all prior understandings or agreements, oral or written, in relation hereto, which may exist between the Parties. No oral explanation or oral information by any of the Parties shall alter the meaning or interpretation of this Contract.

### 20.3 Unenforceable Terms

If any term or provision of this Contract shall, for any reason whatsoever, be invalid, illegal or unenforceable in any respect, this Contract shall be interpreted and construed as if such term or provision had never been included herein. In such a case, the Parties shall amend, modify or improve such an ineffective part or parts of this Contract immediately to make it effective. Any remaining part of this Contract shall not be influenced by such ineffectiveness.

### 20.4 Non-waiver

The failure or delay of any Party to require performance by the other Party of any provision of, or of any right or obligation under this Contract, shall not constitute a waiver thereof, nor shall such affect that Party's right to thereafter require performance of such or any other provision, right or obligation.

### 20.5 Disclaimer of Agency

This Contract shall not be deemed to constitute any Party the agent of the other Party.

### 20.6 Headings

The headings in this Contract have been inserted for convenience of reference only and are not to be used in consulting or interpreting this Contract.

### 20.7 Time Limits

Unless otherwise indicated, any time limits to which this Contract binds Contractor or KARI shall

be counted in calendar days from the day following that of the event marking the start of the time limit, and shall end on the last day of the period specified. When the last day of a time limit is a Saturday or Sunday, or a legal holiday in the country in which the particular contractual performance is required, such time limit shall be extended to the first working day following.

#### 20.8 Subcontractors

Each Party shall be fully responsible for the work of its Subcontractors under this Contract, and such subcontracting shall not relieve that Party of its obligation under this Contract.

#### 20.9 Language and Units

This Contract shall be executed in English and all documents, drawings, plans and other writings as well as communications between both Parties shall be in English. Measurements and quantities for any deliverable documentation shall be recorded in units of System International.

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**IN WITNESS WHEREOF** this Contract has been issued in two (2) signed English originals of equivalent validity, executed on behalf of KARI and the Contractor by their respective persons authorized on that behalf.

**Signed for and on behalf of KARI**

**Signed for and on behalf of Contractor**

**By :** \_\_\_\_\_

**By :** \_\_\_\_\_

**Name :** Gwang-Rae CHO, Ph.D

**Name :** TBD

**Title :** President

**Title :** TBD

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## Appendix A. Offer

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## **Appendix B. Technical Requirements**

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**A. Delivery Item :**

- Aluminium Plates described in the above table
- Material Inspection Sheet (Chemical composition and strength evaluation)

**B. Type and Quantity (ies) :**

Alloy	Temper	AMS Spec. (Form Designation)	Size(mm) (T×W×L)	Q'ty

※ AMS : Aerospace Material Specification

**C. Confirmation of Contractor's Service in the field of belows ;**

- Welding characteristics
- Material properties at room and cryogenic temperature
- Formability at room and elevated temperature
- Microstructural characteristics according to heat treatment conditions

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## Appendix C. Performance bond

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Date : TBD

Korea Aerospace Research Institute  
169-84 Gwahak-ro, Yuseong-gu, Daejeon,  
34144, Korea

Attention : Mr. Jung-Nam CHO  
Head of Procurement Team

Dear Sir,

At the request of our Customer, **(Contractor and Address)**, we hereby establish our irrevocable Letter of Credit committing unconditional payment to the beneficiary in favor of Korea Aerospace Research Institute (KARI) in the aggregate amount of **(10% of Contract Value)** Say, **(USD Written Amount)**, expiring at our counters in **(Bank's location)**, covering the performance by **(Contractor)** for Contract Number (KARI-16-0058) to supply Wireless Local Position Measurement System.

Up to the face amount of this Credit in the aggregate, the reimbursement is available to you upon presentation of your Draft(s) drawn on us At Sight when each Draft is accompanied by the following documents :

- 1) Your invoice to (Contractors) in the Amount of the Draft presented :
- 2) The written statement signed by a purportedly authorized officer of KARI, seating the Amount of the invoice is due and payable to KARI under the order and that (Contractor) is in default of its obligations to KARI thereunder:
- 3) A copy of your letter sent to (Contractor) dated at least ten (10) days prior to the date of the Draft presented, simple notifying (Contractor) that it is in fault under the Order.

All bank charges are for the account of (Contractor).

This bond shall be valid until the expiry date of warranty period and can be extended.  
Thereafter, this bond shall be null and void, even if it is not returned to us.

We hereby agree with you that all Drafts drawn under and in compliance with the Terms and Conditions of this Credit will be duly honored if drawn and presented at our counters on or before the expiration date of this Credit.

This Letter of Credit is subject to the Uniform Customs and Practice for Documentary Credits (1993 Revision) International Chamber of Commerce Publication No.500.

(Bank Name)

By :

Title: