

EQUIPMENT LOAN AGREEMENT

This EQUIPMENT LOAN AGREEMENT ("Loan Agreement") is made by and between Wonder Limited, a ___ company with principal offices located at _____, ("Lender"), and World Corp., a Korean corporation with principal offices located at _____, Korea ("Customer").

Article 1. DEFINITIONS

"Equipment" means all computer hardware (but not Software), including the documentation thereof, supplied by Lender to Customer pursuant to this Agreement.

"Lender Products" means Equipment and Software.

"Software" means the Lender computer programs and firmware limited to object code, whether in machine readable, optically readable or any other format to be supplied by Lender.

"Software License Agreement" means the agreement as set forth in Exhibit B pursuant to which the parties establish their respective rights and obligations concerning the duplication and use of the Software.

"Designated Purpose" means technical evaluation to become distribution partner in Korea.

Article 2. LOAN

On the terms and conditions set forth herein, Lender loans, free of charge, to Customer the Lender Products described in the Equipment Schedule attached hereto as Exhibit A, which Equipment Schedule is incorporated herein by this reference. Customer may use the Lender Products only for the Designated Purpose. Lender reserves the right to change or modify the Lender Products at Lender's cost during the term of the loan. Use of any Software supplied with the Equipment is governed by the terms and conditions of the Software License Agreement mentioned above. The Lender Products are located on the Customer's premises at _____, Korea (the "Site"). The Site may be changed only with written agreement from Lender.

Article 3. TERM AND TERMINATION

This Loan begins on _____ ("Effective Date"), and continues for a period of six (6) months ("Loan Period").

On termination of the Loan Period, Customer may either return the Lender Products without charge or may purchase the Lender Products for the sum of US\$ _____.

Customer must advise Lender of its decision to purchase at least 30 days before expiry of the Loan Period. In the event of purchase, Lender will invoice prior to expiry of Loan Period and invoice will be payable within 30 days of invoice date.

If purchase option is not exercised, de-installation and removal of the Equipment on termination of this Loan shall be at the Lender's expense, and Customer will fully cooperate in allowing Lender to promptly de-install and remove the Lender Products.

Article 4. MAINTENANCE CHARGES

Customer is obliged to pay maintenance charges for the Lender Products during the Loan Period as specified in Exhibit A. Maintenance charges will be invoiced quarterly in advance and are payable 30 days from invoice date.

Article 5. OWNERSHIP, USE AND MAINTENANCE

5.1 Ownership Of Equipment.

The Lender Products is and shall at all times be and remain the property of Lender. Customer shall have no right, title or interest in the Lender Products except as expressly set forth in this Loan Agreement.

5.2 Customer's Obligations.

Customer shall use the Lender Products in a careful and proper manner and shall comply with and conform to all requirements of insurance policies, manufacturer's manuals and local governmental laws, rules and regulations applicable to the Equipment. The Lender Products shall not be removed from the Site without Lender's prior written consent. Lender shall be entitled to inspect the Lender Products at the Site at reasonable times. Lender shall be responsible for maintenance of the Lender Products in accordance with its standard procedures.

Customer shall perform routine hardware preventative maintenance and cleaning. Prior to requesting support from Lender, Customer shall comply with all published operating and trouble shooting procedures. If such efforts are unsuccessful, Customer shall promptly notify Lender of the malfunction. Subject to Customer's reasonable security and safety rules, Customer shall provide Lender with (i) reasonable and safe access to Products, (ii) adequate working space and facilities within a reasonable distance of the Products, and (iii) access to and use of all facilities of Customer necessary for Lender to service Products. Customer shall establish and maintain a procedure external to Products for reconstruction of lost or altered files, data, or programs. The examination, replacement and handling of Lender Products can be hazardous. All related support tasks should be performed by qualified service personnel with the appropriate technical training and experience to recognize these hazards and observe all protection procedures and precautions. Customer agrees to indemnify Lender in the event of any damages related to the failure to use qualified service personnel or to employ adequate safety precautions.

5.3 Permits And Licenses.

Customer shall procure all third party permits and licenses necessary for the installation and operation of the Lender Products or any items thereof.

5.4 Alterations and Improvements.

Customer shall not make any alterations or improvements to the Lender Products without Lender's prior written consent which consent shall not be unreasonably withheld or delayed. All alterations or improvements made to the Lender Products shall immediately become the property of Lender. Customer may upgrade the area surrounding the Lender Products without Lender's prior written consent and without such improvements becoming Lender's property. Any alterations, improvements or upgrades shall be made at Customer's sole cost and expense.

5.5 Warranties.

All warranties and service commitments of third party manufacturers' items supplied by Lender with the Lender Products shall accrue solely to the benefit of Lender.

5.6 Surrender.

Upon the termination of this Loan, Customer shall immediately return the Lender Products to Lender in good repair, condition and working order, ordinary wear and tear excepted. Customer shall notify Lender that the Lender Products is ready for collection. Lender is responsible for costs of de-installation and freight. In the event that any of the Lender Products, upon its return to Lender, is not in good repair, condition and working order, ordinary wear and tear excepted, Customer shall be obligated to pay Lender its then current time and materials rates for expenses Lender incurs in bringing such Lender Products up to such status.

Article 6. LOSS OF EQUIPMENT

Customer shall bear the risk of the Lender Products being lost, destroyed or otherwise rendered permanently unfit or unavailable for use (“Event of Loss”) for the Loan Period. If an Event of Loss shall occur, Customer shall promptly notify Lender thereof in writing.

Article 7. INSURANCE, LIENS AND TAXES

7.1 Insurance of Equipment.

Customer, at its own expense, shall provide and maintain, for the term of this Loan Agreement, insurance against the loss, theft, damage or destruction (and such other risks as are customarily insured against with respect to the type of equipment loaned hereunder) of the Lender Products in an amount not less than the full replacement value of the Equipment.

7.2 Liens.

Except as set forth above and except as created or permitted by Lender, Customer shall keep the Lender Products free and clear of all levies, liens and encumbrances.

Article 8. WARRANTY

8.1 EACH PARTY WARRANTS THAT IT HAS THE RIGHT TO ENTER INTO THIS LOAN AGREEMENT AND TO PERFORM ITS OBLIGATIONS HEREUNDER.

8.2 NOTWITHSTANDING AND WITHOUT PREJUDICE TO THE PROVISIONS SET FORTH IN THIS SECTION AND SECTION 16 Lender HEREBY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS AND IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Article 9. LIMITED GENERAL INDEMNIFICATION

9.1 Without prejudice to any other rights or remedies available to either party, Lender shall indemnify Customer against:

- a) all loss of or damage to any property belonging to Customer as a result of the negligence or willful acts of Lender, its employees or agents in relation to the performance of this Loan Agreement.

- b) all claims and damages incurred in respect of: I) death or personal injury of any employee of Lender or its agents employed in the performance of this Loan Agreement, except to the extent caused by the negligence of Customer: or, II) death or personal injury of any other person as a result of the negligence or willful acts of Lender, its employees or agents in the performance of this Loan Agreement: or, III) loss of or damage to any property as a result of the negligence or willful acts of Lender, its employees or agents in the performance of this Loan Agreement.

9.2 CUSTOMER AGREES THAT Lender ACCEPTS NO LIABILITY FOR DAMAGES TO CUSTOMER FOR ANY CAUSE WHATSOEVER ARISING UNDER THIS LOAN AGREEMENT OR THE LICENCE AGREEMENT, AND REGARDLESS OF THE FORM OF THE ACTION, WHETHER IN CONTRACT OR IN TORT INCLUDING NEGLIGENCE, EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS LOAN AGREEMENT. IN NO EVENT WILL Lender BE LIABLE FOR ANY DAMAGES ARISING FROM OR CAUSED BY FAILURE OF CUSTOMER TO PERFORM ITS RESPONSIBILITIES, OR FOR COSTS OF PROCUREMENT OF SUBSTITUTED GOODS OR SERVICES, ANY LOSS OF DATA, BUSINESS, PROFITS, OR SAVINGS, OR OTHER INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, EVEN IF Lender IS AWARE OF THE POSSIBILITY OF SUCH DAMAGES, OR FOR ANY CLAIM AGAINST CUSTOMER BY ANY OTHER PARTY EXCEPT AS OTHERWISE PROVIDED IN THE INTELLECTUAL PROPERTY RIGHT INDEMNITY PROVISION OF THIS LOAN AGREEMENT.

Article 10. INTELLECTUAL PROPERTY OWNERSHIP

Lender retains all right, title and interest to Lender intellectual property owned by Lender prior to the effective date of this Loan Agreement and to all Lender intellectual property solely made, conceived or reduced to practice by Lender at any time. Lender intellectual property includes, but is not limited to, confidential information that Lender may disclose to Customer from time to time.

Article 11. PUBLICITY

Without the prior consent of the other, neither party shall disclose to any third person (other than the party's agents, employees, directors, advisors and lenders) the existence or purpose of this Loan Agreement, the terms or conditions hereof or issue any press announcements about this Loan Agreement or activities pursuant to this Loan Agreement except as may be required by law and then only after first notifying the other party of such required disclosure. The parties agree not to use the trade name, service mark, or trademarks of the other party without its consent, except as provided under law.

Article 12. RELEASES VOID

Neither Lender nor Customer shall require waivers or releases of any personal rights from representatives of the other in connection with visits to the other's premises and no such releases or waivers shall be pleaded by Lender, Customer or third persons in any action or proceeding.

Article 13. INTELLECTUAL PROPERTY INDEMNIFICATION

- 13.1 Lender will indemnify Customer and hold Customer harmless against any action based upon a claim that Customer's use of Lender Products supplied hereunder infringes any third party's United States or EU copyright or patent.
- 13.2 Provided that Customer promptly notifies Lender in writing of such action, Lender will defend Customer at Lender's cost and expense in any suit at law or equity relating to such claim, and pay any costs and damages, including attorney's fees, finally awarded or any settlements, which Lender has approved of, arising out of or in conjunction with such claim. In the event Lender defends against such claim of infringement, Lender shall have the sole control of the litigation and Customer agrees to cooperate at Lender's expense with Lender to the extent necessary in such defense. Lender shall have the sole right to determine the terms of any settlement.
- 13.3 If any act of infringement has been proven to have occurred, Lender shall at Lender's sole option and expense either (I) procure for Customer the right to continue using the Lender Products (II) replace or modify the Lender Products so that it becomes non-infringing, or (III) if neither of the foregoing alternatives is available on terms which are reasonable in Lender's judgment, terminate this Loan Agreement .
- 13.4 Lender shall not be liable for any costs or damages and Customer will indemnify, defend and hold Lender harmless from any expenses, damages, costs or losses resulting from any suit or proceeding based upon a claim arising from (I) the combination, operation, or use of any Lender Products with third party programs or data products, if such infringement would not have occurred but for such combination, operation, or use (II) use of equipment in other than the supported operating environment, if such infringement would have been avoided by use in the supported operating environment, or (III) use of equipment as modified by Customer.
- 13.5 Customer shall hold Lender harmless against any expense, judgment or loss for infringement of any patents or copyrights as a result of Lender's compliance with Customer designs, specifications or instructions, provided, however, that Lender shall promptly notify Customer of any such actual or potential infringement of which Lender is aware during its ordinary course of business.
- 13.6 In no event shall Lender's total intellectual property liability to Customer under this Loan Agreement or the Software License Agreement exceed \$100,000. The foregoing states the entire obligation of Lender with respect to infringement of patents, copyrights, trade secrets, or other intellectual property rights.

Article 14. INTELLECTUAL PROPERTY OF THIRD PARTIES

Lender has the right to make, use and loan the Lender Products provided under the Loan Agreement and has not knowingly infringed any third party US or EU patent, copyright, trade secret or other intellectual property right. Lender is not aware of any claim that the items made, used or loaned hereunder infringe any third party US or EU patent, copyright, trade secret or other intellectual property right.

Article 15. INDEPENDENT CONTRACTORS

Nothing contained in this Loan Agreement is intended or is to be construed so as to constitute (1) Customer and Lender as partners or joint venturers, or (2) the employees, agents, or representatives of Customer as employees, agents or representatives of Lender, or (3) the employees, agents, or representatives of Lender as employees, agents, or representatives of Customer. It is intended that the relationship of Customer to Lender shall at all times be that of an independent contractor. No party to this Loan Agreement shall have any express or implied right or authority to assume or create any obligations on behalf of or to the name of the other party or to bind the other party to any contract, agreement, or undertakings with any third party.

Article 16. CONFIDENTIALITY

If either party desires that specific information provided to the other party under this Loan Agreement be held in confidence, the disclosing party agrees to identify such information as "Confidential" or "Proprietary". Neither party shall use such information except for purposes specifically contemplated by this Loan Agreement. This Loan Agreement, however, shall not affect any other nondisclosure agreement between the parties.

Article 17. SURVIVAL OF OBLIGATIONS

The obligations of the parties under this Loan Agreement which, by their nature, would continue beyond the termination, cancellation, or expiration of this Loan Agreement shall survive termination cancellation or expiration of this Loan Agreement, including without limiting the foregoing the following conditions:-

- GOVERNING LAW
- ASSIGNMENT
- CONFIDENTIALITY
- INTELLECTUAL PROPERTY INDEMNITY
- LIMITED GENERAL INDEMNIFICATION

Article 18. SEVERABILITY

If any of the provisions of this Loan Agreement shall be invalid or unenforceable, such invalidity or unenforceability shall not invalidate or render unenforceable the entire Loan Agreement, but rather the entire Loan Agreement shall be construed as if not containing the particular invalid or unenforceable provision or provisions and the rights and obligations of each party shall be construed and enforced accordingly.

Article 19. ASSIGNMENT

Other than assignment by Lender to its parent or a fellow subsidiary neither party may assign its rights or obligations, in whole or in part, under this Loan Agreement to any third party without prior written approval of the other, which approval shall not be unreasonably withheld. No such assignment, however, shall relieve the assigning party of its obligations hereunder.

Article 20. NOTICES

All notices required or desired to be given hereunder must be sent to the parties at the addresses set forth below; shall be in writing and, if not personally delivered, be sent registered or certified mail, by nationally recognized overnight courier. Notices shall be deemed to have been given when received or when delivery is refused. Either party may from time to time change the address to which notices to it are to be sent by giving notice of the change to the other party.

If to Lender:

Wonder Ltd
Attn: Contract Administrator

If to Customer:

Article 21. GOVERNING LAW

This Loan Agreement shall be governed by and construed in accordance with ____ Law.

Article 22. FORCE MAJEURE

Neither party will be liable to the other for delays in the performance of or completion of this Loan Agreement if the delay is caused by strike, riots, wars, government regulations, acts of God, fire, floods or other causes beyond its reasonable control

Article 23. SECTION HEADINGS

The headings of the Sections herein are inserted for convenience only and are not intended to affect the meaning or interpretation of this Loan Agreement.

Article 24. ENTIRE AGREEMENT

This Loan Agreement, including all exhibits, shall constitute the entire agreement between the parties with respect to the subject matter hereto, and shall not be modified except in writing signed by both parties. The provisions of this Loan Agreement supersede and replace all prior oral and written quotations, communications, agreements and understandings of the parties regarding such subject matter.

Article 25. WAIVER

No delay, neglect or forbearance on the part of either party in enforcing against other party any provision of the Loan Agreement shall be deemed to be a waiver or in any way prejudice any rights of such party under the Loan Agreement. No waiver by either party shall be effective unless made in writing. No waiver by either party of a breach of the Loan Agreement shall constitute a waiver of any subsequent breach.

Article 26. COUNTERPARTS AS ORIGINALS

This Loan Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this Loan Agreement to commence as of the Effective Date above set forth.

Lender

Customer

By _____
Authorized Signature

By _____
Authorized Signature

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

Exhibit A
EQUIPMENT SCHEDULE

This Exhibit is an integral part of the Equipment Loan Agreement No: between Wonder Limited and _____ and is made a part thereof by this reference.

Exhibit B
SOFTWARE LICENCE AGREEMENT

This exhibit is an integral part of the Equipment Loan Agreement No _____ between Wonder Limited and _____ and is made a part thereof by this reference.