

SALES AGREEMENT

(Tools, Assembly Machines, Jigs and Checker fixtures)

BETWEEN

KWANG JIN ENGINEERING CO., LTD.

AND

SANAYE KHODRO PEYVAND TOSE-E CO.

SALES AGREEMENT

This Sales Agreement ("Agreement") is made as of [1 days of [1' 2007 (Effective Date") by and between

KWANG JIN ENGINEERING CO., LTD.

A Korean corporation incorporated and existing under the laws of the Republic of Korea, having its principal office at 1 block, Geolmae-ri Inju-myeon, Asan-si, Chungcheongnam-do [336-831] Korea, ("KJE") and

SANAYE KHODRO PEYVAND TOSE-E CO.

An Iranian corporation incorporated and existing under the laws of Iran, having its principal office at No.148 1st Kosar St.Tohid Sq. Tehran, Iran ("PETCO").

WITNESS ETH:

WHEREAS, "KJE" is the Head office and also functioning the main Engineering Center for Kwang Jin Group which engages in the manufacture and sales of Window Regulators, Door Modules and other automotive components.

WHEREAS, "KJE" owns various industrial proprietary ownerships, know-how, important technical experience and knowledge regarding the design, development, manufacture and sales of the Window Regulators, Door Modules and other automotive components.

WHEREAS, "PETCO" desires to purchase Tools, Assembly Machines, Transfer Machines, Jigs and Checker fixtures from KJE in accordance with the terms and conditions set forth in this Agreement.

NOVV THEREFORE, in consideration of the covenants herein contained, the two parties agree as follows; Article 1. Definitions

The terms defined in this Article have, for all purposes of this Agreement, the meanings herein specified unless the Parties hereto otherwise specify or agree upon. The following definitions are equally applicable to both the singular and plural forms of any of the terms herein defined.

- 1 "Contract Products" shall mean the program which is stated in Schedule 1.
- 2 "Party" or "Parties" shall mean KJE and PETCO respectively and KJE and PETCO collectively.
- 3 "Territory" shall mean the geographical confines under jurisdiction and rational sovereignty of ran.

4 "Customer" shall mean SAPCO who is the customer of PETCO.

Article 2, Sale of Goods

2.1 PETCO shall purchase from KJE and KJE shall sell to PETCO Contract Products as listed in Schedule 1, subject to the terms and conditions herein provided.

2.2 During the term of this Agreement, PETCO shall purchase from KJE and KJE shall sell to PETCO [] pieces of Contract Products, of which total quantities shall be [] pieces.

2.3 PETCO hereby agree not to resell and/or transfer the Contract Products to a third party without KJE's written consent, or to use the Contract Products for unauthorized purposes.

Article 3. Specifications

The specifications of Contract Products shall be prescribed and specified in Specifications attached hereto as Schedule 2. If the Customer's requirements for the Contract Products are not provided from PETCO to KJE, it shall be deemed that PETCO agreed to accept the Contract Products to be manufactured under the Specifications and the quality standard set up by KJE.

Article 4. Price

The Parties agree that the prices of Contract Products shall be fixed as listed in Schedule 1.

Article 5. Delivery

5.1 Delivery Schedule : KJE will deliver the Contract Products to the particular area designated by PETCO at the specified date by PETCO within 4 months after the receipt of irrevocable letter of credit for the Contract Products as agreed by both Parties. The delivery term for the Contract Products is Ex-work KJE's facility.

5.2 Title and Risk of loss : Title and risk of loss of the Contract Products shall pass to PETCO when the Contract Products have effectively been passed to the carrier at KJE's facility.

5.3 Packing and Marking The Contract Products shall be packed in accordance with standard export packing methods and shall be marked in accordance with the reasonable instruction of PETCO.

5.4 PETCO shall be responsible for all logistics costs and required expenses from KJE's facility to PETCO's possession.

Article 6. Payment

6.1 Except otherwise agreed by the Parties, all the payment for Contract Products shall be made in United State Dollars (USD").

6.2 PETCO shall pay 30 percent (%) of total price of Contract Products to the account designated by KJE through telegraphic transfer within 7 days from execution of this Agreement and the rest of the price shall be made by an irrevocable letter of credit in favor of KJE, confirmed by first class international bank designated by KJE.

6.3 PETCO shall bear all banking expenses associated with the establishing of the letter of credit.

6.4 PETCO hereby acknowledge and agree that delay by PETCO in establishing the letter of credit shall extend the time for performance of this Agreement by KJE to such extent as may be necessary to enable it to make delivery in the exercise of reasonable diligence after such letter of credit has been established. Should opening the letter of credit be delayed for caused for which PETCO is liable, PETCO shall pay KJE amount equal to 1 percent (%) of the amount of relevant letter of credit per each full week as liquidated damages net cash within 7 days from receipt of relevant bill from KJE. Should opening of letter of credit be unreasonably delayed, KJE may terminate this Agreement without prejudice to PETCO's rights under this Agreement, including claim of said liquidated damages.

Article 7. Inspection

7.1 KJE is responsible to deliver fully inspected Contract Products to PETCO, Prior to the delivery, PETCO or its agent or representative shall at its own expense inspect the Contract Products at KJE's facility or such other place as may be notified by KJE to PETCO. KJE shall provide PETCO with all reasonable assistance in conducting the inspection. If PETCO fails to attend inspection at such place, KJE may conduct the final inspection without PETCO being present, and in such case PETCO shall be obligated to accept such Contract Products as the Contract products are determined by KJE to be in conformance with the Specifications.

7.2 For inspected Contract Products deemed to be conforming to the Specifications, PETCO shall issue to KJE a written certificate substantially to that effect and such issuance shall constitute PETCO's final and binding acceptance of the Contract Products so inspected.

7.3 The details of each inspection and the criterion of approval are as below;

	Item	Details of Inspection	Criterion of Approval	Place
1	Tools	Appearance inspection, Single-pressing operation, Consecutive production for 1,000 sets	If produced components are passed by checker fixtures more than 95%, If rate of operation is more than 95%,	KJE
2	Assembly Machines & Jigs	Appearance inspection, Single/Consecutive operation	If produced regulators are passed by checker fixtures more than 95%, If rate of operation for 2 hrs is more than 95%,	KJE
3	Checker Fixtures	CMM measure	If CMM result is conform to original dimension 100% (tolerance included)	KJE

7.4 If KJE's engineers are dispatched to PETCO upon request of PETCO, the expense shall be paid from PETCO to KJE according to the Article 4.3 on the Technical Agreement contracted on Feb. 13, 2007.

7.5 If engineering change is made by the Customer after inspection is completed, the further inspection shall be done by PETCO at its own cost.

Article 9. Confidentiality

KJE shall retain all rights with respect to the Specifications, plans, working process, technical descriptions, calculations, test results and other data, information and documents concerning the Contract Products, and PETCO hereby agrees not to disclose the same or divulge any information contained therein to any third parties without the prior written consent of KJE except to key employees involved in the usual operation or maintenance of the Contract Products.

Article 10. Infringement

To the best of KJE's knowledge, the Contract Products furnished by KJE under this Agreement is, on the Effective Date, free of and free from infringement of patent or other intellectual property right owned by third parties; provided, however, that KJE shall assume no responsibility nor obligation for dispute relating to patent or other intellectual property rights resulting from PETCO's manufacture, use and/or sale of the Contract Products under the Agreement in any country. In the event that such dispute arises, KJE agrees to cooperate with PETCO, at the request of and at the expense of PETCO.

Article 11. Force Majeure

Except for the payments due for the Contract Products delivered by KJE, neither Party shall be liable or be deemed in default of this Agreement to the extent that performance of its respective obligations or attempts to cure any breach are delayed or prevented by reason of any act of God, fire, natural disaster, accident, act of government, war, war-like operation, national emergency, riots, epidemics, floods, earthquakes, typhoon, embargoes, law and regulations of PETCO's country or KJE's country, or any other cause beyond the reasonable control of such Party (collectively, the "Force Majeure"). In case of any such event the terms of this Agreement relating to time and performance shall be suspended during the continuance of the event, provided that the Party interfered by the event of Force Majeure provides the other Party with a written notice thereof promptly after the occurrence of such event of Force Majeure.

Article 12. Assignment

Neither party shall assign, encumber or otherwise convey any of its rights and interests in this Agreement and any individual contract without the prior written consent of the other parties.

Article 13. Earlier Termination

13.1 KJE or PETCO, without prejudice to any other rights or remedies, terminates this Agreement in whole or in part, without a written notice to the other, upon occurrence of any of the following events:
A. cancellation of business license or business registration of KJE or PETCO by the competent supervising government agencies;

- B. filing of corporate reorganization under the Civil Rehabilitation Law, the Corporation Reorganization Law, or Bankruptcy Law, or filed to KJE or PETCO;
- C. voluntary dissolution of KJE or PETCO;
- D. provisional disposition order or compulsory execution against KJE or PETCO;
- E. insolvency, bank suspension, or clearing house suspension to KJE or PETCO; or
- F. occasion like disaster, strike, lockouts and others to KJE or PETCO that makes it impossible to perform its obligation under this Agreement or each individual contract.

13.2 KJE or PETCO, without prejudice to any other rights or remedies, terminates this Agreement in whole or in part, with a written formal to the other with an adequate allowance, upon occurrence of any breach of this Agreement.

13.3 KJE or PETCO shall have the right to terminate this Agreement in whole or in part with a prior written acceptance of the other.

Article 14. Change of Trade Name, etc.

In case of the change of the trade name, representative, the place of business, amalgamation and so on of the Parties, such party shall forthwith notify such change to the other parties.

Article 15. Arbitration

In case of any disputes or differences, which cannot be settled by the parties hereto through good faith discussions mentioned stipulated in Article 17, such dispute shall be finally settled by arbitration in Seoul in accordance with the Commercial Arbitration Rules of The Korea Commercial Arbitration Association in English. The award thereof shall be final and binding upon the parties hereto, Notwithstanding the foregoing, nothing contained herein shall be construed as limiting the right of any party hereto to bring proceedings against the other in connection with this Agreement in any other jurisdiction or concurrently in more than one jurisdiction for the purpose of the enforcement or execution of any award obtained against the other in the arbitration mentioned above.

Article 16. Governing Law

This Agreement shall be governed by and construed in all respects under and by the laws of Korea.

Article 17. Termination

This Agreement shall continue in effect, unless earlier terminated as provided herein, until the end of production for the Contract Products or the contract due date made between the Customer and PETCO from the Effective Date of this Agreement. In the event that the production for the Contract Products is discontinued by the Customer intention, thereafter the production of the Contract Products restarts, this Agreement shall become effective upon the date when the production for the Contract Production restarts,

Article 18. Taxes

19.1 Taxes in Korea : PETCO shall pay all taxes and duties imposed in the Republic of Korea in connection with the execution, delivery or performance of this Agreement.

19.2 Taxes outside Korea PETCO shall pay all taxes and duties imposed outside the Republic of Korea in connection with the execution, delivery or performance of this Agreement.

Article 19. Patents, Trademarks and Copyrights

Nothing contained herein shall be construed as transferring any patents, trademarks or copyrights in the Contract Products or any part thereof, all such rights being hereby expressly reserved to the true and lawful owners thereof.

Article 20. Miscellaneous

21.1 The whole or any part of this Agreement shall not be altered, revised or amended unless such alteration, revision or amendments is made by a written instrument signed by the duly authorized director or representative director of the both parties hereto.

21.2 Any headings in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

21.3 The Parties acknowledge that this Agreement has been prepared jointly by the Parties and shall not be strictly construed against any Party.

21.4 No claim or right of either Party under this Agreement shall be deemed to be waived or renounced in whole or in part unless the waiver or renunciation of such claim or right is acknowledged and confirmed in writing by such party.

21.5 Unless otherwise agreed by the Parties, all notices, invoices, and communications under this

Agreement shall be sent to the Parties at their address set forth in the initial paragraph of this Agreement.

All notices shall be sent by registered airmail and where circumstances requires, notices may be sent by cable, facsimile or the like which shall be confirmed by registered air mail.

21.6 This Agreement constitutes the entire agreement between the parties, all prior representations having been merged herein, and may not be modified except by a writing signed by a duly authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in duplicate by their respective duly authorized representatives as of the day and year below written, and each party holds one copy, wishing future prosperity for both parties.

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KVLANL3 JIN ENGINEERING CO., LTD.

SANAVE KHODRO PEYVAND TOSE-E CO.

Schedule 'I' Contract Products, No. of goods & Prices

Schedule 2. Specification