

**Detailed Guidelines for Agro-Fisheries Product Tariff Rate Quota**  
**Recommendation and Import Management**  
**Pursuant to the Free Trade Agreement Between**  
**the Republic of Korea and the United States of America**

**March 12, 2012**

**Korea Agro-Fisheries & Food Trade Corporation**

## **Public Notice No. 2012-3**

In accordance with the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32 (March 12, 2012), the Korea Agro-Fisheries & Food Trade Corporation hereby announce the Detailed Guidelines for Agro-Livestock Product Tariff Rate Quota Recommendation and Import Management pursuant to the Free Trade Agreement between the Republic of Korea and the United States of America.

**CEO, Korea Agro-Fisheries & Food Trade Corporation**

March 12, 2012

# **Detailed Guidelines for Agro-Livestock Product Tariff Rate Quota Recommendation and Import Management pursuant to the Free Trade Agreement between the Republic of Korea and the United States of America**

## **Chapter 1. General Provisions**

### **Article 1 (Purpose)**

This Detailed Guideline aims to stipulate matters delegated by the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32 entitled “Agro-Fisheries Product Tariff Rate Quota Recommendation and Import Management Guidelines pursuant to the Free Trade Agreement between the Republic of Korea and the United States of America (hereinafter referred to as the ‘Ministry for Food, Agriculture, Forestry and Fisheries Public Notice’),” and detailed matters necessary for the implementation of the Ministry Public Notice, and to ensure smooth administration of tariff rate quota recommendation and import management for each product.

## **Article 2 (Definitions)**

Other than those provided for in Article 2 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice, the definitions of the terms used in this Detailed Guideline is as follows:

1. The term “anticipated price” means a price determined and kept in file before an auction is conducted or a contract is made, as a basis for deciding on a successful bidder and a contract amount.
2. The term “tariff rate difference range” means the difference amount obtained by deducting the import price from the domestic market price.

## **Article 3 (Products and Allocation Methods)**

The products and quantities of TRQs, and the allocation methods are as shown in Appendix tables 1 and 2.

## **Article 4 (Validity Period of Recommendation)**

① The validity period of a TRQ recommendation issued by the CEO of Korea Agro-Fisheries & Food Trade Corporation (Hereon referred to as “Corporation”) in accordance with the provisions of Article 9 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice shall be ninety (90) days from the date of issuance, but cannot go past the current quota year. However, the validity period for oranges shall be from September 1st of the year in which the auction was conducted until the end of February of the following year; and for soybeans for human consumption, the recommendation shall be valid from the time when an import license was allocated until December 31 of the following year.

② A recommendation may, if necessary, be reissued by extending its initial validity period by not more than thirty (30) days in accordance with the provisions of Article 10 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice. However, for soybeans for human consumption, the extension of a recommendation is not allowed.

## **Article 5 (Submission of an Import Report Certificate and Notification Thereof)**

① The Corporation may request any person who has received a TRQ recommendation in accordance with the provisions of Article 20 of the Ministry

for Food, Agriculture, Forestry and Fisheries Public Notice, to submit, immediately upon customs clearance of the imported goods, an import report certificate, usage plan, etc.

② When goods arrive in Korea, the person who has received a TRQ recommendation for the goods must, before their customs clearance, verify the quantity, specifications, quality, etc., and immediately notify the CEO of aT of any discrepancy found.

## **Chapter 2. Import Rights Auction**

### **Article 6 (Formulation and Implementation of Import Rights Auction Plan)**

To issue TRQ recommendations, the Corporation shall, in accordance with the provisions of Articles 3, 5, 6, 13 and 18 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice, formulate and implement a detailed plan for an import rights auction which includes the quantity of each product to be auctioned, quantity limit for each bidder, eligibility to participate in the auction, format of auction, terms and conditions of auction, methods of deciding a successful bidder, deposit of bidding bond, payment of the import performance bond and the bid money (successful bid price), request for a letter of undertaking, application period and documents needed for the auction, etc.

### **Article 7 (Eligibility to Participate in Import Rights Auction)**

Any person who wishes to participate in an import rights auction shall be one who satisfies all of the following subparagraphs:

1. A person who has been issued with a Trade Business Code in accordance with the provisions of Article 24 of the Foreign Trade Management Regulations.  
However, a person who has not been issued a Trade Business Code shall have made an import agent service contract with one who has such Trade Business Code.
2. A person who has the qualifications of a bidder if a bidding guide to import rights auction specifies such qualifications.

### **Article 8 (Application Documents Required to Participate in an Import Rights Auction)**

Any person who wishes to apply to participate in an import rights auction is required to submit one (1) copy of the following documents and make a deposit for bidding bond not later than a specified date:

1. Application Form for Bidding Participation in Import Rights Auction (Annex Form 1),
2. Copy of Certificate of Business Registration,
3. Copy of Notification of Trade Business Code (or that of an import agent if using such agent),
4. Import agent service contract (if using import agent),
5. Import and Distribution Plan (Annex Form 2),
6. Letter of Undertaking for Imports Rights Auction (Annex Form 3),
7. Certificate of Seal Impression (for corporations, Certificate of Corporate Seal Impression),
8. Certificate of Seal Impression in Use (attach Certificate of Seal Impression),
9. Letter of Undertaking for Payment of bidding bond (Annex Form 6)
10. Letter of Commitment to Integrity Pact (Annex Form 6)

**Article 9 (Invitation to Bids)**

- ① An invitation to bids for import rights auction must be announced at least ten (10) days prior to the day before the deadline for submission of bidding sheets.
- ② Notwithstanding the foregoing paragraph, in an urgent situation, an invitation to bids may be announced at least five (5) days prior to the day before the deadline for submission of bidding sheets.

**Article 10 (Bidding Guide)** Detailed matters necessary for an import rights auction shall be set forth in the Corporation's bidding guide to import rights auction.

**Article 11 (Deposit for Bidding Bond)** The deposit for bidding bond in an import rights auction shall be 5% or more of the bidding price, and be paid in cash, or in the form of a letter of bank payment guarantee or a certificate of implementation guarantee insurance that has a special clause on insurance payment.

### **Article 12 (Anticipated Price)**

- ① For an import rights auction, an anticipated price must be set in advance and kept in file.
- ② An anticipated price shall be set within the tariff rate difference range.

### **Article 13 (Terms and Conditions of Auction and Determination of Successful Bidder)**

- ① An auction shall, in principle, be conducted in the form of a public competitive bid in which participants bid for the quantity desired, and be deemed to be constituted only if and when there are valid bids from two or more bidders.
- ② Winners shall be selected consecutively from the pool of bidders with bids at or above the anticipated price, starting from the highest bidder to the next highest bidders. If two or more bidders have bid the same price, the one who has bid a higher quantity shall have priority to be the successful bidder, and in case of the same quantities, the successful bidder shall be decided by draw.
- ③ If as a result of Paragraph 2 above, the quantity bid by a successful bidder with the lowest priority aggregated with the quantities bid by the other successful bidders exceeds the total quantity available for auction, the excess amount shall be considered not auctioned off to the said lowest-priority bidder.

### **Article 14 (Deposit for Import Performance Bond)**

- ① A successful bidder must pay, as a deposit for import performance bond, 10% or more of the total bid price to the Corporation not later than a prescribed date.
- ② The provision of Article 11 shall apply to the methods of payment of the deposit for import performance bond.

### **Article 15 (Application for TRQ Recommendation)**

- ① A winning bidder must apply for TRQ recommendation after paying the deposit for import performance bond provided for in Article 13, and paying the bid (successful bid price) to the Corporation for either the entire quantity awarded or for each import shipment separately.
- ② Other documents provided for in Article 7 Subparagraph 2 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice are as follows:
  1. Copy of the receipt of the payment of the bid (successful bid price) of the import rights auction, and

2. Copy of shipping documents (bill of lading, commercial invoice, and packing list).

#### **Article 16 (Extension of Importation Period)**

A person who was awarded TRQ quantities for which the importation period has been pre-determined by the Corporation may extend the importation period in the event the importation was not performed due to reasons not attributable to that person such as *force majeure*. Notwithstanding, the extended period shall not be carried over to the next quota year. For oranges, the extended period shall not go beyond the last day of February of the year immediately following the year the auction was held.

### **Chapter 3. Allocation of Import License**

#### **Article 17 (Formulation and Implementation of Import License Allocation Plan)**

The Corporation shall formulate and implement a detailed Import License Allocation Plan on applicant eligibility, allocation criteria, allocation method, application period, application documents, etc. for each TRQ product in order to recommend conventional tariff rates for TRQ's on a product-by-product basis, in accordance with Article 18 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice.

#### **Article 18 (Application Documents)**

To apply for allocation of import license, applicants must submit one copy of each of the following documents on or before the prescribed date and will be informed of details on document requirements by means of public announcement:

1. Application Form for Allocation of Import License (Annex Form 4)
2. Copy of Certificate of Business Registration
3. Copy of Notification of Trade Business Code (if using import agent, then same document of the agent)
4. Import Agent Service Contract (if using agent)
5. Letter of Undertaking of TRQ allocation (Annex Form 5)
6. Certificate of Seal Impression (for corporations, Certificate of Corporate Seal Impression)

7. Certificate of Seal Impression in Use (attach Certificate of Seal Impression), etc.

#### **Article 19 (Measures to Facilitate Utilization Rate)**

- ① In order to facilitate full utilization of a TRQ, the importer with the allocated quota must return the anticipated unused quantity at least six months prior to the pre-determined TRQ expiry date.
- ② In order to facilitate utilization, if the utilization rate of the in-quota quantity of the TRQ is 95% or less, the importer shall be excluded from the next round of allocations.

#### **Article 20 (Delegation, Instruction, and Reporting)**

The Corporation may delegate or instruct matters related to these Detailed Guidelines to the heads of the regional branch offices of the Corporation, and the heads of such offices shall administer the delegated or instructed matters and report the results to the main office of the Corporation in accordance with the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice and these Detailed Guidelines.

#### **Article 21 (Composition of Association of Soybean Processors)**

- ① The association of soybean processors provided for in Article 8 Paragraph 2 of the Ministry for Food, Agriculture, Forestry and Fisheries Public Notice shall be composed of Korea Federation of Soybean Curd Industry Cooperatives, Korea Soy Sauce Industrial Cooperative, Korea Foods Industry Association and other soybean processors that appropriately represent the soybean processing industry, and the CEO of aT shall serve as its administrative manager.
- ② The association shall determine allocation criteria and allocate TRQ quantities, and the TRQ's shall be administered through the Corporation.

### **Addendum**

#### **Article 1 (Date of Enforcement)**

These Guidelines shall enter into effect on the date that the KORUS FTA is implemented.



【Appendix Table 1】

**TRQ Products, Quantities, Agencies and Methods of Quota Allocation  
under the Korea-US FTA (Regarding Article 3)**

	<b>Products</b>	<b>HSK Listed in KORUS FTA</b>	<b>HS 2012 Code</b>	<b>Description</b>	<b>Method of TRQ Allocation</b>
1	Milk or cream powder less than 1.5 percent fat and buttermilk	0402-10-1010	Same as left	Skim milk powder (Not containing added sugar or other sweetening matter / concentrated / fat content not exceeding 1.5%)	- Method: Imports Rights Auction - Time: Auctions to be held in March, June, September and December each year
		0402-10-1090	Same as left	Other milk powder (Not containing added sugar or other sweetening matter / concentrated / fat content not exceeding 1.5%)	
		0402-10-9000	Same as left	Other milk powder (Containing added sugar or other sweetening matter / concentrated / fat content not exceeding 1.5%)	
		0403-90-1000	Same as left	Buttermilk	
	Milk and cream powder sweetened and unsweetened over 1.5 percent fat (whole milk powder)	0402-21-1000	Same as left	Whole milk powder (Not containing added sugar or other sweetening matter / concentrated / fat content exceeding 1.5%)	
		0402-21-9000	Same as left	Other milk powder (Not containing added sugar or other sweetening matter / concentrated / fat content	

		0402-29-0000	Same as left	exceeding 1.5%)  Other milk powder (Containing added sugar or other sweetening matter / concentrated / fat content exceeding 1.5%)	
	Milk and cream(evaporated) sweetened or unsweetened and/or not concentrated	0402-91-1000	Same as left	Evaporated milk, not containing added sugar or other sweetening matter	
		0402-91-9000	Same as left	Other	
		0402-99-1000	Same as left	Evaporated milk, containing added sugar or other sweetening matter	
		0402-99-9000	Same as left	Other	
2	Butter and other fats and oils derived from milk	0405-10-0000	Same as left	Butter	- Method: Imports Rights Auction - Time: Auctions to be held each year in January. Subsequent auctions for the amount that failed to be awarded shall take place before March 15. Additional auctions thereafter will be held within 45 days of the previous auction.
		0405-90-0000	Same as left	Butter (other)	
3	Honey, natural	0409-00-0000	Same as left	Natural honey	- Method: Imports Rights Auction - Time: Auctions to be held in March, June, September and December each year
4	Potatoes fresh or chilled	0701-90-0000	Same as left	Potatoes(excludes seeds)	- Method: Imports Rights Auction - Time: Auctions to be held in January each

					<p>year (Auction for year 1 may be adjusted)</p> <ul style="list-style-type: none"> <li>- Remarks: At least one or more re-auction must take place during the quota year for quantities not allocated at previous auctions.</li> </ul>
5	Oranges	0805-10-0000	Same as left	Oranges	<ul style="list-style-type: none"> <li>- Method: Imports Rights Auction</li> <li>- Time: Auctions to be held in August each year</li> </ul>
6	Barley, excluding malting barley and cereals of barley	1003-00-9010	1003-10-2000	Seed(Hulled barley)	<ul style="list-style-type: none"> <li>- Method: License allocation</li> <li>- Remarks: <ul style="list-style-type: none"> <li>▪ TRQ's are to be allocated on a first-come first-served basis according to written applications received during January 1~31 each year. If the aggregate TRQ quantity requested by applicants exceeds total TRQ quantity for that year, the quota will be allocated among applicants on a pro rata basis.</li> <li>▪ If the aggregate TRQ quantity requested during January is less than the total quota for that year, the remaining quota will be allocated throughout the year based on a first-come first-served basis</li> </ul> </li> </ul>
			1003-90-2000	Other(Hulled barley)	
			1003-10-3000	Seed(Naked barley)	
		1003-00-9020	1003-90-3000	Other(Naked barley)	
7	Malt and malting barley	1003-00-1000	1003-10-1000	Malting barley (seed)	<ul style="list-style-type: none"> <li>- Method: License allocation</li> <li>- Remarks: <ul style="list-style-type: none"> <li>▪ TRQ's are to be allocated on a first-come first-served basis according to written applications received during January 1~31 each year. If the aggregate TRQ quantity requested by applicants exceeds total TRQ quantity for that year, the quota will be allocated among applicants on a pro rata</li> </ul> </li> </ul>
			1003-90-1000	Malting barley (Other)	
		1107-10-0000	Same as left	Malt (not roasted)	

					<p>basis.</p> <ul style="list-style-type: none"> <li>▪ If the aggregate TRQ quantity requested during January is less than the total quota for that year, the remaining quota will be allocated throughout the year based on a first-come first-served basis</li> </ul>
8	Maize starch	1108-12-0000	<p>1108-12-1000 Corn starch (for food)</p> <p>1108-12-9000 Corn starch (other)</p>		<p>- Method: License allocation</p> <p>- Remarks:</p> <ul style="list-style-type: none"> <li>▪ TRQ's are to be allocated on a first-come first-served basis according to written applications received during January 1~31 each year. If the aggregate TRQ quantity requested by applicants exceeds total TRQ quantity for that year, the quota will be allocated among applicants on a pro rata basis.</li> <li>▪ If the aggregate TRQ quantity requested during January is less than the total quota for that year, the remaining quota will be allocated throughout the year based on a first-come first-served basis</li> </ul>
9	Soybeans for Human Consumption (for processing) * Identity Preserved	1201-00-9000	<p>1201-10-1000 Soybean for sprouting (seed)</p> <p>1201-10-9000 Other (seed)</p> <p>1201-90-2000 For feed purpose</p> <p>1201-90-3000 For soybean sprouts</p> <p>1201-90-9000 Other</p>		<p>- Method: License allocation(Allocation of import rights to actual end users)</p> <p>- Remarks</p> <ul style="list-style-type: none"> <li>▪ Applicants are to submit written applications to aT from January 1~31 of the year prior to the year of importation; and the association of soybean processors shall begin allocating the TRQ prior to April of the year pursuant to allocation criteria.</li> <li>▪ Allocation criteria: Import performance on TRQ soybeans for past two years (Pursuant to Association guidelines on composition and</li> </ul>

					allocation). <ul style="list-style-type: none"> <li>▪ Remaining and/or returned quantities shall be reallocated prior to April 1 and additional allocations shall not be allocated after April 1.</li> </ul>
10	Ginseng (raw, white))	1211-20-1100  1211-20-1210 1211-20-1220 1211-20-1240	1211-20-1110 1211-20-1190 Same as left 1211-20-1290	Raw ginseng(wood-cultivated ginseng) Raw ginseng (other) White ginseng (whole ginseng) White ginseng (other)	<ul style="list-style-type: none"> <li>- Method: Imports Rights Auction</li> <li>- Time: Auctions to be held in January each year (Auction for year 1 may be adjusted)</li> <li>- Remarks: At least one or more re-auction must take place during the quota year for quantities not allocated at previous auctions.</li> </ul>
11	Dextrins (modified starch)	3505-10-4000  3505-10-5000	3505-10-4010 3505-10-4090 3505-10-5010 3505-10-5090	Pregelatinised or swelling starch (for food) Pregelatinised or swelling starch (other) Etherfied or esterified starches (for food) Etherfied or esterified starches (other)	<ul style="list-style-type: none"> <li>- Method: License allocation</li> <li>- Remarks: <ul style="list-style-type: none"> <li>▪ TRQ's are to be allocated on a first-come first-served basis according to written applications received during January 1~31 each year. If the aggregate TRQ quantity requested by applicants exceeds total TRQ quantity for that year, the quota will be allocated among applicants on a pro rata basis.</li> <li>▪ If the aggregate TRQ quantity requested during January is less than the total quota for that year, the remaining quota will be allocated throughout the year based on a first-come first-served basis</li> </ul> </li> </ul>



		99-9000																
2	Butter and other fats and oils derived from milk	0405-10-0000 0405-90-0000	200	206	212	219	225	232	239	246	253	Unlimited						
3	Honey, natural	0409-00-0000	200	206	212	219	225	After year 5, the in-quota quantity increases 3% per year, compounded annually.										
4	Potatoes fresh or chilled	0701-90-0000	3,000	3,090	3,183	3,278	3,377	After year 5, the in-quota quantity increases 3% per year, compounded annually.										
5	Oranges	0805-10-0000	2,500	2,575	2,652	2,732	2,814	After year 5, the in-quota quantity increases 3% per year, compounded annually.										
6	Barley	1003-10-2000 1003-90-2000 1003-10-3000 1003-90-3000	2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988	3,047	3,108	3,171	3,234	Unlimited	
7	Malt and malting barley	1003-10-1000 1003-90-1000 1107-10-0000	9,000	9,180	9,364	9,551	9,742	9,937	10,135	10,338	10,545	10,756	10,971	11,190	11,414	11,642	Unlimited	

8	Maize starch	1108-12-1000 1108-12-9000	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439	13,842	14,258	14,685	Unlimited			
9	Soybeans for Human Consumption *Identity Preserved	1201-10-1000 1201-10-9000 1201-90-2000 1201-90-3000 1201-90-9000	10,000	20,000	25,000	25,750	26,523	After year 5, the in-quota quantity increases 3% per year, compounded annually.												
10	Ginseng(raw)	1211-20-1100 1211-20-1190 1211-20-1210 1211-20-1290	5.7	5.9	6.0	6.2	6.4	6.6	6.8	7.0	7.2	7.4	7.7	7.9	8.1	8.4	8.6	8.9	9.1	Unlimited
11	Modified starch (Dextrin)	3505-10-4010 3505-10-4090 3505-10-5010 3505-	14,000	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	Unlimited						





<Annex Form 1 >

**Application Form for Bidding Participation in**  
**Import Rights Auction**

I (The company) hereby consent(s) to all the matters set forth by Korea Agro-Fisheries & Food Trade Corporation in the Bidding Guide and the Invitation for Bids and submit(s) this Application Form for Bidding Participation in Import Rights Auction together with relevant documents mentioned below in order to participate in the Corporation's auction (Auction number) for TRQ (name of product) import rights under the Korea-US Free Trade Agreement.

Attachment:

1. One copy of Certificate of Business Registration
2. One copy of Import and Distribution Plan
3. One copy of Notification of Trade Business Code (if using import agent, then same document of the agent) or one copy of Notification of Trade Business Code (if using import agent, then same document of the agent) (*Embassy comment: The same thing is repeated twice in the original text.*)
4. One copy of Import Agent Service Contract (if using agent)
5. One copy of Letter of Undertaking (prescribed form)
6. One copy of Certificate of Seal Impression (for corporations, Certificate of Corporate Seal Impression) or one copy of Certificate of Seal Impression in Use (attach Certificate of Seal Impression)
7. Letter of Proxy (prescribed form)

mm.dd.year

Name of company (or name):

Address:

Name of representative: (seal)

Telephone number:

To: CEO of aT



<Annex Form 3 >

## **Letter of Undertaking of Import Right Auction**

I (The company) hereby declare(s) that I(the company) fully understand(s) and pledge(s) to faithfully comply with the contents of the Bidding Guide and all related matters in participating in the Corporation's auction (auction number) for TRQ (name of item) import rights under the Korea-US Free Trade Agreement. I (The company) also hereby confirm(s) that I(it) have(has) no objections to bearing the liabilities for damage that may arise as a result of failure to comply with the aforementioned.

mm.dd.year

Name of company (or name):

Address:

Name of representative: (seal)

Telephone number:

To: CEO of aT

<Annex Form 4 >

Registration No.: (Date of registration: mm.dd.year. )					
Application Form for Allocation of Import License for Agro-Livestock Product TRQ Pursuant to the Free Trade Agreement Between the Republic of Korea and the United States of America					
Company name					
Address					
Name of company representative					
Business Registration No.					
Phone No.		Fax No.			
Person in Charge		Mobile Phone No.			
◦ Details of Request:					
HS Code	Product Item	Quantity (KG)	Country of origin (importer)	Expected Import Date	Purpose
I hereby apply for TRQ allocation in accordance with Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32 (March 12, 2012).					
mm.dd.year					
Name of Applicant:		(seal)			
To: CEO of aT					

<Annex Form 5 >

**Letter of Undertaking for Allocation of Import Right**

The Company hereby affirms that, in the event of a violation of legislation on country of origin indications and other disruptions to follow-up administration in the course of importing and utilizing the TRQ import license (name of product item, \_\_\_ tons) allocated to the Company by the Corporation under the Korea-US Free Trade Agreement in accordance with Ministry for Food, Agriculture, Forestry and Fisheries Public Notice No. 2012-32 (March 12, 2012), the Company will accept suspension orders for import recommendations from the Corporation and any punishment applicable under relevant laws.

mm.dd.year

Name of company (or name):

Address:

Name of representative: (seal)

Telephone number:

To: CEO of aT

## **Letter of Commitment to Integrity Pact**

The Company, being fully aware that *incorrupt and transparent business management and fair public administration* are key to social development and national competitiveness, in line with the international trend toward strengthened sanctions against corrupt companies and states with the entry into effect of the OECD Convention on Combating Bribery of Foreign Public Officials, actively embraces the spirit of the integrity pact and hereby ensures that its employees and their proxies/agents, in participating in any public tender for construction projects, goods, services, etc., awarded by Korea Agro-Fisheries & Food Trade Corporation, will:

1. Not engage in any unfair act that may unjustly hinder free competition in bidding, involving collusion to fix prices or to support a certain participant to win a bid, or conclusion of a pact, resolution, or agreement with another business firm;
  - In the event the Company is found to have breached the above pledge and led a collusive act for the purpose of supporting a certain participant to win a competitive bid, the Company will not participate in a bid invited by Korea Agro-Fisheries & Food Trade Corporation for one or more years but not more than two years from the date the Company is declared disqualified to participate in such a bid;
  - If the Company is found to have been involved in collusion in a competitive bid to fix prices upon consulting with other participants prior to bidding or to support a certain participant to win, the Company will not participate in a bid invited by Korea Agro-Fisheries & Food Trade Corporation for six or more months but less than one year from the date the Company is declared disqualified to participate in such a bid;

◦ If the Company is found to have been involved in the above unfair practices including collusion, the Company will not raise any objection to being reported to the Fair Trade Commission for a fine in accordance with the Anti-Monopoly and Fair Trade Act.

2. Not provide any unfair profits such as money, goods, or entertainment, directly or indirectly, to any of the officials in charge in the course of bidding, deciding on a successful bidder, making a contract, or implementing the contract. If the Company is found to be in breach of the above, the Company will not participate in a bid invited by Korea Agro-Fisheries & Food Trade Corporation for one or more years but not more than two years from the date the Company is declared disqualified to participate in such a bid. Moreover, for two years after the expiration of the disqualification period, the Company will make a deposit for bidding bond under Article 37 of the Enforcement Ordinance of the Act on Contracts To Which the Government is a Party, in any bid invited by Korea Agro-Fisheries & Food Trade Corporation.

3. Accept, if the Company is found to have provided any money, goods, or entertainment to any of the officials in charge in connection with bidding, deciding on a successful bidder, making a contract, or implementing the contract, the Corporation's cancellation of the decision on the successful bidder if a contract has not been signed, cancellation of the contract if it has not been implemented, or cancellation or termination of the entirety or part of the contract when the contract has already been implemented, and will not file any civil or criminal complaints.

4. Strive to formulate a company code of ethics that shall prohibit company employees from committing such unfair acts as collusion or providing money, goods, or entertainment to any of the officials in charge; and to establish company policies that would protect a whistle-blower from unfavorable treatment.

The Company considers the above commitment to the integrity pact to be a pledge based on mutual trust and hereby vows to honor the above commitment. If the Company is determined as the winning bidder, this



pledge will be incorporated as special contract conditions and carried out as such. In addition, in relation to measures taken by the Corporation such as disqualification and termination of contract, the Company pledges not to claim compensation for damages or file any civil or criminal complaints for excluding the Company in a bid, against the Corporation.

mm.dd.year

**Pledged by:**

**Representative (seal)**

To: CEO of aT