

MEMORANDUM OF UNDERSTANDING

between

THE STATE OF MICHIGAN

and

KOREA TRADE CENTER (KOTRA)

On the basis of the below mentioned activities, the State of Michigan (Michigan Jobs Commission - MJC) and KOTRA have agreed to assist companies in a bilateral manner in order to contribute to the positive economic relations between Korea and Michigan.

The two parties have agreed that they will use their best efforts to bring about the following:

A) **Opening of the KOTRA Michigan office**

KOTRA will station a representative in the State of Michigan who will act as a senior advisor to MJC and who will work closely with the MJC Director of Korea Operations. Beginning March 1, 1997, MJC will provide, free of charge, a single office space in Detroit, which will include a telephone. KOTRA is responsible for telephone/fax charges.

B) **Cooperation from MJC and Other Economic Organizations
Joint Investment/Export Promotion Activities**

In order to assure the full success of the Michigan-KOTRA cooperation, MJC pledges to support KOTRA's investment/export promotion programs and the efforts of the KOTRA Michigan representative by undertaking, at the discretion of the MJC as its budget allows, the following activities:

1) Trade Fairs in Korea/Michigan

MJC will publicize appropriate trade shows in Korea and encourage the participation of Michigan companies. KOTRA will provide MJC with an updated list of trade shows in Korea. In addition, KOTRA will work toward bringing major shows (e.g. COMDEX) to Michigan.

2) Michigan Investment/Trade Missions to Korea

MJC will organize and participate in investment/export promotion missions to Korea. KOTRA will co-sponsor these missions.

3) Korean missions to Michigan

MJC agrees to host Korean missions to Michigan by organizing seminars and business appointments with Michigan companies, assisting with ground transportation, accommodations, reception arrangements and other support as needed.

4) Export Seminars

During the KOTRA Michigan representative's stay in Michigan, MJC will host educational seminars aimed at teaching Michigan manufacturers and other potential exporters about exporting to Korea. The seminars will be held in the major metropolitan areas of Michigan.

5) Information Exchange

MJC and KOTRA agree to exchange investment/trade-related information including databases on exporters/importers and investment prospects. MJC shall be responsible for data collection to identify potential Michigan export products for Korea as well as names of Michigan companies. KOTRA will be responsible for data collection to identify Korean importers and investment prospects.

C) Joint Venture Cooperation

KOTRA and MJC will create a process for submitting specific company inquiries, i.e., joint venture searches, licensing agreements, technology transfers, to the respective parties of this understanding. A common "form of interest" will be created for use by both KOTRA and MJC.

D) Meetings

The KOTRA Michigan representative and the MJC Director of Korea Operations will meet at least once per month to discuss investment and joint venture prospects as well as Michigan exports to Korea.

E) KOTRA Expenses

KOTRA will provide adequate funds for the KOTRA Michigan representative's salary, housing, health insurance, transportation and other costs which are directly related to his responsibilities.

This Memorandum of Understanding will be effective from the date of signature by both parties and will continue until three months notice is given by either side.



Ki-hwa Hong
Director General
Korea Trade Center, Chicago



Steve Arwood
Director

December 12, 1996

International and National Business Development



Chae-kyung Lee
Director
Korea Trade Center, Michigan