

Dated [●] September 2006

Hyundai Motor Manufacturing Czech s.r.o.

and

Ekologický právní servis

AGREEMENT

Environmental Agreement (the “**Agreement**”) is executed on this [●] September 2006 by and between:

- (1) **Hyundai Motor Manufacturing Czech s.r.o.**, a company incorporated under the laws of the Czech Republic, with its registered office at Ostrava, Hrabová, AXIS OFFICE PARK OSTRAVA - Budova B, Na Ro vince 874, Post Code 720 00, ID no. (IČ) 27773035, registered in the Commercial Register maintained by the Regional Court in Ostrava, Section C, Insert 41484, represented by proxy Mr Sang Bog Park (hereinafter “**Hyundai**”);
- (2) **Ekologický právní servis**, a civic association with its registered office at Tábor, Přebrátiská 330, Post Code 390 01, ID no. (IČ) 65341490, represented by [●] (hereinafter “**EPS**”);

(Hyundai and EPS being individually referred to as a “**Party**” and collectively as the “**Parties**”).

Whereas:

- (A) Hyundai intends to develop an automotive manufacturing plant (the “**Project**”) on the land listed in Schedule 1 hereto. In relation to the implementation of the Project, certain zoning permits, building permits, demolition permits, permissions to clear trees and other administrative permits, including the “ZKR” landscape feature procedure pursuant to the Nature and Landscape Protection Act (the “**Permits**”) are required to be issued by relevant authorities.
- (B) Certain zoning permits]that were issued in relation to the Project have been appealed against by EPS and other entities (the “**Other NGO’s**”). (For the purpose of this Agreement, the term Other NGO’s include any entity interested in environmental, social and other issues related to the Permits for the Project and/or in any way related to EPS and/or acting in concert with EPS, whether or not existing as at the date of the execution of this Agreement).
- (C) EPS is willing to ensure that such objections / appeals are withdrawn or supplemented by further filings allowing for expeditious conclusion of the proceedings for issuance of the Permits in line with the applications for the Permits, and that no further Permits are contested, provided that Hyundai grants for public benefit appropriate guarantees and funding as specified in this Agreement. Being fully aware of the importance of the above issues and in order to satisfactorily clarify the questions raised by EPS and the Other NGO’s, Hyundai agreed to address EPS’s and the Other NGO’s concerns in the manner agreed by the Parties in this Agreement.
- (D) Hyundai wishes to record its commitment to the development of the Project in an environmentally and socially conscious manner and to express its commitment to the future development of the local community.

The Parties have agreed as follows:

1 Colour and landscaping study for the Project

- 1.1 Hyundai has entered into a contract on provision of a colour and landscaping study for the Project with an expert recommended by EPS, being Mr [●] Löw, with his registered seat at [●], ID no. (IČ) [●] (“**Mr Löw**”).

1.2 The subject of services to be provided by Mr Löw is:

1.2.1 Colour study of service buildings comprised in the Project

Mr Löw shall review and make recommendations on the colouring of the service buildings, other than the main factory halls of the Project. Hyundai shall design the colours of the service buildings set out below taking into consideration the findings of the colour study as prepared by Mr Löw. The following buildings shall be subject of the colour study: SO 1023 (Bonded warehouse), SO 1022 (Rail road office), SO 950 (Main gate visitor rooms), SO 710 (Main Office), SO 960 and Food plant (with no number). The colour and overall design of the Project's main factory halls shall remain the same as initially proposed by Hyundai and approved by the relevant authority, i.e. grey/blue.

1.2.2 Landscaping study

Mr Löw shall review and make recommendations on the gardening and landscaping of the Project site. Hyundai shall design the landscaping concept of the Project taking into consideration the findings of the landscaping study as prepared by Mr Löw.

1.2.3 Landscaping of the industrial zone outside the boundary of the Project

Mr Löw shall draw up recommendations regarding the landscaping of the Nosovice industrial zone outside the boundary of the Hyundai Project site. Hyundai shall procure that the relevant authorities responsible for the development of the industrial zone shall take into account the recommendations of Mr Löw's study regarding the landscaping of the industrial zone outside the boundary of the Project, provided that the costs of implementing such recommendations are not unreasonably higher than the ordinary costs of landscaping for such a site in the Czech Republic. To facilitate the implementation of such recommendations, Hyundai is willing to contribute to underwrite the additional costs related to implementation of environmentally-friendly elements of Mr Löw's recommendations in the landscaping within the Hyundai Project site and in areas of the industrial zone which lie outside the Hyundai Project site, up to an aggregate amount of CZK 25,000,000 (in words: twenty five million Czech crowns).

2 Community investment contribution by Hyundai

1.3 Hyundai is willing to contribute CZK 25,000,000 (in words: twenty five million Czech crowns) to community investment initiatives that are in the public interest of the region where the Project is located. The public interest under this Agreement shall mean, for example, contributions to environmentally improvements or museums or schools or or to the establishment of a fund for a public purpose to be administered by a foundation under Act No. 227/1997 Coll., for the purpose of supporting community investment initiatives. In the event such a foundation is established, it shall be stated in its founding document that the foundation is established upon the agreement between Hyundai and EPS. Hyundai will appoint one of the member of the Administrative Board and one of the member of the Supervisory Board of such foundation, one member of each board shall be appointed by EPS and one member of each board shall be appointed by the [Mayor of the village Nosovice] and one member of each board shall be appointed by the [Mayor of the village of Dobra]. Details of the establishment of such a fund, or other direct contribution by

Hyundai to another community investment project, will be further detailed and agreed separately between Hyundai and EPS.

3 Appeals / objections against the Permits

- 1.4** Given that by fulfilling its obligations under this Agreement Hyundai will have sufficiently addressed EPS's concerns, within three working days of delivery of the study set out in Section 1 of this Agreement to Hyundai, but no later than 9 September 2006, EPS shall withdraw all their objections / appeals (or supplement them by further filings allowing for expeditious conclusion of the proceedings in line with Hyundai's applications) against any Permits as having been submitted to the relevant authority as at the date of the withdrawal and/or supplementation. Furthermore, EPS shall procure that within the same time limit all the Other NGO's shall withdraw all their objections / appeals (or supplement them by further filings allowing for expeditious conclusion of the proceedings in line with Hyundai's applications) against any Permits as having been submitted to the relevant authority as at the date of the withdrawal and/or supplementation.
- 1.5** EPS agree that following the execution of this Agreement they shall not, and they will ensure that the Other NGO's shall not, file any objections or appeals or initiate any other legal action in connection with the Permits or in other way hinder the implementation of the Project.

4 Termination of the Agreement

- 1.6** Should EPS fail to ensure the fulfilment of any of their obligations under Section 3 of this Agreement Hyundai shall be entitled, in addition to other rights under Czech law to withdraw from this Agreement by written notice of withdrawal delivered to EPS and effective as of the date of delivery.
- 1.7** If this Agreement is terminated in accordance with this Section 4, neither of the Parties shall be entitled to apply any claims against the other Party that might be incurred in connection with the conclusion of this Agreement.

5 Confidentiality

Each Party shall treat as strictly confidential all information relating to this Agreement.

6 General Provisions

- 1.8** No Party shall be entitled to assign its rights and obligations under this Agreement.
- 1.9** This Agreement constitutes the entire agreement between the Parties related to its subject matter and supersedes any agreements previously entered into between the Parties.
- 1.10** This Agreement shall become valid and effective upon its signing by all Parties.
- 1.11** This Agreement may be modified only by written amendments marked signed by the Parties.
- 1.12** This Agreement shall be executed in three counterparts in English, each Party receiving one counterpart.
- 1.13** This Agreement shall be governed by and construed in accordance with Czech law.

1.14 Having read this Agreement the Parties declare that the content of this Agreement, and the representations, warranties, rights and obligations contained herein are an expression of their true and free will and that this Agreement was concluded on the basis of mutual agreement and not under duress or markedly disadvantageous conditions.

AS WITNESS the hands of duly authorised representatives of the parties hereto the day and year first before written.

In _____ on [●] September 2006

In _____ on [●] September 2006

Hyundai Motor Manufacturing Czech s. r. o.

Ekologický právní servis

Sang Bog Park
proxy

[●]