

Japanese Addendum to Terms and Conditions of Sale

1. INTRODUCTION.

This Japanese Addendum to Terms and Conditions of Sale (the "**Addendum**") supplements the Terms and Conditions of Sale (the "**Conditions**") regarding a contract as defined in the Conditions (the "**Contract**"). Terms not defined herein shall have the same meaning as in the Conditions. In case of any conflict between this Addendum and the Conditions, this Addendum shall prevail.

2. TRANSFER OF OWNERSHIP AND PASSING OF RISK.

2.1. The risk concerning the Products shall pass from Seller to Buyer upon delivery of the Products by Seller in accordance with Section 4.4 of the Conditions.

2.2. The ownership of the Products shall be transferred from Seller to Buyer upon completion of the payment for the Products in accordance with Section 8.1 of the Conditions.

3. PAYMENT TERMS.

3.1. Notwithstanding Section 8.1 of the Conditions, unless otherwise requested by Seller, all payments shall be made in the Japanese currency.

3.2. Notwithstanding Section 8.1 of the Conditions, Buyer's payment of the amounts set forth on an invoice via credit card shall not be accepted.

3.3. If Buyer fails to pay the amount of the invoice when due, Buyer shall pay to Seller the default charge of 0.05 Japanese Yen for every 100 Japanese Yen per day from the next day of the due date to the day of full payment.

4. CONFIDENTIALITY.

Notwithstanding Section 11 of the Conditions, the parties hereby agree that the Receiving Party may disclose confidential, proprietary or non-public information if required by any applicable law or regulation or by governmental or other regulatory authority or in connection with any legal, administrative or arbitration proceedings.

5. SECURITY INTEREST AND DEPOSIT.

5.1. Buyer hereby agrees that, if any credit terms are extended in connection with the Contract, Buyer hereby grants security interests as reasonably requested by Seller under applicable Japanese laws, in addition to the purchase money security interest set forth in Section 15 of the Conditions. Buyer shall cooperate with Seller and take any and all necessary actions, including, without limitation, executing any documents requested by Seller, to cause it to receive all such rights and remedies.

5.2.1. Buyer shall provide Seller with deposit (*hoshokin*) if reasonably requested by Seller, in which case the amount thereof shall be determined by Seller at its sole discretion and interest shall not be payable by Seller on any amount thereof. If Buyer shall default in any payment when due, Seller, at its option without prejudice to other lawful remedies, may (i) declare the entire Contract Price immediately due and payable and apply the deposit to such payment.

5.2.2. If Seller applies the deposit to Buyer's obligations pursuant to Section 5.2.1, Buyer shall replenish for the shortfall of the deposit without delay.

5.2.3. During the term of the Contract, Buyer shall not assert set off of the deposit against any of its obligations owed to Seller.

5.2.4. If the Contract ends, Seller shall return to Buyer the amount that remains after applying the deposit to all of the obligations of Buyer owed to Seller within 4 weeks.

6. ELIMINATION OF ANTI-SOCIAL FORCE.

6.1. Buyer hereby represents that Buyer currently does not fall under any of the following persons nor of the below items, and Buyer assures that Buyer will not fall thereunder in future as well: an Organized Crime Group, a member of an Organized Crime Group, a person who has ceased to be a member of an Organized Crime Group and for whom five years have not elapsed from the day of such cessation; a quasi-member of an Organized Crime Group; an entity affiliated with an Organized Crime Group; a corporate racketeer (*sokaiya*); a person engaging in criminal activities under the pretext of conducting social campaign or political activities (*shakaiundo hyobogoro*); a racketeering group specialized in intellectual crimes (*tokushu chinou boryoku shudan*); or those equivalent to the foregoing (hereinafter collectively referred to as "Organized Crime Groups").



(i) Associated with Organized Crime Groups in a manner where it is recognized that the management of Buyer is controlled by Organized Crime Groups;

(ii) Associated with Organized Crime Groups in a manner where it is recognized that Organized Crime Groups are substantively involved in the management of Buyer;

(iii) Associated with Organized Crime Groups in a manner where it is recognized that Buyer uses Organized Crime Groups unjustly for the purpose of seeking unjust profits for itself or a third party, or for the purpose of damaging a third person;

(iv) Associated with Organized Crime Groups in a manner where it is recognized that Buyer is involved in Organized Crime Groups by, among others, funding Organized Crime Groups or by extending facilities to Organized Crime Groups; or

(v) An officer or a person who is substantively involved in the management of Buyer is associated with Organized Crime Groups in a socially disapproved manner.

6.2. Buyer hereby assures that Buyer, either by itself or by using a third party, will not engage in an act that falls under any of the following items:

(i) Make a demand in a violent manner;

(ii) Make an unreasonable demand that goes beyond the limits of legal liability;

(iii) Act in an intimidating manner or use violence in relation to transactions;

(iv) Damage the credit of Seller or obstruct the business of Seller by spreading false information or through fraudulent means or by using forcible influence; or

(v) Any other act equivalent to preceding items.

6.3. In the event of discovery that Buyer falls under Organized Crime Groups or any of the items of Section 6.1, or commits an act falling under any of the items of Section 6.2, or made false declaration with regard to the representation and assurance under the provision of Section 6.1, and it is inappropriate to continue the transaction with Buyer, Seller may terminate the Contract without any demand. Further, in such event, Buyer will forfeit the benefit of time in relation to any and all obligations owed to Seller upon receiving the termination notice from Seller, and will perform the obligations immediately.

6.4. Buyer will not make any claim to Seller for any damage incurred by Buyer due to the application of the provision of Section 6.3. Further, if Seller incurs any damage, Buyer will be liable for such damage.

7. TERMINATION

7.1 In the event that Buyer falls under any of the following items, Seller shall be entitled to terminate the Contract without making any demands.

(1) In case there is a petition for dissolution, commencement of procedures of bankruptcy, commencement of procedures of civil rehabilitation, commencement of procedures for corporate reorganization, etc.

(2) In case transactions with banks are suspended, or there is an attachment, provisional attachment, provisional disposition, compulsory execution, etc.

(3) In case it fails to pay any of its obligations when due.

(4) In case there is a violation of any section under the Contract.

(5) In case there existed an act against the public policy or there is a likelihood of promoting such act.

7.2 in the event the Contract is terminated pursuant to Section 7.1, Buyer will forfeit the benefit of time in relation to any and all obligations owed to Seller upon receiving the termination notice from Seller, and will perform the obligations immediately.

8 GOVERNING LAW AND VENUE.

This Japanese Addendum (Sale) shall be governed by Japanese law, without regard to any conflict of law principles and to the exclusion of the provisions of the United Nations Convention on the International Sale of Goods. All litigation between Seller and Buyer which may arise out of or in connection with the Conditions and the Addendum or any transaction between them shall be subject to the exclusive jurisdiction of the Tokyo District Court in Japan, and each hereby consents to the jurisdiction of such courts.