Basic Terms and Conditions

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Supplementary Provisions

SAKURA internet Inc. (the "Company") sets forth the following Basic Terms and Conditions (these "Terms and Conditions") as conditions for use of various services (the "Company' s Services") that the Company provides.

Chapter 1 General Provisions

Article 1 (Definitions)

- 1. The terms used in these Terms and Conditions shall have the meanings set forth in the following items:
 - (1) User

The term shall mean a person who uses the Company's Services with consenting to these Terms and Conditions.

(2) Basic Services

The term shall mean the Company's Services which the Company separately designates as basic services and to which the "Basic Service Terms and Conditions" apply.

(3) Optional Services

The term shall mean the Company's Services that may be used together with any of the Basic Services, in principle. The Company may set forth the "Optional Service Terms and Conditions" as conditions for use of such services.

(4) Terms and Conditions by Service

The term shall collectively mean the Basic Service Terms and Conditions and the Optional Service Terms and Conditions.

(5) Company's Terms and Conditions

The term shall collectively mean these Terms and Conditions and the Terms and Conditions by Service.

(6) Service Site

The term shall mean any website or webpage that the Company operates, which describes

information about the Company's Services.

(7) Use Contract

The term shall mean any contract under which the Company provides the Company's Services to the User, to which the Company's Terms and Conditions apply.

(8) Usage Fees

The term shall mean the fee set forth in the Use Contract as the price payable for use of the Company's Services.

(9) Communications

The term shall mean any demand, notice, inquiry and any other communications exchanged between the Company and the User.

(10) Applicant

The term shall mean a person who desires to use the Company's Services and applies for the Use Contract to the Company.

(11) Notified Information

The term shall mean information of which the Applicant or the User notified the Company in order to use the Company's Services.

(12) Designated Country

The term shall mean any country that the Company separately designated (if applicable) as a country in which the Company provides the Company's Services.

(13) Antisocial Forces

The term shall mean an organized crime group, a member of an organized crime group, a person who was a member of an organized crime group within the past 5 years, a quasi-member of organized crime group, a person related to organized crime group, a company related to organized crime group, a corporate racketeer (*sokaiya*), a crime group pretending to be a social activist, etc., a special intellectual violent organization or any other person equivalent to the above.

(14) Consumption Taxes

The term shall mean an amount equivalent to consumption tax and local consumption tax on the Usage Fees.

(15) Applicable Laws and Regulations

The term shall mean laws and regulations of Japan or those applicable to the User (including laws and regulations that the Company deems it to be applicable). Such laws and regulations include ordinances and rules under them.

(16) Telecommunication Facilities

The term shall mean equipment and facilities that the Company uses to provide the Company's Services (including those that the User owns or rents and installs in the Company's facilities and those that a third party provides and the Company uses).

(17) End User

The term shall mean a person other than the User, such as the User's customers, to whom the User makes the Company's Services available for use.

(18) Provided Area

The term shall mean areas of equipment for the User that the Company makes available for use by the User when providing the Company's Services.

(19) User Data

The term shall mean all data stored or accumulated in the Provided Area or equipment that the User owns or rents when the User uses the Company's Services.

(20) Provided Software, etc.

The term shall mean OS, applications, software and the like to be provided to the User through the Company's Services.

(21) Provided Software Terms of Use

The term shall mean the terms of use for the Provided Software, etc. that the provider of the Provided Software, etc. sets forth, which are the latest ones at the time when the User actually uses the Provided Software, etc.

Article 2 (Application and Amendment of Terms and Conditions)

- The User shall use the Company's Services with consenting to these Terms and Conditions.
 These Terms and Conditions shall apply to all relationships between the Company and the User concerning the Use Contract and any other use of the Company's Services.
- 2. As conditions for use of the Company's Services by the User, if the Company sets forth the Terms and Conditions by Service for the relevant Company's Services, the User shall use the relevant Company's Services with consenting to these Terms and Conditions and the relevant Terms and Conditions by Service. If any provision of these Terms and Conditions conflicts with or contradicts any provision of the Terms and Conditions by Service, the provision of the Terms and Conditions by Service shall prevail and apply. Further, if, in the Terms and Conditions by Service, any provision of the Basic Service Terms and Conditions conflicts with or contradicts any provision of the Optional Service Terms and Conditions, the provision of the Optional Service Terms and Conditions shall prevail and apply.
- 3. If the User is a minor, adult ward, person under curatorship or person under assistance who is subject to a decision under Article 17, Paragraph 1 of the Civil Code or a person who is in a situation similar to any of the above in a country other than Japan, then the User shall use the Company's Services with obtaining consent, etc. from its legal representative, guardian, curator or assistant or a representative, etc. in a country other than Japan (collectively, the

- "Legal Representative, etc."). When the User starts using the Company's Services, the Company deems that the User has obtained consent from its Legal Representative, etc.
- 4. The Company may amend the Company's Terms and Conditions due to a change or improvement, addition or termination, etc. of the Company's Services. When amending the Company's Terms and Conditions, the Company shall notify the User of the amendment no later than seven (7) days before effecting the amendment by posting on the Service Site, sending e-mails or any other appropriate method that the Company reasonably decides. By using the Company's Services after the amendment to the Company's Terms and Conditions becomes effective, the User shall be deemed to have accepted the Company's Terms and Conditions as amended.
- 5. Any website or webpage, etc. designated in the Company's Terms and Conditions (regardless of whether designated by stating URL or name or any other method) shall not constitute a part of the Company's Terms and Conditions unless otherwise set forth in the Company's Terms and Conditions.

Article 3 (Language, etc.)

- As for all the Company's Terms and Conditions, documents relating to the Use Contract and
 explanations on the Company's Services by the Company, the text of those in Japanese shall
 be the authentic text. The Company shall not assume any liability for damage caused in
 connection with the User's act (including omission) based on the text of those in any
 language other than Japanese.
- 2. A year, month, day and time, etc. described in the Use Contract under the Company's Terms and Conditions shall be construed in accordance with a Japanese calendar.
- 3. If the User or the Company has payment obligations based on the Company's Terms and Conditions, the currency to be used for the payment shall be Japanese yen.

Article 4 (Communications)

- 1. The Communications from the Company to the User shall be made by any method that the Company deems appropriate such as sending e-mails or documents to addresses described in the Notified Information or posting on the Service Site. The language to be used in the Communications shall be Japanese unless the Company approves otherwise. The User shall set up an environment to properly receive e-mails or websites in Japanese at its own expense and on its own responsibility.
- 2. The Communications in the preceding paragraph shall be deemed to have arrived at the User at the time when the Company transmits the Communications by e-mail or in writing, or posts the Communications on the Service Site. Even if the Communications fail to arrive

- at the User or such an e-mail or website cannot be properly displayed at the User's environment, the Company shall not assume any liability for damage caused in connection with the failure of arrival or proper display.
- 3. The language that the User may use in the Communications to the Company shall be Japanese only, regardless of method to make the Communications, except an inquiry in English by using a form to be filled in English which the Company prepares as to the matters to be inquired that the Company sets forth separately.

Chapter 2 The Use Contract

Article 5 (Conclusion of the Use Contract)

- 1. The Applicant shall apply for the Use Contract to the Company by the method prescribed by the Company.
- 2. When the Company accepts the application in the preceding paragraph, the Use Contract shall be deemed to be formed.
- 3. If the Company decides that the Applicant falls under any of the following items, the Company may refuse to accept the application. If the Company refuses to accept the application, the Company shall promptly notify the Applicant to that effect but have no obligation to disclose the reason for the refusal.
 - (1) if the Applicant is likely to breach the contract with the Company because the Applicant has ever breached any other contract with the Company before or for any other reason;
 - (2) if the Notified Information contains false information;
 - (3) if the Applicant does not reside in any of the Designated Countries;
 - (4) if any event set forth in Article 22, Paragraph 1, Item (5) or (6) exists;
 - (5) if the credit card or bank account designated by the Applicant as the payment method for the Usage Fees of the Company's Services is not valid;
 - (6) if the Applicant is a minor, adult ward, person under curatorship or person under assistance who is subject to a decision under Article 17, Paragraph 1 of the Civil Code and fails to obtain consent on the application from its legal representative, guardian, curator or assistant or if the Applicant is in a situation similar to any of the above in a country other than Japan;
 - (7) if a significant difficulty in business or technology is recognized as to the provision of the Company's Services to the Applicant;
 - (8) if the Applicant falls under the Antisocial Forces; and
 - (9) if the Company recognizes that acceptance of the application is inappropriate due to any other reason.

Article 6 (Contract Period and Termination)

- 1. A contract period of the Use Contract shall begin on the use start date and end on the last day of the month in which one (1) year (or if the User selected a period longer than one (1) year for the usage fee prepayment for a selected period, the selected period) has passed since the use start date, and unless the User expresses its intention to terminate the contract by the method prescribed by the Company no later than the 20th day of the month immediately preceding the month in which the contract is supposed to terminate (or the 20th day of the second preceding month of the month in which the contract is supposed to terminate in the case of the usage fee prepayment for a selected period), the Use Contract shall be automatically renewed for another one (1) year (or if the User selected a period longer than one (1) year for the usage fee prepayment for a selected period, the selected period) each, and the same shall apply after the renewal. Except a termination pursuant to the provisions of the Company's Terms and Conditions, the User may not terminate the Use Contract.
- 2. Even during the contract period in the preceding paragraph, if the minimum use period set forth in the following article has elapsed, the User may, by giving the Company a notice in a manner prescribed by the Company, terminate the Use Contract effective as of the last day of the month in which the User gave the notice; provided, however, that if the User has already paid all or part of the Usage Fees for the period from the month following the month in which the User gave the notice, the termination shall become effective on the last day of the period for which the User has already paid the Usage Fees.

Article 7 (Minimum Use Period)

- 1. The minimum use period of the Company's Services provided on a continuous basis shall begin on the use start date and end on the last day of the month in which three (3) months have elapsed since the use start date unless otherwise set forth in the Use Contract.
- 2. The User may not terminate the Use Contract for the Company's Services during the minimum use period. If the Company terminates the Use Contract during the minimum use period, the Usage Fees and the Consumption Taxes already paid shall not be returned.

Article 8 (Change to the Notified Information)

- 1. If the Notified Information is changed, the User shall promptly notify the Company of the change by using a prescribed form.
- 2. Even if the Communications from the Company to the User fail to arrive at the User or are delayed in arrival due to the User's delay in notification of change in the preceding paragraph or failure of the notification, the Company may deem that the Communications have arrived at the time when the same is supposed to arrive. The Company shall not assume any liability for damage that the User or any third party has incurred due to such delay or failure

in notification.

Article 9 (Succession to the Use Contract)

- 1. If the User as an individual dies, the Use Contract shall terminate; provided, however, that if its heir who intends to solely succeed to the User's status under the Use Contract submits a notification prescribed by the Company within fourteen (14) days from the inheritance start date, then the heir may succeed to the User's status under the Use Contract.
- 2. If circumstances falling under any of the following items occur to the User, only if the Company approves the continuation of the Use Contract by considering the User's substantial identity, business continuity and any other circumstances, the User may continue the Use Contract:
 - (1) change of the status from individual to juridical person;
 - (2) succession by a new juridical person due to merger, company split or business transfer of the User as juridical person;
 - (3) change of the representative of the unincorporated association as the User; and
 - (4) any other change similar to the above.

Article 10 (Transfer, etc. of Status, etc. under the Use Contract)

- 1. The User shall not transfer or provide as collateral its status or rights under the Use Contract to a third party or cause a third party to take over the status or obligations under the Use Contract without prior approval of the Company.
- 2. Upon transfer of the Company's business relating to the Company's Services in whole or in part to a third party (including any transfer of business by not only business transfer but also company split or any other cause), the Company may transfer its status under the Use Contract and its rights and obligations under the Company's Terms and Conditions including these Terms and Conditions to the third party and the User shall be deemed to have consented to the transfer in advance in this paragraph.

Chapter 3 Use of Services by the User

Article 11 (Usage Fees)

- 1. The User shall pay the Usage Fees in consideration of its use of the Company's Services to the Company.
- 2. If the Company recognizes the Usage Fees as inappropriate due to fluctuations in commodity prices or maintenance management operation costs for the Company's facilities, then Article 2, Paragraph 4 shall apply mutatis mutandis, and the Company may change the Usage Fees even during the contract period by giving notice to the User in accordance with the said

paragraph.

3. The User shall pay the Consumption Taxes together with the Usage Fees to the Company. If a change in tax rates occurs due to the change of law, the Company shall charge to the User the amount of difference between the amount equivalent to the amount of the Consumption Taxes based on the former tax rate and such amount based on the changed tax rate for the remaining period for which the User has already paid the Usage Fees and the Consumption Taxes based on the former tax rate on and after the application date of the changed tax rate. In this case, the User shall pay the amount of difference in accordance with the payment method and deadline that the Company presents in the charge.

Article 12 (Payment Method)

- 1. The User shall pay the Usage Fees and the Consumption Taxes no later than the payment deadline by the method designated by the Company or selected by the User. Bank transfer charges and any other costs necessary for the payment shall be borne by the User.
- 2. The Company may exchange the information on the User's credit card that the User provides to the Company with the credit card company from time to time. If the Company recognizes it as necessary, the Company may request the User to take measures such as changing the payment method.

Article 13 (Payment Deadline)

1. The User shall pay the Usage Fees by the deadline set forth below:

Breakdown of the Usage Fees	Payment Deadline
Initial fee	The User shall pay the initial fee within two (2) weeks
The fee is a consideration for	from the conclusion date of the Use Contract.
preparation for provision of	
the Company's Services to be	
provided on a continuous	
basis.	
Continuous usage fee	(i) Monthly prepayment
The fee is a consideration for	The User shall pay the Usage Fees for the period from
using the Company's Services	the 1st day to the last day of each month by the last day
to be provided on a continuous	of the preceding month; ;provided, however, that as
basis.	for the first payment following the conclusion of the
	Use Contact, the User shall pay the continuous usage
	fee for two (2) months within two (2) weeks from the
	conclusion date of the Use Contract, and as for the

Breakdown of the Usage Fees	Payment Deadline
	second payment, the User shall pay the continuous
	usage fee for one (1) month and the continuous usage
	fee on a pro-rata basis for the period from the day
	corresponding to the use start date in the third month
	following the month to which the use start date
	belongs to the last day of the third month, no later than
	the last day of the preceding month.
	(ii) Usage fee prepayment for a selected period
	The User shall pay the Usage Fees for the period
	which begins on the use start date and which the User
	selected (the "Selected Period") among the periods
	that the Company prescribes within two (2) weeks
	from the conclusion date of the Use Contract. If the
	User renews the Use Contract after the expiration of
	the Selected Period, the User shall pay the Usage Fees
	for the renewed Selected Period by the last day of the
	month immediately preceding the month in which the
	initial Selected Period expires and the same shall
	apply after the renewal.
Spot usage fee	The User shall pay the fee by the date that the
The fee is a consideration for	Company designates separately.
using the Company's Services	
to be completely provided at	
only one time.	

2. Notwithstanding the preceding paragraph, in the case of a payment by account transfer, the payment shall be processed on the 27th day of each month (or the immediately following business day of the financial institution if the 27th day is its holiday). If the withdrawal from the account fails to be processed on the said date, the User shall pay the Usage Fees by money transfer by the deadline that the Company designates separately.

Article 14 (Late Payment Charge)

1. If the User delays a payment of the Usage Fees and the Consumption Taxes, the User shall pay a late payment charge at the rate of 14.5 % per annum.

Article 15 (Prohibited Matters)

- 1. The User shall not conduct the acts which fall under, or may fall under, any of the following items:
 - (1) an act to infringe any property, privacy, portrait right, intellectual property right or any other right (meaning those both in Japan and in a country other than Japan) of the Company or a third party;
 - (2) an act to discriminate against, defame or denigrate the Company or a third party or damage the reputation or credibility of the Company or a third party;
 - (3) an act to result in any criminal offense under the Applicable Laws and Regulations such as illegal trade of saving account and mobile phone, fraud, Ponzi scheme (pyramid scheme), trade of controlled substance and child prostitution;
 - (4) an act to send or post any image or document, etc. which falls under indecency, child pornography or child abuse under the Applicable Laws and Regulations;
 - (5) an act to falsify or delete information which is available by the Company's Services;
 - (6) an act to send or post harmful computer programs such as virus;
 - (7) an act to make an unauthorized access to the Telecommunication Facilities;
 - (8) an act to send third parties e-mails (spam e-mails) for the purposes of advertisement/promotion/solicitation, etc. without permission or e-mails (harassing e-mails) causing a feeling of disgust to third parties, etc., to disturb anyone else's reception of e-mails, to request forwarding chain e-mails or to forward such chain e-mails in response to such request;
 - (9) an act to conduct gambling illegally in light of the Applicable Laws and Regulations or induce people to play such illegal gambling;
 - (10) an act to directly and expressly undertake, mediate or induce (including requesting anyone else to commit) an illegal act under the Applicable Laws and Regulations (including, but not limited to, transfer of firearm, provision of child pornography, falsification of official documents, homicide and intimidation);
 - (11) an act to send or post cruel information such as murder scene, information such as images of animal abuse, or information causing a feeling of disgust to anyone else under normal social conventions;
 - (12) an act to induce or persuade a person to carry out a suicide;
 - (13) an act to cause significant trouble to any other User or third party;
 - (14) an act that is against public policy;
 - (15) an act to violate the Applicable Laws and Regulations:
 - (16) the following acts if the User is subject to laws and regulations of the People's Republic of China (the "PRC" in this Item):
 - (i) an act to post contents regulated by the PRC's laws and regulations;

- (ii) an act to post contents without special license required by the laws and regulations of the PRC if the User operates the business requiring such special license;
- (iii) an act to post contents expressing dissident opinions against the PRC government;
- (iv) an act to post contents expressing extreme opinions against the culture/custom of the PRC;
- (v) an act to post contents which may jeopardize secret/security of the PRC; and
- (vi) an act to announce imperialistic/feudal thought or superstition.
- (17) an act to obstruct use or operation of facilities (including, but not limited to, the Telecommunication Facilities) of the Company or a third party;
- (18) an act to use the Company's Services in a manner or form obstructing third party's communications;
- (19) an act to interrupt provision of the Company's Services;
- (20) an act to post a link to a website in which the act falling under any of the preceding items is being conducted in a form or for the purpose to encourage such act;
- (21) an act to cause and encourage a third party to conduct the act falling under any of the preceding items; and
- (22) any other act that the Company judges inappropriate as the act of Users of the Company's Services.
- 2. In addition to the preceding items, the Company may separately stipulate any other prohibited matters and precautions, etc. on the Service Site (including, but not limited to, the page of "SAKURA Support Information") as necessary and the User shall observe them.

Article 16 (Third Party's Use of the Company's Services)

- 1. If the User causes the End User to use the Company's Services in whole or in part (regardless of with or without charge, and including, but not limited to, a case where the User issues ID/account/password, etc. to the End User for its use), then the User shall assume obligations to make the End User comply with the Company's Terms and Conditions for the relevant Company's Services. In this case, the Company shall not assume any obligation or liability under the Use Contract to the End User.
- 2. The User agrees that any act (including omission) which the End User conducted in the Company's Services shall be deemed to be the act which the User conducted, regardless of whether the User has been involved in the act, and the User shall assume any and all civil liabilities and obligations for the End User's act to the Company and third parties (including those that the End User assumes to the Company and third parties).

Article 17 (Management of Account and Data, etc.)

- 1. The User shall appropriately set and manage the account and password, etc. that the Company issued for use of the Company's Services on its own responsibility. The Company shall not assume any liability for damage caused to the User in connection with these setting or management of the account and password.
- 2. The User shall manage and back up the User Data with respect to the Company's Services at its own expense and on its own responsibility. The Company shall not be involved in or have any concern with the User Data and shall not assume any liability for the matters in which fall under any of the following items and any other matters for any reason, except in the cases set forth in Article 29:
 - (1) divulgation or loss, etc. of the User Data;
 - (2) prevention of divulgation or loss, etc. of the User Data; and
 - (3) recovery of the User Data.
- 3. If the Use Contract terminates for any reason, the User shall delete the User Data in the Provided Area no later than the termination date. If, even after the termination of the Use Contract, the User Data in the Provided Area remain undeleted, the Company may delete the User Data and shall assume no liability for the deletion.

Article 18 (Management of Equipment to be Used)

1. The User shall prepare and use equipment, software and communication lines, etc. necessary to use the Company's Services at its own expense and on its own responsibility.

Article 19 (Use of the Provided Software, etc.)

- 1. In the case using the Provided Software, etc., the User shall assume obligations to abide by the Provided Software Terms of Use. The User may use the Provided Software, etc. only for its own use through the Company's Services and shall not use the Provided Software, etc. beyond the scope permitted under the Provided Software Terms of Use.
- 2. Copyrights and any other rights concerning the Provided Software, etc. shall belong to the right holder of the Provided Software, etc. The Company shall not transfer or license such rights to the User; provided, however, that if the right holder of the Provided Software, etc. requires the User to obtain the Company's license in order for the User to use the Provided Software, etc. in the Company's Services and if the Company recognizes that the Company may grant the license, then the Company shall grant to the User the license only to the extent necessary to use the Company's Services in accordance with what the right holder sets forth.
- 3. Unless otherwise set forth in the Company's Terms and Conditions, if any provision of the Company's Terms and Conditions conflicts with or contradicts any provision of the Provided Software Terms of Use, then the provision of the Provided Software Terms of Use shall

prevail and apply.

Article 20 (Response to Prohibited Acts)

- 1. If the Company recognizes that the User or the End User has conducted an act which falls under any of the prohibited matters set forth in the Company's Terms and Conditions, if a third party makes a claim or demand, etc. against the Company in connection with use of the Company's Services by the User and the Company recognizes it as necessary, or if the Company judges it as necessary for operation of the Company's Services due to any other event, then the Company may take one of or a combination of two or more of the measures listed in the following items against the User:
 - (1) to make inquiries on the act which falls under any of the prohibited matters set forth in Article 15 or the Company's Terms and Conditions;
 - (2) to request the User to stop the act which falls under any of the prohibited matters set forth in Article 15 or the Company's Terms and Conditions or take necessary measures (including, but not limited to, deletion of information in whole or in part posted on the Internet through the Company's Services);
 - (3) to request the User to respond to claim or demand, etc. from a third party or establish a system to receive inquiries from third parties; and
 - (4) to delete the information that the User or the End User posted on the Internet through the Company's Services in whole or in part from the Provided Area, or set the information in the status in which third parties may not view it, without prior notice.

Article 21 (Restriction on Use of the Services)

- 1. If the User falls under any of the events listed below, the Company may restrict the use of the Company's Services for the User in whole or in part. The Company shall not assume any liability for the restriction on use to the User:
 - (1) if the User delays a payment of fees;
 - (2) if the Company recognizes that an act (including omission) of the User or the End User obstructs the Company's business operation such as a case where the Telecommunication Facilities are or may be affected by such act;
 - (3) if a false information is found in the Notified Information of the User;
 - (4) if the User who has received the inquiries or the request in Items (1) through (3) of the preceding article fails to respond to the inquiries or the request within a period designated by the Company; and
 - (5) if the Company judges that the User or the End User has breached the Company's Terms and Conditions for any other reason.

- 2. If the Company intends to restrict the use of the Company's Services, the Company shall notify the User of the restriction and reason for the restriction in advance unless the Company judges it as urgently necessary to restrict the use.
- 3. Even if the Company restricts the use of the Company's Services pursuant to Paragraph 1, the User shall pay the entire amount of the Usage Fees for the Company's Services for the period of restriction on use.

Article 22 (Termination of the Use Contract by the Company)

- 1. If the User falls under any of the following items, the Company may immediately terminate the Use Contract without giving notice or demand to the User:
 - (1) if the User falls under any of the items set forth in Article 5, Paragraph 3;
 - (2) if the User is an adult ward, person under curatorship or person under assistance who is subject to a decision under Article 17, Paragraph 1 of the Civil Code or a person who is in a situation similar to any of the above in a country other than Japan and the Company judges it as difficult to continue the Use Contract based on reasonable circumstances;
 - (3) if the Company judges that the User has conducted an act which falls under any of the prohibited matters set forth in Article 15 or the Company's Terms and Conditions;
 - (4) if the User falls under any of the items in Paragraph 1 of the preceding article;
 - (5) if the User receives a petition for attachment, provisional attachment, provisional disposition, collection of tax delinquency or public sale, etc., or a petition for commencement of insolvency proceedings such as bankruptcy proceedings, civil rehabilitation proceedings, special liquidation proceedings and corporate reorganization proceedings for the User is filed, or the Company enters a liquidation, or the Company judges that the User is in a situation similar to any of the above in a country other than Japan;
 - (6) if the User suspends its payment such as a case where any bill or check drawn by the User is dishonored, or there is any other event to be reasonably recognized that the User's credit standing has become worse;
 - (7) if the Company judges that a permission or any other relevant qualifications of the Company may be revoked by public agencies due to an act (including omission) of the User or the End User; and
 - (8) if the continuation of the Use Contract by the User pursuant to Article 9, Paragraph 2 fails to be approved.
- 2. If the Use Contract is terminated pursuant to the preceding paragraph, the User's monetary obligations shall become automatically due and payable, and the User shall immediately perform any and all monetary obligations owed to the Company.

Article 23 (Compensation for Damage)

1. If the User or the End User breaches the Company's Terms and Conditions or the Use Contract due to a cause attributable to the User or the End User and by this causes damage to the Company, then the User shall compensate the Company for the damage.

Chapter 4 The Company's Service Operation

Article 24 (Secrecy of Communications)

- 1. The Company shall appropriately handle the secrecy of communications which the Company handles in providing the Company's Services pursuant to Article 4 of the Telecommunications Business Act.
- 2. The Company may disclose to the extent necessary part of information belonging to the secrecy of communications of the User or the End User in accordance with laws and regulations, judicial decisions of courts, or rules or orders of supervisory agencies, financial instruments exchanges or any other public agencies authorized to regulate the Company.
- 3. If the User or the End User conducts an act which falls under any of the prohibited matters set forth in the Company's Terms and Conditions, the Company may disclose to third parties information belonging to the secrecy of communications of the User to the extent that the Company recognizes as necessary to secure smooth provision of the Company's Services.

Article 25 (Protection of Personal Information, Compliance with PCI DSS)

- 1. The Company shall appropriately handle the User's personal information based on <u>Handling</u> of <u>Personal Information</u> set forth on the Service Site.
- 2. The Company shall comply with the physical security requirements that PCI DSS prescribes in providing the Company's Services.

Article 26 (Suspension of Provision)

- 1. If it is necessary for maintenance, works or relocation, etc. of the Telecommunication Facilities or for carrying out the Company's business operation, the Company may suspend provision of the Company's Services in whole or in part.
- 2. If the Company intends to suspend provision of the Company's Services pursuant to the preceding paragraph, the Company shall notify each User of the suspension and reason for it in advance unless the Company judges it as urgently necessary.
- 3. If the Company suspends provision of the Company's Services pursuant to Paragraph 1, the Company may conduct relocation, etc. of equipment which the User owns or rents and which is installed in the Company's data center to the extent necessary to achieve the purposes of

- such suspension without obtaining the User's consent.
- 4. The Company shall not assume any liability for damage that the User has incurred in connection with the suspension pursuant to Paragraph 1 or the relocation, etc. pursuant to the preceding paragraph; provided, however, that if the Company's Services are suspended due to a cause attributable to the Company, Article 29 shall apply mutatis mutandis and the Company shall compensate the User for the damage to the extent set forth in the said article.
- 5. Even if the Company suspends provision of the Company's Services pursuant to Paragraph 1, the User shall pay the entire amount of the Usage Fees of the Company's Services for the suspension period.

Article 27 (Amendment to Contract)

 The Company may request the User to accept minor amendments to the contract based on the usage of the Company's Services by the User and any other circumstances in order to provide the Company's Services stably and continuously. The User shall not refuse to accept the Company's request without justifiable reason.

Article 28 (Discontinuation of the Services)

- 1. The Company may discontinue the Company's Services in whole or in part for certain reasons. In that case, the Company shall notify the User to that effect no later than one (1) month before the discontinuation; provided, however, that if either of the following items occurs, the Company may immediately discontinue the Company's Services without giving prior notice to the User. When the Company discontinues the Company's Services in whole, the Use Contract shall automatically terminate at the time of the discontinuation.
 - (1) if the Company judges it as necessary to immediately discontinue the Company's Services due to an order, disposition, request and the like by public agencies; or
 - (2) if the Company judges it as necessary to change the method to provide the Company's Services such as a case where the relationship between the Company and the third party providing software and any other technologies (including, but not limited to, the Provided Software, etc.) that the Company uses to provide the Company's Services is over.
- 2. The Company shall not assume any liability for damage that the User has incurred in connection with the discontinuation pursuant to the preceding paragraph.

Article 29 (The Company's Liability)

1. If the Company breaches the Company's Terms and Conditions intentionally or negligently, the User shall request the Company to correct the breach. If the Company fails to correct the breach even after a reasonable period of time has elapsed, the User may terminate the

Use Contract.

- 2. Unless otherwise set forth in the Company's Terms and Conditions, the Company shall not assume any liability for compensation (including those both in Japan and in a country other than Japan) for damage that the User has incurred in connection with the use of the Company's Services (including, but not limited to, damage caused by unavailability of the Company's Services, failure/breakdown of facilities/equipment/software provided in the Company's Services, delay in provision of the Company's Services, damage/loss or third-party's plagiarism/divulgation of data installed by the User, infection with computer virus/malware and unauthorized access/cracking/wrongful use of security hole by third parties and the like; the same shall apply in this Article); provided, however, that in the cases of the following items, the Company shall assume liability for compensation only for the damage set forth in the following items to the extent of an amount not exceeding the Usage Fees for one (1) month for the relevant Company's Services:
 - (1) if the User as a juridical person or an individual who becomes a party to a contract as business or for business purposes has incurred damage due to the Company's intentional act or gross negligence: ordinary damage actually caused directly from the Company's intentional act or gross negligence; and
- (2) if the User as an individual (excluding an individual who becomes a party to a contract as business or for business purposes) has incurred damage due to a cause attributable to the Company: ordinary damage actually caused directly from the cause.
- 3. Notwithstanding the provisions in the preceding paragraph, if the Company's Services (limited to the Company's Services provided on a continuous basis; the same shall apply in this Article) which the User is using have become completely unavailable due to a cause attributable to the Company, only in the case where the situation continues for twenty four (24) or more hours from the time when the Company became aware of the unavailability to the User, upon request from the User, the Company shall compensate the User for ordinary damage that the User has actually incurred to the extent of an amount not exceeding the amount (an amount less than one (1) yen shall be rounded down) equal to one-thirtieth (1/30) of the Usage Fees for the Basic Services of the unavailable Company's Services for one (1) month multiplied by the number of days of the period of unavailability (a period less than one (1) day shall be rounded down); provided, however, that if the amount of damages payable by the Company pursuant to this Paragraph is less than 10,000 yen, the contract period shall be extended for the hours during which the unavailability continued, instead of the compensation for damage.
- 4. The provisions limiting the damage as set forth in the preceding two (2) paragraphs shall not apply to the case where the User as an individual (excluding an individual who becomes a

party to a contract as business or for business purposes) has incurred damage due to the Company's intentional act or gross negligence.

Article 30 (Non-Warranty, Disclaimers)

- 1. Unless otherwise set forth in the Company's Terms and Conditions, with respect to provision of the Company's Services to the User, the Company shall not give, whether expressed or implied, any warranty (including, but not limited to, warranty for fitness for a particular purpose, effectiveness of function and effect, service quality, security against threat, merchantability, completeness, accuracy, identity or consistency of reproduced/relocated data, non-infringement of third party's rights, normal operation of equipment and facilities provided to the User based on the Company's Services and steady provision of the Company's Services and the like).
- 2. The Company shall not assume any liability to the User for delay in or impossibility of performance of the Company's Services in whole or in part due to natural disaster, war, riot, civil war, any other force majeure, establishment/revision/repeal of laws and regulations of Japan or a country other than Japan, order/disposition/request by public agencies, restriction on access to the Internet, filtering or interception of part of communication through the Internet, act of labor dispute, transportation/communication line or any other cause not attributable to the Company.
- 3. With respect to a dispute arising between a third party and the Company or the User in connection with the use of the Company's Services by the User, the User shall resolve it at its own expense and on its own responsibility and the Company shall not assume any responsibility for the dispute.

Chapter 5 Miscellaneous Provisions

Article 31 (Elimination of Antisocial Forces)

- 1. The User represents that the User itself, its representatives and performance assistants (meaning persons whom the User uses to operate its business, whether an individual or juridical person, including subcontractors used through a third party such as multi-tiered business partners; the same shall apply in this Article) or the End User does not fall under any of the following items as of the use start date, and further ensures that any of the above persons will not fall under the same in the future:
 - (1) a person who is an Antisocial Force;
 - (2) a person who has a relationship in which the Antisocial Forces are recognized to substantially control or be involved in the person's business management;
 - (3) a person who has a relationship in which the person is recognized to use the Antisocial

- Forces wrongfully such as using the Antisocial Forces for the purposes to earn illicit profit for itself or a third party or cause damage to a third party;
- (4) a person who has a relationship in which the person is recognized to provide funds or facilities to the Antisocial Forces; and
- (5) a person who has a socially accusable relationship with the Antisocial Forces.
- 2. The User ensures that the User itself, its representatives, intermediaries, performance assistants and the End User will not conduct against the Company or related persons of the Company any act using fraudulent means, violent act, act using threatening words, act of unjust demand beyond legal liabilities, act to damage the Company's credibility or interfere with the Company's business operation or any other act equivalent to the above by itself or by using a third party.
- 3. If the Company recognizes that the User has breached either of the preceding two (2) paragraphs, the Company may immediately terminate the Use Contract in whole or in part without giving notice or demand to the User. In this case, the User shall compensate the Company for any damage that the Company has incurred.
- 4. If the Company recognizes that the User, its representatives, intermediaries and performance assistants may fall under the Antisocial Forces, the Company may request the User to explain or provide information materials as necessary and the User shall promptly respond to this request. If the User fails to promptly respond to this request or if the Company recognizes that the User failed to respond in good faith such as providing false explanations or information materials, then the Company may immediately terminate the Use Contract in whole or in part without giving notice or demand to the User.

Article 32 (Governing Law)

1. The Company's Terms and Conditions and the Use Contract shall be governed by and construed in accordance with the laws of Japan.

Article 33 (Dispute Resolution)

- 1. If a dispute, doubt or matter not set forth concerning the Use Contract occurs, the Company and the User shall resolve it in good faith through consultation.
- With respect to a dispute arising out of or in connection with the Use Contract, if the User files a legal action against the Company, the Tokyo District Court shall be the court having the agreed exclusive jurisdiction in the first instance. If the Company files a legal action against the User, the Company may file the action with the Tokyo District Court in addition to competent courts designated by the laws of the respective countries, and also may resolve the dispute through arbitration to be conducted in accordance with the Commercial

Arbitration Rules of The Japan Commercial Arbitration Association in Tokyo, Japan at the choice of the Company, instead of filing a legal action with the court, and the User shall consent to these. The arbitration shall be conducted by one (1) arbitrator appointed by the Company and the language to be used for arbitration procedures shall be Japanese. The arbitral award shall not permit a right of appeal and shall be binding on the User and the Company.

Article 34 (Severability)

1. Even if any clause or part of clause of the Company's Terms and Conditions is held invalid or unenforceable by the Consumer Contract Act or any other laws and regulations of Japan or the country in which the User resides (or the country in which the User's head office is located if the User is a juridical person), the remaining part of the Company's Terms and Conditions shall remain in full force and effect.

Supplementary Provisions

Article 1 (Commencement of Application)

1. These Terms and Conditions are the amended version of the Basic Terms and Conditions which applied on and after February 28, 2018, and shall apply on and after April 1, 2020 pursuant to Article 2.

Article 2 (Transitional Measures)

1. With respect to the amendment to the Basic Terms and Conditions as of April 1, 2020, the period from April 1, 2020 to March 31, 2021 shall be a transitional period, and during the period, notwithstanding Article 6, Paragraph 2, if the User as an individual (excluding an individual who becomes a party to a contract as business or for business purposes) terminates the Use Contract for the Company's Services for which the User has already paid the Usage Fees as the usage fee prepayment for a selected period, then the contract shall be terminated as of the last day of the month in which the termination notice is given, and the User may receive refunds of the amount of the latest Usage Fees already paid as the usage fee prepayment for a selected period after deduction of the amount of the Usage Fees as the monthly prepayment for the relevant Company's Services multiplied by the number of months in the period from the month to which the contract start date or the last contract renewal date, whichever comes later, belongs until the month to which the termination date belongs as well as charges prescribed by the Company.

[Note: This is the Company's translation of the original Japanese Terms and Conditions dated

[English Translation]

April 1, 2020 for reference purpose only, which may be different from the latest original Japanese Terms and Conditions. For the purposes of the Use Contract, please be sure to see the latest original Japanese Terms and Conditions as well.]