

Equipment Sales Transaction Terms and Conditions

Article 1 (Purpose of Terms and Conditions)

1. These Equipment Sales Transaction Terms and Conditions (these “Terms and Conditions”) are the terms and conditions which set forth basic conditions regarding sales transaction of products (including half-finished products, parts and materials; collectively, the “Products”) which SAKURA internet Inc. (the “Company”) conducts.

Article 2 (Application of Terms and Conditions)

1. These Terms and Conditions apply to all relationships between the Company and a customer (the “Customer”) who purchases the Products from the Company.
2. The Customer understands the contents of these Terms and Conditions in advance and may place an order for the Products only if the Customer agrees to the provisions of these Terms and Conditions and the “Handling of Personal Information” which the Company sets forth separately.
3. The Company may amend these Terms and Conditions. If the Company amends these Terms and Conditions, the Company shall notify the Customer to that effect by posting it on the website or the web page which the Company is operating, sending an e-mail or by any other appropriate method which the Company reasonably determines no later than seven (7) days before the amendment.

Article 3 (Formation of Contract)

1. A sale and purchase contract regarding the Products (the “Sale and Purchase Contract”) shall be deemed to be formed by either of the following cases:
 - (1) when the Customer places an order for the Products to the Company with the order form describing the matters in each item of the immediately following paragraph and then the Company accepts the order; or
 - (2) when the Company and the Customer concludes a contract in writing or by electromagnetic records describing the matters in each item of the immediately following paragraph.
2. In the Sale and Purchase Contract, the following items shall be set forth in the documents, etc. in each item of the preceding paragraph (the “Written Sale and Purchase Contract”):
 - (1) date of order;
 - (2) name, lot No. and quantity of the Products;
 - (3) delivery place;
 - (4) price of the Products;

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- (5) price payment period and price payment method; and
 - (6) other necessary matters.
3. The Company shall place an order for the Products designated by the Customer to the Company's supplier or affiliate company (the "Supplier") and sell the Products delivered by the relevant Supplier to the Customer.
 4. The delivery date of the Products shall be fixed at the stage on which the Company places an order for the Products to the Supplier after the Sale and Purchase Contract is formed and then the Supplier accepts the order.
 5. The Company and the Customer shall acknowledge that the price of the Products is determined on the premise of the general sales price of the Products determined by the Supplier.
 6. The Company may, when it deems it necessary, amend the contents of the Written Sale and Purchase Contract after consulting with the Customer and obtaining the Customer's consent.
 7. If there is a discrepancy between the contents of the Written Sale and Purchase Contract and the provisions of these Terms and Conditions, the contents of the Written Sale and Purchase Contract shall prevail.

Article 4 (Delivery/Acceptance Inspection of Products)

1. When the Products are delivered to the delivery place set forth in the Written Sale and Purchase Contract, the Customer shall promptly inspect the type, quality and quantity (the "Acceptance Inspection") and notify the result. If there is no notice of acceptance or rejection by the Customer within five (5) business days of the Company (the "Inspection Period") after the Company delivers the Products, the relevant Products shall be deemed to have passed the Customer's Acceptance Inspection at the time when the Inspection Period has elapsed.
2. If the Company receives a notice of rejection with respect to the Products by the Customer, the Company shall, on its own responsibility and at its own expense, deliver the replenishment or substitute, and/or accept returns. With respect to the Products delivered as replenishment or substitute, the provisions of the preceding paragraph and the first sentence of this paragraph shall apply *mutatis mutandis*.
3. The Company and the Customer shall complete the acceptance of the Products upon passing the Acceptance Inspection.
4. If the non-conformity which may not be found by the Acceptance Inspection regarding the quality of the Products is found after the completion of the acceptance and six (6) months have passed after the delivery of the Products, Company shall not assume any liability for the relevant non-conformity; provided, however, that if the Customer is an individual

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(excluding an individual who becomes a party to a contract as business or for business purposes) this shall not apply.

Article 5 (Transfer of Ownership)

1. An ownership pertaining to the Products shall transfer from the Company to the Customer at the time when the Products have passed the Acceptance Inspection set forth in Paragraph 1 of the preceding Article; provided, however, that, this does not apply if the provisions as to an ownership of the Products are separately set forth in the Written Sale and Purchase Contract.

Article 6 (Confidential Information)

1. For the purpose of these Terms and Conditions and the Sale and Purchase Contract, the confidential information shall mean any technical, business or other information relating to the business operation which the Company has provided to the Customer or the Customer may come to know in connection with the Sale and Purchase Contract; provided, however, that any information which the Customer may prove falls under any of the following items shall not be included in the confidential information.
 - (1) information that was already known to the public at the time the Customer was provided with or came to know it;
 - (2) information that the Customer already held at the time the Customer was provided with or came to know it;
 - (3) information that became known to the public due to reasons not attributable to the Customer after the Customer was provided with or came to know it;
 - (4) information lawfully obtained from a third party without assuming the confidentiality obligations after the Customer was provided with or came to know it; or
 - (5) information that the Customer independently developed regardless of whether before or after the Customer was provided with or came to know it.
2. The Customer shall keep the confidential information confidential and shall not disclose or divulge it to a third party without obtaining the Company's prior consent in writing or by electromagnetic records.
3. The Customer shall only use, duplicate, modify, translate, etc. the confidential information to the extent necessary for performance of the Sale and Purchase Contract and shall not use, duplicate, modify, translate, etc. for any other purposes without obtaining the Company's prior consent in writing or by electromagnetic records.

Article 7 (Elimination of Antisocial Forces)

1. The Customer represents that the Customer itself, its representatives and performance assistants (meaning persons whom the Customer 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) does not fall under any of the following items as of the conclusion date of the Sale and Purchase Contract, and further ensures that any of the above persons will not fall under the same in the future:
 - (1) a person who is 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 (collectively, the “Antisocial Forces”);
 - (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 Customer ensures that the Customer itself, its representatives, intermediaries, performance assistants 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 Customer has breached either of the preceding two (2) paragraphs, the Company may immediately terminate the Sale and Purchase Contract in whole or in part without giving notice or demand to the Customer. In this case, the Customer shall compensate the Company for any damage that the Company has incurred.
4. If the Company recognizes that the Customer, its representatives, intermediaries and performance assistants may fall under the Antisocial Forces, the Company may request the Customer to explain or provide information materials as necessary and the Customer shall promptly respond to this request. If the Customer fails to promptly respond to this request or if the Company recognizes that the Customer failed to respond in good faith such as providing false explanations or information materials, then the Company may immediately

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terminate the Sale and Purchase Contract in whole or in part without giving notice or demand to the Customer.

Article 8 (Termination of Contract)

1. If the Customer falls under any of the following items, the Company may immediately terminate all or part of the Sale and Purchase Contract without any notice or demand:
 - (1) if a bill or check is dishonored;
 - (2) if a petition for a seizure, provisional seizure, provisional disposition or auction has been filed or if the Customer is subject to a disposition for tax delinquency;
 - (3) if a petition for bankruptcy, commencement of special conciliation proceedings, corporate reorganization proceedings or civil rehabilitation proceedings or commencement of other insolvency proceedings similar to these has been filed or if the Customer goes into liquidation;
 - (4) dissolution (except for dissolution by merger);
 - (5) if the Customer is subject to a disposition such as cancellation or suspension of business from a supervisory authority; or
 - (6) if the Customer fails to perform its obligation under these Terms and Conditions and the Sale and Purchase Contract and does not perform it within the period even after receiving a demand from the Company specifying a reasonable period.
2. If the Customer falls under any of the items in the preceding paragraph, it shall automatically lose the benefit of time and immediately repay all monetary obligations owed to the Company.

Article 9 (Transfer, etc. of Status/Rights and Obligations under Contract)

1. The Customer shall not cause a third party to succeed to the status under these Terms and Conditions and the Sale and Purchase Contract, or transfer or cause a third party to take over all or part of the rights and obligations arising from the Sale and Purchase Contract, without the Company's prior consent in writing or by electromagnetic records.
2. The Company may, in connection with the transfer of all or part of the business pertaining to the sales of the Products to a third party (including not only a business transfer but also a company split or any other cases of business transfer), transfer the status under the Sale and Purchase Contract and the rights and obligations under the Sale and Purchase Contract to the relevant third party, and the Customer shall have agreed to such a transfer in advance in this paragraph.

Article 10 (Compliance with Laws and Regulations)

1. The Customer shall comply with laws and regulations of Japan and foreign countries in

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connection with transaction of the Products such as import and export regulations and safety regulations.

Article 11 (Disclaimers)

1. The Company shall not assume any liability for any illegal or fraudulent sales of goods based on the Customer's individual instructions.
2. The Company shall not assume any liability for delay in or impossibility of performance of the Sale and Purchase Contract 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, act of labor dispute, circumstances of the Supplier/transportation or any other cause not attributable to the Company.
3. If an event set forth in the preceding paragraph occurs and there is a risk that the Company may not perform its own obligations, the Company shall promptly notify the Customer to that effect and discuss the countermeasures.

Article 12 (Compensation for Damage)

1. If the Company causes damage to the Customer by breaching these Terms and Conditions or the Sale and Purchase Contract, the Company shall assume a liability for compensation for damage to the extent of the direct and ordinary damage which has actually arisen, excluding a damage arising from special circumstances regardless of whether it is foreseeable or not, indirect damage, derivative damage, and loss of profits. The amount of compensation which the Company pays shall be limited to the price of the Products under the Sale and Purchase Contract.
2. The provisions of the preceding paragraph shall not apply if the Customer 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 acts or gross negligence.

Article 13 (Delay in Payment)

1. If the Customer delays a payment of monetary obligations under the Sale and Purchase Contract, the Customer shall pay a late payment charge at the rate of 14.6 % per annum (calculated on a pro-rata basis of 365 days a year) from the day following the payment date until the day on which the payment has been fully made.

Article 14 (Severability)

1. Even if any clause or part of clause of these Terms and Conditions is held invalid or

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

Article 15 (Consultation)

1. With respect to a matter not set forth in these Terms and Conditions and the Written Sale and Purchase Contract and a matter as to which any doubt arises in construction of these Terms and Conditions and the Written Sale and Purchase Contract, the Company shall consult in good faith with the Customer and resolve them.

Article 16 (Governing Law)

1. The Sale and Purchase Contract shall be governed by and construed in accordance with the laws of Japan.

Article 17 (Court of Jurisdiction)

1. If a dispute arises in connection with the Sale and Purchase Contract, the Tokyo District Court or the Tokyo Summary Court, depending on the dispute amount, shall be the court having the agreed exclusive jurisdiction in the first instance.

Supplementary Provisions

Article 1 (Commencement of Application)

1. These Terms and Conditions were established on April 1, 2021 and shall apply on and after the same date.

[Note: This is the Company's translation of the original Japanese Terms and Conditions dated April 1, 2021 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.]