

sakura.io Product Line Use Terms and Conditions

Chapter 1 General Provisions

Article 1 (Purpose and Application)

1. These sakura.io Product Line Use Terms and Conditions (these “Terms and Conditions”) set forth the conditions for use of “sakura.io Product Line” that can be used in the Basic Service, “sakura.io Service” (the “Service”), that SAKURA internet Inc. (the “Company”) provides, and this Chapter 1 sets forth general provisions and Chapter 2 sets forth special provisions in relation to the specific types of the sakura.io Product Line.
2. These Terms and Conditions shall apply to persons in the following items (collectively, the “Product User”):
 - (1) persons who use the sakura.io Product Line; and
 - (2) users of the Service (the “Service User”) who agree (and are deemed to have agreed) to the content and application of these Terms and Conditions, and the Basic Terms and Conditions and “sakura.io Service Terms and Conditions” that the Company separately sets forth.
3. The Service User must comply with these Terms and Conditions, Basic Terms and Conditions and “sakura.io Service Terms and Conditions” when using the sakura.io Product Line. The Basic Terms and Conditions and “sakura.io Service Terms and Conditions,” together with these Terms and Conditions, shall apply to the use of the sakura.io Product Line in the Service.
4. These Terms and Conditions shall apply in preference to the Basic Terms and Conditions and “sakura.io Service Terms and Conditions” in the use of the sakura.io Product Line.

Article 2 (Definitions of Terms)

1. “API” shall mean orders, agreements, functions, etc. that may be used to refer to message data and to operate equipment that the Product User owns.
2. “sakura.io Product Line” shall mean any of the modules or gateways, or auxiliary device that facilitates connectivity between the modules or gateways and Device which the Company manufactures or sells. The Company sets forth the sakura.io Product Line in the Service Site.
3. “sakura.io Platform” shall mean server facilities that the Company installed for the use of the Service.
4. “SIM” shall mean one that is required for using the lines of a telecommunications carrier and that can record a user identification number and other information. This “SIM” shall mean the SIM that is pre-installed in the sakura.io Product Line.
5. “Gateway” shall mean a device that relays communication to connect a module to the

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sakura.io Platform that the Company provides, which is set forth in the Service Site.

6. “Device” shall mean electronic equipment to which the Product User connects the sakura.io Product Line.
7. “Telecommunications Carrier” shall mean a telecommunications carrier that provides mobile communications services as electronic communications services to the Company.
8. “Software” shall mean programs pre-installed in the sakura.io Product Line or provided for the sakura.io Product Line and a set of accompanying documentation.
9. “Service Site” shall mean a website or webpage that the Company operates, which describes the Service.
10. “Message Data” shall mean data sent from the sakura.io Product Line to the sakura.io Platform, or data sent from the sakura.io Platform to the sakura.io Product Line.
11. “Module” shall mean small equipment that has a function of uploading data to the sakura.io Platform or downloading data from the sakura.io Platform or of receiving and transmitting operation signals through API, which is set forth in the Service Site.

Article 3 (Use Contract)

1. The use contract (the “Use Contract”) for the sakura.io Product Line pursuant to these Terms and Conditions shall be formed between the Company and the Product User at the time when the Product User starts using the sakura.io Product Line or when the Product User agrees (and is deemed to have agreed) to the content and application of these Terms and Conditions, the Basic Terms and Conditions and the Sakura.io Service Terms and Conditions, whichever is earlier.

Article 4 (Available Services, etc.)

1. The Product User may use the sakura.io Product Line solely for the purpose of connecting it to the sakura.io Platform.
2. In order to use the Service, the Product User needs to separately conclude the Use Contract pertaining to the Service. The Product User shall comply with these Terms and Conditions, Basic Terms and Conditions and “sakura.io Service Terms and Conditions” with respect to the use of the Service.
3. The price of the sakura.io Product Line does not include usage fees, communication fees, etc. with respect to the Service.

Article 5 (Necessary Equipment)

1. If the Product User incorporates the sakura.io Product Line into the Device, it shall prepare the necessary Device on its own responsibility and at its own expense. The Company shall

not assume any liability for damage incurred to such Device, the Product User or a third party due to the incorporation of the sakura.io Product Line into the Device.

Article 6 (Prohibited Matters in Handling of sakura.io Product Line)

1. The Product User shall not conduct any of the acts falling under each of the following items when handling the sakura.io Product Line:

- (1) using the sakura.io Product Line in an illegal manner;
- (2) taking measures that may impair or diminish intellectual property rights, other rights, titles and interests (including author's moral rights and other personal rights) of the Company or a third party with respect to the use of the sakura.io Product Line;
- (3) retrieving, changing or deleting/erasing a user identification number and other information registered in this SIM;
- (4) making any change, causing any damage, etc. to this SIM that may obstruct the business of the Company, the Telecommunications Carrier and third parties;
- (5) connecting SIM other than this SIM to the sakura.io Product Line and using the same;
and
- (6) connecting or trying to connect this SIM to a product other than the sakura.io Product Line into which this SIM is pre-installed.

Article 7 (Lending of SIM)

1. The Company lends this SIM to the Product User so that the Product User may communicate with the sakura.io Platform by using the sakura.io Product Line.

2. The Product User shall acknowledge and agree to the matters set forth in the following items when renting this SIM:

- (1) The Company rents this SIM from the third-party Telecommunications Carrier, and the Company lends this SIM to the Product User but does not transfer the same to the Product User;
- (2) the Product User shall assume obligations to manage this SIM with the due care of a good manager;
- (3) the Product User shall not assume any liability for damage resulting from its insufficient management of this SIM, misuse of this SIM, and the use, etc. of this SIM by a third party, and the Company shall not assume any liability for the above. The Product User who is responsible for managing this SIM shall pay all charges, etc. incurred from the use of this SIM by a third party.
- (4) if the Product User connects SIM other than this SIM pre-installed in the sakura.io Product Line to the sakura.io Product Line and uses the same contrary to the provision

of Article 6, Paragraph 1, Item 5, the Product User may not be able to receive the provision of services equivalent to the case in which the Product User uses this SIM, or failures may occur to the communication facilities of the Company and the Telecommunications Carrier. The Product User shall assume liabilities for compensation for any damage incurred to the Company, the Telecommunications Carrier or a third party arising from the above.

Article 8 (License to Use Software)

1. The Company grants the Product User a license to use the Software so that the Product User may communicate with the sakura.io Platform by using the sakura.io Product Line. A license to use the Software that the Company has granted to the Product User under these Terms and Conditions shall not mean the transfer of any right to the Product User.
2. The Product User shall acknowledge and agree to the matters set forth in the following items when receiving the license to use the Software:
 - (1) the Company grants the Product User a license to use the Software but does not transfer any right to the Product User;
 - (2) the Product User shall not publicly transmit, alter, or reverse engineer the Software;
 - (3) the Product User shall not illegally modify the sakura.io Product Line, firmware, etc.;
 - (4) the Product User receives updated firmware, etc. for addition or improvement of the performance, security, functions of all of the services using the sakura.io Product Line and the Service (collectively, the "Update") without any notice to the Product User;
 - (5) the Update may be necessary for using part or all of the functions of the sakura.io Product Line;
 - (6) once the Software is updated, the Product User will not be able to revert it to the earlier versions;
 - (7) once the Software is updated, part or all of the Software may be changed or deleted without any notice to the Product User; and
 - (8) once the Software is updated, the Product User may not be able to use the illegally modified or unlicensed Software without any notice to the Product User.

Article 9 (Termination of Use Contract due to Discontinuation of Part or All of Services)

1. The Company may terminate the Use Contract due to the discontinuation of part or all of the services that the Company provides. In this case, the Company shall notify the Product User in the Service Site in advance.

Article 10 (Warranty)

1. The Company's warranty with respect to the sakura.io Product Line (the "Warranty") shall only cover the electrical/mechanical failure (the "Natural Failure") occurred to the sakura.io Product Line despite that the Product User properly used the sakura.io Product Line in accordance with the instructions of the Company. The scope of the Warranty shall be limited to replacing the sakura.io Product Line with the Natural Failure with a replacement.
2. Notwithstanding the preceding paragraph, the Warranty does not cover the Natural Failure if it falls under any of the exclusions of warranty set forth in Paragraph 7 of this Article.
3. The effective period of the Warranty (the "Warranty Period") shall be six (6) months from the day on which the Product User received the new sakura.io Product Line for the first time, or the sakura.io Product Line was registered with the sakura.io Platform for the first time, whichever comes earlier (the "Warranty Start Date"), regardless of the use start date or the use period of the sakura.io Product Line.
4. Even if a replacement is delivered under the Warranty, the Warranty Period shall not be changed and shall be six (6) months from the initial Warranty Start Date.
5. The Company shall not issue a written warranty with respect to the Warranty. The Product User shall retain the documents to evidence the Warranty Start Date (receipts, etc.), and unless the Product User proves the Warranty Start Date, the Warranty shall not apply to the sakura.io Product Line.
6. If the Natural Failure occurs to the sakura.io Product Line during the Warranty Period, the Product User shall notify the Company and request delivery of a replacement in accordance with the manner that the Company prescribes. The Product User shall send the failed sakura.io Product Line to the Company in accordance with the instructions of the Company. The Company shall bear the shipping costs.
7. In the case of falling under each of the following cases, the Warranty shall not apply, and if the Product User requests delivery of a replacement, the Company shall deliver the same for a fee:
 - (1) if wordings of the documents to evidence the Warranty Start Date have been falsified;
 - (2) any failure and damage occurred due to the fall during the transportation/movement or inadequate management or storage after the Warranty Start Date;
 - (3) any failure and damage due to the exposure to water (corrosion), fall, impact, pressurization, foreign matter inclusion after the Warranty Start Date (the sakura.io Product Line is not waterproof);
 - (4) if the Product User has used the sakura.io Product Line in the extremely hot or cold, humid place, the place exposed to direct sunlight or the dusty place;
 - (5) any failure and damage due to fire, earthquake, wind and flood damage, lightning strike,

- salt damage, gas damage, abnormal voltage or other natural disaster;
- (6) any failure and damage occurred to the sakura.io Product Line arising from other connected equipment;
 - (7) if the Product User requests replacement of the part of the sakura.io Product Line that is not failed;
 - (8) if the sakura.io Product Line is one that the Product User receives after it is used (used item), whether with or without consideration;
 - (9) if it is not the case falling under any of the preceding items, and the Company decides that the failure is due to a reason attributable to the Product User.
8. The Company's warranty with respect to the sakura.io Product Line shall be limited to those stipulated in this Article.

Article 11 (Disclaimers)

1. If the Company finds any defect in the sakura.io Product Line, it shall inform or notify the Product User of the defect by posting it on the Service Site or in the manner that the Company considers appropriate, and provide the sakura.io Product Line without any defect or seek to repair the defect; provided, however, that the Company shall not guarantee the fulfillment of the above, and unless contrary to laws and regulations, the Company shall not assume any liability for damage suffered by the Product User and third parties due to the defect in the sakura.io Product Line.
2. The Company shall not provide any warranty with respect to the accuracy, completeness, immediacy, usability, merchantability, fitness for a particular purpose, non-infringement of the rights or interest of a third party or otherwise of the sakura.io Product Line, and the Company shall not assume any liability for damage suffered by the Product User with respect to the above, unless contrary to laws and regulations.
3. The Company shall not assume any liability, whether it is a liability for default or tort, or other legal liability, for compensation (including those both in Japan and in a country other than Japan) for damage that the Product User has incurred in connection with the use of the sakura.io Product Line (including, but not limited to, damage caused by unavailability of the Service, failure/breakdown of the facilities/equipment/software provided through the Service, delay in provision of the Service, damage/loss and third-party's plagiarism/divulgence of the Message Data, 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), except where a Product User as individual (excluding an individual who becomes a party to a contract as business or for business purposes) has incurred damage in relation to the use of the sakura.io Product Line.

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4. Even if the Company assumes any liability to compensate the Product User for damage, the scope of such liability shall be limited to the direct damage that is generally incurred (excluding loss of profits, etc.) and the price of the sakura.io Product Line that caused such damage; provided, however, that this shall not apply to any damage arising from the Company's intentional act or gross negligence.
5. The Company shall pay damage under the preceding paragraph in yen.
6. The Company shall not assume any liability to the Product User with respect to the unavailability of all or part of the sakura.io Product Line due to natural disaster, war, riot, civil war, other force majeure, enactment/revision/abolition of the laws and regulations of Japan or countries other than Japan, orders/disposition/requests from public agencies, restrictions on using the Internet, filtering or interruption of part of communication via the Internet, disputes, transportation/communication lines, or any other reasons not attributable to the Company.
7. With respect to the disputes between third parties and the Company or the product User in Japan or countries other than Japan, arising from the use of the sakura.io Product Line by the Product User, the Product User shall resolve the disputes on its own responsibility and at its own expense, and the Company shall not assume any liability for the above.

Article 12 (Intellectual Property Rights, etc.)

1. Intellectual property rights, such as patents, utility model rights, design rights, copyrights, and any other rights including know-how in relation to the sakura.io Product Line shall belong to the Company or the third party (if any) who owns the rights. Disclosure of information by the Company to the Product User in these Terms and Conditions, the Service Site or the course of provision of the Service, whether expressed or implied, shall not in any respect constitute grant, entitlement or transfer by the Company or a third party to the Product User of any license or any other rights to the patents, utility model rights, design rights, copyrights, know-how, etc., in relation to the information.

Article 13 (Amendment to Terms and Conditions)

1. The Company may amend these Terms and Conditions in accordance with this Article. In this case, the amended Terms and Conditions shall apply to the Use Contract for the sakura.io Product Line that are already in use.
2. If the Company amends these Terms and Conditions, it shall notify the Product User of the amendment by sending emails or posting it on the Service Site at least seven (7) days before the amendment. If the Product User uses the sakura.io Product Line after such notice, the Product User is deemed to have agreed to the amendment to these Terms and Conditions.

Article 14 (Elimination of Antisocial Forces)

1. The Product User represents that the Product User itself, its representatives, intermediaries and performance assistants (meaning persons whom the Product 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) does not fall under any one of the following items as of the use start date of the sakura.io Product Line, and further ensures that any of the above persons will not fall under the same in the future:
 - (1) 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, an associate member of an organized crime group, a person or company affiliated with an organized crime group, a corporate racketeer, a rogue person or group advocating a social movement, a special intelligence violence group, or any group or person equivalent to the above (collectively, “Antisocial Forces”);
 - (2) a person who has a relationship in which Antisocial Forces are recognized to substantially control or involved in the person’s business management;
 - (3) a person who has a relationship in which the person is recognized to use Antisocial Forces wrongfully such as using Antisocial Forces for the purposes to earn illicit profit for itself or a third party or causing damage to a third party;
 - (4) a person who has a relationship in which the person is recognized to provide funds or facilities to Antisocial Forces; and
 - (5) a person who has a socially accusable relationship with Antisocial Forces.
2. The Product User ensures that the Product User itself, its representatives, intermediaries, and performance assistants will not conduct any act using fraudulent means, violent act, act using threatening words, act of unjust demand beyond legal liabilities, act of damaging the Company’s credibility or interfering 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 Product 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 Product User.
4. If the Company recognizes that the Product User falls under either Paragraph 1 or Paragraph 2, the Company may request the Product User to explain or provide information materials as necessary, and the Product User shall promptly respond to this request. If the Product User fails to promptly respond to this request or if the Company recognizes that the Product User failed to respond in good faith such as providing false explanations or information materials,

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then the Company may immediately terminate the Use Contract in whole or in part without giving notice or demand to the Product User.

Article 15 (Others)

1. If the Product User is subject to the import and export laws and regulations of Japan or foreign countries (the “Import and Export Laws”) such as in the case of bringing the sakura.io Product Line out of the country, the Product Users shall comply with the Import and Export Laws. The Product User shall resolve any dispute arising from an action that violates the provision of this paragraph on its own responsibility and at its own expense.
2. If the Product User transfers to a third party, has a third party succeed to, or offers as security all or part of the status under the Use Contract, it must obtain consent from the third party to the succession to the Use Contract and the content and application of these Terms and Conditions.
3. These Terms and Conditions shall be governed by and construed in accordance with the laws of Japan.
4. With respect to a dispute arising out of or in connection with the Use Contract, if the Product 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 Product 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 Product User consents to the above. 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 Product User and the Company.
5. Even if any provision or part of such provision of these 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 Product User resides (or the country in which the Product User’s head office is located if the Product User is a juridical person), the remaining part of these Terms and Conditions shall remain in full force and effect.

Chapter 2 (Special Provisions for Specific Types of sakura.io Product Line)

Article 16 (Standalone Module)

1. The Company shall set forth in the Service Site the area in which communication with the

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sakura.io Platform can be conducted by using a standalone Module; provided, however, that the Company shall not guarantee communication even in the area. Communication may not be able to be conducted especially in the area where reception is not good such as tunnels, underground, multilevel car parks, behind buildings, mountain area, at sea, etc. A standalone Module is a type of modules, and the Company shall specifically set forth the sakura.io Product Lines that fall under standalone Modules in the Service Site.

2. There is no time limit for communication with the sakura.io Platform using a standalone Module, but if unavoidable circumstances such as maintenance of communication lines or facilities for the Service occur, communication may not be able to be conducted.
3. If the Product User has never registered a standalone Module with the sakura.io Platform within 24 months from the month following the month of the manufacture date, the Product User will not be able to register the standalone Module with the sakura.io Platform after that.
4. If the Product User deregisters a standalone Module from the sakura.io Platform, the Product User will not be able to register the standalone Module with the sakura.io Platform after three (3) months from the month following the month of the deregistration date have elapsed.
5. The Company shall not assume any liability for the fact that the Product User will not be able to register a standalone Module with the sakura.io Platform pursuant to the preceding two (2) paragraphs.

Article 17 (Gateway Module)

1. A Gateway Module relays communication to the sakura.io Platform through a Gateway, and no communication can be relayed to the sakura.io Platform without going through a Gateway. A Gateway Module is a type of modules, and the Company shall specifically set forth in the Service Site the sakura.io Product Lines that fall under Gateway Modules.
2. The Company shall set forth in the Service Site the area in which communication (the “Relay Communication”) can be relayed to the sakura.io Platform through a Gateway using a Gateway Module; provided, however, that the Company shall not guarantee the Relay Communication even in the area. The Relay Communication may not be able to be conducted especially in the area where reception is not good such as tunnels, underground, multilevel car parks, behind buildings, mountain area, at sea, etc.
3. There is no time limit for the Relay Communication using a Gateway Module, but if unavoidable circumstances such as maintenance of communication lines or facilities for the Service occur, the Relay Communication may not be able to be conducted.

Article 18 (Gateway)

1. The Company shall transfer the Gateway to the Product User (excluding this SIM and the

Software). If the Product User is subject to the telecommunications-related laws and regulations of Japan or foreign countries (including, but not limited to, the Telecommunications Business Act in Japan and related laws and regulations; the “Telecommunications Laws”), such as having a third party use communication using the Gateway, then it shall comply with the Telecommunications Laws. The Product User shall resolve any dispute arising from an action that violates the provision of this paragraph on its responsibility and at its own expense.

2. The Company shall set forth in the Service Site the area in which communication can be relayed between a Gateway Module and the sakura.io Platform by using the Gateway. However, the Company does not guarantee that communication can be relayed in the area. Communication may not be able to be relayed especially in the area where reception is not good such as tunnels, underground, multilevel car parks, behind buildings, mountain area, at sea, etc.
3. There is no time limit for communication to be able to be relayed to the sakura.io Platform by using the Gateway, but if unavoidable circumstances such as maintenance of communication lines or facilities for the Service occur, communication may not be able to be relayed.
4. If the Product user has never registered the Gateway with the sakura.io Platform within 24 months from the month following the month of the manufacture date, the Product User will not be able to register the Gateway with the sakura.io Platform after that.
5. If the Product User deregisters the Gateway from the sakura.io Platform, the Product User will not be able to register the Gateway with the sakura.io Platform after three (3) months from the month following the month of the deregistration date have elapsed.
6. The Company shall not assume any liability for the fact that the Product User will not be able to register the Gateway with the sakura.io Platform pursuant to the preceding two (2) paragraphs.

Supplementary Provision

Article 1 (Commencement of Application)

These Terms and Conditions are the amended version of sakura.io Product Line Use Terms and Conditions which applied on and after May 7, 2018, and shall apply on and after May 8, 2020 pursuant to Article 13.

[Note: This is the Company’s translation of the original Japanese Terms and Conditions dated May 8, 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

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original Japanese Terms and Conditions as well.]