

SHALO AUTH LICENSE AGREEMENT

THIS SHALO AUTH LICENSE AGREEMENT (HEREINAFTER REFERRED TO AS THE “Agreement”) IS A LEGAL AGREEMENT BETWEEN AXELL CORPORATION (HEREINAFTER REFERRED TO AS THE “Axell”) AND THE ENTITY OR PERSON (HEREINAFTER REFERRED TO AS “You” or “User”).

PLEASE READ THIS AGREEMENT CAREFULLY BEFORE USING THE SHALO. BY USING THE SHALO, YOU ARE AGREEING TO BE BOUND BY THE TERMS OF THIS AGREEMENT.

1. Definitions.

The following capitalized terms shall have the meanings ascribed to them in the respective items below:

- (1) “**SHALO**” refers to Axell’s security product “SHALO AUTH” which manages User’s authentication.
- (2) “**Software**” comprises various software, including firmware inside the SHALO and software provided via the support page. Software also includes related documents and materials.
- (3) “**External Services**” refers various services (web services, servers, applications, etc.) that allow user authentication via SHALO.

2. License Grant.

Subject to the terms and conditions of the Agreement, Axell hereby grants User a limited, non-exclusive, non-sublicensable, and non-transferable license to use the Software.

3. Purpose

The purpose of use of the Software is restricted to the uses and purposes described in the user manual of SHALO.

4. Restrictions.

Unless otherwise expressly permitted in the Agreement or user manual, User shall be prohibited to and shall not engage in the activities set forth in the following items:

- (1) To duplicate the Software beyond the extent necessary for the purpose of use;
- (2) To adapt, change, modify or remodel the Software;
- (3) To reverse-engineer, decompile or disassemble the Software or otherwise attempt to create derivative works of or derive the source code from the Software;
- (4) To separate the Software (firmware) from the SHALO main unit;
- (5) To disclose, assign, sell, sublicense, rent, lend, lease or otherwise dispose of the Software to a third party;
- (6) To use the Software regarding violation of law, public policy or property rights of any third party;
- (7) To use the Software regarding life sustaining, nuclear, hazardous environments requiring

fail-safe performance, or other applications in which failure of the Software could reasonably be expected to result in personal injury, loss of life or catastrophic physical or property damage;

- (8) To use the Software in combination with other software which license conflicts with the Agreement;
- (9) To engage in other activities which is inappropriate for the proper usage of the Software.

5. Ownership.

Copyrights, patents, trademarks, know-how, and any and all intellectual property rights in or to the Software (including the rights to obtain the registered protection under those rights, collectively, hereinafter referred to as "Intellectual Property Right") shall remain the property of Axell or other licensor who licensed to Axell. Intellectual Property Right of the Software is not expressly transferred or assigned to User or a third party under the Agreement.

6. User Management

6.1 The User shall be responsible for management and operation of own account information for External Services. Axell shall not be liable for any disadvantage or damages caused by the leak or loss of account information.

6.2 The User shall be responsible for the management of data, software, etc. stored on the device using the SHALO

7. Support

Axell shall not be obligated to provide support service unless otherwise agreed between User and Axell.

8. Disclaimer.

THE SOFTWARE IS PROVIDED ON AN "AS IS" BASIS AND AXELL DISCLAIMS ANY AND ALL WARRANTIES AND GUARANTEES, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING BUT NOT LIMITED TO THE WARRANTY OF MERCHANTABILITY, THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, THE WARRANTY OF TITLE, SUPPORT OBLIGATION AND ANY WARRANTY OF NON-INFRINGEMENT OF THE INTELLECTUAL PROPERTY RIGHTS OF ANY THIRD PARTY.

9. Limitations of Liability.

9.1 UNLESS OTHERWISE SPECIFICALLY PROVIDED FOR IN THE AGREEMENT, IN NO EVENT WILL AXELL BE LIABLE FOR DAMAGES, LOSSES OR INJURIES ARISING FROM THE SOFTWARE OR THE AGREEMENT, INCLUDING, BUT NOT LIMITED TO, DIRECT, INDIRECT, EXPECTATION OR RELIANCE DAMAGES AND OTHER DAMAGES WHATSOEVER, SUCH AS ANY DIMINUTION OF GOODWILL, LOSS OF DATA IN COMPUTER SYSTEM, UNDER ANY THEORY OR CAUSE OF ACTION.

9.2 THE PRECEDING PARAGRAPH SHALL NOT APPLY IN THE CASE THAT THE ABOVE DAMAGES, LOSSES OR INJURIES IS CAUSED INTENTIONALLY OR WITH GROSS NEGLIGENCE BY AXELL, OR IF THE USER IS A "CONSUMER" AS DEFINED IN ARTICLE 2, PARAGRAPH 1 OF THE CONSUMER CONTRACT ACT.

10. Term and Termination.

10.1 The Agreement shall become effective from the date User start to use SHALO and shall remain in force until the Agreement is terminated or cancelled.

10.2 If the User breaches any provision of the Agreement and fails to cure or remedy

such breach within a reasonable period of time which Axell designates, Axell may terminate all or any part of the Agreement. For the avoidance of doubt, Axell reserves the right to demand compensation for damages to User notwithstanding the termination of the Agreement under this Paragraph.

11. Survival.

Section 4 (“Restrictions”), Section 5 (“Ownership”), Section 6 (“User Management”), Section 8 (“Disclaimer”), Section 9 (“Limitation of Liability”), Section 10 (“Term and Termination”), Section 11 (“Survival”) and Section 12 (“Others”) of the Agreement shall survive any termination or expiration of the Agreement.

12. Others.

11.1 In the event that any provision of the Agreement is held by a court to be unenforceable or invalid, such provision shall be limited or eliminated to the minimum extent necessary so that the Agreement shall otherwise remain in full force and enforceable.

11.2 The User may not assign the Agreement or any of its rights hereunder to any third party.

11.3 The User acknowledges and agrees that Axell may seek, in addition to any other right to damages, an injunction from a court of competent jurisdiction.

11.4 The Agreement shall be governed by and construed in accordance with the laws of Japan without conflict of law principles.

11.5 The Tokyo District Court shall have exclusive jurisdiction and venue in connection with all disputes pertaining to or arising under the Agreement as a court of first instance.

11.6 The Parties further agree to obtain any necessary export license or other documentation prior to the export or re-export of any product, technical data or Software. Accordingly, neither party shall sell, export, re-export, transfer, divert or otherwise dispose of any such product, technical data or Software directly or indirectly to any person, firm, entity, country or countries prohibited by Japan, U.S. or other applicable laws.

11.7 The failure by either party at any time to enforce its rights under the Agreement will not be construed as a waiver of such rights, nor will it in any way affect the validity of the Agreement. No waiver by either party will be valid unless given in an appropriate writing signed by the Party giving such waiver.

11.8 The Agreement is an English translation version. The original version of the Agreement is in Japanese. In the event of any inconsistency arising due to translation into English, the Japanese language clause will prevail over the English translation.

*Japanese Version is available from the following page: <https://auth.shalo.jp/>.

[Revision]

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