

FLIP Consortium Overseas Membership Terms and Conditions

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These FLIP Consortium Overseas Membership Terms and Conditions (these “Terms and Conditions”) set forth the terms and conditions for the rights and obligations between the General Incorporated Association FLIP Consortium (the “FLIP Consortium”) and (i) the Overseas Member or (ii) the Applicant or Readmission Applicant defined in Article 2.

Article 1. Introduction

1. The aim of the FLIP Consortium is to promote academic and engineering science through research and development on upgrading and the advanced use of the computer programs “Finite Element Analysis Program of Liquefaction Process/Response Of Soil-Structure Systems during Earthquakes” (the “FLIP ROSE® Program”) and “Finite Element Analysis Program of Liquefaction Process/Total and Udated Lagrangian Analysis Program of Liquefaction Process” (the “FLIP TULIP® Program”), thereby advancing the state-of-practice in evaluating seismic performance of social infrastructures. The FLIP Consortium will be engaged worldwide in the activities as set forth in Article 3 in the Articles of Incorporation of the FLIP Consortium (the “Articles of Incorporation”).
2. The Overseas Member, the Applicant and the Readmission Applicant shall agree to and abide by these Terms and Conditions.
3. The FLIP Consortium will provide the FLIP Member Services defined in Article 2 to the Overseas Member in accordance with these Terms and Conditions.

Article 2. Definitions

1. The “Overseas Juridical Person” shall mean the same overseas entity as “the Overseas Juridical Person” defined by Article 6 of the Articles of Incorporation.
2. The “Applicant” shall mean Overseas Juridical Person or “Individual in Overseas” as defined by Article 6 of the Articles of Incorporation who endorses the aim of the FLIP Consortium and applies for admission to Overseas Membership.
3. The “Readmission Applicant” shall mean the Applicant who once withdrew from the membership as set forth in (1) of Article 14 and applies for readmission to Overseas Membership.
4. The “Overseas Member” shall be the Applicant or the Readmission Applicant who obtained the approval of the FLIP Consortium to its admission or readmission to Overseas Membership as set

forth in Article 3. The Overseas Member will be a member of a sub-group of the “User Members” of the FLIP Consortium. The change from Overseas Membership to another type of membership shall not be not allowed.

5. The “Overseas Membership” shall be granted to the Overseas Member subject to the provisions of these Terms and Conditions. The rights of Overseas Member as set forth in Article 6 shall be only effective in and shall be limited to each registered country or region-equivalent (as adopted by the Olympic Games). The rights of Overseas Member as set forth in Article 6 shall be only effective in and shall be limited within the Overseas Juridical Person of the Overseas Member, excluding subsidiaries, affiliates or group companies of the Overseas Member.
6. The “FLIP Programs” shall mean the whole of FLIP ROSE® Program, FLIP TULIP® Program, related preprocessors and postprocessors excluding the programs updated or enhanced by the one other than the FLIP Consortium or the programs which are not approved by the FLIP Consortium.
7. The “FLIP Member Service” shall mean the following services provided to the Overseas Member by the FLIP Consortium set forth in Item (2) of Article 3 in the Articles of Incorporation;
 - (a) Providing the FLIP Programs and related manuals;
 - (b) Allowing the use of the FLIP Programs;
 - (c) Hosting workshops on the use of the FLIP Programs and working groups on advanced application of the FLIP Programs; and
 - (d) Offering the general technical support on the use of the FLIP Programs (the “Q&A Service”).
8. The “Protection Key” shall mean a USB-type software security and license enforcement protection key which enables the Overseas Member to run the FLIP Programs as computer programs on the Overseas Member’s computer or similar device.
9. The “Fiscal Year” shall mean the fiscal year of the FLIP Consortium which begins on July 1 and ends on June 30 of the following year.
10. The “Member Website” shall mean the website designated for the FLIP Consortium Members.
11. The FLIP Member Service and the Member Website provided to the Overseas Member who selected Japanese for the FLIP Programs shall be the same as those provided to the User Member.
12. “Foreign Transactions” shall mean the transactions with the juridical person or individual located outside Japan.
13. “Domestic Transactions” shall mean the transaction with the juridical person or individual located in Japan.
14. In Domestic Transactions, all the fees set forth in these Terms and Conditions shall be subject to taxation by a law of Japan. The fees for the services which are provided to the Applicant, the Readmission Applicant or the Overseas Member outside of Japan and consumed in Japan shall be also subject to taxation by a law of Japan.

Article 3. Admission and Readmission to Overseas Membership

1. The Applicant or the Readmission Applicant shall submit the “FLIP Overseas Membership Application Form” to the FLIP Consortium and obtain the approval of the president or the director of the FLIP Consortium in charge of the admission to Overseas Membership. The Applicant or the Readmission Applicant shall select one International Advisor from the list on the Application Form as a reference. The FLIP Consortium may refer to the International Advisor for the Applicant or the Readmission Applicant.
2. The Applicant or the Readmission Applicant who obtained the approval prescribed in the following paragraph shall submit the Form for admission to Overseas Membership and be responsible for payment of the Admission fee (the “Admission Fee”) or the Readmission Fee (the “Readmission Fee”) and annual membership dues (the “Annual Membership Dues”) as set out separately in Article 4.
3. The Applicant or the Readmission Applicant will be approved as the Overseas Member on the day when the FLIP Consortium has confirmed the completion of the procedures prescribed in the preceding paragraphs.

Article 4. Admission Fee, Readmission Fee, Annual Membership Dues and Other Fees

The terms for the Admission Fee, the Readmission Fee, the Annual Membership Dues and other fees with respect to Overseas Membership shall be as follows:

1. Admission Fee and Readmission Fee

- (1) The Admission Fee is 2,000,000 JPY excluding all import duties, taxes, withholding taxes, value added taxes, consumption tax, charges and other additional costs , if any (collectively, the “Other Costs”).
- (2) For the Applicant who is subsidiary, branch or office in Japan of Overseas Juridical Person or an individual whose domicile is in Japan and who purchased FLIP ROSE ver. 7 Series Stand Alone Version excluding Academic Discount Version, the Admission Fee is 1,000,000 JPY excluding all Other Costs.
- (3) For the Applicant who is subsidiary, branch or office in Japan of Overseas Juridical Person or an individual whose domicile is in Japan and who purchased FLIP ROSE ver. 7 Series LAN-Compatible Version, the Admission Fee is 500,000 JPY excluding all Other Costs. However, for the Applicant who purchased FLIP ROSE ver.7 Series at the discount price which is applied to the purchaser of FLIP ROSE ver.7 Series LAN-Compatible Version, the Admission Fee is 1,000,000 JPY.
- (4) The Readmission Fee is 1,000,000 JPY excluding all Other Costs.

2. Annual Membership Dues

- (1) The Annual Membership Dues are 300,000 JPY excluding all Other Costs and will be effective

through each Fiscal Year.

(2) The Overseas Member shall pay the Annual Membership Dues each Fiscal Year.

(3) When an application or readmission is made after July 1 of a certain Fiscal Year, the Annual Membership Dues are 300,000 JPY excluding all Other Costs and will be effective only to the end of such Fiscal Year.

(4) In the event the Applicant or the Readmission Applicant who registers in FLIP ROSE ver.7 Series Support Service Agreement and already paid the Support Service Fee applies for admission or readmission to Overseas Membership, the amount equivalent to the amount already paid by the Applicant or the Readmission Applicant for the said Support Contract Term will be deducted from the Annual Membership Dues.

(5) The Annual Membership Dues cover the cost of the Q&A Service for one person.

(6) For addition of person(s) for the Q&A Service, the Overseas Member shall pay 100,000 JPY per person (the "Annual Dues for Additional Person") excluding all Other Costs in addition to the Annual Membership Dues. The Annual Dues for Additional Person will be effective through each Fiscal Year. The persons for the Q&A Service can be added up to 9 persons per a set of the FLIP Member Service set forth in Item 1 (1) of Article 6.

3. Other Fees

(1) The Applicant, the Readmission Applicant or the Overseas Member shall bear all Other Costs incurred in admission or readmission to, or maintenance of its membership. In Foreign Transactions, the Applicant, the Readmission Applicant or the Overseas Member hereby acknowledges and agrees that the Other Costs may be assessed by customs or other regulatory or government officials during the admission, readmission or maintenance procedures of its membership and the FLIP Consortium is not able to confirm or calculate beforehand the actual amount of all Other Costs to be incurred.

(2) In Foreign Transactions, the Applicant or the Readmission Applicant shall bear all the charges for shipping and handling during the admission or readmission procedures. In some cases, however, the FLIP Consortium may bear the shipping costs as provided in the provisions of Item 4 of Article 13.

(3) In Domestic Transactions, the FLIP Consortium will bear the shipping costs (including, but not limited to, postage fees) except for the cases described Items 2, 3, 5 and 6 of Article 13.

(4) For purchase of additional set(s) of the FLIP Programs (10 licenses in the load module) as set forth in Item 1(1) of Article 6 (the "Additional Set of Programs") either in English or Japanese, if the Overseas Member wishes to obtain, the Overseas Member shall pay 1,000,000 JPY per set excluding all Other Costs.

(5) In case of purchase of the Additional Set of Programs set forth in the preceding paragraph, the Overseas Member shall register additional person(s) for the Q&A Service if the Overseas Member wishes to receive the Q&A Service for the Additional Set of Programs in the language different

from the one already registered. In this case, the Overseas Member shall pay the Annual Dues for Additional Person as set forth in Item 2(6) of this Article. If the language for the Q&A Service is the same as the one already registered, however, the registration of additional person for the Q&A Service is optional.

Article 5. Payment

1. The Applicant, the Readmission Applicant or the Overseas Member shall pay the full amount shown on the invoice prepared by the FLIP Consortium, in advance or by the due date if specified in the invoice, by means of bank or wire transfer to the account designated by the FLIP Consortium. The Applicant, the Readmission Applicant or the Overseas Member shall bear all bank or wire transfer fees incurred by it in the admission or readmission to and the maintenance of its membership.
2. The Admission Fee, the Readmission Fee, the Annual Membership Dues, the Annual Dues for Additional Person and all other fees paid to the FLIP Consortium are non-refundable except for the cases described in Item 3 of this Article and Item 5 of Article 15.
3. Cancellation of the application for admission or readmission shall not be permitted any time after the Applicant or the Readmission Applicant has made a bank or wire transfer for the Admission Fee or the Readmission Fee and Annual Membership Dues. However, in the event the individual Applicant or the individual Readmission Applicant wishes to cancel the admission or readmission, the Applicant or the Readmission Applicant (i) shall notify the FLIP Consortium in writing or by e-mail of its desire to cancel the admission or readmission within fourteen (14) days in Foreign Transactions or within eight (8) days in Domestic Transactions from the Protection Key and the Notification which indicates the log-in ID and password to the Member Website (the "ID/PW Notification") were delivered, and (ii) shall return the Protection Key and the ID/PW Notification within thirty (30) days from the date the Protection Key and the ID/PW Notification were delivered; provided, however, that the Protection Key is returned in its original packaging, unopened and intact, and, also provided that the Applicant or the Readmission Applicant has not logged-in to the Member Website. The Applicant or the Readmission Applicant shall bear the shipping costs for the return of any item and shall make sure all the items are returned to the FLIP Consortium in the same condition as they were delivered. The Applicant or the Readmission Applicant shall be responsible for any and all risks of loss with regard to the returned items until the same are received and accepted by the FLIP Consortium. After the returned items are received and accepted by the FLIP Consortium, the FLIP Consortium shall issue a refund of the amount paid for the admission or readmission to Overseas Membership, less any costs or expenses incurred by the FLIP Consortium to the Applicant's or the Readmission Applicant's bank account. The FLIP Consortium reserves the right to refuse the cancellation of admission or readmission and accept (i) as the withdrawal from membership set forth in (1) of Article 14, or (ii) as expulsion from membership set forth in (2) of

Article 14, if the Protection Key or the ID/PW Notification has been intentionally or unintentionally damaged or if all the items included in the original shipment to the Applicant or the Readmission Applicant are not returned in satisfactory condition, as determined by the FLIP Consortium, in its sole and absolute discretion.

Article 6. Rights of the Overseas Member

1. The Overseas Member is entitled to receive the FLIP Member Service as follows:

(1) The Overseas Member is entitled to receive i) a limited, non-exclusive, non-transferable right to use the FLIP Programs, the manuals, the related documentation or portions thereof (either in English or Japanese according to the Overseas Member's choice) and any related updates, and ii) the Protection Key. For the avoidance of doubt, the Overseas Member is not entitled to receive the source code, but will receive 10 licenses in the load modules of the FLIP Programs;

(2) The Overseas Member can use the FLIP Programs within the geographical area and within Overseas Juridical Person or individual having the membership as defined by Item 5 of Article 2;

(3) The Overseas Member can receive the Q&A Service either in English or Japanese according to the Overseas Member's choice;

(4) The Overseas Member has the right to participate in events of the FLIP Consortium, including seminars and Working Groups for advanced application on the FLIP Programs held in Japan (only provided in Japanese);

(5) The Overseas Member has the right to participate in the workshops on the use of the FLIP Programs held in Japan (only provided in Japanese). One person is allowed to participate in the workshops per each membership; and

(6) The Overseas Member may download the Working Group Report for advanced application and upgrading of the FLIP Programs (the "WG Report") available only in Japanese from the Member Website. The Overseas Member shall bear the actual cost of printing the WG Report if the Overseas Member wishes to obtain a printed version of the WG Report.

2. The Overseas Member shall accept the possibility that the upgraded and enhanced FLIP Programs in English version, the manuals and the related documentation in English version may be distributed later than those in Japanese version.

3. The Overseas Member shall accept the fact that the FLIPGEN Program, available as one of the FLIP Programs, in English version is not compatible with the FLIPGEN Program in Japanese version.

Article 7. Q&A Service

In order to receive the Q&A Service on the use of the FLIP Programs, the Overseas Member shall agree to the "Q&A Service Agreement" separately set forth. The technical questions raised from the Overseas Member shall not include the problems (i) caused by or related to the modified applications

of the FLIP Programs other than those approved by the FLIP Consortium and (ii) the preprocessors and postprocessors of the FLIP Programs other than those provided by the FLIP Consortium. The technical questions shall be written only in either Japanese or in English according to the Overseas Member's choice and sent through e-mail to the e-mail address designated by the FLIP Consortium. If the Overseas Member wishes to use more than one language for the Q&A Service, the Overseas Member shall register additional person(s) for the Q&A Service as set forth in Item 2(6) of Article 4.

Article 8. Obligations of the Overseas Member

1. The Overseas Member shall undertake the following obligations under these Terms and Conditions;

(1) The Overseas Member shall not transfer all or any parts of its membership, rights or obligations under these Terms and Conditions to any third party;

(2) The Overseas Member shall not transfer the duplicate of any items or services provided by the FLIP Consortium pursuant to these Terms and Conditions including, but not limited to, the FLIP Programs, the manuals, the Protection Key, the related documentation and the Q&A Service (collectively, "All Member Service") to any third party nor permit any third party to use All Member Service during its membership and after loss of its membership;

(3) The Overseas Member shall take all necessary measures for preventing any unauthorized transfer of All Member Service to any third party during its membership and after loss of its membership;

(4) The Overseas Member shall not and shall not attempt to, reverse engineer, decompile, or disassemble all or any part of the FLIP Programs for any purpose or reason whatsoever; and

(5) The Overseas Member shall not commit any act that infringes upon the rights of any third party, including but not limited to, copyrights, patent rights, or other intellectual property rights by use of the FLIP Programs.

2. In the event of a breach of obligations defined by above item, a part of the Rights of the Overseas Member defined by Article 6 may be subject to restriction as one of the measures necessary for preventing such breaches.

Article 9. Delivery, Export Controls

1. The FLIP Programs, the manuals, the related documentation, any related updates or portions thereof can be obtained from the Member Website, in electronic or downloadable form, in any media whatsoever.

2. In Foreign Transactions, the Protection Key will be delivered CPT, as the term is defined in the latest version of International Commercial Terms (INCOTERMS) published by the International Chamber of Commerce (ICC).

3. The FLIP Consortium will deliver, using the FLIP Consortium's standard methods of packaging, shipping, and delivery, the Protection Key and the ID/PW Notification to the Applicant's or the

Readmission Applicant's address, which address shall be subject to approval by the FLIP Consortium, and, if approved, delivered within fourteen (14) business days after receipt of the full amount written in the invoice and receipt of the Form for admission to Overseas Membership.

4. With respect to the export of the Protection Key or import of the same in Foreign Transactions, the Overseas Member shall comply with all applicable laws and regulations, and shall be responsible for obtaining and/or filing all necessary permits and authorizations as well as conducting other procedures required by such laws and regulations. The Overseas Member and the FLIP Consortium agree to cooperate in all respects necessary to take advantage of the benefits of any applicable tax treaty in Foreign Transactions.
5. In the event the Overseas Member fails or refuses to accept delivery of the Protection Key or the ID/PW Notification which have been delivered to the Overseas Member's address or if the FLIP Consortium is unable to deliver the Protection Key and the ID/PW Notification to the Overseas Member's address because the Overseas Member has failed to provide adequate instructions or authorizations, then: (i) the Protection Key and the ID/PW Notification will be deemed to have been delivered to the Overseas Member; and (ii) the FLIP Consortium may, at its discretion, store the Protection Key and the ID/PW Notification on the Overseas Member's behalf, until the Overseas Member agrees to take possession. In Foreign Transactions, the Overseas Member shall be liable for any additional handling, storage, or delivery costs and expenses incurred by the FLIP Consortium.

Article 10. Inspection

1. The FLIP Consortium shall in the ordinary course of doing business inspect the Protection Key and the ID/PW Notification and test the log-in to the Member Website at its offices prior to shipping and delivery to the Overseas Member.
2. The Overseas Member shall inspect the Protection Key for any signs of damage, defacement, or defects and shall check operation of the FLIP Programs and the Protection Key according to the documents packed together with the Protection Key promptly after the Overseas Member has received the Protection Key and the ID/PW Notification.
3. In the event the Overseas Member finds any damage, defacement, defects or troubles in operation of the FLIP Programs and the Protection Key as a result of inspection prescribed in the preceding paragraph, the Overseas Member shall notify the FLIP Consortium in writing or by e-mail of the same within thirty (30) days following the date of delivery of the Protection Key and the ID/PW Notification to the Overseas Member. The FLIP Programs and the Protection Key shall be deemed to be in good working order and condition and in compliance with these Terms and Conditions without the notification by the Overseas Member in the same time period.

Article 11. Title

The title to the Protection Key and the ID/PW Notification shall pass to the Overseas Member when the Protection Key and the ID/PW Notification have been delivered to the Overseas Member.

Article 12. Risk of Loss and Damage

Any and all risks of loss or damage to the Protection Key or the ID/PW Notification shall transfer to the Overseas Member, when the FLIP Consortium has handed-over the Protection Key or the ID/PW Notification to a carrier for delivery to the Overseas Member.

Article 13. Handling and Care of Protection Key, Log-in ID and Password; Breakage; Loss

1. The Overseas Member use its best efforts to pay attention to the proper care, handling, use, and maintenance of the Protection Key provided by the FLIP Consortium.
2. In the event the Protection Key delivered to the Overseas Member is damaged, defaced or delivered in an unusable condition, the FLIP Consortium will replace the damaged or unusable Protection Key with a new Protection Key free of charge; provided, however, that the Overseas Member notified the FLIP Consortium in writing or by e-mail of the fact within thirty (30) days following the date of delivery to the Overseas Member. The Overseas Member shall pay the shipping costs for return delivery of the damaged or unusable Protection Key to the FLIP Consortium and the Overseas Member shall pay the shipping and handling costs for replacement delivery of the Protection Key to the Overseas Member. The free replacement shall not be applied to the damage or breakage caused by the Overseas Member's negligence or improper care and handling of the Protection Key.
3. In the event the Protection Key is no longer functional due to damage or breakage following the period for free replacement as set forth in the preceding paragraph, the FLIP Consortium will exchange the damaged Protection Key with a new Protection Key for a fee.
4. In the event the Protection Key is defective for reasons attributable to or caused by the FLIP Consortium, the FLIP Consortium will exchange the defective Protection Key with a new Protection Key free of charge.
5. Notwithstanding anything to the contrary contained herein, in the event the damaged or broken Protection Key is not available for return to the FLIP Consortium for inspection regardless of during its membership or at the time of readmission, these provisions regarding replacement by the FLIP Consortium shall not apply and replacement of the Protection Key shall not be available to the Overseas Member, regardless of the cause of any damage, failure, loss, or theft. The Overseas Member shall purchase the Additional Set of Programs prescribed in Item 3(4) of Article 4 in order to use the FLIP Programs. However, in the event the Protection Key is not available for return to the FLIP Consortium because of any troubles occurred in transit of the Protection Key by a carrier,

the FLIP Consortium may, in its sole and absolute discretion, reissue the Protection Key for a fee or free of charge, only provided that the cause of the trouble and the situation are clarified by a carrier. The Overseas Member shall bear the shipping fees for redelivery of the Protection Key.

6. In the event the Overseas Member who has withdrawn from its membership as set forth in (1) of Article 14 desires to replace the damaged or unusable Protection Key with a new Protection Key, the FLIP Consortium will exchange the damaged Protection Key with a new Protection Key for a fee as set forth in Item 3 of this Article, provided that the Overseas Member notifies its desire of the same in writing or by e-mail to the FLIP Consortium within two (2) years from the date of withdrawal from its membership.
7. The Overseas Member use its best efforts to pay attention to the proper care, handling, use, and maintenance of the Log-in ID and Password to the Member Website. If the Overseas Member has lost or misplaced the Log-in ID and Password, the FLIP Consortium will notify the Overseas Member of the Log-in ID and Password after receiving the request through the e-mail address of the Contact Person or the Q&A Person registered in the FLIP Consortium.

Article 14. Loss of Membership

The Overseas Member will lose its membership in the following cases;

(1) Withdrawal from Membership

The Overseas Member is free to withdraw from its membership at any time by submitting the Notice of Withdrawal in the form set out separately by the FLIP Consortium.

(2) Expulsion

If any of the following applies to the Overseas Member, the Overseas Member may be expelled from the FLIP Consortium by a special resolution of the general meeting of its members:

- (a) In the event of a breach by the Overseas Member of these Terms and Conditions, the Articles of Incorporation or any of the regulations of the FLIP Consortium;
- (b) In the event of any act by the Overseas Member damaging the reputation of the FLIP Consortium, or any action by the Overseas Member contrary to the aims of the FLIP Consortium; or
- (c) Any occurrence or event that in the judgment of the FLIP Consortium warrants expulsion.

(3) Loss of Eligibility

The Overseas Member shall lose eligibility to its membership if any of the following applies:

- (a) Failure to pay the Annual Membership Dues for one year or longer;
- (b) Upon agreement by all voting members of the FLIP Consortium; or
- (c) In the event of death or dissolution of the Overseas Member.

Article 15. Rights and Obligations of Overseas Member after Loss of Membership

1. The Overseas Member who has lost its membership in accordance with the preceding article shall

be denied the rights of its membership and be relieved of its obligations pursuant to these Terms and Conditions. However, the Overseas Member who has lost its membership will be able to continue its own use of the FLIP Programs, limited to the latest version of the FLIP Programs, the manuals, the Protection Key and the related documentation available during its Overseas Membership, and only within its organization or individual. No exemption may be granted to the Overseas Member for any obligations already incurred but not yet carried out at the time of loss of the Overseas Membership.

2. The Overseas Member who has lost its membership due to expulsion or loss of eligibility as set forth in (2) or (3) of Article 14 shall be denied the right of readmission to Overseas Membership.
3. The Overseas Member who has lost its membership due to withdrawal as set forth in (1) of Article 14 and readmitted to Overseas Membership shall use the same Protection Key as that which the Overseas Member has possessed before the withdrawal from its membership. Upon the readmission, a new ID/PW Notification will be provided together with the FLIP Member Service as set forth in Article 6 except for the Protection Key.
4. In event the Overseas Member submits the Notice of Withdrawal from July 1 until August 31 of a certain year, the payment of the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person of the said year will be exempted. In the event the Overseas Member submits the Notice of Withdrawal after September 1 of a certain year, the Overseas Member shall pay the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person in accounting by month (one twelfth (1/12) of the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person to be multiplied by the number of months (round up to month) its Overseas Membership has been effective) and all Other Costs, if applicable.
5. In the event the Overseas Member submits the Notice of Withdrawal during a certain year after paying the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person, the FLIP Consortium shall issue a refund, to the Overseas Member's bank account, of the remaining amount of these fees in accounting by month (one twelfth (1/12) of the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person to be multiplied by the number of remaining months (round down to month) of its Overseas Membership) after deducting any costs or expenses, including bank or wire transfer fees, incurred by the FLIP Consortium.
6. In the event the Overseas Member loses its membership due to expulsion or loss of eligibility as set forth in (2) or (3) of Article 14, the Overseas Member shall pay the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person in accounting by month (one twelfth (1/12) of the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person to be multiplied by the number of months (round up to month) its Overseas Membership has been effective) and all Other Costs ,if applicable.
7. Except for the Item 5 of this Article, the Overseas Member shall agree to the fact that all the amount

of payment made prior to the loss of membership will not be returned to the Overseas Member.

Article 16. Warranty

All Member Service provided by the FLIP Consortium to the Overseas Member are provided on an "as is" and "as available" basis, without warranty of any kind, expressed or implied, as to its performance, accuracy or completeness. The FLIP Consortium makes no warranties, expressed or implied, that they (i) are free of error, (ii) are consistent with any particular standard of merchantability including without limitation any implied warranties of merchantability or fitness for a particular purpose, (iii) do not infringe third party rights or (iv) will meet the Overseas Member's requirements for any particular application. The Overseas Member is advised not to rely, and hereby agrees that it shall not rely, on All Member Service for any purpose. The entire risk arising out of the Overseas Member's use or performance of All Member Service remains with the Overseas Member.

Article 17. Disclaimer

To the maximum extent permitted by applicable law, the FLIP Consortium disclaims all liability for direct, indirect, special, incidental, punitive or consequential damages (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or other pecuniary loss) resulting from these Terms and Conditions or the Overseas Member's use of or the inability to use All Member Service, whether arising in tort (including negligence), contract or any other theory of law, even if advised of the possibility of such damages. Notwithstanding anything to the contrary set forth in these Terms and Conditions, the FLIP Consortium's sole liability in connection with these Terms and Conditions, whether arising out of contract, negligence, strict liability or other theory, shall be limited to direct monetary damages, which shall not exceed, in the aggregate, the amounts of the Annual Membership Dues and, if applicable, the Annual Dues for Additional Person actually paid by the Overseas Member to the FLIP Consortium during a certain Fiscal Year.

Article 18. Copyright

The Overseas Member acknowledges and agrees that all the copyrights to the FLIP Programs, including the rights under Article 27 and 28 of the Copyright Act of Japan, belong to National Research and Development Agency National Institute of Maritime, Port and Aviation Technology, General Incorporated Foundation Coastal Development Institute of Technology, Susumu Iai, the FLIP Consortium and Kyohei Ueda (National Research and Development Agency National Institute of Maritime, Port and Aviation Technology, General Incorporated Foundation Coastal Development Institute of Technology, Susumu Iai, the FLIP Consortium and Kyohei Ueda shall collectively be referred to as the "FLIP Copyright Owners").

Article 19. Trademarks and Patents

The Overseas Member acknowledges that all trademarks, trade names, designs, patents and other industrial property rights used or embodied in the FLIP Programs, whether registered or not, are the FLIP Consortium's or the FLIP Copyright Owners' exclusive property. The Overseas Member shall not apply for or register any industrial property right in connection with the FLIP Programs.

Article 20. Force Majeure

If the performance of any part of these Terms and Conditions is prevented, restricted or interfered by riots, war, storm, fire, flood, earthquake, lockout, labor strikes, legally effective orders from any government or any judicial authority, or other similar incidents which are beyond the control of the parties hereto, the FLIP Consortium shall be excused from such performance and shall not be liable for loss or damage under these Terms and Conditions to the extent of such prevention, restriction or interference.

Article 21. Disclosure of Production

In the event the Overseas Member discloses the production of analysis using the FLIP Programs, the Overseas Member shall follow "Important Note on FLIP ROSE® Program" described in the FLIP ROSE® manual for quotation of the referenced documents.

Article 22. Compensation of Damages

If the FLIP Consortium has suffered any damage due to a breach of any of the provisions of these Terms and Conditions by the Overseas Member, the Overseas Member shall be liable for the damage caused to the FLIP Consortium.

Article 23. Governing Law

These Terms and Conditions shall be interpreted and construed according to, and governed by, the laws of Japan. The Kyoto District Court of Japan shall have exclusive jurisdiction to hear and settle any dispute under or in connection with these Terms and Conditions.

Article 24. Entire Agreement and Amendments

These Terms and Conditions, together with the Articles of Incorporation dated April 16, 2015, and related governing law, including those as amended after the Effective Date, sets forth the entire agreement of the parties relating to the subject matter hereof, and supersedes and replaces any prior agreement, understanding, intent, irrespective of whether oral or written, between the parties hereto. The FLIP Consortium reserves the right to amend or change these Terms and Conditions without any notice to the Overseas Member and without any consent or permission of the Overseas Member being

required. In the event of any amendment or change to these Terms and Conditions, the FLIP Consortium shall notify the Overseas Member thereof. If the Overseas Member continues to use any of All Member Service after such amendment or change, or fails to take steps to withdraw from its membership within the period specified by the FLIP Consortium, the Overseas Member shall be deemed to have agreed to such amendment or change to these Terms and Conditions.

Article 25. Severability

If a court of competent jurisdiction holds that any provision of these Terms and Conditions is invalid or unenforceable, that portion shall be construed in a manner consistent with applicable law to reflect, as nearly as possible, the original intentions of FLIP Consortium, and the remaining portions of these Terms and Conditions will remain in full force and effect.

Article 26. Privacy Policy

The FLIP Consortium shall handle the Overseas Member's name, address, e-mail address, telephone number and any personal information which can be used to identify the Overseas Member, with appropriate and reasonable care in accordance with the Privacy Policy as set forth in the website of the FLIP Consortium (<https://www.flip.or.jp>). The FLIP Consortium will never disclose the Overseas Member's personally identifiable information to other parties without the consent of the Overseas Member.

Article 27. Others

1. A third-party is not permitted to perform all or any part of the procedures related to admission or readmission to, withdrawal from and maintenance of Overseas Membership on behalf of the Applicant, the Readmission Applicant or the Overseas Member.
2. In the event the Overseas Member has changed its name or address, the Overseas Member shall notify the FLIP Consortium in writing or by e-mail of the change without delay.

Article 28. Headings

The headings contained in these Terms and Conditions are for reference purposes only and shall not affect in any way the meaning or interpretation of these Terms and Conditions.

Article 29. Standard Time

The date and time used and effective between the Overseas Member and the FLIP Consortium in connection with these Terms and Conditions shall be Japan Standard Time.

Article 30. Survival Clause

The Overseas Member shall agree to abide by the Articles 8, 11, 12, 13, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 25, 26, 28 and 30 of these Terms Conditions after loss of its membership as set forth in Article 14.