

Payment Processing Service Terms of Use

These Terms of Use are for the purpose of establishing the details, etc. of the agreement (the “Agreement”) concerning use, etc. of the payment processing services (the “Services” defined in Article 1) provided by Degica Co., Ltd. (“DEGICA”) that is formed between applicant (“Applicant”) and DEGICA when Applicant uses the Services in connection with the sale of goods and the provision of services, etc. by Applicant to customers. The Agreement shall be formed when Applicant, after having consented to each of the provisions of these Terms of Use, has made a merchant application to DEGICA and DEGICA has accepted the Applicant’s merchant application, and the provisions of these Terms of Use shall become the terms of the Agreement.

Chapter 1 General Provisions

Article 1 Definitions

Unless a particular construction is indicated in the text of these Terms of Use, in these Terms of Use, the terms listed in the following subparagraphs shall have the meanings established in the following subparagraphs.

- 1) “Services” means the following payment processing services provided by DEGICA to Applicant:
 - (1) Credit Card Settlement Service
 - (2) Convenience Store Settlement Service
 - (3) Bank Transfer Settlement Service
 - (4) Pay-easy Settlement Service
 - (5) Electronic Money Settlement Service
- 2) “Customer” means a customer of Applicant.
- 3) “Handled Products” means the goods, services, rights, work, software, etc. sold or provided by Applicant to Customers.
- 4) “Payment” means the fee for the use of a service or the sales price for goods, etc. that is to be collected from a Customer by Applicant.
- 5) “Credit Card Company” means a credit card company set forth in the MOU.
- 6) “Credit Card Settlement Business Provider” means a business that has executed an agreement concerning credit card settlements with DEGICA or with a business contracted by DEGICA (including a sub-contractor).
- 7) “Member” means a card member of a Credit Card Company or a company or organization within or outside Japan that is currently or in the future affiliated with a Credit Card Company.
- 8) “Merchant Agreement” means a merchant agreement that Applicant executes or intends to execute with a Credit Card Company through DEGICA as its agent.
- 9) “Credit Sale Payment” means a payment for an account receivable assigned from Applicant to a Credit Card Company pursuant to the Agreement.
- 10) “Convenience Store Settlement Information” means the settlement information for a Payment at a Convenience Store Settlement Store.
- 11) “Convenience Store Settlement Services” means collection services for Payments performed at the request of Applicant by DEGICA pursuant to the Agreement.
- 12) “Convenience Store Settlement Business Provider” means a business that has executed a service agreement concerning the administration of convenience store settlements (including a business that executes such an agreement in the future) with DEGICA or a business contracted by DEGICA (including a sub-contractor).
- 13) “Convenience Store Settlement Store” means a store that is directly operated by a Convenience Store Settlement Business Provider or a store that handles collection services for Payments and that is a merchant that has executed a master merchant agreement with a Convenience Store Settlement Business Provider.
- 14) “Pay-easy Settlement Business Provider” means a business that has executed an agreement concerning receipt by agent for Pay-easy settlements, etc. with DEGICA or a

business contracted by DEGICA (including a sub-contractor).

- 15) "Electronic Money Settlement Business Provider" means a business that has executed a Merchant Agreement for electronic money settlements with DEGICA.
- 16) "Settlement Business Provider" means a Credit Card Company, Credit Card Settlement Business Provider, Convenience Store Settlement Business Provider, Pay-easy Settlement Business Provider, or Electronic Money Settlement Business Provider.
- 17) "MOU" means the "Service and Fees" that is ancillary to these Terms of Use.
- 18) "Deducted Amount" means all fees, etc. to be paid by Applicant to DEGICA in accordance with the MOU's provisions, "Paragraph 1 and Paragraph 2."

Article 2 Purpose

The Agreement is for the purpose of DEGICA providing the Services to Applicant and Applicant using the Services.

Article 3 Delegation to Third Parties

DEGICA, on DEGICA's responsibility, may delegate to third parties parts of the operations necessary for the provision of the Services.

Article 4 Products Covered by Services

1. Applicant shall have the obligation to disclose information to DEGICA regarding all of Applicant's products that are covered by the Services (hereinafter "Products, etc."), and for the benefit of DEGICA or Settlement Business Providers, to take care not to cause DEGICA or Settlement Business Providers to handle products whose method of transaction or contents are illegal or contrary to public order and morals (hereinafter "Illegal Products, etc."). The following is a list of examples of Products, Etc. which Applicant must not cause DEGICA or Settlement Business Provider to handle.
 - 1) Items based on illegal transactions;
 - 2) Live organisms;
 - 3) Items that threaten to incite illegal conduct;
 - 4) Items that would disgust ordinary people;
 - 5) Items for which the product's or service's method of sale is illegal;
 - 6) Items that threaten a life or body;
 - 7) Items that cause a mistake of fact or that are false;
 - 8) Items that otherwise are contrary to public order and morals, or are inappropriate as products that use the Services.
2. Applicant shall warrant matters set forth in the following subparagraphs when using the Services:
 - 1) That it has a system environment capable of delivering the various types of data necessary for performance of the Agreement with DEGICA or Settlement Business Providers through the internet, etc., and will maintain such systems;
 - 2) That the various types of data necessary for performance of the Agreement have been acquired through lawful and proper means;
 - 3) That it has arranged shipping and servicing systems for the handled products provided through the internet, etc., and will maintain such systems.
3. Applicant may not handle gift certificates, prepaid cards, revenue stamps, postage stamps, coupon tickets or other securities, etc. However, this shall not apply if DEGICA has given its consent on a case by case basis.
4. If Applicant will handle travel products, liquor, or other Products, etc. for which a license or approval should be obtained for sales, etc., Applicant shall submit relevant documents in advance through DEGICA to certify that that it has obtained the license or approval, and obtain prior consent for the handling. In addition, if the aforementioned license or approval has been lost, Applicant will immediately notify DEGICA of that fact and shall not handle the Products, etc. in question.
5. If Applicant will handle credit sales of information, etc. in the form of software or digital

files through methods such as the downloading of software through the internet, it shall apply to DEGICA in advance after having established measures for the prevention of improper credit card usage in advance, and shall conduct credit sales in the operational manner approved by the Credit Card Company.

6. Applicant shall endeavor to clearly state the following matters to Customers on Applicant's internet home page or through other multimedia.
 - 1) That Customers must, as far as possible, be adults, and that applications that are not in the name of the applicant, such as a fictitious name or an alias, are prohibited;
 - 2) The time at which a contract will be formed between Applicant and Customer;
 - 3) The purpose of use of personal information acquired from Customer, and that appropriate security controls will be implemented.
7. If Applicant intends to amend the categories of Products, etc. or other matters notified to DEGICA or a Settlement Business Provider, Applicant shall write the matters to be amended and the planned date of the amendment, etc. in the documentation prescribed by DEGICA or the Settlement Business Provider, and submit it to DEGICA, and to the Settlement Business Provider through DEGICA, no later than 20 days prior to the planned date of the amendment.

Article 5 Initialization Fee, etc.

1. Applicant will be responsible for the initialization fee, monthly base fee and fees for each settlement method listed in the MOU (hereinafter collectively referred to as the "Initialization Fee, etc.").
2. Applicant will pay the initialization fee, monthly base fee, and the amount corresponding to consumption tax thereon (rounding any fraction of less than one yen to the nearest yen) to DEGICA, following separately provided provisions, by transfer to the bank account in DEGICA's name separately designated by DEGICA. Applicant will be responsible for transfer fees. If the separately provided payment date is a financial institution holiday, the payment date will be the immediately preceding financial institution business day.
3. If a payment pursuant to the preceding paragraph is late, Applicant will additionally pay delay damages at a rate of 14.6% per annum from the day following the payment deadline until payment has been completed (calculated daily based on a year of 365 days, and rounding down any fraction of less than one yen).
4. Until the Initialization Fee, etc. to be paid by Applicant pursuant to this Agreement and the amount corresponding to consumption tax thereon and the amounts of money to be refunded to DEGICA pursuant to this Agreement have been satisfied (including, in each case, past uncollected portions), DEGICA may set off the same against the various payments due from DEGICA to Applicant pursuant to this Agreement, and the remittance pursuant to Paragraph 2 shall not be required for those initialization fees, monthly base fees, and the amount corresponding to consumption tax thereon that are subject to such setting off. It shall not be necessary for the claims of DEGICA and the claims of Applicant that are subject to such setting off to have arisen in relation to the same method of settlement, and it shall not be required that DEGICA manifest its intention to set off on each occasion with regard to such setting off.
5. DEGICA shall not bear a duty to return a received Initialization Fee, etc. to Applicant regardless of whether or not Applicant actually used the Services, provided, however, that this shall not apply if Applicant's failure to use the Services was caused by circumstances attributable to DEGICA.

Article 6 Prohibited Matters

Applicant shall not conduct any of the following acts in using the Services:

- 1) Acts that violate Article 4;
- 2) Acts may be tied to fraud or other crimes;
- 3) Acts of transmitting or displaying images, videos, texts, etc. constituting adult content, obscenity, child pornography, child abuse, prostitution, violence, etc., or selling products

- or services equivalent to the same;
- 4) Acts soliciting membership in, or requesting donations to, political, religious or other organizations;
 - 5) Acts of making false or misleading representations;
 - 6) Acts that damage or infringe, or threaten to damage or harm, the privacy, reputation, credibility or property of DEGICA or a third party;
 - 7) Acts that infringe, or threaten to infringe, the patents, trademarks, copyrights, other intellectual property rights or other personality or property rights of DEGICA or a third party;
 - 8) Acts that impede the business of DEGICA or a third party by unfair transactional methods;
 - 9) Acts that cause a disadvantage to DEGICA or a third party;
 - 10) Acts of falsifying information that could be used through the Services;
 - 11) Acts of using the Services for purposes other than the collection or processing of payments for products, etc. as provided in the Agreement
 - 12) Acts of transmitting to or writing into the DEGICA system or third party computers (including Customers; the same applies hereinafter in this article) harmful computer programs, etc.;
 - 13) Acts of using the Services by impersonating a third party, or allowing a third party to use the Services by impersonating Applicant;
 - 14) Acts that hinder, or threaten to hinder, the use or operation of third party facilities, etc., or facilities used for the Services by DEGICA or a Settlement Business Provider;
 - 15) Acts that violate the provisions of the Agreement;
 - 16) Other acts that violate or threaten to violate laws or ordinances;
 - 17) Acts of using the Services for websites other than those for which DEGICA has approved the use of the Services in advance.

Article 7 Compliance with Rules

DEGICA may establish or designate rules (hereinafter "Rules, etc.") concerning specific matters, to the extent reasonable and necessary to ensure the smooth and proper provision of the Services or the adequacy of the sale or provision of products by Applicant using the Services, and may notify Applicant of the same. Applicant shall comply with Rules, etc. of which it has been notified by DEGICA.

Article 8 Technical Operations Related to Use of Services

1. Applicant shall appoint personnel (hereinafter "Applicant's System Manager") to be responsible for technical services (hereinafter "Applicant's System Administration") regarding Applicant's computers and the computer systems used by Applicant to use the Services (hereinafter "Applicant's System") so that Applicant's System Administration is properly performed, shall notify DEGICA in the manner separately designated by DEGICA, and shall provide adequate education and training to Applicant's System Manager, including causing Applicant's System Manager to accurately understand details separately established by DEGICA and information received from DEGICA pursuant to Paragraph 3 below.
2. If Applicant intends to change all or part of the name, division, contact telephone number, e-mail address, etc. of Applicant's System Manager, Applicant shall notify DEGICA of the matters to be changed in advance.
3. If DEGICA has technical information that is necessary or useful for the proper performance of Applicant's System Administration by Applicant, DEGICA may provide such technical information to Applicant by providing manuals or by another method deemed appropriate by DEGICA. Applicant will conduct Applicant's System Administration in accordance with the technical information received from DEGICA.

Article 9 ID and Password Administration, Etc.

1. Applicant shall conduct strict administration so that no incident such as a leak, loss, or

damage occurs with respect to IDs or passwords provided by DEGICA. Without delay following the receipt of a password, Applicant shall change the password in the manner prescribed by DEGICA, and following such change, change the password at appropriate times at its discretion, and shall not use the same password for more than 90 days.

2. If Applicant becomes aware that the ID or password under the preceding paragraph (including those changed by Applicant; the same applies hereinafter in this paragraph and the following paragraph) was used without proper authority, Applicant will immediately notify DEGICA of that fact. Immediately after receiving such notice, DEGICA shall deactivate such ID or password.
3. DEGICA will have no responsibility whatsoever for damage incurred by Applicant due to use without proper authority of the ID or password under Paragraph 1 above; provided, however, that this shall not apply if DEGICA was aware that such ID or password was used without appropriate authority, or if DEGICA was not aware of the same due to gross negligence, or with respect to damage arising out of the deactivation under the preceding paragraph being delayed due to circumstances attributable to DEGICA.

Article 10 Suspension or Discontinuation of Services

1. DEGICA may suspend the provision of all or part of the Services in the following cases.
 - 1) To conduct scheduled system inspections or maintenance by DEGICA or a Settlement Business Provider, etc.;
 - 2) If deemed necessary for the appropriate operation of the system by DEGICA or a Settlement Business Provider, etc.;
 - 3) If Applicant's server operations would be disrupted or are threatened to be disrupted by the system of DEGICA or a Settlement Business Provider, etc.;
 - 4) If telecommunications lines used in the services of DEGICA or a Settlement Business Provider, etc. are congested or unusable.
2. If grounds falling under any of the following subparagraphs occur, DEGICA may suspend the provision of all or part of the Services to Applicant without prior notice.
 - 1) If Applicant has violated the Agreement;
 - 2) If any of the causes for cancellation set forth in Article 80 occurs with regard to Applicant;
 - 3) If Applicant has decided to do a business transfer or company split with respect to all or a material part of its own business without obtaining the written consent of DEGICA in advance;
 - 4) If Applicant has not used the Services for a period of 3 months or longer.
3. If DEGICA will suspend the Services pursuant to Paragraph 1, it shall notify Applicant in advance of the reason, the implementation date, and the duration thereof; provided, however, that this shall exclude cases of emergency, fire, power outage, natural disaster, or other force majeure.
4. If DEGICA has received a request from a Settlement Business Provider to suspend the provision to Applicant of the Services related to the settlement method handled by that Settlement Business Provider, regardless of the reason, DEGICA may suspend the portion of the Services related to the settlement method handled by that Settlement Business Provider after giving prior notice to Applicant.
5. Notwithstanding the provisions of the paragraphs above, when it is unavoidable in an emergency, it shall be sufficient to provide immediate notice after the fact in lieu of each prior notice.
6. DEGICA shall have no liability whatsoever for damage incurred by Applicant due to a suspension of the provision of the Services pursuant to this Article, or any failure to provide the Services or other non-performance of this Agreement due to transmission failures, delays, mis-routing or other operational failure of the Services caused by Applicant's equipment or third party circuits used for transmission between Applicant or a Customer and DEGICA for the Services, or other grounds not attributable to DEGICA.

Article 11 No Agency, Etc. Granted to Applicant

DEGICA does not, by the Agreement, grant any agency authority or any authority to use the DEGICA name, trademarks, logo marks or otherwise to use indications of the DEGICA business. Unless separately approved by DEGICA, Applicant must not represent to any third party that it is a sales agent of DEGICA or otherwise make representations that may have a risk of creating a misunderstanding that it has been granted any kind of agency authority by DEGICA, and Applicant must not display the DEGICA name, trademarks, logo marks or other indications of the DEGICA business on the websites it uses.

Article 12 Agency Receipt of Payments for Products by DEGICA

1. DEGICA shall receive Payments as an agent of Applicant, and Applicant shall grant to DEGICA such authority for agency receipt.
2. Applicant may not withdraw all or part of the grant of agency receipt authority under the preceding paragraph during the effective term of this Agreement.

Chapter 2 Credit Card Settlement

Article 13 General Provisions

This chapter stipulates details concerning, inter alia, the execution by DEGICA of Merchant Agreements with Credit Card Companies as the comprehensive agent of Applicant with respect to transactions in which Customers who are Members apply to Applicant to purchase Products, etc. and carry out settlement using credit card on the internet. In addition, Applicant consents to the handing of settlements in accordance with the Merchant Agreement and the Agreement where payment is made by credit card, and Applicant shall observe the regulations, rules, directions, etc. (as amended, if the same have been amended) established by DEGICA or the Credit Card Companies.

Article 14 Comprehensive Agency

1. Applicant shall grant to DEGICA the authority for DEGICA itself, or service providers engaged by DEGICA, to act as Applicant's comprehensive agent in relations with Credit Card Companies regarding the following matters:
 - 1) Execution of Merchant Agreements and all memoranda, etc. ancillary thereto;
 - 2) Making requests for sales approvals to Credit Card Companies, or receiving applications for credit sales;
 - 3) Notifications related to the Applicant;
 - 4) Applying for Applicant's membership;
 - 5) Obtaining sales approvals;
 - 6) Matters relating to sales requests and cancellation requests for sales requests;
 - 7) Matters relating to assignment of accounts receivable and repurchase of accounts receivable;
 - 8) Receipt of Credit Sale Payments;
 - 9) Notices and review requests to Credit Card Companies, and receipt of notices, etc. from Credit Card Companies, pursuant or related to Merchant Agreements;
 - 10) Other matters related to the performance of Merchant Agreements;
 - 11) Other services agreed between Applicant and DEGICA and approved by the Credit Card Company.
2. Applicant may not withdraw all or part of the grant of comprehensive agency authority under the preceding paragraph during the term of this Agreement, provided, however, that if the execution by Applicant of a Merchant Agreement has been refused, the comprehensive agency authority shall be withdrawn automatically without requiring further notice unless Applicant and DEGICA have agreed otherwise.

Article 15 Merchant Application and Approval

1. Because it is necessary to apply for new enrollment with the Credit Card Company and

obtain the written approval of the Credit Card Company by submitting the following documents when executing a Merchant Agreement with a Credit Card Company, Applicant shall delegate such administrative tasks to DEGICA, and provide necessary cooperation to DEGICA in submitting the following documents, etc.

- 1) New merchant application in the form prescribed by the Credit Card Company;
 - 2) Merchant-prepared confirmation letters in the form prescribed by the Credit Card Company; and
 - 3) Other documents requested by the Credit Card Company for merchant screening.
2. If, regarding an application under the preceding paragraph, the Credit Card Company has deemed the Applicant suitable to be a merchant, the Credit Card Company will notify DEGICA of the new merchant approval, and thereby a Merchant Agreement shall be formed between Applicant and the Credit Card Company with the details stipulated in the Agreement. In this case, Applicant shall maintain and comply with such Merchant Agreement during the term of the Agreement.
 3. If, regarding an application under Paragraph 1 of this article, the Credit Card Company has deemed the Applicant unsuitable to be a merchant, the Credit Card Company may reject the Applicant's new merchant enrollment. In this case, the Credit Card Company and DEGICA will not disclose the reason for the rejection to Applicant.
 4. If there has been a change in the content of an application submitted to DEGICA pursuant to Paragraph 1 of this article, Applicant shall notify DEGICA in writing in advance of the details of such change, etc.

Article 16 Merchant Notification and Approval Matters

With regard to the type and contents of Handled Products, etc. concerning credit sales conducted by Applicant, as it is necessary to give written notice to the Credit Card Company and obtain the approval of the Credit Card Company in advance, Applicant shall delegate such administrative tasks to DEGICA and provide necessary cooperation to DEGICA, such as by submitting the relevant documents. In addition, if there has been a change in the type or contents of Handled Products, etc., Applicant shall promptly notify DEGICA in writing and obtain the approval of the Credit Card Company.

Article 17 Applicant's Responsibilities

1. If due to grounds attributable to Applicant, Applicant has caused damage to a Credit Card Company in connection with a transaction based on a Merchant Agreement, the Agreement or another agreement, Applicant shall cause no inconvenience whatsoever to DEGICA, including by bearing responsibility to compensate for damage suffered by the Credit Card Company.
2. If a Credit Card Company claims that it has suffered damage due to grounds attributable to Applicant, Applicant shall promptly and in good faith, following the directions of the Credit Card Company or DEGICA, undertake to mitigate the effect of the damages or to provide compensation.

Article 18 Applicant's Obligations

1. Applicant shall covenant the following matters concerning the conduct of credit sales under the Merchant Agreement or the Agreement, and if it has breached the covenanted matters and damage occurs on the part of a Credit Card Company, a Member or DEGICA, it shall bear responsibility for mitigating the effect of the damage or for compensating for damage, and shall fulfill such responsibilities promptly and in good faith.
 - 1) To sell and provide Products, etc. without defects pursuant to the contents indicated in the electronic content prepared by Applicant, including terms of sale, product explanations, and the like;
 - 2) To cause the system for purchase offers and acceptances to be presented to Members, and to take steps so that Members can recognize the time at which a transaction is formed;

- 3) To take steps to prevent operational mistakes, such as displaying confirmation screens so that double transmissions and mis-entries do not occur with Members.
- 4) Not to engage in the following transactions:
 - (1) Transactions related to Illegal Products, etc. set forth in Article 4;
 - (2) Transactions in violation of the Act on Specified Commercial Transactions;
 - (3) Transactions that may be cancelled pursuant to the provisions of Article 4 of the Consumer Contracts Act;
 - (4) Transactions determined by DEGICA or a Credit Card Company as those failing to protect a Member's interests;
 - (5) Transactions that are intended to be conducted in violation of rules to be complied with by Members;
 - (6) Other transactions deemed inappropriate by DEGICA or a Credit Card Company.
2. If Handled Products include copyrights or other rights of third parties, Applicant shall provide the Handled Products after conducting necessary procedures.
3. If due to grounds attributable to Applicant a third party raises an objection or a claim concerning intellectual property rights in electronic content, etc., Applicant shall resolve it on Applicant's responsibility, and shall cause no inconvenience whatsoever to the Credit Card Company or DEGICA.
4. Applicant shall retain data evidencing that it made credit sales to Members (hereinafter "Sales Data") for seven years from the date of the credit sale, and shall promptly submit such data if DEGICA or a Credit Card Company has made a request. Such Sales Data may not be provided to any person other than DEGICA or a Credit Card Company.
5. Applicant acknowledges the contractual relationship between the Credit Card Company and Members and the credit card transaction system, and Applicant shall cooperate in the popularization of credit cards.
6. Applicant shall not use sales schedules, sales slips, CAT (credit authorization terminals) or other terminal devices allowed by DEGICA and the Credit Card Company (hereinafter "Terminal Devices"), merchant signage, service marks, etc. (including digitized ones) for any purpose other than those set forth in the Agreement, etc., and shall not allow third parties to use the same.
7. If Applicant has installed a Terminal Device, Applicant shall use it for all credit sales in accordance with the Terminal Device terms of use and rule concerning its handling. In addition, if a Terminal Device is unusable due to damage or failure, etc., or if the Credit Card Company has imposed separate restrictions on the use of the relevant Terminal Device, Applicant shall contact DEGICA or the Credit Card Company on each occasion in advance of all credit sales and obtain an approval number.
8. If requested by a Credit Card Company or DEGICA, Applicant shall report to the Credit Card Company or DEGICA in writing or another method deemed appropriate by the Credit Card Company or DEGICA with regard to its most recent financial statements and its financial situation at a specified time.

Article 19 Online Advertising

1. Applicant shall notify the Credit Card Company through DEGICA in advance regarding the contents of online advertising planned or produced, etc. by Applicant (hereinafter, simply "Advertising"), and shall execute it at Applicant's risk.
2. Applicant shall observe the following in the production of Advertising:
 - 1) Not violate the Act on Specified Commercial Transactions, Installment Sales Act, Act Against Unjustifiable Premiums and Misleading Representations, Copyright Act, Trademark Act, legislation related thereto, and other laws and ordinances (including foreign country laws and ordinances);
 - 2) Not make indications that may have a risk of causing misunderstanding by a Member;
 - 3) Not make indications that violate public order or morals;
 - 4) Display the following matters:
 - (1) The address and trade name of Applicant;

- (2) The Applicant's telephone number, e-mail address, other points of contact for inquiries, and operating hours;
 - (3) That even if encryption or other measures are taken, the confidentiality of order data, etc. cannot be fully maintained;
 - (4) That a Member may use its card;
 - (5) The name of the representative or manager of Applicant and the means of contacting this individual;
 - (6) Matters related to the return of Products, etc. and the cancellation of orders;
 - (7) Other matters deemed necessary by the Settlement Business Provider.
3. Applicant shall immediately remove Advertising to the effect that a Member may use its card if a Merchant Agreement or the Agreement has been cancelled or if directed by the Credit Card Company.
 4. All of Applicant's Advertising shall be subject to the Merchant Agreement and the Agreement.
 5. Applicant shall display all product prices in Japanese yen when presenting Handled Products.
 6. As a general rule, Applicant shall accept the return or exchange of Handled Products for a period of two weeks from the date of sale, and shall clearly state this within Advertising, provided, however, that if in light of the particular nature of Handled Products returns or exchanges are not accepted or the return or exchange period is less than two weeks, Applicant shall obtain the consent of the Settlement Business Provider through DEGICA in advance, and if it has obtained the consent of the Settlement Business Provider, shall clearly state that returns or exchanges are not accepted at the time of sale.

Article 20 Categories of Credit Sales

The categories of credit sales shall be as set forth in the MOU, provided, however, that categories of credit sales may be limited by the Credit Card Company.

Article 21 No Discriminatory Treatment

In transactions under the Merchant Agreement and the Agreement, Applicant shall not reject handling of credit sales to Members, demand other payment methods, a price higher than a cash price or fees, or otherwise engage in discriminatory treatment detrimental to Members or transactions that obstruct the smooth use of credit cards.

Article 22 Merchant Fees, Etc.

The sales fees, etc. to be paid by Applicant to DEGICA (including merchant fees to be paid to the Credit Card Company) shall be stipulated in the MOU.

Article 23 Shipment of Products, Etc.

1. Applicant shall conduct credit sales in compliance with the Installment Sales Act, Act on Specified Commercial Transactions, Consumer Contracts Act, Act on Prevention of Transfer of Criminal Proceeds and other related laws and ordinances.
2. Applicant shall, if it has received approval for a sale, ship complete Products, etc. to the Member's designated shipping address on Applicant's responsibility, promptly and in a secure manner, or provide services in a manner approved by the Credit Card Company.
3. If, after a sale is approved, Applicant is unable to promptly deliver a product or provide a service, Applicant shall notify the Member in writing of the time of delivery or the time of provision. As a general rule, Applicant shall do this within two weeks of the day on which it received the order for the credit sale from the Member.
4. If Applicant has allowed a Member to download software, etc., this shall be deemed to constitute a shipment of Products, etc. upon acceptance of the purchase by the Member in the manner approved by the Credit Card Company.
5. Applicant may not handle Handled Products under the Credit Card Settlement Service that constitute the provision of a service or labor for which the price is to be prepaid, provided,

however, that this shall not apply if a Credit Card Company has separately approved it through DEGICA and a Settlement Business Provider. In such a case, if a Member has demanded the early termination of the provision of the service or labor during the contract period, and has requested a refund of the unused fee, Applicant shall respond entirely on its own responsibility and shall cause no inconvenience whatsoever to DEGICA. The processing of refunds to Customers shall be in the manner approved by DEGICA.

6. Applicant shall maintain a product shipment log for deliveries of Products, etc. and shall retain the shipping agency's bills of lading and other documents, etc. evidencing entrustment of the shipments for a period of seven years, and shall submit them to DEGICA or the Credit Card Company if demanded.
7. If Applicant will deliver or provide products to a Member in multiple instances, Applicant shall notify the Credit Card Company through DEGICA in advance that method of shipment or provision, etc., and shall obtain the consent of the Credit Card Company. If delivery or provision has become difficult due to grounds on the part of Applicant, Applicant shall promptly contact the Credit Card Company, the Member and DEGICA regarding that fact.
8. If a Member has designated as a delivery location for Products, etc. a post office box, private mailbox, or other location where the confirmation of receipt of Products, etc. may become unclear, Applicant shall not ship Products, etc. to such address, and shall notify the Member of that fact; provided, however, that if Applicant has sent Products, etc. to such address, Applicant shall bear full responsibility for the credit sale purchase price and any dispute arising therefrom.

Article 24 Identity Verification

When receiving an order for a credit sale from a Member, Applicant shall confirm whether or not the ordering person is ordering using a credit card held in their own name.

Article 25 Investigation, etc. by Credit Card Companies

1. The Credit Card Company or DEGICA may conduct investigations as appropriate as to whether or not Applicant is complying with the Agreement or as to whether or not the credit sales conducted by Applicant are being executed in accordance with the notifications made by applicant to the Credit Card Company, and Applicant shall cooperate in investigations by the Credit Card Company or DEGICA; provided, however, that the results of an investigation by the Credit Card Company or DEGICA do not guarantee that the Applicant is complying with the Agreement, and the obligations of Applicant pursuant to the Agreement shall not be relaxed by the fact that the Credit Card Company or DEGICA has performed an investigation.
2. If an investigation is conducted pursuant to the preceding paragraph, DEGICA or the Credit Card Company may withhold payment of Credit Sale Payments until such investigation is completed.
3. If the Credit Card Company or DEGICA has determined that a credit sale conducted by Applicant is improper, they may demand that Applicant change or correct its Handled Products, etc., Advertising expressions, credit sale methods, etc., or suspend sales, etc.
4. In case of the preceding paragraph, Applicant shall take the required measures immediately at Applicant's expense and responsibility.
5. The Credit Card Company or DEGICA may terminate the Merchant Agreement or the Agreement if Applicant fails to take the measures under the preceding paragraph.

Article 26 Handling of Improper Orders

If there has been an inquiry with regard to a credit card with which an application was made indicating grounds such as the card being expired, subject to an invalidation notice, invalid, or suspected of being forged or altered, Applicant will disclose to the Credit Card Company or DEGICA all information related to such application and all other information known to Applicant relating to such application. DEGICA or the Credit Card Company may freely use such information for the purpose of credit card security countermeasures.

Article 27 Protective Measures for Telecommunication Data, Etc.

1. If DEGICA transmits or receives data through telecommunications circuits in relation to the performance of this Agreement, it shall execute reasonable protective measures such as encryption as demanded by the Credit Card Company for the covered data, and if it has received a demand for improvements in relation to such protective measures from such Credit Card Company, it shall make the required improvements.
2. If the protective measures under the preceding paragraph have been broken or there is a risk being broken related to such protective measures, DEGICA shall promptly notify the Credit Card Company of that fact, and after such protective measures have been restored, it shall not conduct data telecommunications for those Services in relation to credit card settlements pursuant to the Merchant Agreement between the Credit Card Company and Applicant until such Credit Card Company has approved the resumption of the transmission and receipt of data.
3. DEGICA shall bear no responsibility whatsoever with regard to Applicant's damage that occurs due to a failure to provide Services related to credit card settlement arising out of handling pursuant to the preceding paragraph.

Article 28 Returns

1. If Applicant receives a request from a Member for the return of Products, etc. and takes receipt of the Products, etc., Applicant shall handle it as follows.
 - 1) With the date that it takes receipt of the Products, etc. being the return date, Applicant shall immediately make a request to DEGICA for return handling, filling in the necessary matters prescribed by the Credit Card Company, and submit it through DEGICA to the Credit Card Company in the manner prescribed by the Credit Card Company; and
 - 2) Applicant shall follow any specific instructions from DEGICA.
2. Applicant shall not directly refund the relevant credit card sale amount to a Member without following the procedure under the preceding paragraph.

Article 29 Assignment of Accounts Receivable

1. Applicant shall, through DEGICA, make a claim to the Credit Card Company for Applicant's Credit Sale Payments in the manner prescribed by the Credit Card Company using DEGICA's prescribed sales data, and by closing as of the arrival of notice to the Credit Card Company for each cut-off date separately designated by the Credit Card Company, an assignment of claims shall have been executed from Applicant to the Credit Card Company on that cut-off date.
2. Applicant may not claim a Credit Sale Payment to a Credit Card Company once 40 or more days have passed from the date of sale, and the Credit Card Company may refuse or cancel an assignment of the claim for the same, or withhold payment of the Credit Sale Payment.
3. Applicant shall obtain a sale approval from the Credit Card Company, in the manner prescribed by DEGICA, for all cases in which a request was received from a Member to process a credit sale for Handled Products using a credit card as the payment method. If Applicant has conducted a credit sale without obtaining a sale approval from the Credit Card Company, Applicant shall bear full responsibility for the payment for such product.

Article 30 Payment, etc. of Credit Sale Payments

1. The cut-off date for Credit Sale Payments and date of payment to Applicant shall be as per the MOU.
2. If DEGICA has lost its receipt agency authority for Credit Sale Payments due to cancellation of the Agreement or other circumstances, Applicant shall promptly notify the Credit Card Company of that fact.
3. If the notice under the preceding paragraph does not arrive at the Credit Card Company by the 20th business day before the Credit Sale Payment date, the Credit Sale Payment to

Applicant shall be deemed satisfied by the delivery of the payment by the Credit Card Company to DEGICA, and the Credit Card Company shall bear no responsibility whatsoever. In such case, DEGICA shall deliver the payment that it received as an agent to Applicant.

4. DEGICA may set off by an equal amount the monetary obligations of Applicant to DEGICA against the payment obligations of DEGICA to Applicant under Paragraph 1 without any notice whatsoever, and to the extent such setting off has taken place, the remittance under the preceding paragraph shall not be required.
5. DEGICA shall notify Applicant with details of the setting off pursuant to the preceding paragraph either before or after the fact.
6. DEGICA may withhold payment of a Credit Sale Payment to Applicant after notifying Applicant in advance if, pursuant to reasonable grounds such as having received from a Credit Card Company a manifestation of intent to cancel or a notice that a demand for repurchase under the following Article is under consideration, it has determined that there is a risk that a refund obligation would arise pursuant to Paragraph 2 or Paragraph 4 of this Article. If, following such withholding, a remittance is made under Paragraph 1 of this Article for the Credit Sale Payment so withheld, it shall not be necessary to add interest for the period it is withheld, and DEGICA shall have no liability whatsoever for damage suffered by Applicant due to such withholding.

Article 31 Refund of Credit Card Settlement Delivery Money

1. If DEGICA has received from a Credit Card Company a manifestation of intent to cancel the advanced payment agreement for a specific credit sale of Applicant or a demand to repurchase the claim pertaining to the payment, etc. for such credit sale, DEGICA shall immediately notify Applicant of that fact.
2. If Applicant has already received payment of a Credit Sale Payment from DEGICA with regard to the credit sale subject to cancellation or repurchase under the preceding paragraph, Applicant shall return it to DEGICA immediately after receiving notice under the preceding paragraph.
3. If payment has not yet been made from DEGICA to Applicant for the Credit Sale Payment with regard to the credit sale subject to cancellation or repurchase under Paragraph 1, DEGICA shall be excused from such payment.
4. Even if a cancellation or repurchase has been conducted under Paragraph 1, Applicant will not be excused from system use fees or other obligations and payments for the services already provided by DEGICA with regard to the credit sale subject to such cancellation or repurchase, and DEGICA shall not bear a duty to return to Applicant the received or set off system use fees, etc.
5. The four preceding paragraphs shall apply correspondingly to refunds pursuant to cancellations of sales requests.

Article 32 Special Provisions Related to Suspension of Services

1. If circumstances corresponding to any of the following have arisen, DEGICA may suspend the provision of all or part of the Services to Applicant after giving prior notice to Applicant.
 - 1) If with a reasonable grounds DEGICA finds that Applicant has violated the Merchant Agreement;
 - 2) If a Member has refused or there is a risk that a Member will refuse payment of a credit card bill to a Credit Card Company due to a product subject to Applicant's credit transactions being the incorrect product or of an incorrect quantity or having quality issues or other defects, or due to the delivery or provision of the product being incomplete, etc.;
 - 3) If Applicant has been refused payment of an advanced payment, etc. or received a refund demand from a Credit Card Company.
2. Notwithstanding the preceding paragraph, when it is unavoidable in an emergency, it shall

be sufficient to provide immediate notice after the suspension of the provision of the Services in lieu of prior notice under the preceding paragraph.

3. Paragraph 1 shall not preclude the suspension of provision of the Services pursuant to Article 10.

Article 33 Cancellation of Credit Sales

If Applicant has cancelled a credit sale to a Member, Applicant shall promptly notify DEGICA, and the Credit Card Company through DEGICA, in the manner prescribed by DEGICA.

Article 34 Repurchase of Accounts Receivable

1. If the following circumstances are discovered regarding accounts receivable that a Credit Card Company has received assignment of from Applicant pursuant to a Merchant Agreement or the Agreement, the Credit Card Company may demand the repurchase of receivables without conditions, and Applicant and DEGICA agree that the receivables will be deemed to have been automatically repurchased when there has been such a demand.
 - 1 If receivables are found to be based on sales data that was produced using procedures that breach the provisions of a Merchant Agreement or the Agreement;
 - 2 If sales data was not legitimate, or the content of sales data was untrue or incomplete;
 - 3 If the Credit Card Company has begun an investigation based on doubts regarding the content or legitimacy of sales data and, despite having requested that Applicant cooperate with the investigation, Applicant does not cooperate in the investigation;
 - 4 If the agreement pertaining to a credit sale between Applicant and a Member has been cancelled;
 - 5 If a dispute has arisen between Applicant or DEGICA and a Member regarding the transaction that caused the occurrence of the accounts receivable, and that dispute could not be resolved promptly;
 - 6 If a Member has refused to pay the credit card charge receivable that includes the relevant accounts receivable on grounds such as not being able to receive delivery or provision of a product;
 - 7 If a credit sale is not cancelled despite a Member having exercised the cooling-off right;
 - 8 If Applicant has failed to take the measures stipulated in the subparagraphs of Article 28.1 despite a Member having requested to return a Product, etc. and Applicant having received the return thereof;
 - 9 If a Member has denied credit card usage regarding a sales charge claim; or
 - 10 In other cases stipulated in a Merchant Agreement or the Agreement.
2. When a Member has refused to make a payment corresponding to an unprovided product, when a Member has failed to pay a Credit Card Company, or when a Member has made a claim to a Credit Card Company for a refund of such payment, Applicant shall repurchase such sales charge receivable without delay at the request of DEGICA or the Credit Card Company.
3. If a receivable repurchase claim has been made in accordance with the provisions of the two preceding paragraphs, Applicant shall immediately refund to DEGICA the amount corresponding to the face value of the accounts receivable, and when there is an obligation that must be paid to Applicant, DEGICA or the Credit Card Company may automatically appropriate that amount by deduction. Until the refund of the amount corresponding to the accounts receivable is complete, DEGICA or the Credit Card Company may make an appropriation by deduction from payments for the receipt of assignment of receivables that must be paid to Applicant.
4. When there is a remaining amount that is not settled after two months have passed from the repurchase claim date despite repeated appropriations by deduction as set forth in the preceding paragraph, Applicant shall pay that remaining amount in a lump sum at the request of DEGICA or the Credit Card Company.
5. When the location where notices or manifestations of intention by DEGICA or a Credit

Card Company should be received has become unclear due to, for example, the closure of a place of business that Applicant gave notice of to DEGICA or the Credit Card Company, DEGICA or the Credit Card Company may omit procedures to make a claim to Applicant and take the procedures set forth in this Article 34.

6. Excluding cases falling under either of the following subparagraphs, a Credit Card Company shall not demand the repurchase of receivables pursuant to Article 34.1(9) with respect to a credit sale payment assigned by Applicant pursuant to a Merchant Agreement or the Agreement that was based on an application for which the result of the Member validation procedure designated by the Credit Card Company (meaning the procedure to validate whether an applicant is a Member; the same applies hereinafter) was a successful validation or unregistered.
 - 1 If there was a breach of the provisions of the Merchant Agreement or the Agreement in relation to the relevant accounts receivable, such as the results of the Member validation procedure not having reached the Credit Card Company, regardless of the reason; or
 - 2 Other cases that the Credit Card Company deems inappropriate.

Article 35 Dispute Resolution

1. If a Member has requested to return a product for legitimate and reasonable grounds during a dispute set forth in Article 75, Applicant shall promptly take the measures set forth in Article 75 or Article 28 in response to that request.
2. When resolving a dispute with a Member, Applicant shall not directly refund the payment pertaining to the relevant accounts receivable to the Member.
3. If a Member has refused or delayed payment to a Credit Card Company of a credit card charge receivable that includes the relevant accounts receivable on the grounds of a dispute with Applicant, DEGICA or the Credit Card Company may withhold the payment for taking assignment of the relevant accounts receivable until that dispute is resolved. In that event, delay damages will not arise regarding the payment that was withheld.

Article 36 Disputes Regarding Installment Payments or Revolving Payments

If a Member has offered an affirmative defense for a suspension of payments pursuant to the Installment Sales Act against a Credit Card Company or another Credit Card Company, etc. that the Member belongs to regarding installment payments or revolving payments by credit card for sales of Handled Products, Applicant shall confirm that the case is handled as set forth in the following subparagraphs. In this case, if the Credit Card Company has given notice to DEGICA, DEGICA shall notify Applicant without delay, and DEGICA will not bear any liability to Applicant except in cases that are attributable to DEGICA.

- 1 Applicant shall immediately work to resolve the grounds for such affirmative defense.
- 2 If the assertion of an affirmative defense for the suspension of payments by such Member is prior to the payment of the relevant product payment amount by the Credit Card Company, DEGICA or the Credit Card Company may withhold or refuse the payment of such amount as long as the grounds for such affirmative defense are not resolved, and if the assertion is after the payment of the relevant product payment by the Credit Card Company, Applicant shall without delay return the amount equal to the relevant product payment through DEGICA once there has been claim from the Credit Card Company.
- 3 If the grounds for such affirmative defense are extinguished and the Credit Card Company has paid DEGICA the relevant product payment, DEGICA shall pay the amount equal to the relevant product payment to Applicant in accordance with the Credit Card Settlement Service.

Article 37 Confidentiality Duty, etc. for Personal Information

1. Applicant shall maintain the confidentiality of all information regarding individual Customers or Members ("Personal Information") that Applicant learns under the Agreement, and shall not provide, disclose or divulge Personal Information to third parties

- or use it for purposes other than the business purposes stipulated in a Merchant Agreement or the Agreement without obtaining the prior written consent of DEGICA and the Credit Card Company.
2. The information stipulated below is included in the Personal Information set forth in the preceding paragraph.
 - 1 Information on individual Members that is exchanged offline on paper, etc. between Applicant, DEGICA, Credit Card Settlement Business Providers, and Credit Card Companies;
 - 2 Information on individual Members that Applicant received directly from DEGICA or Credit Card Companies (e.g., written applications);
 - 3 Information on individual Members that Applicant or DEGICA received without going through a Credit Card Company (e.g., Merchant sales information); and
 - 4 Information on individual members that is registered on the host computers of Applicant or DEGICA through the use of a credit card (e.g., transaction information or balance information).
 - 3 Applicant shall take necessary measures so that there is no loss, damage, or leak, etc. of Personal Information, and shall bear responsibility for any loss, damage, or leak, etc. of Personal Information except to the extent that can be controlled by Credit Card Companies and DEGICA.
 - 4 Applicant shall securely store Personal Information at its responsibility, and if a Merchant Agreement or the Agreement has ended, Applicant shall immediately return Personal Information to the Credit Card Companies or DEGICA; provided, however, that when there are instructions from a Credit Card Company or DEGICA, Applicant shall return or destroy Personal Information in accordance with those instructions.
 - 5 If DEGICA is delegated the Personal Information retained by Applicant or gathers the Personal Information of Applicant's Customers in place of Applicant in order to handle business in accordance with the Agreement, DEGICA shall appropriately handle and manage such Personal Information in accordance with the spirit of laws and regulations on the protection of Personal Information, including the Act on the Protection of Personal Information. In addition, if DEGICA saves, processes, or sends credit card Member data, DEGICA shall comply with PCI DSS security requirements to the extent that DEGICA carries out management itself.
 6. The provisions of this Article 37 will remain valid after the end of a Merchant Agreement or the Agreement.

Article 38 Management of Credit Card Numbers, etc.

1. If there is destruction, damage, or leakage, etc. (a "Leak, etc.") of credit card numbers, etc. that are Personal Information set forth in Article 37 (including the numbers, symbols, and other codes stipulated in Article 2(3)(i) of the Installment Sales Act that Credit Card Companies grant to users in the course of their businesses operations; the same applies hereinafter), or a Credit Card Company or DEGICA has determined that there are reasonable grounds to judge that a Leak, etc. has occurred at Applicant, Applicant shall promptly report to the Credit Card Company and DEGICA on the date and time of the Leak, etc., its content, and other detailed matters.
2. If a Leak, etc. of credit card numbers, etc. has occurred or a Credit Card Company or DEGICA has determined that there are reasonable grounds to judge that a Leak, etc. has occurred at Applicant, within 10 business days from the occurrence of the Leak, etc., Applicant shall report the cause of the Leak, etc. to the Credit Card Company and DEGICA, and after taking measures required to prevent recurrence (including necessary and appropriate guidance to Applicant's employees), Applicant shall report the details of those measures to the Credit Card Company and DEGICA in writing.
3. If a Credit Card Company or DEGICA has deemed the measures set forth in the preceding paragraph to be insufficient, if it is necessary to prevent the occurrence of similar leak incidents in the event that a Leak, etc. of credit card numbers etc. has occurred at a

Merchant of another Credit Card Company, or if a Credit Card Company or DEGICA otherwise deems it necessary, the Credit Card Company or DEGICA may demand that Applicant carry out the improvement of such measures or may take other necessary measures or guidance, and Applicant shall comply therewith; provided, however, that guidance by a Credit Card Company or DEGICA will not exempt Applicant from liability. Measures and guidance carried out by a Credit Card Company or DEGICA will include, but are not limited to, the following.

- 1 System diagnosis using the audit company designated by the Credit Card Company or DEGICA; and
- 2 Suspension of credit sales.

Article 39 Handling of Personal Information, etc. in the Event of Sub-Contracting

1. If Applicant delegates the handling of business regarding a Merchant Agreement or the Agreement to a third party (a “Sub-Contractor”), Applicant shall select a contractor that satisfies a sufficient level of protection of Personal Information, and shall execute an agreement with the contractor that imposes a duty to maintain confidentiality on the contractor that is equivalent to that of Applicant under the Merchant Agreement or the Agreement; provided, however, that Applicant shall obtain the prior written consent of the Credit Card Company and DEGICA regarding the selection of the contractor by Applicant and the content of the agreement with the contractor.
2. The provisions of this Article 39 will remain valid after the end of a Merchant Agreement or the Agreement.

Article 40 Management of Credit Card Numbers, etc. in the Event of Sub-Contracting

1. If a Leak, etc. of credit card numbers, etc. has occurred at a Sub-Contractor or if a Credit Card Company or DEGICA has determined that there are reasonable grounds to judge that a Leak, etc. has occurred at a Sub-Contractor, after promptly receiving a report from the Sub-Contractor on the date and time of the Leak, etc., its content, and other detailed matters, Applicant shall promptly report to the Credit Card Company and DEGICA regarding the date and time of the Leak, etc., its content, and other detailed matters in accordance with provisions separately stipulated by the Credit Card Company or DEGICA.
2. If a Leak, etc. of credit card numbers, etc. has occurred at Sub-Contractor or if a Credit Card Company or DEGICA has determined that there are reasonable grounds to judge that a Leak, etc. has occurred at a Sub-Contractor, within 10 business days from the occurrence of the Leak, etc., Applicant shall, after causing the Sub-Contractor to report the cause of the Leak, etc., cause the Sub-Contractor to take measures required to prevent recurrence that are satisfactory to the Credit Card Company and DEGICA (including necessary and appropriate guidance to the Sub-Contractor’s employees), and Applicant shall report the details of those measures to the Credit Card Company and DEGICA in writing.
3. If a Credit Card Company or DEGICA has deemed the measures set forth in the preceding paragraph to be insufficient, if it is necessary to prevent the occurrence of similar leaking incidents in the event that a Leak, etc. of credit card numbers etc. has occurred at another Merchant, or if a Credit Card Company or DEGICA otherwise deems it necessary, the Credit Card Company or DEGICA may demand that Applicant carry out improvements of such measures or necessary guidance equivalent to Article 38.3 at the Sub-Contractor, and Applicant shall follow that demand for guidance; provided, however, that the demand for guidance by a Credit Card Company or DEGICA will not exempt Applicant or the Sub-Contractor from liability.
4. Applicant shall stipulate, in the agreement with the Sub-Contractor, a duty of the Sub-Contractor that will be necessary in order to allow the realization of DEGICA’s rights stipulated in this Article 40.

Article 41 Petitions from Third Parties

1. If a third party, including a Member of a Credit Card Company, has made a claim for

compensation of damage or other petition to the Credit Card Company or DEGICA, either in a lawsuit or outside of a lawsuit, regarding the destruction, damage, or Leak, etc. of Personal Information, Applicant shall provide complete cooperation with the Credit Card Company or DEGICA regarding the investigation and resolution, etc. of such petition.

2. When a petition from a third party set forth the preceding paragraph to a Credit Card Company or DEGICA falls within the scope of responsibility of Applicant stipulated in Article 35, Applicant shall bear all expenses required for the Credit Card Company or DEGICA to resolve such petition to a reasonable extent.
3. The provisions of this Article 41 will remain valid after the end of a Merchant Agreement or the Agreement, and they will apply correspondingly to a case in which a third party has made a petition for compensation of damage, etc. to a Credit Card Company or DEGICA regarding the destruction, damage, or Leak, etc. of trade secrets, etc.

Article 42 Personal Information Security Management Measures

1. Applicant shall establish a manager for Personal Information (a “Personal Information Manager”), and the Personal Information Manager shall take appropriate measures so that there is no use of Personal Information outside of its purpose or Leak, etc. of Personal Information at Applicant and Merchants.
2. Applicant shall not use Personal Information included in application data sent by Members for purposes other than business purposes stipulated in a Merchant Agreement or the Agreement. In addition, if Applicant has used Personal Information for a purpose other than business purposes stipulated in a Merchant Agreement or the Agreement, or has provided, disclosed, or leaked Personal Information to a third party without a Member’s consent, Applicant shall immediately report to the Credit Card Company and DEGICA, and shall follow the instructions of the Credit Card Company and DEGICA.
3. If a Credit Card Company or DEGICA has found that the Leak, etc. of Personal Information by Applicant results from insufficient security management measures (including, but not limited to, weaknesses in computers or servers installed by Applicant), the Credit Card Company or DEGICA may give necessary and reasonable guidance to Applicant, and Applicant shall take necessary measures based on such guidance.

Article 43 Acquisition, Retention, and Use of Credit Information

Applicant (including representatives as individuals; the same applies from this Article 43 until the final provision; however, excluding representatives as individuals in regard to anything that from the context is clearly addressed to corporations alone) shall consent to Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA acquiring, retaining, and using the following information pertaining to Applicant (such information is hereinafter collectively referred to as “Merchant Information”) after taking protective measures deemed appropriate by the Credit Card Companies or DEGICA for the purpose of the screening of transactions with Applicant, merchant management after affiliation and screening pertaining to the continuation of transactions, and the development of products and market research pertaining to the services and businesses of Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA by Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA. In addition, Applicant shall consent to the use of Merchant Information for the purpose of screening at the time of affiliation applications pertaining to other merchants and management after affiliation and screening pertaining to the continuation of transactions, due to reasons including the prevention of duplicate affiliations and duplicate agreements.

- 1 Applicant’s trade name (name); address; postal code; telephone (FAX) number; name, gender, address, date of birth, and home telephone number of its representative, and other information notified by Applicant at the time of the member application or the time of a change notification;
- 2 Affiliation application date, Merchant Agreement date, Merchant Agreement end date, and information on transactions between Applicant and Credit Card Companies;
- 3 Information on Applicant’s credit card handling status (including credit cards from other

- companies);
- 4 Information on Applicant's credit, card usage status, payment status, and payment history, etc. acquired by Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA;
 - 5 Information on matters set forth in confirmation documents such as Applicant's business permit certificate;
 - 6 Information on matters set forth in certified copies of the registry, residence certificates, and tax payment certificates, etc. that Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA acquired from Applicant or public organizations using legal and appropriate methods;
 - 7 Information on Applicant disclosed in the official gazette, telephone book, or residential maps, etc.;
 - 8 Information on Applicant published by public organizations, consumer groups, or news organizations, etc. and details researched by Credit Card Companies, Credit Card Settlement Business Providers, or DEGICA regarding the details of such information; and
 - 9 Petitions for bankruptcy, commencement of civil rehabilitation proceedings, commencement of corporate reorganization proceedings, or the commencement of other insolvency proceedings, or other credit information regarding Applicant.

Article 44 Inquiries to and Registration with a Credit Bureau, etc.

1. Applicant shall consent to Credit Card Companies with which Applicant has executed a Merchant Agreement obtaining information concerning Applicant from another Credit Card Company or a financial institution, and a credit bureau, etc. that the Credit Card Company is a member of (collectively, a "Credit Bureau, etc."), and to this information being used when screening is conducted at the time of the affiliation application, or when re-screening is conducted for eligibility after affiliation.
2. Applicant shall consent to credit information based on objective transaction facts that occurred due to a Merchant Agreement or the Agreement being registered with Credit Bureaus, etc., and to this information being used by those Credit Bureaus, etc. for the purpose of their own transaction judgments.

Article 45 Registration and Sharing with the Merchant Information Exchange Center

If Applicant is determined to have committed acts that lack Customer, etc. protection as a result of a Settlement Business Provider having confirmed facts based on complaints from Customers, Applicant shall consent to that information being registered with the Data of Merchant Center (the "Center") operated by the Japan Consumer Credit Association, and to information being shared with Settlement Business Providers that are members of the Data of Merchant Center.

Article 46 Disclosure, Correction, and Deletion of Personal Information

1. Applicant's representative may request that a Credit Card Company and the Center disclose Personal Information concerning the representative himself or herself by the method prescribed by the Credit Card Company and the Center in accordance with the provisions of the Act on the Protection of Personal Information.
2. In the event that it is discovered that the Merchant Information retained by DEGICA or the registered details that DEGICA registered with the center are inaccurate or mistaken, DEGICA shall promptly take measures to correct or delete it.

Article 47 If Not Consenting, etc. to the Consent Clause

If Applicant does not wish to state the matters that are required to be stated in a Merchant Agreement or the Agreement (i.e., matters that are to be stated by a contracting party in the written contract), or if Applicant cannot approve of all or part of the content of the consent clause, Applicant shall consent to a Credit Card Company or DEGICA refusing to execute the Merchant Agreement or the Agreement or cancelling the Merchant Agreement or the Agreement;

provided, however, that this Article 47 does not restrict the freedom of decision-making by a Credit Card Company or DEGICA regarding the execution of a Merchant Agreement or the Agreement.

Article 48 Use of Merchant Information After an Agreement Ends

Applicant shall consent to a Credit Card Company or DEGICA retaining and using to the extent necessary for business Merchant Information for the prescribed period established by laws and regulations and the Credit Card Company or DEGICA after a Merchant Agreement or the Agreement ends.

Chapter 3 Convenience Store Settlement

Article 49 General Provisions

This Chapter establishes the Convenience Store Settlement Service.

Article 50 Details of the Convenience Store Settlement Business

The content of the Convenience Store Settlement Business is set forth in the following subparagraphs.

- 1 The service of receiving from Convenience Store Settlement Business Providers and delivering to Applicant Payments that were received through Customers carrying out prescribed procedures at Convenience Store Settlement Stores;
- 2 The service of receiving Convenience Store Settlement Information to DEGICA's servers and enabling it to be obtained by Applicant; and
- 3 Other services that are incidental or related to the two preceding subparagraphs.

Article 51 Delivery, etc. of Payments

1. DEGICA shall deliver to Applicant via bank transfer the amount remaining after deducting the Deducted Amount defined in Article 1(18) of the Agreement from a Payment. Furthermore, interest will not be applied to such amounts.
2. The settlement dates and delivery dates for Payments will be as set forth in the MOU.
3. Notwithstanding the two preceding paragraphs, if Applicant has caused DEGICA or a Convenience Store Settlement Business Provider to carry out Convenience Store Settlement Business pertaining to Illegal Products, etc. stipulated in Article 4, DEGICA may withhold the payment to Applicant of the received Payment.

Article 52 Consideration for Business, etc.

1. Applicant shall pay DEGICA consideration for this business in accordance with the content of the MOU's provisions "Paragraph 1 and Paragraph 2."
2. If it is necessary to attach a revenue stamp to a receipt when conducting Convenience Store Settlement Business, Applicant shall bear the revenue stamp fee stipulated in the Stamp Tax Act.
3. Applicant shall transfer the initialization fee set forth in "Paragraph 1(1)" of the MOU to the financial institution account designated by DEGICA by the day before the use start date, and Applicant shall bear those bank transfer fees.
4. Applicant shall pay the basic monthly fees set forth in "Paragraph 1(2)" of the MOU from the month in which Applicant confirmed the Convenience Store Settlement Information.
5. The content of this Article 52 may be amended upon consultations between Applicant and DEGICA when there is an increase in processing fees or an increase in expenses at Convenience Store Settlement Stores that are borne by DEGICA, or there are other reasonable grounds, and those amendments will be carried out by executing a memorandum of understanding.

Article 53 Negotiations with Customers

Applicant shall conduct all negotiations with Customers concerning claims for payments, and

DEGICA will not bear a duty to explain the details of Payments or make a demand for payment, etc. to Customers.

Article 54 Response to Complaints, etc.

1. If a Customer has made a complaint or other request regarding the details of a Payment to DEGICA, DEGICA shall report to Applicant to that effect, and Applicant shall carry out all negotiations with the Customer on its responsibility and expense. This provision will also apply when DEGICA has received a report of a Customer's complaint, etc. about Applicant from a Settlement Business Provider or a Convenience Store Settlement Store.
2. If a Customer has made a complaint or other request to Applicant or DEGICA about the processing business at a Convenience Store Settlement Store, Applicant or DEGICA shall report the details of that request to the other party, and DEGICA shall report to the Convenience Store Settlement Business Provider and encourage appropriate measures. Furthermore, if a report must be made to Applicant, DEGICA shall report the results of any handling to Applicant.
3. If a malfunction has occurred in a system that is operated by DEGICA in order to conduct the Convenience Store Settlement Business, DEGICA shall communicate that to Applicant, and if there have been complaints from Customers due to that malfunction, DEGICA shall handle them. Furthermore, DEGICA shall report the results of any handling to Applicant.

Article 55 Exemptions

1. Applicant shall handle on its responsibility and expense the debt/credit relationship and all matters between Applicant and Customers, and disputes between Applicant and Customers based thereon, and DEGICA will not bear any responsibility in regard thereto.
2. When DEGICA is no longer able to collect Payments from a Convenience Store Settlement Business Provider, for example in the event the Convenience Store Settlement Business Provider has gone bankrupt, DEGICA shall be released from its duty to deliver payments to Applicant, limited to the extent that such collections are no longer possible.

Article 56 Intellectual Property Rights

Applicant shall confirm that the copyrights, trademark rights, and other intellectual property rights regarding the software provided by DEGICA to conduct Convenience Store Settlement Business (the "Software") belong solely to DEGICA.

Article 57 License

1. DEGICA shall license to Applicant the use of the Software required for the Convenience Store Settlement Business during the term of the Agreement, and the fees will be as set forth below.
 1. If using the general-purpose packaged software designated by DEGICA, the expenses therefor will be for a fee, which will be borne by Applicant.
 2. If adding additional functions, etc. to the general-purpose packaged software designated by DEGICA, the configuration expenses therefor will be for a fee, which will be borne by Applicant.
2. Applicant shall not install the Software except on devices approved in advance by DEGICA. If Applicant will change the device it is installed on, Applicant shall communicate that to DEGICA in advance and obtain DEGICA's approval.
3. Applicant shall not reproduce the Software, regardless of the reason.
4. Applicant shall not alter the Software or incorporate the Software into other software without the prior written permission of DEGICA.
5. Applicant shall use the Software for no more than purposes concerning the Convenience Store Settlement Business pursuant to the Agreement.
6. Applicant shall not sell, loan, or assign the relevant software to third parties or create reuse rights for such software without the prior written permission of DEGICA.
7. When the Agreement has ended due to the expiration of the valid term of the Agreement or

due to cancellation or other grounds, Applicant shall immediately suspend the use of DEGICA's trademarks and the Software, etc.

Chapter 4 Bank Transfer Settlement and Pay-easy Settlement

Article 58 General Provisions

This Chapter establishes the Bank Transfer Settlement Service and the Pay-easy Settlement Service. Furthermore, the provisions of Chapter 3 will apply correspondingly to the Bank Transfer Settlement Service and the Pay-easy Settlement Service to the extent possible in terms of their nature.

Article 59 Details of the Pay-easy Settlement Service

The content of the Services concerning Pay-easy settlements is set forth in the following subparagraphs.

- 1 If data pertaining to a Pay-easy settlement in the data format prescribed by DEGICA concerning matters prescribed by DEGICA regarding the amount of a payment, etc. for a product for which Applicant is the seller and regarding the sale or provision of such product is sent through telecommunications lines and is received by DEGICA's system, DEGICA will prepare data in the data format prescribed by the Pay-easy Settlement Business Operator based on that received data and send that prepared data to the Pay-easy Settlement Business Operator's computer system through telecommunications lines, and if data on a Pay-easy settlement pertaining to such payment, etc. ("Pay-easy Processing Information Data") has been sent from such Convenience Store Settlement Business Provider through telecommunications lines and received by DEGICA's System, DEGICA will produce data prescribed by DEGICA on such Pay-easy settlement based on that received Pay-easy Processing Information Data and send that produced data to Applicant's System through telecommunications lines.
- 2 Based on the data set forth in Subparagraph 1 above that was sent to the Pay-easy Settlement Business Operator, an e-mail containing the payment number and information required for the Pay-easy settlement will be sent from the Pay-easy Settlement Business Operator to the person that is the Buyer of the product set forth in Subparagraph 1 above, or data on such information will be sent from the Pay-easy Settlement Business Operator to the Internet banking server of the designated financial institution pertaining to such Pay-easy settlement through telecommunications lines.
- 3 If an account transfer of an amount equal to the amount of the payment, etc. for the product set forth in the preceding subparagraph is instructed to the designated financial institution using the information set forth in the same subparagraph, the relevant designated financial institution will be caused to execute that account transfer and receive such transfer in the account of such financial institution.
- 4 If the payment, etc. set forth in the preceding subparagraph is received by proxy by the designated financial institution through the receipt of the transfer set forth in the same subparagraph, DEGICA shall pay to Applicant in accordance with the Agreement the remaining amount obtained by deducting the Deducted Amount and transfer fees set forth in the MOU for the Services concerning Pay-easy settlements (including the amount equal to the service fees, etc. and transfer fees for the Pay-easy Settlement Business Operator and the designated financial institution) and the amount equal to consumption tax thereon from the amount of such payment, etc. received by proxy.
- 5 Provision of a management page through the Internet and other services stipulated by DEGICA as services incidental or related to the four immediately preceding subparagraphs.

Chapter 5 Electronic Money Settlement

Article 60 General Provisions

This Chapter establishes the Electronic Money Settlement Service and Applicant's sales acts, etc. pertaining to electronic money settlements.

Article 61 Definitions

Notwithstanding the provisions of Article 1, in this Chapter, unless a particular construction is indicated in the text, the terms listed in the following subparagraphs shall have the meanings established in the following subparagraphs.

- 1 "Electronic Money ID" means the number in alphanumeric characters, etc. given to individual electronic money for the purpose of transmission to the Settlement System.
- 2 "Settlement System" means the system organized to allow the settlement of transaction payments over the Internet, limited to a prescribed amount, by entering and transmitting an Electronic Money ID.
- 3 "Electronic Money Wallet" means the service provided by an Electronic Money Settlement Business Provider in order for Users to manage the balance of Electronic Money IDs they hold or pay consideration for the purchase of services or products.
- 4 "Merchant Registration Application" means the written application submitted to an Electronic Money Settlement Business Provider in order for an applicant to apply to register as a Merchant.
- 5 "Merchant" means an individual, corporation, or group that makes a merchant application in accordance with procedures stipulated by an Electronic Money Settlement Business Provider and that is registered as a merchant after approval by the Electronic Money Settlement Business Provider.
- 6 "User" means a person who purchases a product or service, etc. from a Merchant and uses the Settlement System to settle that purchase with electronic money.
- 7 "Merchant Website" means a website operated by a Merchant that the Merchant has given notice of to the Electronic Money Settlement Business Provider through DEGICA using a Merchant Registration Application or change notification, etc., and that has been approved by the Electronic Money Settlement Business Provider.
- 8 "Subject Products" means products or services provided by Applicant that Applicant has given notice of to an Electronic Money Settlement Business Provider through DEGICA using a Merchant Registration Application or change notification, etc., and that have been approved by the Electronic Money Settlement Business Provider.
- 9 "Settlement Business" means the reduction of the usable balance of electronic money held by a User by the amount equal to the payment for Subject Products that were purchased by the User.
- 10 "Module, etc." means the medium that stores the client module required to use the Settlement System (the "Client Module"), the Client Module installation manual, and the operational procedures instruction manual for the Settlement System and other prescribed documents, etc. that are delivered by an Electronic Money Settlement Business Provider to Applicant.

Article 62 Delegation to DEGICA

1. Applicant shall delegate to DEGICA, and DEGICA shall accept, the services set forth below.
 - 1 Proxy requests to an Electronic Money Settlement Business Provider to process settlement of product payments using electronic money;
 - 2 Receipt from an Electronic Money Settlement Business Provider of information concerning the deposit of collected product payments;
 - 3 Receipt from an Electronic Money Settlement Business Provider of collected product payments;
 - 4 Other businesses agreed to by Applicant and DEGICA; and
 - 5 Other business incidental and related to the preceding subparagraphs.
2. DEGICA may add electronic money that is usable in the electronic money Settlement Business, and if documents or other submissions required for those procedures are requested

by DEGICA when electronic money is added, Applicant shall comply with that request.

Article 63 Details of the Electronic Money Settlement Business

1. If a Customer has selected electronic money as the payment method for the product payment in a mail order sale, DEGICA shall hand over the information pertaining to such mail order sale that is the settlement data prescribed by the Electronic Money Settlement Business Provider to the Settlement Business Provider's server, and shall provide the Customer with the means to process the settlement using the method prescribed by the Electronic Money Settlement Business Provider. Furthermore, the details of the settlement means prescribed by the Electronic Money Settlement Business Provider will be separately stipulated in a manual provided by DEGICA.
2. If a Customer has completed the payment procedures prescribed by the Electronic Money Settlement Business Provider ("Payment Procedures") under the settlement processing means set forth in the preceding paragraph, DEGICA shall collect the product payment in such mail order sale by receiving electronic money equal to the product payment from the Customer through the Electronic Money Settlement Business Provider; provided, however, that collection will not be carried out if, despite such Customer having selected payment by electronic money, subsequently the Customer does not complete the Payment Procedures due to an unwinding of the funds transfer obligation, a system failure on the part of Applicant, DEGICA or the Electronic Money Settlement Business Provider, or other grounds.
3. Applicant consents to the payment of a Payment by a Customer being deemed to have been completed upon the Electronic Money Settlement Business Provider receiving electronic money equal to the product payment from the Customer in accordance with the preceding paragraph.
4. If the Payment Procedures by a Customer are completed pursuant to Article 63.2 and the relevant Payment Procedures completion information has been received from the Electronic Money Settlement Business Provider, DEGICA shall promptly notify Applicant of such information.

Article 64 Applicant's Compliance Matters

Applicant shall comply with the following matters.

- 1) Applicant shall display the merchant symbol on the Merchant Website in accordance with the Merchant Symbol Display Guidelines specified by the Electronic Money Settlement Business Provider.
- 2) Applicant shall use the Settlement System only for the Subject Products that have been notified to DEGICA in the Merchant Registration Application and change notification, etc. and approved by DEGICA.
- 3) Applicant shall establish a contact point for inquiries or complaints for products or services from Users, and deal with inquiries or complaints, etc. from Users on its own responsibility.
- 4) Applicant shall not violate laws and regulation such as the Act on Specified Commercial Transactions, the Act against Unjustifiable Premiums and Misleading Representations, the Copyright Act, or the Payment Services Act, or make any expression that causes a User to have a misunderstanding, when displaying the Subject Products on the Merchant Website, or announcing and advertising the Subject Products.

Article 65 Prohibited Acts

1. DEGICA prohibits Applicant from carrying out the following acts concerning the use by Applicant of the Settlement System.
 - 1) Real money trades or equivalent acts;
 - 2) Reverse compilation, reverse assembly or other breakdown of the Client Module, use of the Client Module for any purpose other than settlements using electronic money, or modification of the Client Module;

- 3) Attaching a link to data, etc. that allows an act falling under any of the preceding subparagraphs to be seen for the purpose of encouraging such acts;
 - 4) In addition to the preceding subparagraphs, any act that violates laws and regulations, public order or morality, or that breaches the Agreement;
 - 5) Permit a third party to use the Settlement System without the prior written consent of DEGICA; and
 - 6) In addition to the preceding subparagraphs, any act DEGICA considers inappropriate.
2. If DEGICA reasonably determines that any of the subparagraphs in Article 4.1 or 65.1 applies to Applicant or the Subject Products of Applicant, DEGICA may demand rectification by Applicant, and Applicant must comply promptly.
 3. Applicant shall provide the Subject Products in accordance with the provision terms offered to Users. Applicant shall be responsible for all matters concerning the Subject Products, and shall ensure that DEGICA does not suffer any loss or damage.

Article 66 Creation and Operation of Settlement System

1. After amending and adjusting, etc. the settings of the Settlement System, DEGICA will deliver the Module, etc. to Applicant and enable Applicant to use the Settlement System; provided, however, that Applicant shall set up its own website to use the Settlement System and supply the Subject Products, and shall on its own responsibility and cost procure and manage and operate all facilities, equipment and devices, etc. necessary to maintain such website.
2. Ownership, copyrights and any other rights concerning the Module, etc. supplied by DEGICA to Applicant shall not transfer to Applicant.
3. DEGICA shall manage and operate the Settlement System and carry out Settlement Business using electronic money; provided, however, that DEGICA may deny use of the Settlement System by Applicant and the Settlement Business if any of the following grounds applies to Applicant.
 - 1) Applicant breaches or there is a risk that Applicant will breach the Agreement;
 - 2) A false or inaccurate statement is made in the Electronic Money Settlement Business Provider's merchant application documents or other required documents; or
 - 3) In addition to the above, if DEGICA reasonably judges Applicant to be inappropriate.

Article 67 Consent Matters Concerning Use of Test ID and Test Wallet

1. DEGICA will issue Applicant with a test ID ("Test ID") for the sole purpose of validating the Settlement System. If necessary, DEGICA will also provide a test wallet (including the issuance of an ID and password to use the test wallet; "Test Wallet") separately from the Test ID.
2. Applicant will comply with the following matters when using the Test ID and the Test Wallet.
 - 1) Applicant shall not use it for a purpose other than validating the Settlement System;
 - 2) Applicant shall rigorously manage the Test ID and the Test Wallet and only have the person in charge or employees of Applicant under the management of such person in charge use them, and not permit their use by a third party other than the person in charge or employees of Applicant under the management of such person in charge;
 - 3) Applicant shall be fully responsible for the use of the Test ID and Test Wallet;
 - 4) Applicant shall immediately notify DEGICA if the Test ID or the Test Wallet is or may be lost, stolen or improperly used;
 - 5) The processed settlement amount using the Test ID and the Test Wallet shall not be included in the settlement processing amount paid by DEGICA to Applicant; and
 - 6) Any dispute, etc. with a third party in relation to the use of the Test ID or the Test Wallet will be resolved and processed on the responsibility and cost of Applicant without any inconvenience to DEGICA. In addition, Applicant will immediately compensate DEGICA for any damage, loss or expense (including DEGICA's attorney

costs) incurred by DEGICA as a result of such dispute; excluding, however, when the dispute, etc. arises out of grounds attributable to DEGICA.

3. If DEGICA reasonably determines that the use of the Test ID or the Test Wallet breaches, or may breach, any of the subparagraphs in Article 67.2, DEGICA may suspend the use of the Test ID or the Test Wallet, and Applicant shall not object thereto.
4. Applicant shall immediately stop using the Test ID and the Test Wallet and return them to DEGICA if Applicant loses its qualification as a merchant of the Electronic Money Settlement Business Provider.

Article 68 Fees

1. Applicant shall pay the fees in the MOU based on the amount settled by the User through DEGICA's Settlement System ("Settlement Processing Amount").
2. DEGICA may change the fees set forth in the preceding paragraph by providing Applicant with 30 days' notice.

Article 69 Payment of Settlement Processing Amount

1. DEGICA shall deduct the fees for each month from the total amount for which settlement was conducted upon purchasing by Users of Applicant's Subject Products during that month, and pay the balance to Applicant in accordance with the MOU.
2. If based on a request from Applicant pursuant to a return to Applicant from a User of Subject Products, a cancellation or other circumstances, DEGICA carries out refund processing that increases the useable balance of a User's electronic money that was reduced by DEGICA, the amount for which refund processing was conducted shall be settled by deducting the amount refunded by DEGICA (plus fees therefor) that month from the Settlement Processing Amount paid by DEGICA to Applicant pursuant to the preceding paragraph.
3. If the balance after deducting the fees set forth in Article 69.1 and the refund amount set forth in the preceding paragraph from the Settlement Processing Amount is negative, Applicant shall pay DEGICA the negative amount by the end of the following month. Furthermore, Applicant shall bear the transfer fees.
4. Consumption tax will attach separately to the fees set forth in Article 69.1 and the fees pertaining to refunds set forth in Article 69.2.

Article 70 Merchant Terms

Applicant shall check the merchant terms of the Electronic Money Settlement Business Provider as necessary and have a thorough understanding of the them.

Chapter 6 General Provisions

Article 71 Notice

1. Notice to the other party shall be made or sent by postal mail, facsimile or e-mail to the address notified by the other party in advance. Notice shall have been made, in the case of postal mail, two days after posting, and in the case of facsimile and e-mail, on arrival or on receipt of the delivery confirmation message.
2. Applicant shall promptly give notice to DEGICA of any change in name, trade name, location, the Subject Products or other matters contained in the required documents submitted to DEGICA. Notices, sent documents and other documents, etc. from DEGICA or the Settlement Business Providers to Applicant that arrive late or fail to arrive due to Applicant failing to provide notice shall be deemed to have arrived at Applicant when they would normally have arrived, and DEGICA shall bear no responsibility whatsoever for any damage occurring on the part of Applicant as a result.

Article 72 No Assignment of Status

1. Applicant may not assign its status under the Merchant Agreement or the Agreement to a

third party.

2. Applicant shall not assign, pledge, provide as security or otherwise dispose of its own claims that it holds against the Settlement Business Providers concerning the Services.

Article 73 Duty of Confidentiality, etc. for Trade Secrets. etc.

1. Applicant and DEGICA shall not, without obtaining the prior written consent of the other party or the Settlement Business Providers, provide, disclose or leak to a third party the technical, business or other secrets (“Trade Secrets, etc.”) of the other party or the Settlement Business Providers learned through the performance of the Merchant Agreement or the Agreement, or use them for a purpose other than the purpose of the services stipulated in the Merchant Agreement or the Agreement.
2. Notwithstanding the provisions set forth in the preceding paragraph, information that the receiving party can prove falls under the following subparagraphs is not included in the Trade Secrets, etc.
 - 1) Information already in the public domain when it was disclosed, or information that subsequently enters the public domain through no fault of the receiving party;
 - 2) Information lawfully obtained by the receiving party from a third party without bearing any confidentiality obligation;
 - 3) Information already held by the receiving party when it was disclosed;
 - 4) Information independently developed by the receiving party without any reliance on the disclosed information;
 - 5) Information disclosed by the disclosing party to a third party without imposing any confidentiality obligation.
3. DEGICA may disclose the Trade Secrets, etc. to a third party if any of the following subparagraphs applies.
 - 1) If used in the processing of ordinary transactions or maintenance of services for the Services;
 - 2) If disclosed or supplied to contractors to the extent essential for delegations of its own services as permitted in the Agreement;
 - 3) If used to confirm the identity (identity verification) of a Customer;
 - 4) If used to resolve disputes;
 - 5) If disclosed in order to comply with laws and regulations or an order from a government agency or court of law;
 - 6) If statistical data is disclosed in a form that does not identify Applicant.
4. The Trade Secrets, etc. set forth in Article 73.1 include information on buyers of products sold or supplied by the other party, the Settlement Business Providers or Applicant, information on the sale and supply of products pertaining to use of the Services and information on the Software, and information on the administrative contact sheet supplied by the Settlement Business Providers to Applicant and DEGICA, etc.
5. Applicant and DEGICA shall rigorously manage the Trade Secrets, etc. as secrets with the due care of a prudent manager. In addition, Applicant and DEGICA shall take measures necessary to prevent any loss, damage or leak, etc. of the Trade Secrets, etc., and shall bear responsibility for any loss, damage or leak, etc. of information to the extent controllable by it. Such measures will at a minimum include those listed in the following subparagraphs.
 - 1) Limit its own officers, employees and dispatched workers (“Personnel”) that handle the Trade Secrets, etc. to the minimum possible extent;
 - 2) Carry out necessary and appropriate supervision over Personnel, such as through training, after appropriately imposing continuing obligations such as confidentiality obligations, usage restrictions and return obligations, etc. on its own officers and employees among the Personnel that handle the Trade Secrets, etc., even after their retirement, and requiring dispatch operators to comply with the same obligations for dispatch workers.
6. Applicant and DEGICA shall, if disclosing the Trade Secrets, etc. to a third party with the consent of the other party or pursuant to Article 73.3.2, have such third party accept the

same obligations as its own prior to such disclosure.

7. Applicant and DEGICA shall scrupulously safeguard the Trade Secrets, etc. on their own responsibility, and if requested by the other party or the Settlement Business Providers, or if instructed by the other party or the Settlement Business Providers at the end of the Merchant Agreement or the Agreement, shall return or destroy the Trade Secrets, etc. in accordance with their instructions.
8. This Article 73 will remain effective even after the end of the Merchant Agreement and the Agreement.

Article 74 No Competition

Excluding cases in which the prior written consent of DEGICA is obtained, Applicant must not develop or provide, or have a subsidiary or other third party it controls develop or provide, services that are identical or similar to the Services during the valid term of the Agreement.

Article 75 Resolution of Disputes

Applicant shall on its own responsibility and cost resolve without delay any disputes with Customers that arise over replacements, returns or delays in delivery or supply that is due to inferior quality, defect, quantity shortfall, wrong product, non-arrival, damage or stains during transport, etc., price amount or other payment, of Products, etc. sold by Applicant, or any other reasons in relation to Products, etc. sold pursuant to the Merchant Agreement or the Agreement, Advertising interpretations, or the communications process. Applicant shall immediately compensate DEGICA and the Settlement Business Providers for any damage they suffer as a result of such occurrence.

Article 76 Agreement Term, etc.

1. The term of the Agreement is one year from the formation date of the Agreement, which will be extended for a further one year unless Applicant or DEGICA manifests a written intention to terminate no later than one month prior to expiration; the same will apply thereafter.
2. Applicant or DEGICA shall notify the other party in writing no less than one month in advance if it will terminate the Merchant Agreement or the Agreement.
3. All agreements including the Merchant Agreement will automatically end at the end of the Agreement between Applicant and DEGICA.

Article 77 Amendment of these Terms of Use

1. DEGICA may amend the content of these Terms without the consent of Applicant on each occasion by giving notice to Applicant of the content of the amendments in advance (including notice by electromagnetic means). The content of the Agreement after the amendments to these Terms shall be governed by the content of the amended Terms of Use. Applicant may view the latest version of the Terms of Use at any time on the website of the Services.
2. If Applicant receives the notice set forth in the preceding paragraph, Applicant may terminate this Agreement by providing at least one month's advance written notice to DEGICA; provided, however, that this does not apply if 10 days elapse from the day such notice is received without Applicant giving the advance notice.
3. DEGICA shall bear no responsibility whatsoever for any damage suffered by Applicant due to the termination set forth in the preceding paragraph.

Article 78 Elimination of Anti-Social Forces

1. Applicant and DEGICA represent and warrant to the other party that none of the following applies to it now or will apply to it in the future.
 - 1) It is or has been an organized crime group, a member of an organized crime group, an organized crime group associate member, an organized crime group associated company, a corporate racketeer, a group engaging in criminal activities under the

- pretext of conducting a social campaign or political activities, an organized crime group specializing in intellectual crimes, or any other organization or person equivalent to the above (an "Anti-Social Force");
- 2) It's officers or persons effectively operating it are or have been an Anti-Social Force;
 - 3) It will allow an Anti-Social Force to use its name to enter into the Agreement;
 - 4) Has capital, transactional or other ties with an Anti-Social Force.
2. Applicant and DEGICA may immediately terminate all or part of the Agreement without making any separate preemptory demand if any of the subparagraphs under the preceding paragraph applies or have been discovered to have applied to the other party.
 3. Applicant and DEGICA may immediately terminate all or part of the Agreement without making any separate preemptory demand if any of the following subparagraphs applies to the performance of the Agreement by the other party.
 - 1) The party uses threatening language or behavior or uses violence;
 - 2) The party uses fraudulent means or force to obstruct business operations or to damage reputation or confidence;
 - 3) The party makes an inappropriate demand exceeding the scope of legal responsibility;
 - 4) The party aids the activities of an Anti-Social Force such as by itself or by its officer or person effectively controlling its operations supplying funds, etc. to an Anti-Social Force;
 - 5) The party carries out an act equivalent to those set forth in the preceding subparagraphs; or
 - 6) The party causes a third party to carry out an act that falls under any of the preceding subparagraphs.
 4. Applicant and DEGICA will compensate any damage caused to the other party as a result of it breaching the preceding paragraphs.
 5. Applicant and DEGICA may not claim damages from the other party on the grounds that the Agreement was terminated pursuant to Article 78.2 or 78.3.
 6. Article 78.4 and 78.5 take precedence over the provisions on damages in the Agreement.

Article 79 Damages, etc.

1. Applicant shall compensate the Settlement Business Providers or DEGICA for any damage suffered by the Settlement Business Providers or DEGICA due to an act or omission of Applicant relating to the Merchant Agreement or the Agreement. In addition, Applicant shall indemnify the Settlement Business Providers and DEGICA for any loss, damage or expense incurred by the Settlement Business Providers or DEGICA as a result of litigation or a claim made against the Settlement Business Providers or DEGICA due to an act or omission of Applicant relating to the Merchant Agreement or the Agreement or DEGICA.
2. DEGICA shall compensate the other party for any damage caused to the other party in relation to a breach of the Agreement or the provision of the Services; provided, however, that the damages liability is limited to direct and actual damage suffered by the other party and does not include indirect damage such as a loss of opportunity, and DEGICA bears no responsibility for Applicant's damage that arises out of a reasonable or unavoidable change to or suspension of the Services, or an interruption or error of the settlement processing Service (however, excluding erroneous processing by DEGICA that directly and actually causes damage to Applicant). In addition, the amount of damages payable by DEGICA to Applicant pursuant to the Agreement shall not exceed the Deducted Amount (however, not including a Settlement Business Provider's prescribed fee) paid by Applicant to DEGICA over the past three months as of the point the damages are paid, unless caused by the willful intent or gross negligence of DEGICA.
3. The provision of all or part of the Services becoming unavailable due to the end of an agreement for the Settlement Business between DEGICA and DEGICA's contracted third party or a Settlement Business Provider will not be considered as a breach of the Agreement, regardless of the grounds, and DEGICA shall not bear responsibility for that.
4. Applicant confirms that DEGICA does not guarantee actual recovery of payments, etc. from

buyers or the payment of payments, etc. by buyers. Credit card settlements are accepted or refused by the card company, and the payment of payments, etc. at Convenience Store Settlement Stores for convenience store Settlement Business, for transmittal of electronic money for electronic money settlements and for deposit instructions for designated financial institution ATMs for Pay-easy settlements are implemented or refused by the buyer of Applicant's products, and DEGICA does not guarantee the execution of these. DEGICA will bear no responsibility whatsoever for nonperformance or delay unless such nonperformance or delay arises from a nonperformance of the Agreement that is attributable to DEGICA.

Article 80 Cancellation of Agreement

1. Applicant may cancel the Agreement without any notification or demand to DEGICA if any of the following applies to DEGICA.
 - 1) DEGICA breaches a provision of this Agreement;
 - 2) DEGICA dishonors a negotiable instrument or check;
 - 3) DEGICA is subject to a petition for attachment, provision attachment, provisional disposition or other compulsory enforcement or delinquency disposition;
 - 4) DEGICA is subject to a petition for bankruptcy, civil rehabilitation, corporate reorganization or special liquidation; or
 - 5) DEGICA suspends or discontinues all or a material part of its business, or enters liquidation proceedings after a dissolution resolution, etc.
2. A Settlement Business Provider and DEGICA may cancel the Merchant Agreement and the Agreement without any notification or demand to Applicant if any of the grounds set forth in the following subparagraphs arises on the part of Applicant.
 - 1) Applicant breaches a provision of the Merchant Agreement or the Agreement;
 - 2) Applicant breaches an agreement with another credit company;
 - 3) Any of Article 80.1.2 through 80.1.5 applies to Applicant;
 - 4) Applicant is subject to a disposition such as business suspension, business license revocation or stock market delisting, etc.
 - 5) It is recognized that there is a possibility of one of the events in Article 80.2.1 through 80.2.4 occurring
 - 6) In addition, if a Settlement Business Provider or DEGICA have recognized that it is inappropriate to continue this Agreement or the Merchant Agreement based on reasonable grounds
3. If the Agreement is cancelled pursuant to the preceding paragraph, Applicant automatically loses the benefit of time and shall additionally pay delay damages of 14.6% per annum from the day after the acceleration date to the date payment is made in full (calculated with one year as 365 days and amounts of less than one yen discarded).
4. Applicant will compensate the Credit Card Company and DEGICA for any damage they incur pursuant to Article 80.2. In addition, if a situation in any of the subparagraphs in Article 80.2 applies, then regardless of whether or not the Merchant Agreement or the Agreement is cancelled pursuant to the preceding paragraph, the Credit Card Company or DEGICA may withhold payment of all or part of the obligations pursuant to the Merchant Agreement or the Agreement, or cancel Applicant's card sale claims against the Credit Card Company without any notice, regardless of whether they occurred before or after such situation arose. In this case, the Credit Card Company or DEGICA shall bear no duty to pay delay damages, excluding delay damages that arose prior to the occurrence of the relevant situation.
5. DEGICA shall bear no responsibility whatsoever for any damage suffered by Applicant as a result of a cancellation of the Agreement pursuant to Article 80.2.

Article 81 Measures at End of Agreement

1. If the Agreement ends, Applicant shall immediately halt Handled Products notifications and transaction incentive actions premised on the Agreement.

2. Even after the end of the Agreement, Applicant and DEGICA shall perform transactions for which Applicant received an application for Handled Products purchasing from Customers prior to the end of the Agreement and for which a sales claim has been made to a Settlement Business Provider in the Services or money deposited by a Customer.

Article 82 Matters for Discussion

1. Any doubts over the interpretation of matters in this Agreement shall be discussed and resolved by Applicant and DEGICA, and the same will apply to amendments to matters in the Agreement.
2. For Chapter 2, the latest merchant rules of each Settlement Business Provider shall apply to matters not stipulated in the Agreement, and Applicant as a merchant will understand and comply with these.
3. Applicant shall amend the matters stipulated in the Agreement as necessary after discussion with DEGICA if DEGICA has executed a comprehensive agency merchant agreement with a Credit Card Company or provides Applicant with a settlement service other than that stipulated in the Agreement.

Article 83 Governing Law

Applicant and DEGICA agree that the laws of Japan will govern the Agreement, the MOU and all other agreements executed in relation to these.

Article 84 Jurisdiction

The Tokyo District Court will be the agreed exclusive court of first instance for any litigation between Applicant, DEGICA or a Settlement Business Provider relating to the Agreement.

End

Service and Fees

1. The Deducted Amount shall be as follows.

- (1) Initialization Fee: 0 yen
- (2) Monthly Base Fee: 0 yen
- (3) Processing Service Fee:

	Rate	Maximum Settlement Amount
Credit Card		
Visa	Please refer to the document provided at the contract.	No limit
Mastercard		No limit
JCB		No limit
Amex ・Dinners		No limit
Convenience Store		
Seven Eleven	Please refer to the document provided at the contract.	300,000 yen
Lawson		300,000 yen
FamilyMart		300,000 yen
Ministop		300,000 yen
Daily Yamazaki		300,000 yen
Bank		
Bank Transfer	Please refer to the document provided at the contract.	No limit
Pay-easy		999,999 yen
Smart Phone(Merchandise)		
LINE Pay	Please refer to the document provided at the contract.	1,000,000 yen
Merpay		Depends on the payer
PayPay		500,000 yen
Smart Phone(Digital contents)		
LINE Pay	Please refer to the document provided at the contract.	1,000,000 yen
Merpay		Depends on the payer
PayPay		500,000 yen
Electronic Money		
Bit Cash	Please refer to the document provided at the contract.	200,000 yen
Net Cash*		200,000 yen
Web Money		999,999 yen
Mobile(Merchandise)		
docomo	Please refer to the document provided at the contract.	Depends on the payer
au		Depends on the payer
softbank		Depends on the payer
Mobile(Digital contents)		
docomo	Please refer to the document provided at the contract.	Depends on the payer
au		Depends on the payer
softbank		Depends on the payer

* The timing of the start of provision from DEGICA to applicant shall be separately communicated.

2. For Applicant holding a Japanese Bank Account, monthly payouts from DEGICA to the Applicant will be made via wire transfer for the total of collected amount minus service fees, by the end of the

following month (or the next business day in case of bank holidays). A transfer fee of 220 JPY if the transferred amount is less than 30,000 JPY, or 410 JPY if it is more than 30,000 yen, will be borne by the Applicant. For Applicant holding an overseas (non Japanese) Bank Account, a fixed transfer fee of 2,500 JPY will be borne by the Applicant.

3. Should Applicant select the weekly option for payment scheduling, for every week from Saturday until the following Friday (hereafter, "Weekly Period"), the service fees for the Weekly Period shall be deducted from the total of purchases made by users for Applicant's products, and the remaining balance shall be paid by DEGICA to Applicant on the Friday after the Weekly Period (or the next business day in the event of a banking holiday). However, if the schedule is changed from monthly to weekly after even a single settlement, Paragraph 2 applies for the month in which the change was made and this Paragraph shall take effect from the 1st of the following month. Furthermore, regarding bank transfers, payments of 30,000 yen or more shall incur a transfer fee of 410 yen while the fee for payments under 30,000 yen shall be 220 yen. Payments may only be made to financial institutions in Japan with accounts denominated in yen. For Applicant holding an overseas (non Japanese) Bank Account, a fixed transfer fee of 2,500 JPY will be borne by the Applicant.
4. Even if a refund or charge-back has occurred (including those occurring due to testing), the processing service fee shall not be refunded to Applicant.
5. If Applicant has not used the Services for 3 months or longer, DEGICA may suspend the provision of the Services without prior notice.
6. If Applicant has executed a refund for a convenience store, bank or Pay-easy settlement, Applicant shall pay to DEGICA a fee of 600 yen for each refund transfer completed by DEGICA.
7. For "Konbini" (Convenience Store) and "Pay-easy" payment methods, a separate settlement fee of 190 JPY is charged to the user/consumer per settled transactions.

End