

Terms of Use

Terms of Use (hereinafter referred to as the “**Terms of Use**”) establish the terms and conditions for use of the cloud service “Balus” and its related system “KATA” and “Systeming” (as defined in Article 2; hereinafter referred to as the “**Service**”) provided by Levii Inc. (hereinafter referred to as the “**Company**”).

Article 1. Application

- 1.1 The Terms of Use shall apply to all relationships between any Member or User and the Company pertaining to the use of the Service. The Member or User shall agree to any terms and conditions of the Terms of Use before its use of the Service.
- 1.2 In addition to the Terms of Use, the Company may establish individual rules and other regulations pertaining to the use of the Service (hereinafter referred to as the “**Individual Terms**”). The Individual Terms, regardless of their name, shall constitute a part of the Terms of Use (The Terms of Use and Individual Terms are hereinafter collectively referred to as the “**Terms**”).
- 1.3 In the event of any inconsistency between the provisions of the Terms of Use and the Individual Terms as defined in the preceding Article 1.2, the provisions of the Individual Terms shall prevail unless otherwise specified in the Terms.

Article 2. Definition

The following terms have the specified meanings as stated below:

- (1) “**Individual Terms**” means individual rules and other regulations pertaining to the use of the Service established by the Company.
- (2) “**Service Agreement**” means the agreement relating to the use of the Service to be executed hereunder between the Company and the Member.
- (3) “**IPRs**” means patents, copyrights, utility model rights, design rights, trademark or trade dress, or any other intellectual property rights (including the rights to obtain or apply for registration of such rights).
- (4) “**Member**” means any person or company that has been registered as a user of the Service pursuant to Article 3.
- (5) “**User**” means any person, other than the Member, who uses the Service (whether paid or unpaid) with the Member’s ID and password with the Member’s consent. The Member can allow only those persons under the Member’s control and supervision for the use of the Service to use the Service with its own IDs and passwords.

- (6) **“Website”** means the website for the Service operated by the Company.
- (7) **“Confidential Information”** means information disclosed by the Company or the Member to the other party, in connection with the Service, including without limitation, trade secrets, physical samples, financial business, sales or technical information, all data, and such other information.
- (8) **“System”** means a way of perceiving an event that has the following three characteristics:
 - A number of elements come together to serve a specific purpose.
 - Elements interact with each other.
 - They change and operate over time.
- (9) **“View”** means a frame for representing the System with a focus on a particular point of interest.
- (10) **“Model”** means a table, figure, text, graph, etc. that express relationships described based on the View.
- (11) **“View Model”** means a composite of the Views required to represent the whole or part of the System.
- (12) **“Systeming”** means a series of related combinations of concepts, methods, procedures, etc., developed by the Company to facilitate the creation of a common understanding among multiple stakeholders.
- (13) **“Balus”** means a collaborative tool developed and used by the Company to create Views and Models by using tables, figures, texts and graphs for expressing relationships under the name “Balus.”
- (14) **“KATA”** means the Company’s product or service that is sold as a compilation of specific View Models to be used on Balus and how to use them, and is provided by the Company or other creators through the Service solely for the use on the Service. Reproduction and use of KATA in any service other than Balus is strictly prohibited.

Article 3. Registration

- 3.1 A person or company may apply to the Company for registration of the Service by agreeing to the Terms and providing the information as specified by the Company (the **“Registration Information”**) in the manner set forth by the Company
- 3.2 The registration of the Service shall be completed when the Company approves the registration of any person or company that applies for the registration of the Service (the **“Applicant”**) and inform the Applicant thereof.
- 3.3 Upon the completion of the preceding registration, the Service Agreement shall become effective, and allows the Member to use the Service subject to the terms and conditions hereof.
- 3.4 If the Applicant falls or is likely to fall under any of the following, the Company may refuse, cancel or suspend the registration of the Applicant. The Company has no obligation to disclose the reasons or determination process thereof:

- (1) All or part of the Registration Information provided by the Applicant to the Company is found to be false, inaccurate, or omitted;
- (2) If the Applicant applies for the registration of the Service providing the information of others;
- (3) If the Applicant is determined by the Company to (i) constitute an organized crime group or a member thereof, anti-social force or other similar person or organization (“**Anti-Social Force**”), or (ii) have any interaction or involvement with an Anti-Social Force in any manner, such as, by assisting, or being involved in the maintenance, operation, or management of an Anti-Social Force by way of finance or any other means;
- (4) If the Applicant is determined by the Company to be a party having violated any agreement with the Company, or to have been involved with such party;
- (5) If the Applicant is determined to be a competitor for the Service or to the Company;
- (6) If the Applicant is a person or company whose application for the registration of the Service was once refused, canceled or suspended, or the Applicant has suffered any of the measures under Article 14; or
- (7) If the Company otherwise determines that registration of the Applicant is not appropriate.

3.5 The Company shall not be liable for any damages incurred by the Applicant for registration due to the Company’s refusal to register or re-register the Applicant in accordance with the provisions of Article 3.2 or 3.4, and the Applicant shall not object, claim, or make any other claim thereto.

Article 4. Change to Registration Information

The Member shall promptly notify the Company of any change to the Registration Information by email, or other ways specified by the Company.

Article 5. Management of Password and Account Information

5.1 The Member shall appropriately keep and maintain its account, password, email address, and other important personal information, and shall not cause a third party to use, or provide, transfer, change the name, sell or otherwise dispose them.

5.2 The Member shall be liable for any damages arising from inappropriate management, misuse, or a third-party’s use, of the Member’s account, password or otherwise, unless the Company has intentional or gross negligence therefor.

Article 6. Opt-Out

The Member may deliver an opt-out notice in writing, to the Company by email or other ways specified by the Company, requesting that such Member will not be contacted by email or otherwise by the Company, unless the contact by the Company is necessary to operate the Service.

Article 7. Fees and Payment

The Member shall pay to the Company the fees as set forth separately by the Company based on the plan or condition the Member selects, by the way of credit card, or other means as designated by the Company.

Article 8. Content of the Service

The preceding fees or contents of the Service may change according to the change, improvement, or extension of the Service, and the Member shall consent in advance to the possibility of such change.

Article 9. Member's Obligation

The Member shall supervise the performance of the User whom the Member allows to use the Service provided in connection with the Service Agreement. The Member shall provide all the measures to implement supervisory procedures to perform its duty of supervision, and be liable for any damages arising out from inappropriate management, misuse, use, or any of the Prohibited Actions (as defined in Article 10) by the User.

Article 10. Prohibited Actions

When using the Service, the Member/User shall not conduct any action that falls under, or is determined by the Company to fall under, the following items (the "**Prohibited Actions**"):

- (1) Acts that violate the Terms or the Service Agreement;
- (2) Acts that violate any laws or regulations or that are associated with criminal activity;
- (3) Acts that defraud or threaten the Company, other Members/Users, or other third parties;
- (4) Acts against public order and good morals;
- (5) Acts that infringe any IPRs, portrait rights, privacy rights, reputation or other rights or interests of the Company, other Members/Users, or other third parties;
- (6) Acts that place an excessive burden on the network or system of the Service;
- (7) Acts that are likely to interrupt the operation of the Service;
- (8) Acts to access the network or system of the Service or the Company improperly;
- (9) Acts to reverse-engineer or otherwise analyze the software or other systems provided by the

Company;

- (10) Acts that, directly or indirectly, cause or facilitate the acts listed in the items (1) through (9) above;
- (11) Attempts to conduct any of the acts listed in the items (1) through (10) above; or
- (12) Any other acts that the Company deems to be inappropriate.

Article 11. Suspension of Service

- 11.1 The Company shall be entitled to, without any advance notice to the Member/User, suspend or discontinue all or part of the Service, in case where:
 - (1) inspection or maintenance of the computer system for the Service is required due to urgent circumstances;
 - (2) the Company becomes unable to provide the Service due to error in computers, communication lines, servers or other facilities;
 - (3) the Company becomes unable to provide the Service due to force majeure, including without limitation, earthquake, lightning, fire, storm, emergency declaration or other orders by the government or local authorities, and other natural disasters; or
 - (4) the Company determines that suspension or discontinuance is required for other reasons.
- 11.2 The Company shall not be liable for any damages incurred by the Member/User based on the suspension or discontinuation taken by the Company in accordance with this Article 11, and the Member and User shall not make any objection or claims thereto.
- 11.3 In case where the Service is suspended or discontinued in accordance with this Article 11, the fee payment obligation under Article 7 shall not be affected.

Article 12. Confidentiality

- 12.1 The Company and the Member/User who receive the Confidential Information (the “**Recipient**”) shall not (1) use the Confidential Information for any reason, other than as required for the purpose of the Terms of Use and the Service Agreement, or (2) disclose the Confidential Information to any individual or third party.
- 12.2 The obligation of the preceding paragraph shall not apply to information that:
 - (1) is already known to the Recipient at the time of disclosure without obligation of confidentiality to the Company or Member who discloses the Confidential Information (the “**Discloser**”);
 - (2) is or becomes publicly known through no wrongful act or omission of the Recipient;
 - (3) is rightfully received by the Recipient from a third party without obligation of confidentiality;
 - (4) is approved for release by written authorization of the Discloser; or

- (5) is required to be disclosed by any request, order or requirement of a court, administrative agency or any other governmental agencies.
- 12.3 The Confidential Information, and all copies thereof, remain the property of the Discloser. Upon termination, expiration of the Service Agreement, or the written request of the Discloser, the Recipient shall promptly return to the Discloser all documents, presentations, and other tangible items of the Confidential Information furnished by the Discloser. The Recipient shall also use all reasonable efforts to delete all electronic copies of the Confidential Information under the Recipient's control.

Article 13. Ownership

- 13.1 All Confidential Information of the Company and derivations thereof, and any IPRs related to the Website and the Service, shall remain the sole and exclusive property of the Company. No license or other right to such Confidential Information and IPRs is granted or implied hereby.
- 13.2 When the Service such as KATA, Balus, and Systeming, is provided by the Company, the Member/User may use each Service only for the purpose of operating them together within the Service. If the Company deems it necessary to restrict the Member/User's use of the Service, the Company can establish restrictions on the use of each Service or the Service.
- 13.3 The Member/User shall use the Service in accordance with the methods, specifications, etc. designated by the Company.
- 13.4 The Member/User may use, copy, modify any and all Views, View Models, tools, templates, programs, etc. (including without limitation, the contents of KATA, Balus, and Systeming) provided by the Company or third parties only to the extent that the Member/User themselves use them within the Service.
- 13.5 With respect to the program or data used, provided, or transmitted by the Member/User through the Service, those that can be used for general purposes, excluding information specific to the Member/User (the "**Generic Data**") shall not be treated as confidential.
- 13.6 The Member and User represent and warrant to the Company that they have the legal right to transmit the Generic Data in connection with the Service and that the Generic Data does not infringe upon the rights of any third party.
- 13.7 The Member and User shall, in addition to the provisions of Article 5, irrevocably, and permanently transfer to the Company the copyright (the right to reproduce, adapt, modify, distribute, create derivative works of, or otherwise use in any way, Generic Data transmitted in connection with the Service), as soon as the data is transmitted, and shall indemnify the Company from and against any and all damages arising out of such transfer.

In using such Generic Data, the Member shall not make any claims against the Company,

including payment of compensation for use, discontinuation of use, or any other claims (for copyrighted works, this includes the Member's exercise of any moral rights against the Company and those designated by the Company).

Article 14. Registration Cancellation

- 14.1 The Company may, without prior notice, (i) delete, edit or restore the data provided by the Member, (ii) suspend the use of the Service by the Member, or (iii) cancel the registration of the Member, if any of the following events arises in connection with the Member:
- (1) The Member fails to comply with any of the terms or conditions hereof;
 - (2) Any of the Registration Information is found to be false;
 - (3) Suspension or insolvency of payment, or significant deterioration of creditworthiness of the Member;
 - (4) The Member has not responded to inquiries from the Company for thirty (30) days or more;
 - (5) The Member falls under any of the terms of Article 3.4; or
 - (6) It is determined to be inappropriate by the Company that the Member continues to use the Service or to be registered as a Member.
- 14.2 If any of the events set forth in terms of the preceding Article 14.1, all debts to the Company by the Member shall automatically become due and payable, and the Member shall immediately make the full payment to the Company.
- 14.3 The Company shall not be liable for any damages incurred by the Member based on the actions taken by the Company under this Article 14, and the Member shall not object or make any claims thereto.

Article 15. Withdrawal

- 15.1 The Member may withdraw from the Service and cancel its registration as the Member by notifying the Company in accordance with the procedure specified by the Company.
- 15.2 Upon the Member's withdrawal from the Service, any and all debt of the Member to the Company (if any), shall automatically become due and payable, and the Member shall immediately make the full payment to the Company.
- 15.3 Treatment of the information of the Member after the withdrawal from the Service shall be subject to the term of Article 18.
- 15.4 The Member cannot withdraw (cancel) its application after the Service Agreement becomes effective, except in the case specified in Article 15.1.

Article 16. Modification and Termination

- 16.1 The Company shall be entitled to, at any time, modify or terminate the Service in its sole discretion. The Company shall notify in advance the Member of such modification or termination of the Service.
- 16.2 The Company shall not be liable for any damages incurred by the Member based on the modification or termination taken by the Company under the Article 16.1, and the Member shall not object or make any claims thereto.

Article 17. Disclaimer and Waiver of Warranties

- 17.1 The Company shall provide the Service on an “as is” basis, and shall not be liable for any compensation, damages or any other liability for any of the following items, and the Member shall accept these conditions and use the Service at their own discretion.
- (1) The Service is free from technical and operational defects (including without limitation, no failure, no interruption or termination against the customer’s intent, timeliness, no errors, and no loss of data).
 - (2) There will be no bugs, malfunctions, failures, accidents, or other defects in the programs or data that can be obtained through the Service.
 - (3) The design data and other deliverables created using the Service will be accurate or complete.
 - (4) The Member's use of the Service complies with all applicable laws, regulations and rules.
 - (5) Any technical or operational defects or deficiencies in the Service will be corrected.
 - (6) The Service does not infringe the rights of any third party.
 - (7) The Service fits or is suitable for a particular purpose contemplated by the Member, or has expected functions, commercial value, accuracy or usefulness;
- 17.2 The provisions of Article 17.1 shall not apply in the event where the Company has intentional or gross negligence therefor, or in the event where the Consumer Contract Act applies, and shall be valid to the extent lawful in light of the laws applicable to the Member and the Company.
- 17.3 If the Company is liable for damages in accordance with the provisions of the preceding Article 17.1 and 17.2, it shall be liable for compensation up to the total amount of usage fees actually paid by each Member for the month in which the damage occurred, in accordance with Article 7.
- 17.4 Internet connection is required to use the Service; however, the Company is not involved in any way with regard to the Member's means for connecting to the Internet.
- 17.5 The Company shall not be liable for any transactions, communications, or disputes between the Member/User and other Members/Users or third parties in connection with the Service

or the Website.

Article 18. Treatment of User Information

- 18.1 The Company shall appropriately keep or maintain personal information, provided or obtained from the Member/User in connection with the Service, pursuant to the privacy policy or other rules specified by the Company. Unless the related laws or rules prohibit, the Member/User consents in advance to the use of its personal information subject to the preceding policy or rule.
- 18.2 The Company may, in its sole discretion, use or make public any information or data provided by the Member/User to the Company, as statistical information in a form that cannot identify an individual, and the Member/User shall not claim/raise any objection to such use or publication.

Article 19. Damages

The Member shall be liable for any damages to the Company, other Members/Users or third parties, in connection with the Service or the Terms, and pay immediately any compensation or expenses to the Company or such Member/User or third parties.

Article 20. Amendment

The Company reserves the right to amend or change the Terms when the Company finds it necessary. In the event of any amendment or change to the Terms, the Company shall inform the effective time and content of the Terms to be amended or changed by posting on the Website or other appropriate way, or notify the Member thereof. Notwithstanding the foregoing, the Company shall obtain the Member's consent in a manner specified by the Company for the amendment or change of the Terms that requires such consent under the applicable laws.

Article 21. Survival

All provisions under Article 9 to 14, Article 17 to 20, Article 22 to 27 shall survive the termination or cancellation of the Service Agreement.

Article 22. Proposals and Improvements

By submitting data regarding suggestions, documents, or proposals to the Company, the Member/User agree to the following conditions, and represent and warrant that they waive in advance any and all

ownership, copyright, patent, or other intellectual property rights and any other rights to such data.

- (1) The submitted data does not contain confidential information or trade secrets of any third party.
- (2) The Company has no express or implied obligation of confidentiality with respect to such data.
- (3) If the Company has information identical or similar to such data, the Company will not claim identity or similarity of such information, or make any claim or objection to such information, including monetary claims.

Article 23. Notice

Any communications or notices from the Member to the Company, with respect to the Service, shall be made by email or other means specified by the Company.

Article 24. Assignment

- 24.1 The Member shall not assign, transfer, grant security interests on, or otherwise dispose of the Service Agreement, or its rights or obligations hereunder without the prior written consent of the Company.
- 24.2 In case where the Company transfers the business regarding the Service to a third party, the Company may assign to the third party, the Service Agreement, the rights and obligations of the Company hereunder, and the Registration Information and other information relating to the Member within such transfer, and the Member hereby agrees to such transfer in advance. The said business transfer shall include, the general form of business transfer, company split or any other form that would result in business transfer.

Article 25. Severability

If any provision of the Terms is held to be invalid or unenforceable under the Consumer Contract Act of Japan or other related laws or regulations, the remaining of the provision held invalid or unenforceable in part shall remain in full force and effect.

Article 26. Language

The Terms shall be executed only in Japanese language. Japanese shall be the governing language and any translation of the Terms into any other language is only for reference purpose and shall not be binding.

Article 27. Governing Law and Jurisdiction

- 27.1 The Terms shall be governed by the laws of Japan, without regard to conflict of laws rules.
- 27.2 Any disputes arising from or in connection with the Terms shall be submitted to the exclusive jurisdiction of the Tokyo District Court of Japan.

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