

LICENSE AGREEMENT FOR USE OF EDR ELECTRONIC DICTIONARY

Sample

Licensee: _____

Licensor:
National Institute of Information and
Communications Technology
Incorporated Administrative Agency

Licensee and Licensor hereby set forth in the following list of basic terms (hereafter called the "Basic Terms") and Agreement (hereafter together with the "Basic Terms" called the "Agreement") regarding the use of the EDR Electronic Dictionary (hereafter called the "EDR Dictionary") of the type named in Item 1 of the Basic Terms in witness whereof the parties hereto have prepared and executed the Agreement in duplicate, each party retaining one copy thereof.

[Basic Terms]

1. Name of EDR Dictionary: As per attached Basic License Fee Breakdown List
2. Date of delivery: _____ , 200_
3. Payment:
Basic License Fee (in lump sum)
¥_____ (Details as per attached Basic License Fee Breakdown List)
Withholding Tax: ¥ _____
Total : ¥_____
4. Term: The term of this Agreement shall be for three (3) years as of _____ , 200_Unless otherwise expressed in writing by Licensee at least three (3) months prior to the expiration of the Agreement that Licensee does not wish to extend the term of the Agreement, the term thereof shall be extended for another one (1) year under the same terms and conditions thereof, and these shall apply thereafter.
5. Permitted concurrent number of machines: 10

[AGREEMENT]

Article 1 (Object)

Licensors hereby grants Licensee a license in accordance with Article 3 hereof with respect to the EDR Dictionary (hereafter called the "License"), and Licensee shall pay Licensor the license fee set forth in Article 7 hereof (hereafter called the "License Fee") in consideration of the grant of said License.

Article 2 (Delivery of EDR Dictionary)

Licensors agrees to deliver the EDR Dictionary by the method of delivery specified by Licensor on or before the date of delivery as set forth in Item 2 of the Basic Terms. After confirming the kind and the number of individual EDR Dictionaries delivered by Licensor, Licensee shall sign the acceptance form specified by Licensor and deliver such form to Licensor. Licensee's acceptance of said EDR Dictionaries shall be completed as of the date of such execution.

Article 3 (License to use EDR Dictionary)

1. (1) Licensor hereby grants to Licensee for the term of this Agreement a personal, non-exclusive, nontransferable, royalty-bearing, worldwide license (hereafter called the "Research License"). Under this Agreement, Licensee is permitted to use EDR Dictionary as here below during utilizing term with permitted concurrent number of machines:
 - 1) To use the EDR Dictionary for the purpose of carrying out Licensee's own research activities and product research and development;
 - 2) To copy or duplicate all or any part of the EDR Dictionary to the extent necessary (i) to carry out the purpose specified in the preceding Item 1), (ii) for backup or archival purpose or (iii) to add part of the EDR Dictionary to any other electronic dictionary already possessed by Licensee;
 - 3) To modify, edit or add vocabulary (hereafter called "Modification") to all or part of the EDR Dictionary for the purpose specified in the preceding Item 1).(2) Upon the execution by the parties hereto of a sales license agreement (hereafter called the "Individual Agreement"), Licensor hereby grants to Licensee for the term of this Agreement a personal, non-exclusive, nontransferable, royalty-bearing, worldwide license (hereafter called the "Individual License") with respect to each product of Licensee incorporating all or part of the EDR Dictionary with or without Modifications (including products incorporating any other electronic dictionary as well as a part of the EDR Dictionary (hereafter called "Subject Products")):
 - 1) To copy or modify all or part of the EDR Dictionary for incorporation into Subject Products;
 - 2) To sell the EDR Dictionary as incorporated in Subject Products to customers, directly or via a distributor, a dealer, a leasing company and a third party authorized by Licensor (hereafter called "Distributors");
 - 3) To internally use Subject Products for Licensee's own business (except the research activities set forth in Section 1. (1)).
2. A copy of an EDR Dictionary or one to which Modifications (limited to the added part when part of the EDR Dictionary has been added to an electronic dictionary already possessed by Licensee) have been made under the Section 1 hereabove shall be treated as the EDR Dictionary hereunder, and all the provisions of this Agreement shall apply to it unless otherwise set forth herein).
3. If Licensee wishes to carry out contents as set forth in section by number greater than the number prescribed in "A List" hereunder, Licensee must apply for Basic Use License apart from the Basic License guaranteed hereunder.
4. In the event the Japanese Corpus or the English Corpus is contained in the EDR Dictionary, Licensee shall not incorporate or reproduce the text information constituting such Corpus into Subject Products or manuals, brochures, catalogs or other reference materials relating to said Subject Products (hereafter called the "Reference Materials").
5. The term "sales" as used in Section 1. (2) hereabove shall mean granting a license to use the EDR Dictionary to customer, and shall not include granting a license to reproduce or modify the EDR Dictionary for resale purposes. This shall apply also hereafter. If Licensee wishes to grant a license to reproduce or modify the EDR Dictionary for resale purposes to a third party, Licensee shall separately obtain Licensor's prior written consent.
6. Licensee shall not assign, lend or submit the EDR Dictionary or the License granted hereunder for sublicensing or for grant of other license or security to any third party. In the event Licensee entrust a third party with the development and manufacture of Subject Products as set forth in Section 1. (2) hereabove, however, Licensee may lend all or part of the EDR Dictionary only for such entrusted development and manufacturing purposes. Licensee may authorize a third party to reproduce or modify the EDR Dictionary only for such entrusted development and manufacturing purposes only under the Individual License during the term of an Individual Agreement.

Article 4 (Individual Agreement)

1. An Individual Agreement between the parties hereto for each Subject Product shall be entered into by means of a "Product

- Commercial Use Confirmation" form specified by Licensor, executed by both parties hereto.
2. Unless otherwise specified, the provisions of this Agreement shall apply to each Commercial Use Agreement.

Article 5 (Sale of Subject Product)

1. Upon selling any Subject Product, Licensee may freely determine the terms and conditions of Licensee's end user agreement, and method and distributors for such sale without any constraint of Licensor. Maintenance and other support services to customers and Distributors of any Subject Product shall be provided exclusively on the responsibility of Licensee.
2. When preparing Reference Materials for any Subject Product, Licensee may cite, reproduce, duplicate and publish any part of the manual regarding the EDR Dictionary distributed by Licensor separately via such medium as Internet, with or without modifications. Licensee may make a reference in Reference Materials for any Subject Product to the effect that the EDR Dictionary is used for such Subject Product.

Article 6 (Defect liability)

Licensor shall assume no liability, irrespective of the legal reason, for any defect in the EDR Dictionary.

Article 7 (License fee)

1. In consideration of the grant of the Basic License as set forth in Art. 3-1-(1) hereabove, Licensee shall pay Licensor the Basic License fee as set forth in Item 3 of the Basic Terms (hereafter called the "Basic License Fee").
2. The Basic License Fee paid by Licensee to Licensor under the preceding Section 1 shall not be returned for whatever reason.

Article 8 (Payment)

- (1) The withholding tax imposed by the Government of Licensee's country (hereafter called the "Withholding Tax") on all payments to be made by Licensee to Licensor hereunder shall be borne by Licensee. It is understood by the parties that both the Basic License Fee and Commercial Use Fee are the net amount to be received by Licensor. Therefore, the statement of account issued by Licensor to Licensee shall reflect the Basic License Fee payable, Commercial Use Fee plus the corresponding Withholding Tax levied thereon. Licensor shall assist Licensee as necessary to minimize the amount of such Withholding Tax payments.
- (2) Licensee shall pay Licensor the Basic License Fee, Commercial Use Fee and the corresponding Withholding Tax covered by the statement of account under Section 1. (1) hereabove, in lump sum by wire transfer to the bank account designated by Licensor within one (1) month from the date of acceptance under Article 2 hereof.
- (3) When not paying a license charge <by> the payment date, based on the lated days a user pays the amount of delay money which multiplied the license charge by the rate of 73% of years. However, when payment is overdue by the unavoidable reason as natural disaster or when delay money is less than 100 yen, it exempts.

Article 9 (Warranty and Limitation of liability)

1. THE EDR DICTIONARY IS PROVIDED TO LICENSEE "AS IS" WITHOUT WARRANTY OF ANY KIND. THE ENTIRE RISK AS TO THE RESULTS AND PERFORMANCE OF THE EDR DICTIONARY IS ASSUMED BY LICENSEE. LICENSOR DISCLAIMS ALL WARRANTIES, EITHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT.
2. In no event shall be liability of Licensor for claims arising under the terms of this Agreement exceed to amount of the License Fees paid by Licensee to Licensor under the terms of this Agreement. Licensee releases Licensor from all obligations, liability, claims or demands in excess of the limitation.
3. IN NO EVENT SHALL LICENSOR BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES WHATSOEVER, INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOSS OF BUSINESS PROFITS, BUSINESS INTERRUPTION, LOSS OF BUSINESS INFORMATION, AND THE LIKE, ARISING OUT OF THE USE OR INABILITY TO USE THE EDR DICTIONARY, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Article 10 (Secrecy)

Neither party shall disclose to any third party confidential information of the other party which it receives in the course of performance under this Agreement and the Individual Agreements except with the consent of such party. When disclosing any confidential information to the other party, the disclosing party shall clearly indicate its confidential nature. The following types of information shall not be considered confidential information:

- (1) Information already in the public domain at the time of disclosure, or information which becomes part of the public domain by a means not attributable to the receiving party;
- (2) Information already possessed by the receiving party at the time of disclosure;
- (3) Information acquired from a third party having the right to such information without any obligation to treat it confidentially;
- (4) Information independently developed or acquired by the receiving party without relying upon the confidential information disclosed by the disclosing party.

Article 11 (Term)

The term of this Agreement shall be as set forth in Item 4 of the Basic Terms.

Article 12 (Immediate termination)

1. Either party may terminate this Agreement without notice if either (i) the other party breach this Agreement or defaults in the performance of any of its obligation hereunder and such breach or default is not cured within thirty (30) days after notice is given to such party, or (ii) any of the following occurs with respect to the other party:
 - (1) insolvency of the party, the filing of a voluntary or involuntary petition in bankruptcy or for corporate reorganization or similar relief by or against the party under the bankruptcy or insolvency laws of any jurisdiction;
 - (2) the appointment of a receiver for the party or the property of the party by any court of competent jurisdiction;
 - (3) a general assignment by the party for the benefit of its creditors; or
 - (4) the inability admitted by the party in writing to meet its debts as they mature.
2. In the event one of the events set forth in the preceding Section 1 occurs with respect to Licensee and an Individual Agreement is accordingly terminated, Licensee shall lose the benefit of term and shall immediately pay Licensor all amounts due thereunder, including the License Fee.
3. In the event either party incurs damages as a result of the events with respect to the other party listed in Section 1 hereabove, the damaging party shall indemnify the damaged party for ordinary direct damages caused by said party's failure to perform its obligations under this Agreement, unless otherwise specified in this Agreement.
4. Licensor may terminate this Agreement for any reason upon thirty (30) days written notice to Licensee.

Article 13 (Effect of termination)

1. Upon termination of this Agreement, the Basic License set forth in Art. 3-1-(1) hereof and Commercial Use License shall become null and void, and the EDR Dictionary and reproductions and Modifications thereof used under said Basic License shall be destroyed by Licensee.
2. The provision of Article 10 hereof shall survive termination of this Agreement.

Article 14 (Export control)

Licensee acknowledges that the EDR Dictionary and related technical data are subject to the export control laws and regulations of Japan and other countries. Licensee confirms that with respect to the EDR Dictionary and related technical data it will not export or re-export them, directly or indirectly, either to (i) any countries that are subject to Japanese or any other countries' export restrictions (currently including, but not necessarily limited to, Cuba, the Federal Republic of Yugoslavia (Serbia and Montenegro), Iran, Iraq, Libya, North Korea, South Africa (military and police entities), and Syria); (ii) any end user who Licensee knows or has reason to know will utilize them in the design, development or production of nuclear, chemical or biological weapons; or (iii) any end user who has been prohibited from participating in Japan or any other countries' export transactions for technical data subject to export or re-export restrictions imposed by Japanese or any other countries' law.

Article 15 (General provisions)

1. Neither this Agreement nor any of the rights and obligations created herein may be assigned, delegated, pledged or otherwise encumbered or disposed of, in whole or in part, by either party to a third party without prior written consent of the other party. Any attempt to do so without the other's consent shall be null and void.
2. All notices required by or relating to this Agreement shall be in writing sent by registered airmail, or facsimile and addressed to:

In case of Licensee:

In case of Licensor:

Attention:

Attention:

Facsimile No.:

Facsimile No.:

or such other address or addressees as the respective party may designate in writing from time to time. Such notice shall be deemed to have been given on the seventh (7th) business day following the date of mailing such notice if by airmail or on the next business day following transmission if by facsimile.

3. In any event that any force majeure, including but not limited to disasters, fire, war, civil commotion, strikes, governmental regulations or other occurrences beyond the reasonable control of either party shall occur and make it impracticable for either party to perform its obligations set forth in this Agreement, the provisions of this Agreement related thereto shall be suspended, but only as long as and so far as the impediment exists. In the case of such suspension, the parties hereto shall use their best efforts to overcome the cause and effect of such suspension.

4. This Agreement shall supersede any and all previous negotiations, commitments and agreements between the parties relating to the subject matter hereof. No provision of this Agreement may be modified or amended, in whole or in part, except by a writing executed by duly authorized representatives of both parties.
5. This Agreement shall be governed by and construed in accordance with the laws of Japan.
6. All disputes, controversies or differences which may arise between the parties out of or in relation to or in connection with this Agreement, or for any breach thereof shall be settled amicably and promptly by mutual consent of the parties. If such disputes, controversies or differences cannot be settled between the parties, they shall be finally settled by arbitration in Tokyo, Japan in accordance with the then current Japan Commercial Arbitration Association Commercial Arbitration Rules. The award rendered by the arbitration shall be final and binding upon both parties. Judgement upon award may be entered in any court having jurisdiction thereof.
7. The parties acknowledge and agree that each is an independent contractor with respect to the other. Nothing contained in this Agreement will be construed to imply joint venture or principal-and-agency relationship between the parties.
8. If any provision of this Agreement shall be determined to be illegal or unenforceable, such provision, to the extent it is illegal or unenforceable, shall be severed from this Agreement, and shall be substituted by a reasonable provision to be mutually agreed upon.

IN WITNESSES WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate by duly authorized representatives of both parties as of the date set forth in Item 4 of the Basic Terms.

National institute of Information and
 Communications Technology
 Incorporated Administrative Agency

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____, 200_

Date: _____, 200_

CONFIRMATION OF PRODUCT BASED ON USE OF EDR ELECTRONIC DICTIONARY

_____ , 200_

Licensee: _____

Licensor:

Licensee and Licensor hereby enter into the following confirmation arrangement for a Subject Product for which Licensor has granted a license under the "License Agreement for Use of EDR Electronic Dictionary" entered into _____ , 200_ between the parties hereto (hereafter called the "Basic Agreement"), in witness whereof the parties hereto have prepared and executed this Confirmation in duplicate, each party retaining one copy thereof.

1. Subject product
Name
Outline of product
2. Kind of EDR Dictionary incorporated in Subject Product
3. Individual License Fee
¥_____ (per shipment of Subject Product)
4. Term of Confirmation
The term of this Confirmation shall be for three (3) years from the effective date of the Basic Agreement, and unless Licensee otherwise expresses in writing at least three (3) months prior to the expiration of the term thereof that Licensee does not wish to extend the term thereof, the term hereof shall be extended for another one (1) year under the same terms and conditions hereof, and these shall apply thereafter.
5. Remarks:

Attachment

Breakdown List for Basic License Fee

Name of EDR Dictionary	Basic License Fee
Japanese Word Dictionary	¥ 1,200,000
English Word Dictionary	¥ 1,200,000
Concept Dictionary	¥ 1,200,000
Japanese-English Bilingual Dictionary	¥ 1,200,000
English-Japanese Bilingual Dictionary	¥ 1,200,000
Japanese Co-occurrence Dictionary	¥ 1,200,000
English Co-occurrence Dictionary	¥ 1,200,000
Technical Terms Dictionary	¥ 1,200,000
Permitted concurrent number of machines	10