Certification Agreement

This Agreement is made and entered into this (date of agreement) by and between

(hereinafter called "Party A") and Cosmos Corporation (hereinafter called "Party B") with respect to compliance inspection under Electrical Appliances and Material Safety Act (hereinafter called "EAMSA").

(Terms and Definitions)

Article 1 General terms and definitions for this Agreement shall be as follows.

(1) Applicant

A supplier in Japan who notified manufacture or import of Electrical Appliances (Article 3 to 5 of EAMSA) (hereinafter called "Notifying Supplier") or a foreign manufacturer who applies for confirmation of the equivalent of a certificate under item 2 of Article 9 as set forth in the first paragraph of said Article and be responsible for ensuring that the regulatory requirements in EAMSA are satisfied.

(2) Product

Specified Electrical Appliances manufactured or imported by the Applicant (see Article 2 of EAMSA).

(3) Certification

Certification of compliance with certification requirements, performed by the third party (Registered Conformity Assessment Body).

(4) Certificate

"Certificate of Conformity" or "the Equivalent of Certificate of Conformity" issued by Registered Conformity Assessment Body (hereinafter abbreviated as "CAB") when the CAB confirmed the compliance with certification requirements in EAMSA, or "the Equivalent of Certificate of Conformity and valid Copy of Certificate of Conformity (duplicate)" as "the Equivalent of Certificate" under Article 9 of EAMSA, issued by CAB.

(5) Certification requirements

Requirements which the Applicant shall meet as the conditions of establishment or maintenance of certification, including product requirements (Technical Standards specified under EAMSA).

(6) Certification scheme

The Conformity Assessment Scheme specified in EAMSA.

(Certification)

Article 2 As a third-party organization (CAB) registered by the Japanese Government, Party B shall conduct conformity assessment for Party A's application to confirm the compliance with certification requirements, and issue a certificate of conformity, provided that it is confirmed.

(Items that Party A shall comply with)

Article 3 Party A shall agree the following items:

(1) Party A always fulfils the certification requirements, including implementation of appropriate changes when introduction of new or revised requirements due to amendment of EAMSA, etc. is communicated by Party A:

(2) the certified product continues to fulfil the product requirements;

(3) Party B makes all necessary arrangements for:

① observation of Party A's requirements required for implementing EAMSA conformity assessment and provision of all information necessary for evaluation;

② the conduct of evaluation of Party B, including provision for examination of documentation and records, and access to the relevant equipment, location(s), area(s), and Party A's subcontractors;

③ investigation of complaints, if required by Party B;

④ the participation of observers, if applicable;

(4) Party A makes claims regarding certification consistent with the scope of certification granted by Party B;

(5) Party A does not use its product certification in such a manner as to bring the certification body into disrepute and does not make any statement regarding its product certification that Party A may consider misleading or unauthorized. If Party B determines that Party A’s use of certification and statement is misleading or unauthorized, Party B may suspend Party A’s use or statement of the certification, make claims for correction, and announce the violation.

(6) if Party A provides copies of the certification to others, the documents shall be reproduced in their entirety;

(7) in making reference to its product certification in communication media such as documents, brochures or advertising, Party A complies with the requirements of Party B;

(8) Party A complies with the requirements of EAMSA for marking on its products, such as the use of conformity mark;

(9) the client keeps a record of all complaints made known to it relating to compliance with certification requirements and makes these records available to Party B when requested, and

① takes appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with relevant technical standards;

② documents the actions taken;

(10) Party A informs the Minister of Economy, Trade and Industry according to the provisions of EAMSA and Party B, without delay, of the following changes that may affect its ability to conform with the certification requirements:

① change of the legal, commercial, organizational status or ownership of the applicant;

② modifications to the product or the production method;

③ contact address and production sites.

(11) in case where Party A fails conformity assessment and Party B notifies Party A of non-conformity and Party A expects to continue the assessment with improvement, Party A informs Party B of its corrective actions within 40 days of such notification. However, such corrective action must be limited to twice. If the non-conformity is not solved, the conformity assessment is completed as non-conformity.

(12) Party A does not indicate the logotype of CAB and PSE mark on a product without valid certificate, because the certificate regarding conformity assessment is valid solely for the type classification indicated on it;

(13) if Party B suspends or withdraws the certification, Party A discontinues its use of all advertising matter that contains any reference thereto and takes action as required by Party B (e.g. the return of certification documents). If Party A is a foreign manufacturer, Party A requires its importer in Japan to take any action equivalent to the above, as required by Party B.

(14) Party B provides information, upon request, about the validity of certification acquired by Party A.

(Appeals)

Article 4 If Party A makes an appeal on the certification decision items of Party B, Party A shall submit a request of reconsideration of the decision items with the reasons of appeal in writing to Party B.

2 When Party B receives the appeal in writing, Party B shall verify whether they relate to the certification activities of Party B. If it does, Party B shall register the appeal and notify the appealer of the registration.

3 Party B shall notify Party A of the results and completion of actions concerning the appeal.

(Payment conditions)

Article 5 Whether or not the certificate is issued, Party A shall pay the commission concerning product certification charged by Party B according to the rule of charges by due date specified by Party B without delay.

(Liability, etc.)

Article 6 The liability of Party B for all damages relating to product certification shall be limited to the commission concerning the product certification required by each agreement to the extent of typical or direct damages that actually occurred. However, the liability for compensation caused by death or physical damages shall be limited to the limit of the property and casualty insurance taken out by Party B.

2 Party B shall not be liable for all costs concerning indirect or consequential damages caused by certification, including those incurred by Party A’s loss profit, future operating loss, production loss, product recall or loss incurred by modification, as well as loss incurred by suspension or withdrawal of certification by Party B.

3 Party B shall reserve the rights to confirm that Party A has proper provisions for debts caused by recall of certified product, accidents caused by certified product, and so on.

4 The provisions in above Item 1 and 2 of this Article shall not apply to damages with reasonable legal causation incurred by intentional or gross negligent acts of Party B.

(Confidentiality obligations)

Article 7 Party B shall use Party A’s confidential information obtained during the performance of certification activities for the purpose of certification only and not disclose or leak it to third party, except for the following:

(1) Information publicly available when it is disclosed by Party A to Party B;

(2) Information publicly available without Party A’s negligence or violation of this Agreement after it is disclosed by Party A to Party B;

(3) Information that Party B already knows before disclosure by Party A;

(4) Information legally obtained by Party B from the source not relating to Party A;

(5) Information uniquely developed by Party B irrespective of disclosed information.

2 The text of Item 1 of this Article shall not apply provided that:

(1) Party A approves in writing;

(2) Party A publicly announces according to the provisions in Article 3 (5) and (14);

(3) Party B discloses the records of its activities as information for accreditation to relevant accreditation body when Party B takes external assessment for its certification activities and Party B confirms that the accreditation body is obliged to keep confidentiality;

(4) Party B is obliged to disclose the records of activities by act;

(5) The court or governmental agency requires Party B to disclose the records of project (if such disclosure is not mandatory, Party B shall obtain Party A’s consent to the disclosure in advance);

(6) Disclosure of records of project is necessary for Party B to seek opinions from professionals such as lawyer, certified accountant or licensed tax accountant (the disclosure shall be limited to those having confidentiality obligation by act).

(Exclusion of anti-social forces)

Article 8 The parties shall mutually assure that they are not, and will not have a relationship with in future, an organized crime group, a member or an associate member of an organized crime group, a related company or association of an organized crime group, a corporate extortionist, a blackguard professing social activities, etc., specially intelligent mobs, symbionts with anti-social forces and any other equivalent person of the above.

2 If the other party violates the preceding item, the non-violating party shall be able to cancel the whole or a part of all contracts with the other party without ant process such as demand.

(Termination of agreement)

Article 9 Either party may terminate this Agreement by notifying the other party of such termination in writing, provided that:

(1) a financial default is made by the other party and the breaching party fails to correct it after receiving notice from non-breaching party;

(2) the other party conducts any act materially undermining trust against this Agreement and it makes it difficult to keep the relationship of mutual trust.

(Termination of agreement due to cancellation of certification)

Article 10 Party B may terminate this Agreement, provided that the relevant certification is cancelled.

(Relationship with older Agreement)

Article 11 In line with the conclusion of this Agreement, if any Agreement on product certification concluded between Party A and Party B before conclusion of this Agreement (hereinafter referred to as “older Agreement”) exists, the provisions under older Agreement shall lose its effects.

Article 12 Party B shall be allowed to amend this Agreement according to change of certification in connection with amendment of act. In such case, Party B shall submit such amended Agreement to Party A.

(Competent court)

Article 13 The parties hereto shall agree to submit to the exclusive jurisdiction of the Tsu District Court of Japan with respect to any dispute arising in connection with this Agreement and separate agreements. This Agreement shall be interpreted in accordance with the acts of Japan, irrespective of location of manufacturers and distributors and of places where conformity assessment is performed.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in duplicate by its duly authorized officers or representatives, each duplicate of which shall be retained by each party respectively.

Date: (Year) (Month) (Day)

Party A: Party B:

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| --- | --- |
| Address: | Address:718-1 Katsurase-cho, Matsusaka-shi,  Mie, Japan |
| Company name: | Company name: Cosmos Corporation |
| Position: | Position: President |
| Name: | Name: |