# License Agreement of CFP Mark

Japan Environmental Management Association for Industry (hereinafter, "First Party") and a contractor of license agreement of CFP mark (hereinafter, "Second Party") hereby agree to this license agreement regarding use of CFP mark (hereinafter, "Agreement"), pursuant to the "Rules on registration and release of CFP declaration."

# < Purpose >

Article 1 The purpose of this Agreement is to prescribe necessary matters regarding usage of CFP mark (registered trademark no. 5513064) on "CFP approved product" by Second Party.

## < Application >

## Article 2

- 1. Second Party shall use CFP mark by printing and/or labeling in accordance with the terms and conditions contained in this Agreement, and the rules separately specified by First Party such as the "Rules on registration and release of CFP declaration," the "Requirements for CFP declaration method," and the "Procedures for registration and release of CFP declaration."
- 2. Second Party shall give consideration so that the outsourced sales company also complies with the rules related to CFP approved product which were shipped from the Second Party, such as the "Rules on registration and release of CFP declaration," the "Requirements for CFP declaration method," and the "Procedures for registration and release of CFP declaration."
- 3. In cases where rules such as the "Rules on registration and release of CFP declaration," the "Requirements for CFP declaration method," and the "Procedures for registration and release of CFP declaration" are revised or abolished pursuant to the procedures prescribed by First Party, Second Party shall comply with the rules after being revised or abolished.
- < CFP approved product covered by this Agreement >

Article 3 "CFP approved product" covered by this Agreement shall be the product which is registered and released pursuant to the "Rules on registration and release of CFP declaration."

## < Duty to report >

Article 4 In cases where any change has been made in name, representative name, address, telephone number, contact person, and/or other information of Second Party, the Second Party shall report to First Party the changed contents in written within two weeks from the date of such fact arisen.

## < License agreement of CFP mark >

#### Article 5

- 1. First Party shall grant to Second Party the license to use CFP mark on CFP approved product by printing and/or labeling, etc. pursuant to separately specified "Requirements for CFP declaration method" under this Agreement.
- 2. Regarding the way of using CFP mark if there is prescription for additional information along with the CFP mark, Second Party shall comply with the "Requirements for CFP declaration method."
- 3. When using CFP mark on the homepage or in a catalogue of Second Party for purpose of sales promotion, the Second Party shall, in advance, apply for the usage of CFP mark to First Party.
- < Prohibition of unauthorized use of CFP mark >

Article 6 Second Party shall not use CFP mark on any product other than the CFP approved product which has been obtained its license agreement.

< Prohibition of improper use of CFP mark >

Article 7 Second Party may use CFP mark only on CFP approved product which has been obtained license agreement. However, in the event where applicable approved product has ceased to meet the criteria of approval due to changes or other reason, the Second Party shall terminate the use of CFP mark

immediately.

< Validity period of CFP mark license concerning CFP approved product >

#### Article 8

- 1. The validity period of CFP mark license concerning CFP approved product shall be the same as the validity period of registration and release of applicable product.
- 2. Second Party shall not ship any CFP approved product which is printed or labeled CFP mark after expired the period of license agreement prescribed in the preceding paragraph, except where Second Party obtained prior written consent of First Party.
- < Period of agreement to use CFP mark >
- Article 9 The validity period of this Agreement (period of agreement to use CFP mark) shall be the period from the date of making this Agreement to the expiration date of the validity period of approval for applicable CFP approved product.
- < Prevention of improper and inappropriate display >

#### Article 10

- 1. When using CFP mark, Second Party shall comply with the "Act against Unjustifiable Premiums and Misleading Representations" and other relative laws and regulations.
- Second Party shall give consideration so that the outsourced manufacturing companies and the outsourced sales companies of the CFP approved product do not display the CFP mark improperly or inappropriately.
- 3. Second Party shall comply with environmental and consumer-related laws and regulations.
- < Collection of reports and on-side audit, in cases where any violation of Article 2, Article 6, and/or Article 7 is suspected >

## Article 11

- 1. In cases where it is deemed that any violation of the rules prescribed in Article 2, Article 6, and/or Article 7 by Second Party is suspected, First Party may request the Second Party to submit necessary report or may conduct an on-site audit, and the Second Party shall cooperate with such report and audit.
- 2. As a result of the preceding paragraph, in cases where the fact becomes clear that the Second Party actually violates the rules of Article 2, Article 6, and/or Article 7, First Party may request the Second Party to pay transportation, accommodation, and other actual expenses related to the on-site audit conducted by the First Party, which is described in the preceding paragraph.
- 3. In the case of the paragraph 1 of Article 11, First Party may ask necessary questions to business partners and other relevant parties of the Second Party, and the Second Party shall make necessary cooperation with such inquiry.
- < Revocation of approval of CFP approved product >

## Article 12

- 1. In cases where CFP approved product of Second Party does not meet the criteria for approval, First Party may rescind the approval of applicable CFP approved product.
- 2. In the case of the preceding paragraph, Second Party shall terminate the use of CFP mark immediately, even if within the period of agreement to use CFP mark which is prescribed in Article 9.
- < Responsibility for CFP approved product >

# Article 13

- 1. Second Party shall undertake the full responsibility for information relating to environmental aspects (CO<sub>2</sub> emissions) of CFP approved product.
- In the event Second Party receives a complaint related to CFP approved product from consumers, the Second Party shall promptly take appropriate improvement measures under the responsibility and at the expense of the Second Party.
- < Prohibition of transfer of right >

Article 14 Second Party, without prior written consent of First Party, shall not transfer, provide security of,

or sublease the right to use CFP mark prescribed in this Agreement to any third party, or shall not approve the usage by proxy.

< Correction and public announcement in the case of incorrect use >

#### Article 15

- 1. In cases where Second Party violates the rules prescribed in Article 2, First Party may request the Second Party to make correction of the violation immediately.
- 2. In cases where Second Party does not follow the request of such corrective action prescribed in the preceding paragraph, First Party may request the Second Party to make public announcement voluntarily, or may make public announcement by itself, about the fact that the Second Party used CFP mark incorrectly.
- < Payment of settlements and public announcement in case of unauthorized use >

#### Article 16

- 1. In cases where Second Party violates the rules prescribed in Article 6, First Party may request the Second Party to pay settlements according to the malicious level of violation or the term of unauthorized use.
- 2. In the case of the preceding paragraph, First Party may request the Second Party to make public announcement voluntarily, or may make public announcement by itself, about the fact that the Second Party used CFP mark without permission.
- < Payment of settlements and public announcement in case of improper use >

## Article 17

- 1. If Second Party violates rules specified in Article 7, First Party may request the Second Party to pay settlements according to the malicious level of violence or the term of improper use.
- 2. In the case of the preceding paragraph, First Party may request the Second Party to make public announcement voluntarily, or may make public announcement by itself, about the fact that the Second Party used CFP mark on the product which does not meet the criteria for approval.

# < Handling of information >

## Article 18

- 1. First Party and Second Party shall not use the information related to the other Party, which has been obtained in execution of this Agreement and has not been in the public domain, for purpose other than the purpose of executing of this Agreement or performing of business of CFP mark, and also shall not disclose and leak such information to the other third parties.
- 2. First Party and Second Party shall, pursuant to this Agreement, properly handle the personal information prescribed in Article 2 of the "Act on the Protection of Personal Information," which has been obtained during execution of this Agreement.

## < Cancellation of this Agreement >

Article 19 In cases where Second Party applies any of the following paragraphs, First Party may immediately revoke the approval of CFP mark and cancel this Agreement, without any notice or demand to the Second Party. In the event First Party has received any damage from Second Party, it may request the Second Party to pay the damage.

- 1) In the event where Second Party violates the rules prescribed in Article 2, Article 6, and/or Article 7
- In the event where Second Party does not make necessary report prescribed in Article 4 and Article
   or where it interrupts an investigation or on-site audit conducted by First Party
- 3) In the event where approval of CFP approved product is revoked in accordance with Article12
- 4) In the event where a license agreement of CFP mark granted for another CFP approved product, which had been obtained by the Second Party, has been cancelled
- 5) In the event where Second Party uses a mark similar to CFP mark without permission of First Party
- 6) In the event where any false description is found in the application documents for approval of CFP product, which was submitted from Second Party to First Party
- 7) In the event where Second Party damaged the credibility of CFP mark, for example, lost of consumer

- trusts due to its inappropriate sales method
- 8) In the event where Second Party receives a petition for corporate rehabilitation, bankruptcy, or civil rehabilitation, etc, or where Second Party files such petition
- 9) In the event where Second Party is subject to dishonor of bill, collection of tax and public dues, or compulsory execution such as attachment
- 10) In the event where Second Party violates environmental, consumer-related, or other laws and regulations, or where it receives any administrative guidance or administrative punishment for such violation
- 11) In the event where it is found that Second Party violates the "Organized Crime Group Countermeasures Law" and the "Ordinance of the Law," within the validity period of this Agreement
- 12) Occurrence of any event equivalent to preceding each item
- 13) In the event where Second Party violates any other item contained in this Agreement
- < Dispose of stocks in case where Agreement is terminated by cancellation >

Article 20 In case where this Agreement is terminated by cancellation pursuant to the rules prescribed in Article 19, Second Party, based on the guidance given by First Party, shall conduct proper treatment for stocks which have not been shipped yet at the date of cancellation of this Agreement (e.g. hiding the CFP mark of the product with a seal, deleting the part of CFP mark displayed, etc), and the Second Party shall timely report the treatment process and the results in written to First Party, within a month from the date of cancellation of this Agreement; provided, however, that this shall not apply to case where Second Party obtained prior written consent of First Party.

<Duty to report unauthorized use >

Article 21 In the event where Second Party founds the fact of unauthorized use by a third party, the Second Party shall report to First Party the name, location, and product name of the third party, as well as the content of its unauthorized use.

< Consultation on question >

Article 22 Any question relating to this Agreement and any other matter not prescribed herein shall be settled upon consultation between First Party and Second Party.

< Agreement on court with jurisdiction >

Article 23 In the event of any dispute arising out of this Agreement, First Party and Second Party has been agreed in advance that the competent court of first instance of such dispute is placed within the jurisdiction of the Tokyo District Court.

Month DD (date), YY (year)

(First Party)

Chairman Ryuichi Tomizawa

Japan Environmental Management Association for Industry

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(Second Party)