

License Agreement

This Agreement (hereinafter referred to as “Agreement”) is agreed to, and entered into, by and between:

- (1) **HINO MOTORS, LTD.**, a corporation duly organized and existing under and by virtue of the laws of Japan, with its head office located at 1-1, Hinodai 3-chome, Hino-shi, Tokyo, Japan (hereinafter referred to as “Licensor”); and
- (2) _____, a corporation duly organized and existing under and by virtue of the laws of the _____ with its head office located at _____ (hereinafter referred to as “Licensee”).

(Licensor and Licensee are hereinafter collectively referred to as “Parties”, and individually referred to as a “Party”).

WITNESSETH

WHEREAS, Licensor manufactures and supplies HINO Trucks (defined below) in U.S.A. through its affiliate,

WHEREAS, Licensee manufactures and supplies the diagnostic scan tools for vehicles in U.S.A., and

WHEREAS, Licensee desires to obtain the license for use of the Scan Tools Data (defined below) for the production and supply of the diagnostic scan tools for HINO Trucks in U.S.A. (hereinafter referred to as “Diagnostic Scan Tools”), and Licensor is willing to grant to Licensee such license.

NOW, THEREFORE, in consideration of the premises and of the mutual agreement herein as set forth, the Parties agree as follows:

Article 1 - Definitions

Unless otherwise stipulated in this Agreement, the words starting with capital letters used in this agreement shall have the same meanings as those in the Code of Federal Regulations (“40 C.F.R. § 86.010-38 Maintenance instructions”) in U.S.A., and the following terms shall have the following meaning:

- 1.1 “**HINO Trucks**” means the “HINO” brand trucks equipped with on-board diagnostic system and the engines certificated by U.S. Environmental Protection Agency (EPA) as 2013 and later model year engines.
- 1.2 “**Scan Tools Data**” means the electronic data necessary to make use of the on-board diagnostic system on HINO Trucks such as Data stream information and Bi-directional control information. Scan Tools Data shall be developed by Licensor and provided by Licensor to Licensee in the form of CD-ROM for Licensee to manufacture the Diagnostic Scan Tools pursuant to the terms and conditions hereof. Licensor may update the Scan Tools Data at its sole discretion, and the updated Scan Tools Data shall be included in the definition of Scan Tools Data. The Scan Tools Data is an intellectual property of Licensor.
- 1.3 “**License**” means the Licensee’s right to use, copy, and cite the Scan Tools Data for the production of Diagnostic Scan Tools in U.S.A. The License is non-exclusive, non-divisible, non-transferable and non-assignable, does not include the right to sub-license, and is granted to Licensee by Licensor pursuant to the terms and conditions hereof.

- 1.4 “**Third Party(ies)**” means the user of Diagnostic Scan Tools in U.S.A. such as the repair shop for HINO Trucks.
- 1.5 “**License Fee**” means the consideration for the License granted hereunder, which is paid from Licensee to Licensor pursuant to the terms and conditions hereof.
- 1.6 “**Individual Contract**” means individual contract in the form prescribed by Licensor to be concluded between Licensor and Licensee to determine the terms and conditions for the supply by the Licensor of the Scan Tools Data to the Licensee, which shall be governed by the provisions of this Agreement to the extent necessary to supplement the terms and conditions set forth therein.

Article 2 - Purpose

- 2.1 The purpose of this Agreement is to provide the general terms and conditions for the License of Scan Tools Data between the Parties and the use thereof by Licensee.
- 2.2 Licensor hereby grants the License to the Licensee pursuant to the terms and conditions hereof.

Article 3 - Intellectual Property Rights

- 3.1 No provision of this Agreement shall be construed to transfer to Licensee any intellectual property rights of Licensor, its parent company, subsidiaries and affiliates, such as trademarks, copyrights, patents, all of which are fully reserved by them.
- 3.2 Licensee shall have no right to apply, and allow the third party to apply, for any intellectual property rights in or outside U.S.A. in connection with the Scan Tools Data and Diagnostic Scan Tools, the technical knowledge, inventions, know-how or secrets disclosed to Licensee by Licensor, subsidiaries and affiliates hereunder, whether in the form so disclosed, or in the form of an imitation or derivative thereof or in combination with any other trademark, technical knowledge, invention, know-how or secret.
- 3.3 In the event that Licensee becomes aware of any infringement or potential infringement in U.S.A. of (i) the intellectual property rights of Licensor, its parent company, subsidiaries and affiliates in relation to Scan Tools Data and/or Diagnostic Scan Tools by any third party, or (ii) the intellectual property rights of a third party by the Scan tools Data and/or Diagnostic Scan Tools, Licensee shall accurately and promptly inform Licensor of the details thereof with supporting evidence, and shall either assist Licensor in taking all necessary or advisable measures to protect such intellectual property rights, or take appropriate defensive measures against any complaint about alleged infringement, in accordance with the instructions then given by Licensor.
- 3.4 In the event that Licensor applies for a registration of any of its intellectual property rights in relation to Scan tools Data in U.S.A., Licensee shall cooperate with Licensor, if so requested by Licensor.
- 3.5 The intellectual property rights as referred to in this Article shall include all of such rights of whatever nature or kind owned by Licensor, its parent company, subsidiaries and affiliates, whether registered or not, in or outside U.S.A.

Article 4 - Covenants

- 4.1 Licensee acknowledges that the Scan Tools Data is the property of Licensor, and treat the same as Confidential Information (defined below) taking at least those measure that it takes to protect its own most highly confidential information.
- 4.2 Licensee shall not use, copy, cite and create derivative works from or otherwise change the Scan tools Data unless otherwise provided herein.
- 4.3 Licensee shall not sell, rent, lease, loan, sublicense, assign or otherwise transfer the Scan Tools Data in any manner, in part or in whole, to any third party unless otherwise provided herein.
- 4.4 Licensee shall refrain from falsifying, reverse engineering, decompiling or disassembling or any other similar measures in connection with the Scan Tools Data.
- 4.5 Licensee shall not use the Scan Tools Data for Diagnostic Scan Tools for any other countries than U.S.A. and the License is granted only in the U.S.A.
- 4.6 Upon provision of the Diagnostic Scan Tools to Third Party by Licensee:
 - a) Licensee shall not allow the Third Parties (i) to use the Scan Tools Data and the Diagnostic Scan Tools for any other purpose other than the service of HINO Truck and (ii) to copy, cite, reverse engineer, de-compile, disassemble, create derivative works from or otherwise change the Scan Tools Data and the Diagnostic Scan Tools. Licensee shall fully assume the responsibility for any breach by the Third Parties therefore and reimburse Licensor for any losses and damages to the full extent permitted under applicable laws.
 - b) Licensee shall be fully responsible for any and all activities occurring in connection with such provision by Licensee of the Diagnostic Scan Tools to the Third Parties.
 - c) Licensee shall cause the Third Parties to use the Scan Tools Data and the Diagnostic Scan Tools at its own responsibility, and shall indemnify, hold harmless and defend Licensor, its parent company, subsidiaries, affiliates and their employees, agents and representatives from and against any and all claims, damages, losses, liabilities and expenses, including reasonable attorney's fees and costs, of whatever nature, directly or indirectly caused by or arising out of the use by the Third Parties of the Scan Tools Data and the Diagnostic Scan Tools to the full extent permitted under applicable law.
- 4.7 Licensee hereby acknowledges and agrees that the Scan Tools Data is protected by intellectual property laws and international treaties.
- 4.8 Licensee shall perform any of its obligations hereunder in compliance with any applicable laws and/or regulations.

Article 5 - Supply of Scan Tools Data

- 5.1 The detailed terms and conditions of the shipment and delivery of Scan Tools Data shall be prescribed in the Individual Contract unless otherwise provided herein.
- 5.2 In case of any delay in the shipment by Licensor of the Scan Tools Data, Licensor shall notify Licensee of the rescheduled date of shipment in advance.

- 5.3 Licensee shall bear the freight charge and the customs if required for the custom clearance of the Scan Tools Data in U.S.A.
- 5.4 If the Scan Tools Data is damaged or lost before the delivery to Licensee, Licensor will replace or re-deliver the Scan Tools Data free of charge.
- 5.5 If the Scan Tools Data is damaged or lost after the delivery has been made, Licensor shall replace or re-deliver the Scan Tools Data at Licensee's cost upon the request from Licensee.

Article 6 - Price

- 6.1 The amount of the License Fee for the License of the Scan Tools Data shall be USD 5,000 per year.

Article 7 - Payment of the License Fee

- 7.1 After Individual Contract has been concluded by and between Licensor and Licensee, Licensor shall issue and send an invoice for the Scan Tools Data to Licensee.
- 7.2 Licensee shall pay the License Fee to Licensor in accordance with the terms and conditions stipulated in Appendix attached hereto.
- 7.3 The License Fee is non-refundable for any reason whatsoever.

Article 8 - Warranty

- 8.1 TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAWS, LICENSOR DISCLAIMS ANY EXPRESS AND IMPLIED WARRANTIES, WHICH INCLUDE BUT NOT LIMITED TO, MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND NON-INFRINGEMENT OF ANY PATENT, TRADEMARK OR OTHER INTELLECTUAL PROPERTY RIGHT OF ANY THIRD PARTY WITH REGARD TO THE SCAN TOOLS DATA.

Article 9 - Confidentiality

- 9.1 Licensee agrees that it shall, at all times during the term of this Agreement and therefore, treat as confidential and keep secret all information learned from Licensor hereunder (herein referred to as "Confidential Information"), except for any Confidential Information which, through no fault of Licensee, becomes part of the public domain.
- 9.2 Licensee shall not, without the prior written consent of Licensor, disclose any of Confidential Information to any other third party.
- 9.3 In case Licensee discloses the Confidential Information to a third party with prior written consent of Licensor pursuant to the Article 9-2 hereof, Licensee shall cause the third party to maintain the Confidential Information in confidence.
- 9.4 If Licensee and/or any of the third party mentioned in the preceding Articles 9.2 and 9.3, fails to comply with the confidentiality obligations under this Article, Licensee shall indemnify Licensor from any loss or damage sustained or incurred by the Licensor as a result of such failure.

Article 10 - Term of Agreement

10.1 This Agreement shall come into effect on _____ and shall continue in full force and effect for a period of one (1) year unless terminated earlier pursuant to Article 10 hereof. The renewal of the term of this Agreement after the initial term of one (1) year shall be determined within three (3) months prior to the expiration of the initial term of this Agreement through mutual agreement in writing between the Parties.

Article 11 - Termination of Agreement

11.1 This Agreement shall terminate automatically upon:

- (1) the expiration of the term of this Agreement as provided for in Article 10;
- (2) a written agreement of termination is executed between the Parties; or

11.2 Licensor may terminate this Agreement by giving Licensee a written notice of termination effective as of the date thereof, if Licensee, in Licensor's sole judgment, fails to remedy any material breach of any provision of this Agreement within thirty (30) calendar days after the date of the request by Licensor to remedy such breach.

11.3 In the event of the termination or expiration of this agreement for any reason whatsoever, Licensee shall cease the use of the Scan Tools Data including all copies thereof and, at its expense, immediately return them to Licensor and/or destroy them in accordance with Licensor's instruction.

11.4 The termination of this Agreement under paragraph (2) of Article 11.1 hereof shall provide no ground for compensation on the part of Licensee.

11.5 Notwithstanding the expiration or termination of this Agreement, the rights vested in either Party and the obligations of the Parties hereto set forth in Articles 3, 4.1, through 4.6, 8, 11.3, 11.4, 11.5, 12, 23 and 24 shall survive such termination.

Article 12 - Indemnity

12.1 Licensee shall use the Scan Tools Data at its own responsibility, and shall indemnify, hold harmless and defend Licensor, its parent company, subsidiaries, affiliates and their directors, officers, employees, agents and representatives from and against any and all claims, damages, losses, liabilities and expenses, including reasonable attorney's fees and costs, of whatever nature, directly or indirectly caused by or arising out of any action, omission or breach by Licensee under this Agreement to the full extent permitted under applicable law.

Article 13 - Denial of Representation

13.1 All transactions and operations which Licensee performs under this Agreement shall be made in the name, for the account and at the risk of Licensee. Unless otherwise expressly provided, Licensee shall be in no way, to any extent, an agent or legal representative of Licensor for any purpose whatsoever, nor shall Licensee be granted any express or implied right or authority to assume or create any obligation on behalf of or in the name of Licensor in any manner whatsoever.

Article 14 - Force Majeure

- 14.1 In the event that either of the Parties finds itself unable, by reason of an event of force majeure to carry out its obligations hereunder in whole or in part, the obligations of such Party to the extent that they are affected by such “force majeure” shall be suspended as long as the impossibility so caused continues to last but not thereafter. The term “force majeure” as used herein means any event, whether accidental or not, beyond the control of the Party affected by such event but not necessarily unpredictable by such Party, including, by way of indication and not by way of limitation, any natural calamity, war (whether declared or not), civil war, terrorism, riot, change in the regime of the country, establishment, revision and/or abolition of statute, order and/or disposal by the public power, strike, sabotage, blockade and other disturbances, labor disputes or the like trouble, trouble in the system of transportation, lack of any necessary governmental authorization, fire, explosion, lightning storm, wind, drought, flood, earthquake, epidemic quarantine and other circumstances or situations which are reasonably beyond the control of the Party claiming “force majeure”.
- 14.2 The Party affected by “force majeure” shall not be held liable for the delay in and/or the impossibility of performing an obligation provided for in this Agreement.
- 14.3 Regardless of the preceding Articles 14.1 and 14.2, the payment obligations of the Licensee provided in this Agreement shall not be affected by “force majeure”, meaning that any amounts owed under this Agreement and an Individual Contract by Licensee to Licensor at the time of occurrence of an event of “force majeure” shall remain due and payable.
- 14.4 The Party affected by an event of “force majeure” shall give written notice thereof to the other Party setting forth the particulars of the event of “force majeure”. Immediately after the provision of such notice, the performance of this Agreement will be suspended for the part or parts of such agreement and contract which cannot be performed as a consequence of the event of “force majeure”.
- 14.5 If such suspension lasts more than six (6) months, the part or parts of such agreement and contract which are in suspension may be terminated forthwith by the Party not affected by “force majeure” upon written notice to this effect to the other Party.

Article 15 - Prohibition of Assignment

- 15.1 Neither Party may, without prior written approval of the other Party, directly or indirectly, sell assign, transfer, entrust, offer as security or collateral, or otherwise dispose of this Agreement or any of its rights or obligations hereunder, in whole or in part, in any manner or form whatsoever. Notwithstanding the foregoing, Licensor may transfer this Agreement and any rights or obligations hereunder to any subsidiary, affiliated company or third party equivalent to such company.

Article 16 - Entire Agreement

- 16.1 Schedules and Appendix, if any, attached hereto shall constitute integral parts of this Agreement.
- 16.2 This Agreement sets forth the entire agreement and understanding between the Parties on the subject matter hereof (except for the future agreements and other documents explicitly referred to in this Agreement) and shall merge and supersede all prior and contemporaneous negotiations, agreements, promises and understandings, written or oral, express or implied, relating to the subject matter hereof, provided that in case any of the provisions contained in Schedules or Appendix is contradictory to or inconsistent with any provision of this Agreement, the former shall prevail.

Article 17 - Amendment or Modification

17.1 This Agreement shall not be modified, amended, supplemented or nullified by any means except by a writing signed by the duly authorized representatives of the Parties.

Article 18 - Government Approvals

18.1 Any provision of this Agreement which requires the approval of the governments of U.S.A. shall become effective when the approval is granted by the governments concerned. Licensee shall be fully responsible for obtaining any approval of the governments of U.S.A. and Licensee shall faithfully and promptly obtain such approval.

18.2 Each Party represents that, to the best of its knowledge, as of the effective date of this Agreement, there are no laws or regulations in effect in U.S.A. in case of Licensee or in Japan in case of Licensor that materially limit or restrict its ability to fully perform its obligations or to accord the other Party its rights under this Agreement.

Article 19 - Severability

19.1 In the event that any provision of this Agreement is found or revealed to be invalid or unenforceable under the laws or regulations of U.S.A. or Japan, the remainder of this Agreement shall nonetheless remain in full force and effect and this Agreement shall be construed as if such invalid or unenforceable provision had not been a part hereof. The Parties shall confer and agree upon an effective provision to take the place of the invalid or unenforceable provision.

Article 20 - Tax and Expenses

20.1 All taxes, expenses, charges, duties and local or governmental charges which may be due or become due as a consequence of this Agreement shall be borne by Licensee unless otherwise provided herein.

Article 21 - No Implied Waiver

21.1 No failure of either Party at any time in requiring the performance by the Party of any provision hereof shall prejudice the right to require full performance of the same provision at any time thereafter. No waiver by either Party of a breach of any provision hereof shall constitute a waiver of any succeeding breach of the same or any other provision or constitute a waiver of the provision itself.

21.2 No waiver of any provision hereof shall be effective unless the same shall be made explicitly in writing and signed by the Party against whom such waiver is sought to be enforced.

Article 22 - Headings

22.1 All headings and captions are included for convenience of reference only and shall not affect the meaning or interpretation of this Agreement.

Article 23 - Construction and Governing Law

- 23.1 This Agreement is drafted in the English language and in the event of various editions or translations; the English edition of this Agreement shall prevail.
- 23.2 The validity, performance and construction of this Agreement shall be governed by and interpreted in accordance with the laws of Japan.

Article 24 - Arbitration

- 24.1 Any dispute, controversy or trouble arising from or in connection with this Agreement shall be brought to an amicable settlement between the Parties.
- 24.2 In the event that no satisfactory settlement is reached, it is agreed that at the request of either Party, the dispute, controversy or trouble shall be finally settled by arbitration in Tokyo, Japan in accordance with the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said Rules. The language used in the arbitration proceedings shall be the English language.
- 24.3 This arbitration clause shall survive in the event that this Agreement is adjudged null and void or is canceled or terminated for any reason whatsoever.

Article 25 - Notice

- 25.1 Any communication between Licensor and Licensee under this Agreement shall be made in the English language.
- 25.2 In the event any notice or other communication is required or permitted to be given under this Agreement, such notice or communication shall be made in writing and shall be:
- (1) personally delivered with an immediate confirmation of the receipt thereof;
 - (2) sent by registered airmail; or
 - (3) transmitted by facsimile.
- 25.3 Any communication between the Parties appropriately addressed hereunder shall be deemed to have been given and received:
- (1) upon receipt thereof, in case of personal delivery;
 - (2) on the date of receipt thereof expressed in a certificate issued by the post office responsible for delivery of such communication or, if such certificate is not available, on the tenth (10th) calendar day following posting thereof, in the case of registered airmail; and
 - (3) upon the recipient's acknowledgment thereof or reference thereto in writing in any way, in case of facsimile.

Article 26 - Counterparts

- 26.1 This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their duly authorized representatives as of the day and year written below in two copies each of which is regarded as original and shall be kept by each Party.

折尾公徳

Name: KIMINORI ORIKASA
Title: General Manager
HINO MOTORS, LTD.

Name:
Title:

On Feb 15, 2016

On _____

In Tokyo, Japan

In _____

APPENDIX

Payment procedures

upon receipt by Licensee of the invoice issued by Licensor, Licensee shall pay the total amount of License Fee to Licensor by way of telegraphic transfer (T/T) in US dollars to a bank account designated by Licensor within one (1) month from the date of such invoices. Handling fees charged by a bank in making such payment shall be borne by Licensee.

Late payment charge

In the event that Licensee fails to pay the due amount of the License Fee, Licensor may claim against Licensee the interest at the rate of fourteen percent (14%) per annum for the overdue period, in addition to such due amount payable.