SOFTWARE LICENSE AGREEMENT for SOFTWARE DEVELOPMENT TOOLS

NOTICE

IMPORTANT: LAPIS Semiconductor Co., Ltd. grants Customer using Product (defined in Clause 1) a license to use Software (defined in Clause 1), on condition that Customer agrees to all contents provided in this Agreement.

If Customer does not agree to any contents provided in this Agreement, Customer shall not use this Software. If Customer uses this software, it is deemed that Customer agrees to this agreement.

Clause 1. Definition

- 1. "Product" shall mean the Microcontroller or Speech Synthesis LSI developed by LAPIS Semiconductor.
- 2. "Software" shall mean any computer programs included in the "Software Development Tools" (hereinafter "Program") to develop software embedded in Product and any manual relating to Software. Program shall include, without limitation, any machine-readable code, component and any data thereof.
- 3. "Use" shall mean installing and running Software on a computer system, or storing, transferring or displaying it on devices connected to a computer system, and reading any manual of Software in printing or storing and displaying it on devices connected to a computer system.

Clause 2. Grant of License

- 1. LAPIS Semiconductor grants Customer a non-exclusive and non-transferable license ("License") to Use Software on one computer only for the purpose of development of software for use with Product. This License shall be the sole right which Customer is granted relating to Software, and no other rights shall be granted or transferred to Customer in connection with Software.
- 2. LAPIS Semiconductor may modify and change (including upgrade and others) Software without a Customer's consent.

Clause 3. Restriction

Customer shall not:

- 1. disclose Software to any third parties or allow any third parties to Use Software;
- 2. upload and exhibit Software in any networks including the Internet and an intranet;
- 3. remove or alter the copyright notice included in Software:
- 4. Use Software for any purpose other than the purpose mentioned in Clause2.1;
- 5. analyze or otherwise disassemble, decompile or reverse engineer Software; and
- 6. modify, adapt, distribute, assign, transmit, lease or put in pledge Software.

Clause 4. Right of the Software

- Any and all copyrights (including the rights provided under Article 27 and 28 of Japanese Copyright Law) of Software and any other intellectual property rights shall belong to LAPIS Semiconductor. Any rights relating to Software shall not be transferred whether in whole or in part to Customer under this Agreement.
- 2. Software is protected by the law and the treaty of Copyright and any other intellectual property rights.

Clause 5. Confidentiality

Customer shall hold Software in confidence, and shall not disclose all or part of Software to any third parties without LAPIS Semiconductor's consent.

Clause 6. Disclaimer and Indemnification

- If a recording media by which Software is furnished to Customer is physically defective due to a cause attributable to LAPIS Semiconductor and such defects are notified to LAPIS Semiconductor within three
 (3) months after the date of delivery from LAPIS Semiconductor, LAPIS Semiconductor agrees to replace such defective media free of charge.
- 2. Software is provided on an "as is" basis by LAPIS Semiconductor. LAPIS Semiconductor makes no warranty, express or implied with respect to Software, including but not limited to any warranties of any conformity with the specific purpose, accuracy of a response, result of its use, absence of negligence and non-infringement of intellectual property rights of any third parties.
- 3. LAPIS Semiconductor shall not be liable for any direct or indirect damages (including but not limited to

- damages caused by loss of intangible property, such as information, data and program, loss of profit, discontinuation) by use or non-use of Software.
- LAPIS Semiconductor shall not be responsible for continuous upgrade and any corrections of defect of Software.
- LAPIS Semiconductor shall not be responsible for any technical services required by Customer for Software.
- 6. LAPIS Semiconductor may change, without notice to Customer, the specification of Product and Software and others LAPIS Semiconductor shall not be responsible for any damages or losses which Customer suffers from a result thereof.
- 7. Customer agrees to hold harmless, indemnify, and defend LAPIS Semiconductor, its officers, directors and employees from and against any losses, damages, fines and expenses (including but not limited to attorneys' fees and costs) arising from or relating to any claims caused by or connected to that Customer have (i) viewed, downloaded, encoded, compressed, copied or transmitted any materials (other than materials provided by LAPIS Semiconductor) in connection with Software in violation of another party's rights or in violation of any law, or (ii) violated any terms of this Agreement.

Clause 7. Export Restrictions

Customer shall comply with any and all laws and regulations relating to export applicable to Software. Customer shall not transfer, export, re-export, directly, or indirectly, any products, hardware, software and/or technology acquired from LAPIS Semiconductor to any embargo countries and Customer shall comply with all applicable laws and regulations, whenever Customer transfers, exports, or re-exports any product, hardware, software and/or technology.

Clause 8. Termination

- 1. Customer may, at any time and at its discretion, terminate this Agreement upon a notice to LAPIS Semiconductor. In such case, this license shall be terminated immediately.
- 2. In case where Customer breaches any of its obligations under this Agreement, LAPIS Semiconductor may terminate this Agreement. In such case, this license shall be terminated immediately.

Clause 9. Term of this Agreement

This Agreement is effective as of the earlier of (i) the date when Customer agrees to this Agreement or (ii) the date when Customer begins to Use Software, and until the termination in accordance with Clause 8.

Clause 10. Effect of Termination

Upon a termination of this Agreement for any reason, Customer shall destroy Software and all copies thereof immediately.

Clause 11. Others

- 1. Any items which are not set forth in this Agreement, or any items which give rise to disputes, shall be negotiated in good faith among parties and the best efforts shall be made for amicable settlement.
- 2. This Agreement shall be governed and interpreted in accordance with the laws of Japan without regard to its conflicts of laws principles. Any dispute which may arise in connection with this Agreement shall be settled by arbitration in Tokyo, Japan in accordance with the Commercial Arbitration Rules of the Japan Commercial Arbitration Association. The arbitration shall be conducted in English. The award rendered by the arbitrator(s) shall be final and binding upon the parties.