

MECHATROLINK Members Association
Membership Agreement
Terms and Conditions

English Translation from the Japanese Original

Contained within this Agreement are the terms and conditions of the membership of MECHATROLINK Members Association (hereinafter referred to as the Association), the rights and obligations of the Association members (hereinafter referred to as Members), and the management of the Association.

Article 1. Objectives and Principles of the Association

The Association shall consist of the MECHATROLINK product developers and users to promote the use of MECHATROLINK technology worldwide. All Members will promote construction of the motion field network MECHATROLINK family over a wide range.

Article 2. Scope of This Agreement

- 2-1. This Agreement applies to any Members who receive MECHATROLINK Technology (as defined in Article 7 in this Agreement) from the Association and implement said MECHATROLINK Technology. Implementation refers to the development, designing, trial production, manufacturing, testing, or sales of the MECHATROLINK products using the said MECHATROLINK Technology. In this Agreement, MECHATROLINK refers to MECHATROLINK communications of every generation.
- 2-2. This Agreement applies to all Members of four Membership categories (registered members, regular members, executive members, and board members) specified in Attachment 1. The registered members are authorized to read the specifications and attend explanatory meetings (charged), but have no right to develop or sell the products.
- 2-3. The term of one year in this Agreement starts on April 1st and ends on March 31st of the succeeding year.
- 2-4. Any modifications to this Agreement shall be executed upon the approval of the Executive Committee.
- 2-5. This Agreement shall apply to Members from October 1st, 2005.

Article 3. Membership Requirements

Members are limited to firms and corporations. The Association is not open to individuals except for those who receive special approval from the Association.

Article 4. Membership Application and Modification Process

Use the MECHATROLINK Association Membership Application Form (Form 1) prepared by the Association. Once the application is received and approved by the Association, the Association will issue a Certificate of Membership.

If any change or modification occurs in the contents of the said application form, the Member agrees to inform said change or modification to the Association without delay using the MECHATROLINK Association Membership Application Form (Form1).

Article 5. Membership Validity and Termination by Member's Request

- 5-1. The Membership is valid from the effective date of the Membership Registration Certificate until March 31st of the then-current term. The term of the Membership shall automatically be

renewed for the succeeding term of one year unless a Member notifies of intent not to renew the then-current term at least three months prior to termination of the then-current term.

- 5-2. The notification by Member not to renew the then-current term is validated by a written notice to the Association at least three months prior to termination of the then-current term. The annual fee that was already paid to the Association is non-refundable.
- 5-3. Regardless of the reason for termination of Membership, Articles 9-1, 9-2, 12, 13-2, 13-3, 14, 15, and 16 shall continue to be binding and survive termination of this Agreement.

Article 6. Membership Termination

If a Member commits any of the following breaches, Membership shall be terminated. In such case, the annual fee that was paid to the Association is non-refundable.

- Any breach of the provisions under this Agreement
- Any false declaration on the application form

Article 7. Rights of Member

- 7-1. The regular members, the exclusive members, and the board members shall have the rights to develop, manufacture, and sell the MECHATROLINK connected products.
- 7-2. Members shall have the right to receive free of charge from the Association a copy of the MECHATROLINK Specifications (hereinafter referred to as the Specifications) that contain MECHATROLINK Technology.
- 7-3. Members shall have the right to use (the right to use and exercise) the Specifications and related technical information disclosed by the Association under the terms and conditions of this Agreement. However, this right shall not entitle Members to share the received MECHATROLINK Technology with any third party.
- 7-4. The regular members, the exclusive members, and the board members who are approved under Article 9-3 of this Agreement to sell their MECHATROLINK products may use the MECHATROLINK logo free of charge to indicate that the said products support MECHATROLINK. Such Members shall bear responsibility for the performance and quality of their MECHATROLINK products. Hereby, Members agree not to cause any misunderstanding in the warranty coverage when using the MECHATROLINK logo.
- 7-5. Any Member is allowed to print or post free of charge information, such as the name and specifications on the MECHATROLINK products developed, manufactured, or sold by the Member in the MECHATROLINK-related product catalog or homepage. The methods, limits, and period of publication or display shall be determined by the Association.

Article 8. Revocation of Rights After Termination of Membership

After termination of Membership by a request from the Member or under Article 6 of this Agreement, or modification of member status to the registered member, the rights set forth in Article 7 shall be revoked immediately. The following rights, however, shall be binding and survive termination of this Agreement.

- Sale of the products remaining in stock at the time of the termination of Membership or the modification of member status to the registered member
- Use of the MECHATROLINK logo on the products that are already being manufactured or sold at the time of the termination of Membership or the modification of member status to the registered member

Article 9. Obligations of Member

- 9-1. Confidentiality
 - 1) Members shall not disclose, divulge, or provide to a third party who is a non-Member by any means any and all MECHATROLINK Technology provided or disclosed by the Association. Orally disclosed information, which is explicitly known to be confidential information on its disclosure, shall be documented by the Association within thirty (30)

days after disclosure. Further, Members shall only disclose MECHATROLINK Technology to their employees on a need-to-know basis. If required for the purpose of development, manufacture, or sale of MECHATROLINK products by the Member, however, the Member may disclose the MECHATROLINK Technology to a relevant third party, such as the company's subcontracted manufacturer, upon prior permission with Approval for Request of Secondary Disclosure from the Association. In such cases, the Member and relevant third party are equally bound by the obligations under Article 9-1 and 9-2 of this Agreement, and the Member shall share equal responsibility for any misconduct of the said third party.

- 2) The foregoing restrictions will not apply to the information under any of the following conditions:
 - The Member can prove that the information had been in the possession of the Member at the time it was disclosed or provided by the Association
 - The disclosed or provided information had been publicly known.
 - The information becomes a part of the public domain after its disclosure to the Member through no fault of the Member
 - The technology was rightfully acquired free of any obligation of confidence subsequent to the time it was disclosed or provided by the Association.
 - The Member can prove with written evidence that the information was developed by the Member independently of and without reference to any information disclosed or provided by the Association.

9-2. Use of MECHATROLINK Technology

- 1) Members are permitted to use MECHATROLINK Technology solely for incorporation in MECHATROLINK products to be used with MECHATROLINK.
- 2) Members shall obtain prior authorization from the Association before duplicating, altering, or modifying any MECHATROLINK Technology, including the hardware and software.
- 3) Members are permitted to use the name MECHATROLINK in catalogs, manuals, Internet websites or other media created by themselves.
- 4) Members are prohibited from conduct such as assigning, subleasing, or providing as collateral, in whole or in part, the rights licensed by the Association under the terms and conditions of this Agreement to any third party.

9-3. Compliance Certification Test

- 1) Members must pass the compliance test and obtain certification from the Association before introducing a MECHATROLINK compatible product developed using MECHATROLINK Technology to the market.
- 2) When the Association judges from the results of the compliance test the developed product to be compliant with the MECHATROLINK common specifications, the Association will issue a Certificate of Compliance to the Member and grant the use of the MECHATROLINK logo on the compliant product.
- 3) When the Association judges from the results of the compliance test the developed product did not comply with the MECHATROLINK common specifications, the Association will waive the first re-testing cost for the said product
- 4) Regardless of the results of the compliance test, the Association shall report the test results to the concerned Member in writing or other visible format.
- 5) Members agree to submit the Association a specified application form with all required documents attached for each request of the compliance test including the re-test.
- 6) The Compliance Certification Test is conducted by the Association to verify that the products developed by Members comply with the MECHATROLINK common specifications stipulated by the Association. The Certificate of Compliance issued by the Association does not guarantee the performance and quality of the said products.

Article 10. Management

- 10-1. Organization
The Association shall have a Chairman, General Meetings, Executive Committee, and Secretariat.
- 10-2. Chairman
The Chairman represents the Association and supervises the activities of the Association.
- 1) A Chairman's term of office shall be two years, however, the Chairman may hold the office for another term.
 - 2) Whenever the office of the Chairman shall become vacant, the Chairman shall appoint a Member to assume the duties of the Chairman until a successor shall be decided.
- 10-3. General Meetings
There shall be an ordinary general meeting and extraordinary general meeting. These meetings shall be open to the regular members, the exclusive members, and the board members.
- 1) An ordinary general meeting shall be held annually after the end of the term of one year, for which prior notice shall be given to the regular members, the exclusive members, and the board members.
 - 2) The Chairman and the General Secretary may call an extraordinary general meeting as deemed necessary.
 - 3) General meetings shall be called and held by the Chairman.
 - 4) The resolutions of the Executive Committee may be reported to Members at a general meeting.
- 10.4. Executive Committee
- 1) The Executive Committee is the legislative body of the Association to assist in the smooth operation of the Association.
 - 2) The Executive Committee shall consist of the board members and the leaders of subcommittees.
 - 3) A President shall be selected from among the board members. The President represents and superintends the Executive Committee.
 - 4) A President's term of office is two years, however, the President may hold the office for another term.
 - 5) The President and the General Secretary may call the Executive Committee as deemed necessary.
 - 6) A quorum for the Executive Committee meeting shall require the presence of two thirds (2/3) of the board members (including proxies). All resolutions of the Committee shall be adopted by the affirmative vote of more than fifty (50) percent of the presences and proxies.
 - 7) The following matters shall be approved by the resolution of the Executive Committee. All the resolutions shall be reported to Members at a general meeting.
 - Planning and reporting the activities of the Association
 - Statement of budget and accounts of the Association
 - Items important on management of the Association
 - Vote for New members of the Executive Committee
 - Establishment of subcommittees
 - 8) The President shall not have the right to vote unless the representative of board members serves as the President. The General Secretary may have the tie breaking right to vote if the vote was 50-50.
- 10.5. Secretariat
- 1) The secretariat of the Association shall be located at 480 Kamifujisawa, Iruma, Saitama, Japan, and in charge of administering operations of the Association.

- 2) The secretariat carries out the following technical activities.
 - Formulation and archiving of specifications
 - Study and investigation on various technical subjects
 - Coordination of individual working group
 - Publication of technical documents
- 3) The secretariat carries out the following works to support vendors and users.
 - Planning and management for presentations to exhibitions
 - Planning and management of various seminars
 - Distribution of information through home page and internet
 - Creation and distribution of the MECHATROLINK product catalogs of each vendor
 - Support for development of MECHATROLINK products
 - Practice of compliance certification test
 - Reception of applications for membership

Article 11. Fees and Payments

11-1. Admission Fee

None

11-2. Annual Fee

The annual fee differs depending on the four membership categories. Each annual fee is specified in Attachment 1.

1) Initial Term of Membership

A member agrees to pay the applicable initial term member fee due under the invoice issued by the Association:

- A member whose Membership Registration Certificate was issued between April and September:
Shall pay the full amount of the annual fee set forth in Attachment 1 to the Association within one month from the effective date of the Membership Registration Certificate.
- A member whose Membership Registration Certificate was issued between October and March:
Shall pay half of the annual fee set forth in Attachment 1 to the Association within one month from the effective date of the Membership Registration Certificate.

2) Successive One-year Terms of Membership

Members agree to pay the full amount of the annual member fee set forth in Attachment 1 and due under the invoice issued by the Association in the first month of the then-current term.

11-3. Compliance Certification Test Cost

Members agree to pay the full amount of the compliance certification test cost (set forth in Attachment 1) due under the invoice issued by the Association within one month after reception of the acceptance of the certification test application.

The cost for re-testing the product that was rejected once will not be charged.

11-4. Payment Method

Members shall pay the annual fees and certification test cost to the following bank account.

<Account>

Bank: Mizuho Corporate Bank, Shintokorozawa Banking Division

Account Number: 4150148

Account Name: MECHATROLINK MEMBERS ASSOCIATION

Article 12. Industrial Property Rights

Members shall notify the Association, without delay, of the details of any new invention, design, or other creation based on the MECHATROLINK Technology provided by the Association and shall consult with the Association regarding industrial property rights related to the said creation, including its application.

Article 13. Warranties

13-1. The Association shall provide Members with a copy of the latest specifications in possession of the Association as they are.

13-2. Members shall use MECHATROLINK Technology at their own risk, without causing any damage to the Association.

The Association shall not be liable in any way whatsoever for the performance, quality, safety, or technical or economic issues (e.g., manufacturing liability) related to MECHATROLINK products developed and manufactured by Members. Any problem caused by the disclosed MECHATROLINK Technology itself whenever any such may occur shall be disclosed without delay and discussed by the Members and the Association.

13-3. Members whose MECHATROLINK products and/or materials (catalogs, product manuals, and Internet websites) related to the said products violate the intellectual property rights or other rights of a third party and cause or might cause a dispute with the said third party, shall resolve the dispute at their own risk and cost. The Association will cooperate with Members where possible, if it deems such assistance to be necessary.

Article 14 Certificate of Membership

The mail containing the Member Registration Notification constitutes the Certificate of Membership. Each Member shall be responsible for managing his own ID numbers, vendor names, and vendor number provided in the Member Registration Notification. The ID number, vendor name, and vendor number are required for member identification when making inquires, and must not be misused or used illegally by a third party.

The Association shall not be liable in any way whatsoever for any incorrect use or illegal use by a third party of the ID number, vendor name, and vendor number.

Article 15. Jurisdiction

The Tokyo District Court shall have exclusive jurisdiction over any lawsuit in connection with this Agreement.

Article 16. Agenda

Any issues not specified in this Agreement, any objections regarding the terms and conditions of this Agreement, or any revision of this Agreement shall be resolved in good faith through consultation between the Association and Members.

Article 17. Inquiries

Inquiries to the Association shall be sent to the following address.

MECHATROLINK Members Association
Address: 480 Kamifujisawa, Iruma, Saitama, 358-8555 Japan
Telephone No.: +81-4-2962-7920 Fax. No.: +81-4-2962-5913
E-mail address: mma@mechatrolink.org

Formulated on:	October 1st, 2005
1st revision	November 11th, 2005
2nd revision	November 22nd, 2005
3rd revision	March 1st, 2008
4th revision	July 1st, 2008

Attachment 1
Member's Rights and Obligations of MECHATROLINK Members Association

MECHATROLINK Members Association Membership

	Board Members	Executive Members	Regular Members	Registered Members
Admission fee	Free			
Annual fee (April to March)	500,000 yen *	200,000 yen *	100,000 yen *	Free
Annual fee for members admitted between October and March of the then-current term	1/2 of the above annual fee			Free
Participation in committee and general meetings	Authorized to participate the executive committee, subcommittee, and general meeting	Authorized to participate the subcommittee and general meeting		Not authorized
Services				
Downloading the technical documents from the Website	Free			
Direct mails from the Association	Free			
Seminars	Charged			
Product presentation at seminar	Authorized		Not authorized	
Technical inquiries (by e-mail or telephone.)	Free			Not authorized
Development support for vendors	Free (charged for some cases)			Not authorized
Introduction of products on the Association's website	Free			Not authorized
Advertisement on the Association's website	Free	Charged		Not authorized
Compliance certification test	50,000 yen *	100,000 yen *	200,000 yen *	-
Rights of Members				
Development and sale of products	Authorized			Not authorized
Participation in formulation of specifications	Authorized	Not authorized (Possible to receive the information on experimental specifications).	Not authorized (Possible to receive the information on experimental specifications.)	Not authorized (Possible to read the formulated specifications)
Acquisition of development ASIC	Possible to obtain ES and CS	Possible to obtain CS	Quantity production	-

*: Taxes excluded