

Special Conditions for Moonshot Research & Development Program

Adopted on February 13, 2020

Revised on April 27, 2020

Article 1 (Special Provisions for Restrictions on the Other Party in Contracts Executed by Entrustee, Etc.)

1. An Entrustee, Re-Entrusted Contractor, and Joint Contractor (hereinafter collectively referred to as “Entrustee, Etc.”) shall not conclude a contract (sales contract, fixed fee contract, or other contract having a Contract Amount of less than JPN1,000,000) with a corporation or organization that has been designated as being suspended or ineligible for a grant subsidy by the Ministry of Economy, Trade and Industry (hereinafter referred to as “METI”). However, in case it would be difficult or inappropriate to perform the Contract Work without such a corporation or organization, the Entrustee, Etc. may conclude a contract with such a corporation or organization with the approval of NEDO.
2. If NEDO learns that the Entrustee, Etc. has concluded a contract with a corporation or organization that has been designated to be suspended or ineligible for a grant subsidy by METI in violation of the provision of the preceding paragraph, NEDO may request the Entrustee to carry out measures deemed necessary and the Entrustee shall ensure such measures to be taken.
3. The provisions of the two preceding paragraphs shall be treated in the same manner even though the schemes that the Entrustee entrusts or re-entrusts to the other, or the Entrustee and the other part perform the part of Contract Work jointly are made in multiple layers, and the Entrustee shall take any measures deemed necessary.

Article 2 (Program Director)

A program director (hereinafter referred to as “PD”) appointed by NEDO for each Goal in Moonshot Research & Development Program shall promote the program by constructing a portfolio (a program construction (combination) and a management plan such as a basic policy of resource allocation) to achieve Goal and realize R&D concept.

#### Article 3 (Restrictions on Disposal of Property)

1. Acquired Property having ownership vested in NEDO as provided for in Paragraph 1 of Article 20 of the General Conditions of Business Entrustment Contracts (hereinafter referred to as “General Conditions”) shall be subject to Article 22 of the Act on Regulation of Execution of Budget Pertaining to Subsidies, etc. (Act No. 179 of 1955).
2. In case NEDO finds the contents of the Confirmation Form under Paragraph 5 of Article 20-2 of the General Conditions concerning disposition of Acquired Property provided for in the preceding paragraph to be appropriate, NEDO shall submit the Confirmation Form to the Minister of Economy, Trade and Industry as deemed necessary.
3. The Entrustee shall dispose of Acquired Property in compliance with the provisions provided by the Minister of Economy, Trade and Industry as conditions for approval.

#### Article 4 (Special Provisions for Companies, Etc. Outside of Japan)

1. If the Entrustee is a company, etc. outside of Japan (referring to a company, a university or a research institute outside of Japan), in Paragraph 1 of Article 31 of the General Conditions the wording “the Entrustee shall own” shall be “NEDO and the Entrustee shall own Intellectual Property Rights jointly in principle and NEDO’s equity shall be equal to or more than 50 percent of the total equity of NEDO and the Entrustee (hereinafter referred to as Intellectual Property Rights owned by NEDO and the Entrustee jointly as “Joint Intellectual Property Rights”)”.
2. In the case set forth in the preceding paragraph, the term “Intellectual Property Rights” shall be replaced with “Equity of Intellectual Property Rights” in Paragraph 3 Item (iv) of Article 31, Paragraphs 4 and 5 of Article 31, Paragraphs 1 and 4 of Article 31-3, Paragraphs 1, 3 and 4 of Article 31-4, Article 31-5, and Paragraphs 3 and 4 of Article 33 of the General Conditions.
3. Regarding expenses related to application, registration, and maintenance for Joint Intellectual Property Rights (hereinafter referred to as “Expenses for Application, Etc.”) during the Contract Period and after the expiration of the Contract Period, Expenses for Application, Etc. relating to NEDO’s share shall

also be borne by the Entrustee, unless all of the Entrustee's equity is waived by the Entrustee.

4. Expenses related to application during the Contract Period may be included in expenses necessary for performing the Contract Work with the approval of NEDO.
5. If the Entrustee intends to grant a license for Joint Intellectual Property Rights to a third party, the Entrustee shall obtain the approval of NEDO in advance by submitting an application for a license of Joint Intellectual Property Rights using "Special Conditions Form 1" in the Appendices.
6. NEDO may grant a license at its own discretion to a third party for Joint Intellectual Property Rights and the Entrustee shall agree thereto in advance.
7. In case NEDO intends to waive its share of Joint Intellectual Property Rights, NEDO shall notify the Entrustee to that effect.
8. In case NEDO or the Entrustee or NEDO and the Entrustee jointly grant a license for Joint Intellectual Property Rights to a third party (hereinafter the third party is referred to as "Licensee"), NEDO or the Entrustee shall agree to the following items with the Licensee in advance.
  - (i) NEDO or the Entrustee may waive their share of Joint Intellectual Property Rights without the approval of the Licensee (however, except in cases where NEDO or the Entrustee is obliged to maintain Intellectual Property Rights up to one year for Licensee)
  - (ii) NEDO and the Entrustee shall assume no responsibility or liability for compensation for damages arising from the Licensee's exercising of Joint Intellectual Property Rights.
  - (iii) License contracts may be canceled due to significant changes in business environment or management structure due to reorganization, business transfer, or stock transfer, etc., due to corporate merger, divesture, etc., of the Licensee.

#### Article 5 (Granting or Transfer of Intellectual Property Rights)

The proviso of Paragraph 3, Item (iv) of Article 31 of the General Conditions shall

not apply to this Contract.

#### Article 6 (NEDO Right to Terminate)

1. The following item shall be added to Paragraph 1 Item (v) of Article 37 in the General Conditions of Business Entrustment Contracts:

vi) In case the Entrustee no longer meets any of the application requirements presented by NEDO at the time of the public call for proposals, etc.

2. The following proviso shall be added to Paragraph 2 of Article 37 of the General Conditions:

In case NEDO decides to discontinue the project in consultation with PD and advice from the Strategy Council established in the Cabinet Office, NEDO may terminate this Contract.

#### Article 7 (Contract with Re-Entrusted Contractor)

These Special Conditions shall apply mutatis mutandis to a Re-Entrusted Contractor and a Joint Contractor.

#### Article 8 (In Relation to English Translation)

The Japanese language version of this Contract shall be the authentic text. Even if an English language version is created for reference purposes, only the authentic text of the Japanese version shall be effective for the contract, and the English translation shall not have any force thereon.

#### Article 9 (Survival Clause)

Articles 3, 4, 5, 7 and 8 of these Special Conditions shall survive expiration of the Contract Period or termination of this Contract under the provisions of Article 37, 38, and 39 of the General Conditions until the relevant conditions cease to exist.

#### Supplementary Provision

These Special Conditions shall come into effect as of February 13, 2020.

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