

## 1. EXPORT CONTROL REGULATION

1.1 In no event shall Panasonic Corporation or PE be bound by any terms and conditions that contravene any laws, regulations or other restraints of any relevant countries including but not limited to Japan. All sales and purchases hereunder shall be subject to obtaining any licenses under the said relevant laws, if required. Distributor shall, upon PE's request, furnish PE with all information and documentation necessary for Panasonic Corporation in obtaining and comply with the required licenses.

1.2 During and after the Term of this Agreement, Distributor shall not sell, lease or otherwise dispose of "GOODS" to any customer who in Distributor's knowledge may make use of "GOODS" for "Military Purposes". For the purpose of this Article, "GOODS" mean any and all the Products, their replacement parts and any technical documents or technical services associated therewith to be supplied by PE to Distributor hereunder, and "Military Purposes" mean the design, development, production, use or stock-piling of any such mass destructive weapons as nuclear weapons, biological weapons, chemical weapons and missiles.

1.3 During and after the Term of this Agreement, Distributor shall not export "GOODS", directly or indirectly, to any of the countries against which any economic sanction is imposed under resolutions approved by the Security Council of the United Nations, so far as "GOODS" remain the "prohibited subject", whose export to such countries is prohibited thereunder.

1.4 In the case of any breach of this Article, Distributor shall be liable to Panasonic Corporation and/or PE for any and all direct and indirect damages incurred by Panasonic Corporation and/or PE arising from such breach, and PE may immediately cancel this Agreement and all existing sales agreements hereunder without any liability to Distributor.