# ====NOTE PLEASE READ====

Screenshot from stream <a href="https://www.youtube.com/watch?v=JJUy4pfwXLU">https://www.youtube.com/watch?v=JJUy4pfwXLU</a>
And ran through OCR. OCR will generate some errors, refer to pdf of screenshots at <a href="https://drive.google.com/file/d/1gR7iZ-5ME09APCuCiyQNyYonAW21Y1xm/view?usp=sharing">https://drive.google.com/file/d/1gR7iZ-5ME09APCuCiyQNyYonAW21Y1xm/view?usp=sharing</a>

#### AWOOGA, GENERAL NOTES:

- VTubing, and the digital corporate space in general, is a very new frontier, even in Japan. There
  are little to no regulations that require companies to treat digital information with integrity and
  care. This allows Niji to set the standard as they see fit.
- Regarding Labor Contractors vs. Employees; that point kind of goes out the window. This is due
  to the fact that Nijisanji has over 10 employees. This requires them BY LAW to have drafted and
  filed Rules of Employment in which the Labor Contract must closely align with those Rules of
  Employment. Contractors and Employees in regards to the law are hand-in-hand to a degree.
- Nijisanji is in hot water, but this contract and the silencing contract are only 2 pieces in a puzzle
  with many (Merchandising Contract, Rules of Employment, etc.) pieces. The true legal pitfalls of
  Nijisanji will not be revealed unless someone with documentation or access to the Rules of
  Employment steps forward and makes that information public.
- They can have a contract, but are NOT independent.
- JAPANESE PENAL CODE CH. XXXII WILL BE MENTIONED a lot.
  - (Full Chapter posted at the BOTTOM of the document (it's long))

Disclaimer Disclaimer

#NOT A JAPANESE LEGAL EXPERT

#NOT A LAWYER

#JUST AN INT. RELATIONS NERD

#INFERENCING/SPECULATION/INFERENCING

#WILL DEFER TO ANYONE WITH MORE SKIN IN

THE GAME THAN ME

#IF JAPAN LAWYERS DISAGREE & PROVIDE

DIRECT EVIDENCE OBVIOUSLY LISTEN TO THEM

RATHER THAN AN INT. RELATIONS NERD ON THE

INTERNET PLEASE.

#EAT YOUR VEGGIES

Commented [1]: NOTE: This is an ANNOTATED RENDITION of the Nijisanji Contract to include direct link references to sections of Japanese Law that the Contract would/COULD be based off of.

LINKS TO VARIOUS LAWS WILL BE PLACED IN THE FOOTNOTES (Oh yeah, I'm going Turabian-but-not-really on y'alls asses)

If a segment APPEASES Japanese Law it will be highlighted in BLUE,

If a segment POTENTIALLY VIOLATES Japanese Law it will be highlighted ORANGE AND HAVE A COMMENT WITH MORE DETAILS.

If a segment is QUESTIONABLY in line with Japanese Law it will be Highlighted PINK.

Anything that is QUESTIONABLE but has NO LEGAL REFERENCE (At least one I could find in the Ministry of Justice's Database) WILL HAVE A COMMENT WITH MORE INFORMATION.

# BUSINESS ENTRUSTMENT AGREEMENT<sup>1</sup>

ANYCOLOR Inc. (hereinafter referred to as "Party A") and [REDACTED] (hereinafter referred to as "Party B") entered into the following agreement (hereinafter referred to as this "Agreement") regarding Party's live streaming activities (including uploading a video), recording activities, creation of work, and entertainment activities as a VTuber.<sup>2</sup>

#### Article 1 Definition

The definitions of the terms used in this Agreement shall be as set forth in the following items. The interpretation of the definitions of terms in this Agreement that are not set forth herein shall be in accordance with the interpretation of the Civil Code<sup>3</sup>, the Copyright Law<sup>4</sup>, and other laws and regulations.

- 1) "Individual Agreement" means the agreement entered individually into by and between Party A and Party B with respect to this Agreement and the Program.
- 2) "Performance" means the acting, dancing, musical performances, singing, reciting, declaiming or
- 3) performing in other ways of work, including similar acts which do not involve the performance of a work but which have the nature of public entertainment.
- 4) "Phonograms" means fixations of sounds on phonographic discs, recording-tapes and other forms of tangible medium, excluding, however, those fixations [of sound] that are intended to be replayed exclusively with images.<sup>5</sup>
- 5) "Program" means the programs related to various performances by VTuber and other performers
- 6) planned by Party A (in the event that the name or content of a program is changed for whatever reason, the program after such change shall be included).
- 7) "VTuber" means the performer mainly live streaming or uploading videos in the Video Hosting Services as the character designated by Party A.
- 8) "Images, Etc." means videos, images, audios, and other contents.
- 9) "Distribution of the Contents" means live streaming or uploading of Images, Etc. on the Video Hosting Service account designated by party A as the character designated by party A.
- 10) "Video Hosting Service Account" means the account designated by Party A for the Distribution of the Contents on Youtube and other external services.
- 11) "Character" means the character separately designated by Party A as the character to be used by the VTuber in the performance.
- 12) "Social Media Account" means accounts designated by Party A for the purpose of disseminating information on Social Media as part of the VTuber's activities, such as accounts in the name of the Character on Facebook, Twitter and other external services.
- 13) "Social Media Disseminating" means blogging, tweeting, writing, and other dissemination of information as the Character on the Social Media Account.

<sup>4</sup> Copyright Law

<sup>&</sup>lt;sup>1</sup> <u>Labor Contracts Act (Article 9)</u> (Yes, the whole damn contract is questionable)

<sup>&</sup>lt;sup>2</sup> Labor Standards Act (Article 13)

<sup>&</sup>lt;sup>3</sup> Civil Code

<sup>5</sup> Copyright Act Definitions

- 14) "VTuber Training Program" means the training program held by Party A to instruct VTuber on the standards and precautions to be observed in conducting VTuber activities.
- 15) "Materials, ete" means Smartphones, applications, software related to the Program, manuals,
- 16) systems, materials, and other equipment necessary for VTuber activities.
- 17) "Account" means the Video Hosting Service Account and the Social Media Account.
- 18) "Account Information" means User ID and password related to the Account.
- 19) "External Services') means the services provided by other providers that are used for the implementation of activities under the Program.
- 20) "External Service Provider" means service providers of external services.
- 21) "the External Terms and Use" means the terms and conditions that set forth the relationship of rights between Party B and the External Service Provider.
- 22) "Intellectual rights" means copyrights, patent rights, utility model rights, trademark rights, design rights and other intellectual property rights (including the right to acquire such rights or to apply for registration, etc.)
- 23) "Confidential Information" means all information regarding Party A's technology, business, operations, finances, organization, and other matters that Party B has been provided with or disclosed by Party A in writing, orally, or in a recorded medium, or has become aware of, in connection with this Agreement, the Individual Agreements, or the Program (provided, however, except for (i) information that was already generally known to the public or was known to Party B at the time Party B was provided with or disclosed by Party A or became known to Party B; (ii) Information that has become public knowledge through publications or other media after Party B has been provided or disclosed by Party A or has become aware of such information through reasons not attributable to Party B; (iii) information lawfully obtained by Party B from a third party who is authorized to provide or disclose it without being obligated to maintain confidentiality; (iv) information developed by Party B independently without the use of confidential information; (v) information for which Party B has received written confirmation from Party A that confidentiality is not required.

#### Article 2 Purpose

During the term of this Agreement, Party B shall, as the exclusive VTuber of Party A, perform the duties set forth in Article 3, Paragraph 1 (hereinafter referred to the "VTuber Activities") for Party A or a third party designated by Party A in accordance with the instruction of Party A, and shall not perform these activities for a third party without prior approval of Party A.<sup>6</sup>

#### Article 3 The Content of VTuber Activities

- 1. The content of the VTuber Activities shall be as follows.
  - (1) Performing the Distribution of the Contents.
  - (2) Performing the Social Media Disseminating I  $\,$
  - (3) Performance and appearance on television, radio, records, videos, movies, plays ,concerts, commercials, etc.
  - (4) Conducting press conferences for television, radio, newspapers, magazines, etc.
  - (5) Any other matters ancillary or related to any of the above items.
- The effective term of the VTuber Activities shall be from the date of execution of this Agreement to the date of termination of this Agreement (in the event that the date of termination of this Agreement is during the effective term of the Individual Agreement, then the date of termination of the Individual Agreement.).

<sup>&</sup>lt;sup>6</sup> <u>Labor Standards Act</u>

- 3. Party B shall implement the VTuber Activities at the place designated by Party A.
- 4. In the event that Party A requests a report to Party B with respect to the implementation status of the VTuber Activities, Party B shall immediately report to Party A.

# Article 4 Consideration<sup>7</sup>

- The consideration for the VTuber Activities (hereinafter referred to as "Consideration") shall be as follows.
  - (1) The consideration of the Distribution of the Contents: 50% of the amount paid to and actually received by Party A with respect to the Distribution of the Contents
  - (2) Exclusive fee: In the event that Party A determines that it is necessary for Party B to purchase new equipment for performing the Distribution of the Contents, and Party B purchases the equipment designated by Party A, Party B may charge Party A for an amount equivalent to the cost of such purchase up to 200,000yen. Provided, however, no exclusive fee will be charged if this Agreement is terminated due to cancellation, termination or other circumstances by the last day of the month following the month that includes the date of execution of this Agreement.
  - (3) Performer's royalty: The amount determined upon separate discussion between Party A and Party B.
  - (4) Performance fee for Live and concert: The amount determined upon separate discussion between Party A and Party B.
  - (5) Performance fee for movies, TV, radio, and commercials: The amount determined upon separate discussion between Party A and Party B.
  - (6) Merchandising: The amount determined upon separate discussion between Party A and Party B.
- The payment method should be as follows.
  - (1) Party A shall calculate the Consideration set forth in the preceding paragraph, item (1) at the end of each month and pay the total amount to Party B by the last day of the following month to the bank account designated by Party B. Bank transfer fees shall be bore by Party A. If the Consideration does not exceed the transfer fee and the amount of advance payment, the Party A may carry over the payment of the Consideration to the next month.
  - (2) Party A shall pay the Consideration set forth in the preceding paragraph, item (2) by the last day of the month following the month that includes the date of execution of this Agreement, by way of transfer to the account. The provisions of the preceding item shall apply mutatis mutandis to the handling of bank transfer fees and other expenses necessary for payment.
  - (3) Party A shall pay the Consideration set forth in (3) through (6) above in accordance with the payment method determined upon separate discussion between Party A and Party B.

#### Article 5 Actual Cost

- The actual cost of transportation when the Party B goes to the office or visits the office at the request
  of the Party A, and the actual cost of expenses incurred in connection with the execution of the work
  by the Party B (hereinafter referred to as "Actual Cost, etc.") shall be borne by the Party A.
- Party B shall issue and send to the Party A an invoice stating the total amount of the actual costs, etc.
  by the third business day of the month following the month in which the actual costs, etc. are
  incurred.<sup>9</sup>

Commented [2]: Initially I had this listed as legal, however upon further analysis this is questionable. It would need to determined by a judge if the 50% cut and Exclusive Fee is specific enough.

What could make this invalid is a lack of specificity of Royalties, Performance Fees, & Merchandising cuts in this agreement.

Commented [3]: Penalties are ILLEGAL in Labor Contracts

<sup>&</sup>lt;sup>7</sup> Labor Standards Act (Article 15)

<sup>&</sup>lt;sup>8</sup> Labor Standards Act (Article 16)

<sup>&</sup>lt;sup>9</sup> No laws in Japan require reimbursement; plentiful documentation across various legal websites.

## Article 6 Subcontracting

- 1. Party B shall not subcontract all or part of the VTuber Activities to a third party, or jointly with a third party, except with the prior written consent of Party A.
- 2. In the event that Party B subcontracts all or part of the VTuber activities to a third party or jointly conducts these activities with a third party in accordance with the provisions of the preceding paragraph, Party B shall impose on such third party the same obligations as those of Party B set forth in this Agreement, and shall be jointly and severally liable with such third party for the acts of such third party.

#### Article 7 Provision of Information

- Party B B shall provide Party A with certain information (hereinafter referred to as "Information") requested by Party A. 10
- 2. Party B shall not conduct the VTuber Activities without providing the Information with Party A in accordance with the provision of paragraph 1.
- 3. Party B shall not provide false information with Party A when providing the Information in accordance with the provisions of Paragraph 1.
- 4. In the event that the Information provided Party A in accordance with the provision of paragraph 1 is amended, Party B should immediately provide Party A with the amended Information in the way of the method designated by Party A.
- 5. In the event set forth in Paragraph | and the preceding paragraph, if requested by Party A,
- 6. Party B shall submit to the Party A materials to prove the Information.

## Article 8 Obligation to Cooperate

- 1. When requested by Party A, the Party B shall participate in meetings, conferences, etc. that Party A deems necessary for the execution of the VTuber Activities and shall cooperate with the operation of the Program by Party A, except in cases where Party A deems there are unavoidable reasons.
- 2. If Party B is requested by Party A to appear as the Character or to engage in other activities as part of the VTuber activities, Party B shall comply with such request.

#### **Article 9 Conducting Training**

- 1. Party B shall participate in the VTuber Training Program upon request of Party A.<sup>11</sup>
- The timing and location of the VTuber Training Program and other methods of implementation of the VTuber Training Program
- If Party B refuses to participate in the VTuber Training Program without justifiable reason despite the
  request of the Party A, the Party A may terminate this Agreement (including the Individual
  Agreement in this Article).
- 4. Party A shall not be liable to compensate for any damages incurred by Party B as a result of the cancellation of this Agreement pursuant to the provisions of the preceding paragraph.

## Article 10 Lending of Materials

1. Party B shall procure the Materials, etc. under its own costs and responsibility.

<sup>10</sup> Act on the Protection of Personal Information (Article 181).

Commented [4]: This may be in violation of Japan's

Commented [5]: I could find nothing on the Lending of

<sup>&</sup>lt;sup>11</sup> <u>Labor Standards Act (Article 69)</u> (Haha funny number)

- 2. Notwithstanding the provisions in the preceding paragraph, Party A may lend the Materials, etc. for value or gratuitously.
- When Party B uses the Materials, etc.in accordance with the provisions in the preceding paragraph, Party B shall comply with the following items.
  - (1) Party B shall deal with the Materials, etc. with the duty of care.
  - (2) Party B may not use the Materials, etc. for any purpose of other than the implementation of the VTuber activities.
  - (3) Without the prior written consent of Party A, regardless of the method, Party B may not reproduce or alter the Materials, etc.
  - (4) Without the prior written consent of Party A, Party B may not disclose, transfer, lent or grant the license to use the Materials, etc. to the third party.
- 4. In the event of any of the following items, Party B shall immediately return the Materials, etc. to Party A, or suspend use of, etc. pursuant to the instructions of Party A. Provided, however, that this shall not apply in the event that Party A separately decides not to request return.
  - (1) In the event that the VTuber Activities ends.
  - (2) In the event that the terms of lending have passed.
  - (3) In the event that this Agreement ends.
  - (4) In the event that Party A requests Party B to return the Materials, etc. or suspend use of.
- 5. In the event that the Materials, Etc. are lost ,damaged, reduced in weight, or changed in quality, etc. due to the intentional act or intentional omission or negligence of Party B, then Party B shall compensate Party A in an amount equal to the repair cost or the replacement cost of the Materials, etc. (hereinafter referred to as collectively "the Compensation Expenses"), etc. In such an event, Party A may deduct the Compensation Expenses from the payment to Party B in accordance with the provisions in Article 4, paragraph 1.

# Article 11 Management of the Information of the Account

- 1. In the event that Party A creates the Account, the Party A may provide Party B with User ID and Password of the Account (hereinafter referred to collectively as "the Information of the Account").
- 2. In the event of the preceding paragraph, Party A may amend the Information of the Account and provide Party B the Information of the Account amended.
- 3. In the event that Party B creates the Account, Party B shall provide Party A with the Information of the Account without delay.
- 4. 4. Party B may not amend the Information of the Account provided from Party A in accordance with the provisions of the paragraph | or the paragraph 2 and the Account provided to Party A in accordance with the provisions of the paragraph 3 without the preceding consent of Party A.
- 5. Party A may use the Account for the purpose of the management of the Program
- 6. Party B may use the Account within the scope approved by Party A.
- Party B shall manage the Information of the Account under its own costs and responsibility, and may not provide the third Party with it.
- 8. Party A shall not be liable for any damages resulting from insufficient management of the Information of the Account by Party B, errors in use, or use by a third party.
- 9. Party B shall immediately follow the instruction from Party A regarding the management of the
- 10. In the event that the Information of the account is being stolen or misused by a third party (including event that Party B has provided the Information of the Account to a third party in violation of this Agreement.) is discovered, Party B shall immediately report such fact to Party A and follow the instructions of Party A.
- 11. Party B may not use the Account and may not allow any third party to use it after the end of this Agreement (or after the end of the Individual Agreement if the termination of this Agreement is during the effective period of the Individual Agreement).

Commented [6]: When I mention "VTubing is a new frontier" This Article is what I mean. There are no regulations for any of what is going on in this article. (As an Int. Relations Buff, I am sitting here advocating for regulation here)

## Article 12 Ownership of Rights

- 1. Party A and Party B hereby mutually confirm that ownership, intellectual property rights, or any other right shall belong to Party A or a third party who has granted Party A license to use.
- 2. Party B may not perform any act (including, but not limited to, disassembling, decompiling, and reverse engineering) that may infringe any legal right of the Party A or any third party who has granted Party A license to use.
- 3. Even in the event that ownership rights, copyrights, or other legal rights arise to Party B in the course of the VTuber Activities, such rights (including the rights prescribed in Article 27 and Article 28 of the Copyright Act) shall be transferred to the party A at the same time as such rights arise.
- 4. In the event of the preceding paragraph, even if the rights arise to Party B are reserved to Party B due to an agreement between Party A and Party B or for some other reason, the Party A may freely use (including sublicensing to a third party) such rights without paying any compensation for the use of such rights.
- 5. Except in the event that Party A agrees in advance, Party B may not exercise, as against Party A or a third party that receives a license from Party A to use such rights, the moral rights of the author pertaining to works that were prepared or created during the course of performance of the VTuber Activities.
- 6. Except in the event that Party A agrees in advance, Party B may not exercise, as against Party A or a third party that receives a license from Party A to use such rights, the moral rights of the performer.
- Except for the Consideration, Party B agrees that any and all profits from the products of the Character (including, but not limited to, the voice of the VTuber recorded as the Character) and any other contents related to the Program, regardless of name, shall belong to Party A.

## Article 13 Revenue

Party A shall have the exclusive right to demand and receive from third parties any and all consideration arising from the VTuber Activities of the Second Party.

# Article 14 Warranty against Defects

- 1. In the event that the VTuber Activities is for the purpose of preparation of deliverables, Party B hereby warrants that the deliverables are free from defect.
- 2. In the event of the preceding paragraph, if there exists any defect in the deliverables that were delivered by Party B that could not have been discovered in an ordinary acceptance inspection and inspection, then, during the period of one 3 year after the discovery of such defect, Party A may make a demand, to Party B, to repair such defective item or to deliver a replacement, free of charge.

#### **Article 15 Prohibited Actions**

- 1. Party B may not engage in any of the following acts.
  - (1) Broadcasting, cable broadcasting, or public transmission of the following Images, Etc. using the Video Hosting Services, Social Media, or other means.
    - (i) images, Etc. that infringe or may infringe the intellectual property rights, portrait rights, rights of privacy, rights of honor, economic trust, or other rights or interests of Party A, the External Service Provider, or other third parties.
    - (ii) Images, Etc. that are related to criminal acts or violation of Public order and morality.
    - (iii) Images, Etc. that are obscene or harmful to youth
    - (iv) Images, Ete. that contain child pornography
    - (v) Images, Etc. for the purpose of sexual intercourse, heterosexual intercourse, dating, etc.
    - (vi) Images, Etc. that induce dangerous behavior such as drinking, drug use, abuse, etc.
    - (vii) Images, Etc. that induce harassment or bullying of a third party

Commented [7]: Looking into (Copyright Act)

Commented [8]: Look Into

Update: No searchable regulation in Ministry of Justice's database

**Commented [9]:** Would need to see Nijisanji's "Rules of Employment" to determine if the contract is in line with the Rules.

**Commented [10]:** This is broad in order to cover Niji in regards to Japanese Penal Code.

- (viii) Images, Etc. that contain discriminatory remarks or hate speech.
- (ix) Images, Ete. that violate this Agreement, individual agreements, external terms of use, laws and regulations, or the internal rules of the organization to which the Party A or VTuber belongs by being broadcast, wired broadcast or publicly transmitted.
- (x) Images, Etc. in which the user does not have the right to use and in which the user has not obtained permission to use from the right holder.
- (xi) Images, Etc. that are in violation of the Public Offices Election Law.
- (xii) Images, Etc. that may cause trouble or discomfort to a third party. 12
- (xiii) Images, Etc. in which confidential information of the Party A is posted.
- (xiv) Images, Etc. in which the location of the Party B's residence, place of work, location of facilities managed by the Party A, or other information that can be inferred is posted.
- (xv) Other Images, Etc. that Party A deems inappropriate.
- (2) The infringement of intellectual property rights, portrait rights, rights of privacy, rights of honor, <sup>13</sup>
- (3) Acts related to criminal acts or violation of Public order and morality, economic trust, or other rights or interests of Party A, the External Service Provider, or any other third parties (including acts that directly or indirectly cause such infringement).
- (4) Sending the information that falls under any of the following items.
  - (i) Information that infringe or may infringe the intellectual property rights, portrait rights, rights of privacy, rights of honor, economic trust, or other rights or interests of Party A, the External Service Provider, or other third parties.
  - (ii) Information that is related to criminal acts or violation of Public order and morality.
  - (iii) Information that is obscene or harmful to youth
  - (iv) Information that contains child pornography
  - (v) Information used for the purpose of sexual intercourse, heterosexual intercourse, dating, etc.
  - (vi) Information that induces dangerous behavior such as drinking, drug use, abuse, etc.
  - (vii) Information that induces harassment or bullying of a third party.
  - (viii) Information that contains discriminatory remarks or hate speech.
  - (ix) Information that violates this Agreement, individual agreements, external terms of use, laws and regulations, or the internal rules of the organization to which the Party A or VTuber belongs by being broadcast, wired broadcast or publicly transmitted.
  - (x) Missing, not seen on screen, Likely same as 15.1.1.x
  - (xi) Missing, not seen on screen, Likely same as 15.1.1.xi
  - (xii) Confidential Information is posted.
  - (xiii) Information that can be used to infer the place of residence, place of work, location of facilities managed by Party A.
  - (xiv) Other information that Party A deems inappropriate.
- (5) Violation of this Agreement, individual agreements, external terms of use, laws and regulations, or the internal rules of the organization to which the Party A or VTuber belongs.
- (6) Sending the Images, Etc.. in which the user does not have the right to use and in which the user has not obtained permission to use from the right holder.
- (7) Using social networking services, email services, chat tools, or any other means to contact fans or the designers of the Character without the prior consent of Party A.
- (8) Soliciting donations through Internet services.
- (9) Acts that may interfere with the operation of the Program by the Party A.
- (10) Making unnecessary noise when broadcasting the Contents.

**Commented [11]:** Looking into (Civil Code, Penal Code)

Update: Similar to above, broad to cover themselves legally. (Penal Code)

**Commented [12]:** "Rights of Honor" looking into (copyright act)

Commented [13R12]: Update: legally defined in copyright act.

Commented [14]: Not a Law Annotation: But wouldn't this mean the Livers \*Can't\* do subathons or solicit supas? YT is an internet service.

#NotALawyer

<sup>&</sup>lt;sup>12</sup> Japanese Penal Code (Chapter 32)

<sup>&</sup>lt;sup>13</sup> Copyright Act (Chapter 2, Section 3, Subsection 2)

- (11) Doing Social Media Disseminating with using the account other than the Social Media Account.
- (12) Other acts that Party A deems inappropriate.
- 2. In the event that Party A determines that the Images, Etc.. regarding the Social Media Disseminating falls within the any items in the paragraph 1, item |, or that it may fall within the same, Party A may delete all or part of the Images, Etc.. regarding the Social Media Disseminating without the consent of Party B. The same shall apply to the event that Party A determines that the information sent by Party B falls within the any items in paragraph 1, item 2, or that it may fall within the same. Party A shall not be liable for any damages resulting trom it.
- 3. Party B may not disseminate the information (including but not limited to disseminating by Social Media service) as the Character, and may not disseminate the information regarding the Character after the end of this Agreement (or after the end of the Individual Agreement if the termination of this Agreement is during the effective period of the Individual Agreement).
- 4. During the effective term of this Agreement or the Individual Agreement, other than the Distribution of the Contents, Party B may not distribute the Images, Etc. ()including but not limited to video distribution in the video hosting services and audio distribution in the audio hosting services) as a distributor of the Images, Etc. (including but not limited to VTuber and any other video distributor) without prior written consent of Party A.
- 5. For a period of six (6) months after the end of this Agreement (or after the end of the Individual Agreement if the end of this Agreement is during the effective period of the Individual Agreement), Party B may not distribute the Images, Etc. (including but not limited to video distribution in the video hosting services and audio distribution in the audio hosting services) as a VT uber for a third party without the prior written consent of the Party A.
- 6. If Party A determines that Party B has violated or is likely to violate the provisions of the preceding 2 paragraphs, Party B shall, in response to a request from Party A, answer questions from Party A and submit to Party A materials specified by Party A.
- In the event of preceding paragraph, Party B shall immediately cease the activities in violation of the paragraph 4 in accordance with the instructions of Party A, or follow the restrictions designated by Party A.
- 8. During the term of this Agreement (including individual agreements in this section), as well as after the termination of this Agreement, Party B may not disclose to any third party that VTuber including Party B are appearing as the Character without the prior written consent of Party A.

#### Article 16 Suspending the VTuber Activities, etc.

- 1. In the event that Party B falls under any of the following items, Party A may suspend the Party B's participation in the Program without needing prior notice from Party A.
  - In the event that Party B breaches any of the provisions of this Agreement or the Individual Agreement.
  - (2) In the event that it is discovered that there is a falsehood in the Information provided under the provisions of Article 7, Paragraph 1.
  - (3) In the event that Party B has conducted or attempted to conduct activities in accordance with the Program in a manner or for a purpose that may cause damage to the user, the External Service Providers, or other third parties.
  - (4) In the event that Party B is unable to receive the service trom the External Service Provider due to violation of the external terms of use or other reasons.
  - (5) In the event that Party B interferes with the operation of the Program regardless of the method.
  - (6) In the event of death of Party B, or in the event that Party B is subject to commencement of guardianship, conservatorship or assistance.
  - (7) In the event that Party B does not conduct the Distribution of the Contents for more than (1) month and does not respond to any communication from Party A.

**Commented [15]:** Would need to see Rules of Employment

**Commented [16]:** Non-Complete clauses ARE allowed in Japan.

Looking into if it can persist after contract termination

- (8) In the event that Party B is a minor, an adult ward, a person under curatorship, or a person under assistance, and has not obtained the consent of a legal representative, guardian, curator, or assistant to enter into this Agreement.
- (9) In the event that Party A determines that the continuation of the VTuber activities by Party B is Inappropriate, in addition to what is provided for in the preceding items.
- In the event that Party B falls under any of the items in the preceding paragraph, Party B shall as a matter of course forfeit the benefit of time in-respect of any and all of the obligations owed to Party A.
- 3. Party A may terminate the provision of the Program at any time at its discretion, and the VTuber Activities shall naturally suspend with the termination of the provision of the Program. In this case, Party A will notify the VTuber in advance.
- 4. Party A shall not be liable for any damages incurred by Party B as a result of any action taken by Party B in accordance with the provisions of this article.

# Article 17 Penalty 14

- 1. In the event that Party B falls under the following items, Party A may demand from Party B a penalty equivalent to 50% of the amount of the Consideration, stipulated in article 4, paragraph 1, item (i), of the month preceding the month in which the date of the relevant event falls.
  - (1) In the event that Party B falls under any of the items set forth in the preceding article, paragraph 1
  - (2) Inthe event that Party A terminates this Agreement (including the Individual Agreement in this Article) due to a reason attributable to Party B in accordance with the provisions in this Agreement.
- Notwithstanding the provisions in the preceding paragraph, in the event that Party B breaches the provisions im Article LS, paragraph 4, Party A may demand a penalty from Party B up to the higher of the following amounts.
  - (1) The amount equivalent to the total amount of the Consideration received from Party A pursuant to the provisions in this Agreement or the Individual Agreement during the period when the Party B was in breach of Article 15, Paragraph 4.
  - (2) The amount equivalent to the total amount of the Consideration received by Party B from Party A based on the provisions in this Agreement or the Individual Agreement for the 12 months prior to the month in which the Second Party was found to be in breach of Article 15, Paragraph 4 or Article 15, Paragraph 5.
  - (3) The total amount of remuneration for activities related to the said violation and any other money obtained by Party B [rom activities related to the said violation, regardless of the nominal.
- 3. Notwithstanding the provisions in the paragraph 1, in the event that Party B breaches the provisions in Article15, paragraph 5, Party A may demand a penalty from Party B up to the higher of the amounts set forth in the Preceding paragraph, item (2) or item (3).
- 4. The provisions of the preceding three paragraphs shall not preclude Party A from claiming compensation from Party B for damages in excess of the penalty amount specified in the preceding three paragraphs.

### Article 18 Disclaimer of Warranty

- Party A makes no warranty to Party B that Party B will earn a certain amount of profit by participating in this Program.
- 2. Party A makes no warranty to Party B regarding this Program, including but not limited to a conforming of a particular purpose, commercial usefulness, completeness, and continuity.

<sup>14</sup> Labor <u>Standards Act (Article 16)</u>

Commented [17]: Illegal under Japan's Labor Standards Act (Ch.2 Art. 16; Ch. 9 Art. 91)

**Commented [18]:** This whole section potential violates Penal Code

**Commented [19]:** Blatantly Violates The Labor Standards Act of Japan (Chapter 2; Article 16)

**Commented [20R19]:** Footnote Includes an additional illegality. LSA (Article 91)

Commented [21R19]: \_Marked as resolved\_

Commented [22R19]: \_Re-opened\_ reopening

**Commented [23]:** Refer to comment above, same violation

<sup>15</sup> Labor Standards Act (Article 91)

- 3. Even in the event that Party B is unable to conduct the VTuber Activities due to the unavailability of the External Services, Party A shall not be liable for it.
- 4. In the event that Party B uses the External Services to conduct VTuber Activities, Party B shall comply with the External Terms and Use at its own responsibility, and in the event that a dispute arises between Party B and the External Service Provider, Party A shall not be liable for such dispute.
- 5. Party B shall investigate at its own responsibility and expense whether or not the conduct of its activities violates applicable laws and regulations, internal rules of industry organizations, etc. Party A does not warrant in any ways that the Vtuber Activities by Party B comply with applicable laws and regulations, internal rules of industry organizations, etc.
- Any transactions, communications, disputes, etc. arising between Party B and the External Service
  Provider or other third parties in connection with the VTuber activities shall be handled and and Party
  A shall not be responsible for such matters.
- 7. Party A shall not be liable for any interruption, suspension, termination, unavailability or change in the provision of the Program by Party A, deletion or loss of the video, message or information of Party B, cancellation of the registration, loss of data due to activities based on the Program or malfunction or damage of equipment, or any other damage suffered by the Party B in relation to the Program
- 8. Party A shall not be liable for any damages incurred by Party B in relation to the VTuber Activities, except in cases where Party A is intentionally or grossly negligent. Even in the event that Party A is liable for damages to Party B, the Party A's liability for damages shall be limited to the total amount paid by Party A to Party B for the past (6) months from the time when the cause of the damages occurred

## Article 19 Damages compensation

- In the event that Party B causes any damage to Party A due to a breach of this Agreement or the
  Individual Agreement or due to any reason attributable to Party B in connection with its participation
  in the Program, the Party B shall compensate Party A for all such damages (not only direct and
  ordinary damages, but also all damages including lost profits, lost business opportunities, business
  interruption, other indirect damages, special damages, consequential damages and incidental
  damages).
- 2. In the event that Party B receives a complaint from or has a dispute with other VTuber, the External Service Providers, or other third parties in relation to the Program, Party B shall immediately notify Party A of the details of the complaint.
- 3. In the event of the preceding paragraph, Party B shall handle such claim or dispute at its own cost and responsibility, and report its progress and results to Party A upon request from Party A.
- 4. In the event that Party A receives any claim from the External Service Providers or any other third party for infringement of rights or any other reason in connection with Party B's participation in the Program, Party B shall compensate Party A for the amount Party A was forced to pay to such third party based on such claim, if such claim is due to a reason attributable to Party B.

#### **Article 20 Termination**

- In the event that any of the following events arises with respect to Party B, then, without needing any kind of notice from Party A whatsoever, Party A may terminate this Agreement (including the Individual Agreement in this Article):<sup>16</sup>
  - (1) In the event that Party B breaches any of the provisions of this Agreement, and does not 'cure such breach for a reasonable period of time:
  - (2) In the event that Party B receives a seizure; provisional seizure; provisional' disposition, etc. or a disposition for tax delinquency, a petition for a compulsory auction, etc.;

**Commented [24]:** Potentially Illegal (LSA Chapter 2 Article 20)

Note: In Doki's case this could also violate LSA Chapter 2 Article 19.

Nijisanji would need to have documentation that the party was in a probationary period (Chapter 2 Article 21) Link: https://www.japaneselawtranslation.go.jp/en/laws/view/3567/en#je\_ch2at2:~:text=to%20paragraph%20(1) .-.Article%2021.-The%20provisions%20of

<sup>&</sup>lt;sup>16</sup> Labor Standards Act (Article 20)

- (3) In the event that there is an application for commencement of procedures for bankruptcy, corporate arrangement, or civil rehabilitation, commencement of procedures for corporate reorganization, or commencement of special liquidation, etc., or in the event that there arises any circumstances that gives rise thereto;
- (4) In the event that there is an act of betrayal against Party A or an act against public order and morals, etc., and Party A determines that it is unreasonable to continue the contractual relationship.
- (5) In the event that a check or bill is dishonored, or there is a situation such as payment suspension, etc.:
- In the event that Party A terminates this Agreement pursuant to the provisions of the preceding paragraph, Party A may demand that Party B deliver the deliverables that have been completed or are in the process of being completed by the time of such termination.
- 3. The exercise of the right of termination pursuant to paragraph 2 shall not preclude the exercise of the right of Party A to make a demand against Party B for compensation of damages. <sup>17</sup>

## Article 21 Missing from stream

(Skipped due to non-importance according to Andrew)

## Article 22 Effective Term<sup>18</sup>

- The effective term of this Agreement shall be two years from the date of execution of this
  Agreement. However, unless either party gives notice of the rejection of a renewal three months
  before the expiration of the then-current effective term, this Agreement shall be automatically
  renewed for successive terms of two years pre renewal after the initial term, on the same
  conditions.
- 2. Notwithstanding the preceding paragraph, Party A may terminate this Agreement by notifying Party B at least three months in advance by the method prescribed by Party A.
- 3. Notwithstanding the provisions of the preceding two paragraphs, in the event that the provision of the Program is terminated, this Agreement and the Individual Agreement shall terminate at that time

Screenshot (not in PDF as PDF was created prior to correction):

#### Article 22 Effective term

- The effective term of this Agreement shall be two years from the date of execution of this Agreement. However, unless either party gives notice of the rejection of a renewal three months before the expiration of the then-current effective term, this Agreement shall be automatically renewed for successive terms of two years pre renewal after the initial term, on the same conditions.
- Notwithstanding the preceding paragraph, Party A may terminate this Agreement by notifying Party B at least three months in advance by the method prescribed by Party A.
- Notwithstanding the provisions of the preceding two paragraphs, in the event that the provision of the Program is terminated, this Agreement and the Individual Agreement shall terminate at that time.

Commented [25]: Intimidation; Japanese Penal Code Ch. XXXII

<sup>&</sup>lt;sup>17</sup> Japanese Penal Code (Chpater 32)

<sup>&</sup>lt;sup>18</sup> Labor Standards Act (Article 14)

## Article 23 Amendments to this Agreement

- 1. In the event that Party A amends this Agreement, Party A shall notify Party B in writing of the details of the amendments.
- In the event that Party B does not object to any amendments in the terms of this Agreement within 14 days after the notice pursuant to the preceding paragraph, Party B shall be deemed to have agreed to the amendments in this Agreement. The same shall apply if Party B conducts any activity under this Program within the same period.<sup>19</sup>

#### Article 24 Methods of Communication and Notification

Any inquiries, and other communications or notices, from Party B to Party A regarding this Agreement (including individual agreements in this article), as well as any other communications or notices from Party B to Party A, shall be conducted by a method to be prescribed by Party A from time to time.

## Article 25 Assignment of this Agreement

- 1. Party B shall not assign transfer, create security on, or otherwise dispose of the status under this Agreement (including the Individual Agreement in this Article), or rights and obligations under this Agreement, to a third party without the prior written consent of Party A.
- 2. If Party A transfers its business relating to the Program to a third party (whether by a business transfer, company split, or in any other manners), due to the transfer, Party A may transfer its status under this Agreement, its rights and obligations under this Agreement, and the Information and other customer information to the transferee of the transfer, and Party B shall be deemed to have agreed to the transfer in this paragraph.

#### Article 26 Exclusion of Antisocial Forces

- 1. Each party hereby represents and warrants that currently it is not an organized crime group, a group affiliated to an organized crime group, a group that carries out activities that are contrary to the public welfare, or any other antisocial forces (hereinafter, collectively, "Antisocial Forces"), and that it does not have any relation whatsoever with any Antisocial Forces, and that it will not have any relation whatsoever with any Antisocial Force in the future.<sup>20</sup>
- Each party hereby affirms that it will not, either itself or through a third party Antisocial Force, use the force of an Antisocial Force to make an improper demand or otherwise carry out an act that hinders the business of the other party.
- 3. Each party may, without condition terminate this Agreement and the Individual Agreement, in the event that it is discovered that the other party is an Antisocial Force, in the event that there arises a suspicion that the other party is an Antisocial Force, in the event that the other party, either itself or through a third party Antisocial Force, used the force of an Antisocial Force to make an improper demand, or in the event that the other party used the force of an Antisocial Force to carry out an act that hinders business.

#### Article 27 Severability

Even if any provision of these Terms and Conditions, or any part of the provision, is decided as invalid or unenforceable pursuant to the Consumer Contract Act or any other laws, regulations, or the like, the remaining provisions of these Terms and Conditions and the remaining part of the provision which is

**Commented [26]:** This is LEGAL AND I AM DISGUSTED.

Commented [27R26]: "(Article 8) A Worker and an Employer may, by agreement, change any working conditions that constitute the contents of a labor contract"

Nijisanji is BARELY scraping by legally thanks to the Article 23 Paragraph 2.... DISGUSTANG

**Commented [28]:** Confusingly vague, could contradict Article 23

<sup>&</sup>lt;sup>19</sup> Labor Contracts Act (Article 8)

<sup>&</sup>lt;sup>20</sup> Act on Punishment of Organized Crimes and Control of Proceeds of Crime

decided as invalid or unenforceable shall continue to be fully effective, and the Company and the VTuber shall amend the invalid or unenforceable provision or part to the extent necessary to make it lawful and enforceable, and shall make efforts so that they can ensure the purport of the invalid or unenforceable provision or part, as well as the same effect, from the legal and economic perspectives.

#### Article 28 Surviving Provisions

Timestamped Link: <a href="https://www.youtube.com/live/JJUy4pfwXLU?si=hR2JgzYieJW5Dbnw&t=12329">https://www.youtube.com/live/JJUy4pfwXLU?si=hR2JgzYieJW5Dbnw&t=12329</a>

The following provisions shall survive and continue to be effective after the termination of this Agreement: Article 1; Article 3, paragraphs 4; Article 5; Article 10, paragraph 4 and 5; Article 11; Article 12; Article 13; Article 14; Article 15, paragraph 2 through 8; Article 17, paragraph 2 and 3; Article 18, paragraph | through 6; Article 19; Article 21; Article 24; Article 27; Article 29 through 31.

#### Article 29 Individual Agreement

Timestamped Link: https://www.youtube.com/live/JJUy4pfwXLU?si=6Owt4b6u6Jc2\_WNo&t=12490

- 1. Party A and Party B shall conclude an 'individual agreement when deciding matters not stipulated in this Agreement.
- 2. In the event that an individual agreement is executed based on the provisions of the preceding paragraph, the provisions of this Agreement shall apply to matters not stipulated in the individual agreement, and in the event that the provisions of the individual agreement conflict with the provisions of this Agreement, the provisions of the individual contract shall take precedence.

## Article 30 Governing Law and Jurisdiction

Timestamped Link: <a href="https://www.youtube.com/live/JJUy4pfwXLU?si=c7xX4XSJNrTU109d&t=12636">https://www.youtube.com/live/JJUy4pfwXLU?si=c7xX4XSJNrTU109d&t=12636</a>

The governing law of this Agreement shall be the laws of Japan, and the Tokyo District Court shall have exclusive jurisdiction as the court of first instance with respect to any and all disputes in relation to this Agreement.

### Article 31 Matters for Discussion

Timestamped Link:

 $\underline{https://www.youtube.com/live/JJUy4pfwXLU?si=AOcnZ2OPNCUZWLcG\&t=12776}$ 

With respect to any doubt regarding the interpretation of any provision of this Agreement, or any matter that is not prescribed in this Agreement, Party A and Party B shall hold discussions in good faith to resolve such matter.

## Zaion LanZa Silencing Contract

Screenshots and information from Legal Mindset Stream

 $\underline{https://www.youtube.com/watch?v=MO8ERaDE8VU}$ 

This is what was sent to Zaion prior to termination with an unrealistic deadline to review with her lawyer that she chose not to sign.

https://www.youtube.com/live/MO8ERaDE8VU?si=cDTSOB4yYiMMhbEe&t=2658

# SILENCING CONTRACT (Whole Text)<sup>21</sup>

#### **Article 1 Termination of the Agreement**

Timestamped Link: https://www.youtube.com/live/MO8ERaDE8VU?si=6WRPj6xJupODmxub&t=4307

- Notwithstanding the provisions of Article 22, Paragraph 1 of the Agreement, Party A and Party B
  agree that the Agreement shall terminate on the date of March 10, 2023.
- The provisions set forth in Article 28 of the Agreement shall survive the termination of the Agreement.

#### **Article 2 Public Announcement of Termination of the Agreement**

Timestamped Link: https://www.youtube.com/live/MO8ERaDE8VU?si=4BYU5VdsnYjkZ6\_a&t=4329

Party A and Party B agree to publicly announce externally on the corporate website (https://www.anycolor.co.jp/) or Twitter and other social media accounts maintained by Party A that this Agreement has been terminated pursuant to Paragraph 1 of the preceding Article and the circumstances leading to the termination of this Agreement, in a text prepared in the Party A's reasonable discretion.

#### **Article 3 Confidentiality**

Timestamped Link: https://www.youtube.com/live/MO8ERaDE8VU?si=MNR56nRp8o1IrqAN&t=4438

Party A and Party B shall not disclose or divulge to any third party the fact that they have entered into this Agreement, the reasons for entering into this Agreement, the content of discussions, the content of any of the provisions of this Agreement, or any other related matters, as well as any information concerning the Virtual Livers belonging to Party A that comes to Party B's knowledge.

## Article 4 Prohibition of Slanderous and Defamatory Acts<sup>22</sup>

 $Timestamped\ Link:\ \underline{https://www.youtube.com/live/MO8ERaDE8VU?si=CZm7pSZ9jIf-zKQT\&t=4815}$ 

2

 $\frac{\text{https://www.japaneselawtranslation.go.jp/en/laws/view/3581/en#je pt2ch34at2:} \\ \text{rer.-,Chapter%20XXXII%20Crimes%20of%20Intimidation,-(Intimidation)} \\ \text{22}$ 

https://www.japaneselawtranslation.go.jp/en/laws/view/3581/en#je\_pt2ch15:~:text=Obstruction%20of%20Busin ess)-,Article%20233,-A%20person%20who

**Commented [29]:** This contract's existence is a criminal act under Japanese Penal Code Chapter 32

- 1. After the execution of this MOU, neither Party A nor Party B shall slander or defame the other party (including the First Party's officers and employees).
- The slanderous and defamatory acts stipulated in the preceding paragraph shall include any act by which Party B agrees with or encourages words or actions that undermine the social credibility of Party A or the Virtual Livers who belong to Party A from third parties.

## **Article 5 (Compensation for Damages)**

Timestamped Link: https://www.youtube.com/live/MO8ERaDE8VU?si=MrDLyaXJdGZt\_4Ag&t=5641

In the event that the other party violates any provision of this Agreement (limited to the surviving provisions) or any provision of this Agreement, Party A and Party B shall indemnify the other party for any and all damages (not only direct and ordinary damages, but also lost profits, loss of business opportunities, business interruption, and other indirect damages) resulting therefrom. 8<sup>23</sup>

## **Article 6 Liquidation Clause**

Timestamped Link: https://www.youtube.com/live/MO8ERaDE8VU?si=AjpGceVhbPq0IH2Z&t=5780

Party A and Party B mutually confirm that there are no claims or obligations other than those set forth in this Agreement between Party A (including Party A's officers and employees) and Party B with respect to the subject matter hereof, and confirm that they will not make any claim (including a claim disputing the validity of the termination of this MOU), demand, file any lawsuit or other dispute resolution procedure, civil or criminal, against the other Party.

Japanese Penal Code Ch. XXXII Below vvvvvvv

23

https://www.japaneselawtranslation.go.jp/en/laws/view/3581/en#je\_pt2ch34at2:~:text=whichever%20is%20severer.-,Chapter%20XXXII%20Crimes%20of%20Intimidation,-(Intimidation)

Commented [30]: Violation of Penal Code (Ch. 32)

#### **Chapter XXXII Crimes of Intimidation**

(intimidation)

(Intimidation)

- Article 222 A person who threatens another person by announcing that he or she will cause harm to life, body, liberty, honor or property shall be punished by imprisonment with work for not more than two years or a fine of not more than 300,000 yen.
- Article 222 (1) A person who intimidates another person using a threat to harm the life, body, freedom, reputation or the person's property is punished by imprisonment for not more than 2 years or a fine of not more than 300,000 yen.
- 2. The same shall apply to a person who threatens another person by announcing that he or she will harm the life, body, freedom, honor, or property of a relative.
- (2) The same applies to a person who intimidates another person using a threat to harm the life, body, freedom, reputation or property of one's relatives.

(coercion)

(Compulsion)

- Article 223 Making a person do something he or she is not obligated to do or exercise a right by threatening to cause harm to life, body, liberty, honor or property, or by using violence. Anyone who obstructs shall be sentenced to imprisonment for not more than three years.
- Article 223 (1) A person who intimidates another person using threat to harm the life, body, freedom, reputation or property of another person or by assault, causing the other person to perform an act which the person had no obligation to perform, or hinders the other person from exercising their own rights, is punished by imprisonment for not more than 3 years.
- 2. The same shall apply to a person who threatens a relative by threatening to harm his or her life, body, freedom, honor, or property, causes the person to do something he or she is not obligated to do, or obstructs the exercise of rights.
- (2) The same applies to a person who intimidates another person, using threat to harm the life, body, freedom, reputation or property of the relatives of the other person, causing the person to perform an act which the person has no obligation to perform, or hinders the person from exercising their rights.
- 3. Any attempt to commit the crimes set forth in the preceding two paragraphs shall be punished.
- (3) Any attempt to commit the crimes prescribed under the preceding two paragraphs is punished.

## **Screenshots**

#### **Articles 1-3**

Article 1 Termination of the Agreement

- 1 Notwithstanding the provisions of Article 22, Paragraph 1 of the Agreement, Party A and Party B agree that the Agreement shall terminate on the date of March 10, 2023.
- 2 The provisions set forth in Article 28 of the Agreement shall survive the termination of the Agreement.

#### Article 2 Public Announcement of Termination of the Agreement

Party A and Party B agree to publicly announce externally on the corporate website (<a href="https://www.anvcolor.co.ip/">https://www.anvcolor.co.ip/</a>) or Twitter and other social media accounts maintained by Party A that this Agreement has been terminated pursuant to Paragraph 1 of the preceding Article and the circumstances leading to the termination of this Agreement, in a text prepared in the Party A's reasonable discretion.

#### Article 3 Confidentiality

Party A and Party B shall not disclose or divulge to any third party the fact that they have entered into this Agreement, the reasons for entering into this Agreement, the content of discussions, the content of any of the provisions of this Agreement, or any other related matters, as well as any information concerning the Virtual Livers belonging to Party A that comes to Party B's knowledge.

#### Articles 4 & 5

Article 4 Prohibition of Slanderous and Defamatory Acts

- 1 After the execution of this MOU, neither Party A nor Party B shall slander or defame the other party (including the First Party's officers and employees).
- 2 The slanderous and defamatory acts stipulated in the preceding paragraph shall include any act by which Party B agrees with or encourages words or actions that undermine the social credibility of Party A or the Virtual Livers who belong to Party A from third parties.

#### Article 5 (Compensation for Damages)

In the event that the other party violates any provision of this Agreement (limited to the surviving provisions) or any provision of this Agreement, Party A and Party B shall indemnify the other party for any and all damages (not only direct and ordinary damages, but also lost profits, loss of business opportunities, business interruption, and other indirect damages) resulting therefrom.

## Article 6

Article 6 Liquidation Clause

Party A and Party B mutually confirm that there are no claims or obligations other than those set forth in this Agreement between Party A (including Party A's officers and employees) and Party B with respect to the subject matter hereof, and confirm that they will not make any claim (including a claim disputing the validity of the termination of this MOU), demand, file any lawsuit or other dispute resolution procedure, civil or criminal, against the other Party.