Kumaleon Terms of Use

Enacted 09/01, 2022

Kumaleon Limited Liability Partnership

These Terms of Use (these “Terms”) set forth the conditions etc. for using the “Kumaleon” services (“Services”) provided by Kumaleon Limited Liability Partnership (“the LLP”) and Kumaleon NFT etc. To use the Services or Kumaleon NFT etc., all Users and Kumaleon NFT Holders are required to confirm the content of these Terms and consent to these Terms in their entirety.

Article 1. Definitions

The following terms as used in these Terms shall have the meanings ascribed to them in the following items.

(1) “Services” means any and all Kumaleon services provided by the LLP on the Site..

(2) "Site" means the website (https://kumaleon.com/) provided by the LLP for the Services.

(3) “User" means any individual or legal entity that is a user of the Services.

(4) "NFT" (Non-Fungible Token) means a Token issued on the blockchain that has no substitutability, with the Token itself having unique values and attributes.

(5) “NFT Art" means any image, illustration, sound, video, 3D model, or any other digital data tied to a particular NFT.

(6) “User-owned NFT" means NFT owned by a user and used on the Service.

(7) “User Materials" means NFT art tied to User-owned NFTs.

(8) “Kumaleon" means the character created by "Okazz" (artist's name) whose name includes "Kumaleon" and illustrations, images, videos, 3D models and other materials expressing these characters.

(9) “Kumaleon NFTs" means NFTs issued by the Company for use on the Services that are tied to Material Kumaleon, and NFTs tied to UGK created by using the Services. The user may edit the Kumaleon NFTs by combining Kumaleon NFTs with other NFTs on the Services. The identity of the Kumaleon NFT as an NFT will not be lost before or after such editing.

(10) “Material Kumaleon" means digital data consisting of a combination of a 3D model of Kumaleon and its background (including images and videos).

(11) “UGK" (User Generated Kumaleon) means digital data created by the User by combining the Material Kumaleon with other digital data on the Service.

(12) " Material Kumaleon, etc." means the generic term for Material Kumaleon and UGK.

(13) "Terms" means the Kumaleon Terms of Use, individual terms, etc., all of which shall be deemed to constitute these Terms.

(14) “Individual Terms etc.” means individual terms and rules etc. relating to the Services. In providing the Services, the LLP may prepare Individual Terms etc. as necessary, and will publish Individual Terms etc. so prepared on the Services in the manner designated by the LLP or notify Users of them.

(15) “User Content" means all User-owned NFT, User Materials, UGK, and any other information posted by Users on the Services.

Article 2. Overview of the Services

1. The Services provide Users with the functions of combining and displaying digital data such as User Materials with Material Kumaleon, editing Material Kumaleon tied to Kumaleon NFTs by combining other NFTs with Kumaleon NFTs held by the user, and related functions associated with the foregoing. The User may use the Services to edit the Kumaleon NFTs and create UGKs, as long as the User complies with the provisions of these Terms.
2. Kumaleon NFT Holders may use material Kumaleon, etc. tied to the Kumaleon NFT in accordance with the license terms set forth in these Terms or as otherwise determined. In addition, a User who creates UGK through the Services grants the LLP or Kumaleon NFT Holders a license to use such UGK in accordance with the terms and conditions of these Terms.
3. The LLP is not the owner of User-owned NFTs or User Materials and does not have the authority to license any rights to use User-owned NFTs or User Materials to Users or Kumaleon NFT Holders, nor does it guarantee the existence of such lawful licenses, except as otherwise represented on the Services.
4. These Terms and Conditions govern Kumaleon NFTs issued by the LLP for use with the Service and Kumaleon NFTs created through the Service. It is the sole responsibility of the holder of such NFTs to determine whether or not the NFTs are subject to these Terms and Conditions.

Article 3. Application of Terms

1. The purpose of these Terms is to establish the terms of service, the rights and duties between the LLP and Users, the rights and duties between Users and Kumaleon NFT Holders relating to the use of the Services, and these Terms apply to all relationships regarding the use of the Service or the use of Kumaleon NFT.
2. By using the Services, or by holding or in any way using a Kumaleon NFT, Users and Kumaleon NFT Holders will be deemed to have given valid and irrevocable consent to these Terms. Users and Kumaleon NFT Holders are asked to stop using the Services if they do not consent to the foregoing.

3. The LLP may, at its discretion, create Individual Terms etc. for the Services. These Individual Terms etc. shall be posted on the Services and shall be applied as part of these Terms. In cases where the content of these Terms differs from any Individual Terms etc., the Individual Terms etc. shall prevail.
4. Even if some of the provisions of these Terms are determined to be invalid under laws or regulations, the other provisions of these Terms and other terms of service etc. shall remain in effect. Further, in cases where some or all of the provisions of these Terms or other terms of service etc. are invalidated or rescinded in respect of some Users, these Terms and such other terms of service etc. shall remain in effect in respect of all other Users.
5. In cases where a User is a person with limited capacity such as a minor and an adult ward etc., such User will only be entitled to use the Services with the consent of a parent or legal guardian. In cases where a person with limited capacity, as a User, has used the Services by forging the consent of a legal guardian or pretending to be of legal age, the juristic acts of such User cannot be rescinded.
6. The consent to these Terms must be undertaken by the individual who will become the User, or, in the case of corporations, the corporation's representative or a director/employee to whom the corporation has granted valid authority to conclude contracts relating to the use of the Services. The consent procedures cannot be completed by any entities other than these natural persons.

Article 4. Linking with External Services

1. In using the Service, Users may be required to use a wallet or other external service that is separately designated by the Company on the Service. The Service may also include external services provided by third parties such as other businesses. When Users use external services, the Terms of Use, etc. established by the relevant third party shall apply, and Users shall follow them.
2. Users shall, at their own responsibility, properly manage and store their own wallet information (including information related to secret key, hereinafter simply referred to as "Wallet Information") that they have connected to when using the Service, and shall not allow a third party to use it, or lend, transfer, sell, etc.
3. Users shall be responsible for any damages caused by inadequate management, errors in use, or use by third parties of their Wallet Information or other user information related to external services.
4. In the Services, there may be cases where links to external sites are displayed by the LLP, Users, or other third parties; the LLP makes no explicit or implicit guarantee as to the correctness, responsiveness, completeness, merchantability, fitness-for-purpose or the like of the information

published on such sites or the services provided on such site, and will not be held liable for any damage or adversity suffered by Users or third parties as a result of use of external sites or external services.

5. Users shall consent in advance that there may be cases where the Services become unusable in whole or in part as a result of changes in the content or operations of external services or as a result of Users becoming unable to use external services in whole or in part.

Article 5. Ownership of Rights to Content on the Service, etc.

1. Copyrights (including the rights stipulated in Article 27 and Article 28 of the Copyright Act; hereinafter the same), patent rights, trademark rights, and all other Intellectual Property Rights (including the right to acquire or apply for registration of these rights and rights added by future revision of laws and regulations; collectively, "Intellectual Property Rights") relating to the Services and any text, audio, music, images, 3D models, video, software, programs, code and any other information provided on the Services (hereinafter, collectively, "Content") all belong to the LLP or duly authorized third parties that have granted licenses to the LLP. However, this shall not apply in cases where the LLP or other right holders have given a different consent, agreement, or other representation (including, but not limited to, a waiver of all or part of the Intellectual Property Rights pertaining to a particular Content).
2. The LLP will, in regard to such Content, only to the extent necessary for the usage of the Services by Users, grant Users a non-exclusive usage right, which cannot be transferred or sublicensed, and which shall have as its sole purpose the use of the Services.

Article 6. "Create and play UGK with the Material Kumaleon."

1. Regardless of whether or not Users hold Kumaleon NFT, the Company grants Users license to combine digital data of Material Kumaleon and other digital data provided by the Company on the Service with User's Material to create and display UGK on the Service within the scope of the conditions and methods specified by the Company in these Terms of Use and other documents, and to use the Service, such Material Kumaleon, and such other digital data for such purpose.
2. The User may use the Services in accordance with the preceding paragraph as long as the User complies with the following items and other items set forth in these Terms. The User represents and warrants that the User will comply with each of the following items:
   (1) the User has the necessary authorization to upload the User-owned NFT and User Materials to the Services and to edit or otherwise use the User Materials on the Services.

(2) the User has the necessary authorization to combine the User Materials with Material Kumaleon or other digital data.
(3) the User has the necessary authorization to grant us the licenses set forth in Paragraph 3 of Article 9;
(4) using the User Materials or otherwise using the Service does not fall under any of the prohibited acts set forth in Article 10;
(5) the User agrees in advance that UGK identical or similar to the UGK created by the User may be created by the LLP or other Users on the Services, and the User shall not raise any objection thereto or exercise any moral rights or any other rights;
(6) the user shall not engage in any conduct that violates or may violate the provisions of these Terms of ; and
(7) the user shall not violate any other provisions stipulated by the LLP on the Service.

Article 7. “Edit Material Kumaleon, etc. tied to Kumaleon NFT.”

1. The LLP grants to Users who hold Kumaleon NFT the license to use the Services, Material Kumaleon, and NFT Art associated with NFT separately provided by the LLP on the Services for the following purposes within the scope of the conditions and methods specified by the LLP in these Terms and other documents:
   (1) to make edits to the material Kumaleon, etc. associated with Kumaleon NFT by combining Kumaleon NFT and other User-owned NFTs on the Services.
   (2) to create UGK associated with the Kumaleon NFT by editing as described in the preceding item.
   (3) to hold the Kumaleon NFT linked to the UGK created using the Services in one's own wallet, or to transfer it to a third party for a fee or free of charge (including the act of transferring them to another wallet held by one's self; the same shall apply hereinafter).
   (4) to use in any other way that the LLP permits on the Service.
2. The User may use the Services in accordance with the preceding paragraph as long as the User complies with the following items and other items set forth in these Terms. The User represents and warrants that the User will comply with each of the following items:
   (1) the User has the necessary authorization to upload the User-owned NFT and User Materials to the Services and to edit or otherwise use the User Materials on the Services;
   (2) the User has the necessary authorization to combine the User-owned NFT with Kumaleon NFT;
   (3) the User has the necessary authorization to transfer the Kumaleon NFT created using the User-owned NFT to a third party.

(4) the user has the necessary authorization to grant the license in accordance with Paragraph 2 of Article 8 to the Kumaleon NFT Holder associated with the UGK created by the user.
(5) the User has the necessary authorization to grant us the licenses set forth in Paragraph 3 of Article 9;
(6) using the User-owned NFT, using the User Materials, creating UGKs or otherwise using the Service does not fall under any of the prohibited acts set forth in Article 10;
(7) the User shall be responsible for GAS fees and other fees and costs incurred in connection with the Services;
(8) the User agrees in advance that UGK identical or similar to the UGK created by the User may be created by the LLP or other Users on the Services, and the User shall not raise any objection thereto or exercise any moral rights or any other rights;
(9) the user shall not engage in any conduct that violates or may violate the provisions of these Terms of ; and
(10) the user shall not violate any other provisions stipulated by the LLP on the Service.

Article 8. Licenses granted to Kumaleon NFT Holders

1. The Kumaleon NFT Holder who has legally come into possession of a Kumaleon NFT may use the Kumaleon NFT held by the Kumaleon NFT Holder and the Materials Kumaleon, etc. tied thereto within the following scope as long as the Kumaleon NFT Holder complies with these Terms.
   (1) Use for non-commercial purposes, including, but not limited to, the following uses:
   - Use of profile images on external services such as SNS.
   (2) Commercial use within the following conditions:
   (a) Maximum sales amount: 100 million yen;
   (b) If the Kumaleon NFT Holder wish to continue commercial use after sales amount reaches 100 million yen or more, you must obtain a separate license from the LLP.
2. A User who has created UGK on the Services by editing Kumaleon or other materials associated with Kumaleon NFTs shall grant a non-exclusive license to the holder of such Kumaleon NFTs to use such Kumaleon NFT and UGK associated with such Kumaleon NFT within the scope of the preceding paragraph, without limitation as to duration and region as long as the holder holds said NFT.
3. The LLP grants to the holder of a Kumaleon NFT who has legally come into possession of the Kumaleon NFT a non-exclusive license to use the Material Kumaleon and the digital art tied to the NFT that the Company provides separately on the Services within the scope of Paragraph 1, for as long as the holder holds said NFT, without limitation as to duration and without limitation as to geographic region.

4. The license under the preceding three paragraphs held by the holder of a Kumaleon NFT shall terminate as a matter of course upon the transfer of such NFT to a third party or upon the termination of such holding for any other reason.

Article 9. User Content

1. Intellectual Property Rights in User Content belong to the User, the creator, or other right holders. However, the rights pertaining to the Material Kumaleon are excluded.
2. Users shall warrant that User Content does not infringe the rights of any third party, and in cases where a dispute has arisen as to the infringement of third-party rights by User Content, or as to other similar matters, such dispute shall be resolved under the responsibility and at the expense of the relevant User.
3. Users shall license in advance to the LLP, at no cost and without restriction as to region or timeframe, the right to use, in services or promotions, any User Content that is publicly and generally accessible (including the right of the LLP to abbreviate or otherwise modify such content within a scope deemed necessary and appropriate, and the right to sublicense such usage rights to third parties allied with the LLP).
4. There may be cases where the LLP will check the content of User Content in order to confirm the state of compliance with laws and regulations or these Terms; provided, however, that the LLP is not obligated to do so.
5. In cases where the LLP deems that User Content violates laws and regulation or breaches these Terms, or is likely to do so, and in other cases where there is a business-related need, the LLP will be entitled to restrict the use of such User Content on the Services by deleting such User Content or by other similar method, without advance notice to Users. In such a case, the LLP will bear no liability whatsoever for any damage which may be suffered by Users as a result of such restriction and will not be obligated to provide refunds. Moreover, except where specially provided, the LLP is not obligated to Users to delete User Content.

Article 10. Prohibited Conduct

Users and Kumaleon NFT Holders must not engage in any of the following conduct when using the Services.

(1) Conduct that violates these Terms;
(2) Conduct that violates laws and regulations;
(3) Conduct relating to criminal acts;
(4) Using User Materials that fall under any of the following, or creating, saving, or using UGK or Kumaleon NFT that falls under any of the following:

(i) Infringement or potential infringement of third-party Intellectual Property Rights or other rights;
(ii) Obscene expressions or content containing sexual expressions;
(iii) Contains violent or cruel expressions that provoke a strong reaction and cause disgust or discomfort;
(iv) Contains expressions that praise or encourage extreme thoughts or anti-social behavior;
(v) Contains expressions that praise or encourage discrimination on the basis of race, belief, occupation, gender, religion, or the like;
(vi) Contains expressions that praise or encourage cult religious activities or excessive political activities; and
(vii) Contains expressions that induce or encourage criminal activity, suicide, self-harm, or substance abuse.

(5) Conduct that is likely to harm public order or good morals;
(6) Providing benefits to or otherwise cooperating with any anti-social force etc.;
(7) Infringing copyrights, design rights, patent rights, utility model rights, or other Intellectual Property Rights, or portrait rights, privacy, honor, or other rights or interests of the LLP, other Users, or other third parties;
(8) Using the Services for any purpose other than those contemplated by the Services;
(9) Interfering with the operation of the Services or the use of the Services by other Users;
(10) Transmitting computer viruses or other harmful computer programs;
(11) Modifying, adapting, reverse-engineering, decompiling, or disassembling or otherwise manipulating data or software provided on the Services;
(12) Tampering with or erasing information of the LLP, other Users, or other third parties;
(13) Collecting or storing information of other Users;
(14) Conduct equivalent to the preceding items;
(15) Assisting or encouraging any of the conduct of the preceding items; and
(16) Other conduct that the LLP finds is likely to fall under any conduct of the preceding items and conduct that the LLP finds to be inappropriate.

Article 11. Suspension of Use etc.

1. If a User or Kumaleon NFT Holder falls under any of the following items, the LLP is entitled to take measures such as suspending the use of the Services by the User or Kumaleon NFT Holder without prior notice or warning (“Suspension of Use etc.”).
   (1) If the User or Kumaleon NFT Holder uses the Services or causes the Service to be used wrongfully;

(2) If the User or Kumaleon NFT Holder engages in conduct falling under any of the prohibited conduct in the items of Article 10;
(3) If the User or Kumaleon NFT Holder suspends payment or comes insolvent, or is the subject of a petition for bankruptcy proceedings, civil rehabilitation proceedings, corporate reorganization proceedings, special liquidation, or any comparable proceedings;
(4) If the User or Kumaleon NFT Holder is the subject of a ruling for the commencement of guardianship, commencement of curatorship, or commencement of assistance;
(5) If the LLP has determined that the User or Kumaleon NFT Holder is an anti-social force etc. or that the User or Kumaleon NFT Holder cooperates with or is involved in the maintenance, operation, or management of an anti-social force etc. through funding or other means, or has any other interaction or involvement with an anti-social force etc.;
(6) If the LLP otherwise determines that the User or Kumaleon NFT Holder has violated or is likely to violate any of the provisions of these Terms; and
(7) If the LLP otherwise determines that Suspension of Use etc. is appropriate.

2. If a User or Kumaleon NFT Holder falls under any of the items of the preceding paragraph, such User or Kumaleon NFT Holder will, as a matter of course, forfeit the benefit of time with respect to all obligations to the LLP and must immediately pay all obligations to the LLP.
3. The LLP will not be liable for any damage suffered by Users or Kumaleon NFT Holders from Suspension of Use etc. by the LLP pursuant to Paragraph 1.

Article 12. Amendment and Termination of the Services

The LLP is entitled to modify or terminate some or all of the Services if it deems it necessary. The LLP shall notify Users in advance when terminating the Services. The LLP is not liable for any damage suffered by Users because of modifications or terminations.

Article 13. Suspension of the Services

The LLP reserves the right to suspend some or all of Services without prior notice to Users in any of the following cases, and shall bear no liability for any damage caused to Users by such suspension.

(1) Cases where inspecting or maintaining equipment, systems, or communication lines etc. for providing the Services;
(2) Cases where any equipment, systems, or communication lines etc. for providing the Services are stopped due to an accident or failure;
(3) Cases where the Services cannot be operated because of a fire, power outage, earthquake, natural disaster, or other force majeure; and
(4) Cases where the LLP otherwise determines that suspension is necessary.

Article 14. Preparation etc. of Use Environment for the Services

An internet connection is required to use the Services. Users shall prepare and maintain computers, software, and other equipment, and communication lines and other communication environments necessary for the use of the Services at their own expense and responsibility, and shall be responsible for payment of communication charges for using the Services. The LLP does not guarantee that the Services will be compatible with all devices etc.

Article 15. Amendment of these Terms

The LLP reserves the right to amend these Terms at any time as needed in accordance with applicable laws and regulations. If the LLP amends these Terms, the LLP shall post the amended Terms in an appropriate location on the Service or take any other action deemed necessary by the LLP.

Article 16. No Warranty; Disclaimer

1. The LLP makes no warranty, whether explicit or implied, that Services are free of any de facto or legal defects (including safety, reliability, accuracy, completeness, effectiveness, fitness for a particular purpose, security flaws etc., errors or bugs, and infringement of rights), and the LLP is not obligated to Users to remove such defects in providing the Services.
2. UGK or other content created using the Services or the act of using the Service may violate laws and regulations or infringe the rights of third parties for reasons attributable to User Content or the method of use of the Services by Users. The LLP is not responsible for any violations of laws and regulations or infringement of rights etc. stemming from them. Users and Kumaleon NFT Holders must comply with these Terms and use the Services, User Content, Kumaleon NFT and Material Kumaleon etc. at their own responsibility and discretion.
3. The LLP does not guarantee that Users will not suffer damage from computer viruses or other harmful programs etc. when using the Services.
4. The LLP does not guarantee the operation of any devices or software used by Users when using Services.
5. The LLP will not be liable for any damage caused to Users or Kumaleon NFT Holders arising from the Services, except where such damage is attributable to the LLP.
6. Notwithstanding any other provisions of these Terms (excluding the following paragraph), if the agreement between Users or Kumaleon NFT Holders and the LLP relating to the Services falls under a consumer contract as stipulated in Article 2, Paragraph 3 of the Consumer Contract Act, the LLP shall be liable to compensate the Users or Kumaleon NFT Holders for any damages caused by reasons attributable to the LLP.

7. Even if the LLP bears liability for damages to Users or Kumaleon NFT Holders for any reason, except the case of willful misconduct or gross negligence on the part of the LLP, even if such damage was foreseen or could have been foreseen, the LLP's liability for damages shall be limited to direct and ordinary damage actually suffered by Users or Kumaleon NFT Holders; the LLP shall not be liable for any indirect damage, special damage, or lost profits, and the amount of damages shall not exceed 1,000 yen.

Article 17. Assignment etc. of Status under these Terms

1. Users and Kumaleon NFT Holders may not assign, transfer, pledge, or otherwise dispose of their status under these Terms or any rights or duties under these Terms to a third party without the LLP's prior written consent.
2. In a case where the business relating to the Services is assigned to a third party, in conjunction with such business assignment, the LLP can transfer its status under use agreements, rights and duties pursuant to these Terms to the assignee of such business assignment, and Users and Kumaleon NFT Holders hereby consent to such assignment in advance.

Article 18. User Responsibilities, Dispute Resolution, and Compensation for Damage

1. Users and Kumaleon NFT Holders shall use the Services, Kumaleon and Material Kumaleon etc. at their own responsibility, and shall be liable for all acts carried out using them and the results thereof.
2. Users and Kumaleon NFT Holders shall compensate the LLP for any damage caused to the LLP by violating these Terms or in connection with the use of the Services, Kumaleon NFT, Material Kumaleon etc., or User Contents.
3. Even if a dispute etc. arises between a User or a Kumaleon NFT Holder and another Users or a third party in connection with the use of the Services, Kumaleon NFT or Material Kumaleon etc. by Users or Kumaleon NFT Holders, the User or the Kumaleon NFT Holder shall handle the dispute etc. at their own expense and responsibility.
4. If the LLP receives any claim from another User or other third parties for infringement of rights or other reasons in connection with a dispute etc. of the preceding paragraph, the relevant User or Kumaleon NFT Holder shall compensate the LLP for the amount the LLP was forced to pay to such third party pursuant to the relevant claim.

Article 19. Severability

Even if any provision of these Terms or a portion thereof is found to be invalid or unenforceable in

accordance with the Consumer Contract Act or other laws and regulations etc., the remaining provisions of these Terms and remaining portions of provisions found to be partially invalid or unenforceable shall continue to be fully valid.

Article 20. Governing Law and Jurisdiction

1. The Japanese version of these Terms shall be the official version, and in case of any discrepancies between the Japanese version and its translation, the Japanese version shall govern.
2. The laws of Japan shall be the governing law of these Terms.
3. The Tokyo District Court shall be the exclusive court of first instance with respect to all disputes arising from or relating to these Terms.

Article 21. Inquiries and Notices

Inquiries about the Services, and notifications regarding changes to these Terms and other communications or notifications from the LLP to Users shall be made in the manner specified by the LLP.

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End