

TERMS AND CONDITIONS OF AUCTION

(Date Revised: August 1, 2022)

Any auction of art carried out by SHINWAAUCTION CO., LTD. (hereinafter referred to as “the Company”) shall be conducted in accordance with Terms and Conditions of Auction (hereinafter referred to as “The Terms and Conditions”). All concerned parties including any person who consigns objects of art for sale to the Company, places a bid, or concludes a contract of sale with the Company shall agree to and comply with The Terms and Conditions, except where a separate agreement with the Company has been concluded in which case that agreement shall govern.

Section I LOTS (Objects of Art Subject to Auction)

(Objects of Art Subject to Auction)

Article 1. The Company shall auction an object of art consigned to it for sale by auction (such object of art shall hereinafter be referred to as “the Lot”) in the Company’s own name.

(Condition of Lot)

Article 2. On the grounds that the Lot will usually be by its very nature old and is to be sold on an “as is” basis, the Company shall in no way be responsible for stains, scratches, or any other defects of the Lot, or for any latent defect of the Lot.

(Preview)

Article 3. The Company shall arrange a preview of the Lot for prospective bidders before the auction.

- ② Prospective bidders may inspect and examine the Lot at the preview (but shall not be permitted to touch the Lot except when necessary and with the Company’s consent. The same shall apply hereinafter). Any person who places a bid does so at his own judgment and responsibility, having due consideration for the condition of the Lot (including any defects).
- ③ The Company may ask any person desiring admittance to the preview to present proof of identity, and may, at its discretion and without explanation, refuse admittance thereto.

(Catalogues)

Article 4. The Company shall prepare catalogues providing information on Lots and distribute the same to prospective buyers at a price.

- ② Illustrations contained in the catalogues are intended solely for the purpose of identification and reference, and may not be taken to accurately represent the color or shape of the Lot nor to indicate the conditions or qualities thereof. The Company shall in no way be responsible for any discrepancy between the illustrations contained in the catalogues and the actual objects.
- ③ The descriptions and comments that appear in the catalogues (such as artist, title, material, restorations, signature, size, time and place of production, expert opinion, provenance, bibliography) are compiled by the Company with due care and attention. Nevertheless, these descriptions and comments appear solely for the reference of prospective bidders, and with the exception of the case prescribed in the Article 19, the Company shall in no way be responsible for any errors in the statements made or any discrepancies between the catalogue descriptions and the actual object. Prospective bidders shall inspect and examine the actual objects at the above-mentioned preview and shall place a bid at their own examination and on their own responsibility, having formed their own judgment with respect to the matters contained in the descriptions and comments.
- ④ The Company may publish the appraised value of the Lot in its catalogues. The appraised value is given as the range between a high and low figure designated in yen (and does not include the buyer's premium and consumption tax thereon.) The appraised value shall appear solely for the reference of prospective bidders based on what the Company considers appropriate, taking factors such as present market conditions into account. In view of the very nature of an auction, the actual sales price shall in no way be determined by the appraised value. Therefore, the actual price may be either more or less than the appraised value. However, no sale shall be made at a price below the reserve price (which shall be confidential and which need not be less than the appraised value) provided for in Article 21.

(Changes to Catalogue Entries)

Article 5. Descriptions and comments in the catalogues are subject to change without notice. Any change shall be posted in writing at the auction site or announced orally by the auctioneer immediately before the auction of the Lot in question. In the case of any changes, the auction shall be regarded as having been

conducted according to the terms as changed.

Section II AUCTION PROCEDURES

(Bidder Registration)

Article 6. Any person who wishes to be admitted to the auction site and to place a bid must register his name (in the case of a corporation, the names of the corporation and its representative) and address. If he acts as an agent or messenger for a principal (including a person who places a bid for a corporation, the same shall apply hereafter), he must register the name and address of his principal and his own name and address. Any agent or messenger shall submit a proxy from the principal (Paragraph 5 of Article 8 below shall be applied for an agent or a messenger). Registration shall be conducted prior to the date of auction.

- ② The Company may from time to time request appropriate identification from persons who wish to register.
- ③ The Company may, at its discretion and without explanation, refuse to allow any person to register or refuse to admit any person to the auction site, including persons who have completed registration.
- ④ Persons who have registered in advance shall obtain confirmation of their registration at the reception desk on the day of the auction.

(Bidding Paddles)

Article 7. The Company shall distribute numbered paddles to registered persons at the reception desk on the day of the auction.

- ② The numbers on the paddles allow the auctioneer to identify individual bidders. If the auctioneer asks a bidder to make his paddle easily visible, the bidder shall comply with the auctioneer's instruction.
- ③ A bidder shall at all times remember his paddle number and pay attention to the numbers which the auctioneer calls from time to time.
- ④ Any person who has received, but subsequently misplaced his paddle shall immediately inform the clerk in charge of the particular auction site. Furthermore, any person who has received a paddle shall return it when the auction is closed or anytime he leaves the auction site.

(Method of Auction)

Article 8. The auction shall be presided over by an auctioneer appointed by the Company and conducted as a series of progressively higher bids in the manner described below. The bid price shall not include the buyer's premium and the consumption tax thereon. A bidder agrees to pay to the Company upon the conclusion of any sale the premium and consumption tax thereon, as prescribed in Article 12.

- ② The Company shall not announce the name of a consignor or the reserve price if the reserve price has been placed according to Article 21, except where the consignor's consent has been obtained.
- ③ The auction shall progress in sequence following the numbers of the Lot ("Lot Number") in the catalogue. However, the Company may withdraw a scheduled Lot from the auction without prior notice, or auction separately a number of Lots originally listed under the same Lot Number, or auction altogether Lots originally listed under several Lot Numbers.
- ④ The auctioneer shall have discretion in the conduct of the auction and shall be completely free to set the opening bid and the increment of each successive bid. (Where the reserve price has been placed according to Article 21, the opening bid shall be set regardless of the reserve price and may fall below or exceed it.)
- ⑤ Every bidder shall be deemed to act as principal unless he has notified the Company that he acts as an agent or messenger for another party for which the Company has given approval. Furthermore, two or more persons shall not be permitted to bid under a joint name.
- ⑥ Bids can be made by raising a paddle or by gesture (such as signs, gestures, nodding of the head). If the auctioneer appears to have overlooked a bid, the bidder shall immediately attempt to get his attention.
- ⑦ Bids may be placed in writing or by telephone as well as by personal attendance at the auction. Bids in writing shall be subject to Article 10 and those by telephone subject to Article 11.
- ⑧ The Company shall, in order to attain the reserve price defined in Article 21, bid on behalf of the consignor until a bid from another bidder reaches or exceeds the reserve price. It may do so either through the auctioneer or in any other manner the Company may deem appropriate at its discretion.
- ⑨ The auctioneer may, at his discretion, refuse any bid without explanation.
- ⑩ Any person who has placed a bid shall be bound by that bid until a higher one is placed (including a bid by the Company as referred to in Paragraph 8). If a higher bid is placed, the previous bid shall become null and void, except if the

higher bid shall be invalidated due to a refusal by the auctioneer or other circumstances in which case the previous bid shall remain binding.

- ⑪ A bid shall also become null and void if it is refused by the auctioneer, or if the auction closes without reaching the reserve price, or if the relevant Lot is put up for re-auction by the auctioneer.
- ⑫ When the auctioneer calls the highest bid price, which he has recognized from among the bid prices, three times and lets the hammer fall, a contract of sale for the highest bid price shall take effect between the Company and the highest bidder, who shall then become the purchaser. A bidder who has become a purchaser as above shall be hereinafter referred to as “the successful bidder” and the price shall be hereinafter referred to as “hammer price”.
- ⑬ If the highest bidder wishes to withdraw his bid before the hammer falls, the decision whether the highest bidder or the next highest bidder shall become the purchaser is at the discretion of the auctioneer.
- ⑭ Any question or dispute concerning the auction shall be settled by the auctioneer at his discretion, and all parties involved shall abide by his decision. Where a question or dispute arises, the auctioneer at his discretion, may: refuse a bid, decide the highest bidder, continue the auction and accept further bids, or declare all previous bids on the Lot in question null and void and put the Lot up for re-auction.
- ⑮ No one shall be permitted to make any protest once the successful bidder has been decided and the auctioneer has begun the auction of the next Lot.

(Written Confirmation of Bid)

Article 9. At the auction site immediately after the conclusion of the sale, the successful bidder shall, after confirming the Lot Number and the hammer price described in the confirmation of bid, affix his signature or seal to the confirmation of bid upon the demand of the Company. If the bidder is a corporation, the person acting as the agent or messenger of the corporation shall state the name of the corporation and affix his signature or seal. Provided, however, that any sale shall be concluded at the time of the fall of the auctioneer’s hammer and that the confirmation of bid shall be made solely for record purposes.

- ② If the successful bidder fails to affix his signature or seal to the confirmation of bid immediately in accordance with the preceding Paragraph, the auctioneer may, at his discretion, rescind the sale forthwith and place the Lot in question up for re-auction. In such case Paragraph 1 (4) of Article 18, shall apply mutatis

mutandis.

- ③ The Company shall deliver to the successful bidder a Lot exchange slip after he has affixed his signature or seal to the confirmation of bid. The successful bidder shall, upon receipt of the Lot, deliver to the Company the lot exchange slip. The Lot exchange slip shall operate solely as a certificate of discharge and shall serve no other purpose. The same shall apply for the Lot exchange slip as referred to in Articles 10 and 11.

(Bids in Writing – Order bids)

Article 10. A bid may be placed in writing by facsimile or by the internet system designated by the Company in advance. A bid placed in writing, by facsimile or by the internet system designated by the Company shall be hereinafter referred to as a “written bid.”

- ② A written bid shall be submitted to the Company at least two working days before the auction by describing therein accurately the name (in the case of a corporation, the names of the corporation and its representative) and address of bidder, the Lot Number, and the maximum bid price the bidder is willing to place (excluding the buyer’s premium and the consumption tax thereon), and by affixing the signature or seal of the bidder to the same. A written bid that does not include a maximum bid price shall be deemed invalid.
- ③ The Company shall bid on behalf of any person who has placed a written bid, and may do so either through the auctioneer or in any other manner the Company may deem appropriate at its discretion.
- ④ A person who has placed a written bid may become the successful bidder if his maximum bid price exceeds both the highest bid price of other bidders and the reserve price, in which case the hammer price shall be equal to the second highest bid price or the reserve price, whichever is higher, plus an appropriate increment decided by the auctioneer. In such a case, as is the case with a bid in person at the auction site, the sale contract shall be concluded at the time when the auctioneer decides the purchaser by hammering the Lot down to the highest bidder.
- ⑤ If two or more written bids for the same Lot offer the same price, precedence shall be given to whichever was received first by the Company. If two or more such bids are received at the same time and the Lot in question is knocked down at the bid price described under the preceding Paragraph, the successful bidder shall be decided by lottery later.

- ⑥ The Company reserves the right to refuse, at its discretion and without explanation, any written bid, and the Company shall in no way be liable for any failure of the notification of its intention to refuse the bid to reach the bidder except in the case of intentional misconduct or gross negligence by the Company.
- ⑦ The Company shall in no way be liable for failure to execute a written bid at the auction, whether through error or any other cause (including a case in which the Company fails to execute a written bid under the events outlined in Paragraph 3 of Article 8) except in the case of gross negligence by the Company.
- ⑧ In the case of changes in catalogue descriptions or comments in catalogues as outlined in Article 5, any written bid shall be deemed as having been placed according to the terms of the changed description and comments. The Company shall do its best to notify written bidders of any relevant changes, but it shall in no way be liable if such notification fails to reach the written bidders in advance except in the case of intentional misconduct or gross negligence by the Company.
- ⑨ The Company shall promptly notify any written bidder of his having become a successful bidder. Immediately upon receipt of such notice, the successful bidder shall deliver to the Company a confirmation of bid to which he has affixed his signature or seal (in the case of a corporation, the names of the corporation and its representative) after confirming the Lot Number and the hammer price set forth in the confirmation of bid. Provided, however that any sale shall be concluded at the time of the fall of the auctioneer's hammer and that the confirmation of bid shall be made solely for record purposes. Thereafter, the Company shall deliver a Lot exchange slip. The successful bidder shall, upon the receipt of the Lot, deliver to the Company the Lot exchange slip.
- ⑩ When Article 8 or 10 of the Consumer Contract Law takes precedence over this Article of The Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Law in accordance with Article 28 of The Terms and Conditions.

(Telephone Bids and Live Bidding System)

Article 11. Bids may be placed through telephones and internets installed at the auction site.

- ② Any person who intends to place bids by telephone shall apply to the Company in advance and shall be subject to the Company's instructions. In such case, Paragraph 6 of Article 10 shall apply mutatis mutandis.
- ③ The Company shall in no way be liable for failure to execute a telephone bid at the auction, whether through error or any other cause (including a case in which the Company fails to execute a telephone bid under the events outlined in Paragraph 3 of Article 8), even if the bidder has already applied to bid by telephone and his application has been approved by the Company except in the case of intentional misconduct or gross negligence by the Company.
- ④ When a person who has placed a bid by telephone has become a successful bidder, the successful bidder shall immediately deliver to the Company a confirmation of bid to which he has affixed his signature or seal (in the case of a corporation, the names of the corporation and its representative) after confirming the Lot Number and the hammer price set forth in the confirmation of bid. Provided, however, that any sale shall be concluded at the time of the fall of the auctioneer's hammer and that the confirmation of bid shall be made solely for record purposes. Thereafter, the Company shall deliver a Lot exchange slip. The successful bidder shall, upon the receipt of the Lot, deliver to the Company the Lot exchange slip.
- ⑤ Any person who intends to place bids by live bidding system shall comply with Terms and Conditions of Live Bidding System posted on our website, in addition to The Terms and Conditions.
- ⑥ When Article 8 or 10 of the Consumer Contract Law takes precedence over this Article of The Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Law in accordance with Article 28 of The Terms and Conditions.

Section III SUCCESSFUL BIDDER

(Purchase Price)

Article 12. The successful bidder shall pay, in addition to the hammer price, an amount calculated according to the following Subparagraph as the buyer's premium and the consumption tax thereon. (The combined sums of the hammer price, the premium, and the consumption tax thereon shall hereinafter be referred

to as “the purchase price.”)

- (1) 16.5% of the hammer price

(Payment Period of Purchase Price)

Article 13. The successful bidder shall pay the purchase price within ten days (except for Saturdays, Sundays, and holidays as defined in the National Holidays Act) after the day of the auction. Such period shall be hereinafter referred to as “the payment period”. Payment will only be accepted during the Company’s hours of business. Payments shall be made in Japanese yen by check drawn on a bank as defined in the Banking Act or by remittance transferred to one of the following accounts (in which case the remittance must reach the designated account within the payment period):

Bank Name: Ginzadori Branch of Mizuho Bank
Account Name: SHINWAAUCTION CO., LTD.
Account Number: Ordinary deposit No. 2483416

Bank Name: Kyobashi Branch of Bank of MUFG Bank
Account Name: SHINWAAUCTION CO., LTD.
Account Number: Ordinary deposit No.0658207

(Delivery)

Article 14. The Company shall deliver the Lot to the successful bidder after the purchase price has been paid in full. Provided, however, that if the successful bidder owes any debts to the Company that have fallen due (including miscellaneous expenses defined in Paragraph 3 of Article 16), the Company shall not deliver the Lot until the purchase price and all such debts have been fulfilled. The purchase price and all other debts owing to the Company that have fallen due shall be hereinafter called as “the total amount due.”

- ② The successful bidder shall receive the Lot within the payment period after having paid in full the total amount due.
- ③ The place of the delivery of the Lot shall be at the premises of the Company, and any expenses for receipt of the Lot shall be borne by the successful bidder. The Company shall in no way be liable for any accidents to the Lot (including

destruction, loss, theft, damage, or soiling) after the time of delivery (which shall mean the time at which the Company delivers the Lot to the successful bidder, to his agent or messenger, or to a carrier at the Company) except in the case of intentional misconduct or gross negligence by the Company. If the Company arranges a carrier upon request of the successful bidder, such arrangement is made solely as a courtesy, and the successful bidder shall take out appropriate insurance. The Company shall in no way be liable for any accidents (including destruction, loss, theft, damage, or soiling) after the time of delivery or for its selection of carrier except in the case of intentional misconduct or gross negligence by the Company. The successful bidder shall at his own judgment, responsibility, and expense make such packaging as he shall deem proper. The Company may, before delivering the Lot, pack the Lot in a manner it deems appropriate, but this is intended solely as a courtesy, and the Company shall in no way be liable for such packaging except in the case of intentional misconduct or gross negligence by the Company.

- ④ The successful bidder may inspect the Lot at the time he receives the Lot. Regardless of whether the successful bidder actually inspects the Lot, when the Company delivers the Lot to the successful bidder (or to his agent or messenger, or to a carrier), the successful bidder shall neither make any claim against the Company nor terminate the sales contract for any mistake in the Lot he has received, or for any damage or soiling thereof after the time of delivery except in the case of intentional misconduct or gross negligence by the Company. This provision shall not prevent the Company from requiring the return of any object that the Company has mistakenly delivered.
- ⑤ The successful bidder shall, upon receipt of the Lot, deliver to the Company the Lot exchange slip. When the Company receives the Lot exchange slip, the Company shall be relieved of any liability even if a party other than the successful bidder receives the Lot (except in the case of intentional misconduct or gross negligence by the Company).
- ⑥ When Article 8 or 10 of the Consumer Contract Law takes precedence over this Article of The Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Law in accordance with Article 28 of these Terms and Conditions.

(Risk of Loss and Transfer of Ownership)

Article 15. The successful bidder shall bear any risk of loss of the Lot after the conclusion

of sales (when the auctioneer hammers the Lot down to the highest bidder), which means that the successful bidder shall bear any loss, destruction, theft, damage, or soiling of the Lot not attributable to impropriety by the Company.

- ② Ownership of the Lot shall not be transferred to the successful bidder until he pays the total amount due in full and the Company delivers the Lot to him. Ownership shall be transferred to the successful bidder at the time of the delivery of the Lot after the total amount due has been paid in full.

(Miscellaneous Expenses)

Article 16. The successful bidder shall not be required to pay any storage or insurance charges for the duration of the payment period (or if the Company delivers the Lot before the expiration of the payment period, until the time of the delivery).

- ② If the successful bidder is unable to receive the Lot within the payment period, he shall pay all storage and insurance charges from the expiration of the payment period until the time the bidder receives the Lot. In any such case, the Company shall not be required to take out insurance.
- ③ The storage and insurance charges to be borne by the successful bidder shall be referred to as “miscellaneous expenses.”

(Stolen and Lost Property)

Article 17. If, before the delivery of the Lot, a third-party claim that the Lot is lost or stolen property of which he is the rightful owner and demands its restoration, or if it is discovered that the Lot is of a type whose sale or possession is prohibited by law, the Company may rescind the sale without notice. In any such case, if the Company has received payment of the purchase price, it shall refund the purchase price without interest, and the successful bidder shall not make any further claims against the Company, including any claim for damages.

- ② If the Superintendent General of the Metropolitan Police Department, the Chief of Prefectural Police Headquarters or the Chief of Police Station directs the Company to keep the Lot in its custody for a set period in accordance with Article 21 of the Secondhand Articles Business Act, the Company shall not deliver the Lot until the expiration of that period. In any such case, the phrase “within ten days after the day of the auction” in Article 13 shall be replaced

by the phrase “within three days after the expiration of the period of custody set by the Superintendent General of the Metropolitan Police Department, the Chief of Prefectural Police Headquarters or the Chief of Police Station.” The replacement phrase shall apply in defining “the payment period” as it appears in Article 14, 16 and 18. Furthermore, the Company shall in no way be held responsible for the consequences which may result from any delay in the release of the Lot.

(Default of successful bidder)

Article 18. If the successful bidder fails to pay the total amount due within the payment period, the following Subparagraphs shall apply:

- (1) The successful bidder shall pay damages for delay at an annual rate of 18%, (in cases in which the Consumer Contract Law is applicable, at an annual rate of 14.6%) on the unpaid amount of the purchase price (excluding the consumption tax thereon) from the day following the expiration of the payment period until the total amount due (including all miscellaneous expenses) is paid in full (or, if the contract is terminated in accordance with Subparagraph (3) hereof, until the day of termination).
- (2) The Company shall at its discretion take custody of the Lot in whatever manner it deems appropriate after the expiration of the payment period. The Company shall in no way be liable for destruction, loss, theft, damage or soiling of the Lot for any reason whatsoever prior to the receipt by the bidder of the Lot, nor shall the bidder be relieved of any obligation to pay the total amount due except in the case of intentional misconduct or gross negligence by the Company. The Company shall not be required to insure the Lot for such period.
- (3) The Company may terminate the sales contract if the successful bidder fails to pay the total amount due upon receipt of a demand notice from the Company. Notwithstanding the above, provided the Company has sent a demand notice to the address of the successful bidder registered with the Company or of which the Company has been notified by the bidder, in the case where the demand notice remains undelivered because the addressee is absent or unknown or where the successful bidder refuses receipt thereof, the Company may still terminate the sales contract. In such a case, the sales contract shall be deemed terminated as of the time the Company sends a notice of termination to the address of the successful bidder agreed

to in advance.

- (4) If the sales contract is terminated in accordance with the preceding Subparagraph (3), the Company may sell the Lot to a third-party either by auction or a privately negotiated contract, in which case no reserve price shall be placed. In such a case, should the aggregate sum of the sales price by auction or sale contract, the buyer's premium defined in Article 12 herein, and the consumption tax thereon be less than the original purchase price, the defaulting bidder shall pay the Company the difference, and the damages for delay, at an annual rate of 18% (in cases in which the Consumer Contract Law is applicable, at an annual rate of 14.6%) from the day of that auction or conclusion of the sales contract until the amount is paid in full. On the other hand, if the price is higher than the original purchase price, the defaulting bidder shall not make any claim whatsoever on the difference.
- (5) If the sales contract is terminated in accordance with the preceding Subparagraph (3), the Company may return the Lot to the consignor at the request of the consignor. In such a case, the defaulting bidder shall pay the Company the buyer's premium which the defaulting bidder had to pay for the Lot defined in Article 12 herein, and the consumption tax thereon, and the damages for delay, at an annual rate of 18% (in cases in which the Consumer Contract Law is applicable, at an annual rate of 14.6%) from the day of the auction until the amount is paid in full.
- ② When Article 8 or 10 of the Consumer Contract Law takes precedence over this Article of The Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Law in accordance with Article 28 of The Terms and Conditions.

(Guarantee of Authenticity)

Article 19. If the Company's catalogues identify the artist of the Lot conclusively and without qualification (this excludes any catalogue entry that states that there is disagreement as to the artist or indicates that attribution is speculative or implies that the artist cannot be identified), and it is later established to the satisfaction of the Company that the Lot is not the work of the artist, the Company shall at the request of the successful bidder terminate the sales contract and refund the purchase price subject to the following Subparagraphs:

- (1) The successful bidder may claim a refund only if, within (and only within) one year of the day of the auction, he submits to the Company a document that satisfies the Company as to the day of the auction, the Lot Number, the hammer price, and proof that the Lot is not the work of the artist to whom it is attributed in the catalogue. Only the successful bidder (not a general or limited successor) may make such a claim, and the right may not be transferred to a third-party.
- (2) No termination and refund shall be made if the catalogue attribution was one generally accepted in scholarly or specialist circles at the time of the auction, or if the mistake in attribution was established by a method of scientific analysis that was uncommon or unknown at the time of the auction, or if the analysis can only be performed at great expense, or if the analysis involves damage to the object and is therefore rarely used.
- (3) The successful bidder shall make any claim within three months (in cases in which the Consumer Contract Law is applicable, within one year) of the date that he learned that the Lot was not the work of the artist to whom it was attributed in the catalogue (and must also submit proof of that date), but – in any case – within the one-year period specified in Subparagraphs (1) of this Article.
- (4) A termination and refund shall be made only if the successful bidder is in complete ownership of the Lot and transfers the ownership in its entirety to the Company, and only if the Lot is returned to the Company in the same condition as it was at the time of the auction. Provided, however, that the Company shall be under no further obligation to pay interest, damage, or compensation of any kind of beyond the refund.

Section IV CONSIGNMENT

(Consignment)

Article 20. Any person who intends to consign a Lot to the Company for sale by auction in the Company's name shall apply for sale by consignment subject to The Terms and Conditions as well as to the Agreement on Sale by Consignment as separately specified by the Company.

- ② The consignor shall guarantee to the Company that he has either complete ownership of the Lot to be consigned or the legal right to consign the Lot for sale based on complete ownership.

(Reserve Price)

Article 21. The consignor may place a reserve price (minimum selling price). The reserve price shall be designated in Japanese yen.

- ② If a reserve price is placed, the Company shall not sell the Lot at a price less than the reserve price, except as specified in Paragraph 1 (4) of Article 18 .
- ③ The reserve price may not exceed the ceiling price of the appraised value
- ④ The reserve price, if placed, may not be changed without the consent of the Company.

(Withholding of Name)

Article 22. The Company shall not divulge the name of the consignor either at the auction or in the catalogue without the consent of the consignor.

Section V MISCELLANEOUS

(Changes to Terms and Conditions)

Article 23. The Company may change any of The Terms and Conditions. Any such changes shall be announced orally by the auctioneer on the day of the auction immediately before bidding begins for the first Lot and shall take effect forthwith.

(Prohibition of Transfer of Rights)

Article 24. No right or position in regards to the Company under The Terms and Conditions shall be transferred or be provided as security.

(Limitation of Liability)

Article 25. The Company shall not be liable for any damages for any reason in the case that The Terms and Conditions provide for non-liability of the Company.

- ② The Company shall in no way be liable for any damage in the case that such damages are caused by fire, natural disaster, war, disturbance, nuclear fuels, or labor disputes.
- ③ If the Company is obliged to take custody of the Lot for the successful bidder and if the Lot is destroyed, lost, stolen, damaged, or soiled by negligence by the Company that does not fall under any of the previous Paragraphs, the

Company shall, in relation to the successful bidder, be subject to the following:

- (1) If the Lot is destroyed, lost, stolen, or seriously damaged or soiled, the sales contract between the Company and the successful bidder shall automatically be terminated, and the successful bidder shall be relieved of any obligation to pay the purchase price. If the Company has already received the purchase price, the Company shall return the purchase price without interest. The successful bidder may not claim any damages whatsoever.
 - (2) If the damage to or soiling of the Lot is not serious, the Company shall reduce the purchase price in proportion to the degree of such damage or soil. The successful bidder may not claim any damages whatsoever beyond the reduction.
 - (3) The burden of proof of damage or soiling shall be on the successful bidder.
 - (4) The Company shall in no way be liable for its custody of frames and glass, and shall not be liable for any destruction, loss, theft, damage, or soiling thereto except in the case of intentional misconduct or gross negligence by the Company.
 - (5) The amount of damages to be paid by the Company under this Paragraph shall be appropriated by insurance money to be received by the Company based on the damage insurance contract concluded between the Company and the insurance company.
- ④ Except as otherwise provided in the preceding Paragraphs, the Company shall in no way be liable for any damages except in the case of intentional misconduct or gross negligence on the part of the Company. If the Company is to be liable for its intentional misconduct or gross negligence, the range of compensation for the loss shall be limited to the extent of the damages reasonably foreseeable to the Company at the point in time when the intentional misconduct or gross negligence occurred.

(Qualification restriction)

Article 26. The Company will not cooperate or do business with any person or entity of the type described in any of the following Subparagraphs.

- (1) A person or entity that engages in or has the intent of engaging in any activity such as money laundering; or that engages in or has the intent of engaging in raising funds making use of illegal or improper methods,

inappropriate pressure, or violence; or within the past five years has engaged in or has the intent of engaging in any conduct of an anti-social group or member (hereinafter referred to as an anti-social group or member). Such groups or members include, but are not limited to: an organized crime group, a member or associate member of an organized crime group, a corporation related to an organized crime group, a group that engages in criminal activities under the pretext of conducting social campaigns or political activities, and a special intelligence organized crime group.

- (2) A person or entity that participates in an auction accompanied by an anti-social group or member, or that intends to let an anti-social group or member participate in an auction by introduction.
 - (3) A corporation in which a director or auditor belongs to an anti-social group.
 - (4) A person or entity that uses threatening behavior or violence with regard to business with the Company.
 - (5) A person or entity that damages the Company's trust by spreading a false rumor; or uses trickery, deception, or inappropriate pressure; or interferes with the Company's activities in any way.
 - (6) A person or entity that does not adhere to the Company's Terms and Conditions or its rules.
- ② The Company shall cancel business with any person or entity that, in the Company's sole judgment, meets any of the descriptions in the Subparagraphs above and shall refuse to do business with any such person or entity now and in the future.

(Applicable Law)

Article 27. The Terms and Conditions shall be governed by and interpreted under the laws of Japan, and any matters not provided for herein shall be subject to the laws of Japan.

(The Consumer Contract Law)

Article 28. Where applicable, the Consumer Contract Law takes precedence over The Terms and Conditions. In addition, The Terms and Conditions shall be read and applied in accordance with other civil laws of Japan.

(Jurisdiction)

Article 29. Any lawsuit arising under this agreement shall be brought exclusively in the Tokyo District Court of Japan.

Article 30. This English translation of the original document in Japanese is provided for the convenience of customers; however, in the case of any discrepancy between the English and Japanese versions or any question of interpretation, the Japanese document shall control.