

## WINE AUCTION TERMS AND CONDITIONS

(Date Revised: June 2025)

Any auction of alcoholic beverages undertaken as a Wine Auction by SHINWA AUCTION CO., LTD. (hereinafter referred to as “the Company”) shall proceed in accordance with these Wine Auction Terms and Conditions (hereinafter referred to as the “Terms and Conditions”). All concerned parties, including individuals seeking to conclude or having concluded a contract of sale with the Company for sharing sales proceeds arising from an auction; placing a bid with the Company; or concluding a contract of sale following an auction, 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 (Alcoholic Beverages Subject to Auction)

#### (Alcoholic Beverages Subject to Auction and Other Details)

##### Article 1

The Company shall auction wine and other alcoholic beverages, glasses, and other such items (collectively, “Lot” hereinafter).

#### (Condition of Lot)

##### Article 2

All Lots are sold on an as is basis. The Company shall not be held responsible for the quality of the Lot, stains or scratches on the containing vessel, or other defects or flaws, except as provided for in Article 19. Old wine shall be sold or purchased on the premise that naturally-caused variations, such as variations in the condition of the wine, including leakage, or variations in the condition of its case, label, cork, etc., are inevitable.

#### (Preview)

##### Article 3

1. 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 (where they 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 their own judgment and responsibility, giving due consideration to the condition of the Lot (including any defects and flaws).

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.

#### (Catalogs)

##### Article 4

1. The Company shall prepare catalogs providing information on Lots and distribute the same to prospective buyers at a price.

2. Descriptions and comments that appear in the catalogs (such as brand name, vintner, place of origin, age, size, and condition) are compiled solely for the reference for prospective bidders, and, with the exception of the case prescribed in Article 19, the Company shall in no way be responsible for the accuracy of such statements or for any errors in statements regarding defects or flaws affecting the Lot.

3. The illustrations found in the catalogs are intended to serve solely as reference images. Accordingly they should not be taken to accurately represent the color, shape, etc. of the Lot nor to indicate the condition or quality thereof. The Company shall in no way be responsible for any discrepancies between the illustrations contained in the catalogs and the actual Lot.

4. The Company may publish the appraised value of the Lot in its catalogs. 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 is an estimate the Company considers appropriate based on factors such as present market conditions and shall be used solely for reference for prospective bidders. 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 out of the range of the appraised value. However, no sale shall be made at a price below the reserve price (which shall be held confidential and which may be above the minimum appraised value) if any as provided for in Article 20.

#### (Changes to Catalog Entries)

##### Article 5

Descriptions and comments in the catalogs 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 updated terms.

## Section II AUCTION PROCEDURES

#### (Bidder Registration)

## Article 6

1. Any person who wishes to be admitted to the auction site and to place a bid must register their name (or in the case of a corporation, the names of the corporation and its representative) and address. If they act as an agent or messenger for a principal (including persons who place a bid for a corporation; the same shall apply hereafter), they must register the name and address of their principal as well as their own name and address. Any agent or messenger shall submit a proxy issued by the principal. (Note that Paragraph 5 of Article 8 below applies for agents or messengers.) Registration shall be conducted with the Company 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

1. 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 their paddle easily visible, the bidder shall immediately comply with the auctioneer's instructions.
3. A bidder shall at all times remember their paddle number and pay attention to the numbers that the auctioneer calls out.
4. Any person who has received but subsequently misplaced their paddle shall immediately inform the clerk in charge of the particular auction site. Furthermore, any person who has received a paddle shall return it once the auction has closed or at any time they leave the auction site.

## (Method of Auction)

## Article 8

1. 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. In addition to the bid price, 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 reserve price if the price is placed according to Article 20.

3. The auction shall progress in sequence following the numbers of the Lot ("Lot Number") in the catalog. 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 several numbered Lots together as a single Lot.

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 20, 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 they have notified the Company that they act 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 gesturing (e.g., using signs, movements, or nodding of the head). If the auctioneer appears to have overlooked a bid, the bidder shall immediately attempt to get the auctioneer's attention.

7. Bids may be placed in writing as well as by personal attendance at the auction. Bids in writing shall be subject to Article 10.

8. The Company shall, in order to attain the reserve price as specified in Article 20, bid on behalf of the consignor until a bid exceeds the reserve price. It may do so either through the auctioneer or in any other manner the Company may deem appropriate.

9. The auctioneer may, at their 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 is invalidated due to 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. Once the auctioneer has called the highest bid price (compared to all other bid prices) at least two 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. The bidder who has become the purchaser as above shall be hereinafter referred to as the "successful bidder" and the price shall be hereinafter referred to as the "hammer price."

13. If the highest bidder wishes to withdraw their bid before the hammer falls, the decision as to whether the highest bidder or the next highest bidder shall become the purchaser is up to the auctioneer.

14. Any question or dispute concerning the auction shall be settled by the auctioneer at their discretion, and all parties involved shall abide by said decision. Where a question or dispute arises, the auctioneer may at their discretion refuse a bid, decide on 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 protests are permitted once the successful bidder has been decided upon and the auctioneer has begun the auction of the next Lot.

#### (Written Bid Confirmation)

##### Article 9

1. 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 the bid, affix their signature or name and seal to the bid confirmation 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 their signature or name and seal; provided, however, that any sale shall be concluded at the time of the fall of the auctioneer's hammer and that the bid confirmation shall be made solely for the record.

2. If the successful bidder fails to affix their signature or name and seal to the bid confirmation immediately in accordance with the preceding paragraph, the auctioneer may, at their 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 the bidder has affixed their signature or name and seal to the bid confirmation. The successful bidder shall, upon receipt of the Lot, deliver to the Company the lot exchange slip. The lot exchange slip shall serve solely as a certificate of discharge; it shall have no other function. The same shall apply to the lot exchange slip referred to in Article 10.

#### (Bids in Writing – Order bids)

##### Article 10

1. A bid may be placed in advance in writing by mail or facsimile, or online via the internet system designated by the Company. Such a bid placed in writing 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 name and 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.

4. A person who has placed a written bid becomes the successful bidder if their 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 upon by the auctioneer. In such a case, as with a bid in person at the auction site, the sales contract shall be concluded once the auctioneer determines 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 bid 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 at a later time.

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 cases 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 to catalog descriptions or comments in catalogs 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 held 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 their having become the successful bidder. Immediately upon receipt of such notice, the successful bidder shall deliver to the Company a bid confirmation to which they have affixed their signature or name and seal (or 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 bid confirmation. Note that any sale shall be concluded at the time of the fall of the auctioneer's hammer and that the bid confirmation shall be made solely for the record. Thereafter, the Company shall deliver a lot exchange slip. The successful bidder shall, upon receipt of the Lot, deliver to the Company the lot exchange slip.

10. When Article 8 or 10 of the Consumer Contract Act takes precedence over this Article of the Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Act in accordance with Article 26 of the Terms and Conditions.

#### (Telephone Bids and Live Bidding System)

##### Article 11

1. Bids may be placed by telephone or internet terminals 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 telephone intermediary errors or any other cause, even if the bidder has already applied to bid by telephone and their 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 bid confirmation to which they have affixed their signature or name and 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 bid confirmation. Note that any sale shall be concluded at the time of the fall of the auctioneer's hammer and that the bid confirmation shall be made solely for the record. Thereafter, the Company shall deliver a lot exchange slip. The successful bidder shall, upon receipt of the Lot, deliver to the Company the lot exchange slip.
5. Any person who intends to place bids via the live bidding system shall comply with the Terms and Conditions of the Live Bidding System posted on our website in addition to these Terms and Conditions.
6. When Article 8 or 10 of the Consumer Contract Act takes precedence over this Article of the Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Act in accordance with Article 26 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 (including the consumption tax)

(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 consisting of the Company's daily hours of business shall be referred to hereinafter as "the payment period"). Payments shall be made in Japanese yen, either in cash or 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: SHINWA AUCTION CO., LTD.

Account Number: Ordinary deposit No. 2483416

Bank Name: Kyobashi Branch of MUFG Bank

Bank Account Name: SHINWA AUCTION CO., LTD.

Account Number: Ordinary deposit No.0658207

(Delivery)

## Article 14

1. 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 owed to the Company that have fallen due shall hereinafter be called the "total amount due."

2. The successful bidder shall receive the Lot by the Lot collection date designated by the Company after paying in full the total amount due.



3. The place of delivery of the Lot shall be the storage location designated by the Company. The successful bidder may inspect the Lot at the time of receipt. Regardless of whether the successful bidder actually inspects the Lot, after the time at which the Company delivers the Lot to the successful bidder (or to their agent or messenger or to a carrier) (referring to the time at which the Company delivers the Lot to the successful bidder, to their agent or messenger, or to a carrier in accordance with Paragraph 6, at the storage location designated by the Company; the same applying hereinafter), the successful bidder shall make no claims against the Company for any object(s) delivered in error for the Lot or for any damages, deficiencies, shortfalls, leakage, or other defects or flaws affecting the Lot whose cause emerges before delivery; terminate the sales contract on the grounds of such wrong delivery or defect; or make any other demand against the Company, except as provided for in Article 18 or 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 delivered by the Company in error.

4. The successful bidder shall, upon receipt of the Lot, deliver to the Company the lot exchange slip. Upon receipt of the lot exchange slip, the Company shall be relieved of any liability for incidents, including incidents in which a party other than the successful bidder receives the Lot, except in the case of intentional misconduct or gross negligence by the Company.

5. 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, but not limited to, destruction, damage, or leakage) after the time of delivery, except in the case of intentional misconduct or gross negligence by the Company.

6. Upon the request of the successful bidder, the Company may arrange a carrier to transport the Lot. If so, such arrangement shall be made solely as a courtesy; the successful bidder shall, on their own initiative, take appropriate action, such as obtaining insurance coverage. The Company shall in no way be liable for any accidents (including destruction, loss, theft, damage, soiling, or leakage) 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 their own judgment, responsibility, and expense, make such packaging as they 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.

7. When Article 8 or 10 of the Consumer Contract Act takes precedence over this Article of the Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Act in accordance with Article 26 of these Terms and Conditions.

(Risk of Loss and Transfer of Ownership)

Article 15

1. The successful bidder shall bear the risk of loss of the Lot after the conclusion of sale (after the auctioneer hammers the Lot down to the highest bidder), which means that the successful bidder shall bear the consequences of any destruction, loss, theft, damage, soiling, or leakage of the Lot not attributable to impropriety by the Company.
2. Ownership of the Lot shall not be transferred to the successful bidder until they pay the total amount due in full and the Company delivers the Lot to the successful bidder. 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

1. The successful bidder shall not be required to pay any storage or insurance charges up until the Lot collection date designated by the Company (or up until the time of delivery if the Company delivers the Lot before the Lot collection date designated by the Company).
2. If the successful bidder is unable to receive the Lot by the Lot collection date designated by the Company, the bidder shall pay all storage and insurance charges incurred from the Lot collection date 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

1. If, before the delivery of the Lot, a third-party claims that the Lot is lost or stolen property of which they are 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 Goods Business Act and if the expiration date of that period extends beyond the tenth day following the day of the auction, 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 herein 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.” In the application of Articles 14 and 16 herein, the phrase “the Lot collection date designated by the Company” in those Articles shall be replaced by the period based on the above substitution phrase. In the application of Article 18 herein, the phrase “the payment period” in that Article shall be replaced by the period based on the above substitution phrase. 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.

1. 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% (or, in cases in which the Consumer Contract Act 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 the destruction, loss, theft, damage, soiling, or leakage of the Lot for any reason whatsoever prior to receipt by the successful bidder of the Lot, nor shall the successful 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 the successful bidder has registered with the Company or has otherwise notified the Company of, if the demand notice remains undelivered because the addressee is absent or unknown or the successful bidder refuses receipt, the Company may 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 and the successful bidder shall agree thereto in advance.

(4) If the sales contract is terminated in accordance with the preceding subparagraph, the defaulting successful bidder shall pay to the Company the buyer's premium that the defaulting successful bidder is obligated to pay to the Company under Article 12 in connection with the relevant auction and damages for delay at an annual rate of 18% (or, in cases in which the Consumer Contract Act applies, at an annual rate of 14.6%) on the buyer's premium for the time from the auction date until the date on which the amount due is paid in full.

(5) In addition to the provisions of the preceding subparagraph, if the sales contract is terminated in accordance with Subparagraph (3) above, the Company shall be entitled to sell the Lot to a third-party either by auction, without placing any reserve price, or by privately negotiated contract. In such cases, should the aggregate sum of the sales price by auction or sales contract, the buyer's premium defined in Article 12 herein, and the consumption tax on that premium be less than the original purchase price, the defaulting successful bidder shall pay to the Company the difference, along with damages for delays at an annual rate of 18% (or, in cases in which the Consumer Contract Act is applicable, at an annual rate of 14.6%) on the difference for the period from the day of that auction or of conclusion of that sales contract until the amount due is paid in full. On the other hand, if the aggregate sum is greater than the original purchase price, the defaulting successful bidder shall have no right to make any claims with regard to the difference.

2. When Article 8 or 10 of the Consumer Contract Act takes precedence over this article of the Terms and Conditions, the Company shall apply the appropriate provisions of the Consumer Contract Act in accordance with Article 26 of the Terms and Conditions.

(Non-Guarantee of Wine Quality, etc.)

#### Article 19

1. The Company shall not be held responsible for the inaccuracy of any descriptions or comments regarding place of origin, vintner, age, or other characteristics of any Lot, for any remarks concerning defects or flaws in the Lot, or for any actual defects or flaws in the Lot, except in the case of intentional misconduct or gross negligence by the Company.

2. With respect to any shortfall or leakage identified at the time of the Lot's arrival in cases in which the Company has arranged a carrier at the request of the successful bidder in accordance with Paragraph 6 of Article 14, the Company shall, upon the successful bidder's request, terminate the sales contract therewith and refund the purchase price only if all the following conditions are met; provided, however, that even in such cases, the Company shall have no further obligation other than to refund the purchase price. In particular, the Company shall not be liable to pay interest, damages, or compensation for any direct or indirect losses or to make any other payment:

(1) The successful bidder shall claim refunds within five days of delivery of the Lot by submitting to the Company a document specifying the auction date, Lot Number, and hammer price; provided, however, that only the successful bidder (not a general or limited successor) may make such claim. This right of the successful bidder shall be transferable to any third party or provided as security.

(2) The defect concerned is not mentioned in the catalogs.

(3) The successful bidder shall have full ownership of the Lot and may transfer the ownership in its entirety to the Company and deliver to the Company the Lot in the same condition as it was at the time of the auction.

#### (Reserve Price)

##### Article 20

1. The Company 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 for less than the reserve price.

#### Section IV MISCELLANEOUS

#### (Changes to Terms and Conditions)

##### Article 21

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 22

No right or position relating to the Company under the Terms and Conditions shall be transferred or be provided as security.

#### (Limitation of Liability)

##### Article 23

1. 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 force majeure, natural disaster, war, civil unrest, nuclear accident, 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, soiled, or leaks due to negligence by the Company in a way 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 has been destroyed, lost, stolen, seriously damaged or soiled, or leaks, 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 it without interest.

(2) The burden of proof of demonstrating damage, soiling, or leakage shall be on the successful bidder.

(3) The amount of damage 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 for 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 held liable for intentional misconduct or gross negligence, the range of compensation for the loss shall be limited to the extent of the general loss or damage and the damages reasonably foreseeable to the Company at the point in time when the intentional misconduct or gross negligence occurred.

5. The Company does not guarantee that any concerned parties, including individuals seeking to conclude or having concluded contracts of sale with the Company for sharing proceeds arising from an auction; placing a bid with the Company; or concluding a contract of sale following an auction, will earn profits. Except as provided for explicitly in the preceding paragraphs, the Company shall have no liability to provide compensation to such parties for any losses whatsoever.

(Qualification restriction)

#### Article 24

1. 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 activities such as money laundering, or that engages in or has the intent to engage in raising funds making use of illegal or improper methods, inappropriate pressure, violence, or fraud or within the past five years has engaged in or has the intent of engaging in any activities 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, or a crime group organized by special intelligence.

(2) A person or entity that participates in an auction accompanied by an anti-social group or member, or that intends to allow 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, 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 contained in the subparagraphs above and shall refuse to do business with any such person or entity now and in the future.

(Applicable Law)

Article 25

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 Act)

Article 26

Where applicable, the Consumer Contract Act 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 27

Any lawsuit arising under this agreement shall be brought exclusively under the jurisdiction of the Tokyo District Court and Tokyo Summary Courts of Japan.

Article 28

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 govern.