

TERMS AND CONDITIONS OF LIVE BIDDING SYSTEM

(Effective: January 1, 2021)

These TERMS AND CONDITIONS OF LIVE BIDDING SYSTEM (hereinafter referred to as “the Terms and Conditions”) set forth the details of matters including transactions in which parties use the live bidding system (hereinafter referred to as “the System”), an online system by SHINWA AUCTION CO., LTD. (hereinafter referred to as “the Company”), to bid on objects of art, etc. (hereinafter referred to as “the Lot”) in auctions held by the Company. Any persons wishing to bid on the Lot using the System at auctions (hereinafter referred to as “the Prospective Bidder”) and other related parties (both include corporations; hereinafter collectively referred to as “the System User”) shall agree to and comply with the Terms and Conditions. Furthermore, the Terms and Conditions shall be applied as special provisions to the TERMS AND CONDITIONS OF AUCTION, the TERMS AND CONDITIONS OF MODERN ART Part II AUCTION, and the TERMS AND CONDITIONS OF WINE AUCTION, which the Company shall separately set forth, and any matters not provided for in the Terms and Conditions shall be governed by the TERMS AND CONDITIONS OF AUCTION, the TERMS AND CONDITIONS OF MODERN ART Part II AUCTION, and the TERMS AND CONDITIONS OF WINE AUCTION.

Section I USER REGISTRATION

(Registration)

Article 1.

- ① The Prospective Bidder shall register to use the System in advance in accordance with the prescribed procedures on the Company’s website, and set a login ID (hereinafter referred to as the “ID”) and password, which will be required to view web pages where auction is held and the content comprising these pages (hereinafter referred to as “Live Bidding Pages”), and to submit bids on the Lot using the System.
- ② The Prospective Bidder shall accept in advance that the registration for use of the System referred to in the preceding paragraph requires considerable time, and the Company shall in no way be liable for the compensation of any damages, etc., even if the Prospective Bidder is unable to participate in auction or their bids are delayed owing to delays to their registration to use the System, etc.

- ③ The Company may, at its own discretion and without presenting any reasons for its decision, refuse registration for use of the System. In such cases, the Prospective Bidder will not be able to file any objections.
- ④ The System User must carefully manage their ID and password, and the Company shall in no way be liable if any IDs or passwords are leaked to any third parties as a result of them being lost or stolen, etc. Furthermore, if a System User becomes aware of the loss or theft of the ID or password, etc., The System User must immediately notify the Company to that effect and comply with any instructions issued by the Company.
- ⑤ The System User must register true and accurate information when registering to use the System as provided for in Paragraph 1. In addition, if changes arise to information that has been registered, the System User must promptly notify the Company of the details of the changes, via the method prescribed by the Company. The Company shall in no way be liable if a System User suffers any disadvantage as a result of having registered false information or having failed to submit notification of the changes.
- ⑥ If an ID and password set by a System User are not used for login for a period of one year from the date of the last login to Live Bidding Pages, they shall automatically become unusable. The System User who are unable to use their IDs as a result must register again to use the System, in accordance with the procedures set forth in Paragraph 1.
- ⑦ If a System User has not completed the registration to participate in auctions and procedures for identity confirmation set forth in Article 6 of the TERMS AND CONDITIONS OF AUCTION, Article 6 of the TERMS AND CONDITIONS OF MODERN ART Part II AUCTION, and Article 6 of the TERMS AND CONDITIONS OF WINE AUCTION, the System User shall be required to complete these procedures in addition to the registration to use the System set forth in this Article.
- ⑧ Minors may not use in System or participate in auctions.

(Application in Advance)

Article 2.

- ① If a System User wishes to use the System to bid at an auction, the System User must apply in advance for the auction from the Live Bidding Page (hereinafter referred to as the “Live Bidding Application in Advance”), by no later than 3pm on the day prior to the date of the auction (Japan time).
- ② After the Live Bidding Application in Advance procedures provided for in the preceding paragraph have been completed, the Company will send to the Prospective Bidder, at the email address registered in advance by the Prospective Bidder, an email notifying the Prospective Bidder that the Live Bidding Application in Advance has been completed. At

that time, the Prospective Bidder shall be notified of the paddle number.

- ③ If a Prospective Bidder does not complete the Live Bidding Application in Advance by the prescribed deadline, or in other cases when procedures that should be completed by the System User, as provided for in each preceding paragraph, are not completed, the Prospective Bidder shall not be able to participate in the auction using the System.

Section II USER REGISTRATION

(Bids)

Article 3.

- ① The Prospective Bidder shall bid by clicking the Bid button on the Live Bidding Page, after confirming the amount displayed on the Bid button (hereinafter referred to as the “Bid Price”). Furthermore, if a Prospective Bidder clicks the Bid button, they will be unable to remove this bid or revise the Bid Price, irrespective of the reasons thereof, and shall not file any objections thereto.
- ② The Prospective Bidder may only submit bids on the Lot at the Bid Price.
- ③ The Prospective Bidder’s intended Bid Price will be displayed in Japanese yen and other currencies, any display in currencies other than Japanese yen shall be provided merely as reference price and shall not necessarily reflect an accurate exchange rate at the time of such Auction; furthermore, the purchase and sale of Lots for successful bids by successful bidder shall be carried out in Japanese yen.
- ④ There is a possibility that the Company is not notified of the fact that a Prospective Bidder clicked the Bid button or the Bid Price, or that notification is delayed, owing to high traffic on the System or malfunctions in telecommunication networks, systems, or other areas, but the Company shall in no way be liable in such cases.
- ⑤ The Company does not guarantee that representations related to Lot information and Bid Prices on Live Bidding Pages are correct, and shall in no way be liable for any damages that the System User incur as a result of incorrect representations, except where due to intention or gross negligence on the part of the Company.
- ⑥ If two or more using the system 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, the successful bidder shall be decided by lottery later. If it is unclear through handwriting or by telephone and the amount of a bid for such Lot made which bid is made first, the auctioneer shall, at his discretion, determine which bid is

successful.

- ⑦ The Company reserves the right to refuse, at its discretion and without explanation, any using the system 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.
- ⑧ The Company shall in no way be liable for failure to execute a using the system bid at the auction, whether through error or any other cause except in the case of gross negligence by the Company.
- ⑨ After the Prospective Bidder has clicked the Bid Button, when the Company receives the fact of such clicking and the intended Bidding Price, and the Company staff member at an Auction Venue informs an auctioneer and the Online Paddle Number and the intended Bidding Price for a Lot pursuant to the method prescribed by the Company and the auctioneer accepts such intended Bidding Price, a bid for such Lot shall be deemed to have been made by such Prospective Bidder to the Company. The Company makes no warranty that an auctioneer will accept any bid made by the Prospective Bidder.
- ⑩ The Company shall promptly notify any Prospective 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.

(Auction Venues)

Article 4.

While an auction is being held, the Company may broadcast video of the auction venue; provided, however, that even when such broadcasts are available, the Company makes no commitment regarding the timeliness or clearness of the information presented, and the Prospective Bidder shall consent to these conditions in advance.

Section III MATTERS TO BE AGREED

(Agreements)

Article 5.

When using the System, the System User shall consent in advance to each of the following items, and shall make no objections thereto.

- (1) The System User shall adhere to all laws, regulations, and rules, etc. related to the System (hereinafter referred to as “laws and regulations, etc.”), as well as the Terms and Conditions, and shall use the System only within the scope of its intended purpose. The System User shall take responsibility for using the System, including the viewing of Live Bidding Pages.
- (2) The System User shall comply with laws and regulations, etc. and the Terms and Conditions. In the event that a System User violates laws and regulations, etc. or the Terms and Conditions, the Company may remove the registration for use of the System, invalidate the ID, and immediately suspend or terminate their use of the System, with no prior notice to the System User.
- (3) All intellectual property rights (referring to copyrights, trademark rights, and all other intellectual property rights; hereinafter referred to as “intellectual property rights”) related to content, text, images, data, information, and other documentation (hereinafter collectively referred to as “content, etc.”) presented or available on Live Bidding Pages shall belong to the Company or other legitimate rights holders, and no intellectual property rights shall be transferred to the System User through their use of the System.
- (4) The Company shall collect and manage records of the System User’s usage histories, etc. (hereinafter referred to as “Usage Records”). In addition, the Company shall use the System User’s personal information for marketing analysis and to offer information related to various types of auction, etc. held by the Company.
- (5) The Company shall not accept any requests from the System User to view, disclose, change, or erase Usage Records, except where there is a justifiable reason for doing so.
- (6) The Company may, at its own discretion, dispose of or erase Usage Records, provided it does not result in a violation of laws and regulations, etc.
- (7) If any of the following circumstances occur, the Company may suspend or terminate all or part of the services offered on the System, without prior notice to the System User.
 - (i) When impediments occur to facilities, equipment, communications lines, etc. required to provide services on the System (hereinafter referred to as “Required Facilities, etc.”), for reasons outside the Company’s control, such

- as earthquakes and other natural disasters, insurrection, disturbances, and other unforeseen events;
- (ii) When maintenance required to preserve and maintain the Required Facilities, etc. is being performed;
 - (iii) When the Company decides to suspend or terminate services offered on the System at its own discretion.
- (8) If a System User becomes a successful bidder as a result of the ID having been used to login to Live Bidding Pages by another person, the Company shall consider the System User who set that ID and password to be the successful bidder.
- (9) Any disputes (including all troubles, complaints, lawsuits, and other disputes and legal action occurring in or out of court) between the System User, sellers, and any other third parties occurring as a result of the use of the System, including acts on Live Bidding Pages, shall be settled at the responsibility and expense of the System User.

(Exemptions)

Article 6.

The Company shall in no way be liable for any damages, etc. incurred by the System User as a result of any of the reasons in the following items, except where due to intention or gross negligence on the part of the Company, and the System User shall consent to these conditions.

- (1) Cases when a Prospective Bidder is unable to participate in an auction owing to defects, failures, faults, unauthorized access, modifications, or other reasons related to the equipment, systems, communications lines, etc. used by the Prospective Bidder and the Company;
- (2) Cases when the status of auctions are not reflected in a timely and accurate manner while the auction is in progress owing to defects, failures, faults, unauthorized access, modifications, or other reasons related to the equipment, systems, communications lines, etc. used by the System User and the Company;
- (3) Cases when the Company suspends or terminates all or part of the services offered on the System for the reasons provided for in item 7 of the preceding article;
- (4) Cases when the System User incurs damages, etc. owing to the use of content, etc., or pages linked to on Live Bidding Pages, or the content comprising such pages;
- (5) Cases when the ID and password set by a System User are used by another person to login to Live Bidding Pages and use the System.

(Prohibitions)

Article 7.

The System User must not engage in any of the acts set forth in each of the following items when using the System, in addition to any other acts separately provided for in the Terms and Conditions. If a System User engages in any of these acts, the Company may suspend the use of an ID or reject further use of the System. In the event that the Company incurs damages as a result of such acts (including, but not limited to, attorney fees, as well as extraordinary and indirect damages), the System User shall immediately compensate the Company for these damages.

- (1) The reproduction, storage, processing, modification, or other use or disposal of content, etc., without the advance consent of the Company in writing;
- (2) The disclosure to any third party other than the Company of information acquired through the use of the System, etc. (including, but not limited to, personal information), or the use of this information, etc. for any purpose other than the use of the System;
- (3) Acts that place a burden upon the System, acts that obstruct the access or operation of the System by other users, and acts that hinder or harm the Company's businesses or network systems;
- (4) The transfer, lending, or other disposal of an ID and password set by the System User themselves to any third party. In addition, the registration of multiple IDs, through impersonation or other methods;
- (5) The use of an ID and password set by another person to login to Live Bidding Pages and use the System;
- (6) The provision of images or videos posted by the Company on Live Bidding Pages for distribution or any other secondary use, without the advance permission of the Company in writing;
- (7) Any other acts that violate laws and regulations, etc., the Terms and Conditions, and any other rules, etc. indicated by the Company.

Section IV MISCELLANEOUS

(Changes to Terms and Conditions)

Article 8.

- ① The Company may change the Terms and Conditions at its own discretion, within a scope that does not violate laws and regulations, etc. and the System User shall comply

therewith.

- ② If the Company makes changes to the Terms and Conditions pursuant to the preceding paragraph, the details of the changes and the date of the changes shall be published on the Company's website. Furthermore, if the Company makes changes to the Terms and Conditions pursuant to the preceding paragraph, the Company shall publish this information by no later than 30 days prior to the date of any changes, in principle.
- ③ If the Company changes the Terms and Conditions, any System User who uses the System shall be deemed to have consented to the changes to the Terms and Conditions.

Article 9. 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.