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Conditions of Auction

These Conditions of Auction (“Conditions of Auction”) set forth the particulars of transactions concerning the auction of works of art and other items (“Auction”) to be conducted by SBI Art Auction Co., Ltd. (“SBIAA”). Consignors of works of art and other items for sale in an Auction (“Sales Consignors”), persons who wish to purchase during an Auction or who participate in an Auction with a registration pursuant to Article 6 (“Prospective Buyer(s)”), and others to whom these Conditions of Auction apply (any of the foregoing includes legal entities, their representatives, and persons who are responsible for transactions on behalf of each such legal entity. the same shall apply hereafter.) shall be deemed to have agreed to these Condition of Auction upon participation in an Auction (including entry to Viewings, as defined in Article 3, Paragraph 1, and entering into an Agreement on Consignment and Sale of Lots (“Consignment and Sale Agreement”) for the Lot(s), as defined in Article 1, among Sales Consignors, SBIAA, and SBIAA’s subsidiary, SBI Art Port Co., Ltd. (“SBIAP”)), and shall comply with these Conditions of Auction.

Part 1. Before the Auction

Article 1. Lots

SBIAA will place for sale at an Auction works of art and other items (“Lot(s)”) that have passed SBIAA’s screenings and are applied for consignment for sale by Auction to SBIAA. Screenings shall be conducted at SBIAA’s discretion, and consignment of Lot(s) may be refused. SBIAA shall not be responsible for publicizing nor disclosing screening standards, methods and contents.

Article 2. Condition of Lot(s)

Because of their nature, Lot(s) are not new, and accordingly, are sold in as-is condition. SBIAA or SBIAP bears no liability whatsoever for Lots’ stains, damage, or other defects or flaws.

Article 3. Viewing

1. SBIAA may, at its sole discretion, hold exhibitions (“Viewings”) prior to Auctions to give Prospective Buyers an opportunity to examine Lot(s).
2. Persons who wish to attend a Viewing may be asked to present identification.
3. SBIAA may refuse access to, or demand exit from, Viewings at its sole discretion without providing a reason. In such cases, speedy compliance shall be expected.

4. Prospective Buyers may observe and examine Lot(s) at Viewings, but shall not do any of the following without SBIAA's prior approval.
 - a. Touching Lot(s) or other exhibit items, walls, or cases
 - b. Photographing Lot(s)
 - c. Eating, drinking, or smoking
 - d. Bringing animals (excluding guide dogs, service dogs or hearing dogs) to Viewings
 - e. Other actions forbidden by SBIAA
5. SBIAA shall not bear any liability whatsoever concerning the differences in the condition of the Lot(s) between the time of a Viewing and delivery after purchasing at an Auction.
6. SBIAA may, at its sole discretion, photograph or record the Viewing venue using video cameras or other equipment.

Article 4. Catalogs

1. SBIAA shall produce and distribute catalogs of Lots ("Catalogs") for use as a reference at Auctions.
2. Illustrations in Catalogs are to be used for reference purposes only, and are not an accurate representation of Lots' characteristics such as color, shape, and/or condition ("Color, etc.").
3. Descriptions and explanations stated in Catalogs (including, if appropriate, the artist's name, title, materials, restoration work, signature, size, year and place of production, appraisal, provenance, and literature) are provided by SBIAA and are included only as a reference for Prospective Buyers and SBIAA does not guarantee the accuracy of any such descriptions or explanations.
4. A price estimate indicated in Catalogs (an upper amount and a lower amount are indicated in Japanese yen, but the amounts do not include SBIAA's fees in connection with such Auction nor consumption taxes imposed thereon. The same shall apply hereinafter.) is a price that SBIAA believes to be appropriate based on the current market for the Lot(s) and other factors. These estimates are included only as a reference for Prospective Buyers, and do not bind the actual auction sale prices. However, a Lot will not be sold for less than a minimum sale price specified in the Consignment and Sale Agreement ("Reserve Price") unless otherwise agreed between SBIAA and a Sales Consignor.
5. Prospective Buyers shall, by themselves or through their agents or representatives, bid on Lot(s) based on their own judgment and at their own responsibility. SBIAA shall not bear any liability whatsoever regarding the information in Catalogs, including Color etc., of illustrations and descriptions, except when otherwise expressly stated in these Conditions of Auction.

Article 5. Changes in Catalog Entries

Descriptions and explanations in Catalogs are subject to change without notice. Such changes may be communicated by written postings at the site of an Auction or orally by an auctioneer

("Auctioneer") immediately prior to the commencement of the Auction. SBIAA shall not bear any liability whatsoever concerning changes in the content of Catalogs.

Part 2. At the Auction

Article 6. Registration

1. Prospective Buyers and their agents or representatives must register with SBIAA's membership program in advance, as specified by SBIAA. If registration is not done, such persons possibly may not be permitted to enter the venue of an Auction or to bid on Lot(s).
2. Such registration can be done by the methods listed below.
 - a. Input the necessary information in the registration form on the SBIAA website, and submit data regarding identification documents that are separately designated by SBIAA and (only in case of registration by an agent or representative. the same shall apply hereafter.) a letter of proxy appointing such agent or representative to SBIAA via the SBIAA website.
 - b. Obtain the registration form by the methods listed below and submit it along with identification documents that are separately designated by SBIAA. In case of registration by an agent or representative, a letter of proxy must also be submitted. Documents may be submitted by mail, email, facsimile, or personal delivery at the venue of an Auction.
 - (a) Download the registration form from the SBIAA website;
 - (b) Request a registration form by telephone or email;
 - (c) Use the registration form distributed at a Viewing or at the venue of an Auction; or
 - (d) Other methods specified by SBIAA.
3. SBIAA may refuse the registration described in the previous paragraph and deny access to the Auction by persons who have registered with SBIAA's membership program, and may demand exit from an Auction venue, at its sole discretion without providing any reason. In such cases, speedy compliance shall be expected.

Article 7. Paddles

1. On the day of the Auction, after Prospective Buyers and their agents or representatives confirm the specific auction methods and bidding conditions that are referenced in the confirmation documents designated by SBIAA and sign such documents expressing agreement with such methods and conditions at the reception of the Auction venue, SBIAA shall issue paddles (numbered tags) in exchange for such signed documents.
2. When an Auctioneer requests that Prospective Buyers hold their paddles up in an easily visible manner, Prospective Buyers shall immediately comply with the Auctioneer's instructions.
3. Prospective Buyers shall be aware of their own paddle numbers at all times and must pay attention to the paddle numbers called out by the Auctioneer from time to time.
4. If Prospective Buyers lose a paddle, they shall immediately notify an SBIAA staff member at the Auction venue. When leaving the Auction venue at the end of or during the Auction,

Prospective Buyers shall return their paddles.

5. Prospective Buyers shall handle the paddles distributed to them at their own responsibility. SBIAA shall not be liable in case of damages incurred when Prospective Buyers cannot bid on Lot(s) due to the loss of a paddle or as a result of the transfer of a paddle to a third party or due to improper use of a paddle.

Article 8. Auction Method

1. Auctions shall be conducted by an Auctioneer who receives increasing bid amounts for the item in question. Such bid amounts shall not include the amount equal to SBIAA's fees or consumption taxes imposed thereon. If an Auctioneer determines that a bid amount is not appropriate for any reason, the Auctioneer may choose not to accept that bid.
2. SBIAA may make bids itself until the Reserve Price is reached or exceeded. Such bids may be made through an Auctioneer or by other methods at SBIAA's discretion as well as when Prospective Buyers make an Absentee Bid (as defined in Article 9, Paragraph 1) or makes a bid by telephone (as described in Article 9, Paragraph 6).
3. SBIAA shall not release the Sales Consignor's name or the Reserve Price. However, this shall not apply when SBIAA decides, at its discretion, to release this information with the consent of the Sales Consignor.
4. Auctions shall be conducted in the order of the Lot numbers described in the Catalog ("Lot Numbers"). However, SBIAA may, without prior notice, withdraw planned Lot(s) from an Auction, divide multiple Lot(s) with the same Lot Number into multiple Lot(s), or consolidate Lot(s) with multiple Lot Numbers into a single Lot for Auction, at its sole discretion.
5. Auctions shall be conducted at the discretion of the Auctioneer who shall determine the opening bid and bid increments. Even if a Reserve Price is set, the opening bid shall not be bound by the Reserve Price, and the final sale price may be above or below the Reserve Price.
6. An Auction starts with an opening bid by the Auctioneer, and the price of the following bids (which are made by raising one's paddle or by other methods) should be the price of the opening bid plus the bid increment amount.
7. Multiple persons under the same account name shall not jointly make bids.
8. Bids shall be made at the Auction venue by raising one's paddle or gesturing (such as gesticulation, hand gesture, and/or facial expression). If Prospective Buyers' bids are not noticed by the Auctioneer, they must take immediate action to attract the attention of the Auctioneer. SBIAA shall not be held responsible should an Auctioneer fail to recognize a bid.
9. An Auctioneer may, at its sole discretion, refuse to accept a bid without providing a reason.
10. Bids shall be deemed void in the following circumstances:
 - a. If a higher bid is made (including bids made by SBIAA);
 - b. If an Auctioneer refuses to accept a bid;
 - c. If the bidding ends without reaching the Reserve Price; or
 - d. If the Auction is suspended.
11. An Auctioneer shall call out the highest bid price recognized and accepted by the Auctioneer

three or more times and shall then strike the hammer. When the Auctioneer strikes the hammer, a purchase and sale contract (“Sales Contract”) is formed between the person (if the person is an agent or a representative, its principal who is a Prospective Buyer) with the highest bid (“Successful Bidder”) and SBIAP for purchase of the subject Lot at that price (“Successful Bid Price”). SBIAA is authorized by SBIAP, which is the seller to the Successful Bidder, to act as an agent and provided other necessary authority in connection with the conclusion and performance of the Sales Contract. Based on such authorization, SBIAA may act as SBIAA in the manner contemplated as an agent or a representative of SBIAP in connection with the Sales Contract in these Conditions of Auction, and may also act as SBIAP in the manner contemplated as principal in connection with the Sales Contract in these Conditions of Auction, and the Successful Bidder shall be deemed to have consented to such actions in advance.

12. If the Prospective Buyer who made the highest bid withdraws the bid before the Auctioneer strikes the hammer, the Auctioneer may, at its discretion, designate the person who submitted the highest bid (if such person is an agent or a representative, its principal who is a Prospective Buyer) as the Successful Bidder or may designate the person who submitted the next highest bid (if such person is an agent or a representative, its principal who is a Prospective Buyer) as the Successful Bidder.
13. In the event of a dispute concerning the Auction, an Auctioneer may, at its discretion, resolve the dispute, and all concerned parties shall comply with the decision of the Auctioneer.
14. SBIAA may, at its sole discretion, photograph or record the venue of an Auction using video cameras or other equipment.

Article 9. Absentee, Telephone, and Other Bidding Methods

1. Other than by making a bid at the venue of an Auction, submission of bids may be done by handwriting or fax or via the SBIAA website (hereinafter, such bid is referred to as an “Absentee Bid”) or via telephone. Submission of bids via telephone requires prior application pursuant to Article 9, Paragraph 4.
2. Submission and withdrawal of an Absentee Bid shall be conducted using a form designated by SBIAA or a telephone bid form (“Form”), or via the SBIAA website. The Form should include the description of the applicable Lot Number and the maximum permissible amount of the bid (“Maximum Bid”). If a submitted Form submitted does not include all or some of the required information, SBIAA may, at its discretion, determine that an Absentee Bid submitted or withdrawn is void.
3. Prospective Buyers may submit or withdraw an Absentee Bid by 5:00 PM (JST) of the business day (here and hereafter, days other than Saturdays, Sundays, and days designated as holidays by law in Japan) (“Business Day”) immediately preceding the day of the Auction; however, SBIAA shall not be liable if the submission or withdrawal of bids is not performed at the Auction due to the communication in question not being received owing to issues with mail, fax communication lines, internet communication lines or other reasons.

4. Prospective Buyers who wish to submit bids via telephone must make an application no later than 5:00 PM (JST) of the Business Day immediately preceding the day of the Auction. This application shall be made using a Form designated by SBIAA or via the SBIAA website with an indication of the applicable Lot Number. The application to submit bids via telephone or the withdrawal of the application must be made no later than 5:00 PM (JST) of the Business Day immediately preceding the day of the Auction.
5. On the day of the Auction, immediately before the opening bid, SBIAA shall call the telephone number designated by Prospective Buyers on the application using a telephone installed at the site of the Auction and Prospective Buyers may submit bids via telephone. SBIAA shall not be liable if the submission of bids is not performed at the Auction because a telephone call is disconnected, the telephone is mishandled or misused, or a telephone call is missed, among other issues. Only a limited number of telephones are installed at the site of an Auction. Hence, if many people wish to submit bids by telephone, SBIAA may refuse to accept the application under the preceding paragraph.
6. SBIAA shall submit bids at the site of an Auction on behalf of persons who submit Absentee Bids. Such bids may be submitted by the Auctioneer or by other methods at SBIAA's discretion. Accordingly, persons who submit an Absentee Bid shall grant to SBIAA the authority of engaging in the conduct specified in this paragraph. They shall be deemed to have consented, in advance, to act as agents for both the Sales Consignor and the person submitting bids, and to the possibility that other Prospective Buyers may first submit bids at the same price that SBIAA was to bid on the said person's behalf.
7. If the Maximum Bid by a person submitting an Absentee Bid is higher than that of other submitting bids as well as the Reserve Price, the Successful Bid Price shall be the highest of the other bids or the Reserve Price, whichever is higher, plus the bid increment amount decided as appropriate by the Auctioneer (but no more than the Maximum Bid price indicated by the Absentee Bid), and that person shall be the Successful Bidder. In such cases, notwithstanding Article 8, Paragraph 11, a Sales Contract shall be entered into when the Auctioneer strikes the hammer and SBIAA's Auction website shows that the Lot has been purchased, or when SBIAA sends out an email or written statement pursuant to Article 10, Paragraph 2 and Article 12, Paragraph 1 to the Successful Bidder, whichever comes first.
8. If there are multiple bids of the same Maximum Bid price for the same Lot submitted by Absentee Bids, the first bid received by SBIAA shall have priority. If multiple valid bids with the same Maximum Bid price are received at the same time, a decision shall be made at a later time by random selection.
9. SBIAA may, at its sole discretion, refuse submission or withdrawal of an Absentee Bid without stating a reason. SBIAA shall not be liable even if the notice of refusal is not received by Prospective Buyers.
10. If descriptions or explanations in Catalogs are changed, the submission or withdrawal of an Absentee Bid shall be deemed to have been made in accordance with the modified descriptions or explanations. SBIAA shall provide a notice of such changes to the reasonable

extent, but it shall not be liable even if the notice of such changes is not received by Prospective Buyers.

11. If a party submitting Absentee Bid or bids via telephone is a Successful Bidder, SBIAA shall promptly notify the party to that effect.

Part 3. After the Auction

Article 10. Payment of Purchase Price

1. The Successful Bidder shall pay an amount equal to the total of the Successful Bid Price, fifteen point zero (15.0)% of the Successful Bid Price as a SBIAA's fee (any amount less than one (1) Japanese yen shall be rounded down), and an amount equal to the consumption taxes imposed on the SBIAA's fee (the total is referred to as the "Purchase Price") to SBIAA.
2. SBIAA will send an invoice which describes the Purchase Price to the Successful Bidder promptly after the Auction via post or email. If the Successful Bidder's address is outside of Japan, SBIAA will send the invoice to the Successful Bidder promptly after the Auction via email. In addition, in the event that a qualified invoice (as described in the consumption tax law) is to be delivered to the Successful Bidder with respect to the Successful Bid Price, SBIAA will issue such a qualified invoice stating the name and the registration number of SBIAA on behalf of SBIAP in accordance with the Special Provisions for Intermediary Delivery (*baikaisha-kofu-tokurei*).
3. The Successful Bidder shall remit the Purchase Price within ten (10) Business Days from and including the day of the Auction (if the Auction has been held for more than one (1) day, then the final day of the Auction. Hereafter, this period is referred to as "Payment Period") in Japanese yen by wire transfer to the bank account designated by SBIAA. The Purchase Price shall be remitted with the Payment Period. Remittance fees shall be borne by the Successful Bidder.

Article 11. Assumption of Risk and Transfer of Ownership

1. The Successful Bidder shall assume the risk of destruction, loss, theft, damage, and defacement of the Lot and all other risks not attributable to SBIAA and SBIAP beginning at the time of entry of the Sales Contract. The Successful Bidder shall not be released from the obligation of the payment of the Purchase Price.
2. Transfer of ownership of the Lot from the Sales Consignor (or from an owner of the Lot who has authorized the Sales Consignor to dispose of such Lot. The same shall apply hereinafter in this Paragraph.) to the Successful Bidder shall be made by means of SBIAP acquiring ownership to such Lot from the Sales Consignor, and then SBIAP transferring ownership to the Successful Bidder in accordance with the Sales Contract. Ownership to the Lot shall be transferred from the Sales Consignor to SBIAP at the time the Successful Bidder has been determined at the Auction. After the Successful Bidder completes the payment of the Purchase Price, etc. (as defined in Article 12, Paragraph 2), ownership of the Lot in question from SBIAP to the Successful Bidder shall occur when SBIAA delivers such Lot to the

Successful Bidder in accordance with Article 12.

Article 12. Delivery

1. Promptly after the Auction, SBIAA shall deliver an invoice and a document regarding the receipt of the Lot(s) (“Instruction Form”) to the Successful Bidder via mail or email.
2. Within twenty (20) days after the Successful Bidder completes the payment of the Purchase Price pursuant to the invoice (however, if the last day of this period is not a Business Day, then the following Business Day) (“Delivery Period”), the Successful Bidder shall receive the Lot(s) from SBIAA at its own expense. Such receipt constitutes SBIAA’s completion of the delivery of Lot(s) to the Successful Bidder; however, if the Successful Bidder owes other financial obligations to SBIAA or SBIAP in addition to the Purchase Price (the Purchase Price and all other financial obligations owed to SBIAA or SBIAP are referred to as “Purchase Price, etc.”), then SBIAA shall not be required to deliver the Lot(s) until the Purchase Price, etc. is paid in full.
3. The Successful Bidder or its agent or representative may pick up the Lot(s) at the premises of SBIAA if the Successful Bidder has mailed the Instruction Form with the necessary information to SBIAA with the signature and seal, or name and seal, of the Successful Bidder affixed. SBIAA shall consider the person who comes to receive the Lot(s) as the Successful Bidder or the Successful Bidder’s duly authorized agent or representative after checking the identification document specified by SBIAA presented by the said person. SBIAA shall deliver the Lot(s) after receiving a delivery receipt with the signature and seal, or name and seal, of the Successful Bidder or the Successful Bidder’s agent or representative affixed. Neither SBIAA nor SBIAP shall be liable for any damages that are or may be incurred during delivery of Lot(s) to a third party, following the procedures specified in this paragraph.
4. Notwithstanding the provisions of Article 12, Paragraph 3, the Successful Bidder may choose to have the Lot(s) shipped, and may instruct SBIAA to that effect by mailing a Shipping Instruction Form with the necessary information to SBIAA, with the signature and seal, or name and seal, of the Successful Bidder affixed. In this case, if the delivery destination is in Japan, delivery by SBIAA to the Successful Bidder shall be deemed to have been completed at the time of the delivery of the Lot(s) to the Successful Bidder by a shipping company (including any shipping company selected by SBIAA or the Successful Bidder. The same shall apply hereinafter in this Paragraph.) in accordance with the Shipping Instruction Form, and if the delivery destination is outside Japan, delivery to the Successful Bidder shall be deemed to have been completed at the time SBIAA or a shipping company has loaded the Lot(s) to a vessel or aircraft destined for delivery outside Japan. When the Successful Bidder receives the Lot(s) from the shipping company, the Successful Bidder shall immediately deliver to SBIAA a receipt with the signature and seal, or name and seal, of the Successful Bidder affixed.
5. With respect to Article 12, Paragraph 4, SBIAA shall consider the person who comes to pick up the Lot(s) as SBIAA’s or the Successful Bidder’s duly authorized shipping company after

checking proof of identification of the shipping company (documents to be specified separately by SBIAA) presented by the shipping company, and SBIAA shall provide the Lot(s) to the shipping company. Neither SBIAA nor SBIAP shall be liable for any damages that are or may be incurred during provision of Lot(s) to a third party, following the procedures specified in this Paragraph.

6. Neither SBIAA nor SBIAP shall be liable for accidents that occur after the completion of delivery of Lot(s) (such as destruction, loss, theft, damage, and defacement). Furthermore, neither SBIAA nor SBIAP shall be liable for accidents even when SBIAA or SBIAP selects the shipping company or packages the Lot(s) in accordance with the Successful Bidder's wishes pursuant to instructions in the Shipping Instruction Form, regardless of the suitability of the shipping company or packaging. The Successful Bidder shall under its own responsibility and at its own expense insure the delivery of the Lot(s) and handle packaging, etc.
7. Following the delivery of the Lot(s), the Successful Bidder shall not make any claim against either SBIAA or SBIAP regarding delivery of a wrong Lot(s); however, if SBIAA erroneously delivers a Lot different from the Lot that was won, SBIAA may request return of such Lot(s), and the Successful Bidder shall promptly comply with that request.
8. If the Successful Bidder fails to receive the Lot(s) during the Delivery Period, regardless of reason, the Successful Bidder shall pay expenses necessary for storage and insurance of the Lot(s) specified by SBIAA from the end of the Delivery Period until (and including) the date of reception of the Lot(s).
9. In the event circumstances contemplated by Article 12, Paragraph 8 occur, SBIAP may deem, by delivering notice to the Successful Bidder, that the Lot(s) have been delivered to the Successful Bidder by means of the transfer of possession by instruction that SBIAA shall possess the Lot(s) on behalf of the Successful Bidder as the possessor's agent, and the Successful Bidder agrees in advance to this means of delivery.

Article 13. Order of Payment Priority

In the event that a Successful Bidder owes, in addition to the Purchase Price, a financial obligation to SBIAA which has become due and payable in accordance with its terms and the amount actually paid by the Successful Bidder is not sufficient to satisfy in full the outstanding aggregate amount of the Purchase Price, etc., then the amount actually paid shall be allocated, first, to satisfy the financial obligation other than the Purchase Price. In addition, if expenses and/or interest (late payment charges) are incurred in addition to the principal amount of financial obligations that have become due and payable in accordance with their terms, any amounts paid shall be allocated, first to such expenses, then interest (late payment charges), and thereafter, to such principal amount.

Article 14. Theft and Lost Lot(s)

1. If prior to the delivery of the Lot(s) to the Successful Bidder, SBIAA determines that a third

party other than the Sales Consignor (including a person who has given the Sales Consignor the authority to sell the Lot(s)) may rightfully possess rights regarding the Lot(s) rather than such Sales Consignor (or such other authorizing person) (hereinafter referred to as “Suspicion of theft, etc.”), irrespective of whether the Lot(s) in fact have been stolen, lost, inherited or otherwise affected (including cases where a request for return has been made by a person who claims to be a genuine owner or where an investigative authority has notified SBIAA of Suspicion of theft, etc.), or that the Lot(s) are goods which are prohibited from being sold or bought (including being prohibited from being possessed) under provisions of law, SBIAP may, at its sole discretion, cancel the Sales Contract without any prior notice. In this event, SBIAA shall refund the Purchase Price if previously paid by the Successful Bidder without interest, and the Successful Bidder shall not make any demands for compensation or damages against either SBIAA or SBIAP.

2. Notwithstanding the provisions of Article 12, if a senior officer of a prefectural police headquarters (or such person’s equivalent) or other authority orders SBIAA or SBIAP to retain the custody of Lot(s) pursuant to Article 21 of the Secondhand Goods Business Act (Law No. 108 of 1949, as amended) neither SBIAA nor SBIAP shall be obliged to deliver the Lot(s) until the end of the retention period. In this event, immediately following the phrase “within twenty (20) days after the Successful Bidder completes the payment of the Purchase Price pursuant to the invoice” in the first sentence of Article 12, Paragraph 2 shall be the following: “within twenty (20) days after the Successful Bidder completes the payment of the Purchase Price pursuant to the invoice (or, in the event that SBIAA or SBIAP is ordered by a senior officer of a prefectural police headquarters (or such person’s equivalent) to retain custody of the related Lot(s), from ten (10) to twenty (20) days after the end of the ordered retention period)”. Neither SBIAA nor SBIAP shall be liable for damages incurred due to any such delayed delivery of the Lot(s).
3. Notwithstanding the provisions of Article 12, in the event a Lot has been seized by the investigating authorities (including in circumstances where SBIAA or SBIAP voluntarily submits the Lot in response to a request from the investigating authorities and the investigating authorities retain such Lot), neither SBIAA nor SBIAP shall be obliged to deliver the Lot until the Lot has been returned to SBIAA or SBIAP. In this event, immediately following the phrase “within twenty (20) days after the Successful Bidder completes the payment of the Purchase Price pursuant to the invoice” in the first sentence of Article 12, Paragraph 2 shall be the following: “within twenty (20) days after the Successful Bidder completes the payment of the Purchase Price pursuant to the invoice (or, in the event the Lot has been seized by an investigating authority, from ten (10) to twenty (20) days after the date on which SBIAA or SBIAP has received return of such Lot)”. Neither SBIAA nor SBIAP shall be liable for damages incurred due to any such delayed delivery of the Lot.
4. The provisions of Article 14, Paragraphs 2 and 3 will not preclude SBIAP from terminating the Sales Contract pursuant to the provisions of Article 14, Paragraph 1 prior to the delivery of the Lot to the Successful Bidder.

5. If Suspicion of theft, etc. with respect to a Lot occurs after the delivery of such Lot to the Successful Bidder, the Successful Bidder shall be responsible to handle and resolve the issue or dispute giving rise to such Suspicion of theft, etc. with the relevant third party at its own responsibility, and neither SBIAA nor SBIAP shall have any liability whatsoever relating thereto.

Article 15. Non-performance of Financial Obligations by the Successful Bidder

If the Successful Bidder does not pay the Purchase Price, etc., the following provisions shall apply.

- a. The Successful Bidder shall pay to SBIAA late payment fees amounting to fourteen point six (14.6)% per annum on the unpaid amount of the Purchase Price from and including the next day of the last day of the Payment Period to and including the date of actual payment.
- b. If the Successful Bidder does not pay the Purchase Price, etc. even after SBIAA has sent a warning to the Successful Bidder, SBIAP may, at its sole discretion, cancel the Sales Contract; however, if the warning sent to the Successful Bidder is returned because the recipient is not present or not available or if the Successful Bidder refuses to accept the warning, SBIAP may, at its sole discretion, cancel the Sales Contract without any further notice. The Sales Contract shall be deemed to be canceled at the time that the notice of cancelation is sent to the Successful Bidder.
- c. If the Sales Contract is canceled pursuant to Article 15, Paragraph 3, the contract between SBIAA and the Successful Bidder based on the Conditions of Auction for the Lot(s) pertaining to the Sales Contract shall automatically terminate. The Successful Bidder shall immediately pay, in addition to any other financial obligations owed to SBIAA which are due, an amount equal to twenty (20) % of the Successful Bid Price (if the Consumer Contract Act is applied to the Sales Contract and such amount exceeds the average amount of damages that SBIAA would incur provided in Article 9, Item 1 of the Consumer Contract Act, then such amount. Hereafter, the “Penalty”). If the Successful Bidder had paid part of the Purchase Price to SBIAA and such amount paid (“Paid Amount”) is less than the amount of the Penalty (in addition to the amount of any other financial obligations owed to SBIAA), the Successful Bidder shall immediately pay the difference to SBIAA. However, if the Paid Amount is greater than the amount of the Penalty (in addition to the amount of any other financial obligations owed to SBIAA) then, SBIAA shall immediately return the difference to the Successful Bidder.

Article 16. Authenticity of the Lot(s)

1. In the event SBIAA subsequently determines that the artist of the Lot(s) (limited to Lot(s) comprising works of art. The same shall apply hereinafter in Article 16, Paragraphs 1 and 2.) is not the artist stated in the Catalog (“Inauthenticity”) or that there is a reasonable doubt that Inauthenticity exists, and so long as all conditions set forth in the following items are satisfied, SBIAA shall cancel the Sales Contract upon demand by the Successful Bidder and thereafter refund the Purchase Price in exchange for return of the Lot in question; however, neither

SBIAA nor SBIAP shall have any liability other than return of the Purchase Price and neither SBIAA nor SBIAP shall pay or be liable for any interest, damages, or compensation.

- a. The Successful Bidder makes a written demand to SBIAA indicating the date of the Auction, Lot Number, and Successful Bid Price and provides with convincing evidence that the artist of the Lot is not the artist stated in the Catalog within five (5) years from the date of the Auction in which the Lot was purchased.
 - b. The Successful Bidder possesses full ownership rights of the Lot, transfers full ownership rights of the Lot to SBIAP, and delivers the Lot to SBIAP in the same condition as that at the time of the Auction.
2. The provisions of Article 16, Paragraph 1 shall not apply in circumstances where the name of the artist of the Lot comprising a work of art is not specified in a Catalog (including cases where there is any statement indicating that the attribution of the artist is in dispute, indicating that the artist is only presumed to be a particular person, or indicating that the Lot was created by a particular group, studio, school, etc., and an individual artist cannot be specifically identified). In such circumstances, neither SBIAA nor SBIAP shall have any liability or responsibility with respect to alleged Inauthenticity relating or involving the relevant Lot.
 3. SBIAA and SBIAP shall have no liability whatsoever with respect to Inauthenticity of Lot other than Lot(s) comprising works of art.

Part 4. General Provisions

Article 17. Revision of these Conditions of Auction, etc.

1. SBIAA may revise these Conditions of Auction at its discretion. Persons and legal entities to which these Conditions of Auction apply shall comply with the revision. When SBIAA revises these Conditions of Auction, SBIAA shall post a notice on the SBIAA website about the revisions made to the terms of these Conditions of Auction, the terms of the Conditions of Auction after revision and the date when those revisions become effective.
2. In the event that SBIAA offers in Auctions any Lot(s) other than works of art, SBIAA may establish and apply a special set of terms and conditions separate from these Conditions of Auction, depending on the content of such Lot(s), etc. In the event such separate terms and conditions are to apply, the details and the effective date thereof shall be announced in the same manner as provided in accordance with the preceding Paragraph.

Article 18. Prohibitions

1. Any Sales Consignor, Prospective Buyers or other person who is subject to these Conditions of Auction shall not be allowed to use (including by way of publication in media that will be or is intended to be seen by the general public) photographs, illustrations, commentary, or image data prepared by SBIAA for inclusion in Catalogs (including online Catalogs) produced by SBIAA, except for their own private use, without prior written consent of SBIAA (which may be given electronically).
2. Any Sales Consignor or Prospective Buyers shall not assign their rights against or duties to

SBIAA or their position under these Conditions of Auction, and shall not offer their rights or position as collateral, to a third party without SBIAA's prior approval in writing (which may be given electronically).

Article 19. Damages

If SBIAA or SBIAP suffers damages or loss (including, but not limited to, legal fees and special or indirect damages) as a result of a violation of any of the provisions of these Conditions of Auction by a Sales Consignor, Prospective Buyers or any other person who is subject to these Conditions of Auction, SBIAA or SBIAP shall be entitled to demand compensation for such damages or loss.

Article 20. Scope of Liability

1. Neither SBIAA nor SBIAP shall be liable to pay compensation for damages caused by or resulting from a natural disaster, civil war, disturbances, or other unforeseeable circumstances not attributable to SBIAA or SBIAP.
2. In cases of loss, theft, damage, or defacement of a Lot has occurred due to the intentional or negligent act or omission of SBIAA, where SBIAA is responsible for storage of the Lot, SBIAA shall be liable for damages up to the minimum appraised value of the Lot. However, the amount of damages shall not exceed the amount of actual insurance paid to SBIAA based on any liability insurance agreement entered into separately by SBIAA.
3. In cases other than to the extent described in the items set forth in Article 20, Paragraphs 1 and 2, neither SBIAA nor SBIAP shall be liable for damages except in cases of willful and gross negligence. The extent of damages in such event shall be limited to direct and ordinary damages.

Article 21. Exclusion of Anti-Social Forces

1. Prospective Buyers, Sales Consignors, and Successful Bidders represent and warrant to SBIAA that they and their members are not now, and have not been for the last five (5) years, members of organized crime, quasi-members of organized crime, organized crime-related companies, corporate racketeers, political racketeers, special intellectual violent organizations, or other similar persons ("Organized Crime Members, etc."), and do not fall under any of the following categories, and covenant and agree with SBIAA that they shall not fall under any of the following categories in the future.
 - a. To have a relationship in which it is deemed that Organized Crime Members, etc. control the management;
 - b. To have a relationship in which it is deemed that Organized Crime Members, etc. are effectively involved in the management;
 - c. To have a relationship in which it is deemed that Organized Crime Members, etc. are used unjustifiably such as for ensuring unjustified benefits to itself or a third party or for inflicting harm to a third party;

- d. To have a relationship in which it is deemed that funds or benefits are being provided to Organized Crime Members, etc.; or
 - e. To have a relationship in which an executive officer or a person effectively participating in the management is connected with Organized Crime Members, etc. in a socially reprehensible manner.
2. Prospective Buyers and Sales Consignors covenant and agree with SBIAA that they themselves or through third parties shall not engage in any of the activities set forth in the following items:
 - a. Make violent demands;
 - b. Make improper demands in excess of legal responsibility;
 - c. Make threatening statements or actions or use threats in relation to business;
 - d. Spread rumors, use threats or fraud to harm SBIAA's and/or SBIAP's reputation, or engage in conduct that interferes with SBIAA's and/or SBIAP's operations; or
 - e. Engage in any conduct similar to that of the preceding items.
3. If SBIAA or SBIAP reasonably suspects that Prospective Buyers or a Sales Consignor is in breach of either Article 21, Paragraphs 1 or 2, SBIAA or SBIAP may, at its sole discretion, immediately and without notice, or other procedures, suspend all or some transactions with that party and may cancel all or some agreements with that party. SBIAA or SBIAP shall not be obliged to explain or disclose the content and the basis of its reasonable suspicions to the party in question, and shall not bear any liability whatsoever even in the case where the party in question incurs damages as a result of or in relation to the suspension of transactions or cancelation of agreements.
4. If SBIAA and/or SBIAP incurs damages as a result of a breach of the conditions set forth in this Article 21, Paragraphs 1 or 2 by Prospective Buyers or a Sales Consignor, then that party shall be liable to pay compensation for damages to SBIAA and/or SBIAP.

Article 22. Governing Law

These Conditions of Auction shall be governed by the laws of Japan.

Article 23. Court of Agreed Jurisdiction

The Tokyo District Court shall be the exclusive jurisdictional court in the first instance with respect to all disputes concerning these Conditions of Auction.

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