

Executed on 1st April, 2011
Revised 1st April, 2015
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Conditions of Auction

These Conditions of Auction set forth the particulars of transactions concerning the auction of works of art (“Auction”) to be conducted by SBI Art Auction Co., Ltd. (“SBI”). Consignors of works of art 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 Buyers, etc.”), 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) are 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 sales consignment agreements (“Consignment Agreements”) for the works of art and other items agreed upon between Sales Consignors and SBI), and must comply with these Conditions of Auction.

Part 1. Before the Auction

Article 1. Lots

SBI undertakes to sell by Auction, in SBI’s own name, works of art and other items (“Lots”) that have passed SBI’s screenings and are applied for consignment for sale by Auction to SBI. Screenings shall be conducted at SBI’s discretion, and consignment of Lots may be refused. SBI shall not be responsible for publicizing screening standards and methods.

Article 2. Condition of Objects

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

Article 3. Viewing

1. SBI may, at its sole discretion, hold exhibitions (“Viewings”) prior to Auctions to give Prospective Buyers, etc. an opportunity to examine Lots.
2. Persons who wish to attend a Viewing may be asked to present identification.

3. SBI may refuse access to, or demand exit from, Viewings at its discretion without providing a reason. In such cases, speedy compliance shall be expected.
4. Prospective Buyers, etc. may observe and examine Lots at Viewings, but shall not do any of the following without SBI's prior approval.
 - a. Touching Lots or other exhibit items, walls, or cases
 - b. Photographing Lots
 - c. Eating, drinking, or smoking
 - d. Bringing animals (excluding guide dogs, service dogs or hearing dogs) to Viewings
 - e. Other actions forbidden by SBI
5. SBI shall not bear any liability whatsoever concerning the differences in the condition of the Lots between the time of a Viewing and delivery.
6. SBI may, at its sole discretion, photograph or record the Viewing venue using video cameras or other equipment.

Article 4. Catalogs

1. SBI shall produce and distribute catalogs ("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 Lot characteristics such as color, shape, and condition ("Color, etc.").
3. Descriptions and explanations stated in Catalogs (including the artist's name, title, materials, restoration work, signature, size, year and place of production, appraisal, provenance, and literature) are provided by SBI and are included only as a reference for Prospective Buyers, etc.
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 SBI's Premium, as defined in Article 10, Paragraph 1, or consumption taxes) is a price that SBI believes to be appropriate based on the current market for the Lot and other factors. These estimates are included only as a reference for Prospective Buyers, etc., 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 Agreement (the "Reserve Price") unless otherwise agreed between SBI and a Sales Consignor.
5. Prospective Buyers, etc. shall, by themselves or through their agents or representatives, bid on Lots based on their own judgment and at their own responsibility. SBI shall not bear any liability whatsoever regarding the information in Catalogs, including 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. SBI 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 SBI’s membership program in advance, as specified by SBI. If registration is not done, such persons possibly may not be permitted to enter the venue of an Auction or bid on Lots.
2. The registration can be done by the methods listed below.
 - a. Input the necessary information in the registration form on the SBI website, and submit data regarding identification documents that are separately designated by SBI and data of a letter of proxy (only in case of registration by an agent or representative (the same shall apply hereafter)) to SBI via the SBI website.
 - b. Obtain the registration form by the methods listed below and submit it along with identification documents that are separately designated by SBI. 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 site of an Auction.
 - i. Download the registration form from the SBI website;
 - ii. Request a registration form by telephone or email;
 - iii. Use the registration form distributed at a Viewing or at the site of an Auction; or
 - iv. Other methods specified by SBI.
3. SBI may refuse the registration described in the previous paragraph and deny access to the Auction by the persons who have registered with SBI’s membership program, and may demand exit from the site of the Auction, at its 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, etc. and their agents or representatives confirm the specific auction methods and bidding conditions that are referenced in the confirmation documents designated by SBI and sign such documents expressing agreement with the contents at the reception of the site of the Auction, SBI shall issue numbered paddles in exchange for the documents.
2. When an Auctioneer requests that Prospective Buyers, etc. hold their paddles up in an easily visible manner, Prospective Buyers, etc. shall immediately comply with the Auctioneer’s

instructions.

3. Prospective Buyers, etc. must 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 a Prospective Buyer, etc. loses a paddle, they must immediately notify an SBI staff member at the site of an Auction. When leaving the site of an Auction at the end of or during the Auction, Prospective Buyers, etc. must return their paddles.
5. Prospective Buyers, etc. must handle the paddles distributed to them at their own responsibility. SBI shall not be liable in case of damages incurred when a Prospective Buyer, etc. cannot bid on Lots 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.

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 SBI's Premium, as defined in Article 10, Paragraph 1, or consumption taxes. If an Auctioneer determines that a bid amount is not appropriate for any reason, the Auctioneer may choose not to accept that bid.
2. SBI may, at its sole discretion, make bids on behalf of a Sale Consignor until the Reserve Price is reached or exceeded. Such bids may be made through an Auctioneer or by other methods at SBI's discretion.
3. SBI shall not release the Sale Consignor's name or the Reserve Price. However, this shall not apply when SBI decides, at its discretion, to release this information with the consent of the Sale Consignor.
4. Auctions shall be conducted in the order of the Lot numbers described in the Catalog (the "Lot Numbers"). However, SBI may, without prior notice, withdraw planned Lots from an Auction, divide multiple Lots with the same Lot Number into multiple Lots, or consolidate Lots 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 the bid increment. 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 site of an Auction by raising one's paddle or gesturing (such as gesticulation, hand gesture, and facial expression). If a Prospective Buyer, etc.'s bid is not

- noticed by the Auctioneer, they must take immediate action to attract the attention of the Auctioneer. SBI 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 SBI on behalf of Prospective Buyers, etc.);
 - 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 is formed between the person (if the person is an agent or a representative, its principal who is a Prospective Buyer(the same shall apply hereafter)) with the highest bid (“Successful Bidder”) and SBI for purchase of the Lot at that price (“Successful Bid Price”).
 12. If the Prospective Buyer, etc. 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 as the Successful Bidder or may designate the person who submitted the next highest bid 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 must comply with the decision of the Auctioneer.
 14. SBI 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 site of an Auction, submission of bids may be done by handwriting or fax or via the SBI website (hereinafter, such bid is referred to as “Absentee Bid”) or via telephone. Submission of bids via telephone requires prior application pursuant to Paragraph 4 of this Article 9.
2. Submission and withdrawal of an Absentee Bid shall be performed using a form designated by SBI or a telephone bid form (the “Form”), or via the SBI website. The Form should include the description of the applicable Lot Number and the maximum permissible amount of the bid (the “Maximum Bid”). If the Forms submitted do not include all or some of the required information, SBI may, at its discretion, determine that an Absentee Bid submitted or withdrawn is void.
3. Prospective Buyers, etc. 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, SBI 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, etc. who wish to submit bids via telephone must make an application latest by 5:00 PM (JST) of the business day immediately preceding the day of the Auction. This application shall be performed using a Form designated by SBI or via the SBI 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 latest by 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, SBI shall call the telephone number designated by the Prospective Buyer, etc. on the application using a telephone installed at the site of the Auction and the Prospective Buyer, etc. may submit bids via telephone. SBI shall not be liable if the submission of bids is not performed at the Auction because of disconnection of a telephone call, mishandling of the telephone, or missed telephone call, etc.
6. Only a limited number of telephones are installed at the site of an Auction. Hence, if many people wish to submit bids by telephone, SBI may refuse to accept the bids. SBI shall submit bids at the site of an Auction on behalf of persons who submit Absentee Bid. Such bids may be submitted by the Auctioneer or by other methods at SBI’s discretion. Accordingly, persons who submit Absentee Bid must grant to SBI 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 Consignment Seller and the person submitting bids, and to the possibility that other Prospective Buyers may first submit bids at the same price that SBI 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 purchase and sale contract shall be entered into when the Auctioneer strikes the hammer and SBI’s Auction website shows that the Lot has been purchased, or when SBI 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 Bid, the first bid received by SBI 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. SBI may, at its sole discretion, refuse submission or withdrawal of an Absentee Bid without stating a reason. SBI shall not be liable even if the notice of refusal is not received by the party submitting or withdrawing the Absentee Bid.
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. SBI 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 a party submitting or withdrawing an Absentee Bid.
11. If a party submitting Absentee Bid is a Successful Bidder, SBI shall promptly notify the party to that effect.

Part 3. After the Auction

Article 10. Payment of Purchase Price

1. The Successful Bidder must pay an amount equal to the total of the Successful Bid Price, 15.0% of the Successful Bid Price as fees (“SBI’s Premium”), and consumption taxes on the SBI’s Premium (the total is referred to as the “Purchase Price”) to SBI.
2. SBI 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, SBI will send the invoice to the Successful Bidder promptly after the Auction via email.
3. The Successful Bidder must remit the Purchase Price within 10 Business Days from and including the day of the Auction (if the Auction shall be held for more than one day, then the first day of the Auction. Hereafter, this period is referred to as the “Payment Period”) in Japanese yen by wire transfer to the bank account (the funds must be delivered within the Payment Period) designated by SBI. 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 SBI from the time of entering into the purchase and sale agreement. The Successful Bidder shall not be released from the obligation of the payment of the Purchase Price.
2. After the Successful Bidder completes the payment of the Purchase Price, etc. (as defined in Article 12, Paragraph 2), SBI shall transfer the ownership of the Lot in question to the Successful Bidder when delivering the Lot.

Article 12. Delivery

1. Promptly after the Auction, SBI shall deliver an invoice and an Instruction Form regarding the receipt of the Lot to the Successful Bidder via mail or email.
2. Within 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 must receive the Lot from SBI at its own expense. Such receipt constitutes SBI’s completion of the delivery of Lots to the Successful Bidder; however, if the Successful Bidder owes other financial obligations to SBI in addition to the Purchase Price (the Purchase Price and all other financial obligations owed to SBI are referred to as the “Purchase Price, etc.”), SBI shall not be required to deliver the Lot until the Purchase Price, etc. is paid in full.
3. The Successful Bidder or its agent or representative may pick up the Lot at the premises of SBI if the Successful Bidder mail the Instruction Form with the necessary information to SBI with the signature or seal of the Successful Bidder affixed. SBI shall consider the person who comes to receive the Lot as the Successful Bidder or the Successful Bidder’s duly authorized agent or representative after checking the identification document specified by SBI presented by the said person. SBI shall deliver the Lot after receiving a delivery receipt by the Successful Bidder or the Successful Bidder’s agent or representative. SBI shall not be liable if damages are incurred during delivery of Lots to a third party, following the procedures specified in this paragraph.
4. Notwithstanding the provisions of the preceding paragraph, the Successful Bidder may choose to have the Lot shipped, and may instruct SBI to that effect by mailing a Shipping Instruction Form with the necessary information to SBI. In this case, SBI shall consider delivery to the Successful Bidder as complete at the time of the delivery of the Lot to the Successful Bidder by a shipping company in accordance with the Shipping Instruction Form. When the Successful Bidder receives the Lot from the shipping company, the Successful Bidder shall immediately issue a receipt with the signature or seal of the Successful Bidder affixed.
5. In case of the preceding paragraph, SBI shall consider the person who comes to receive the Lot as SBI’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 SBI) presented by the shipping company, and SBI shall send the Lot to the shipping company. SBI shall not be liable for damages are incurred during delivery of Lots to a third party, following the procedures specified in this paragraph.
6. SBI shall not be liable for accidents that occur after the completion of delivery of Lots (such

as destruction, loss, theft, damage, and defacement). Furthermore, SBI shall not be liable for accidents even when SBI selects the shipping company or packages the Lot 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 and handle packaging, etc.

7. Following the delivery of the Lot, the Successful Bidder shall not make any claim to SBI regarding delivery of a wrong Lot; however, if SBI delivers a Lot different from the Lot that was won due to its mistake, it may request return of such Lot, and the Successful Bidder must promptly comply with that request.

Article 13. Expenses

If the Successful Bidder is not able to receive the Lot during the Delivery Period, the Successful Bidder shall pay expenses necessary for storage and insurance of the Lot specified by SBI ("Expenses") from the end of the Delivery Period until the date of reception of the Lot.

Article 14. Theft and Lost Lots

1. If prior to the delivery of the Lot to the Successful Bidder, SBI receives a demand for return of the Lot from a person who claims rightful ownership or SBI determines that the sale of the Lot is prohibited (including prohibition of possession) because the Lot was stolen, lost, inherited, or for any other reason, SBI may, at its sole discretion, cancel the purchase and sale agreement without any prior warning. In this case, SBI 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 to SBI.
2. If a chief of police or other authority orders SBI to retain the custody of Lots pursuant to Article 21 of the Antique Dealings Law and the last day of the retention period is after the last day of the Delivery Period, SBI shall not deliver the Lots until the end of the retention period. In this case, the phrase "within twenty (20) days from the date when the payment of the Purchase Price is completed" in Article 12, Paragraph 2 shall be read as "within three (3) days from the last day of the retention period ordered by the chief of police." SBI shall not be liable for damages incurred due to the delayed delivery.

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.

1. The Successful Bidder must pay late payment fees amounting to 14.6% per annum on the unpaid amount of the Purchase Price, etc. (excluding consumption taxes (the same shall

apply hereafter)) from and including the next day of the last day of the Payment Period to and including the date of actual payment.

2. If the Successful Bidder does not pay the Purchase Price, etc. even after a warning from SBI, SBI may, at its sole discretion, cancel the purchase and sale agreement; 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, SBI may, at its sole discretion, cancel the purchase and sale agreement without warning. The purchase and sale agreement shall be deemed to be canceled at the time that the notice of cancelation was sent to the Successful Bidder.
3. If the purchase and sale agreement is canceled pursuant to the preceding paragraph, the Successful Bidder shall immediately pay, in addition to any other financial obligations owed to SBI which is due, an amount equal to 20% of the Successful Bid Price (if such amount exceeds the average amount of damages that SBI would incur provided in the Article 9, Item 1 of the Consumer Contract Act, then such amount. Hereafter the, "Penalty"). If the Successful Bidder had paid the part of the Purchase Price to SBI and such price (the "Paid Amount") is less than the amount of the Penalty (in addition to the amount of any other financial obligations owed to SBI), the Successful Bidder shall immediately pay the difference to SBI. 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 SBI) then, SBI shall immediately return the difference to the Successful Bidder.

Article 16. Guarantees of Authenticity

1. SBI does not provide any warranty or guarantee regarding the authenticity of Lots. Any and all bidding by each Prospective Buyer (including a bidding through agents or representatives) need to be made solely on the Prospective Buyer, etc.'s own judgment and responsibility.
2. Notwithstanding the provisions of the preceding paragraph, if the name of the artist of the Lots is definitively stated in a Catalog, it is specified that SBI guarantees the authenticity of the Lots (excluding cases where the artist is in dispute, the artist is only presumed to be a particular person, it is stated that the work belongs to a particular group, studio, school, etc., and the artist cannot be specifically identified), and it is later discovered that the item is not the work of that artist (excluding cases where the work is generally recognized as the work of the artist stated in the Catalog by academics and experts at the time of the Auction, it is determined that the item is not the work of the artist stated in the Catalog using scientific analysis methods not commonly available at the time of the Auction or using expensive investigation methods, and it is determined

that the item is not the work of the artist stated in the Catalog through a method not normally used such as causing harm to the Lots or as a result of damage to the Lots), and SBI agrees with those facts and the conditions set forth in all of the following items are satisfied, SBI shall cancel the purchase and sale agreement upon request by the Successful Bidder and shall refund the Purchase Price in exchange for return of the work in question; however, SBI shall not bear any liability other than return of the Purchase Price and shall not pay any interest, damages, or compensation.

- a. The Successful Bidder makes a written demand to SBI indicating the date of the Auction, Lot Number, and Successful Bid Price with convincing evidence that the item is not the work of the artist stated in the Catalog within three years (five years if the Consumer Contract Act shall be applicable) of the Auction and within three months (if the Consumer Contract Act applies, within one year) after the Successful Bidder learns that the Lot is not the work of the artist stated in the Catalog.
- b. The Successful Bidder possesses full ownership rights of the Lot, transfers full ownership rights of the Lot to SBI, and delivers the Lot to SBI in the same condition as that at the time of the Auction.

Part 4. Lots Other Than Work of Arts

Article 17. The Conditions of Auction Applicable

1. These Conditions of Auction shall be applied to Auctions of Lots other than work of arts except for the previous Article.
2. With regard to an Auction of Lots other than work of arts, SBI may stipulate special terms according to the nature, etc. of the Lots. In this case, SBI will notify the contents and the effective date of such Auction pursuant to Article 22.

Article 18. Delivery of Alcoholic Beverages

1. Notwithstanding Article 8, Paragraph 11, a purchase and sale contract between a Successful Bidder and SBI for purchase of a Lot of alcoholic beverages including wine ("Alcoholic Beverages") is formed when an Auctioneer strikes the hammer and SBI sends out the e-mail or written statement pursuant to Article 10, Paragraph 2 and Article 18, Paragraph 2, Item 2 to the Successful Bidder.
2. Notwithstanding Article 12, the Successful Bidder of a Lot comprising Alcoholic Beverages shall comply with the following rules.
 - a. Delivery of Alcoholic Beverages shall be made only by a carrier arranged by SBI (the "Designated Carrier"), and the Successful Bidder shall follow the

recommendation of the Company.

- b. After the Auction, SBI shall send out an invoice to the Successful Bidder by mail or e-mail.
- c. The Successful Bidder shall, at its expense, entrust SBI to entrust the Designated Carrier to complete the delivery of the Alcohol Beverages within 20 days (the "Delivery Period". if the last day of the Delivery Period is not a Business Day, the Delivery Period shall be extended to the following Business Day) after the Successful Bidder completes payment of the Purchase Price (in addition to the Purchase Price, if the Successful Bidder has any other outstanding financial obligations to SBI, the sum of such financial obligations and the packing cost for the delivery) to SBI in accordance with the invoice. In accordance with such entrustment, SBI shall entrust the delivery of the Alcohol Beverages to the Designated Carrier on behalf of the Successful Bidder. If the delivery of the Alcohol Beverages is not completed by the end of the month following the month of the Auction, the Successful Bidder shall agree to entrust the management of the Alcohol Beverages to a warehouse operator arranged by SBI at the expense of the Successful Bidder until the delivery of the Alcohol Beverage is completed.
- d. The Successful Bidder or its agent or representative may not pick up the Alcohol Beverages at the premises of SBI without prior written consent of SBI. SBI shall not be responsible for any damages arising from the acquisition of the Alcohol Beverages by a third party other than the Successful Bidder.
- e. Delivery of the Alcoholic Beverages to the Successful Bidder shall be deemed complete at the time the Successful Bidder pays the full Purchase Price and SBI entrusts the Designated Carrier to transport the Alcoholic Beverages to the Successful Bidder.
- f. SBI shall not be liable for any accident (such as loss, theft, damage, defacement, deficiency or leakage) after the delivery of the Alcohol Beverages is completed. Similarly, SBI shall not be liable for any accident of the Designated Carrier regardless of the selection of the Designated Carrier or the condition of the packaging. The Successful Bidder shall be responsible for the delivery of the Alcohol Beverages, by insuring the Alcohol Beverages at its own risk and expense.
- g. After the delivery of the Alcohol Beverages, the Successful Bidder shall not be able to claim that the delivered Alcoholic Beverage is not the same as the one purchased by the Successor. However, this shall not apply in the event that SBI delivers to the Successful Bidder another Alcoholic Beverage that is not the same

as the one purchased by the Successful Bidder by mistake. In this case, the Successful Bidder shall promptly return the delivered Alcoholic Beverage to SBI.

Article 19. Non-guaranteed quality, etc.of Alcoholic Beverages

SBI assumes no responsibility for the accuracy of the descriptions and explanations of Alcoholic Beverages in its Catalogs (including but not limited to brand name, producer, origin, estate, age, size, condition, etc.), nor for any explanation of defects or deficiencies nor for any defects or deficiencies in the Alcoholic Beverages themselves. The Prospective Buyer, etc. agrees in advance that Alcoholic Beverages are inevitably subject to leakage of contents or other natural changes as to their case, label, cork, etc.

Part 5. Sales Consignment

Article 20. Sales Consignment

1. Persons who wish to consign works of art and other items to SBI for sale at an Auction in SBI's name shall request consignment of the sales in accordance with these Conditions of Auction, as well as Agreement on Sales Consignment specified separately.
2. The Sales Consignor warrants to SBI that it possesses full ownership rights to the consigned Lots or has the authority to consign the Lots for sale pursuant to full ownership rights.

Article 21. Reserve Price

1. The Sales Consignor may set a Reserve Price in Japanese yen.
2. Except in cases where SBI and the Sales Consignor agree otherwise, if a Reserve Price is set, SBI shall not sell the Lots for a price less than the Reserve Price.
3. The Reserve Price shall not exceed the maximum valuation.
4. Once a Reserve Price has been set, a Sales Consignor shall not change the Reserve Price without SBI's consent.

Part 6. General Provisions

Article 22. Revision of these Conditions of Auction

SBI 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 SBI revises these Conditions of Auction, SBI shall post a notice on the SBI 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.

Article 23. Prohibitions

1. Any Sales Consignor, Prospective Buyer, etc. 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 seen by the general public) photographs, illustrations, commentary, or image data prepared by SBI for inclusion of in Catalogs (including online Catalogs) produced by SBI, except for their own private use, without prior written consent of SBI.
2. Bidders at Auctions shall not assign their rights against or duties to SBI or their position under these Conditions of Auction, and shall not offer their rights or position as collateral, to a third party without SBI's prior approval in writing (which may be given electronically).

Article 24. Damages

If SBI suffers damage 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 Auctions by a Sales Consignor, a Prospective Buyer, etc. or any other person who is subject to these Conditions of Auction, SBI shall be entitled to demand compensation for such damage or loss.

Article 25. Scope of Liability

1. SBI shall not be liable to pay compensation for damages caused by a natural disaster, civil war, mayhem, or other unforeseeable circumstances not attributable to SBI.
2. In cases of loss, theft, damage, or defacement of a Lot has occurred due to the intentional or negligent act or omission of SBI, where SBI is responsible for storage of the Lot, SBI 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 based on any liability insurance agreement entered into separately by SBI.
3. In cases other than those set forth in the preceding paragraph, SBI shall not 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 26. Exclusion of Anti-Social Forces

1. Prospective Buyers, etc., Sales Consignors, and Successful Bidders represent and warrant to SBI that they and their members are not now, and have not been for the last five 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, and do not fall under any of the following categories, and covenant and agree with SBI 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 control the management;
 - b. To have a relationship in which it is deemed that organized crime members are effectively involved in the management;
 - c. To have a relationship in which it is deemed that organized crime is used unjustifiably such as for ensuring unjustified benefits to self 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; or
 - e. To have a relationship in which an executive officer or a person effectively participating in the management is connected with organized crime, etc. in a socially reprehensible manner.
2. Prospective Buyers, etc. and Sales Consignors covenant and agree with SBI 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 SBI's reputation, or engage in conduct that interferes with SBI's operations; or
 - e. Engage in any conduct similar to that of the preceding items.
3. If SBI reasonably suspects that a Prospective Buyer, etc. or a Sales Consignor is in breach of either of Paragraph 1 or 2 of this Article 26, SBI may, at its sole discretion, immediately and without warning, or other procedures, suspend all or some transactions with that party and may cancel all or some agreements with that party. SBI shall not be liable 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 cancellation of agreements.
4. If SBI incurs damages as a result of a breach of the conditions set forth in this Article 22 by a Prospective Buyer, etc. or a Sales Consignor, then that party shall be liable to pay compensation for damages to SBI.

Article 27. Governing Law

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

Article 28. 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.