

Jo's Auction 上氏拍賣 Auction Rules

Auctions held by Jo's Auction (hereafter our company) will be conducted according to the rules hereunder. Those who wish to consign their articles to our company, those who wish to purchase (bid), those who have concluded a sales contract with us and all other parties concerned must approve of the rules herein and abide by the Auction Rules mentioned hereunder. Provided that the party (parties) have reached an agreement on separate terms with our company, those terms take priority over the terms mentioned hereunder.

Article 1. General principle

- ① Our company's auctions are open bid auctions, so basically anyone who wishes to participate can join by registering in advance or register for membership at the registration desk on site. However, our company has the authority to reject participation and to make any revisions herein whenever our company determines necessary.
- ② Participants are required to read through the rules herein without fail and abide by the rules unconditionally herein as qualification for participating in the auction. Authority concerning the auction shall completely belong to our company.
- ③ Our company assumes no responsibility whatsoever concerning the authenticity of the exhibits. Should participants wish to purchase, prior to submitting application for purchase, be aware that the participant will be purchasing at the participant's own judgement.

Article 2. Catalog

- ① Our company will publish a catalog of exhibits. This catalog is published for the purpose of reference of exhibits for the participants and any photo(s) or description(s) introduced are made according to our company's own evaluation so our company shall not imply any guarantee as to the quality of the exhibit(s) with the description for reason of dealing. Therefore, our company assumes no legal liability concerning any description or information mentioned in the catalog. Also, the pictures do not show the precise tone, color or any defects.
- ② Information mentioned in the catalog may be revised without prior notice. In such a case, our company will notify the participants of the revision through document or orally on the day of the auction. In such a situation, the auction will be held according to the revised conditions.
- ③ Participants will be held liable for their purchase so given the fact that the information mentioned in the catalog is not complete our company strongly encourages the participants to participate in the inspection tour as much as possible to conduct their own due diligence and verify the exhibit the participant is interested in purchasing. Our company shall not comply with

demands to cancel a sales contract on the grounds of the actual exhibit being different compared to the information stated in the catalog after the bid has been closed.

Article 3. Membership registration

① Those who wish to participate are required to register for membership prior to the auction by filling in the participant's current address, name and other information our company determines necessary on the registration form and also present identification our company determines valid (Individual: driver's license, passport, etc. Corporation: original certified copy of register, certificate of seal, etc.).

② Those who wish to participate must pay a deposit of 5,000,000JPY in advance or at the reception desk at the auction venue. Our company will issue a deposit receipt in exchange for the deposit money and give the registered member a paddle.

③ After the payment concerning all the successful bids are completed, the registered member is required to return their paddle in person and at the same time the deposit money will be returned in exchange for the deposit receipt. Should the person who returns the deposit receipt be different from the registered member or if the deposit receipt is missing and in whatever situation in which the required condition is not fulfilled, the deposit money will not be returned until our company determines that the reason is satisfactorily and until then the deposit money will be safely kept by our company and no interest will occur during this term.

④ Whatever the reason may be, our company has the authority to deny or dissolve the registration for participation without consent should our company judge that the applicant may disrupt the auction operations.

Article 4. Inspection Tour

① The inspection tour will generally be held the day before the auction. Our company will post the details of the venue and specific date, time and other information whenever necessary through notices and on the website. However, upon our company's discretion, change of date and time may occur. In such a situation our company will post the information through document and orally. Our company will not be held liable concerning any situations that may occur due to the change.

② Upon entering the inspection venue, our company has the authority to confirm the name and status of the person who wishes to enter and inspect their identification. Our company has the authority to deny entrance to the venue without notifying the reason at the discretion of our company.

③ Our company offers as much service as possible that is useful to verify the actual exhibit during the inspection tour. However, our company restricts any inspection that may cause damage to the exhibit.

④ Taking photos, video photographing and any other type of recording is prohibited at the inspection tour venue. Our company will order any person to exit for disorderly conduct or behavior which disrespects public mortality.

Article 5. Auction

1. Bidding at the venue

① Auctions organized by our company are English auction style opened to registered participants. Generally, entry is limited to registered participants, our company's invited guests and referred guests. Our company has the control to deny any entry of a person without notifying the reason at the discretion of our company.

② To place a purchase offer, registered participants are required to raise their paddles handed to them on site by our company. Lending paddles to a third party is prohibited. Should such a situation occur without permission, the registered participant will be held responsible for paying the total amount for the exhibits that won the bids with the paddle that was handed to the third party. Registered participants are required to return their paddle to our company before leaving the venue.

③ The auctioneer shall be entrusted with organizing the auction at the venue, at the auctioneer's sole discretion. This includes determining the beginning price of the auction, determining the range of the price rise, acknowledging the winning buyer, refusing and other discretion and participants and all parties concerned shall follow the decision made by the auctioneer.

④ The participant acknowledged as the highest bidder at the end of the auction by the auctioneer is the winning buyer. The auctioneer will slam down the hammer to determine the winning buyer. At this point the seller who consigned their exhibit to our company and the winning buyer have concluded their sales contract. The winning buyer is required to sign our company's prescribed Confirmation. However, should there be any deficiency within the Confirmation, it shall not interfere with the sales contract being concluded.

⑤ Our company shall not receive requests for sales and such from another company concerning exhibits that have already been auctioned. Furthermore, even after the sales contract is concluded, our company has the authority of prioritizing our company's circumstances and

terminating the sales contract. In such a case, we are not obliged to disclose the reason.

2. Participating by absent bidding

① Although we encourage bidding on site at the auction venue, document bidding, telephone bidding and online bidding are also possible.

② Participants who wish to bid via document are subject to pay their deposit money until the stipulated date (Half the amount of the total maximum limitation price. Participants are also required to present their balance statement for our company to confirm.) and complete their membership registration before the due date. In such a case where we cannot confirm the payment of the deposit money within the due date the bid will be considered invalid. Furthermore, send in the completed Absentee Bids Form prescribed by our company via mail, E-mail or fax and after sending in the form, the participant is required to confirm if our company accepted their participation. In such a case where more than one participant has made a bid for the same article for the same maximum limitation price, the priority is given to the participant who has sent in the Absentee Bids Form earlier.

③ Participants who wish to bid via direct telephone line to the auction venue must pay their deposit money until the stipulated date (5,000,000JPY. However, a larger amount may be required according to the requested number of exhibits / prices. Participants are also required to present their balance statement for our company to confirm.), and complete their membership registration before the due date. Furthermore, send in the completed Absentee Bids Form prescribed by our company via mail, E-mail or fax and after sending in the form, the participant is required to confirm if our company accepted their participation. Our company will notify the registered participants of the telephone number for the participants to call to place their bids. Be noted that our company will not be held liable should the participants who wish to place a bid fails to win a bid for the following reasons.

I . Communication line or device trouble.

II . In such a case when the applicant cannot be contacted for any reason when the corresponding lot is up for auction

III . When the participant cannot adjust to the bidding-up at the auction venue and the auctioneer acknowledges that the participant has no intention to place a higher bid

④ Those who wish to bid online should contact our customer service department before the specified date. Procedures for advance registration and deposit will be taken. Furthermore, our company is not liable for any reason whatsoever should the buyer fail to win the bid for the following reasons.

- I . Delay, disconnection and system failure of the internet or network system
- II . Any operation error by the buyer during the bidding procedure
- III. When the participant cannot adjust to the bidding-up at the auction venue and the auctioneer acknowledges that the participant has no intention to place a higher bid

⑤ Should the situation be that revisions concerning the description in the catalog were made as mentioned in Paragraph2 of Article 2, the bids placed via document, telephone or online will be considered placed after the representation of the revision was made, and so complying with the revised conditions.

⑥ For bids placed via document, telephone or online, the winning bid will be determined in the same way for biddings placed on site at the auction venue, which is when the auctioneer slams down the hammer to determine the winning buyer. At this point the seller who consigned their exhibit to our company and the winning buyer have concluded their sales contract.

⑦ Our company has the authority to deny bids via document, telephone or online. In such a case, we are not obliged to disclose the reason.

Article 6. Payment

① Our company will receive 18% of the winning buyer's offered amount at closing, for each lot number as commission from the winning buyer. Consumption tax will be added separately to the commission.

② Generally, payments after the auction shall be settled on the day of the auction, in Japanese yen cash or predefined credit card. However, only in a situation in which our company determines fit, the payment can be made by bank transfer to our company's account on a later date. In such a case the winning buyer will be subject to paying the bank transfer fee and the payment must be made within seven days. Should the winning buyer fail to make the payment within the due date, the winning buyer is subject to pay an annual percentage of 18% delinquency charges concerning the remaining non-paid amount of the purchase (excluding consumption tax).

③ The winning buyer who is acknowledged by the auctioneer as the highest bidder shall not be allowed to cancel the purchase under any circumstances. However, should our company allow the cancellation, the winning buyer is subject to paying a penalty of 30% of the winning buyer's offered amount at closing. Should the case be that the situation cannot be solved by discussion, our company will take legal actions to solve the situation. The winning buyer is subject to pay

for all expenses which may occur concerning the lawsuit and membership registration will be extinguished and will be prohibited from participating hereafter.

④ Should the total amount of winning buyer's offered amount at closing of the purchase agreement concluded at the auction site be over one hundred million JPY, the bidder will be temporarily suspended from bidding and the bidder will recover one's right to bid once the total amount of winning buyer's offered amount at closing is paid.

Article 7. Delivering up the exhibit

① When the winning buyer completes the payment for their purchase, our company will deliver up the exhibit which the winning buyer won at the auction. The possessive rights do not transfer to the winning buyer until the winning buyer has completed the payment for their purchase and the exhibit is delivered up to the winning buyer from our company, so after the payment for the purchased exhibit is completed by the winning buyer and our company delivers up the article to either the winning buyer, the proxy of the winning buyer, or forwarding agency, the possessive rights transfers to the winning buyer.

② The delivering up of the exhibit will take place at our company or wherever designated by our company and the winning buyer bears the expense for the delivering up procedure, and our company assumes no responsibility whatsoever for destruction, loss, theft, damage, corruption and others caused for reasons not attributable to our company after the sales contract has been concluded.

③ The winning buyer is subject to paying our company's designated incurred expense for storage and insurance for the period of time from the end of the specified deliver up deadline until the winning buyer claims the article, should the winning buyer be unable to claim the article within the specified storage term.

④ Our company has the authority to cancel the sales contract without notice before delivering up the exhibit to the winning buyer should the exhibit be claimed to be stolen, lost, inherited or for any reason whatsoever, someone who claims to be the true owner of the exhibit demands for return or the article proves to be an object prohibited for trade (including banned from ownership) provided by the law. In such a situation, our company will return the paid purchase money without interest should the payment have already been made by the winning buyer, and the winning buyer shall not demand compensation for damages or make any other demands against our company.

⑤ The winning buyer cannot cancel the exhibit with our company after the winning buyer has

claimed the exhibit. Furthermore, once the exhibit is delivered up, the winning buyer cannot make any demands or complaints for the article being the wrong exhibit, any stains, scratches, fracture or any other defects. Although, by any chance should our company have delivered up the wrong exhibit, our company has the authority to demand the return of the exhibit already delivered to the winning bidder. In such a case, the winning bidder must return the exhibit without delay.

⑥ Exhibits made with animals protected by the Washington Convention are not allowed to be taken abroad. (elephant ivory, coral, etc.)

Article 8. Sales on consignment

1. Rep and Warranty obligation by the seller

① The seller must be the complete owner of the exhibit, or a proxy who has been given full authority from the complete owner. Furthermore, the seller ensures our company they shall not cancel the exhibit. By any chance should the object be exhibited with the fact concealed that a third party has been granted ownership of the exhibit, or the exhibit was possessed by theft or any other criminal activity, the seller is liable for the damage of whatever expense and loss accrued to our company and the winning buyer.

② The seller must notify our company of all information furthest to their knowledge. By any chance should there be deliberate deceptiveness in the information from the seller, our company has the authority to cancel the Consignment Sales Contract without notice. Furthermore, should any fact, defect, scratch, fracture or any other damage which are impossible to discover in a normal prior inspection remain concealed and the exhibit is listed in the catalog and the bid for the exhibit is successfully closed, the seller is liable for the complete damage of whatever expense and loss accrued to our company and the winning buyer.

2. Non-disclosure of name

Our company shall not disclose the name of the seller in the auction or catalog without the seller's consent.

3. Minimum Selling Price

The seller is able to fix a minimum selling price for each exhibit they enter. In such a case, our company's consent is necessary and once a minimum selling price is fixed it shall not be revised without our company's consent. Although our company shall not sell the exhibit below the minimum selling price, our company is not liable for any reason whatsoever for the bids not reaching the minimum selling price.

4. Commission rate

Our company will receive 12% of the winning buyer's offered amount at closing, for each lot number as commission from the seller for the consigned sales of the exhibit. Consumption tax will be added separately to the commission.

5. Insurance Fee

Once the Consignment Sales Contract is concluded and the exhibit to be entered is delivered up to our company, our company will arrange insurance for the exhibit. The insurance cost the seller is subject to bear is 1% of the winning buyer's offered amount at closing.

6. Catalog listing fee

All photography and information to be published in the catalog indicating the exhibits will be arranged by our company. Our company will be entrusted with the posting size and the seller is subject to bear the cost for listing according to the basis of 25,000JPY for one page, 20,000JPY per page for more than one page and 12,500JPY for half a page.

7. Other overhead expenses

Should an exhibit be sold and the winning buyer pays with the Union Pay Card, the seller is subject to bearing the cost for the commission of the Union Pay Card, framing fee, storage box fee and other overhead expenses, although, should the exhibit be unsold, the seller has no obligation to bear all of the overhead expenses.

8. Cancellation of selling

The seller shall not be allowed to cancel selling their exhibit once the catalog for exhibits is completed. Should the seller express their intension to withdraw their exhibit to our company in writing before it is listed in the catalog, the seller will be subject to bear all expense covered by our company to list the exhibit and once the payment is completed, the exhibit will be returned. In such a case where our company allows the cancellation of a listed exhibit after the catalog is completed as a special case, the seller is subject to bear all expense covered by our company to list the exhibit, and in addition, 30% of the minimum selling price as damage compensation and once the payment is completed, the exhibit will be returned.

9. Payment of sales proceeds

Once the sales contract for the exhibit is concluded, our company will pay the seller the sum (hereafter referred to as "amount payable") of deducting the commission rate and overhead expenses from the winning buyer's offered amount at closing. Should the payment for the sales of the exhibit be completed within the specified term mentioned in Article 6 Paragraph 2, the

payment to the seller will be transferred on the 35th day after the day the deal is closed for the sum of the bank transfer fee being deducted from the amount payable. In such a situation in which the payment for the sales of the article is completed after the specified term mentioned in Article 6 Paragraph 2, the payment to the seller will be transferred on the 35th day after the sales payment is actually made for the sum of the bank transfer fee being deducted from the amount payable.

10. Fall through of Sales Contract

Should the sales contract fall through, the article will be returned to the seller from our company. After our company has informed the seller of the fall through of the sales contract, the seller should consult our company for the deliver up date and procedure. Our company will not be liable for any accidents (destruction, loss, theft, damage, stain, etc.) which may occur after the point of time of delivery (referring to point of time when the exhibit is delivered up either to the seller, or the proxy of the seller or the carrier at our company's office). Furthermore, our company is not liable for any reason whatsoever for accidents which may occur during the storage period.

Article 9. Our company's authority

① Our company has the authority to request the seller to present identification our company determines valid (Individual: driver's license, passport, etc. Corporation: original certified copy of register, certificate of seal, etc.) when the Absentee Bids Form is to be concluded.

② Our company has the authority to deny demands for return of the exhibit from the seller after the Consignment Sales Contract is concluded.

③ Our company has complete authority of editing the catalog and other advertisement mediums, how the information is listed, how the photos are published, how the lot numbers are determined and in what order the exhibits are published, etc. The seller does not have the power of prior access to the catalog or any other advertisement mediums and the copyright completely belongs to our company. Also, this authority will remain in effect even after the cancellation of the Consignment of Sales Contract.

④ Our company has full authority to determine the time and date of the inspection tour and the day of the auction, the venue, how to display the exhibits and acknowledging the winning buyer.

⑤ Our company possesses full liberty of consent and refusal of consignment sales, and even after the Consignment of Sales Contract is concluded, our company has the authority to postpone the exhibit to an auction without notifying the seller or our company has the authority to cancel the Consignment of Sales Contract before the auction is held without notifying the seller of the reason.

The seller shall not be able to claim for damages or make any other demands to our company should the exhibit be postponed or the Consignment of Sales Contract be cancelled.

⑥ Should the winning buyer fail to complete their payment for purchase within the given period of time, our company possesses full liberty to determine the cancellation of the sales contract between our company and the winning buyer. In such a case, the sales contract between our company and the seller will be regarded to have fallen through.

⑦ In such a case where the sales contract has fallen through, our company is not liable for paying the seller any amount of money which equals to the minimum selling price or any other guarantee which is considered reasonable should the auction have ended successfully.

Article 10. Revision of rules

Our company shall revise the rules mentioned herein at our company's own discretion. The revision of the rules herein will apply to those concerned and they are subject to comply with the revisions.

Article 11. Restricting Assignment of Claims and what not

The consigned seller and those who wish to purchase is restricted from assigning authority, obligations and status with our company based on the rules herein and cannot offer as security as well.

Article 12. Qualification restrictions

① Our company shall not respond to any transactions with consignors, those who wish to purchase, and winning buyers who correspond to any of the items mentioned hereunder, and shall not respond to any transactions from the point when the party is proved to correspond to the items mentioned hereunder and from that time onward.

I . Those who wish to participate for the purpose of money laundering, etc., and individuals, forces and those involved in conducting illegal and unjustifiable methods such as anti-social forces and such, violent threats and use fraud techniques to obtain funding

II . Those who attend the auction accompanied with anti-social forces and such and those who attempt to allow anti-social forces and such to participate with their referral

III . Corporate companies which have company executives who belong to anti-social forces and such

IV. Those who have threatening speech and behavior or use violence during negotiations with our company

V. Those who spread rumors, tricks or uses power tending to discredit our company or acts and behaves and such which obstructs our company's business

② Besides the conditions mentioned in the above items, should our company determine that there is unavoidable cause which resembles the above items, our company is subject to canceling any negotiations with the concerned party.

Article 13. Extent of responsibility

① Our company shall not be liable for any compensation of damages which occurred for reasons not attributable to our company such as natural disaster, war, disruption, act of public enemies or any other contingency and such.

② In such a situation when our company has the obligation to store the exhibit and our company causes destruction, loss, theft, damage, stain and such to the exhibit, intentionally or by negligence, our company shall compensate for damages to the seller, according to the appraised value of the article as a basis. Although, the amount for the damages will be determined according to the insurance money based on the liability insurance which we have with the nonlife insurance company as the maximum amount for payment concerning compensation.

③ Our company shall not be liable for any compensation concerning any other situation aside from those mentioned in the above items unless the damage was caused intentionally or by gross negligence. Should the damage be caused intentionally or by gross negligence, the extent of the responsibility shall be limited to normal and direct damage.

Article 14. Governing law

The governing law applicable to this Auction Rules is the Law of Japan.

Article 15. Agreed jurisdiction

The Osaka District Court in Japan shall be the exclusive agreement jurisdictional court for the first trial should any disputes occur concerning this Auction Rules.