Mainichi Auction(MA)Conditions of Consignment and Sale

Mainichi Auction(MA)Conditions of Consignment and Sale The following Conditions of Consignment and Sale are Mainichi Auction, Inc. and the sellers'entire agreement with the buyers regarding selling and buying properties through Mainichi Auction(MA) which is conducted by Mainichi Auction Inc. Before consigning your property as a seller or participating in MA as a buyer, please read the Conditions carefully and acknowledge that you are bound to these Conditions. Any consigner, bidder, and those who conclude a contract of sale with MA are subject to MA conditions except for cases where a separate contract with MA has been already concluded. In this case, the former agreement will be prioritized.

TO PARTICIPATE IN MA AS A SELLER OR A BUYER

(1) Participating in MA

1. Open to public

MA is open to the public, and any person may participate in the auction by registering as a member either in advance or at the registration desk on the day of the auction. However, membership registration is limited to individuals who have the legal capacity to independently and validly enter into contracts under Japanese law. MA reserves the right, in its sole discretion and without providing any reason, to refuse registration or participation in the auction. In such cases, the relevant person shall promptly comply with all instructions by MA.

2. The fee for catalogue subscription, registration and registered membership number

The fees for the catalogue subscription and consignment registration are listed on the separate chart. The fee includes JCT and shipping fee for the participants living overseas. Please fill out the subscription form (on our web-site or will be sent upon request) and send it to us along with the designated fee. A subscriber shall pay remittance charge. The fee for consignment registration and catalogue subscription shall not be refunded for any reasons. After receiving the form and fee, we will allocate particular Client number to each subscriber that is used as an identification number for selling and buying at MA and this number is unchanged during the subscription period. Client number will be printed on the entrance ticket. In order to facilitate your registration, please send us the image/photocopy of your passport by email due to Antique Dealings Law.

3. Catalogue subscription and registration fee includes:

① Relevant MA Catalogues and entrance ticket including domestic postage. An entrance ticket enables each registered participant to accompany friends or relatives who are interested in buying at MA.

② The right to sell or buy properties at MA. (Free consignment fee)

③ Absentee bidding or telephone bidding service on behalf of registered prospective buyers.

④ Evaluation and research work before compiling properties in a catalogue. We, however, charge special fee if we think it is necessary to have the Lot examined by external appraisal institution. Traffic expense for a connoisseur further than greater Tokyo metropolitan area is also excluded.

⑤ Other catalogue listing works of consigned properties including taking photos.

⑥ Exclusive log in ID (Client number) to access MA auction results data base and to send bids via MA web site.

CONDITIONS CONCERNING PROSPECTIVE BUYERS FOR WORKS OF ART AND ALCOHOLIC BEVERAGES THROUGH MA

(2) MA Catalogue

MA Catalogue (Catalogue) will be sent to subscribers 2 weeks prior to the auction date or will be handed over to new subscribers registered at our reception desk on the day of auction or pre-sale viewing. The contents of the catalogue are organized under the consideration of copyright protection, and the Company gets consent from the third party's intellectual property rights about the use of the copyright as much as possible. However, there are some works with their copyright cannot be determined. If you have some information about the reproduction of copyright, please email us.

1. Catalogue description practice

Our Catalogue practice is explained in these Conditions and in this Catalogue. Where terms have special meanings ascribed to them a glossary may appear in this Catalogue.

2. Extent of liability for catalogue description

Statement or condition report by us, or made orally or in writing elsewhere, regarding the authorship, origin, date, age, size, medium, attribution, genuineness, provenance, condition of any Lot are merely statement of our opinion, and are not be relied on as statements of definitive fact. We, therefore, will not bear any legal responsibility regarding our opinion. For the items listed as table ware in the catalogue are not on condition of usage as tableware, but on condition of decorative arts.

3. Extent of liability for photographs and illustration

Photographs and illustrations are for guidance only, and should not be relied on either to determine the tone or color of any Lot or to reveal imperfections.

4. Estimate price

Our estimate price is merely our opinion and should not be relied on as a statement that this price is either the price at which the Lot will sell or its value for any other purpose.

5. Extent of liability for condition

Many items are of an age or nature, which preclude their being in perfect condition, and we will make reference to damage and/or restoration in this Catalogue or by other means of condition report when we find such defects. We provide this information for guidance only and the description of "being in good condition" or absence of such reference does not imply that an item is free from any defects or restoration nor does a reference to particular defects imply the absence of any others. Alcoholic beverages are naturally prone to liquid spills, loss or ullages as well as to natural changes in labels, corks, and/or other components over time. The condition of the Lots (with or without frame, general condition, defects) described on the catalogue is not complete. Please note that we are unable to get rid of misprints completely. Prospective buyers, therefore, are strongly advised to examine personally any Lot in which they are interested at pre-sale viewing. Prospective buyers are responsible for satisfying themselves concerning the condition of Lots and the matters referred to in the Catalogue description and making bid on the basis of their own judgment. We will not accept any cancellation of sales contract because of the difference between Catalogue description and real state of the Lot.

(3) Pre-auction Viewing

Pre-auction Viewing is held for 2 or 3 days prior to the date of auction. Final concrete schedule and information will be notified through our corresponding auction catalogue. Prospective buyers are strongly recommended to participate in MA after making final decision by examining any interested Lot thoroughly. In our exhibition room our staffs are very much pleased to offer any service that might help making such decision. We, however, have right to refuse any service that may physically damage a Lot. To supplement Catalogue information we offer condition report service by email for the participants who cannot attend Pre-auction Viewing. We do not bear any responsibility regarding the influence on prospective buyers' decision making in connection with these services. MA shall have right to make sound and visual recordings of the exhibition rooms for preventing problems and exhibition room maintenance. All items damaged by the participants during the Pre-auction Viewing are on the participants' responsibility, and are required to pay the amount listed on MA(5)-1 by the payment deadline. The calculation will be as below.

1.[mean of the higher estimate and lower estimate] + buyer's premium for the buyer's premium listed on (4)-1.

2.As for all Nariyuki (no estimate) items, 50,000JPY + buyer's premium for the buyer's premium listed on (4)-1.

The ownership of the damaged item will be on the participants who had damaged the work after the payment is completed. The prospective buyers are required to provide the photocopy of the Identification card when participating in our Pre-auction Viewing. MA may refuse admission and participation in the auction at its own discretion.

(4) Conduct of MA

1. Settlement currency, commission and premium

MA operates an auction open to any registered participants. The currency of pricing, bidding and payment shall be Japanese yen. The Buyer's premium will be charged to the Buyer as part of total Buyer's price at a rate of 16.5% of the Hammer price of each Lot.

2. Participating in MA

Only registered participants or official representatives of 1 year or 3 years subscribers can make bid although auction room is open to visitors. By showing entrance ticket at the reception desk, participants will be handed over the paddle numbered his/her own registered Bid number. Bids may be executed in person by this paddle during the auction. By raising this paddle, participants show their intension to buy interested Lot to our auctioneer and lowering this paddle indicates no intension to make further bid. Participants may supplement raising a paddle with oral appeal to attract auctioneer's attention. The agent of the prospective buyer is required to provide photocopy of his/her identification. We may, at our sole option, decline to permit you to register as a bidder. We may also require a deposit as a condition of allowing you to bid. Any such determinations may be made by MA in its sole and absolute discretion.

3. Admission to auction room

MA takes place on our own auction room or premises over which we have complete control for the sale. We have the right, at our absolute discretion and without notifying any reason, to refuse to allow any person to participate in our auction and to refuse admission to our premises. MA shall have right to make sound and visual recordings of the auction room for preventing problems and auction room maintenance.

4. Auctioneer's discretion

During the course of the auction the auctioneer has the rights at his absolute discretion to:

① Commence and advance the bidding in levels that he considers appropriate in the light of the value of the Lot under auction.

② Decide a successful Buyer in the case of two or more identical highest absentee bids.

③ Decide a successful Buyer or withdraw any Lot and re-offer it for another sale.

④ Ruling a dispute regarding auction such as successful Buyer, Hammer price, etc.

⑤ Refuse a bid regardless of its indicated price.

⑥ Divide a Lot or combine any two or more Lots.

5. Successful bid

Subject to auctioneer's discretion, the striking of his hammer marks the acceptance of the highest bid and identifies the Hammer price at which the Lot is knocked down to the Buyer and the conclusion of a contract for the sale of the Lot between the Seller and MA, along with a contract for the sale of the Lot between MA and the Buyer. However, the auctioneer may continue to accept higher bid if such bids were made indistinguishably and immediately after striking his hammer. Following the sale, the Buyer must provide Confirming Document with the Buyer's signature if so requested by us. A dispute with regard to identifying successful Buyer and/or Hammer price shall be ruled only by our documents. The successful bidder is unable for any reason including the conditions of the work or frame to cancel the bid.

6. Telephone bidding

Telephone bidding is offered to participants willing to bid higher than the low estimate, and for Lots with a minimum estimate of 300,000JPY. Please give us telephone bid request in advance since the number of telephone lines is limited, and kindly understand that we may ask auction participants to leave absentee bid instead. With this understanding, please send us a filled bid form with clear indication of "Telephone Bidding" by e-mail beforehand (The due time for the arrival of bid form is 18:00(JST) a day before each auction). After sending bid form, please do not fail to check its content by our e-mail titled Telephone Bidding Confirmation. By bidding on the phone, prospective buyers are consent to the recording of the conversation. We will bear no liability to either the Seller or any prospective buyers as a result of failure to do so because of the following reasons:

① Interrupted telephone lines due to technical issues.

② Unable to reach the prospective buyer at the very moment of your registered Lot.

③ Failing to make bidding decisions in time, and as such has the auctioneer judged.

7. Absentee bidding

Absentee bidding beforehand via e-mail is available for all the lots of each auction. Please give us absentee bid request, fill-in Lot numbers with details such as title and maximum hammer price (excluding buyer's premium) onto each bid form we send, send it back to us via e-mail. All the bids must be placed in JPY. Participants with Online Regular Membership are also able to place absentee bids through our website. The due time for placing absentee bids is 18:00(JPY) a day before auction, and placing absentee bids only by telephone is not available. In case of plural bids with same amount, the bidding with the earliest registration bidding shall take precedence privilege. When we bid with absentee bid request on participant's behalf, we aim to purchase the relevant Lot(s) at the lowest amount possible no more than the maximum bid amount indicated. We, however, cannot exclude all the possibilities of accidents due to errors such as misreading bid form, and any liability for non-purchase cannot be ours due to any reasons. For making absentee bid sure, please do not fail to check its content by our e-mail titled Absentee Bid Confirmation.

8. Live bidding

Live bidding enables participants to join our sale in real time via the internet. After completing account registration and acquiring ID and Password by 18:00 (JST) on the day prior to the auction, Live bidders will be able to log in to Live bid website and place bids through this platform on the day of the auction. Please note that we are not liable for any failure to purchase lots, or for the purchase of incorrect lots, arising from the following:

① Software malfunction or inability to access the internet.

② Improper operation of the client's device(s).

③ Failure to place bids in time, as determined by the auctioneer.

(5) After the sale

(from successful bid to collection of purchases)

1. Buyer's price and payment deadline

The Buyer must pay us Buyer's price in full within 10 days after the last day of the auction. Buyer's price is the total amount of the Hammer price, buyer's premium and JCT defined in (4)-1 "Conduct of MA". If the buyer failed to meet the payment deadline, clauses defined in (6)-"Our rights and remedies for non-payment" shall be applicable to the Buyer.

2. Payment by cash

The Buyer can make payment in cash at our auction room or at our office within 10 days after the last day of the auction. After finishing payment in full, the Buyer can collect the Lot. We are ready to arrange packing and shipment as the Buyer's agent.

3. Transfer to our bank account

Invoice will be made available to the successful bidder on the same day after the auction in the "My Page" section of our website. Upon upload of the invoice to the "My Page" section, a notification thereof will be sent to the registered e-mail address. Please make payment by bank transfer in accordance with the invoice made available in the "My Page" section. Remittance charges shall be borne by the Buyer. The invoice will be stored in the "My Page" section of our website for 90 days from the date of issuance, during which period the successful bidder may view and download the invoice. For reissuance of invoices after the storage period has expired, please contact us.

4. Collection of purchases

The Buyer may acquire title to the Lot after making remittance of the total amount due and this is the settlement of a contract for sale. The Buyer shall collect the Lot either on the spot of our auction room or at our depository or arrange shipment of the purchased Lot, at the Buyer's expense and responsibility, no later than 14 days after the next day of the sale. We may arrange packing and shipping as the Buyer's agent. Although we shall suggest carriers, we cannot accept liability in this respect. We shall retain purchases for 14 days after the next day of the sale whether or not payment has been made. If the 14th day following the auction date falls on a holiday of the Company, the due date for pickup shall be the next business day. Where purchases are not collected within this period, unless we specifically agree to the contrary, we have the right to arrange external storage at the Buyer's risk and expense. A storage fee will be payable by the purchaser. It is purchaser's responsibility to insure such Lots during this period. Due to the transportation policy of DHL Japan, shipments via DHL are not available at our auction house.

Storage Fee

The buyer shall pay the storage fee, if the buyer fails to collect the items within 14 days from the next day of the sale. The storage fee will be charged with the amount of 1,100JPY per Lot for every 7 days after this period.

5. Risk-bearing after the sale

Any Lot purchased is entirely at the Buyer's risk from the time that the payment in full has been made. The Buyer shall insure the Lot, based upon any amount of insured value for which the Lot should be covered, by his/her own discretion, expense and responsibility by notifying us to do so. We, however, as a good-will agent of a contract for sale, insure the Lot purchased until the Buyer collect the Lot and the maximum insured period is 10 days after the next day of the sale. The buyer will be compensated only by the insurance in case of damage and theft and the maximum amount of compensation shall be "Buyer's price" of the Lot. Please note that we will not, in any circumstances, be liable for any loss or damage caused to frames or to glass that is covering prints, paintings or other works although we will make an all-out efforts to deliver the Lot safely if we are commissioned packing and shipping. Conditions of Movable Property Comprehensive Insurance Policy of our contracting insurance company are applicable in case of compensation. It is solely the Buyer's risk bearing in case of exporting the Lot because we do not insure any Lot in such case.

6. Overseas shipping of Endangered Species

Prospective purchasers are advised that certain property sold at auction may be covered by CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora) or other restrictions upon exportation and importation to another country and the items made of or incorporating materials such as ivory, crocodile, tortoise shell, bone, fur, animal skin, coral and etc. cannot be exported out of Japan. Those properties must be collected on the spot of our auction room or transported to the address in Japan.

7. Claims from third party after the sale

We, the Seller, the Buyer agree that Japanese Civil Law and Law of Curio Dealing have exclusive jurisdiction to settle any dispute in case of claims or/ and rights of pledge from the third party that both we and the Seller could not predict or investigate before the sale.

(6) Our rights and remedies for the default in payment by the Buyer

In case of the default in payment by the Buyer within 10 days from the following date of the sale, MA shall be entitled to exercise the following:

1. Additional payment of default interest

MA shall charge default interest at an annual rate of 14.6% on the unpaid balance of the Buyer's price for the period from the following date of the auction up to the payment clearance of the Buyer's price.

2. Cancellation of the contract for sale

If the Buyer fails to make payment in full in spite of our repeated re-issuing of invoice after the deadline of payment, we shall have the right to cancel the contract for sale with the Buyer. We also deem it

as no intension of payment by the Buyer and have right to cancel the contract if the invoices cannot reach the Buyer because of refusal of receipt, absence or unknown new address despite of correct registered mailing address. We shall cancel the contract by sending a letter of cancellation to the registered address regardless of refusal of receipt or unknown new address.

3. Cancellation of subscription and membership rights

In case of above (6)-2, we shall, without any obligation, cancel the Catalogue subscription and membership rights of the Buyer and not refund remaining Catalogue fee.

4. Compensation by the Buyer

After the cancellation of the contract, the Buyer shall lose any right over the Lot. We shall have the sole right to arrange a resale of the Lot, publicly or privately, and, if the re-auctioned Buyer's price or privately-sold price results in a lower price than the original Buyer's price, claim the balance from the Buyer together with any costs incurred in connection with the Buyer's failure to make payment.

(7) Our guarantee and extent of liability in respect of counterfeit Lots

1. Procedure and the deadline for Counterfeit claim

Within 1 year after the sale based upon our Catalogue description, the Buyer shall be entitled to ask refund of the Buyer's price by notifying us in writing that in his/her view the Lot concerned is a Counterfeit. After making a claim, the Buyer must then return the Lot to us in the same condition as at the auction date with our invoice or receipt of authentication certificate. The buyer must submit the evidence satisfactory to us that the Lot is a counterfeit with the receipt of authentication certificate. A sale will be cancelled and the Buyer's price, the fee for authentication certificate and the other incurred expense will be refunded to the Buyer if a Lot sold by us proved to have been a Counterfeit. The Lot must be free from any third party claims. This condition shall not be applied to the following Lots:

① Lots described as " No estimate" or "Nariyuki".

② Lots of deceased foreign artists other than Japanese whose authoritative authentication specialists or institutions, commonly admitted as reliable by major fine art institutions, do not exist. We shall not deem the opinion of other specialist as necessary proof to replace our opinion.

③ Lots of reproduction prints which are not listed on the catalogue raisonne.

④ Items which are accompanied as set items to the titled piece with no photographs listed on the catalogue.

⑤ Lots of ceramics, porcelain, glass works, furniture, industrial art objects, medals and jewelry.

⑥ Evidence issued by the organization or party designated by MA as the authentication foundation.

2. Commission of authenticity appraisal

Regarding authorship, we are entitled to choose a right and reliable appraisal institution, if available, to decide the authenticity at our own discretion according to following manner:

① Paintings and other works of deceased artists: Our designated appraisal institution affiliated with specialized art dealers, an official connoisseur of the artist or a specialized research institution (or person).

② Paintings and other works of living artists: An artist himself/herself or an officially appointed connoisseur or a concerned person designated law.

③ Prints: The same manner as is defined in 1 and 2. However, we mostly rely on catalogue raisonne in general because such appraisal institutions are very limited in the field of prints and prints artists. We ourselves have the right to decide the authenticity if the Lot is excluded from catalogue raisonne, no catalogue raisonne has been published ever or mistakes are found in catalogue raisonne.

3. No obligation to refund

We shall not be obliged to refund any amount if either

① The Catalogue description or auction room notice at the auction date corresponded to the generally accepted opinion of the scholars or experts at that time, or fairly indicated that there was a conflict of opinions; or

② It can be demonstrated that the Lot is a Counterfeit only by means of either a scientific process not generally accepted for use until after the publication of the Catalogue or a process which at the date of the auction was unreasonably expensive or incapable or likely to have caused damage to the Lot.

4. Entitled person to claim refund

The benefit of this guarantee of refund is not capable of being transferred, and is solely for the benefit of the person to whom the original invoice was made out by us in respect of the Lot when sold and who, since the sale, has remained the sole owner of the Lot without disposing of any interest in it to any third party and being capable of transferring title to us.

5. Our rights and extent of liability

We shall be entitled, to counter the claim of Counterfeit, to rely on any scientific or other process to establish that the Lot is not a Counterfeit, whether or not such process was used or in use at the date of auction. Although the Buyer's price will be refunded to the Buyer if the Lot is proved to have been Counterfeit, in no circumstances shall we be required to pay the Buyer any more than the total amount of Buyer's price and the incurred expense including the fee for expertise paid by him/her for the Lot concerned and the Buyer shall have no claim for interest. Neither the Seller nor we, nor any of our employees or agents, are responsible for the correctness of any statement as to the authorship, origin, date, age, attribution, genuineness or provenance of any Lot nor for any other errors of description or for any faults or defects in any Lot. Neither the Seller, ourselves, our employees or agents, give any guarantee in respect of any Lot. Any warranty of any kind whatsoever is excluded by this clause.

(8) Our liability regarding jewelry, designer items, and watches including clocks and music boxes

1. Extent of liability for reporting contents

References in the catalogue entry to gemological reports, diamond grading reports, analysis reports, or sorting memos issued by gemological laboratories appointed by us are for guidance only, and the accuracy, terms, information, and relevance to the Lots should be evaluated by personal inspection by the bidder, and we accept no responsibility for the accuracy, terms, information, and relevance to the Lots. The gemological laboratories will only report on the improvements or treatments known to the laboratories at the date of the report. A number of laboratories issue certificates that give more detailed descriptions of gemstones and those laboratories may differ in their assessment of a gemstone, including its grading, origin, presence, type, and degree of treatment because of differences in approach and technology, and their certificates or reports may contain different results. MA does not accept any liability for contradictions or differing certificates obtained by the Buyer on any Lot subsequent to the Sale.

2. Extent of liability for descriptions

As many gemstones are treated to enhance their appearance, which is accepted by the international jewelry trade, we do not guarantee that the lack of the description in the catalogue entry is equal to the Lots without such treatment. It is not apparent whether a diamond is naturally or synthetically formed unless it is tested by a gemmological laboratory. Where the diamond has been tested, a gemmological report is available. Certain weights in the catalogue description are provided for guidance purposes only as they have been estimated through measurement or by inscription and, as such, should not be relied upon as exact. Regarding jewelry and designer items, catalogue descriptions and comments (such as designer name, series name, material, size, factory, year of manufacture, warranty, original case, etc.) are compiled by MA with due care and attention. Nevertheless, they are solely for reference and guidance for prospective buyers, and their accuracy and relevance to the Lots should be evaluated by personal inspection by the bidders. MA will not be responsible or liable for any claims for the accuracy of the catalogue descriptions and their relevance to the Lots. We do not guarantee nor are we responsible for any comments on the conditions, descriptions, reliability, and accuracy of any kind of accompanied items (such as boxes, guarantees, and booklets), and their relevance to the Lots.

3. Extent of liability for mechanical parts and movements

Regarding such items as watches, wristwatches, clocks, and music boxes that contain mechanical parts and movements, we have checked whether they work well or not before the Sale. We, however, have not had any of them inspected by an appropriate mechanical specialist to examine the authenticity of movements and parts, timekeeping, water-resistance, or waterproofness. The description in this catalogue is entirely based upon the manufacturers' statement, sellers' information, and our opinion. Therefore, we accept no responsibility for these items.

(9) Our liability regarding alcoholic beverages

1. Non-assurance of the quality of alcoholic beverages

Alcoholic beverages for auction are naturally prone to changes over time. We conduct no real taste test due to the nature of the Lots, but only check the storage environment that we know of in advance, as well as post-arrival conditions. Therefore, we accept no responsibility for the contents of the Lots, except in cases where there is willful misconduct or gross negligence on our part.

2. Extent of liability for descriptions

The authorship, origin, producer, brewer, date, age, name of importer, scores, condition and other description of any alcoholic beverage in the catalogue, attachment, list of errata, or referential information preannounced orally or otherwise are merely statements of our evaluations and opinions and should not be relied upon as statements of definitive fact. Therefore, we bear no legal

responsibility for any description in the catalogue, correctness of any statement or any other error of description or for any fault or defect in any Lot. We do not guarantee nor are we responsible for any comments on the conditions, descriptions, reliability, and accuracy of any kind of accompanied items (such as boxes, guarantees, and booklets), and their relevance to the Lots.

3. Eligibility

Any person under 20 years old is not eligible to purchase any Lot of alcoholic beverage. It is not allowed to resell any purchased Lot for retailing purposes.

(10) Receipt of alcoholic beverage

Due to their nature, alcoholic beverages are stored at our third party storage facility, and cannot be collected on the spot of our auction room. Purchases will only be dispatched by carriers selected by us, and we bear no responsibility for our selection of carriers. We do not accept a combined shipment of alcoholic beverages with other property, regardless of the auction session, and also do not dispatch any alcoholic beverage from Japan to overseas. We will store purchases for 14 days from the day after the auction, whether or not payment has been made. If the 14th day following the auction date falls on a holiday of the Company, the due date for pickup shall be the next business day. After the passage of this period, we have the sole discretion to arrange external storage of the Lots. Therefore, the Buyer shall pay the storage fee shown below for purchases that are not collected during this period and shall assume the risk of loss of them.

Storage Fee

The Buyer shall pay 33,000 JPY for 10 days, regardless of the number of Lots. After this period, the Buyer shall pay 33,000 JPY for every 10 days.

CONDITIONS MAINLY CONCERNING SELLERS

(11) Our role and Seller's commission

Our sales at MA are undertaken through our mediation and MA Conditions, the contract for the sale of the Lot will be concluded between the Seller and MA, MA and the Buyer and will be settled according to this contract. Calculated by reference to Hammer price, we shall charge fixed amount of 11,000JPY to each Lot less than 70,000JPY and 16.5% Seller's commission of the Hammer price of each Lot 70,000JPY or more and less than 500,000JPY and 11% of the Hammer price of each Lot 500,000JPY or more. Please note that we shall have complete discretion and no obligation to disclose the information as to which persons should be admitted to the auction, and as to which bids should be accepted since MA is a public auction.

(12) Procedures from consignment to receipt of sale payment

1. Registration as a seller

A prospective seller must start his/her consignment procedure by registering with MA to sell any property at MA. Please refer to (1) Participating in MA. We shall have right to ask for the photocopy of the Identification card in order to fascilitate the registration.

2. Sending Auction Estimate Questionnaire

A prospective seller can send a mail, email or fax for estimate questionnaire on free of charge basis. Please describe your property as precisely as possible such as name of artist, title, size, signature, medium, circa, condition, catalogue raisonne information, provenance, attachment and other information. There is no designated form but a prospective seller can use "MA AUCTION ESTIMATE QUSTIONNAIRE FORM" that is attached to this catalogue. Sending photos or digital images will be very much helpful for us. Please be advised that we need at least 70 days or more to finish necessary works to sell pieces properly at designated auction.

3. Auction estimate

Our specialists will examine a prospective seller's property through the information and photos and estimate the property based on recent prices realized for similar objects, the current state of Japanese market, rarity and conditions. We give a prospective seller a free verbal or written auction estimate via phone, fax or email. If a prospective seller agrees with our estimate we will proceed to consignment procedure. Please note that any estimate given, orally or in writing, is a matter of our opinion only at that moment and is not an assurance in relation to the price the work for consignment will eventually fetch.

4. Reserve price

Prospective sellers can set a reserve price in Japanese yen below which the Lots can not be sold. The consignment commission will be deducted on basis of the reserve price from the hammer price. The reserve price cannot be set when the lower estimate is below 100,000JPY and it cannot be above our lower estimate. We, however, have the right to refuse the consignment in case of uncompromising discrepancy between our estimate and the desirable selling price requested by a prospective seller. It is impossible to amend the reserve price without our agreement.

5. Packing, Shipping, examination and catalogue description of the Lot and storage

If our estimates and other conditions are acceptable to the Seller, the Seller may bring or send the Lot at their own expense, including packing and shipping costs. Upon receipt of the Lot, we will confirm the consignment conditions, examine the Lot, and prepare the catalogue description. An "AGREEMENT OF CONSIGNMENT AND CATALOGUE DESCRIPTION" form containing all necessary information will be made available in the "My Page" section of our website, and a notification that the document has been uploaded to the "My Page" section will be sent to the registered e-mail address. The Seller must carefully review the document and notify us of any corrections to the description or condition by the specified deadline. We shall deem the Seller's confirmation as final acceptance of the consignment, and no withdrawal of the Lot will be permitted after this date. The Lot shall remain in our custody until it is collected by the Buyer.

6. Catalogue listing

Except the Seller's special instruction to us, all administrative works for Catalogue listing such as taking photograph and drafting description will be done by us and included in the Seller's Catalogue subscription and registration fee.

7. Conclusion of contract for sale

Contract for the sale of the Lot between the Seller and MA as well as contract for the sales of the Lot between MA and the Buyer are concluded when the successful bidding is accepted as set forth in (4)-5.

8. Payment of Selling price

After the sale we shall require payment in full from the Buyer. Provided this has occurred, we shall remit to the Seller a total amount of Seller's price 20 days after the auction date and this is the settlement of a contract for sale. We may, sometimes, divide the payment if several Buyers bought the Lots.

9. Unsold Lot

If any Lot unsold at designated auction we will continue trying to sell the Seller's property for 1 week as "AFTER SALE PERIOD" based upon agreed reserve price. When such "after sale" finally proved to be unsuccessful we will consult the Seller whether to withdraw or resell at auction or privately. The Seller will bear the cost of packing and shipping in case of withdrawal. We shall offer free storage of 14 days after the auction in case of withdrawal of the Lot. If the 14th day following the auction date falls on a holiday of the Company, the due date for pickup shall be the next business day. If the unsold property remained uncollected without prior arrangement, we are entitled to transfer them to the warehouse following the sale. A storage fee required by paragraph (5)-4 will be payable by the consignor until its collection. It is consignor's responsibility to insure the property during this period.

(13) Risk-bearing of the Lot during shipping, storage and exhibition

1. Insurance

We will automatically insure the Lot on behalf of the Seller, from the arrival date of the Lot to the date of title transfer after the Buyer's remittance in full. If the Lot has not been sold it will remain insured until the expiry of 14 days collection deadline for the Seller. Unless we agree otherwise, the insured value that we consider being its appropriate value by our absolute discretion is as follows:

① The Lot without Reserve price: intermediate price between our upper estimate and lower estimate minus Seller's commission.

② The Lot with Reserve price: Reserve price minus Seller's commission.

③ The Lot described as "No estimate": 50,000JPY regardless of its category. The Seller will be compensated only by the insurance in case of damage and theft and Conditions of Movable Property Comprehensive Insurance Policy of our contracting insurance company are applied in case of compensation. The maximum amount of compensation shall be our insured value defined in ①, ② and ③. We will not, in any circumstances, insure and be liable for any loss or damage caused to frames or to glass that is covering prints, paintings or other works during consignment.

2. Exemption from insurance policy and a Seller's responsibility

We would also like to call your attention that according to the above-mentioned Insurance Policy we will not compensate for:

① Loss or damage resulting from earthquake or volcanic eruption or tsunami caused thereby or any loss or damage consequent thereon.

② Loss or damage resulting from flood, thaw or snow melt flood, tidal wave, landslide or similar water disaster occasioned by typhoon, windstorm, heavy rain or the like.

③ Other loss or damage that is defined in the above-mentioned Insurance Policy.

Please note that our insurance principle is entirely based upon our good will and the Seller shall be fully responsible for risk bearing until the title passes to the Buyer. The Seller, we recommend to do so especially for the Lot in higher price, may insure the Lot based on any amount of insured value for which the Lot should be covered, by his/her own discretion and responsibility by notifying us.

(14) Seller's warranties and responsible expenses excluded from Catalogue and registration fee

1. Sole ownership of the Lot

The Seller must be the sole owner of the Lot or the representative legally commissioned from the sole owner with an unrestricted right to transfer title to the Buyer free from all third party's rights or claims. If the ownership information proves incorrect the Seller will indemnify us and/or the Buyer in full on demand against all claims, costs or expenses incurred by the Buyer or us as a result. And the Buyer or we have the right to take legal action against the Seller.

2. Obligation to report the truth

The Seller must provide us with all information to the best of his/her knowledge concerning the name of artist, title, size, signature, medium, circa, condition, catalogue raisonne number, provenance, attachment and so on. If we find intentional forgeries with regard to such information before auction we have the right, at our complete discretion, to withdraw the Lot from sale and return it to the Seller at any time. If such Lot with incorrect and forged description, which we could not find at the examination procedure before the auction, has been sold, we or/and the Buyer have the right to cancel the contract for sale, return the Lot and ask full compensation for any costs or expenses incurred by the forgery information or/and concealed defects and faults. We have the right to take legal action against the Seller in both cases.

3. Prohibition of the Seller's bid

To raise the bid price the Seller may not bid for his/her Lot nor employ any person to do so on the Seller's behalf.

4. Withdrawal of the Lot

After the agreement of consignment defined in (12)-5, the Seller may not withdraw the consigned Lot from sale without our consent. The seller must pay 33,000JPY as cancellation fee in case of withdrawal after this date due to agreeable reasons if our lower estimate price is less than 200,000JPY or Nariyuki and 16.5% of our lower estimate price if the Lot is estimated 200,000JPY or more. The cancellation will not be accepted until we have received the cancellation fee. If the fee is not received by us by 24 hours before the sale, we shall be entitled to sell your items at the designated auction.

5. Expenses of the Seller's responsibility

The Seller will bear all costs relating to:

① Packing and shipping the Lot to us for sale and from us in case of unsold.

② Any applicable insurance from the date of shipping to the settlement of the contract for sale or to the date of returning to the Seller in case of unsold.

③ Any examination by external appraisal institution that we believe necessary.

④ Any certificate of authenticity issued by right appraisal institution.

⑤ Any restoration and framing of the Lot.

⑥ Storage of the Lot after 20 days from the auction date.

(15) Our rights and responsibility regarding the sale of the Lot

1. Editing Catalogue and copyright

We shall have the complete discretion regarding photograph, description, how to arrange coverage for the Lot, numbering and listing order of the Lot in Catalogue and have the right to use them in whatever way we see it. No Sellers can be allowed to inspect them in advance. The copyright in all photographs, illustrations and descriptions in Catalogue is and remain at all times our property and shall not be used by anyone without our prior permission.

2. Sale arrangement

Regarding sale arrangement, we shall have complete discretion as to the way the Lot is exhibited at pre-sale viewing, the place and manner of auction, combination or division of the Lot for sale, deciding a successful Buyer and withdrawing any Lot and re-offering it for another sale.

3. Selling below the Reserve price

Although we will make every effort to sell the Lot above the Reserve price if the price is agreed, we shall in no circumstances be liable if bids are not received at the level of the Reserve price. We, however, shall be entitled to sell the Lot below the Reserve price. If we do so, we shall be obliged to account to the Seller as if the Hammer price was equal to the Reserve price by compensating the discrepancy.

4. Unsold Lot

If the Lot is unsold we shall in no circumstances be liable to the Seller to pay or lend the money relevant to our estimate price.

5. Non-payment by the Buyer

In the event of late payment from the Buyer because of unintentional or clerical reasons we will make every effort to collect the money as soon as possible and make such payment of Selling price to the Seller after confirming the remittance. If we judge that the Buyer has no capability to pay the Buyer's price or breached the contract for sale, we shall cancel the contract according to(6)-"Our rights and remedies for non-payment by the Buyer" and shall take any steps we consider necessary to collect the amount due incurred by the Buyer. However, we shall not be obliged to compensate the Selling price due to the Seller ourselves and it is our own decision whether or not to proceed to legal action on the Seller's behalf.

(16) Our rights and the Seller's liability in case of counterfeit Lot

If within 1 year of the date of the auction the Buyer satisfies us that the Lot is a Counterfeit after the process defined in (7)-"Our guarantee and extent of liability in respect of counterfeit Lots", we will proceed to following procedures against the Seller:

1. In case of non-payment

If the Buyer at that time has not yet paid the full amount due, we shall have the right to cancel the contract and the seller must refund the fee for authentication certificate issued through MA and the other incurred expenses. After payment of the expences above is completed, the Lot shall be returned to the seller.

2. In case of the payment has been made

If we have at that time paid the Seller the whole or part of the full amount of Selling price, then the Seller must refund to us, on demand, the total amount paid. Moreover, the seller must refund the fee for authentication certificate issued through MA and the other related expenses, which was paid by the buyer. Payment shall be required to be completed by the due date, and we shall be entitled to exercise a lien over any property of the seller.

(17) Refusal of Transaction with Anti-social Forces

When participants or sellers fall under, or found to be applicable, MA may refuse to register you to bid / consign, we may cancel the contract for sale between you and the seller / buyer.

① an organized crime group ("Boryokudan")

② a member of an organized crime group ("Boryokudanin")

③ a person who was a member of an organized crime group ("Boryokudanin") within the past 5 years

④ associate member of an organized crime group ("Boryokudan jyunkoseiin": who are third parties in connection with Boryokudan)

⑤ a company affiliated with an organized crime group ("Boryokudan kankei kigyo")

⑥ a racketeer attempting to extort money from a company by threatening to cause trouble at the general stockholders' meeting ("Soukaiya")

⑦ groups acting as if advocating legitimate social causes ("Shakai undou hyoubou goro")

⑧ a special intelligence organized crime group etc. ("Tokushu chinou boryoku syudan")

⑨ a person or organization equivalent to any of the above howsoever described or falls within any of the followings:

- Operating an entity having such relationship with Boryokudanin, etc. that shows their control over the entity's management.

- Operating an entity having such relationship with Boryokudanin, etc. that shows their substantial involvement in the entity's management.

- Operating an entity having such relationship with Boryokudanin, etc. that shows reliance on Boryokudanin, etc. for the purpose of unfairly benefiting oneself, one's own company or third parties or of damaging third parties.

- Operating an entity having such relationship that shows provision of funds or facilities to Boryokudanin, etc.

- Operation an entity of which Board members or people substantially involved in its management have socially condemnable relationship with Boryokudanin, etc.

⑩ Other similar person or organization engaged or involved in those who acts ①~⑨ "Anti-social Forces" also includes;

When participants or sellers fall under, or found to be applicable, MA may refuse to register you to bid / consign, we may cancel the contract for sale between you and the seller / buyer.

① Use of threatening action or statements, or violent acts and behaviors in connection with any transaction between the parties.

② Acts and behaviors which may damage the credit or obstruct the business of the bank by the use of fraudulent means or by force

③ Unjust claims exceeding legal responsibilities

④ Any acts ①~③ by using a third party

LAW AND JURISDICTION

These conditions of MA are subject to Japanese Law, which shall apply to their construction as well as to their effect. We, the Seller and the Buyer submit to the exclusive jurisdiction to Tokyo District Court.

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