

# Conditions of Sale for Private Auction

All bids placed at auctions conducted by Tozai New Art Co., Ltd. ("Tozai New Art") as auctioneer shall be deemed offers made in accordance with the following Auction Conditions.

1. Tozai New Art shall act as the agent of the seller for all lots offered at the auction.
2. Participation in the auction is limited to those who have completed advance registration. In principle, any individual whose identity and address can be verified may participate; however, Tozai New Art reserves the right, at its sole discretion, to refuse admission or participation. Photographs and video footage taken at the preview exhibition and/or on the auction day may be used in brochures, on websites, or in other promotional or advertising materials. By attending the preview or the auction, participants are deemed to have given prior consent to such use.
3. Tozai New Art accepts absentee bids submitted in writing or via the internet (hereinafter referred to as "Live Bid") on behalf of participants who are unable to attend the auction in person. In principle, absentee bidders must provide the name of their banking institution or another appropriate reference in advance. If an absentee bidder is successful, the amount payable by the buyer shall be the same as set forth in Article 6 below.
  - (a) Written bid  
If the auctioneer determines that the bidder's instructions are inappropriate or unclear, the auctioneer may, at their discretion, decline to follow such written instructions.
  - (b) Live bid  
Tozai New Art shall bear no responsibility for any consequences arising from incorrect input, operational errors, communication issues, or system malfunctions. Participants using Live Bid are deemed to have agreed to the "Terms of Use for Live Bid" separately established by Tozai New Art.
4. The bidder who places the highest bid accepted by the auctioneer shall become the buyer, and the sale contract (between the seller and Tozai New Art, and between Tozai New Art and the buyer) shall be concluded simultaneously at the fall of the hammer. Bid increments shall be determined at the auctioneer's discretion. If, during or after the auction, the auctioneer has reason to question any bid or determines for any other reason that a lot should be re-offered, the auctioneer may, at their discretion, place the lot up for auction again.
5. The auctioneer reserves the right, at their discretion, to refuse any bid. The auctioneer also reserves the right to withdraw any lot from the auction, to divide a lot, or to combine two or more lots for sale.
6. (a) The amount payable by the buyer shall be the hammer price for each lot plus a buyer's premium of 7% on the hammer price of each lot. The buyer's premium (7%) includes consumption tax. Payment may be made in cash, by bank transfer, or by credit card. Credit card payments are subject to an additional 3.5% handling fee. All auctions are conducted in Japanese yen, and payment must be completed in yen within seven (7) days from the auction date.  
If a buyer cancels a purchase, the following shall apply:
  - 50% of the total purchase price if cancellation is requested before the payment deadline
  - 90% of the total purchase price if cancellation is requested after the payment deadlineIn addition, the buyer shall bear all storage fees, insurance premiums, and other related expenses for all purchased lots.
- (b) Participants must sign and submit all pledge forms and documents designated by Tozai New Art. Upon request, participants must also provide the name of a banking institution or another appropriate reference.
- (c) Upon a successful bid, the buyer may be required to pay all or part of the purchase price immediately. If such payment is not made, Tozai New Art reserves the right to re-auction the lot or sell it by private sale.
7. (a) Lots shall not be released until full payment has been received.  
(b) After full payment, the buyer shall collect the lot at their own expense. Upon request, Tozai New Art may arrange shipment; however, all related costs, including packing, transport, and insurance, shall be borne by the buyer. Tozai New Art shall bear no responsibility for any loss, theft, damage, or deterioration occurring after delivery at its designated or specified location, even if

packing or carrier arrangements are made at the buyer's request. Buyers are responsible for arranging appropriate insurance at their own expense.

- (c) Purchased lots must be collected promptly. Lots uncollected 30 days after the auction will be transferred to paid storage. Storage fees shall be charged upon collection as follows:
  - ¥5,000 per lot per month (plus consumption tax)
  - For items with a combined height, width, and depth exceeding 2.5 meters: ¥40,000 per 3.3 square meters per month (plus consumption tax)

(d) If a purchased lot remains uncollected for one year from the auction date without valid reason, it shall be deemed abandoned. In such cases, Tozai New Art may, at its discretion, re-auction the lot regardless of any amounts already paid. The resale price is not guaranteed to equal the original hammer price. Tozai New Art bears no obligation to compensate the original buyer for any resulting loss. Upon resale, seller's commissions, storage fees as set forth in paragraph (c), and other applicable expenses shall be deducted from the resale proceeds, and any remaining balance shall be paid to the original buyer in accordance with regulations.

(e) No cancellation will be accepted on the grounds that works subject to the Washington Convention (CITES), such as ivory, coral, or agarwood (aloewood), cannot be exported due to the absence of permits or certificates.

8. (a) Descriptions of lots provided in auction catalogs, lot lists, advertisements, brochures, or on websites are intended solely for reference. Photographs and descriptions regarding authorship, age, dimensions, weight, materials, color, technique, provenance, condition, title, damage, or restoration represent the opinion of Tozai New Art and do not constitute any guarantee. Photographs may not accurately reflect the actual color, texture, or material of the works and are not intended to indicate all defects. Tozai New Art assumes no legal responsibility for such descriptions. Prospective buyers are advised to examine the works personally at the preview or during the auction and to bid based on their own judgment and responsibility. Some works may not be exhibited at the preview.

(b) Neither the seller nor Tozai New Art shall bear responsibility for any defects, restorations, or imperfections of the lots. Cancellations after the sale based on such issues, whether mentioned in the catalog or not, will not be accepted.

(c) Statements regarding the operation of mechanical works such as watches, clocks or music boxes merely indicate whether the mechanism functions at the time of inspection and do not imply durability or longevity. Such mechanisms may cease to function at any time. Cancellations based on mechanical operation will not be accepted.

9. Tozai New Art provides a one-year authenticity guarantee from the auction date for works sold at auction, excluding "as-is" lots. This guarantee applies only to works by living artists or deceased artists with recognized authentication authorities and only if the work remains in the same condition as at the time of auction. Works with uncertain attribution (including artist or workshop), antiques, and works customarily treated similarly are excluded from this guarantee. Cancellations based on authenticity for non-guaranteed works will not be accepted.

(a) The authenticity guarantee is non-transferable and applies only to the original buyer at auction.

(b) Claims must be made within one year of the auction date. If a work is determined to be a forgery by an authentication authority deemed appropriate by Tozai New Art, and the work is confirmed to be in the same condition as at the time of auction, Tozai New Art will accept the return and refund the full purchase price. This refund shall constitute full settlement, and no additional compensation shall be provided. Authentication and shipping costs (including packing, transport, and insurance) shall be borne by the seller.

(c) If a purchased lot is determined to be stolen or lost property and restitution is claimed by the rightful owner, Tozai New Art may immediately cancel the sale and refund the purchase price without interest if payment has been completed.

10. If a buyer fails to collect a lot or to pay the full purchase price in accordance with Articles 6 and 7, Tozai New Art may, at its discretion, exercise other rights and remedies, including the following:

(a) Re-selling the lot at public or private auction without prior notice to the buyer. If the resale price is lower than the original hammer price, the buyer shall bear the shortfall after resale expenses are deducted from any partial payments. Any surplus shall belong to the seller.

(b) Storing the lot at the buyer's expense at Tozai New Art's premises or another location, and releasing it only after full payment, including all arrears and expenses. Notwithstanding the above, once the payment deadline has passed, Tozai New Art may sell the lot in accordance with paragraph (a).

11. Ownership of a lot shall not pass to the buyer until full payment has been made. However, all risks and responsibilities, including risk of loss, shall pass to the buyer upon confirmation of the successful bid and notification to the buyer. Tozai New Art reserves the right to retain possession of any lot until full payment is received.

12. Exclusion of Antisocial Forces

(i) The buyer represents and warrants, now and in the future, that:

(a) The buyer is not, and has not been within the past five years, a member of any organized crime group, related entity, corporate extortionist, political racketeering group, or similar organization ("Antisocial Forces").

(b) Officers, persons substantially involved in management, shareholders, agents, or intermediaries are not affiliated with Antisocial Forces.

(c) The buyer is not entering into this agreement using the name of Antisocial Forces.

(d) Antisocial Forces will not be involved in the performance or objectives of this agreement.

(e) Neither the buyer nor related persons provide funds or benefits to Antisocial Forces or maintain socially condemnable relationships with them.

(2) If any of the above representations are found to be false, Tozai New Art may suspend transactions or terminate the agreement without notice and shall bear no liability for any resulting loss.

13. These Auction Conditions and any contractual relationship arising herefrom shall be governed by and construed in accordance with the laws of Japan. The United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not apply.

14. Any disputes arising in connection with these Auction Conditions shall be subject to the exclusive jurisdiction of the Tokyo District Court or the Tokyo Summary Court as the court of first instance.

15. PRIVATE AUCTION PROCEDURES

Participants shall attend the private auction with full understanding of the following procedures.

(1) Auction Date  
In principle, the auction shall be held on the 27th of odd-numbered months. Alternative dates may be designated.

(2) Venue  
The venue shall be designated by Tozai New Art and notified to members.

(3) Preview  
The preview shall generally be held for two to three days prior to the auction. Some works may be delivered during the preview or on the auction day, and not all lots may be displayed. Participants are encouraged to examine the works personally. Any damage caused shall be the responsibility of the person concerned.

(4) Condition Reports  
No condition reports will be published before or after the auction. Condition information may be provided orally during the auction and represents opinion only, without guarantee. Bidders must examine the works themselves during the auction. No cancellations, returns, or refunds based on condition will be accepted after the sale.

(5) List of Works

No detailed catalog will be issued. A simplified list containing basic information on confirmed lots will be provided in advance. Lots confirmed during the preview or on the auction day will not appear on the list. The lot list will be published on Tozai New Art's official website and distributed to members by email. Listing order does not necessarily reflect auction order.

(6) Disclosure of Information

Photography, videography, and disclosure of any auction-related information, including the lot list, to external parties (including via social media) are strictly prohibited, unless expressly permitted by Tozai New Art.

(7) Order of Sale

The order of sale shall be determined by Tozai New Art.

(8) Method of Auction

The auction shall be conducted by paddle and verbal bidding. The auctioneer may determine the starting price and bid increments at their discretion. The auctioneer may refuse bids, withdraw lots, divide or combine lots, or re-offer a lot if deemed necessary. If the highest bid does not reach the reserve price, the lot shall remain unsold.

(9) Live Bid

Lots confirmed for sale on the auction day cannot be bid on via Live Bid due to system limitations.

(10) Conclusion of Sale

The highest bid accepted by the auctioneer constitutes the buyer, and the sale is concluded at the fall of the hammer. Unfair transactions may be cancelled at Tozai New Art's discretion.

(11) After-Sale

If a lot does not reach the reserve price, it shall remain unsold; however, upon request by the highest bidder or consignor, or if Tozai New Art deems a sale possible, an after-sale negotiation period of three (3) days may be arranged.

(12) Results

Auction results shall not be disclosed, and inquiries will not be accepted.

(The English version of these Conditions is for reference only. In the event of any discrepancy, the Japanese version shall prevail.)

January 2026  
Tozai New Art Co., Ltd.