

【Tozai Boeki Co., Ltd. Auction Agreements】

These Agreements prescribe rules for participating in and using parade auctions, tender auctions and online auctions (hereinafter, collectively referred to as the “Auctions”) held by Tozai Boeki Co., Ltd. (the “Company”).

Article 1 (Scope of Application)

Tozai Boeki Co., Ltd. Auction Agreements (the “Agreements”) shall apply to the persons/corporations who are accepted to participate in the Auctions and are registered as participants (hereinafter, the “Participants” or the “Participant”) and when the Participants take part in the Auctions.

Article 2 (Change to the Agreements)

The Company may change the Agreements without the consent of the Participant by notifying the Participant to that effect by the method the Company judges appropriate. The Company shall assume no responsibility for any damage incurred to the Participant as a result of such change.

Article 3 (Notices from the Company)

- ① The Company shall give notices to the Participant as needed by placing posts on the Company's website, sending email messages or facsimile transmissions, sending documents, or any other methods the Company judges appropriate.
- ② The notices in the preceding Paragraph shall be deemed to have taken effect at the time the Company placed such notices on its website, unless otherwise specifically stipulated by the Company. If the Company gives the notices in the preceding Paragraph by email or facsimile transmission, such notices shall be deemed to have taken effect at the time when the Company sent such email or facsimile transmission.

Article 4 (Preparation of Facilities)

The Participant shall prepare at its own expense and as its own responsibility communication devices, software, communication circuits, and any other necessary items that constitute the environment for the Participant to take part in the Auctions. The Company shall assume no responsibility for any impact from the difficulties the Participant may experience in taking part in the Auctions if such difficulties have resulted from the above environment.

Article 5 (Eligibility)

Among overseas or Japanese second-hand sales companies, repair businesses, trading companies, and other similar businesses which have sufficient experience in handling second-hand construction machines and are equipped with general knowledge concerning second-hand construction machines, only the corporations or sole proprietors which have been approved by the Company's assessment process shall be eligible to participate in the Auctions.

Article 6 (Request for Registration)

The registration procedures for the Participant shall be as follows:

- (1) An applicant shall fill in necessary fields in the Participant Registration Application Form prepared by the Company, agree to the entire content of the Agreements, submit necessary documents to the Company, and take the prescribed method to request its registration as the Participant.
An applicant may also make a Participant registration application from the Company's website.
- (2) After assessing application details, the Company shall notify the results to the applicant. The Company may refuse registration at its discretion.

Article 7 (Registration)

- ① The Company shall provide the successful applicants with their registration number, password and other necessary information (hereinafter, the “Registration Number”) for participating in the Auctions.
- ② Successful applicants who have no past transaction record with the Company shall be

required to pay a 500,000 yen deposit as a security deposit at the time of registration.

Article 8 (Renewal of Participant Registration)

- ① Participant registration shall expire as of March 31 each year regardless of the joining date.
- ② The Company shall reassess the Participant as of the expiry date of its registration.
- ③ Participant registration shall be renewed for another year for the Participant who fulfills the assessment criteria in the assessment in the preceding Paragraph.

Article 9 (Notification of Changes)

The Participant shall promptly notify the Company of any change to the name of the representative, address, telephone number, fax number, or any other information it has supplied to the Company.

Article 10 (Deregistration by Participant)

The Participant may deregister itself as needed by requesting the Company to that effect by the stipulated method.

Article 11 (Management of Registration Numbers)

- ① The Participant shall be responsible for managing its Registration Number the Company has provided to the Participant.
- ② The Participant may not lend, assign, change the name of, sell or purchase, pledge, allow a third party to use, or take other similar actions concerning its Registration Number.
- ③ The Participant shall be responsible for any damage arising from the inadequate management of, mistakes in using, use by a third party of, or any other similar incidents concerning its Registration Number. The Company shall assume no responsibility for such damage.
- ④ The Participant shall immediately notify the Company of any theft of its Registration Number or any discovery of its use by a third party and shall follow instructions given by the Company in such cases.

Article 12 (Cancellation of the Auctions)

- ① The Company may cancel the Auctions without advance notice to the Participant if:
 - (1) A natural disaster, incident or other emergency has occurred or appears likely to occur;
 - (2) A failure has occurred to the Auction facilities and it is unavoidable to cancel the Auctions; or
 - (3) Otherwise the Company judges it necessary to cancel the Auctions due to an operational or technical reason.
- ② The Company shall assume no responsibility for any damage incurred to the Participant due to the cancellation of the Auctions pursuant to the preceding Paragraph.

Article 13 (General Matters concerning Auction Bidding Procedures)

- ① A bid made by the Participant in the Auctions shall be deemed to be a purchase offer of a machine exhibited by the Company in the Auctions (hereinafter, the "Exhibited Machine").
- ② When a bid is accepted, a sale/purchase agreement (hereinafter, the "Sale/Purchase Agreement") of the relevant Exhibited Machine (hereinafter, the "Sold Machine") shall be entered into between the successful bidder and the Company, upon which all the responsibilities concerning the loss, damage, consumption and so forth of the Sold Machine shall be transferred to the successful bidder.
- ③ If the Sale/Purchase Agreement is terminated under Article 26, Paragraph 3 herein, the Company shall not be obliged to treat as the successful bidder the Participant who submitted the second highest bid price after the successful bidder, and may dispose of the Sold Machine at its own discretion.
- ④ The Company shall assume no responsibility for any accident, loss, damage and so forth of the Exhibited Machine at the time of its inspection by the Participant and of the Sold Machine at the time of its collection by the successful bidder as well as any other similar case, unless such accident, loss, damage and so forth is attributable to the Company.
- ⑤ The Participant shall check the Exhibited Machine where it is kept. The Company shall assume no responsibility if the hour meter reading, specifications, age and other details written on a list of the Exhibited Machines differ from the actual conditions. Furthermore, the Company shall assume no responsibility for the quality, type and volume (including standards, specification, performance and other information of the Exhibited Machines

required by the bidder) of the Exhibited Machines.

Article 14 (Auction Procedures for Parade Auctions)

Parade auctions are conducted as competitive auctions pursuant to the following procedures.

- (1) Competitive auctions are conducted for the Exhibited Machines. The Participants in the auction venue press the bid button to bid for the Exhibited Machines within a time period set by the Company for the designated increment amount.
The Participants outside the auction venue may submit bids using e-BID on the Internet.
- (2) The Participant who offers the highest bid price during the competitive auction of each Exhibited Machine shall be the successful bidder. In the event no Participant has offered the reserve price set by the Company, the Exhibited Machine will pass in.
- (3) The successful bidder and hammer price will be determined when the Company confirms with the successful bidder determined under the preceding item the acceptance of the bid using the confirmation button. If the successful bidder does not confirm the acceptance of the bid using the confirmation button, the Company shall have the right to confirm the acceptance of the bid on behalf of the successful bidder.
- (4) The Participant may not withdraw its bids.

Article 15 (Auction Procedures for Online Auctions)

Online auctions are conducted as competitive auctions pursuant to the following procedures.

- (1) Competitive auctions are conducted for the Exhibited Machines. The Participants bid for the Exhibited Machines displayed on the Company's auction website through the Internet.
- (2) The Participant who offered the highest bid price before the closing of the competitive auction of each Exhibited Machine shall be the successful bidder. In the event no Participant has offered the reserve price set by the Company, the Exhibited Machine will pass in.
- (3) The Company shall notify the bidding result to the Participants who made bids by email. This email shall be the notice of the acceptance of the bid to the successful bidder.
- (4) The successful bidder and hammer price shall be determined when the Company sends email in the preceding item.
- (5) The successful bidder may not withdraw its bid.

Article 16 (Bidding Procedures for Tender Auctions)

The bidding procedures for tender auctions are as follows.

- (1) In tender auctions, the Participants offer an amount at or above the minimum bid price set by the Company for the Exhibited Machines.
- (2) If the Company decides that the letters and other information written by a Participant on the bidding form are illegible, the Company may nullify such bids without notifying the Participant.
- (3) The Participant may make only one bid for each of the different Exhibited Machines during the bidding period designated by the Company. The Participant may also rebid for the Exhibited Machine for which it has already submitted a bid, in order to increase its bid price. If the Participant rebids for the same Exhibited Machine, the highest amount offered by the said Participant shall be deemed the bid price offered by the said Participant for the relevant Exhibited Machine.
- (4) The Participant may not withdraw its bids.
- (5) The Company will open bids after the closing of bidding. The Participant who offers the highest bid price among the validly submitted bids shall be the successful bidder. If there are two or more Participants who offered the highest bid price, the Company shall choose one successful bidder in a random drawing.

Article 17 (Deletion of Information)

① The Company may, without notification to the Participant, delete any information provided, obtained, or used by the Participant through the Auctions if:

- (1) The Participant who provided, obtained, or used such information falls under any of the items in Article 26, Paragraph 1 herein;
- (2) The Company determines that such deletion is necessary for the maintenance of the

Auctions; or

(3) Otherwise the Company determines that it is necessary to delete such information.

- ② The Company shall assume no responsibility for any damage incurred to the Participant or a third party as a result of the deletion of, or the failure to delete, information under the preceding Paragraph.

Article 18 (Disclaimer)

The Company shall assume no responsibility for any damage incurred to the Participant due to the provision of information, or any delay, change, cancellation, or closure of the Auctions.

Article 19 (Guarantee and Compensation)

- ① The Company shall deliver to the successful bidder the Exhibited Machine on an “as is” basis. Given the characteristics of second-hand machines, the Company shall give no guarantee on their performance, forms, quality, or any other similar points.
- ② The Company shall assume no responsibility for non-conformance of the quality, etc. of the Sold Machine, and shall not accept any cancellation of the acceptance of the bid for the Sold Machine on the ground of any failure, performance deterioration, and so forth arising from such defect.
- ③ The Company shall assume no responsibility for compensating for or paying any charge or damage incurred to the successful bidder as a result of or in connection with the Sold Machine.
- ④ The Company shall assume no responsibility for compensating or paying for any injuries or other damage related to the life or body of the Participants or any property damage incurred to the Participants, at the auction venue.
- ⑤ Stability of bidding in online auctions and through the e-BID service largely relies on the communication environment of the Participants and the Company. The Company shall assume no responsibility for compensating or paying for any damage incurred to the Participants due to the delay or non-arrival of bids or any other failures arising from the communication environment of either the Participants or the Company.

Article 20 (Price and Payment)

- ① The indicative prices for the Exhibited Machines in the Auctions shall always be given in Japanese yen and shall not include consumption tax. The indicative prices shall also be on an “as is, where is” basis.
- ② The Company shall charge the successful bidder the sale amount plus consumption taxes and other necessary charges. The successful bidder shall pay, within two weeks following the day of the acceptance of the bid (or within one week in online auctions), the entire amount charged by the Company in cash, by making payment to the Company at the expense of the successful bidder. The Company shall not accept notes, Letter of Credit (L/C), or other similar instruments.
- ③ If the successful bidder fails to make payment within the due date prescribed in the preceding Paragraph, the successful bidder shall be required to pay delayed interest at the annual rate of 14.6% accrued from the day following the payment due date described in the preceding Paragraph until payment is actually made.
- ④ The successful bidder shall pay all necessary expenses for collecting and transporting the Sold Machine from the delivery place or for its storage. If the Company stores, takes shipping procedures, cleans, transports, or performs other similar services for the Sold Machine upon request from the successful bidder, the successful bidder shall pay all the expenses in connection with these services.
- ⑤ All Sold Machines shall be subject to a bidding fee of 10,000 yen flat per lot.

Article 21 (Handling of Security Deposits)

The Company shall handle the security deposits deposited with it in the following manner.

- (1) If a Participant who has deposited a security deposit (hereinafter, the “Depositor”) has won a bid for the Exhibited Machine, the security deposit shall be used to pay part of any payment to the Company including the proceeds for the Sold Machine.
- (2) If a Depositor fails to win a bid for any of the Exhibited Machines, the Company shall return the security deposit to the Depositor upon conclusion of the auction.
- (3) If a Participant has been deregistered based on its own will or by the Company, the

Company shall return to the Participant, without delay, the full amount of the security deposit the said Participant has paid less any debts the said Participant owes to the Company.

- (4) No interest shall accrue on security deposits.

Article 22 (Delivery of Sold Machines)

- ① Upon the performance of all the payments prescribed in Article 20, Paragraphs 2 and 3 by the successful bidder, the ownership of the Sold Machine shall be transferred to the successful bidder, and the successful bidder shall be allowed to collect the Sold Machine from the Company.
- ② All the Sold Machines shall be delivered on an “as is, where is” basis.
- ③ The successful bidder shall collect the Sold Machine within one month from the day when the Auction ends (or within three weeks in case of online auctions).
- ④ If the successful bidder fails to collect the Sold Machine before the due date prescribed in the preceding Paragraph, the Company may move the Sold Machine to different locations without the consent of the successful bidder. In this case, the Company shall charge the successful bidder 1,000 yen per day as a storage expense and any additional costs for transfer, which the successful bidder shall pay within three business days (referring to the bank business days) from the issue date of the relevant invoice. The provisions of Article 20, Paragraph 3 herein shall apply *mutatis mutandis* to any delay in making this payment.
- ⑤ The Company shall assume no responsibility for any deterioration of the Sold Machine during storage or any damage to machinery due to the passage of time or change in the weather, after the acceptance of the bid. Furthermore, the Company shall assume no responsibility for any delay or failure to deliver the Sold Machine due to an act of providence or other reasons where there is no intentional or material negligence on the part of the Company.
- ⑥ The successful bidder shall notify the Company in advance by mail or facsimile transmission the date and time of delivery and the name of the vendor who will collect the Sold Machine. The Company may refuse the removal of the Sold Machine if any party attempts to collect it without such notification from the successful bidder to the Company.
- ⑦ In collecting the Sold Machine, the successful bidder shall comply with relevant laws, ordinances and other regulations, remove the Sold Machine in an appropriate manner, and drive and transport it safely when transporting it.

Article 23 (Prevention of Unauthorized Resale and Use)

The successful bidder shall comply with the following:

- (1) The successful bidder shall not use or allow a third party to use the Sold Machine for the purpose of developing, designing, manufacturing, storing, and using weapons of mass destruction such as nuclear weapons, chemical weapons, biological weapons, or missile weapons; for military purposes; or otherwise for the purpose of obstructing international peace and security. This shall include the use of software and software-related technologies;
- (2) The successful bidder shall not sell, assign, export, lease or transfer, or permit the use of the Sold Machine to and by any party who has any of the above purposes, and shall not allow a third party to do any of the foregoing;
- (3) The successful bidder shall comply with the Foreign Exchange and Foreign Trade Law and other applicable laws and ordinances when exporting, selling, or transferring the Sold Machine; and
- (4) The successful bidder shall pay all the expenses (including lawyers' fees) incurred due to its failure to observe the provisions of this Article.

Article 24 (Copyrights and Other Rights)

The Participant accepts and agrees that information provided by the Company in connection with the Auctions (including images, sounds, texts, photos, and software) is protected by copyrights, trademark rights, patents, and other intellectual property rights as well as laws, and shall not copy, transmit, mail, publish, distribute, or otherwise provide to a third party for its use by any means, any information without the consent of the Company.

Article 25 (Commitment)

- ① The Participant represents that, as of the Participant registration application date, Participant

registration date, and bidding date of the Auctions, the Participant and any of its officers do not fall under an organized crime group (*Boryokudan*), a member of an organized crime group (*Boryokudan* member), person who is no longer a *Boryokudan* member but five years have not yet elapsed from his/her ending *Boryokudan* membership, *Boryokudan* associate, *Boryokudan*-related company, *Boryokudan*-related association, corporate racketeer (*Sokaiya*), social/political or other movement racketeer, special intelligence violence group, or those who are in a situation similar to these (hereinafter, collectively referred to as "*Boryokudan*") and do not fall under any of the following, and commits that the Participant and any of its officers shall not fall under any of the foregoing and the following in the future:

- (1) Those who have relationships with a *Boryokudan* who is recognized to be controlling their operations;
 - (2) Those who have relationships with a *Boryokudan* who is recognized to be involved in their operations in substance;
 - (3) Those who have relationships which are recognized to be willfully using the threat of a *Boryokudan* for the purpose of gaining illegal profits for themselves, their company, or a third party, or for the purpose of causing damage to a third party;
 - (4) Those who have relationships with a *Boryokudan* which show that they are providing it with funds or other benefits; or
 - (5) Those who have relationships with a *Boryokudan* that are unacceptable based on social norms.
- ② The Participant commits that it shall not engage in, or it shall not use any of its officers or a third party to engage in, any act that falls under any of the following:
- (1) Making violent demands;
 - (2) Making unreasonable demands beyond legal responsibilities;
 - (3) Using threatening behavior or violence in transactions with the Company;
 - (4) Taking actions which may damage the credibility of, or obstruct the business of, the Company by spreading false rumors or using deceptive plans or power; or
 - (5) Taking other acts equivalent to any item of the above.

Article 26 (Deregistration of Participants)

- ① The Company may refuse the registration of a Participant or deregister a Participant if the said Participant falls under, or if the Company judges that the said Participant may fall under, any of the following. When a Participant is deregistered, the said Participant shall, in a lump sum, pay the entire amount of the debts it owes to the Company in connection with the Auctions including any fees and so forth that have arisen before the date of deregistration, by the method instructed by the Company. In addition to the following items, the Company may deregister a Participant who has not had any transaction in the Auctions for a period of one year.
- (1) The Participant's registration application includes false or fictitious information.
 - (2) The address, email address, telephone number, facsimile number, or other details supplied to the Company is false or fictitious.
 - (3) The Participant has been in arrears or defaulted on the performance of payment obligations of fees and so forth.
 - (4) A fact that is contrary to Paragraph 1 of the preceding Article is discovered, or the Participant falls under any of the items in Paragraph 2 of the preceding Article.
 - (5) The Participant has violated properties or other rights of other Participants, a third party, or the Company.
 - (6) The Participant has caused disadvantages or damage to other Participants, a third party, or the Company.
 - (7) The Participant has colluded with, had commercial negotiations with, or has made a sale to purchase from other Participants or has taken a threatening act to other bidders.
 - (8) The Participant has taken an action that obstructs the operation of the Auctions.
 - (9) The Participant has used or provided harmful programs including a computer virus through online auctions or the auction website.
 - (10) The Participant has taken an action that damages the credibility of the Company.
 - (11) The Participant has taken an action that the Company judges inappropriate.
 - (12) Otherwise, the Participant has breached the Agreements, laws or ordinances.
- ② The Participant who falls under any of the items in the preceding Paragraph may not participate in bids or competitive auctions, and shall be required to immediately leave the venue or online auctions. Any bid made by the said Participant in bidding or competitive

auctions shall be considered invalid.

- ③ The Company may rescind the acceptance of a bid and cancel the Sale/Purchase Agreement without prior demand and notice if the successful bidder falls under any of the items in Paragraph 1 above. In this case, the Company may dispose of the Sold Machine at its discretion, and such successful bidder shall pay the sum of 25% of the hammer price of the Sold Machine and the bidding fee as a cancellation penalty.

Article 27 (Damage)

- ① If any Participant causes damage to the Company in connection with its participation in or use of the Auctions, the said Participant shall be required to compensate the Company for such damage (including lawyers' fees).
- ② If any Participant causes damage to, or a dispute with, other Participants or a third party in connection with its participation in or use of the Auctions, the said Participant shall resolve such a situation at its own expense and as its own responsibility, and shall not cause any inconvenience or damage to the Company.

Article 28 (Governing Law)

The Agreements shall be concluded, take effect, be performed, and be interpreted, in accordance with the laws of Japan.

Article 29 (Competent Court)

In the event any lawsuit arises as a result of or in connection with the Agreements, the Tokyo District Court or the Tokyo District Summary Court shall be the exclusive competent court of the first instance.

Article 30 (Effective Date)

The Agreements shall take effect as of June 1, 2021.

《Terms of Consent to Collection, Retention, Use and Provision of Personal Information》

The following provisions shall apply to the Participant.

Article 1

(1) The Participant agrees that the Company may, during the term as determined by the Company, collect, retain and use the following information (hereinafter collectively referred to as the "Personal Information") after implementing safeguard for the purposes of any of the following Items enumerated in Purpose of Use below.

1. Name, age, date of birth, address, telephone number and workplace of the Participant provided by electromagnetic method such as the Company's website, e-mail, etc. or written in any forms prescribed by the Company;

2. Application date, execution date, name of the Objects, amount of contract and number of payments with regard to the Sale/Purchase Agreement; and

[Purpose of use]

•Provision or solicitation of the used property sales and any other services relating to or incidental to the used property sales; or

•Delivery the advertisement and printed matter of the parent company, subsidiary, affiliates or business partner of the Company after receiving their request .

(2) In the event the Company engages its business partner to perform all or part of the Company's operations hereunder, the Company may, after implementing safeguard for Personal Information, provide such business partner with the Personal Information so collected pursuant to the immediately preceding Paragraph, and such business partner may use the same.

Article 2

The Participant hereby agrees that the Company and any affiliates (which means the affiliates as listed in the website of the Company (<https://www.tozaiboeki.co.jp/ja/>)) of the Company may, after implementing the safeguard, jointly use the Personal Information as set forth in Paragraph 1 of Article 1, for the purposes of credit decision and credit management with regard to credit facility business of the affiliates such as leasing, installment sales, used property sales and financing services, etc.

Article 3

The Participant hereby agrees that the Company may, after implementing the safeguard, provide its affiliates with the Personal Information as set forth in Paragraph 1 of Article 1, for the purposes of advertisement, introduction of businesses, sale, solicitation and introduction of financial products, services and life insurance policies, credit decision and credit management with regard to the credit facility business of the affiliates

such as leasing, installment sales and financing services, etc.

Article 4

(1) The Participant may request the Company to disclose the Personal Information regarding itself. Please contact the window as set forth in the website of the Company if request.

(2) In the event the particulars of the recorded Personal Information are turned out to be incorrect or wrong, the Company shall promptly respond to request for correction or deletion.

Article 5

In the event the Participant requests the Company to stop using the Personal Information, the Company shall stop using the same within the Company and providing the other companies with the same even if the Company uses the same to the extent of the consent given under the terms hereof.

End

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