

Daikichi Auction Terms of Service

Operator: En Power Co., Ltd.

Article 1. Scope

1. En Power Co., Ltd., ("Company" hereinafter) shall operate Daikichi Auction services in accordance with the provisions of these Daikichi Auction Terms of Service ("Terms" hereinafter). These Terms establish the procedures necessary to facilitate the smooth operation of Daikichi Auction and apply to any and all agreements between the Company and the Member regarding the use of Daikichi Auction ("Member Agreements" hereinafter).
2. When a prospective member has applied for Daikichi Auction membership, the Company shall deem the prospective member to have consented to these Terms, the Seller Agreement, and the Successful Bidder Agreement.

Article 2. Amendment of terms

1. The Company may amend these Terms without notice. Members shall be notified of amendments to these Terms. However, if the Company has determined that an amendment to these Terms could cause a serious disadvantage to the Member, then it shall amend the Terms by first notifying the Member of such amendments for a fixed period of time.
2. The updated terms shall be posted to the Company's website and shall take effect as of the time of such posting.
3. In the event of any conflict between these Terms as posted to the website and the content of a notice of amendment, the notice of amendment shall apply with precedence as the most up-to-date Terms.

Article 3. Notification or communication

1. Except as specified otherwise, notifications from the Company to the Member shall be made through methods judged appropriate by the Company, including by email, in writing, and by posting to the Daikichi Auction website.
2. When notification as described in the preceding paragraph is made by posting to the Daikichi Auction website, it shall take effect as of the point in time at which it was posted on the website.
3. When notification as described in Paragraph 1 of this article is made by email or in writing, it shall be sent to the email address or mailing address provided by the Member. Such notification shall be deemed to have been made when one business day has passed since the time it was issued.

Article 4. Name and operations office

The name of the Auction shall be Daikichi Auction ("Auction" hereinafter). The Company shall operate the Auction, and the Auction's operations office ("Office" hereinafter) shall be set up inside the Company.

Article 5. Articles handled

The Auction is intended for trading in used articles. It shall handle trading and mediation in jewels, precious metals, watches, brand-name handbags, and leather goods.

Article 6. Operation of the Auction

1. Only registered Members may use the Auction.

The same shall apply to subcontractors in contractual relationships with Members.

2. Buyers shall notify the Company within two weeks from the day after the Auction date of any hidden defects that could not be identified visually in merchandise purchased at auction. This shall not apply in a case in which the Buyer was aware of such defect, or the purposes of the agreement can be achieved despite such defect.

No notification of defects shall be accepted after the period described above.

3. If, after a successful bid, the Company has determined that the merchandise was improper (i.e., the Company has determined that the merchandise was improper in light of societal norms, including cases of copies or similar merchandise, stolen goods, lost articles, the property of others, or other unlawful merchandise), then it may cancel the transaction between the Company and the Buyer for such merchandise.

The period for such determination shall be up to three months from the date of the successful bid for the merchandise, except as provided for otherwise by laws and regulations.

4. If a matter as described in Paragraph 2 or Paragraph 3 of this article has been discovered among merchandise entrusted to the Company for sale by the Seller outside of the market (hereinafter "consigned merchandise"), the Seller shall be liable for such matter, and the Company shall bear no liability for it whatsoever. In the event that the sale agreement between the Buyer and the Company for the merchandise is canceled because of such matter, the sale agreement between the Seller and the Company for the merchandise also shall be canceled, and the Company shall return to the Seller and the Buyer any fees collected.

5. If the Buyer has notified the Company of a matter described in Paragraph 2 regarding consigned merchandise listed by the Company during the period described in that paragraph, then the Seller shall be deemed to have made the same notice as of the time such notice was received by the Company, and the Company shall notify the consignment Seller of the fact of such notice. For merchandise sold by the Company under consignment from the Seller, if the Buyer has notified the Company of the matters described in Paragraph 3 of this article then the Company shall promptly notify the Seller thereof.

6. The Seller and the Buyer may be asked to resolve any defects directly after notification by the Company as described in the first sentence of the preceding paragraph.

7. If it unavoidably will take two weeks or longer to check with the appraiser, manufacturer, or other party regarding merchandise for which a successful bid has been accepted, then the negotiation period may be extended for an additional 30 days after requesting such an extension from the Company within two weeks from the day after the date of the Auction. For merchandise sold by the Company under consignment from the Seller, if a request for extension of the period has been submitted during the period described in the first sentence of this paragraph then notice to the Seller as described in the first sentence of this paragraph shall be deemed to have been made at the time it is received by the Company and the Company shall notify the consignment Seller of such request.

8. The Company may suspend or terminate operation of the Auction if it determines that smooth operation thereof cannot be maintained.

9. The Company shall not be liable for any damages suffered by Members due to the suspension or termination described in the preceding paragraph.

10. The Company shall not be obligated to resume the Auction even if the grounds for the suspension or termination described in Paragraph 8 of this article have been eliminated or resolved.

Article 7. Location

The location of holding the Auction shall be the 19th floor of Sumitomo Realty & Development Shinjuku Oak Tower, 6-8-1 Nishi-Shinjuku, Shinjuku-ku, Tokyo, Japan. Auctions held during the period November 2022 through April 2023 shall be held on the third floor of Sumitomo Realty & Development Nishi-Shinjuku Building No. 2, 15-17 Nishi-Shinjuku 8-chome, Shinjuku-ku, Tokyo, Japan. If the Auction cannot be held in the designated location, then it shall be held at another location to be specified by the Company after providing prior notice of such change.

Article 8. Dates, times, and methods of auction

1. Auctions shall be held periodically four times each month, on the 4th, 11th, 18th, and 25th.

2. Auctions shall be held from 10:00 a.m. to 6:00 p.m., in principle. This time may be extended as necessary due to the progress of the auction and other conditions. The Auction shall be conducted through competitive bidding. The bidder who submitted the highest bid for the merchandise shall be the successful bidder.

3. Prospective bidders may view merchandise in person and submit bids from four days prior to the auction date through the day before the auction date. The days of the auction shall consist of the bidding days and the negotiation days, during which Members may submit bids on the merchandise. Bids will be opened and successful bidders chosen on the day after the auction. If an auction cannot be held as planned, then an amended date shall be decided on and Member shall be notified thereof.

Article 9. Eligibility for membership

Parties eligible for membership are those who have antique business licenses (i.e., licenses issued by the Public Safety Commission of the prefecture with jurisdiction and eligible for trading activities) and desire to engage in fair selling or buying in the Auction in accordance with these Terms.

Article 10. Member registration

1. Registration as a Member is necessary before using the Auction.

2. Those desiring to register as Members or to cancel their membership shall apply through the Company's designated methods. The process shall be complete upon approval by the Company. The Member Agreements shall take effect upon completion of Member registration.

3. The Company may reject an application for Member registration if it judges the applicant to meet any of the descriptions below.

The Company is under no obligation to disclose the reasons for rejecting an application.

1. Incorrect information was provided when applying for Member registration
2. The application for Member registration is incomplete
3. The application was submitted by a party who has violated these Terms in the past
4. The applicant is unable to enter into valid agreements individually (e.g., due to being a minor)
5. The applicant is affiliated with antisocial forces, a nation subject to United Nations sanctions
6. Other cases as judged inappropriate by the Company

Article 11. Member responsibility

1. The Member shall consent to use the Auction under its own responsibility and be liable for any damages suffered by itself or a third party due to use of the Auction.
2. The Member shall refrain from disclosing, lending, or sharing with any third party the user ID, password, and other information needed to participate in the Auction using devices provided by the Company to the Member participating in the Auction (hereinafter "Authentication Information") and shall manage such information strictly (including appropriate password changes) to prevent its leakage to any third party.
3. The Company shall not be liable for any damages suffered by the Member or other parties due to such causes as inadequate management of Authentication Information, errors in its use, or use by third parties.
4. In the event that a third party has used the Auction using the Member's Authentication Information, any resulting acts shall be considered to constitute use by the Member itself, and the Member shall be liable for payment of associated usage charges and any and all other obligations. In addition, the Member shall compensate the Company for any damages it has suffered as a result of such acts.
5. To ensure the security of use of the Auction by Members, the Company will never, in emergencies or in any other cases, respond to requests made by telephone or other means to check or reissue Authentication Information. The Member shall ask to check or reissue Authentication Information through the methods specified separately by the Company if necessary due to loss or other reasons.

Article 12. Registration fee, annual dues

No registration fee or annual dues shall apply.

Article 13. Participation fees

The Member shall pay the amount described below to the organizer as Auction participation fees:

3,000 yen (consumption tax included) per auction

Auction participation fees shall be collected from sellers and successful bidders only when they have participated in one or more transactions per auction.

Article 14. Commissions

The Company receive a certain amount of commission on listing of merchandise and successful bids from the seller and the buyer in the Auction.

Amounts of commissions shall be established separately from these Terms.

Article 15. Use of venue

1. The permission of the Office shall be required for use of the venue.
2. Only Members may use the venue.
3. When entering the venue, complete registration at the reception desk and be sure to wear the Auction's designated nametag at all times.
4. Keep your antique business license with you at all times. If a participant has an agent, employee, or other party trade on its behalf (hereinafter "agent or similar party"), then such agent or similar party must carry a trade agent certificate in the format specified in National Public Safety Commission rules. Note that those who are not carrying such certificates will be refused entry and asked to leave.

Article 16. Management or articles in the Auction

Except when entrusting articles to the Office in advance, merchandise shall be managed under the Seller's own responsibility until the end of the auction and the Buyer's responsibility following delivery after the Auction. The Auction shall not be liable for incidents, such as loss or damage, unless due to gross negligence on the Auction's part.

Article 17. Cancellation by the Member

1. The Member may cancel future application of the Member Agreement at any time.
2. To cancel the Agreement as described in the preceding paragraph, the Member shall notify the Company thereof through the method specified by the Company.

Article 18. Cancellation by the Company

1. The Company may cancel the Member Agreement at any time by notifying the Member thereof at least 30 days in advance.
2. The Company may cancel the Member Agreement without any prior notice or warning to the Member if it has determined that the Member meets any of the descriptions below.
3. The Member may not file an objection to cancellation of the Member Agreement as described in this Article.
 - (i) It has made coercive demands or demands in excess of legal liability
 - (ii) It has used threatening speech or behavior or committed acts of violence regarding negotiations
 - (iii) It has acted in ways impeding the duties of Auction staff through fraud or influence
 - (iv) It has committed an unlawful act in participation in the Auction
 - (v) It fails to comply with these Terms or Auction operational rules based thereon
 - (vi) It fails to comply with the instructions of the office based on these Terms or Auction operational rules based thereon
 - (vii) Other acts similar to those enumerated above
 - (viii) Listed merchandise is traded through direct collusion between the listing Member and the bidder Member instead of through the Auction
 - (ix) It has transferred or lent its rights to use the brand auction site and ID.
 - (x) The Member or other participant meets any of the following descriptions (a)-(i): (a) organized crime, (b) members

of organized crime, (c) quasi-members of organized crime, (d) companies or parties affiliated with organized crime, (e) *sokaiya* racketeers, (f) racketeers posing as social movements, (g) specially designated organized crime syndicates, (h) parties whose executives or effective managers now qualify or qualified in the past as antisocial forces, and (i) similar parties (hereinafter "antisocial forces").

(xi) The Member or other participant meets any of the following descriptions (a)-(i): (a) organized crime, (b) members of organized crime, (c) quasi-members of organized crime, (d) companies or parties affiliated with organized crime, (e) *sokaiya* racketeers, (f) racketeers posing as social movements, (g) specially designated organized crime syndicates, (h) parties whose executives or effective managers now qualify or qualified in the past as antisocial forces, and (i) similar parties (hereinafter "antisocial forces").

(xii) The Member or other participant employs antisocial forces for such purposes as to secure improper gains for itself, its company, or a third party or to harm a third party.

(xiii) The Member or other participant cooperates or is involved, directly or indirectly, in maintenance or operation of antisocial forces through the provision of funding or conveniences to antisocial forces.

(xvi) The Member or other participant employs antisocial forces improperly while knowing that they are antisocial forces.

(xv) The Member or other participant has socially undesirable ties to antisocial forces

The Member or other participant must pledge that it does not now, and will not in the future, meet any of the descriptions above. A false pledge is grounds for compulsory withdrawal from membership.

Article 19. Restrictions on application of the Terms of Service

The provisions of these Terms shall not apply to contracts with customers in cases that would violate laws or regulations applicable to transactions in the Auction. However, even in such a case the other provisions of these Terms shall remain valid and in effect.

Article 20. Prohibitions

Members must not engage in any of the following acts.

(i) Allowing nonmembers to participate in the Auction

(ii) Listing improper or suspected improper merchandise

(iii) Listing merchandise suspected of being stolen or lost

(iv) Other violations of the provisions of the rules, regulations, and basic participation agreement established by the Auction

Article 21. Inspection and subjects thereof

Acts of inspection by the Company shall be conducted for the purpose of grading from a fair and objective point of view on the assumption that merchandise listed does not violate restrictions on listing and conforms to the information reported by the listing ship. The Company shall not be liable for the results of inspection.

In addition, in principle no doubts concerning grading will be accepted.

(i) Actual grading shall be conducted separately for interior, exterior, and function. The total grade shall reflect

comprehensive assessment of these points.

(ii) Descriptions may be omitted of defects judged appropriate for the grade.

(iii) Defects judged appropriate for the grade and omitted from description may be subject to disclaimers.

(iv) In principle, complaints will not be accepted regarding rank C or "as is" merchandise.

Article 22. Cooperation in response to complaints

Members shall cooperate toward constructive, smooth resolution of complaints and comply with the results of arbitration by the Company, if applicable. Members also shall cooperate with the Auction and refrain from any acts that could inconvenience other Members or the organizers or would be unsuitable to Members (such as making demands that deviate from standard practice in the industry or acting in ways intended to delay resolution of a complaint).

Article 23. Notes

1. The merchandise traded in the Auction is merchandise put up for resale after being used under various conditions following its production as new merchandise. Accordingly, as a rule it should be assumed that not all merchandise is in a condition suitable for resale as is.

2. Since the merchandise traded in the Auction consists of unused or used merchandise, it must be noted that views of its quality state may differ depending on Members' individual value judgments or status as sellers or bidders.

3. It should be noted that no complaints will be accepted concerning matters not described in listing information.

4. Handling of complaints concerning matters not described in listing information is conditional on cases involving the premises of sound Auction trading, based on interpretation of matters such as whether the seller and bidder would interpret the situation similarly if their positions were reversed, taking into consideration merchandise information such as year of manufacture, grade, and merchandise-specific properties (including odors).

Article 24. Complaints regarding interior/exterior conditions

Such complaints shall be accepted only when the details described in the complaint from the successful bidder Member are recognized by the Company and the Auction to differ clearly from the details of the listed merchandise. In principle, such complaints shall be handled through price reductions (discounts), although they may be handled through cancellation of the contract if the Company has determined that the condition of the listed merchandise differs markedly from the listing.

Article 25. Same-day cancellation of a contract

The Member may cancel a sale contract only when requesting such cancellation during the hours that requests are accepted on the day of the Auction by paying the cancellation penalty and contract and successful bid fees below. The Company shall notify the other party by telephone of the fact that it has received a request from the successful bidder shop or the listing Member for same-day cancellation of the contract. If the other party cannot be reached due to absence or other reasons, the Company shall notify the party by fax or email before cancelling the contract.

Contractual cancellation requested for reasons of the successful bidder Member

10% of merchandise price of successful bid + fee (2% of the amount of the successful bid + consumption tax)

Contractual cancellation requested for reasons of the listing Member

20% of merchandise price of successful bid + fee (3% of the amount of the successful bid + consumption tax)

Article 26. Commissions for special Auctions

Commissions notified to Members separately may apply to special Auctions, such as those held in conjunction with other events.

Article 27. Other special provisions

The following agreements qualify as special provisions of these Terms. In the event of any conflict between these Terms and the special provisions, the special provisions shall apply with precedence over these Terms.

- Seller Agreement
- Successful Bidder Agreement

Article 28. Governing law, court of instance

The laws of Japan shall be the governing law for establishment, efficacy, and interpretation of the provisions of the Auction. The Tokyo District Court or the Tokyo Summary Court shall be the agreed exclusive court of first instance for any disputes arising between the Company and participants due to or in connection with the Auction services.

Additional provision

These Terms shall be established and take effect beginning April 1, 2022.

Additional provision

These amendments shall take effect beginning December 23, 2023.