

## Important Notice

December, 2013



To the members

Arai Auto Auction Group

Arai Shoji Co., Ltd.

## Auction Policy Addition and Modifications

Dear Arai Auto Auction Members, we would like to thank you for your patronage at Arai Auto Auction. In order to serve you better, we are constantly reviewing and modifying our auction policy in order to better adapt to the market conditions. From January 1st, 2014, we have made the following addition and modifications to our current auction policy. These changes will also affect our motorcycle auction policy.

We thank you for your understanding and cooperation.

Effective date

January 1st, 2014.

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### 1. Change to Chapter 5 Cosigner, Article 24 Changing your cosigner

1. A designated cosigner is jointly liable for all obligations of a Arai Auto Auction member with Arai Auto Auction Group, Arai Sendai Co., Ltd, and any alliance auctions that the member has participated in.
2. Liability of the cosigner includes all existing and future obligations. This liability will not exceed fifty (50) million yen for all combined transactions of the member.
3. When membership is renewed, the existing cosigners will continue to be jointly and severally liable for the obligations of the member, even in the case of renewed memberships, based on chapter 2, article 9.

For motorcycle auction policy, change in the article will be chapter 4, article 24

### 2. Chapter 11 Inspection Regulation, Chapter 11 [ I ] Inspection Regulation Article 6 (Quality Standard) Section 4 (3) Addition to auction flooding policy

«Addition»

- (3) For vehicles that have excessive muddy, opaque, water or otherwise dirty water that exceeds the lower left and right surfaces of the main body, Arai AA will determine this vehicle to be a flooded vehicle. (According to Arai AA ruling)