

J-Lease Guarantee Service Agreement : Statement on Material Terms

Distribution prior to contract execution is required.

1. Guarantee Company to Be Contracted with

The Guarantee Company with whom the Lessee is required to enter into an agreement (the "Agreement") shall be as specified as below:

Guarantee Company: J-Lease Co., Ltd.

Date of Registration: December 21, 2017

Contact: 0800-500-2103 (9:30 to 18:00 on weekdays)

Address (Oita Head Office): 3-19, Miyako-machi 1-chome, Oita-shi, Oita-ken, Japan.

Registration No.: Ministry of Land, Infrastructure, Transport and Tourism (2) No. 20

Contact Email Address: gosoudan@j-lease.jp

2. Scope and Content of Guarantee and Payment

If the customer should default on any one of the following items for which the Lessee and the Joint Guarantor of the Agreement owe the contractual liabilities, the Guarantee Company shall make the payment on behalf of the Lessee to the property owner (i.e., Lessor) or the agent to such owner to the extent of the Agreement. It shall be noted, however, that the payment for the following liabilities made by the Guarantee Company shall be merely of a temporary nature, and thus that the Lessee and the Joint Guarantor of the Agreement shall be ultimately liable for such payment. The scope and content of the guarantee shall be as set forth in the provisions of the Agreement.

- Total amount of monthly rent and expense for reinstatement
- Contractual penalty for early termination and contractual penalty for breach of duty for advance notice of termination
- Lease renewal fee and renewal processing commission
- Damages equivalent to rents incurred until surrender and expenses for litigation and other legal proceedings

3. Term of Guarantee

The term of the guarantee under the Agreement shall be one (1) year on and from the Guarantee Commencement Date (or the date when the Guarantee Company has received both of the guarantee fees and the guarantee service agreement executed by and between the Lessee and the Guarantee Company if the Guarantee Company has not received such guarantee fees or guarantee service agreement prior to the Guarantee Commencement Date), which shall be automatically renewed for another consecutive one (1) year upon the expiry on the same terms and conditions of the Agreement.

4. Cap on Guaranteed Amount

The guaranteed amount under the Agreement shall be subject to the following caps. The guarantee cap amount shall be as set forth in the provisions of the Agreement:

- (1) Total amount of monthly rent multiplied by 24 months for the guarantee on the residence, parking area, TRC (e.g., trunk room), student plan or J-AKINAI;
- (2) Total amount of monthly rent multiplied by 4 months for the guarantee on the J-Support (business use); and Total amount of monthly rent multiplied by 6 months for the guarantee on the J-Wing (business use).

5. Enforcement of Indemnification Right

If the Lessee of the Agreement should default on the rent or whatsoever and the Guarantee Company has made the payment of the rent under the lease agreement on behalf of the Lessee, the Guarantee Company may, upon making such payment, claim from the Lessee and the Joint Guarantor of the Agreement the payment of the same amount in substitution for the property owner and/or the real estate manager (which shall be referred to as "enforcement of indemnification right"). Further, if, in enforcing such indemnification right, the Guarantee Company incurs any expenses for the litigation or other legal proceedings, such expenses shall be also claimed against the Lessee and the Joint Guarantor of the Agreement. It should be further noted with caution that the customer shall pay to the Guarantee Company the subrogation fee in the amount of **2,700 JPY (exclusive of taxes)** per subrogation payment by the Guarantee Company, in addition to the original amount. The subrogation fee and other particulars shall be as set forth in the provisions of the Agreement.

6. Advance Indemnification

- (1) In the event of any one of the following, the Guarantee Company may enforce the indemnification right against the Lessee in advance even if the Guarantee Company has not performed its duty to guarantee:
- [1] If the Lessee has committed a breach of any provision under the lease agreement or the Agreement, and reasonably caused the necessity to secure the right of indemnification;
 - [2] If the Guarantee Company has determined that the location of the Lessee is unknown;
 - [3] If any debt consolidation proceeding (e.g., bankruptcy, civil rehabilitation, seizure or company reorganization) has been commenced against the Lessee;
 - [4] If the Lessee has made a resolution to discontinue its business or dissolve or undergone a deemed dissolution, or the Lessee has been subject to the government's order of business suspension or other disposition for the discontinuance of the business; or
 - [5] If other than any one of the preceding four sub-paragraphs, there has arisen any good reason for the Guarantee Company to secure its right of indemnification.
- (2) In the event where the Guarantee Company enforces its right of indemnification against the Lessee under the preceding paragraph, the Lessee shall have no right to invoke the defense under Article 461 of the Civil Code against such enforcement by the Guarantee Company. Notwithstanding the foregoing, where the Guarantee Company enforces its right of indemnification in advance, the Lessee may pay the liable amount to the property owner (i.e., Lessor) or the agent of such owner, in which case the Guarantee Company shall no longer have the right of advance indemnification vis-a-vis such paid amount.

7. Guarantee Service Fee

In consideration of the services, the customer shall pay the following guarantee fees. No guarantee fee shall be refundable even if the Agreement terminates prior to the expiry of the term of guarantee, or if the total amount of monthly rent is reduced during the term of guarantee or if the Agreement is canceled.

The authentic language as used herein shall be the Japanese language, and any translation of this text in any language shall be for the purpose of reference only.

ご確認ください 署名は必ず日本語版へお願い致します。ご署名いただいた日本語版の2枚目（コピー型の場合はコピー）と翻訳版をご契約予定者へ控えとしてお渡しく下さい。

Please confirm. Please ensure that your signature is rendered on the Japanese version. Please hand to the prospective contractee the second sheet of the Japanese version (if in a copy type, the copy thereof) with this translation version as a duplicate for the prospective contractee.

※不動産会社様 承認通知書をご確認いただき、お客様にお支払いただく保証料をご記入ください。

* Please confirm the notice of approval by the real estate agency, and fill out the guarantee fees to be payable by the customer.

不動産会社様	保証料	初回保証料	継続保証料	毎月保証料
Real Estate Agency	Guarantee Fees	Initial Fee	Renewal Fee	Monthly Fee
		***** 円 JPY	***** 円/年 JPY/Year	***** 円/月 JPY/Month

I received the statement on the material terms and understood as above.

上記、重要説明事項の説明を受け理解いたしました。

Prospective Contractee	Date of Consent	(Year), (Month) (Day)	Prospective Contractee Signing Space (Handwritten Signature)	*****
ご契約予定者様	同意日	20****年 **月 **日	ご契約予定者様 ご署名欄 (本人直筆署名)	*****

保証委託契約の重要説明事項についてご契約予定者様へご説明を行った不動産会社様および担当者がご記入ください。

The following shall be completed by the real estate agency and the personnel who have provided the Prospective Contractee with the statement on the material terms of the guarantee service agreement.

不動産会社様	会社名	担当者ご署名欄 (担当者ご本人直筆署名)	*****
Real Estate Agency	Company Name	*****	*****
		*****	*****
		Responsible Personnel Signing Space (Handwritten Signature)	*****