

# Solicitation Policy (Important Notification Matters Regarding Advertisements Etc.)

## 1. Seven Seas Advisors Co. Ltd.

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| A) Company Name   | Seven Seas Advisors Co. Ltd.  |
| B) Location   | Fukoku Seimei Bldg. 18th floor,<br>2-2-2 Uchisaiwaicho,<br>Chiyoda-ku, Tokyo  |
| C) Capital Stock  | JPY 50 million  |
| D) Date of Establishment                                  | July 15, 2009   |
| E) Business Description                                   | Real estate and debt investments, corporate revitalization investments, and asset management etc. Investments in debts, real estate, and equity shares  |
| F) Permits and Licenses                                   | Financial Instruments Business (Investment Management Business, Investment Advisory and Agency Business, and Type II Financial Instruments Business)<br>(Director-General of the Kanto Local Finance Bureau (Kinsho) No. 2305)<br>Real Estate Joint Enterprise Business<br>(Commissioner of the Financial Services Agency and Ministry of Land, Infrastructure, Transport and Tourism No. 53)<br>Comprehensive Real Estate Investment Advisory Business<br>(Ministry of Land, Infrastructure, Transport and Tourism (Sogo) No. 127)<br>Real Estate Business<br>(Tokyo Governor (3) No. 91149) |
| G) Membership in Financial Instruments Firms Associations | The Japan Investment Advisers Association, a general incorporated association<br>The Type II Financial Instruments Firm Association, a general incorporated association<br>The Tokyo Real Estate Public Interest Incorporated Association, a general incorporated association   |
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## 2. Fees and Commissions

The remuneration for business services commissioned to our Company depends upon the type of business service which has been commissioned to our Company, and is as follows.

### A) Real Estate Investment Advisory Business

The fees will be determined separately for each contract following consultation with the client, and taking into account the type, size, location, and business contents etc. of the property. The standards to be applied for such remuneration are as follows.

- (1) Upon acquisition of the property: Acquisition Fee  
Upon acquisition of the investment property, approximately 0.5% - 1.0% (excluding tax) of the acquisition price of the investment property.
- (2) During period of service: Asset Management Fee  
During the term of management of the investment property, approximately 0.5% - 2.0% per annum (excluding tax) of either the acquisition price or most recent appraisal value of the investment property.
- (3) Upon disposition of the property: Disposition Fee  
Upon disposition of the property, approximately 0.5% - 1.0% of the disposition price of the investment property.
- (4) Upon disposition of the property: Incentive Fee  
Upon disposition of the property, approximately 20.0% - 50.0% (excluding tax) of the profit amount exceeding a certain investor return level.

Provided however that, regardless of the remuneration structure described above, the remuneration structure may be separately determined for each individual real estate investment advisory contract (asset management contract etc.) to be entered into with the client, following consultation with the client and depending on the specific contract details and total contract amount etc.

### B) Investment Advisory & Agency Business

Remunerations for investment advice shall be established for each individual advisory mandate following consultation, and taking into account the target investment, management method, and content of advice. The standard for such remuneration shall broadly be set based on the following standards.

- (5) Up-front Fee  
Around 0.5% - 1.5% of the acquisition price (excluding tax)
- (6) Asset Management Fee

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Around 0.25% - 1% of the total investment value or total asset amount (excluding tax)

### (7) Performance Fee

Approximately 10% - 30% of the profit amount (excluding tax)

Provided however that, regardless of the remuneration structure described above, the remuneration structure may be separately determined for each individual investment advisory mandate (asset management contract etc.) to be entered into with the client, following consultation with the client and depending on the specific contract details and total contract amount etc.

### C) Investment Management Business and Type II Financial Instruments Business

In principle, the fees will be determined separately for each individual mandate following consultation with the client. Therefore, it is not possible to indicate in advance the expected or maximum amounts of consideration to be paid by type, or any general description of the method of calculation of such amounts.

In addition to the remuneration to our Company as stated above, the trustee fee and other fees and various expenses etc. related to real estate and funds etc. handled by our Company will also be determined based on consultation with third parties for each individual right to be invested in or for each individual trust beneficial interest, and therefore, it is not possible to indicate in advance the expected or maximum amounts of such consideration to be paid by type, or any general description of the method of calculation of such amounts.

### 3. Risks

Our Company provides no guarantee for the future performance of any investments, and there is a risk that the value of receivables, real estate, trust beneficial interests, or equity holdings in funds etc. handled by our Company may be impaired or reduced, or losses may arise, due to changes in the financial instruments market and real estate market, such as changes to the credibility of obligors etc., changes in interest rates, changes to the market real estate prices and rent levels, etc.

Furthermore, in addition to the risks stated above, there is a risk that the value of investments may be damaged or reduced and losses may arise due to effects from risk factors such as increase in tax burden following changes to the taxation system, loss of value due to Acts of God, and revision or abolition of laws and regulations. Our Company does not provide any guarantee of principal or any rate of yield, and losses of clients as a result of the value of investments in receivables, real estate, trust beneficial interests, and equity holdings in funds falling below the invested principal amount shall be borne solely by the client.

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For details with respect to individual products and mandates, please carefully confirm the documents delivered by our Company in advance of or upon signing the relevant contract (if any), or if no such documents exist, please carefully review all other available information.

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