

## TERMS AND CONDITIONS OF SALE

### GENERAL

This Agreement is entered into in the Province of British Columbia, Canada and shall be interpreted, enforced and governed by the International Sale of Goods Contracts Convention Act and the laws relating to business transactions taking place solely within Canada. The entire Agreement by and between "Gemlab Research & Technology - A subsidiary of Canadian Institute of Gemmology" (hereinafter "GEMLAB") and the purchaser named on the face of any invoice or purchase request (hereinafter "Buyer") pertaining to the purchase of the products described in this GEMOLOGY WORLD website, is set forth herein. This Agreement supersedes and terminates all prior and contemporaneous negotiations, discussions, offers, understandings, and/or representations, either oral, written, expressed or implied, relating to the subject matter hereof. This Agreement is intended to be a complete and integrated expression of the Agreement between the parties, and may not be altered, amended, modified or otherwise changed in any way except by a written instrument, which identifies the intended alteration, amendment or modification. Neither GEMLAB's performance nor delivery shall be deemed as acceptance of Buyer's additional or different terms and conditions. Buyer acknowledges that it has not entered into this Agreement in reliance upon any warranty or representation except for those explicitly set forth herein. All terms and conditions set forth herein apply only to domestic transactions unless otherwise agreed in writing.

### LIABILITY

All merchandise is being sold on express condition and understanding that GEMLAB shall in no way be liable in connection with the resale or safe handling of the merchandise. Nor has GEMLAB represented or offered any opinion by virtue of the sale that the products may be legally owned, possessed, bought or used in the location where the Buyer is located. Nor, has GEMLAB allowed, approved, authorized or otherwise offered any opinion as to the Buyer's proposed use of the product.

### TERMS OF PAYMENT

Buyer agrees that the sole form of payment acceptable for purchases is by wire transfer or cash payment in advance of shipment.

In the event, Buyer has previously established payment terms, and this GEMOLOGY WORLD website or any Invoice issued by GEMLAB fails to specify other terms of payment, then payment is to be received at the offices of GEMLAB within thirty (30) days after the date of shipment specified on any shipping document or invoice accompanying the shipment.

All sale prices, catalog discounts, payment discounts or any other negotiated discounts will be forfeited if payment is not received pursuant to the terms specified herein.

If Buyer fails to pay for merchandise received from GEMLAB within the terms established, Buyer shall pay a late charge of 1.5% per month on the balance owed.

GEMLAB shall have the right, at its sole discretion, to suspend and terminate the terms granted to any Buyer at any time without notice. Upon revocation of credit terms, all amounts owed to GEMLAB shall be immediately due and payable and future shipments may, in GEMLAB's discretion, be on C.O.D. terms.

Buyer agrees to pay on demand all collection agency charges (up to 30% of the balance owed) and all attorney fees and costs incurred in collection of its account.

Any dishonored check (for any reason) or credit card chargeback will be assessed a service charge of \$50.00 per instrument.

If GEMLAB agrees to accept a credit card payment for merchandise, Buyer hereby agrees and authorizes GEMLAB to charge his or her credit card for the amount of the purchase, shipping costs, handling charges, export duties, freight forwarding charges and any applicable sales tax prior to shipment to Buyer. Buyer further agrees that GEMLAB's authorization to process the credit card transaction by phone without Buyer's signature may not be revoked once the order has been shipped.

#### CANCELLATION

Upon cancellation of any order made on this GEMOLOGY WORLD website, Buyer agrees to pay all reasonable and necessary costs incurred by GEMLAB as a result of the cancellation of an order up to the full dollar value of the order.

#### PRICE

GEMLAB reserves the right to change, without notice, GEMLAB's published prices. All prices quoted on this GEMOLOGY WORLD website or in GEMLAB's catalogues, price sheets and other documentation shall be considered a cash and carry price FOB (Ex-Works) GEMLAB's Vancouver, B.C. Canada location ("Cash Price"). All other purchases may be invoiced at the cash price plus two percent (2%). GEMLAB specifically reserves the right not to accept payment for merchandise by any means other than cash. Prices do not include transportation and insurance, sales tax, use tax, VAT tax or any other taxes now in effect or hereafter levied by reason of this transaction. Buyer shall pay all taxes, other than taxes based on GEMLAB's net income, unless Buyer has provided GEMLAB with an exemption or resale certificate. Buyer agrees to indemnify and hold GEMLAB harmless for any liability for such tax, as well as the collection or withholding thereof, including penalties and interest thereon.

GEMLAB specifically reserves the right to correct quotations, clerical or stenographic error(s) by notification to the Buyer. All merchandise and services covered by this Agreement shall be sold and invoiced at the prices in effect at the time of each shipment, unless Buyer and GEMLAB have otherwise agreed in writing.

#### DELIVERY TERMS

A common carrier will be selected by GEMLAB, unless otherwise agreed in writing. GEMLAB does not assume any liability in connection with the selection of the carrier and the carrier shall not be deemed to be an agent of GEMLAB.

GEMLAB will use every reasonable effort to effect shipment on or before the date indicated. GEMLAB, however, shall not be liable for any delay or failure in performance or delivery of the goods or services unless it has agreed to such liability in writing. Further, GEMLAB will not be liable for ANY failure or delay in performance or delivery to be made under this Agreement where such delay, failure or inability in whole or part, directly or indirectly, arises or results from any cause beyond GEMLAB's control or beyond the control of GEMLAB's suppliers or contractors, including but not limited to, fire, explosion, earthquake, storm, flood or other weather conditions, unavailability of utilities or raw materials, strike, lockout, unavailability of components or workers, war, insurrection, riot, act of God, act of public enemy, law, order, export control regulation, proclamation, decree, regulation, ordinance, or instructions of government, judgment or decree of a court. In the event of any cause beyond the control of GEMLAB that results in delay or inability to perform, GEMLAB will give written notice to Buyer stating the period of time the same is expected to continue. In the event of any such delay or inability to perform, GEMLAB shall have such additional time within which to perform its obligations as is reasonably necessary under the circumstances. GEMLAB shall also have the right, as the result of a contingency, to allocate available inventory among its customers as GEMLAB considers equitable. If, as a

result of any such contingency, GEMLAB will be unable to perform this Agreement in whole or in part, then to the extent that GEMLAB is unable to perform, such obligations shall be deemed terminated without liability to either party.

Buyer must notify GEMLAB within five (5) days of receipt of goods if any error is found in shipment.

Buyer must contact GEMLAB within thirty (30) days of receipt of invoice or Statement if merchandise noted as shipped on said invoice has not been received, or there are missing parts, components or batteries. If Buyer does not contact GEMLAB within 30 days, Buyer is liable for all balances due on said invoice.

#### RETURNS AND WARRANTY TERMS

All special or custom orders of any type may not be returned or exchanged for credit. NO exceptions.

All returns of merchandise must be pre-approved by GEMLAB and assigned a return authorization number (RMA). The RMA number is to be clearly marked on the shipping label and packaging material. Unauthorized returns will not be accepted. Proof of purchase is required.

Returned goods are to be shipped prepaid. NO C.O.D. packages will be accepted.

NO returns for credit or exchange will be accepted seven (7) calendar days after purchase. A 15% restocking fee will be charged on all returns of non-defective products.

NO credit or exchange will be allowed for discounted, sale goods, obsolete, misused, modified or neglected products. All returned merchandise unclaimed after six months becomes GEMLAB's property.

#### JURISDICTION AND VENUE

All provisions of this Agreement are separate and divisible, and if any part is held invalid, the remaining provisions shall continue in full force and effect. This Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia, Canada. This Agreement shall for all purposes be deemed to have been formed and all performance is deemed to have taken place solely in Vancouver, B.C. Canada. The Superior Court for the Province of British Columbia, Canada shall be the sole venue for any dispute by and between the parties.