

## **General terms and conditions of sale**

1. Our goods are priced in US Dollars. All prices quoted in other currencies are indicative, for your convenience only, and subject to change without notice.
2. EL-RAN is not bound to provide at quoted price if it is obviously based on a typing or pricing error.
3. Prices of materials, raw materials or semi-finished products, freight, taxes, exchange rates and/or other costs of EL-RAN are liable to change at any time. If such prices or costs have increased between the date of the sale and the date of delivery, EL-RAN is entitled to adapt the selling price in proportion to such increase.
4. To the best of its knowledge, EL-RAN represents and warrants that none of its transactions are used for money laundering or any other illegal activity. Should the Buyer be involved in any of such illegal activities, he will be solely liable for any legal consequences resulting therefrom. EL-RAN will not be held liable for any illegal activity or damages arising out of money laundering or other illegal activities, conducted by the Buyer unless and until EL-RAN is intentionally involved therein.
5. EL-RAN is committed to controlling the quality of the diamonds it sells. This is done - as far as technically possible - by means of machines, devices and other equipment available in the industry. Among others, EL-RAN uses a high-tech screening device, a CVD and HPHT detector and an automatic sizing & sorting machine. Unless otherwise specified in writing, the goods invoiced are natural polished diamonds.
6. Once the purchase is confirmed, the goods cannot be taken back.
7. The place of delivery is the address provided by the Buyer. Once shipped, the order cannot be cancelled. Delivery dates are subject to change. Although EL-RAN will truly do its best to deliver in time, it cannot guarantee delivery dates. The Buyer agrees that EL-RAN accepts no liability for delayed delivery.
8. Risk and liability for the goods will pass to the Buyer upon delivery. As from the delivery, the Buyer shall bear any and all responsibility for any loss, destruction or disappearance.
9. Upon receipt of the delivered goods, the Buyer must promptly verify their quality (4Cs), quantity and price and inspect them carefully for defects and damage. EL-RAN will not be held liable for discrepancies that are raised or arise after delivery. The Buyer must provide evidence that the delivered goods are not compliant with his order or purchase agreement.
10. Clear visible defects or damages to the delivered goods cannot be held against EL-RAN if they are not reported on the delivery note, or transport slip, or in an official notice sent to EL-RAN upon delivery.
11. Any claim, complaint or protest from the Buyer - reported later than seven (7) days after delivery - will be precluded. For purpose of clarity, the seven-day period starts and includes the day of delivery. After the 7<sup>th</sup> day, the Buyer automatically assumes full responsibility for all damages, defects in the delivered goods, and for all discrepancies between his order or purchase agreement and the delivered goods, including but not limited to all disputes regarding the 4C's, quality, quantity difference, characteristics of the delivered diamond (synthetic diamond or high pressure / high temperature diamonds (HP - HT). EL-RAN can neither be held liable for any direct nor indirect consequences arising therefrom.
12. EL-RAN will not be liable for any indirect damages, including, without limitation, consequential damages, lost profits, loss of income, loss of contracts and opportunities, immaterial or moral damages. Notwithstanding anything to the contrary herein contained, EL-RAN's liability for any breach of these terms and conditions or the purchase agreement, is limited to compensation for direct damage, up to the purchase price of the goods. This limitation of liability does not apply in case of fraud, deliberate breach or gross negligence.
13. Notwithstanding art. 1138 and art. 1583 of the Belgian Civil Code, ownership of the goods will pass to the Buyer only when they have been paid in full.
14. In the event of late or defaulted payment EL-RAN is automatically entitled, without the necessity of a reminder, to charge interests for delay of 1,5 % per each current and commenced month, with a minimum of €500,00 without prejudice to any other compensation. The invoiced amount will be increased by a penalty clause of 15% of the invoice, with a minimum amount of €2.000,00 to cover EL-RAN's additional administrative costs and expenses, without prejudice to legal costs and expenses. In the default of payment of one invoice on the due date, all other amounts shall become immediately due and payable.
15. EL-RAN has the right to use its right of retention until all amounts due by the Buyer are paid in full.
16. In the event of bankruptcy of the Buyer prior to full payment of the purchase price, the purchase agreement is automatically terminated. In such event, EL-RAN has, with immediate effect and automatically, the right to call on its privileged lien with regard to the sold goods in compliance with art. 20, 5° of the Mortgage Act, and/or to reclaim the sold goods pursuant to art. 197 of the Belgian Code of Economic law.
17. In accordance with art. XX.196 of the Belgian Code of Economic law, EL-RAN may reclaim from the bankrupt Buyer the goods given in deposit or on consignment. If these goods have been sold by the bankrupt Buyer, but have not yet delivered, the price of these goods or the unpaid part thereof may be recovered settled in value or set off in a current account between the bankrupt Buyer and his purchaser.
18. Force majeure is any situation in which EL-RAN is unable to meet any or all of its obligations due to circumstances beyond its control and thus cannot be attributed to EL-RAN. Force majeure covers, without limitation; war, threat of war, riots, disease, natural disasters, acts in relation to import/export, transport disruptions, strikes, breakdown of utilities, fire and other serious disruptions. In case of force majeure, EL-RAN is entitled to extend the delivery period in proportion to the duration of the force majeure or - at its discretion - to terminate the sale agreement without being liable for any damages.
19. This sale, these terms and conditions, and any dispute arising therefrom are subject to the laws of Belgium and to the Court of competent jurisdiction in Antwerp or to any other court elected by EL-RAN. In case the Buyer or, without limitation, its director, general manager, manager (with general power of attorney), active partner or employee (with general power of attorney) is a member of a bourse affiliated to the World Federation of Diamond Bourses (WFDB), the general Rules and Regulations of the WFDB will apply.
20. The Buyer legally accepts the current general terms and conditions of sale by placing his order. Therefore, only the current general terms and conditions of sale are applicable unless otherwise provided in writing signed by both the Buyer and EL-RAN.
21. No waiver by either party to this agreement, of any failure to comply with any covenant or clause of these terms and conditions shall be deemed a waiver of any prior, subsequent or continuing breach of the same, or any other covenant or clause.
22. EL-RAN reserves the right to modify these general terms and conditions of sale at any time without notice.
23. In the event that any of one or more provisions of these general terms and conditions are held to be invalid, illegal or unenforceable in any respect, this shall not affect any other provisions of these general terms and conditions, and all other provisions shall remain in full force and effect.