

Sunny Eden

Purchase Order Terms and Conditions

The following Purchase Order Terms and Conditions (the "POTC") applies to every purchase order placed with Sunny Eden or its authorized reseller. Upon the purchaser's order to Sunny Eden, the POTC will be binding on Sunny Eden (the "Company") and the purchaser (the "Purchaser") to the following terms and conditions:

1. **Effect of POTC.** By placing a purchase order with Sunny Eden, the Purchaser thereby enters into this POTC and is legally bound to purchase the Product, as defined in the associated Purchase Order. Upon placing a Purchase Order, the Risk of Loss shall be borne by the Purchaser. Capitalized Terms not defined in this POTC shall have the definition assigned in the Purchase Order.

2. Payment Terms and Conditions.

a. On the date of signing of the POTC, the full Purchase Price, as defined in the associated Purchase Order, shall be due and payable in full. Purchase Order for the Product is only deemed accepted by the Company if the Company has received the full amount of the Purchase Price.

b. Notwithstanding delivery and the passing of risk, property in and title to the Product shall remain with the Company until the Company has received full payment of Purchase Price. Payment of the Purchase Price shall include, without limitation, the amount of any interest, the applicable sales tax at the time of the purchase, or other sum payable under the POTC between the Company and the Purchaser.

c. All applicable sales taxes, including applicable import duty, customs fees, or other charges of destination countries, or value-added taxes, good and sales taxes, or other taxes or duties shall be paid by the Purchaser immediately upon placing an order.

d. Payment can be made by any method deemed acceptable by the Company.

3. **Authorized Resellers.** Purchaser may affect payments through an authorized reseller of the Company or a regional sales/trading office or a subsidiary of the Company. Such payments must be authorized by the Company in writing.

4. Cancellation Policy.

a. Except as provided in sections 4(b) and 5 below, Purchase Orders are final and non-cancellable, and the purchase price shall not be refundable.

b. Purchase Orders may be canceled only in the event that the Purchase Order includes a Commemorative Diamond created by carbon contained in the Material provided by the Purchaser and the amount of carbon contained in the Material is not sufficient, in the sole the discretion of the Company, for the manufacturing of Commemorative Diamond at any size.

c. In the event an order is canceled pursuant to section 4(b) or 5, the Purchase Price paid shall be returned minus a fixed cancellation fee of \$200. The Company will attempt to return the Material, if applicable. The Material may not be returned in its original form, for example Material may be in powder form due to attempted processing. The Purchaser acknowledges and agrees that the Material may not be returned if processing has already commenced.

5. Cooling Off Period

a. The Company provides a Cooling Off Period of fifteen (15) calendar days from the date of the signing of the Purchase Order, within which time the Purchase Order may be canceled, and a refund of the Purchase Price paid minus the fixed cancellation fee of \$200 will be issued by the Company. The Purchaser acknowledges and agrees that any request for the cancellation of the Purchase Order must be made in writing and will be acknowledged by the Company in writing. The Company will attempt to return the Material, if applicable. The Material may not be returned in its original form, for example Material may be in powder form due to attempted processing. The Purchaser acknowledges and agrees that the Material may not be returned if processing has already commenced.

b. A full refund will be issued only after the prepayment amount has been cleared. After the cooling-off period has expired, the prepaid amount will not be refunded to the Purchaser, unless the Company is solely liable to the failure to fulfill the Purchase Order.

6. Intellectual Property. No intellectual property rights pass from the Company to the Purchaser under this Purchase Order. All rights (including ownership and intellectual property rights) in any trademarks, patents, copyrights, know-how, specifications, instructions, plans, drawings, patterns, models, designs or other material provided or made available to the Purchaser by the Company pursuant to the Purchase Order shall remain vested solely in the Company. Except to the extent necessary for the implementation of the Purchase Order, the Purchaser shall not without prior written permission use or disclose any information in relation to intellectual property rights contained in the Product pursuant to the Purchase Order.

7. Materials

a. Certain Purchase Orders include a Commemorative Diamond created by carbon contained in the Material provided by the Purchaser. For these Purchase Orders, the Purchaser acknowledges and agrees that in order to manufacture a product, it is necessary to use carbon collected from the Material provided by the Purchaser.

b. The Company makes no guarantee that the formation of the diamond will be successful in every case. In certain cases, impurities of the Material will not allow for diamond growth. The Purchaser assumes all such risks.

c. The Purchaser represents and warrants that: (i) The Purchaser has good title to the Material provided by him/her for the purpose of the creation of the Product. Such title has not been encumbered by any third parties' claims; (ii) No consent of third parties is required to use the Material for the purposes of creation of the Product; and (iii) In the event of any claims and/or disputes connected to the right to the Material, the Purchaser shall be liable to the resolution of such claims and disputes, and shall settle all differences at his/her own expense.

d. The Purchaser does hereby acknowledge that he/she is aware that any Material he/she provides for the purposes of creation of the Product will be subject to processing and purification in order to obtain a set of carbon isotopes, biological element such as nitrogen and nickel, microelements inherent to a specific person or animal, in order to provide personalized basis for creation of the Product. The Purchaser agrees and understands that in the process of the creation of the Product, the Material will irreversibly and incontrovertibly lose its original structure, and cannot be returned to him/her in its original state.

e. The Purchaser must provide the Company with the Material. The Material can be collected by a Company's representative in person (dependent on a representative within the Purchaser's location), delivered by the Purchaser in person, or sent to the address provided by the Company in a secure sealed plastic container or bag supplied by the Company.

f. The Company strongly recommends the use of a secure and registered delivery service as the Company will not accept any responsibility for any Material lost during the transportation of the Material.

g. The Purchaser acknowledges and agrees the Material will be used by the Company in accordance with its internal or external procedures including, but not limited to: transportation, analysis, purification extraction of carbon for the purposes of creation of the Product, standby storage, and so forth.

h. The Purchaser acknowledges and agrees that the carbon extracted from hair will be combined with solvent catalyst, pad, plug, diamond seed, graphite heater, carbon sleeve-tube, magnesium oxide sleeve-tube, pressure-transmitting media, special sealing gaskets, generic carbon, current leads, thermal insulation, and other necessary components for the High-pressure High-temperature process, and thus the Product (diamonds) will contain environmentally induced elements, metal catalysts or inclusions besides pure carbon.

i. The Purchaser acknowledges and agrees that due to the sophisticated technology involved in the creation of the Product, the amount of carbon extracted from the Material may not be sufficient for the successful creation of the Product. The Purchaser acknowledges and agrees that it is not possible to assess whether the Material contains sufficient amounts of carbon before its analysis has taken place. The Purchaser acknowledges and agrees that if the amount of carbon extracted from the Material is deemed by the Company as insufficient for the successful creation of the Product, he/she will be offered the opportunity to submit additional Material at no extra charge or a full refund of the prepayment paid to the Company except the fixed cancellation fee, otherwise carbon extracted from the Purchaser's Material need to be supplemented by generic pure carbon obtained and purified from nature. The Purchaser acknowledges and agrees that the Company will not be able to return the Material or any of its components after the creation process has started.

j. The Purchaser acknowledges and agrees that the refund of the Purchase Price paid by the Purchaser for the Product is final and covers all losses of the Purchaser in full. The Company will not be liable to the Purchaser, or any third parties that may be directly or indirectly or potentially connected with the Purchase Order, for any damage, whether direct or indirect or consequential or collateral or economic or otherwise.

k. The Purchaser acknowledges and agrees that in the event of the loss of the Material by the Company during transportation to the laboratory, the Company will immediately notify him/her about the loss and offer to allow Purchaser to submit additional Material at no extra charge or elect to receive a refund of the Purchase Price paid minus a fixed cancellation fee of \$200. The Purchaser does hereby acknowledge that the refund of Purchase Price paid by the Purchaser for the Product is final and covers all losses of the Purchaser in full, and the Company will not be liable to the Purchaser, or any third parties that may be directly or indirectly or potentially connected with this order, for any damage, whether direct or indirect or consequential or collateral or economic or otherwise.

8. Product.

a. The Purchaser warrants that he/she understands the following conditions set out below and agrees to them:

i. Every diamond may have inclusions;

ii. The Company, in its sole discretion, shall determine the method and technology used to create the diamond;

iii. Adding a diamond seed (a micro diamond that may be natural or synthetic) to the diamond synthesis foundation to serve as the crystallization core is the basic and prerequisite of all HPHT and CVD diamond synthesis theory;

iv. The process of creation of the Product takes place in conditions of high temperatures and pressure, similar to those of diamond development in the Earth crust and may involve thermobaric annealing or BHT treatment for the purposes of a change of color where required;

v. The Company will endeavor to obtain a top-quality diamond. In the event that the quality may be improved only by reducing the weight of the diamond, the Company and the Purchaser will have to communicate and coordinate in this respect;

vi. Clarity of the diamond can vary from IF to I and might not meet the Purchaser's wishes or wishes of any third parties interested in the creation of the Product;

vii. There is a risk of loss of the Product in the process of its creation;

viii. By entering into the Purchase Order, the Purchaser assumes all risks provided in the clauses in the POTC in relation to the creation and manufacture of the Product;

x. Due to the unique custom-made nature of the Product and the creation process involved, the Company makes no guarantee regarding the size, color, clarity, or cut of the diamond;

xi. The Purchaser accepts that the exact color of the Product will be subject to the variations incidental to the creation process and following guidelines are for the Purchaser's reference:

- a. Sunny Yellow – combination of various tones and shades of yellow and goldish yellow;
- b. Eden Green – combination of various tones and shades of yellow and green;
- c. Rose Pink – combination of various tones and shades of pink;
- d. Sky Blue – combination of various tones and shades of blue;
- e. Colorless – Product in this option can carry slight blue tint and color can vary from D to Z on GIA scale;
- f. Saturation of the Product can vary from Faint to Fancy Deep.

b. Above average sizes may have a variation up to 0.05 carat for options below 0.50 (included) and 0.10 for options above 0.50 (excluded). If the diamond exceeds the

guaranteed range, no additional payment is required. Conversely, if the diamond is smaller, a partial refund will be made in the sole discretion of the Company.

c. Should the weight of the finished Product be less than specified in the Purchase Order, the Company shall reduce the price of the Product proportionately to the reduction in size. Should the weight of the finished Product be more than that agreed between the Parties in the Purchase Order, the Company shall not increase the price of the Product. Discrepancies between the actual weight of the Product and that agreed between the Parties in the Purchase Order shall not constitute breach by the Company of its obligations, nor shall it constitute grounds for refusal of the Purchaser to accept the Product.

d. The Purchaser acknowledges and agrees that due to the sophisticated technology involved with creation of the Product, the Product might not be successfully created. In the event of the failure of the process for any reason, which results in the unintentional loss of the Product in the process of its creation, and if the Product cannot be created anew from the remaining Material, the Company will immediately notify the fact thereof to the Purchaser. The Purchaser will have the choice of either supplying additional Material and proceeding with further efforts to develop the product at no additional cost to the Purchaser or to receive a full refund of the prepayment minus a fix cancellation fee of \$200. The Purchaser acknowledges and agrees that the refund of the prepayment is final and covers all losses of the Purchaser in full, and the Company will not be liable to the Purchaser, or any third parties that may be directly or indirectly or potentially connected with this order, for any damage, whether direct or indirect or consequential or collateral or economic or otherwise. The Purchaser understands that in such circumstances the Company will not be able to return the Material or any of its components.

e. The Company and the Purchaser agree that nothing in the POTC or in the Purchase Order Form shall be construed as a promise or guarantee of a successful outcome of the procedure of manufacture of the Product. The Company commits to take all reasonable steps necessary for attainment of the Product with the characteristics set out in the Purchase Order Form. The Company makes every attempt to ensure that their website and catalog are as accurate and complete as possible, but the images of the website and catalog shall not constitute any promise or guarantee of the final Product. Some products may appear larger or smaller than their actual size in our photographs; and since every digital device monitor is set differently, color and size may vary slightly.

9. Jewelry

a. It is the sole responsibility of the Purchaser to ascertain the correct ring size. Due to the unique custom-made nature of the jewelry settings, the Company does not accept responsibility or liability for incorrect ring sizing, for which the Purchaser shall assume full and final responsibility.

b. The Company strongly recommends using a local jeweler in order to establish the correct ring size before the Purchaser places any order.

10. Shipping

a. Due to the high value of the Products, the Purchaser acknowledges and agrees that delivery shall only be performed in person by the Company's representative (dependent on a representative at the Purchaser's location), or by using secure courier services.

b. The title and risk in the Product shall be deemed vested in the Purchaser once the manufacturing process of the Product is complete. The Company will arrange for an appropriate delivery service (e.g. by courier) for the Product to be transported to the Purchaser immediately after the manufacturing of the Product.

c. The Company does not accept responsibility or liability for any Product or Material being lost in the delivery system. All Products will be delivered by hand or sent /delivered by courier or registered and trackable mail.

d. The Purchaser shall be deemed to have accepted delivery of the Product once he/she has signed the delivery form of the delivery service. The Purchaser assumes the responsibility, upon accepting delivery, to confirm the Product is in a merchantable state and corresponds to his/her Purchase Order. Should any discrepancies arise, the Purchaser is bound to inform the Company within fifteen (15) calendar days.

e. Any loss of the Product during the delivery process must be claimed within fifteen (15) calendar days (inclusive of the date of the loss of Product) of scheduled delivery and accompanied by a police's report and the report's certified translation into either German, English or French.

f. After fifteen (15) days, the Product shall be deemed accepted by the Purchaser.

11. Timeline and Delivery Dates.

a. The Purchaser shall be notified of an approximate order completion date at the time of placing the order and will also be informed of any potential delays.

b. The Purchaser acknowledges and agrees that all orders are subject to the above processing times and that final delivery time will depend on both the processing times outlined above and further delivery time to the final destination.

c. The setting the diamonds into jewelry items, and/or the certification at Gemological Institute of America (GIA) / International Gemological Institute (IGI) for certification and inscription will each add approximately sixty (60) business days to the order completion times and selection of both of these options will therefore add approximately sixty (60) business days.

d. The average time from payment by the Purchaser to delivery of the Product is six (6) months. However, because the production period is largely determined by the size being ordered and other orders in queue at the time, there may be variation in delivery times ranging from approximately three (3) months to approximately twelve (12) months. No delivery delay shall be grounds for any reduction in price, cancellation of order, refund of order, or any damages whatsoever.

e. The Purchaser acknowledges and agrees that order completion terms are given as guidelines only and that Company reserves the rights to extend these order completion terms as necessary or as required by the manufacturing process, the volume of orders or the size and/or color of ordered Products.

12. Importer of Record. When ordering from the Company, the Purchaser is the importer of record and must comply with all laws and regulations of the destination country.

13. Publicity.

a. The Company shall be entitled to use and publish photographs of all Products, diamonds and jewelry settings for uses, including but not limited to Company records, employee education and marketing and sales materials.

b. The Company shall be entitled to establish and maintain a customer database containing records of the Purchasers. The Company may publish all or part of its customer lists, provided that in doing so it does not disclose any personal information or sensitive information and does not contravene applicable privacy laws.

14. Warranties and Guarantees.

a. The Company warrants that the Product will be specified as a diamond and will be accompanied by a Certificate confirming the creation of a personalized diamond.

b. The Product is guaranteed against defects caused by or originating from the synthesis process for its lifetime. The Product is not guaranteed against damage, loss or theft, breakage as a result of misuse or application of any external forces or its being under any adverse environments, including but not limited to high temperature or high pressure, chemical reagent cleaning, physical hit, fire, laser, or polishing by the Purchaser. Natural inclusions including but not limited to graphite, melting pit, burning mark, and metallic inclusions that may appear as a result of the synthesis process are not considered as defects and the Company does not assume responsibilities or liabilities in connection with them.

c. The Purchaser acknowledges and agrees that the Product cannot be subjected to direct torch heat and must be covered or protected by heat shield during any jewelry mounting process.

15. Limitation of Liability.

a. The Company shall not be liable for any loss or damage caused to Purchaser or other parties arising out of or in connection with any delay in Company's performance, or the inability to use the Products, or any defect or nonconformity therein.

b. In no case shall the Company be liable to Purchaser for any breach of an express or implied warranty, negligence or any other tort for loss or damage to property or loss of use thereof, increased or additional costs or expenses incurred by the Purchaser or claims of any kind by Purchaser or other third parties.

c. In no event shall the Company be liable to Purchaser for any lost profits or loss of business or for indirect or incidental, consequential or special loss or damage.

d. The express rights and remedies under the POTC constitute the Purchaser's sole remedies and the Company's sole and exclusive liability to the Purchaser.

16. Indemnification. Purchaser shall indemnify the Company, its representatives, business associates and suppliers, and hold them harmless from and against any loss, cost, damage, claim, liability or expense, including reasonable attorneys' fees, that they may incur by reason of (i) any breach of the Purchaser's representation and warranties in the POTC, (ii) any act or omission occasioned by Purchaser in the delivery of the donated Material, or (iii) the Company's delivery of the order.

17. Dispute Resolution

a. Any and all disputes, claims or differences arising out of or relating to this Purchase Order or the alleged breach thereto shall be settled by mutual consultation between the Company and the Purchaser in good faith as promptly as possible, but failing such amicable settlement, shall be submitted to binding arbitration.

b. Arbitration shall be provided under the American Arbitration Association's Commercial Arbitration Rules in San Francisco County, California, United States.

c. The decision and awards of any such arbitration shall be final and binding upon the Parties.

18. Miscellaneous

a. **Force Majeure.** Company will not be liable for any delay or failure in performing its obligations under the Purchase Order or this POTC to the extent that such delay or failure is caused, without such party's fault or negligence, by a Force Majeure Event. For purposes of this Purchase Order, a "Force Majeure Event" refers to the occurrence of unforeseeable and/or unavoidable circumstances beyond Company's control that, by their nature, make performance commercially impractical, including, but not limited to, acts of God or the public enemy, fire, flood, acts of war, government action, accident, earthquakes, explosion, epidemic, invasion, hostilities, terrorist acts, riots, strike,

embargoes or industrial disturbances. The Company will use all diligent efforts to end the failure or delay of its performance.

b. **Severability.** If any provision of the POTC is held invalid, illegal or unenforceable for any reason by any court of competent jurisdiction, such provision shall be severed and the remainder of the POTC shall continue in full force and effect as if it had been executed with the invalid, illegal or unenforceable provision eliminated. In the event of a holding of invalidity so fundamental as to prevent the accomplishment of the purpose of the Purchase Order, the Company and the Purchaser shall immediately commence negotiations in good faith to remedy the invalidity.

c. **Governing Law and Jurisdiction.** This POTC shall be governed by and interpreted in accordance with the law of the State of California, United States of America and shall be subject to the exclusive jurisdiction of the Courts of San Francisco County, California.

d. **Entire Agreement.** These Terms and Conditions of the Purchase Order together with any subsequent amendments made in writing between the Company and the Purchaser represent the entire agreement between the Company and the Purchaser.

e. **Modification.** The Purchase Order shall not be modified unless such modification is agreed by the Company and the Purchaser in writing.

f. **Language.** The only official version of the Purchase Order, and all communications related to the Purchase Order, will be in the English language.