



CREDIT APPLICATION

American Gem Society Laboratories, LLC
8917 West Sahara Avenue, Las Vegas, NV 89117
Tel: (702) 233-6120 Fax: (702) 233-6125 Email: Support@agslab.com

Exact Legal Business Name: _____
D/B/A: _____
Address: _____
City: _____ State: _____ Zip: _____
Telephone: () _____ Fax: () _____
E-mail Address: _____

Business Information

Business Type: _____ Kind/Product _____
Number of Years Established: _____
Type of Ownership: Corporation Partnership Proprietorship Other: _____
Federal ID Number: _____ Resale Number: _____
AGS Member YES No Member Number: _____

Authorized Principal(s) and Buyers

Name of Principal Officer/Owner: _____
Home Address: _____ Tel #: _____
Additional Principal Officer/Owner: _____ Title: _____
Home Address: _____ Tel #: _____
Name of Authorized Buyers: _____

Jewelers Board of Trade Information

Jewelers Board of Trade ID: _____

Credit Agreement

The undersigned expressly agrees that if the account of the Customer to American Gem Society Laboratories (AGSL) becomes delinquent and must be placed in the hands of an attorney, the undersigned shall pay all collection costs, attorneys' fees and court costs incurred in the collection of said account, plus a delinquent finance charge of 1.5% per month (18% per annum). Credit terms are at the absolute discretion of AGSL. The accrual of interest does not authorize the undersigned to defer payment of any indebtedness to AGSL beyond stated credit terms. All sales are net 30 days from date of invoice unless otherwise specified on invoice. All past due accounts accrue interest at 1.5% per month (18% per annum) on the declining balance, or at the legal rate of interest, whichever is less. The undersigned agrees that if AGSL is required to bring a lawsuit to collect monies owing AGSL, the venue of the lawsuit shall be in Clark County, Nevada, and that the state laws of Nevada, shall have the exclusive jurisdiction over the subject matter and all parties to the lawsuit. This Credit Application shall be construed in accordance with the laws of the State of Nevada, notwithstanding its provisions on conflicts of law.

The undersigned acknowledges that they have read this Credit Application; that they understand the terms of this Credit Application; that the undersigned has executed and delivered this Credit Application to induce AGSL to grant credit terms to the undersigned; and understand that AGSL will rely on this Credit Application in granting credit terms to the undersigned. The undersigned acknowledges and agrees that the rule of contract law which states that any ambiguity or contradiction in a contract shall be resolved against the drafter of such contract is hereby waived and shall not apply to the interpretation of this Credit Application. Everything stated in this Credit Application is true and correct to the best knowledge of the undersigned. The undersigned acknowledges that AGSL will retain this Credit Application whether or not it is approved. AGSL is authorized to check on the credit of the undersigned.

Signature Title Date

CREDIT APPLICATION WILL NOT BE PROCESSED UNLESS COMPLETED IN FULL, SIGNED AND DATED

CLIENT SERVICE AGREEMENT

American Gem Society Laboratories™
8917 W. Sahara Ave.
Las Vegas, Nevada 89117

This **Client Service Agreement** (“Agreement”) is made and entered into this day of _____, 20__ (the “Effective Date”), by and between the American Gem Society Laboratories, LLC (“AGS Labs”), and _____, a _____ (the “Client”).

Recitals

- A. AGS Labs performs diamond grading analysis and services for the jewelry industry and issues diamond grading reports/documents in connection therewith.
- B. Client desires to have AGS Labs grade and/or examine and issue Documents on Articles to be delivered by the Client to AGS Labs.
- C. For the purpose of this Agreement, the term “Article” means a diamond, gem material or other article of any kind delivered by Client to AGS Labs; the term “Receipt” means any receipt issued by AGS Labs for any Article; and the term “Document” means any diamond grading document or report issued by AGS Labs that describes the cut, color, clarity or weight of an Article, and includes any verification of, update to, or any supplement to, such Document.

NOW THEREFORE, in consideration of the foregoing premises, the agreements made herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. **Services.** AGS Labs agrees to grade and/or examine and issue Documents on Articles to be delivered by the Client to AGS Labs. The Client acknowledges that in accepting delivery of any Article, in grading and/or examining any Article, and in issuing any Document, all for a relatively small fee compared to the present and potential value of such Article(s), AGS Labs is and will be acting in reliance on, and in consideration of, the following, agreements, acknowledgments, authorizations and releases by the Client:
- a. Client acknowledges (i) a Document is not a guarantee, valuation or appraisal, and may not be referred to as such; (ii) AGS Labs does not give economic valuation; (iii) AGS Labs does not give Documents on any Article except diamonds; (iv) AGS Labs makes no representation or warranty whatsoever, expressed or implied, regarding any Document or any Article; (v) a Document contains only a description or the results of the grading and/or examining by AGS Labs at the time of the grading and/or examining; (vi) the results of AGS Labs grading and/or examining of an Article may reasonably vary from the results of grading and/or examining performed by others, and may differ in the future as a result of changes and improvements in techniques and equipment for grading and/or examining; and (vii) AGS Labs specifically disclaims all express, implied and statutory warranties, including, but not limited to, the implied warranties of fitness for a particular purpose, merchantability, and non-infringement.

- b. Client hereby authorizes AGS Labs to deliver any Article to any person presenting the Receipt for such Article, unless written notice to the contrary shall have been received by AGS Labs prior to delivery.
- c. Client agrees that AGS Labs may return all Articles delivered to AGS Labs using the same carrier and insured for same value declared by the Client in shipping such Articles to AGS Labs provided such insurance is available through said carrier. Client agrees that AGS Labs will only insure registered mail parcels to a maximum of \$25,000. Client further agrees to pay all costs of shipment and insurance to and from AGS Labs and that AGS Labs shall not be responsible or liable for losses of or damages to any Article if shipped in accordance with this paragraph or with Client's express written instructions. Client also agrees that it is solely and fully responsible for all Articles submitted to AGS Labs by Client.
- d. Client agrees that, regardless of the declared value or amount of insurance referenced in preceding paragraph, if there is a loss, mis-delivery or damage of any Article shipped by AGS Labs to Client in accordance with the terms of the preceding paragraph or with Client's express written instructions, Client shall remain liable and agrees to pay any and all fees associated with the services provided by AGS Labs to the Client under the terms of this Agreement in compliance with Section 2 of this Agreement.
- e. Client agrees that, even if not requested by the Client, AGS Labs may conduct tests using currently available technology on an Article in an effort to determine if the Article is natural, synthetic or whether it has been treated or processed, including but not limited to high-pressure, high-temperature (HPHT) treatment. If Client does not disclose to AGS Labs in writing at the time of submission that an Article is synthetic or that it has been treated or processed, AGS Labs, may, at its discretion, charge Client AGS Labs' then current fees for testing the Article as set forth in AGS Labs' then current fee schedule, and Client agrees to pay all such fees in accordance with the terms of this Agreement. Client acknowledges that the tests used for testing Articles are subject to change, evolve and include certain subjective elements. Consequently, Client agrees that it may not be possible for AGS Labs to determine whether an Article has been processed or treated using then current techniques and technology in all cases, that AGS Labs makes no representations or warranties to the Client in this regard or as to the treatment status of the Article, including but not limited to HPHT treatment status, and any examination or comment concerning whether an Article has been processed or treated (including HPHT treated) is only an opinion of AGS Labs based upon tests performed using currently available technology. Client agrees that AGS Labs shall not have any liability to Client or any third party for the failure to detect whether an Article has been processed or treated or for an inaccurate determination whether an Article was treated or processed. CLIENT AGREES TO INDEMNIFY AND HOLD HARMLESS AGS Labs AND ITS EMPLOYEES AND AGENTS AGAINST AND FROM ANY AND ALL LOSSES, DAMAGES, COSTS, AND EXPENSES, INCLUDING ATTORNEY'S FEES, INCURRED BY AGS Labs ARISING OUT OF, RELATED TO OR RESULTING FROM (1) THIRD PARTY CLAIMS THAT AN ARTICLE SUBMITTED BY CLIENT IS SYNTHETIC, TREATED, OR PROCESSED WHEN CLIENT, AT THE TIME OF SUBMISSION OF AN ARTICLE, DID NOT DISCLOSE TO AGS Labs IN WRITING THAT SUCH ARTICLE WAS SYNTHETIC, TREATED, OR PROCESSED OR (2) CLIENT'S BREACH OF THIS AGREEMENT, INCLUDING ANY OF CLIENT'S REPRESENTATIONS, WARRANTIES, COVENANTS, OR ACKNOWLEDGEMENTS CONTAINED HEREIN.
- f. Client understands that AGS Labs also provides inscription services, which services are not part of this Agreement. If Client desires to have AGS Labs provide such inscription services, Client will be required to execute and submit a separate Inscription Agreement for each request for

inscription services. Client further agrees that any and all fees due for inscription services shall be paid to AGS Labs in accordance with the terms of this Agreement. A form of the Inscription Agreement is attached hereto as **Exhibit A**.

- g. Client further agrees, represents, and warrants that, with respect to any mounted Articles submitted to AGS Labs for grading through AGS Labs' mounted grading services, (i) all diamonds in the Articles shall be natural diamonds that have not been HPHT processed or subjected to other enhancement treatments; (ii) the estimated total carat weight is accurate to the nearest hundredth of a carat (1/100th or 0.01 carat) and will be supplied to AGS Labs to the nearest hundredth of a carat; (iii) the Article description supplied by Client is accurate and not misleading; (iv) the metal type and corresponding stamps or hallmarks are accurate; and (v) Client shall not transfer or display the Document in conjunction with a given Article unless Client first ensures that the AGS Labs report number displayed on the Document matches the AGS Labs report number on the tag affixed to the Article. With respect to AGS Labs' mounted grading service, Client also acknowledges that the Document shall be subject to applicable terms and conditions referenced in the Document and that AGS Labs does not (1) test or verify the metal content of Articles submitted for mounted grading, (2) test or verify the estimated total carat weight provided by client, (3) test or grade the color or clarity of any diamonds in the Article with an estimated individual carat weight under 0.18 carat, (4) test or grade polish, symmetry, or other cut parameters for the Article, or (5) provide AGS Labs' nomenclature on the Document. In the event Client provides an estimated total carat weight that omits either the tenth or hundredth of a carat, AGS Labs shall presume that any omitted digit(s) is zero and will reflect the same on the Document. (For example, total estimated carat weights of "1" or "1.3" will appear on the Document as "1.00" and "1.30," respectively, even if the actual total estimated carat weight is 1.37.)
- h. Client agrees that it shall review, execute, and submit the "Kimberly Process and System of Warranties Certification" attached hereto as **Exhibit B** prior to AGS Lab providing any services to client under this Agreement.
- i. Client understands that AGS Labs also offers cut grade development services, which services are not part of this Agreement unless Client executes and submits AGS Lab's "Treatment of Intellectual Property Rights with regard to AGS Cut Grade Development" document, attached hereto as Exhibit C. If Client desires to have AGS Labs provide such cut grade development services, Client shall execute and submit a copy of **Exhibit C**.

2. **Payment.** Client agrees that it is responsible to pay any and all fees associated with the services provided by AGS Labs to the Client under the terms of this Agreement, and that all payments are due net 30 days from the date of invoice from AGS Labs for such services unless otherwise specified on the invoice. All past due accounts accrue interest at 1.5% per month (18% per annum) on the declining balance, or at the legal rate of interest, whichever is less, from the due date until paid in full.

- a. A listing of the fees to be charged by AGS Labs for its services will be provided to the Client. Client understands and agrees that these fees are subject to change at the sole and absolute discretion of AGS Labs.
- b. Client expressly agrees and acknowledges that if the account of the Client to AGS Labs becomes delinquent and must be placed in the hands of an attorney, the undersigned shall pay all collection costs, attorneys' fees and court costs incurred in the collection of said account, plus a delinquent finance charge of 1.5% per month (18% per annum). Credit terms are at the absolute discretion of AGS Labs. The accrual of interest does not authorize the undersigned to defer payment of any indebtedness to AGS Labs beyond stated credit terms.

- c. Should AGS Labs retain attorneys to recover any amounts due under this Agreement, whether or not suit is filed, the Client agrees to pay AGS Labs, in addition to any other amounts due, all attorney's fees, costs and other expenses thus incurred.

3. **Term/Automatic Renewal.**

- a. **Term.** The Term of this Agreement shall commence on the Effective Date of this Agreement and continue for a period of twelve (12) months, unless earlier terminated in accordance with Section 5 of this Agreement (the "Term").
- b. **Automatic Renewal of Term.** Client understands and agrees that this Agreement shall automatically renew for consecutive twelve (12) month terms unless AGS Labs and/or the Client provides the other party to this Agreement with written notice of its intention to terminate this Agreement at least thirty (30) days prior to the expiration, or any renewal, of the Term of this Agreement.

4. **Confidentiality.** Client acknowledges that Confidential Information, as defined more fully in Section 4.a. below, is of great value to AGS Labs, and Client agrees not to divulge to anyone, either during or after the term of this Agreement (or any renewal thereof), this Confidential Information and to hold and keep the same confidential as provided in this Agreement, and otherwise agrees to each and every restriction and obligation in this Agreement.

- a. **Confidential Information.** As used in this Agreement, the term "Confidential Information" means and includes any and all confidential information and/or trade secrets including, but not limited to, the business and affairs of AGS Labs and its affiliates, including the American Gem Society, how AGS Labs performs its diamond grading analysis and services, AGS Labs' operating systems and procedures, marketing strategy, knowledge concerning AGS Labs' customers and their specialized requirements (including any lists and databases pertaining thereto), AGS Labs' network of insurance brokers and agents, any technical, financial, or commercial data or other information, whether or not patentable or eligible for copyright (including without limitation ideas, concepts, know-how, methods, techniques, structures, information and material relating to existing software or software in various states of development, including source code, object and load modules, requirements, specification, design notes, flow charts, documentation, technical and engineering data, and studies). Confidential Information shall also mean internal business procedures and business plans, including analytical methods and procedures, financial information, service and operation manuals and documentation therefore, ideas for new products and services, customer and marketing information materials, marketing and development plans, forecasts and forecast assumptions, future plans and potential strategies of corporation, financial data, including price and cost objectives, quoting policies and procedures, customer data (including but not limited to customer lists, names of existing, past or prospective customers and their representatives, data provided by or about such prospective, existing or past customers, customer service information and materials, data about the terms, conditions, and expiration dates of existing contract with customers, the type, quality and specifications of products purchased by such customers). Confidential Information shall also mean all notes, memoranda, files, records, writings and other documents which Client has, in the past, or shall, after the Effective Date of this Agreement, prepare, use or come into contact with which relate to any of the above or are useful in any manner to the business of AGS Labs. Confidential Information shall also include any and all information and materials in AGS Labs' possession or under its control for any other person or entity which AGS Labs is obligated to treat as confidential or proprietary, and any and all information not generally known to the public or within industries or trades in which AGS Labs

competes. The definition of Confidential Information applies, without regard, to whether any specific matters would be deemed confidential, material, or important. The parties stipulate that the matters are confidential, material, and important, and gravely affect the effective and successful conduct of the AGS Labs' business.

- b. **Restricted Use of Confidential Information.** The Client agrees that the Confidential Information (a) will be kept confidential by the Client and any representative of the Client, and (b) without limiting the foregoing, will not be disclosed by the Client or the Client's representatives to any person whomsoever except with the specific prior written consent of AGS Labs or except as expressly otherwise permitted by the terms of this Agreement. It is understood that the Client may disclose Confidential Information to only those of the Client's representatives who require such material for the purpose of understanding how AGS Labs performs its diamond grading analysis and services and, further, understanding AGS Labs' customer service and order fulfillment procedures (but to the extent practicable, only such part that is so required). The Client further agrees that it will not use any of the Confidential Information for any reason or purpose other than as set forth herein and that the Confidential Information will not be used by the Client or its representatives in any way detrimental to AGS Labs or its affiliates (it being acknowledged that any use other than as set forth herein shall be deemed detrimental to AGS Labs).
- c. **Return of Confidential Information.** The Client agrees upon the written request of AGS Labs to promptly deliver to AGS Labs all Confidential Information, together with all copies and summaries thereof in the possession or under the control of the Client and materials generated by the Client that includes or refers to any part of the Confidential Information without retaining a copy of any such material.
- d. **No Right to Confidential Information.** The Client hereby agrees and acknowledges that no license, either express or implied, is hereby granted to the Client by AGS Labs to use any of the Confidential Information.
- e. **Remedies.** The Client hereby agrees to indemnify and hold AGS Labs and its affiliates, and their respective members, shareholders, partners, officers, directors and employees harmless from any damages, loss, cost or liability (including legal fees and the cost of enforcing this indemnity) arising out of or resulting from any unauthorized use or disclosure by the Client or its representatives of the Confidential Information or other violation of this Agreement. In addition, because an award of money damages (whether pursuant to the foregoing sentence or otherwise) would be inadequate for any breach of this Agreement by the Client or its representatives and any such breach would cause AGS Labs and/or its affiliates irreparable harm, the Client also agrees that in the event of any breach or threatened breach of this Agreement, AGS Labs and its affiliates shall also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance. Such remedies shall not be the exclusive remedies for any breach of this Agreement but shall be in addition to all other remedies available at law or equity to AGS Labs and its affiliates.

5. **Termination.** AGS Labs shall have the right, for any reason whatsoever, to terminate this Agreement at any time upon thirty (30) days prior written notice to the Client. This Agreement shall automatically terminate if Client breaches any covenant, term or condition contained in this Agreement and Client fails to cure such breach within thirty (30) days after receiving written notice thereof from AGS Labs sent to the Client's address set forth below. In the event of any termination of this Agreement, the Client shall remain responsible for making any and all payments due and owing to AGS Labs for the services provided and performed in accordance with the terms and conditions of this Agreement or any other agreement and, further, the Client shall immediately return to the AGS Labs, without limitation, any and all Confidential Information including, but not limited to, all

correspondence, reports, documents, drawings and any other items of whatever nature supplied to the Client by AGS Labs. Upon the expiration or termination of this Agreement, Client agrees to make no further use or utilization of any Confidential Information. The provisions of this Section of the Agreement shall survive the termination of this Agreement.

6. Miscellaneous.

- a. **Entire Agreement.** This Agreement contains the entire and final agreement among the parties hereto with respect to the issues addressed herein, except to the extent expressly provided herein, and supersedes all previous written or oral negotiations, commitments and writings with respect to the subject matter hereof. This Agreement is intended to be, and is, final and binding on all parties, as well as on their successors-in-interest, heirs, assigns, beneficiaries, administrators, and executors, and all others encompassed by this Agreement. Each party hereto has relied on the finality of this Agreement as a material fact inducing their execution of this Agreement. This Agreement constitutes a single, integrated document.
- b. **Modifications/Amendments/Waiver.** No modification, amendment or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by all the Parties hereto, or, in the case of a waiver, in writing signed by the party against whom the waiver is sought to be enforced. No waiver of a breach of this Agreement shall constitute a consent to, waiver of, or excuse of any other, different, preceding or subsequent breach or default.
- c. **Applicability.** THIS AGREEMENT APPLIES TO ALL ARTICLES DELIVERED ON THIS DATE AND AT ANY TIME HEREAFTER BY THE CLIENT TO AGS Labs AND DOCUMENTS ON SUCH ARTICLES THAT MAY BE ISSUED BY AGS Labs.
- d. **Insurance.** THE CLIENT ACKNOWLEDGES THAT AGS Labs SHALL MAINTAIN A STANDARD FORM JEWELERS BLOCK AND A STANDARD FORM FIDELITY INSURANCE POLICY TO INSURE ALL ARTICLES AGAINST LOSS OR DAMAGE AND THE CLIENT AGREES (i) THAT THE LIABILITY OF AGS Labs AND ITS EMPLOYEES AND AGENTS FOR ANY LOSS OR MISDELIVERY OF, OR DAMAGE TO, ANY ARTICLE, EVEN IF CAUSED BY OR RESULTING FROM THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD, WILLFUL MISCONDUCT, OR GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES OR AGENTS, SHALL BE LIMITED TO THE AMOUNT PAID, IF ANY, IN RESPECT THEREOF UNDER SUCH POLICIES (ii) THAT IN ANY EVENT, AGS Labs AND ITS EMPLOYEES AND AGENTS SHALL NOT BE PERSONALLY LIABLE FOR ANY SUCH LOSS OR MISDELIVERY OF, OR DAMAGE TO, ANY ARTICLE AND (iii) THAT REGARDLESS OF THE AMOUNT PAID, IF ANY, UNDER SUCH INSURANCE POLICIES, IF THERE IS A LOSS, MISDELIVERY OR DAMAGE OF ANY ARTICLE SHIPPED BY AGS Labs TO CLIENT IN ACCORDANCE WITH THE TERMS OF THIS AGREEMENT, CLIENT SHALL REMAIN LIABLE AND AGREES TO PAY ANY AND ALL FEES ASSOCIATED WITH THE SERVICES PROVIDED BY AGS Labs TO THE CLIENT UNDER THIS AGREEMENT IN COMPLIANCE WITH SECTION 2 OF THIS AGREEMENT.
- e. **Liability.** AGS Labs AND ITS EMPLOYEES AND AGENTS SHALL NOT BE LIABLE FOR, AND CLIENT AGREES TO INDEMNIFY AND HOLD HARMLESS AGS Labs AND ITS EMPLOYEES AND AGENTS AGAINST AND FROM ANY AND ALL LOSSES, DAMAGES, COSTS, AND EXPENSES, INCLUDING ATTORNEY'S FEES, FOR ANY ERROR IN OR OMISSION FROM, OR THE ISSUANCE OR USE OF, ANY DOCUMENT, EVEN IF CAUSED BY OR RESULTING FROM THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD,

WILLFUL MISCONDUCT OR GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES OR AGENTS. THE CLIENT FURTHER AGREES THAT IN ANY EVENT AGS Labs AND ITS EMPLOYEES AND AGENTS SHALL NOT BE LIABLE FOR ANY INDIRECT, SPECIAL, CONSEQUENTIAL, INCIDENTAL, EXEMPLARY, PUNITIVE, OR STATUTORY DAMAGES, INCLUDING LOST PROFITS, WITH RESPECT TO ANY OF THE FOREGOING MATTERS OR OTHERWISE RELATED TO THIS AGREEMENT, EVEN IF ADVISED OF THE POSSIBILITY OR FORESEEABILITY OF SUCH DAMAGES, EXCEPT FOR THE PAYMENT OF ANY INSURANCE PROCEEDS REFERENCED IN PARAGRAPH 6(d) ABOVE.

- f. **Release.** THE CLIENT HEREBY RELEASES AND DISCHARGES AGS Labs AND ITS EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER, INCLUDING, BUT NOT LIMITED TO, CLAIMS AND DEMANDS FOR (i) THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD, WILLFUL MISCONDUCT, AND GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES AND AGENTS FOR ANY ERROR IN OR OMISSION FROM, OR THE ISSUANCE OR USE OF, ANY DOCUMENT, AND (ii) ANY ERROR IN OR OMISSION FROM, OR THE ISSUANCE OR USE OF, ANY DOCUMENT CAUSED BY THE ACTS OF OTHERS.
- g. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect. If any of the covenants or provisions of this Agreement are determined to be unenforceable by reason of its extent, duration, scope or otherwise, then the parties contemplate that the court making such determination shall reduce such extent, duration, scope or other provision and enforce them in their reduced form for all purposes contemplated by this Agreement.
- h. **Costs.** The Client agrees that if it is held by any court of competent jurisdiction to be in violation, breach or nonperformance of any of the terms of this Agreement, then it shall pay all costs of such action or suit, including reasonable attorneys' fees.
- i. **Jurisdiction; Governing Law; and Waiver of Jury Trial.** The Client agrees and consents to personal jurisdiction and service and venue in any federal or state court within the State of Nevada having subject matter jurisdiction, for the purposes of any action, suit, claim or proceeding arising out of or relating to this Agreement, and such venue shall be the sole and exclusive venue for any action, suit, claim or proceeding arising out of or relating to this Agreement. The Client further agrees and consents that in any such action, suit, claim or proceeding, service of process may be effected by hand delivery, first class or international mail, facsimile, or by the use of an overnight provider such as Federal Express, United Parcel Service or the like. This Agreement is governed by, and shall be construed in accordance with, the laws of the State of Nevada. AGS Labs and the Client each waive its right to a jury trial in connection with any action, suit, claim or proceeding arising out of or relating to this Agreement, and this Agreement shall constitute written consent to waive its right to a jury trial.
- j. **Successors and Assigns.** Neither party shall have the right to assign its respective rights under this Agreement, whether expressly or by operation of law, without the written consent of the other party. This Agreement and the obligations hereunder shall be binding on the representatives, permitted assigns, and successors of each party and shall inure to the benefit of their respective assigns and successors.
- k. **Careful Review.** By signing this Agreement, the undersigned do hereby acknowledge and warrant that this Agreement was carefully reviewed in its entirety by or to the undersigned and that this

Agreement was signed and executed voluntarily and without reliance upon any statement or representation of or by any other party, or any representative or agent of same. Further, in signing this Agreement, Client has fully considered the allocation of risk and remedies set forth in this Agreement and finds such allocation and remedies to be reasonable, and agrees that the limitations set forth in this Agreement are an essential basis of the bargain between the AGS Labs and the Client.

- l. **Authority to Execute.** Client warrants and represents that he, she or it had the power, capacity and authority to enter into and execute this Agreement and, further, that the execution of this Agreement is free and voluntary.

- m. **Legal Representation.** All parties hereto were fully and competently represented by legal counsel of their own choosing in negotiating and preparing this Agreement and certify to all others that they have had the opportunity to consult an attorney, appreciates the legal significance and consequences of signing this Agreement. Therefore, the rule regarding construing ambiguities against the drafter of the agreement does not apply as it relates to this Agreement. Other than the recitals, each of the terms of this Agreement is contractual, not a mere recital, and is the result of negotiations among the parties.

IN WITNESS WHEREOF, the Client has executed this Agreement as of the Effective Date of this Agreement set forth above.

Firm/Client Name: _____ Telephone: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Authorized Signature: _____ Date: _____

Signature Name (Print): _____ Title: _____

Exhibit A

INSCRIPTION AGREEMENT

The Agreement has been entered into by the undersigned Client to induce American Gem Society Laboratories ("AGS Labs") to laser inscribe the article(s) described below. This Agreement supplements the Client Agreement previously entered into between the Client and AGS Labs, and capitalized terms used herein shall have the same meaning as in such Client Agreement. The term "Inscription" means any laser inscription by AGS Labs on the article(s). The term "Article" means each diamond, gem, or other article of any kind delivered on this date and at any time hereafter by the Client to AGS Labs. The term "Receipt" means any receipt issued by AGS Labs for the Article.

The Client acknowledges that in accepting delivery of the Article, and in placing the Inscription on the Article. AGS Labs is and will be acting in reliance on and in consideration of the following agreements by the Client:

(1) AGS Labs SHALL MAINTAIN PROPERTY DAMAGE LIABILITY INSURANCE AND THE CLIENT AGREES (i) THAT THE LIABILITY OF AGS Labs AND ITS EMPLOYEES AND AGENTS FOR ANY DAMAGE TO THE ARTICLE, EVEN IF CAUSED BY OR RESULTING FROM THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES OR AGENTS, SHALL BE LIMITED TO THE AMOUNT PAID, IF ANY, IN RESPECT THEREOF UNDER SUCH INSURANCE, AND (ii) THAT IN ANY EVENT, AGS Labs AND ITS EMPLOYEES AND AGENTS SHALL NOT BE PERSONALLY LIABLE FOR ANY SUCH DAMAGE TO THE ARTICLE.

(2) THE CLIENT AGREES TO INDEMNIFY AND HOLD HARMLESS AGS Labs AND ITS EMPLOYEES AND AGENTS AGAINST ANY AND ALL LOSS, LIABILITY OR EXPENSE, INCLUDING ATTORNEYS' FEES, FOR ANY ERROR IN, OMISSION FROM, OR USE OF, THE INSCRIPTION, EVEN IF CAUSED BY OR RESULTING FROM THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES OR AGENTS. THE CLIENT HEREBY RELEASES AND DISCHARGES AGS Labs AND ITS EMPLOYEES AND AGENTS FROM ANY AND ALL CLAIMS AND DEMANDS WHATSOEVER, INCLUDING CLAIMS AND DEMANDS FOR THE NEGLIGENCE OR OTHER FAULT (EXCEPT FRAUD, WILLFUL MISCONDUCT OR GROSS NEGLIGENCE) OF AGS Labs OR ANY OF ITS EMPLOYEES OR AGENTS FROM ANY ERROR IN, OMISSION FROM, OR USE OF, THE INSCRIPTION.

(3) THE CLIENT FURTHER AGREES THAT IN ANY EVENT AGS Labs AND ITS EMPLOYEES AND AGENTS SHALL NOT BE LIABLE FOR SPECIAL OR CONSEQUENTIAL DAMAGES WITH RESPECT TO ANY OF THE FOREGOING MATTERS, EVEN IF ADVISED OF THE POSSIBILITY OR FORESEEABILITY OF SUCH DAMAGES.

(4) The Client acknowledges (i) the Inscription does not guarantee identification of the Article because, among other reasons, the Inscription may be removed by polishing, (ii) AGS Labs makes no representation or warranty regarding the Inscription or the Article, and (iii) the Inscription may not be used in whole or in part for purposes of advertising, publicity or promotion, without AGS Labs' prior written consent.

(5) The Client hereby authorizes AGS Labs to deliver the Article to any person presenting the Receipt, unless written notice to the contrary shall have been received by AGS Labs prior to delivery.

The Client (i) has read this Agreement in its entirety and is fully aware of and understands its contents, (ii) agrees that this Agreement shall be governed by the laws of the state in which AGS Labs accepts delivery of the Article, and (iii) agrees that this Agreement shall supersede all previous agreements and understandings between the Client and AGS Labs regarding the matters described above. The undersigned is the Client or represents or warrants that he/she has been duly authorized to bind the Client by this Agreement.

Signature: _____ Date: _____

Printed Name: _____

Title: _____ Phone: _____

Client Name: _____ Fax: _____

E-mail: _____

KIMBERLEY PROCESS AND SYSTEM OF WARRANTIES CERTIFICATION

The Kimberley Process is a government sponsored international certification scheme that regulates the trade in rough diamonds. Its aim is to prevent the trade in conflict diamonds, while helping to protect the legitimate trade in rough diamonds. Generally, the Kimberley Process seeks to control the export and import of rough diamonds across international borders, requiring rough diamonds mined after January 1, 2003 to be shipped in tamper-resistant containers accompanied by “Kimberley Process Certificates.”

By signing below Client hereby represents, warrants and covenants under penalty of perjury that Client is aware of The Kimberley Process laws in the countries in which Client does business and that Client is and will during the term of this Agreement continue to be in full compliance with such laws.

The System of Warranties is a voluntary system, which requires participating buyers and sellers of rough, polished and mounted diamonds

- i. to make the following affirmative statement on all invoices for diamonds
- ii. to maintain certain records regarding such statement and
- iii to audit the flow of warranties made to and by sellers

“The diamonds herein invoiced have been purchased from legitimate sources not involved in funding conflict and in compliance with United Nations Resolutions. The undersigned hereby guarantees that these diamonds are conflict free, based on personal knowledge and/or written guarantees by the supplier of these diamonds.”

Check One:

- Client does participate in the System of Warranties. By signing below, Client represents warrants and covenants under penalty of perjury that Client is in full compliance with the requirements of the System of Warranties.
- Client does not participate in the System of Warranties. If you are a member of the gem and jewelry industry, please provide reason(s) for not participating in the System of Warranties.

Signature: _____ Date: _____

Printed Name: _____

Title: _____ Phone: _____

Client Name: _____ Fax: _____

E-mail: _____

Exhibit C

Treatment of Intellectual Property Rights with regard to AGS Cut Grade Development

The AGS Performance-based cut grade system provides a scientifically rigorous and repeatable methodology for cut grade development for many generic diamond shapes and for proprietary cuts. AGS Labs encourages development of cut grade systems for new diamond shapes and facet arrangements. In addition, a service provided to all Clients by AGS Labs during the course of normal grading is to provide cutting or repair recommendations to improve the cut grade.

AGS Labs undertakes no duty to determine whether a specific shape or cut may or may not violate the intellectual property rights of any third party. Accordingly, by providing its cutting or repair recommendations to the Client, AGS Labs does not represent or warrant that the cut or modifications recommended, or any article embodying the recommendations, does not violate any third party intellectual property rights. To the extent AGS Labs may be aware of third party intellectual property rights, it may share with the Client information regarding those rights as a courtesy to the Client and without making any representation regarding the validity or possible violation of those rights. Under no circumstances whatsoever shall AGS Labs be held liable to the Client or any third parties with regard to claims that the cutting or repair recommendations, or any articles embodying those recommendations, violate any party's intellectual property rights. AGS Labs makes no representation or warranty whatsoever, express or implied, regarding any cutting or repair recommendations provided to the Client. AGS Labs specifically disclaims all express, implied and statutory warranties, including, but not limited to, the implied warranties of fitness for a particular purpose, merchantability, and non-infringement. With the exception of details required to transact business between AGS Labs and the Client, or unless specifically modified by a separate Confidentiality Agreement for cut grade development, as a matter of policy, AGS Labs does not accept confidential technical information from its Clients. Accordingly, AGS Labs expressly disclaims any duty of confidentiality to the Client.

AGS Labs understands that the Client may have certain proprietary rights to specific shapes and cuts. The fact that the Client may have advised AGS Labs of those rights does not preclude AGS Labs from providing cutting or repair recommendations for similar shapes and cuts to other Clients. AGS Labs shall have no liability to the Client should it provide such recommendations to other Clients.

The Client (i) has read this Agreement Exhibit in its entirety and is fully aware of and understands its contents, (ii) agrees that this Exhibit shall be governed by the laws of the state in which AGS Labs accepts delivery of the Article, and (iii) agrees that this Exhibit shall supersede all previous agreements and understandings between the Client and AGS Labs regarding the matters described above.

The undersigned is the Client or represents or warrants that he/she has been duly authorized to bind the Client by this Agreement Exhibit.

Signature: _____ Date: _____

Printed Name: _____

Title: _____ Phone: _____

Client Name: _____ Fax: _____

E-mail: _____

AUTHORIZATION FOR PAYING BY CREDIT CARD

FIRM NAME: _____

CREDIT CARD TYPE (circle one): *VISA MASTERCARD AMERICAN EXPRESS*

CREDIT CARD NUMBER: _____

EXPIRATION DATE: _____ **CARD SECURITY CODE:** _____

NAME ON CREDIT CARD: _____

ADDRESS: _____

CITY/STATE/ZIP CODE/COUNTRY: _____

PHONE: _____ **E-MAIL:** _____

SIGNATURE OF CARD HOLDER: _____

MAXIMUM AMOUNT TO BE CHARGED: \$ _____

INSTRUCTIONS FOR CHARGING MY CREDIT CARD: (Please check as appropriate):

Charge my card _____ days after charges incurred (not later than 30 days)

AND / OR

Call before charging

E-mail before charging

PLEASE COMPLETE THIS FORM, SIGN AND FAX OR SCAN/E-MAIL TO:

AGS Lab Accounting fax: (702) 233-6129 or Client Service fax: (702) 233-6125

AGS Lab Accounting e-mail: accounting@agslab.com

ALL INFORMATION IS STRICTLY CONFIDENTIAL