Marketing Document version 22 between and CD2U – Internet Merchandise Marketing

Directives Regarding Merchandise

* Merchandise Valuation: $700-$20,000 (total) – for diamonds; $500-$20,000 (total) – for jewelry.
* Undocumented stones: They are to be transferred to our offices for inspection to meet GIA’s strict standards;
* Documented stones: All document details are to be entered into the Excel file; keeping a scanned copy (lengthwise) of the document in the CERTS folder.
* Undocumented under Standard GIA IF-I1 D-K
* IF-I1, D-K GIA documents
* In EGL IL or IGL documents, the merchandise we are seeking are D-I, IF-SI2
* Findings/Inventories are not considered documents, and we do not recognize documents from EGL IL documents which was in Noam Building and closed.
* The vendor undertakes that there are no holes in the stones, which he markets through CD2U.
* The vendor undertakes that the jewelry is manufactured in Israel or in the USA and that the jewelry is exempt from customs in sales between Israel and the USA unless stated otherwise.
* The vendor undertakes to report treated stones.
* The vendor undertakes that the stones (in bulk) or stones set into jewelry are not synthetic and understands that all legal responsibilities that befall the CD2U Company for supplying synthetic stones automatically apply to the vendor

Terms of Collaborative Activity

* Submitting a stone or piece of jewelry to one of our offices in Israel, New York or Los Angeles within 24 hours from receipt of our notice to the vendor to supply the merchandise.
* In the event that you sold the merchandise or that it is out of your control and you cannot send it to one of the offices – please notify us within 24 hours that the stones will not be available. Non-availability of merchandise in case of sale is detrimental to us. Therefore, numerous such instances will force us to cease working with such a vendor.
* Additionally, in case the merchandise is unavailable – it is your obligation to offer superior merchandise at the same price (with identical parameters at least for the offered stone and one parameter better than the offered stone).
* Return Policy
* Stones: Since we allow our customers returns within 30 days (because of shipping time for a stone from Israel and to receive it in New York), you are to allow us to return a stone to you within 45 days.
* Jewelry: We request 60 days for returns because of the difficulties in exporting and returning jewelry.

• Payment for a stone

* Payment will be made in Dollars (without VAT, of course)
* On the 61st day after submitting the stone to our offices, you will receive a check.
  + Payment for a piece of jewelry

- The payment will be made in Shekels according to the representative rate of exchange on the payment date.

- On the 61st day after submitting the jewelry to our offices, you will receive 2 checks: 1. Cash check for the purchase sum before VAT; 2. A check will given for the sum of the VAT dated for the 10th of the reporting month (we report on a bi-monthly basis and are not interested in financing VAT since our profit is mostly lower than the 17% VAT).

* In the event that there is a mistake in the information on the part of the vendor, both regarding the inventory level as well as the product description: Grams/gold/weight and the purchased item – the vendor undertakes to compensate CD2U at $100 for the mistake.
* In the event the vendor undertakes to offer enlarging/reducing ring sizes, this enlarging/reducing [cost] applies to the vendor.
* In case the stones that are marketed are also found on Rapnet – the vendor undertakes to provide a price at least 3-5% lower than the one he asks for on Rapnet.
* The vendor undertakes that the stones he provides CD2U Company are natural diamonds and not laboratory diamonds. The vendor understands that in the event that a suit is brought against CD2U for non-reporting of laboratory diamonds – the sole responsibility will apply to the vendor.
* The vendor undertakes that the piece of jewelry or diamond that is marketed by CD2U Company shall not be marketed in parallel on another website targeting the end-consumer (for this matter, Ali-Baba is considered a website addressing the end-consumer).
* The vendor understands that the system for updating CD2U Company’s inventory can only update the system if the item is in inventory. The system does not automatically change prices according to a pricelist; in case of a price change – the vendor undertakes to inform CD2U.

Pictures

* The vendor undertakes that he has full copyrights to all the pictures he supplies.
* CD2U is authorized to use the pictures or videos it receives from the vendor for promoting and advertising the CaratsDirect2U brand, including using banners, articles and flyers.
* At the vendor’s request, a picture included in CD2U Inc’s advertising material will be removed within reasonable time.
* In the event that CD2U photographs these pictures – the vendor is not authorized to use the pictures; in the event that it is discovered that the vendor used pictures without being explicitly authorized to do so in writing by CD2U – the cost for each picture used by the vendor (without obtaining authorization from CD2U) will be $100.
* Pictures photographed in CD2U’s offices or with CD2U’s photography equipment will be its sole property.

I hereby confirm that I have read the terms and agree to all the terms written above regarding collaborative activity between my company and CD2U Company.

Name: Company: Signature: Date: Stamp: