

Definitions

1.1 "supplier" means Inspira Diamonds Pty Ltd ACN 117437662 , its successors and permitted assigns and where not repugnant to the context includes its servants and agents.

1.2 "consignee" means the person to whom goods are supplied as expressly identified on the front page of the credit memo, executors, administrators, successors and permitted assigns and where not repugnant to the context includes servants and agents.

1.3 "person" includes an individual, partnership, corporation, association of persons or any other legal entity.

1.4 "goods" means those items expressly identified and/or described under the description section on the front page of the credit memo.

1.5 "credit memo" means this document comprising of the front page and these terms and conditions, together totaling 7 pages.

1.6 "supply" or "supplied" means the delivery to the consignee at the consignee's address.

1.7 "delivery" means the voluntary transfer of physical possession.

1.8 "consignee's address" means the address of the consignee as expressly identified on the front page of the credit memo or any other address mutually agreed by the consignee and supplier.

1.9 "period" means the number of days or months expressly specified on the front page of the credit memo during which the consignee is authorized by the supplier to hold goods for the purpose of sale of goods to third parties.

1.10 "consignment" means sale by supplier to consignee whereby if all or any goods remain unsold at the end of the period or earlier as specified in sub clause 2.3, such unsold goods shall be returned by the consignee to the supplier.

1.11 "invoice" means a tax invoice as defined in section 195.1 of a new tax system (goods and services) Act 1999 (Cth)

1.12 "clause" means a clause of these terms and conditions and includes its sub clause, sub sub clause and sub sub sub clause.

1.13 "sub clause" means a sub clause of these terms and conditions and includes its sub sub clause and sub sub sub clause.

1.14 "sub sub clause" means a sub sub clause of these terms and conditions and includes its sub sub sub clause.

1.15 "sub sub sub clause" means a sub sub sub clause of these terms and conditions.

1.16 "days" means calendar days including Saturday, Sunday and public holidays.

1.17 "diamond switching" means a circumstance where, to the extent that goods are diamonds, goods of a different kind, grade or quality from goods supplied by the supplier and received and accepted by the consignee as specified in sub clause 6.1 are returned to the supplier by the consignee.

Supply Generally

2.1 goods are supplied by way of consignment subject to these terms and conditions.

2.2 the consignee shall use the consignee's best endeavours to sell goods and promote the sale of goods to third parties during the period. 2.3 the consignee expressly agrees that the supplier may at any time during the period by notice in writing require the consignee to return unsold goods to the supplier.

Passing of risk/loss or damage

3.1 risk in goods passes to the consignee immediately upon acceptance of goods as specified in sub clause 6.1.

3.2 if any loss or damage to goods occurs after acceptance as specified in sub clause 6.1 and prior to return to supplier, those goods lost or damaged shall be deemed to be sold.

3.3 in sub clause 3.2 "return to supplier" means the supplier taking physical possession of goods from the consignee.

Retention of title

4.1 in connection with goods while they remain the property of the supplier, the consignee agrees with the supplier that:

4.1.1 the consignee has no right or claim to any interest in goods to secure any liquidated or unliquidated debt or obligation the consignee owes to the supplier.

4.1.2 the consignee cannot claim any lien over goods.

4.1.3 the consignee will not create any absolute or defeasible interest in goods in relation to any third party except as may be authorized by the supplier.

4.1.4 where the consignee is in actual or constructive possession of goods:

4.1.4.1 the consignee will not deliver them or any document of title to goods to any person except as authorized by the supplier.

4.1.4.2 the consignee is in possession of goods as a bailee of those goods and owes to the supplier the duties and liabilities of a bailee.

4.2 the supplier and consignee agree that:

4.2.1 the property of the supplier in goods remains with the supplier until the supplier has been paid in full for all goods. 4.2.2 the consignee is a bailee of goods until such time as property in them passes to the consignee.

4.2.3 pending payment in full for goods, the consignee:

4.2.3.1 must not supply any goods to any person outside of its ordinary or usual course of business.

4.2.3.2 must not allow any person to have or acquire any security interest in goods.

4.2.3.3 must insure goods for their full insurable or replacement value (whichever is higher) with an insurer licensed or authorized to conduct the business of insurance in the place where the consignee carries on business.

4.2.3.4 must not deface, scratch, obliterate, or alter any identification marks or peculiarities

which assist in identification of goods.

4.3 Despite sub clause 4.2, if the consignee sells any goods to any person before the supplier has been paid in full for goods:

4.3.1 The consignee holds the proceeds of such sale(s) on trust for and as agent for the supplier immediately when they are receivable or are received.

4.3.2 The consignee must pay the amount of the proceeds of such sale(s) to the supplier immediately when they are received or pay those proceeds into an account with a bank or a financial institution or deposit taking institution as trustee for the supplier.

4.3.3 any accessory or item which accedes to any of goods by an act of the consignee or of any other person at the direction or request of the consignee becomes and remains the property of the supplier until the supplier is paid in accordance with sub sub clause.

4.2.1 when the property in goods (including the accessory) passes to the consignee.

4.3.4 If the consignee fails to pay for goods as per the credit facility (if any) granted by the supplier to the consignee under the credit memo, the supplier may recover possession of goods from the consignee's address or from any site owned, possessed or controlled by the consignee and the consignee agrees with the supplier that the supplier has an irrevocable licence to do so without incurring any liability whatsoever to the consignee or any person claiming through the consignee.

4.4 The consignee and supplier expressly agree that the provisions of this clause apply notwithstanding that the supplier grants the consignee any credit facility for the payment of goods under the credit memo.

Insurance

5.1 the consignee expressly agrees with the supplier that the insurance referred to in sub sub clause 4.2.3.3 takes effect immediately on acceptance of goods as specified in sub clause 6.1.

Confirmation of receipt is confirmation of acceptance of goods

6.1 the consignee expressly agrees that by confirming receipt of goods which shall occur when the consignee puts the consignee's signature or other mark on the front page of the credit memo the consignee confirms acceptance of goods.

No alteration/deemed sale

7.1 the consignee shall not alter, vary or permit to be altered or varied goods prior to the consignee having been paid in full for the same.

7.2 once acceptance of goods has occurred as specified in sub clause 6 .1 goods shall be deemed to be sold by the consignee if any alteration or variation is made to goods.

Return of unsold goods/deemed sale

8.1 goods remaining unsold shall be returned by the consignee to the supplier within 3 days commencing on the day next following the end of the period

8.2 where the supplier requires that unsold goods are returned earlier as specified in sub clause 2.3 such unsold goods shall be returned within 3 days commencing on the day next following the day the supplier requires the said goods to be returned.

8.3 the requirement for unsold goods to be returned by the consignee to the supplier within 3 days as specified in sub clause.

8.1 and sub clause.

8.2 shall be deemed to be complied with by the consignee advising the supplier in writing that

the unsold goods are available for immediate collection from the consignee's address.

8.4 all costs in relation to unsold goods returned at the end of the period shall be borne by the consignee

8.5 if the consignee fails to return unsold goods within 3 days as specified in sub clause 8.1 and sub clause 8.2 and sub clause 8.3 the same shall be deemed to be sold.

Invoices

9.1 the supplier shall provide an invoice to the consignee forthwith at the end of the period for goods sold.

9.2 in respect of goods deemed to be sold as specified in sub clause 3.2 and sub clause 7.2 the supplier shall provide an invoice forthwith at the end of the period.

9.3 in respect of goods deemed to be sold as specified in sub clause 8.5 the supplier shall provide an invoice to the consignee forthwith at the end of 3 days commencing on the day next following the end of the period.

Payment of invoices

10.1 the consignee shall pay the amounts as per the supplier's invoice(s) within 30 days from the date of the invoice(s).

10.2 the consignee shall pay the aforementioned amounts directly to the supplier unless a lawful direction to pay some third party is received by the consignee.

Interest

11.1 any invoice outstanding shall carry interest @18% per annum calculated on a daily basis.

