



Dokument č.: AJ 001-2024

SOSNA GEMS INVESTMENTS INC.

7901 4th St N, Ste 300, St. Petersburg, FL, 33702, USA

EIN: 32-0763482

Legal Form: Corporation

Document No.: EN 001/2025

Document Title: Terms of Gemstone Insurance in Custody

Date of Issue: February 15, 2024

Effective From: February 15, 2024

Prepared by: Legal Department

1. GENERAL PROVISIONS

1.1 This document sets forth the terms and conditions for insuring investment-grade gemstones and jewelry stored in the vaults of SOSNA GEMS INVESTMENTS INC. (“the Company”).

1.2 Insurance coverage is provided for all certified investment gemstones and jewelry purchased from the Company, as well as select items purchased elsewhere, provided they meet the certification and valuation requirements set by the Company.

1.3 The insurance covers loss, damage, and theft during the storage period within the Company’s vaults.

1.4 Upon deposit, the client shall receive an official custody receipt listing the stored items, certificates, values, and the date of storage.

2. SCOPE OF INSURANCE COVERAGE

2.1 The insurance covers the following risks:

- Theft
- Fire
- Flood
- Natural disasters
- Vandalism
- Damage due to failure of the Company's security measures

2.2 The insurance **does not** cover:

- Mechanical damage caused by the client
- Unprofessional handling or alterations by third parties
- Damage caused by war, terrorism, or governmental intervention
- Natural changes in color or structure of the gemstone (e.g., oxidation, aging)

3. INSURANCE TERMS AND CONDITIONS

3.1 Automatically insured items:

- Certified gemstones and jewelry purchased from the Company
- Gemstones purchased elsewhere, if accompanied by valid certification and valuation from a recognized institution (e.g., GIA, IGI, HRD)

3.2 Determination of insured value:

- The insured value is based on international market prices and the most recent official certification

3.3 Maximum insurance coverage:

- The maximum insured value is USD 500,000 per item unless otherwise contractually agreed

3.4 Insurance period:

- Insurance remains in effect for the entire duration of storage in the Company's vault

3.5 Renewal and unclaimed items:

- If the client does not renew the insurance upon expiration of the custody agreement, storage and insurance shall be automatically extended with a 10% surcharge to the original fee, for a maximum of 10 years
- After 10 years, the items will be sold; proceeds will be reduced by storage and administrative fees
- Items not claimed within 10 years become the property of the Company

3.6 Technological transparency and security:

- The Company utilizes electronic security systems with digital records and technologies (e.g., blockchain, QR code) to ensure transparency and audit traceability of stored items

4. INSURANCE CLAIMS

4.1 Payout of insurance:

- In the event of an insured loss, the client shall be compensated for the full market value at the time of the incident
- Payment will be made no later than 30 days after the conclusion of the investigation

4.2 Required documents:

- Original gemstone certificate
- Valid custody agreement
- Official incident report

5. LIMITATIONS AND LEGAL PROVISIONS

5.1 Suspected insurance fraud:

- In the event of suspected fraud, the Company reserves the right to suspend payout until the investigation is concluded

5.2 Governing law:

- All legal matters shall be governed by the laws of the State of Florida, USA
- The Company prefers to resolve disputes amicably; if necessary, disputes shall be submitted to the competent court in Florida

5.3 Arbitration clause:

- The parties agree that any disputes arising from this document shall be settled by arbitration under the rules of the **American Arbitration Association (AAA)**

Approved on behalf of the Company:

Date: February 15, 2024

Martin Sosna

Chief Executive Officer (CEO) and Member of the Board of Directors

SOSNA GEMS INVESTMENTS INC.