

## SPECIAL TERMS OF SALE FOR BIDDERS AND THE BUYER

PLEASE NOTE THAT this auction is subject to *Special Terms of Sale for Bidders and the Buyer*. Prior to registering and bidding, bidders are advised to review these terms in full.

In the event of any discrepancy or conflict between the English and French versions of these *Special Terms of Sale for Bidders and the Buyer*, the English version will prevail.

The following *Special Terms of Sale for Bidders and the Buyer* are in addition to, and will take precedence over, the *Terms & Conditions of Business* as posted on Heffel.com or as published in the Auction House printed catalogue.

### THE FOLLOWING CHANGES ARE MADE TO SECTION A— DEFINED TERMS

- The definition of “Buyer” is hereby amended to read as follows (as shown with bold writing):

#### Buyer

The Buyer is the person, corporation or other entity or such entity’s agent who bids successfully on the Lot(s) at the auction, **and that successfully passes the Consignor’s full “Know Your Customer” (KYC) compliance due diligence process in accordance with Section 5 (a)(iii);**

- The definition “Business Days” is hereby inserted in the appropriate alphabetical order:

#### Business Days

Business Days are weekdays Monday through Friday, excluding weekends and holidays observed by the Consignor and the Auction House, as applicable;

- The definition of “Buyer’s Premium” is hereby amended to read as follows (as shown with bold writing):

#### Buyer’s Premium

The Buyer’s Premium is the amount **owed by the Buyer to the Auction House and** paid by the Buyer to the Auction House on the purchase of any Lot(s), which is calculated on the Hammer Price as follows: a rate of twenty-five percent (25%) of the Hammer Price of the Lot up to and including \$25,000; plus twenty percent (20%) on the part of the Hammer Price over \$25,000 and up to and including \$5,000,000; plus fifteen percent (15%) on the part of the Hammer Price over \$5,000,000, plus applicable Sales Tax;

- The definition of “Property” is hereby amended to read as follows (as shown with bold writing):

#### Property

The Property is any Property **to be placed in the auction sale online or elsewhere and, specifically, that Property as described by Lot number in the Auction House catalogue**

**for the specific auction sale connected to the Consignor.**

The Auction House **and Consignor** will have the authority to **mutually agree to** partition the Property into Lots (the “Lots” or “Lot”);

- The definition of “Registered Bidder” is hereby amended to read as follows (as shown with bold writing):

#### Registered Bidder

A Registered Bidder is a bidder who has fully completed the registration process, provided the required information to the Auction House (**namely, but not limited to, if participating as an individual, name, address and date of birth; if participating as a company or entity, registered business name and address, and name of a representative**), and has been assigned a unique paddle number for the purpose of bidding on Lots in the auction;

- The definition of “Sales Tax” is hereby deleted and replaced as follows:

#### Sales Tax

Sales Tax means any applicable U.S. State tax, Canadian Federal and Provincial sales taxes, excise and other sales taxes applicable to the sale of the Lot(s). QST will be levied on all sales collected in Quebec or shipped to Quebec, if applicable;

- The definition of “Proceeds of Sale” is hereby deleted and replaced as follows:

#### Proceeds of Sale

The Proceeds of Sale are the net amount due to the Consignor from the Auction House (as a result of the Auction House collecting the Purchase Price due from the Buyer in accordance with section 5 (a)(ii)), which shall be the Hammer Price and any other amounts due to the Consignor all inclusive of applicable Sales Tax thereon, less Expenses, and any other amounts due to the Auction House or associated companies and applicable Sales Tax thereon in accordance with the Consignment Agreement;

### THE FOLLOWING CHANGES ARE MADE TO SECTION B— THE BUYER

- Section 2 f) is hereby deleted and replaced by the following:

f) Every Registered Bidder shall be deemed to act as principal;

- Section 2 g) is hereby amended to read as follows (as shown with bold writing):

In order to become a Registered Bidder, the registration process shall be completed in full, and the required information shall be provided to the Auction House. Every

Registered Bidder will be assigned a unique paddle number (the “Paddle”) for the purpose of bidding on Lots in the auction. Those interested in bidding in the live auction via telephone bid, absentee bid, **irrevocable bid** or through the Digital Saleroom shall register at least **two (2) Business Days in advance of the auction. As part of the registration process for this live auction, the Consignor will perform a preliminary compliance and due diligence screening on bidders prior to the auction and during registration, to assess bidder suitability to participate in the auction. The Consignor and Auction House have the right to refuse the participation of any bidder in the auction. The registration procedure may take up to five (5) Business Days to complete.** For online auctions, a password will be created for use only in current and future online auctions; this online registration procedure does not allow for participation in the live auction and may require up to twenty-four (24) hours to complete.

- Section 2 i) is hereby amended to read as follows (as shown with bold writing):

Every Registered Bidder agrees that if a Lot is Knocked Down on their bid, they are bound to purchase the Lot for the Purchase Price, **subject to a prior successful full KYC compliance and due diligence process conducted by the Consignor as described in section 5(a)(iii).**

- Section 5 (a)(ii) is hereby amended to read as follows (as shown with bold writing):

**After the auction, following the Consignor’s notification to the Buyer of a successful full KYC compliance and due diligence validation as described under section 5(a)(iii): (i) the Buyer will confirm with the Consignor the place of destination for shipping purposes and the Consignor will issue an invoice directly to the Buyer by email (delivery receipt requested) for the Hammer Price for the applicable Property plus applicable Sales Tax, and (ii) the Auction House will issue an invoice directly to the Buyer for the applicable Buyer’s Premium plus applicable Sale Tax. The Buyer shall make payment for each invoice separately to the Auction House prior to 4:30 p.m. E.T. on the tenth (10th) Business Day following receipt of each respective invoice by: a) Bank Wire direct to the Auction House’s account [...]. In all circumstances, the Auction House prefers payment by Bank Wire. **The Purchase Price must be paid by the Buyer in Canadian dollars (CAD) or US dollars (USD), or in any currency other than those used in the European Union, United Kingdom or Switzerland. The Auction House will not accept cash or virtual currency as a form of payment for the Lot(s), or payments from third parties. The Purchase Price shall be paid by the Buyer directly from the same bank account and/or using the same banking information as provided by the Buyer to the Consignor under the KYC due diligence process in section 5(a)(iii). Without limiting the generality of the foregoing, if the Buyer registered to participate in the auction as an individual, payment for the Lot(s) must come from that****

**individual’s personal bank account specifically as provided during the due diligence process and not that of an agent or business; if the Buyer registered to participate in the auction as an entity, payment for the Lot(s) must come from the bank account of that entity specifically as provided during the due diligence process;**

- Section 5 (a)(iii) is hereby added and incorporated in the appropriate numerical order:

The Buyer will be subjected to a full KYC compliance and due diligence assessment in accordance with the Consignor’s policies and procedures to enable the Consignor to fulfill its obligations under the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*. Shortly after a Lot is Knocked Down, the Buyer will be contacted directly by the Consignor by email and will be provided with instructions and a document package that must be completed in full to the Consignor’s complete satisfaction as a condition for purchasing the Lot. The Buyer will be required to provide the Consignor with specific information, including the following: (a) in the event the Buyer is an individual, the requested government issued photo ID, proof of address (e.g. a utility bill), confirmed source of wealth and a letter from the Buyer’s bank confirming the Buyer has an active account, or (b) in the event the Buyer is a corporation or entity, the requested business registration documents, list of authorized signing officers on behalf of the corporation or entity, any policies as they relate to anti-money laundering, anti-terrorist financing (ATF), Code of Conduct, as well as an official letter from the corporation or entity’s bank indicating the existence of an active account. The Consignor reserves the right to request additional information and documentation as necessary in order to complete its KYC compliance and due diligence assessment. The Consignor may, in its sole discretion, cancel the sale without any liability to the Buyer in the event the Buyer neglects to provide any information or documentation requested by the Consignor, or does not pass the full KYC compliance and due diligence assessment to the Consignor’s complete satisfaction. The Auction House will securely transfer and disclose to the Consignor the Buyer’s banking information for the purpose of validating that the Purchase Price paid by the Buyer originated directly from the same bank account as provided by the Buyer to the Consignor during the full KYC compliance and due diligence assessment (to validate the absence of third party payments for the Lot(s));

- Section 5 (a)(iv) is hereby added and incorporated in the appropriate numerical order:

Bidders and the Buyer confirm that all information and documentation provided to the Auction House and Consignor during the registration process or at any time in relation to the auction are up-to-date, complete, accurate, truthful and not misleading;

- Section 5 (a)(v) is hereby added and incorporated in the appropriate numerical order:

The Consignor and Auction House reserve the right, in the event that the Buyer fails to satisfy any requirement under these *Terms and Conditions of Business*, as amended by these *Special Terms of Sale for Bidders and the Buyer*, to cancel the sale without any liability to the Buyer.

- Section 5 b) is hereby deleted and replaced by the following:

Title shall pass upon unloading of the Lot(s) at the place of delivery. Shipment of the applicable Lot shall only occur upon: (1) the Buyer passing a successful full KYC compliance and due diligence assessment to the Consignor's complete satisfaction; (2) payment of the Purchase Price by the Buyer in full; and (3) receipt of cleared funds by the Auction House and Consignor, and validation of the absence of third party payment.

- Section 6 a) is hereby amended as follows (as shown with bold writing):

All representations or statements made by the Auction House **and/or Consignor**, or in the Consignment Agreement, or in the catalogue or other publication or report as to the authorship, origin, date, age, size, medium, attribution, genuineness, provenance, condition or estimated selling price of the Lot are statements of opinion only. The Buyer agrees that the Auction House **and Consignor** shall not be liable for any errors or omissions in the catalogue or any supplementary material produced by the Auction House;

- Section 6 d) is hereby amended as follows (as shown with bold writing):

The prospective Buyer must satisfy themselves as to all matters referred to in a), b) and c) of this paragraph by inspection, other investigation or otherwise prior to the sale of the Lot. The Buyer acknowledges that the Buyer has not relied on the Consignor or Auction House, its statements or descriptions in regard to determining whether or not to purchase a Lot. The Buyer understands it is incumbent upon the Buyer to inspect the Lot and hire any necessary experts to make the determination as to the nature, authenticity, quality and condition of any Lot. If the prospective Buyer is unable to personally view any Lot, the Auction House may, upon request, e-mail or fax a condition report describing the Lot to the prospective Buyer. Although the Auction House takes great care in executing such condition reports in both written and verbal format, condition reports are only matters of opinion, are non-exhaustive, and the Buyer agrees that the **Consignor and** Auction House shall not be held responsible for any errors or omissions contained within. The Buyer shall be responsible for ascertaining the condition of the Lot(s); and

- Section 6 e) is hereby deleted and replaced by the following:

When completing the transaction, the Buyer will not acquire any intellectual property rights (including but not limited to copyright) in the Lot(s) which shall remain vested with the Consignor.

- Sections 7 a), b) and c) are hereby deleted and replaced by the following:

a) After the auction, unless the Buyer is otherwise notified by the Consignor and/or Auction House, the applicable Lot(s) will be shipped by the Consignor to the Buyer's selected place of destination as soon as reasonably practicable after notification by the Consignor of a successful KYC compliance and due diligence assessment, as highlighted under section 5 (a)(iii), subject to payment of the Purchase Price by the Buyer in full in accordance with the terms and conditions herein, and receipt of cleared funds by the Auction House and the Consignor and validation of the absence of third party payment. The DAP Incoterm (2020) is applicable to the shipment of the Lot(s) and is hereby incorporated herein by reference. The Consignor will contact the Buyer to arrange and finalize shipping logistics as it relates to the Lot(s). The place of destination will be confirmed by the Buyer prior to shipment;

b) All packaging, shipping, insurance, direct and indirect storage fees and all other Expenses associated with the transportation of the Lot(s) to the Buyer's selected place of destination shall be at the Consignor's expense, excluding any import fees (including but not limited to customs brokerage fees, tariffs, duty, import taxes and charges) which shall be the responsibility of the Buyer. All packaging, handling and shipping of the Lot(s) will be done by the Consignor and Consignor's selected carrier. Notwithstanding the above, before proceeding with the shipment, all required documents and information must be submitted to the Consignor to its satisfaction. It is further understood and agreed that the Buyer, or a duly authorized representative thereof, shall sign a manifest evidencing the delivery of the Lot(s);

- Section 8 a) is hereby deleted and replaced by the following:

All risk of loss and damage to the purchased Lot while in transit to the place of destination, as identified by the Buyer to the Consignor, shall vest with the Consignor. After such time, the Lot will be at the Buyer's risk and the Buyer may arrange their own insurance coverage. Any proceeds received from the Consignor's insurance shall be the extent of the Consignor's liability to the Buyer for any loss, damage or diminution in value to the Lot.

- The first paragraph of section 9 is hereby deleted and replaced by the following:

Following the Consignor's notification to the Buyer of a successful KYC compliance and due diligence assessment as described under section 5 (a)(iii), if the Buyer fails to pay for any Lot prior to 4:30 p.m. E.T. on the tenth (10th) Business Day following receipt of the invoices from the Auction House and Consignor, the Auction House may, acting under the Consignor's written instructions, be entitled to one or more of the following remedies without providing further notice to

the Buyer and without prejudice to any other rights or remedies that the Auction House or the Consignor may have:

- Section 9 d) is hereby amended as follows (as shown with bold writing):
  - d) To store the Lot on the premises of the **Consignor**, Auction House or third-party storage facilities with Expenses accruing to the account of the Buyer, and to release the Lot to the Buyer only after payment of the Purchase Price and Expenses to the Auction House and Consignor;
- Section 10 “No Warranty” is hereby referred to as Section 10 a).
- Sections 10 b), and c) are hereby inserted in the proper numerical and alphabetical order:
  - b) If the Lot is delivered as per Section 7 a), the Buyer will have no more than two (2) Business Days to proceed with the inspection of the Lot following signature of the manifest evidencing the delivery (the “Inspection Period”). Within the Inspection Period, the Buyer will send a notice in writing to the Consignor indicating any discrepancies and/or quality defects with the Lot. It is understood and agreed that if no such notice is received by the Consignor within the Inspection Period, the shipment as described on the bill of lading will be deemed accurate and accepted by the Buyer. Upon receipt of notice, the Consignor reserves the right to proceed with its own inspection of the Lot at its own cost. Should it be determined by the Consignor’s inspection of the Lot that the Lot is damaged and is unfit for use for which it was intended, the Consignor will repair the defective Lot at its own cost to the extent possible. Without limiting the generality of the foregoing, the Consignor or Auction House shall not be responsible for replacing any lost diamonds. The Consignor shall assume all risk while the effected Lot is in transit from the end location to the Consignor facility, and from the Consignor’s facility back to the end location. No express or implied warranties or conditions, to the extent permitted by law, are given by the Consignor or Auction House in respect of the Property, other than those expressly stated in the description of the Property and the *Terms and Conditions of Business*, as amended by these *Special Terms of Sale for Bidders and the Buyer*;
  - c) The Buyer will be responsible for any loss or damage to the Property from the time the Inspection Period expires. The Consignor and the Auction House (and their respective directors, officers, employees and agents) are not responsible for any loss or damage, whatever the cause, while the Property is in the Buyer’s custody after the Inspection Period. Should a defect arise in the Property within fifteen (15) calendar days after the expiration of the Inspection Period, and notice of such is provided to the Consignor in the same manner as detailed in 10 b) above, the Consignor may repair such defect at its own cost to the extent possible, at its sole discretion. In that event, the Buyer shall be

responsible for and assume the risk and cost of shipment from the end location to the Consignor facility, and from the Consignor’s facility to the end location.

- Section 11 a) is hereby deleted and replaced by the following:
  - a) Prospective Buyers are advised to inspect the Lot(s) before the sale, and to satisfy themselves as to the description, attribution and condition of the Lot(s). The Consignor, with the Auction House’s participation and assistance, will arrange suitable viewing conditions during the preview preceding the sale, or by private appointment at the Consignor’s facility. In-person viewings will take place at the Consignor’s facility located at 320 Sussex Drive, Ottawa, Ontario. The Lot(s) may also be on public display during the Consignor’s regular business hours prior to the sale. Prospective Buyers shall be subjected to and must follow the Consignor’s applicable security and health and safety policies and procedures, including but not limited to, applicable COVID-19 clearance requirements, while on the Consignor’s premises. All viewings are subject to COVID-19 restrictions. The Consignor may at any time in its sole discretion elect to provide only virtual viewings as the COVID-19 pandemic continues to evolve. Travel and accommodation, and other costs associated thereto, will be at the prospective Buyer’s own expense. Details for such viewings will be provided ahead of the auction sale;
- Section 11 b) is hereby amended as follows (as shown with bold writing):
  - b) If prospective Buyers are unable to personally attend the live auction, telephone bid, or bid in the Digital Saleroom, the Auction House will execute bids on their behalf subject to completion of the proper Absentee Bid Form or **Irrevocable Bid Form**, duly signed and delivered to the Auction House **two (2) Business Days** before the start of the auction sale. The Auction House shall not be responsible or liable in the making of any such bid by its employees or agents;

#### **THE FOLLOWING CHANGES ARE MADE TO SECTION C— THE CONSIGNOR**

- Section 2 a) including Sub-sections 2 a)(i) through (vii) are hereby deleted in their entirety and replaced as follows:
  - a) The Consignor warrants to the Auction House and to the Buyer that the Consignor has and shall be able to deliver unencumbered title to the Lot, free and clear of all claims. You, as the Consignor, are the owner of the Lot.
- Section 2 e) is hereby amended as follows (as shown with bold writing):
  - e) The Consignor shall indemnify the Auction House, its employees and agents and the Buyer against all claims made or proceedings brought due to any default of the

Consignor in complying with any applicable legislation, regulations and these *Terms and Conditions of Business*, as amended by the *Special Terms of Sale for Bidders and the Buyer*; and

- Section 2 g) is hereby added and incorporated in the appropriate numerical order:
  - g) The Auction House shall indemnify the Consignor, its employees and agents and the Buyer against all claims made or proceedings brought due to any default of the Auction House in complying with any applicable legislation, regulations and the *Terms and Conditions of Business*, as amended by these *Special Terms of Sale for Bidders and the Buyer*.

#### **THE FOLLOWING CHANGES ARE MADE TO SECTION D—GENERAL CONDITIONS**

- Section 3 is hereby amended as follows (as shown with bold writing):

The Auction House has the right at its absolute discretion to refuse any bid **and** to advance the bidding as it may decide. **The Consignor and Auction House shall mutually agree on any decisions related to the withdrawal or division of any Lot, to combine any two or more Lots and, in the case of dispute, to put up any Lot for auction again. At no time shall a Registered Bidder retract or withdraw their bid.**

- Section 8 is hereby deleted and replaced with the following:
  - a) The Consignor shall retain all existing intellectual property rights related to the Property, packaging and advertisement materials and other materials created or provided by the Consignor to the Auction House for the purpose of the catalogue and auction, including but not limited to: copyright of the image, theme concept design, final image appearing on the Property, and related packaging and advertising for the Property, trademarks, official marks, logos, slogans, text, images, photographs, videos, designs, shall solely reside with the Consignor and shall supersede any other documents to the contrary;
  - b) The Auction House retains all rights to photographic, digital and printing material it contributes for the catalogue, and the right of reproduction of such photographs, for which it is the author, if applicable.

- Section 9 is hereby amended as follows (as shown with bold writing):

The Auction House **and the Consignor** will not accept any liability for any failure or errors that may occur in the operation of any online, telephonic, video or digital representations produced and/or broadcasted during an auction sale. **Should such failure or errors occur, the auction shall be postponed to a date that will be agreed upon by the Consignor and Auction House.**

- Section 10 is hereby deleted and replaced by the following:

This Agreement, and all matters relating to this Agreement (whether in contract, statute, tort (including, without limitation, negligence) or otherwise) shall be governed by and construed in accordance with Ontario Law and the laws of Canada applicable therein (without giving effect to choice of laws principles thereof).

Any dispute arising out of or in connection with this Agreement, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration in accordance with the *Commercial Arbitration Act*, R.S.C. 1985, c.17 (2nd Supp.) and any amendments thereto. The number of arbitrators will be three (3). The place of arbitration will be the City of Ottawa, Ontario, Canada. The language to be used in the arbitral proceedings is English and/or French. All proceedings, submissions and awards related to any recourse hereunder shall be kept confidential to the extent permissible by law.

- Section 15 is hereby added in the appropriate numerical order as follows:

If the Buyer is a corporate entity, then the Consignor and Auction House may disclose their corporate name to third parties with interest in the sale of the Lot(s).

- Section 16 is hereby added in the appropriate numerical order as follows:

The Property identified as “The Ultimate” coin is subject to the *Royal Canadian Mint Act*, the *Currency Act*, and the *Criminal Code* (the “Acts”) and as such it is prohibited under such Acts to melt down, mutilate, deface, impair, alter, break up or use the coin otherwise than as currency.

- Section 17 is hereby added in the appropriate numerical order as follows:

These are the complete terms and conditions for the sale of the Lot(s), which have precedence over any terms found on mint.ca. For the sake of clarity, any and all policies on mint.ca, including but not limited to the returns, cancellations, refund and payment plan policies and procedures are not applicable to the sale of the Lot(s) by auction. Sale of the Lot(s) is final; no returns accepted. Please note that the purchase of the Lot(s) is not an Eligible Product for the purpose of the Consignor’s Masters Club program.