

# FREDERICK GOLDMAN INC.

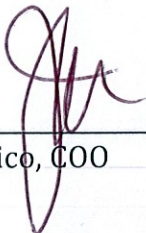
## Frederick Goldman, Inc. Diamond Procedure

### Purpose

The purpose of the procedure is to ensure the proper and accurate disclosure of natural diamonds and to avoid any misleading or deceptive representation as to where diamonds are replaced by synthetic or simulant stones.

### Procedure

1. When Diamond Department receives diamonds and synthetic stones, stones must be authenticated by the receiver and inventory must be kept separate
2. When picking stones, Diamond Department verifies stone requirement matches production needs by filling production bags one at a time
3. Diamond Department to enter size, total weight, pieces, color, clarity and quality of stones in "Material Supply" and again verify that the stones picked match the stones required
4. Diamond Department to only release stones to production floor when product is ready for setting
5. Quality Control to check that finished product matches the description of the required product.
6. Quality Control to communicate to Diamond Department any misrepresentation of stones set during production
7. Diamond Department to correct any incorrectly supplied stones to a production order called out by Quality Control
8. Diamond Department to review order to check where issue occurred and notify Security
9. Diamond Department to make necessary improvements to prevent future occurrences



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John Orrico, COO

October 14, 2021

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Date