



ASHI DIAMONDS, LLC.



18 EAST 48TH STREET, 14TH FLOOR
NEW YORK, N.Y. 10017
(212) 319-8291 ~ FAX (212) 319-4341 ~ (800) 622-ASHI

PERSONAL GUARANTEE

FIRM'S NAME: _____ DATE: _____

ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

TEL #: _____ FAX #: _____ SALES TAX ID # _____

OWNER/ PARTNER NAME: _____ TITLE: _____

HOME ADDRESS: _____

CITY: _____ STATE: _____ ZIP: _____

TEL #: _____ FAX #: _____ SS # OR TAX ID # _____

THIS GUARANTY, dated as of _____, 200____, is made by _____ ("The Guarantor") residing at _____ City _____ State _____ Zip _____ (The "Guarantor"), to and for the benefit of ASHI DIAMONDS, LLC (The "Secured Party"), whose address is 18 East 48th Street, 14th Floor, New York, NY 10017.

WHEREAS, _____ (The "Borrower") desires to purchase on credit and/or receive on consignment from the Secured Party, various items of diamond & precious stone jewelry or gold & loose polished stones or other jewelry merchandise (any and all of such items being hereinafter referred to as the "Merchandise"); and

WHEREAS, as a condition precedent to extending credit to Borrower, the Secured Party has required a security agreement between Borrower and Secured Party and or a personal guaranty from one or more equity owners of the Borrower; and

WHEREAS, the Guarantor owns a substantial equity interest in the Borrower and it is in the best interest of the Guarantor to execute this Guaranty, inasmuch as the Guarantor will derive substantial direct and indirect benefits from the extensions of credit to be made from time to time to the Borrower from the Secured Party.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

1. This Guaranty is entered into for the benefit of the Secured Party and is made as a condition precedent to Secured Party's agreement to sell and/or consign Merchandise to Borrower from time to time. This Guaranty specifically cover all such transactions between Borrower and Secured Party - and all obligations and indebtedness owed by Borrower to Secured Party (all hereinafter referred to as the "Obligations") , whether such Obligations are evidenced by purchase orders, acknowledgments, memorandums, invoices, or any other form of documentation (the "Transaction Documents"). The acceptance of this Guaranty and any other security documents by Ashi Diamonds and the sale and/or consignment of Merchandise by Secured Party to Borrower shall be deemed the full and complete consideration for the undertaking of the Guarantor under this Guaranty.

2. The Guarantor hereby unconditionally guarantees to the Secured Party the prompt payment and the full performance of all Obligations owed by Borrower for all Merchandise sold and/or consigned to Borrower by the Secured Party from time to time. This Guaranty constitutes a guaranty of payment when due and not collection, and the Guarantor specifically agrees that the Secured Party shall not be required to exercise any right, assert any demand or enforce any remedy whatsoever against the Borrower before or as a condition to the obligations of the Guarantor hereunder.

3. This Guaranty shall in all respects be a continuing, absolute, unconditional and irrevocable guaranty of payment and shall remain in full force and effect until all Obligations of the Borrower to the Secured Party have been paid in full. The liability of the Guarantor shall be unconditional and irrevocable irrespective of:

a) any failure or invalidity of, or any defect in, or any defense to, any of the Transaction Documents;

b) the failure of the Secured Party to assert any claim or demand or to enforce any remedy against the Borrower under the provisions of any other security agreement or any of the applicable Transaction Documents;

c) the failure of the Secured Party to exercise any right or remedy against any other guarantor of, or collateral securing, any Obligations of the Borrower;

d) any change in the time, manner or place of payment of, or in any other term of, all or any of the Obligations of the Borrower or any other Obligor, or any other extension, compromise or renewal of any Obligation of the Borrower or any other obligor;

e) any reduction, limitation, impairment or termination of the Obligations of the Borrower or any other guarantor for any reason, including any claim of waiver, release, surrender, alteration or compromise, and shall not be subject to (and the Guarantor hereby waives any right to or claim of) any defense or setoff, counterclaim, recoupment or termination whatsoever by reason of the invalidity, illegality, irregularity, compromise, unenforceability of, or any other event or occurrence affecting, the Obligations of the Borrower;

f) any amendment to, rescission, waiver, or other modification of, or any consent to departure from, any of the terms of the Transaction Documents;

g) any addition, exchange, release, surrender or non-perfection of any collateral, or any amendment to or waiver or release or addition of, or consent to departure from, any other guaranty, held by the Secured Party securing any of the Obligations of the Borrower or any other guarantor; or

h) any other circumstance which might otherwise constitute a defense available to, or a legal or equitable discharge of, the Borrower, or any other guarantor.

4. The Guarantor agrees that this Guaranty shall continue to be effective or be reinstated, as the case may be, if at any time any payment (in whole or in part) of any of the Obligations is rescinded or must otherwise be restored by the Secured Party, upon the insolvency, bankruptcy or reorganization (or similar event) of the Borrower, any other guarantor or otherwise, all as though such payment had not been made.

5. The Guarantor hereby waives promptness, diligence, notice of acceptance and any other notice with respect to any of the Obligations of the Borrower or any other guarantor and this Guaranty and any requirement that the Secured Party protect, secure, perfect or insure any security interest or Lien, or any

property subject thereto, or exhaust any right or take any action against the Borrower, any other guarantor or entity or any collateral securing the Obligations of the Borrower.

6. All notices and demands of every kind are waived by the Guarantor, but if the Secured Party shall see fit to give any notice or make any demand upon the Guarantor, such notice or demand may be given or made by a writing addressed to the Guarantor and left at, or mailed to, the address specified in the introductory paragraph; provided, however, that any such leaving or mailing shall not waive any rights of the Secured Party, and any waiver expressed or implied, by any of them of any breach or default, or of any covenant, shall not be, or be construed to be, a waiver of any subsequent breach of a like or other covenant, or any subsequent default.

7. This Guaranty shall be binding upon Guarantor's successors and assigns and shall inure to the benefit of the Secured Party's successors and assigns.

8. The Guarantor agrees to pay reasonable attorneys' fees and all other costs and expenses which may be incurred by the Secured Party in the enforcement of this guaranty.

9. This Guaranty is made under and shall be controlled by the laws of the State of New York.

IN WITNESS WHEREOF, the undersigned parties have signed this Agreement as of the date first above written

Secured Party:

Ashi Diamonds, LLC

Name: **Rajeev Pandya**

Signature: _____

Guarantor:

Name: _____

Signature: _____

Social Security #: _____
or Tax Id #