

CONDITIONS OF SALE FOR DROPSHOP

The following document (the “Conditions of Sale”) is your agreement with Phillips for participation in our Dropshop platform, a digital saleroom managed and controlled by Phillips. Dropshop is a trading name of Phillips Auctioneers LLC (Dropshop).

Before shopping and purchasing, you should read and understand the terms contained in our Conditions of Sale, our Authorship Warranty and any other Important Notices contained within the Dropshop Saleroom. The italicised language at the start of each section is not legally binding but provides you with a shorthand generalised guide to the language contained in the Conditions of Sale to make it easier to find your way around them. The language below each italicised section is the part that is legally binding that you should read carefully and in full.

Phillips’ Conditions of Sale is the contract that contains the legal terms for all Lots offered at Dropshop. These Conditions of Sale form the contract between you as a shopper and, if you buy a Lot, as the Lot’s Buyer, on the one hand, and Phillips Auctioneers LLC and the Lot’s Seller, on the other hand.

The Lot’s consignor to our Drop, the artist or artist’s representative unless otherwise noted, is defined as the “Seller.” You as a shopper and/or as a Lot’s buyer are defined as “you”, “your”, or “Buyer”. An item described and offered for sale by Phillips in our digital Dropshop Saleroom is defined as a “Lot.” Phillips Auctioneers LLC and our affiliates and Dropshop are defined as “Phillips”, “we”, “our” or “us”. Capitalised words used in Phillips’ Conditions of Sale are defined terms.

1. INTRODUCTION

These are the Terms and Conditions that govern a Dropshop sale.

(a) Unless stated otherwise, each Lot offered for sale in Dropshop is a limited edition created by the artist and sold by Phillips as agent for the artist or their representative. Lots may exist at the time of the Drop, or a fabricator engaged by the artist and/or Phillips may be creating the Lots during or following the Drop and made to the artist’s specifications. Buyers will be limited to a number of Lots they may purchase in any given Drop, with the limit to be disclosed in the announcements for the Drop.

(b) Each Lot shown and offered in Dropshop is sold subject to: (a) the Conditions of Sale and [Authorship Warranty](#); and (b) any additional notices and terms related to the Lot that are published in the Dropshop digital saleroom in which Phillips offers the Lots for sale (the “Saleroom”), (altogether (a) and (b) above comprise the “Conditions of Sale”).

(c) When you register to buy with Phillips on Dropshop, purchase on Dropshop or purchase any Lot through Dropshop, you agree to be bound by the Conditions of Sale.

2. PHILLIPS AS AGENT

Phillips only acts as the agent for the Seller. We do not act as agent for the buyer of a Lot.

Phillips is the agent for the Seller of a Lot, unless otherwise specifically indicated in the Saleroom. We do not act as an agent for Dropshop Buyers. On occasion, Phillips may own an offered Lot, in which case we will indicate our ownership that we are acting in a principal capacity as the Lot’s consignor in the Saleroom. On other occasions, a company affiliated with Phillips may own an offered Lot, in which case we will indicate that we act as agent for that company; or Phillips or an affiliated company may have a legal, beneficial, or financial interest in a Lot as a secured creditor or otherwise in the Saleroom.

Saleroom Descriptions and Condition of Property

Dropshop Lots are from the primary market unless specifically stated otherwise in the Dropshop Saleroom. All Lots are sold “as is.”

(a) The Lots are offered on the primary market and have not yet been offered for sale. Where a Lot is created prior to the Drop, all Lots are sold “As Is”, subject only to the [Authorship Warranty](#), where applicable. “As Is” means that the Lots are sold in the physical condition they are in at the time of the Drop. Where the Lots have been fabricated prior to the Drop, Phillips will have at least one (1) sample Lot from the edition (a “Sample Lot”) available for inspection prior to the Drop. Where the Lots have not yet been fabricated prior to the Drop, Phillips will have an artist proof which the fabricator will use for the basis for the fabricated Lots in consultation with the artist (a “Artists Proof”) available for inspection prior to the Drop. If you wish to arrange an inspection of a Sample Lot or Artists Proof prior to purchase, please contact Phillips to arrange for inspection. Where an Artist Proof or Lot is not available for inspection, please contact dropshop@phillips.com with any questions.

(b) Phillips knowledge about a Lot is dependent on information provided to us by the Seller. Phillips cannot, and does not, carry out exhaustive due diligence on each Lot. You acknowledge this and agree to accept full responsibility for carrying out your own physical inspection and investigation of the Sample Lot or Artists Proof or to organize that through your own representatives in order to determine for yourself that Lots you may be interested in purchasing, are in a physical condition and quality satisfactory to you, as well as satisfying any other criteria important to you. You understand that the Lot purchased by you may differ from the sample Lot or Artists Proof in immaterial ways due to the nature of production.

(c) Notwithstanding the foregoing, Phillips shall exercise such reasonable care when making express statements in the Saleroom concerning quality or condition of the Lots offered for sale consistent with Phillips’ role offering the Lots for sale and, in light of (i) the information provided to us by the Seller and/or fabricator, where applicable; (ii) scholarship and technical knowledge; and (iii) the generally accepted opinions of relevant experts, in each case at the time any such express statement is made.

(d) Please note that published dimensions are approximate and are provided only as a courtesy to you as a shopper or Buyer. Any errors in published dimensions are not a ground for a cancellation of the Lot’s sale. Saleroom illustrations are for Lot identification purposes only and should not be used as a precise indication of a Lot’s actual size, of the Lot’s actual quality or condition, or of the Lot’s actual appearance.

(e) Information provided to you by Phillips in respect of any Lot, whether in written or oral form, including information concerning the Lot’s sale price, description, quality, or condition is not Phillips’ representation of fact but rather a statement of opinion held by Phillips. Any oral or written statements made by Phillips or our representatives in any format, including statements about condition, quality, specifications, value and history are statements of opinion and not statements of fact. Phillips does not accept liability for any such statements and does not warrant their accuracy or completeness.

(f) All sales through Dropshop are final. Phillips will not accept any requests to cancel the sale of any Lot, whether based on quality or condition, unless the Buyer demonstrates, to Phillips satisfaction, that the Lot was damaged in transit to the Buyer and the damage is reported to Phillips pursuant to [Paragraph 6\(c\)](#) of the Lot is materially different from what was shown in the Saleroom, as determined by Phillips in its discretion.

3. BUYING ON DROPSHOP

Buying Lots is completed through Dropshop. When purchasing property through Dropshop, you must provide us with your full "KYC" documentation within 48 hours of your purchase.

(a) Phillips will offer Lots for sale in limited runs and for a limited amount of time in the Saleroom ("Drops" or individually each a "Drop"), with all Lots being offered for sale having a limited inventory. The Drops are scheduled to begin and end in Phillips' sole discretion. Shoppers should be advised that purchasing Lots through the Drops may proceed quickly, and Phillips does not guarantee that inventory for any Lot will be available for purchase at any time during the Drop. Once the Drop time has expired or the entire inventory for the Lot is purchased, no Lots will be available for purchase.

(b) When a Drop is live, shoppers can access the Saleroom and check available inventory for purchase by using the following [link](#). You can purchase available inventory by adding the Lot to your cart and checking out by following the prompts on the screen. You must use a valid credit card to complete the purchase. No purchase through Dropshop is final until a final confirmation number for the purchase is sent to the you using the e-mail registered by you at the time of purchase. Once you click the "purchase" button on your computer or phone screen, you have irrevocably submitted your acceptance of our offer of the Lot and you irrevocably agree to purchase the Lot(s). You agree that any purchase received by us is irrevocable and binding upon you, regardless of the circumstances in which your purchase came to be made on your computer or phone. Once submitted, your purchase cannot under any circumstances be amended or retracted.

(c) Buyers may be limited to a specific number of Lots in each Drop. Limits will be published in the Saleroom announcements for each Drop. Buyers agree that they will not circumvent or attempt to circumvent these limitations by using other accounts or addresses. Phillips reserves the right to cancel sales or charge a restocking fee equal to ten percent (10%) of the Purchase Price where we suspect that a Buyer has not complied with any Saleroom announcement or requirement set forth in these Conditions of Sale, including limitations on the number of Lots purchased by each Buyer.

(d) By shopping and purchasing through Dropshop, Buyers agree to supply such information, identification materials, and references required by Phillips under our Know Your Client Policies, including valid photo identification, proof of address, and likeness verification. The required information must be provided by you as prompted by Phillips within forty-eight (48) hours of your purchase. Buyers agree to submit this information, where directed by Phillips, through a third-party provider, Shufti Pro. By making a purchase through Drop Shop, you agree to provide your requested information and documentation to Shufti Pro, accept Shufti Pro's Conditions and Privacy Policy for this purpose, and acknowledge receipt of these materials by Shufti Pro. In the event that the Know Your Client process is not completed by you within this forty-eight (48) hour window, your transaction will be cancelled, and Phillips may, in its discretion, retain from your Purchase Price a restocking fee equal to ten percent (10%) of the Purchase Price. No Lot will be shipped to you until you provide all the required Know Your Client information requested by Phillips and only after it has been approved by Phillips in its sole discretion. Phillips retains the right to cancel the sale of any Lot to you as a Buyer if your Know Your Client information is insufficient or unapproved by Phillips for any reason in its sole discretion.

(e) Phillips has absolute discretion to refuse your purchase from or participation in any Drop. Phillips may, in its discretion, cancel the sale of a Lot on this basis.

(f) While we do everything within our control to ensure your participation in Dropshop runs smoothly, technical problems beyond our reasonable control sometimes occur. These include, for example, broadband and

other internet capacity constraints, corporate firewalls, errors in the quality or display of digital images, errors in software and other technical problems. Phillips does not accept liability for any such difficulties or errors, whether through the fault of Phillips, any third-party service provider or platform, or any other party.

(g) By shopping and buying on Dropshop, you represent, warrant and confirm that: (i) unless you and Phillips have expressly otherwise agreed in writing prior to your purchase, you are buying on your own behalf and not on behalf of anyone else; (ii) you will be paying the Purchase Price (defined herein) from your own funds from an account in your name; (iii) your funds are not connected with the proceeds of any criminal activity, such as tax evasion, nor are they sourced from a sanctioned person or from a person located in a sanctioned location; (iv) you are not presently under any investigation and you have not been previously been charged with or convicted of any offenses connected with money laundering, terrorist financing, bribery, fraud or other crimes; (v) your participation in Dropshop and payment of the Purchase Price is lawful and shall not breach any applicable laws in the United States and/or in the location where you purchased; and (vi) any purchases made by you, or on your behalf, are not the product of any collusive or other anti-competitive agreement and are not otherwise in breach of any applicable laws, including but not limited to antitrust laws, any sanctions, anti-money laundering, anti-terrorism, anti-bribery and anti-corruption laws, and any applicable government sanctions and other regulatory measures in force at the time of the purchase and at the time payment of the Purchase Price is made.

(h) Employees of Phillips and our affiliated companies may purchase Lots in Dropshop at the same time as the Lots are available for purchase by the general public and for the same price, so long as they comply with our employee bidding policies and procedures.

4. CONDUCT OF THE SALE

Phillips is in charge of how purchases are completed through Dropshop and has discretion in managing inventory and sales.

(a) Phillips may use our discretion at any time to withdraw a Lot from Dropshop, refuse or cancel a purchase of any Lot if you are in breach of any of your representations and warranties or of any of Phillips' Know Your Client policies, amend the published asking price for the Lot in the Saleroom (the "List Price") for any Lot, or re-offer a Lot for sale on Dropshop. Phillips may take such other action as it deems reasonably appropriate, including after a sale of a Lot to a Buyer, if they reasonably believe there may be error or dispute related to that Lot. Phillips shall have no liability whatsoever for any such action taken as it relates to these actions. If a dispute arises after the sale, our sale record is conclusive.

(b) The Drop will be conducted in US dollars and payment for a purchased Lot is due in US currency only.

(c) Subject to the Phillips' reasonable discretion, your checkout and purchase of a Lot through Dropshop marks the acceptance of Phillips' offer for sale and the conclusion of a contract for sale between the Seller and the Buyer, subject to the terms contained in these Conditions of Sale. Risk of physical loss or damage and responsibility for the Lot passes to the Buyer as set forth in [Paragraph 5](#) below.

(d) If all Lots in a Drop are sold out, the Saleroom will show no remaining inventory. However, Phillips may, in its discretion, restore a Lot to the Saleroom inventory if a sale to a Buyer is cancelled or otherwise not completed for any reason.

(e) Dropshop is administered by Shopify. Shoppers recognize and agree that all shopping and purchases through Dropshop are powered by Shopify. By purchasing through Dropshop, you therefore agree to the Terms of Service for Shopify.

(f) A post-Drop sale of a Lot offered but unsold in the Drop shall be governed by these Conditions of Sale as if that Lot was sold during in the Drop through Dropshop.

5. THE PURCHASE PRICE AND PAYMENT

The Buyer is responsible to pay the Lot's List Price plus all shipping and handling costs to the Buyer's shipping address and applicable sales tax charged on the Lot. Title does not pass until payment the later of Phillips receipt of payment for the Lot in full and the date that the purchased Lot has been fabricated by the Seller. A Buyer's risk of loss under the insurance for the Lot passes at the time that Phillips releases the Lot to shippers engaged to deliver the Lot to its Buyer.

(a) If you purchase any Lot, you agree to pay Phillips List Price, plus all applicable shipping and handling costs based on the shipping address submitted by you, plus all applicable sales tax (collectively, the "Purchase Price"). (see [Paragraph 17](#) below for further information on the collection of Sales Taxes)

(b) You are required to pay all costs incident to shipping the Lot to you. The applicable costs will be calculated during the checkout process based on the address provided by you at the time of check out. You are solely responsible for confirming that the address input by you is correct and accurate, as Phillips is unable to amend the address after the purchase is submitted. No refunds will be provided for shipping and handling charges. Where Phillips includes information on estimated shipping timing or cost, it is provided as an estimate only and may not be relied upon by you as a representation of the final shipping and handling charges due from you if you purchase a Lot.

(c) Inclusive in the cost of shipping is transit insurance coverage for the Property, which will cover loss and damage to the Property while in transit to your or while being prepared for shipment. This insurance will protect your purchase against loss, damage, and theft from door to door up to the amount of the Purchase Price. Buyers are unable to self-insure or opt out of transit insurance.

(d) You agree to pay all applicable sales taxes that are payable in accordance with applicable law. For more details please refer to [Paragraph 17](#).

(e) Phillips will not be responsible for obtaining any applicable export or import licenses or other permits required under law for any Lot or for any other reason. See [Paragraphs 6](#) and [11](#) for additional information.

(f) In order to complete your purchase, you must pay the Purchase Price by credit card through the Dropshop checkout platform. We accept American Express, Visa and MasterCard.

(g) Title in a purchased Lot will only pass to you as the Buyer when (i) Phillips has received the Purchase Price from you for that Lot in full cleared funds, (ii) you have passed Phillips' internal Know Your Client checks, and (iii) Phillips physically releases the Lot to a shipper engaged to deliver the Lot to you. Phillips will not release a Lot to you until full cleared payment of the Lot's Purchase Price has been received by Phillips, and the appropriate KYC documentation has been provided by you as the Lot's Buyer and approved by Phillips.

(h) Once you have made payment of the Purchase Price, you agree that you will not cancel the payment, dispute the charge with your credit card company, or otherwise cause payment to be reversed. If you nonetheless do this, Phillips may, in our sole discretion, and without prejudice to any other rights or remedies the Seller or Phillips may have against you under applicable law, exercise any one or more of the following legal remedies:

(i) Charge You interest at a rate of 16% per annum from the order date until the date the Purchase Price is received by us in full and cleared funds;

(ii) Cancel the sale of the Lot and retain as liquidated damages any deposit on, or partial payment of, the Lot's Purchase Price received by us. You agree that if we cancel the sale of the Lot, we may reoffer and sell the Lot on Dropshop or by either public auction or by private sale, on such terms (i.e. auction estimates and reserve or private sale purchase price) set within Phillips' sole and reasonable commercial discretion. You agree that you will be liable for (a) any shortfall between the sale proceeds received by us from our resale of the Lot's and your successful bid's Hammer Price plus applicable Buyer's Premium for the Lot (the "Shortfall"); (b) all of Phillips' costs and expenses (including reasonable legal fees and costs) associated with the Lot's resale, including costs and expenses (and reasonable legal fees and costs) related to Phillips' attempts to collect your debt and all costs related to housing and insuring the Lot after the Drop; (c) any seller's commission that Phillips would have received from the Lot's original sale; and (d) all damages and other amounts that you owe us and/or owe to any of Phillips' affiliates.

(iii) Store the Lot in Phillips's warehouse premises or at any third-party warehouse retained by us at your sole risk and at your sole expense;

(iv) Reject your participation in Dropshop and attendance at and future bids from you at any of our auctions or require any such bids to be subject to a pre-sale cash deposit;

(v) Set-off any amounts owed by you to us against any amounts which we or any of our affiliated companies may owe you in any other transactions (including any deposit or other partial payments we or our affiliates have received from you);

(vi) Pay the Lot's Seller an amount up to what is due to Seller as their sale proceeds for the Lot and, thereafter, Phillips shall stand in the shoes of the Seller and assume all of the Seller's legal rights and may pursue you directly for the amounts due to both the Seller and Phillips;

(vii) Release your name and your address to the Seller to enable the Seller to commence their own legal proceedings against you to recover the amounts due and their legal costs;

(viii) Commence legal proceedings against you to recover the Lot's Purchase Price, together with our losses, including any damages, accrued interest, our expenses and costs, including pre- and post-sale related costs such as storage costs, insurance costs, and all reasonable attorney's fees and costs associated any of our collection efforts and any of our legal proceedings, plus any and all applicable taxes, fees and charges (your "Payment Obligations");

(ix) Exercise all of the rights and remedies available under applicable law to a party holding security over any property that is in their physical or constructive possession, whether by way of pledge, security interest or in any other way as permitted by the law of the place where the property is located. You hereby grant the security to us and agree that we may retain your Lot and any other of your property held by us as collateral security for your Payment Obligations to us as allowed under applicable law;

(x) Exercise and record a lien over any of your property that is in Phillips' possession or control and instruct our affiliated companies to exercise a lien over any of your property that is in their possession or control (see paragraph (b) below for further details). In each case, and no earlier than thirty (30) days from the date of our written notice to you, you agree that we may arrange for the sale of such property to recover your Payment Obligations to us and to any of our affiliates. We will apply any sale proceeds recovered by us from the sale of your Property to your Payment Obligations, provided however, that you shall continue to be obligated to pay for any of the Payment Obligations that remain outstanding after such amounts have been applied to it after the sale of your property;

(xi) Only release your property or any amounts due to you by Phillips or by any of our affiliates, after you have paid us and/or our affiliates your Payment Obligations in full; and/or

(xii) Take such other action as we deem necessary or appropriate.

(i) As security for your full payment of your Payment Obligations to us and/or to any of our affiliated companies, you hereby agree that we may exercise all of the rights and remedies afforded to a party holding a security interest in and against each Lot purchased by you in the Drop, as well as in any other of your property and any funds that are in, or come into, our or our affiliates possession or control, whether such security is created by way of a pledge, security interest or by any other method available to us and/or to our affiliates under the law of the location where your property is located. You agree to grant to us this irrevocable security and agree that we and/or our affiliates may retain your property as collateral security for your Payment Obligations until such amount is fully repaid to us. You agree that we may apply your funds and we may deal with your property as the Uniform Commercial Code, or other applicable law permits a secured creditor to do. We will notify you in writing if we exercise a lien over any of your property or funds that are in our or our affiliates' possession or control. Our security interest in any Lot will terminate upon our actual delivery of that Lot to you or your designated agent.

(j) You also irrevocably authorize Phillips to pledge as security for payment of your Payment Obligations to any of our affiliates, any of your property that is in our possession or control either by our actual or constructive delivery of such property to our affiliate. We will notify you if your property has been delivered to an affiliated company by way of pledge as security for the payment of your Payment Obligations.

6. COLLECTION AND SHIPMENT OF PROPERTY

How to finalize shipment of your paid for purchase with Phillips.

(a) Lots purchased through Dropshop will be shipped to Buyers once they are ready for shipment. Buyers recognize that some Lots may be identified as not fabricated at the time of their sale. In such cases, shipment will take place once fabrication is completed. Where Phillips provides estimated ship dates for Lots, these dates are offered as a guide only and may not be relied on. Phillips may, in its sole discretion, extend the date of shipment and Phillips shall have no liability for delayed shipment. Delay in shipment is not a grounds for cancellation of a sale of any Lot.

(b) Once a Lot is prepared for shipment, Phillips will ship the Lot to you. However, Phillips will not release a purchased Lot to you until (i) you have paid all outstanding amounts due from you to Phillips or any of our affiliated companies; and (ii) you have satisfied such other terms as we in our sole discretion shall require, including completing any anti-money laundering, Know Your Client, or anti-terrorism financing checks. As soon as you have satisfied these conditions, and the Lot is ready for shipment, Phillips will ship the Lot to you as set forth herein.

(c) Lots may not be collected in person and will only be shipped to the shipping address provided by you at the time of purchase of a Lot. You agree to inspect any Lot purchased by you immediately upon your receipt of such delivery. Subject to your rights under [Paragraph 8](#) below, you must submit any damage claims within five (5) business days of delivery by sending an email to dropshop@phillips.com citing the Drop, your Order Number, and images of the damage. Phillips has absolute discretion over any further action that should be taken in response.

(d) If any Lot purchased by you is returned to Phillips as undeliverable, Phillips shall store the Lot in Phillips' premises for such time as Phillips deems reasonable in its discretion. Phillips may, in its discretion, charge you for storage, as well as shipping and insurance costs associated with that Lot's storage, for any time the Lot is stored by Phillips.

(e) Transfer of Risk of Physical Loss and Damage Liability:

(i) You are responsible for the risk of any physical loss or damage to your

purchased Lot, and for arranging insurance coverage for that Lot under your own fine art insurance policy, upon delivery to you. Transit insurance shall protect your Lot while in transit to you as set forth in [Paragraph 5](#).

(ii) During Phillips' Coverage Period (i.e., before the risk of loss passes to you), Phillips will accept responsibility for physical loss or damage to your purchased Lot up to a maximum of the Purchase Price paid by you and subject to our insurance policy's exclusions as set forth in [Paragraph 6\(f\)](#).

(iii) Once Phillips' Coverage Period terminates on your Lot, or as otherwise agreed by us in writing in accordance with Paragraph 6(e)(iii), Phillips' responsibility for physical loss or damage to your Lot will end. You agree that at that time: (1) you will become fully liable for any physical loss or damage to your Lot; (2) you will arrange for your Lot to be covered under your own insurance policy, which shall include coverage for risk of physical loss or damage caused by negligence (including Phillips' or its agents' negligence); (3) you will notify and arrange for your insurance carrier to waive any right of subrogation against both Phillips and Phillips' insurers, related to physical loss or damage to your Lot while in Phillips' or its agent's care, custody and control; (4) you will release Phillips from and against any liability for physical loss or damage, no matter what caused the physical loss or damage to your Lot; (5) you will pay for the full amount of any claims brought against Phillips (including any costs, expenses, or attorneys' fees, that Phillips pays as a result of such claims) that arise from the Lot's physical loss or damage; (6) any payment made by Phillips with respect to a physical loss or damage claim to the Lot prior to Phillips' legal liability having first been proven shall not be a waiver of Phillips' rights within this paragraph; and (7) you will indemnify and hold Phillips harmless from any and all third-party claims, actions, liabilities, losses, damages, costs, and expenses of any kind (including reasonable legal fees) arising out of or in connection with our or our agent's possession or control of the Lot.

(f) Phillips will not be responsible for physical loss or damage to your purchased Lot during Phillips' Coverage Period or during any other time period that we otherwise agree in writing to accept such liability, if the physical damage or loss to your Lot resulting from or caused by any of the following circumstances: (i) inherent defects in the Lot; (ii) humidity or change of weather or other atmospheric conditions not within Phillips' reasonable control; (iii) the Lot's mechanical fault or breakdown (if applicable); (iv) wear and tear and gradual deterioration of the Lot; (v) war, radioactive contamination and/or cyberattack; (vi) the damage occurs while the Lot is in the care or custody of a restorer; and (vii) damage occurring while the Property is in your possession or control or in the care or custody of shipping and packing agents retained by you (even if such shippers and/or packing agents have been recommended by Phillips).

(g) You are responsible for paying all duties and local taxes payable to export from its present location and to import the Property to its final destination.

(h) Shippers may require presentation of a government issued identification prior to our release of your Lot to you or to your authorized representative.

7. CERTIFICATES OF AUTHENTICITY

All Lots offered in Dropshop have been created by the named artist or by a fabricator authorised by that artist in accordance with the artist's specifications. Phillips is not obliged to provide a Buyer with a certificate of authenticity from the artist or fabricator except where we specifically state in the Saleroom for the Lot that the Lot is accompanied by a Certificate of Authenticity. Unless Phillips is satisfied that it is required to rescind the sale in accordance with the terms of our Authorship Warranty, the fact that a fabricator or Seller does not issue a certificate of authenticity will not constitute grounds for cancellation of the sale or any other remedy against Phillips or the Seller.

8. EU CONSUMER RIGHTS DIRECTIVE

(a) If you are a consumer habitually residing in the European Union and the Seller of the Lot you have bought is not a consumer, you

have the right under the EU Consumer Rights Directive, to cancel your online purchase within fourteen (14) days of the date the Lot is delivered to you. If the Seller of the Lot is also a consumer as identified in the Lot particulars by the phrase "Please note this lot is the property of a private individual," the cancellation right does not apply.

(b) If you qualify for the cancellation right and wish to exercise it, you must notify us in writing within fourteen (14) days of the date the Lot or it is delivered to you ("Cancellation Period").

(c) Your written notice should be sent within the Cancellation Period by post to the Client Accounting Team, Phillips Auctioneers LLC, 432 Park Avenue, New York, NY 10022. The notice should state your name, residential address, contact details, invoice number, Phillips account number, description of the Property and its date of delivery and that you wish to exercise the EU Consumer Rights Directive cancellation right.

(d) Within fourteen (14) days of sending us your cancellation notice, you must return the Lot to us at your own cost in an unused/unaltered state in the same condition as when it was collected by or delivered to you. You must use the same secure shipping methods as we used to deliver the Lot to you. You must pay all return shipping costs including any applicable import and customs fees, charges and taxes.

(e) Upon receiving the Lot and provided it is in the same condition, we will reimburse the Purchase Price you paid (less any deductions for loss in value of the property due to excessive handling) to the same means of payment you used to pay the invoice.

9. AMOUNTS OWED TO PHILLIPS

Phillips may pledge your Lot against amounts you owe to Phillips.

In the event that you owe money to Phillips or any of its affiliated companies, you irrevocably authorize Phillips to pledge as security for payment of your outstanding debt to any of our affiliates, any of your property that is in our possession, including any Lot purchased by you through Dropshop. We will notify you if your property has been delivered to an affiliated company by way of pledge as security for the payment of your debt.

10. RESCISSION BY PHILLIPS

Phillips may cancel a Lot's sale. This section sets out Phillips' and the Buyer's rights.

(a) Phillips shall have the right, to rescind the sale of a Lot to you if we reasonably believe that (i) there has been a material breach of the Seller's representations and warranties; (ii) you have made valid and timely claim against the Lot under our Authorship Warranty; (iii) a third-party has made a valid adverse claim against the Lot; (iv) any of your representations and warranties are not accurate; (v) the Lot's sale is, or may be, unlawful; or (vi) the Lot's sale places us or the Seller under liability or we may suffer reputational damage as a result of the Lot's sale.

(b) Upon notice of Phillips's election to rescind our sale to you of a Lot, you will promptly return the Lot to Phillips, and we will then refund the Purchase Price paid to us.

(c) A refund of your Lot's Purchase Price shall constitute your sole remedy and recourse against Phillips and the Seller with respect to the Lot's rescinded sale. (See more details in [Paragraph 13](#) below).

11. EXPORT, IMPORT AND ENDANGERED SPECIES LICENSES AND PERMITS AND SHIPPING BANS

You remain responsible for payment even if any country's laws require an export and/or an import license or otherwise restrict your shipping of the Lot you purchased in the Drop. Determine if any laws affect you or a Lot you are interested in, before you purchase that Lot.

Before you purchase any Lot, you are strongly advised to make your own inquiry on whether a license or certificate is required to export that Lot from the sale location and/or are required to import that Lot into your destination location. It is your sole responsibility as Buyer to obtain all required licenses, certificates, and other required shipping documentation. Your success in obtaining a required license or certificate from one location may not ensure your success in obtaining a required license or certificate in the other location. You are obligated to complete the purchase, regardless of (i) your intention to, or any requirement for you, to obtain an export or import license or any other permit for the Lot, and (ii) your success or failure in obtaining any required permit or license.

(a) Endangered Species: Some countries prohibit the export and/or the import of Lots made of or incorporating certain plant or animal material. There are many species of highly regulated materials, which include but are not limited to, certain corals, crocodile, elephant ivory and marine mammal ivory, whalebone, Brazilian Rosewood and other Rosewood species, rhinoceros horn, tortoiseshell, and various bird species. These regulations often restrict such species' shipment regardless of the materials age, the percentage of such materials in the object, or the Lot's value. Some countries may allow you to export and/or import such property provided you have obtained, in advance, a specialized license from the relevant regulatory agencies in the countries of exportation and/or of importation. In some situations, the regulations may require a Lot's shipment be accompanied with an independent scientific confirmation of the restricted species type contained in the Lot and/or of the restricted material's age. These confirmations must be obtained by you at your own expense. Accordingly, if you are considering buying a Lot that contains any restricted materials, you should familiarise yourself with relevant export and import regulations of the countries concerned.

(b) Watches: Certain watches offered for sale by Phillips may be illustrated in the catalogue with images showing straps that may contain endangered or protected animal materials, such as alligator or crocodile. Such Lots will be noted in the Saleroom. Please note that the straps are not part of the offered Lot and are not for sale. Phillips will remove and retain the strap prior to shipment of the Lot to the Buyer.

(c) It is your sole and complete responsibility to fully comply with these laws and to obtain any necessary export, import and endangered species licenses or permits in advance of any shipment of your purchased Lot. We will not cancel the sale of the Lot to you if you are unable to obtain a required export/import license or permit, or because of any delay in your receiving a required export/import license. Phillips will not cancel a sale on the basis of a failure or inability to obtain a necessary permit or license.

(d) As a courtesy to clients, Phillips may make an announcement in the Dropshop Saleroom that certain Lots contain potentially regulated plant or animal material, but we do not accept any liability for any errors or omissions by us, or for our failure to mark any Lot containing protected or regulated species.

(e) Export and Import Bans and Restrictions: The export and/or the import of purchased Lots out of and into certain countries (including, but not limited to, Russia, Belarus, Iran, Cuba, North Korea) may be prohibited pursuant to Government sanctions and other regulatory measures in force from time to time. Please contact our Dropshop department prior to your purchasing any Lot for further details.

12. PRIVACY

Phillips fully complies with applicable privacy laws. This is set out in our Privacy Policy. Phillips may share your information with the Artist and other third party service providers.

(a) You acknowledge and understand that we may process your personal data (including potentially special category data) in accordance with our Privacy Policy as published at www.phillips.com or available by emailing dataprotection@phillips.com.

(b) Our privacy policy sets out: (i) the types of personal data we will or may collect and process; (ii) the purposes for which we will or may process your personal data (including, for example: the provision of auction, private sale and related services; the performance and enforcement of these terms and conditions; the carrying out of identity and credit checks; keeping you informed about upcoming auctions, exhibitions and special events; and generally where reasonably necessary in the management and operation of our business); (iii) the lawful bases on which we rely in undertaking our processing of your personal data; (iv) your rights in respect of our processing of your personal data; and (v) various other information as required by applicable laws.

(c) In the event that you visit Phillips' premises to inspect a Sample Lot or Artists Proof, you recognize and agree that Phillips premises, including our sale and exhibition venues, are subject to CCTV video surveillance and recording for security, client service, and monitoring purposes. By visiting these areas, you acknowledge that you may be photographed, filmed and recorded and grant your permission for your likeness and voice to be included in such recordings.

(d) By purchasing through Dropshop, you understand and agree that Phillips may share your information, including your name, shipping address, Know Your Client information, payment details, or other information submitted by Phillips with certain third-party providers who support Dropshop, including Shopify, Adyen, and ShuftiPro, as well as the Seller, fabricator and/or shipper.

13. LIMITATION OF LIABILITY

Phillips' liability to a Buyer is strictly limited to the Purchase Price paid to us by the Buyer.

(a) Subject to subparagraph (e) below, the total liability to a Lot's Buyer by Phillips, by our affiliated companies, and by the Seller, in connection with the sale of the Lot shall be limited to the Purchase Price actually paid by the Buyer for the Lot.

(b) You agree that, except as otherwise provided in this Paragraph 13, none of Phillips, any of our affiliated companies or the Seller (i) is liable for any errors or omissions, whether orally or in writing, in information provided to prospective Buyers by Phillips or any of our affiliated companies or (ii) accepts responsibility to any buyer in respect of acts or omissions, whether negligent or otherwise, by Phillips or any of our affiliated companies in connection with the conduct of the auction or for any other matter relating to the sale of any Lot.

(c) All warranties other than the Authorship Warranty, express or implied, including any warranty of satisfactory quality, warranty of merchantability, or warranty of fitness for a particular purpose, are specifically excluded by Phillips, our affiliated companies and the Seller to the fullest extent permitted by law. Phillips, its affiliated companies, and the Seller do not have any liability to any Buyer in relation to any statement made or information given about any Lot except as set forth in the Authorship Warranty.

(d) Subject to subparagraph (e) below, none of Phillips, any of our affiliated companies or the Seller shall be liable to the Buyer for any loss or damage beyond the refund of the Purchase Price referred to in

subparagraph (a) above, whether such loss or damage is characterized as direct, indirect, special, incidental or consequential, or for the payment of interest on the Purchase Price to the fullest extent permitted by law.

(e) No provision in these Conditions of Sale shall be deemed to exclude or limit the liability of Phillips or any of our affiliated companies to the Buyer in respect of any fraud or fraudulent misrepresentation made by any of us or in respect of death or personal injury caused by our negligent acts or omissions.

14. COPYRIGHT

Unless otherwise indicated, Phillips owns the copyright to the materials we publish on Dropshop.

The copyrights in all images, illustrations and written materials produced for the Drop, including the Saleroom contents, are the property of Phillips unless otherwise indicated. Subject to applicable law, such images and materials may not be used by the Buyer or any other party without our prior written consent. Phillips and the Seller make no representations or warranties that the Buyer of a Lot will acquire any copyright or other reproduction rights.

15. GENERAL

These Conditions of Sale are the only agreement between Phillips and the Seller of a Lot with the Buyer of that Lot.

(a) These Conditions of Sale, as defined in Paragraph 1, set out the entire agreement between you, Phillips, and the Seller with respect to the transactions contemplated herein and supersede all prior and contemporaneous written, oral or implied understandings, representations and agreements.

(b) Notices to Phillips shall be in writing and addressed to the Dropshop department, quoting the artist for the Drop and approximate date of the Drop. Notices to Buyers will be sent to the last address provided by them in writing to Phillips.

(c) These Conditions of Sale are not assignable by any Buyer without our prior written consent but are binding on the Buyer's successors, assigns and representatives.

(d) Should any provision of these Conditions of Sale be held void, invalid or unenforceable for any reason, the remaining provisions shall remain in full force and effect. No failure by any party to exercise, nor any delay in exercising, any right or remedy under these Conditions of Sale shall act as a waiver or release thereof in whole or in part.

(e) If there is any inconsistency or conflict between the English text of the Conditions of Sale, Guide for Prospective Buyers and/or Important Notices with any translation provided by us, the English text will prevail and will govern any issues and disputes that arise.

16. LAW AND JURISDICTION

This section sets out what law and jurisdiction applies to any dispute between any Buyer and Phillips.

(a) The rights and obligations of the parties with respect to these Conditions of Sale and Authorship Warranty, the conduct of the auction, and any matters related to any Lot shall be governed by and interpreted in accordance with laws of the State of New York.

(b) Phillips and all Buyers agree to the exclusive jurisdiction of the (i) state courts of the State of New York located in New York City and (ii) the federal courts for the Southern and Eastern Districts of New York to settle all disputes arising in connection with all aspects of all matters or transactions to which these Conditions of Sale and Authorship Warranty relate or apply.

(c) All Buyers irrevocably consent to service of process or any other documents in connection with proceedings in any court by facsimile transmission, personal service, delivery by mail or in any other manner permitted by New York law or the law of the place of service, at the last address of the Buyer or Seller known to Phillips.

(d) We pride ourselves in seeking to address customer complaints effectively and without the need for court proceedings. If you believe that you have a claim against Phillips which we have been unable to resolve through negotiation, then, and provided that both parties in their sole and absolute discretion are in agreement to do so, we will consider submitting any such claim to confidential non-binding mediation through the Court of Arbitration for Art or such other mediation organization as we shall agree between us.

17. SALES TAX

This section sets out how US State Sales Taxes are collected by us on a Lot's purchase.

(a) Sales tax may be payable by the Buyer for any Lot shipped to an address in the United States. Sales tax is collected where legally required, and Phillips will calculate the sales tax due based on the Purchase Price and using the rate applicable to the shipping destination provided by you.

(b) The Buyer of any Lot shipped to the following locations must pay applicable sales tax: California, Colorado, Florida, Illinois, Michigan, Minnesota, Arizona, Arkansas, Georgia, Hawaii, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Washington, Wisconsin, Wyoming, Washington DC, or the commonwealth of Puerto Rico.

(c) Buyers are required to pay sales tax as set forth in this Paragraph even if they hold a certificate evidencing exemption from tax. If you believe you are eligible for a sales tax exemption, you should contact the appropriate state authority directly.

(d) It is the Buyer's responsibility to pay any other taxes due on the purchase of any Lot. Phillips recommends Buyers consult their own tax advisors.

AUTHORSHIP WARRANTY

Phillips offers a limited five-year warranty on the authorship of certain Lots in the Auction.

Phillips warrants the authorship of each Lot offered in Dropshop for a period of five (5) years from the date of sale, subject further to the exclusions and limitations set forth below in this Authorship Warranty.

(a) Phillips gives this Authorship Warranty to the Lot's original Buyer of record only (i.e., the person who purchased the Lot through Dropshop). This Authorship Warranty does not extend to (i) subsequent owners of the Lot, including purchasers or recipients by way of gift from the Lot's original Buyer, heirs, successors, beneficiaries and assigns; (ii) where the Lot's description in the catalogue states that there is a conflict of opinion on the authorship of the Lot; (iii) a Lot where our attribution of authorship was on the date of sale consistent with the generally accepted opinions of specialists, scholars or other experts; or (iv) a Lot whose description or dating is proved inaccurate by means of scientific methods or tests not generally accepted for use at the time of the publication of the catalogue or which were at such time deemed unreasonably expensive or impractical to use or likely in our reasonable opinion to have caused physical damage or loss in value to the Lot.

(b) In any claim for breach of the Authorship Warranty, Phillips reserves the right, as a condition to rescinding any sale under this warranty, to require the Buyer to provide to us at the Buyer's expense the written opinions of the artist that created the Lot or a party authorized in writing by the artist to provide such an opinion.

(c) Subject to the exclusions set forth in subparagraph (a) above, the Buyer may bring a claim for breach of the Authorship Warranty provided that (i) they have notified Phillips in writing within three months of receiving any information which causes the Buyer to question the authorship of the Lot, specifying the Drop in which the property was included and the reasons why the authorship of the Lot is being questioned and (ii) the Buyer returns the Lot to Phillips' New York office in the same condition as at the time of its Drop and is able to transfer good and marketable title in the Lot free from any third party claim arising after the date of the Drop. Phillips has discretion to waive any of the foregoing requirements set forth in this subparagraph (c) or subparagraph (b) above.

(d) The Buyer understands and agrees that the exclusive remedy for any breach of the Authorship Warranty shall be rescission of the sale and refund of the original Purchase Price paid only. This remedy shall constitute the sole remedy and recourse of the Buyer against Phillips, any of our affiliated companies and the Seller and is in lieu of any other remedy available as a matter of law or equity. This means that none of Phillips, any of our affiliated companies or the Seller shall be liable for loss or damage beyond the remedy expressly provided in this Authorship Warranty, whether such loss or damage is characterized as direct, indirect, special, incidental or consequential, or for the payment of interest on the original Purchase Price.

IMPORTANT NOTICES

This section sets out important notices that may apply to certain Drops only.

Jewels

Prospective buyers of Lots containing Jewels should be aware of the following notices:

Weight

Please note that all weights set forth in the Saleroom description are approximate, whether or not qualified by the terms "stated to be" or "approximately." Dropshop website illustrations are rarely actual size and cannot be used as precise indications of size or weight.

Coloured Gemstones

Clients are advised that many coloured gemstones are treated to enhance their properties. For example, heating is commonly used to improve the colour or transparency of rubies and sapphires; oiling is commonly used to enhance the clarity of emeralds. Such enhancement procedures are widely accepted by the international jewellery profession. While heat enhancement of colour is generally believed to be permanent, the process may impact the durability of the gemstone and special care of the stone may be required over time. Gemstones which have been oiled may need to be re-oiled after a period of years to retain their maximum clarity.

Gemological Reports

It is not feasible for Phillips to obtain gemological reports for all gemstones offered at auction. Prospective Buyers should, therefore, bear in mind that coloured gemstones offered for sale without a gemological report or a specific statement in the catalogue entry may have been treated to enhance colour, transparency or clarity. Enhancement of coloured gemstones may affect market value, and our pre-sale estimates reflect the assumption that any coloured gemstone not described in the catalogue entry as "natural" may have been treated.

Phillips is not required to obtain gemological reports for gemstones offered for sale. However, as a courtesy, if Phillips chooses to obtain a gemological reports, they will be obtained from officially recognized laboratories for certain gemstones offered for sale. A summary of these reports is included in the Saleroom description for a Lot. A copy of the report will be made available upon written request. Reports from American gemological laboratories used by Phillips will generally disclose heat enhancement or treatment of coloured gemstones. European gemological laboratory reports will disclose heat enhancement only if specifically requested but will generally confirm when no heat enhancement or treatment has been made. Variations in approach and technology used by different gemological laboratories may result in a lack of consensus among reports as to whether any particular gemstone has been treated, the extent of treatment and whether treatment is permanent.

Country of Origin

While Phillips attempts to obtain accurate information on the country of origin of gemstones, we do not guarantee the correctness of the catalogue or other descriptions of gemstones including country of origin.

Watches

Prospective buyers of Watches should be aware of the following notices:

Authenticity

While Phillips provides its Authorship Warranty, watches may contain component parts that are not authentic, original or which have been replaced, repaired or restored. As such, while the Authenticity Warranty shall apply to the description of the Lot's authorship in the Saleroom description, Phillips does not warrant that all component parts of watches are authentic. Watchbands may not be original to the watch and may not be authentic.

Service

Watches contain complex mechanisms that may require service, battery change, restoration, adjustment or repair over time. Watches are sold as collectors items and we do not warrant the operation or functionality of any watch offered for sale.

Waterproof

Phillips recommends that any watch described as "waterproof" be checked by a watchmaker before use and no warranty is provided by us in this regard. Watches may have been opened to assess quality or authenticity.