WORLD FEDERATION OF DIAMOND BOURSES

BY-LAWS AND INNER RULES

JULY 2026

WORLD FEDERATION OF DIAMOND BOURSES (WFDB)

BY-LAWS

WHEREAS the World Federation of Diamond Bourses recognizes and acknowledges the pivotal role it plays in the commerce of those who earn a livelihood in the diamond, jewelry and precious stone industries worldwide;

AND WHEREAS the World Federation of Diamond Bourses acknowledges that all diamonds are deemed to be natural unless otherwise declared, it has adopted a Charter on Disclosure of , Treated Diamonds and Synthetics, which is binding on all of its members and which must be read in conjunction with these By-Laws and Inner Rules and are inseparable therefrom;

THE WORLD FEDERATION OF DIAMOND BOURSES HEREBY BINDS ALL ITS MEMBERS TO THE SPIRIT AND CONTENT OF THESE BY-LAWS AND INNER RULES:

For purposes of these By-Laws and Inner Rules the following definitions shall apply:

Clause headings are for the purposes of convenience and reference only and shall not be used in the interpretation of, nor modify nor amplify any of the provisions of this Inner Rules and By-Laws;

The parties shall, whenever necessary or appropriate, be referred to by the defined designations, either as provided for in terms of a specific clause;

A reference to -

Any particular gender shall include other genders;

The singular shall include the plural and *vice versa*;

A natural person shall include corporate or unincorporate created entities and *vice versa*;

All of the schedules and/or annexes are incorporated herein and shall have the same force and effect as if they were set out in the body of this Inner Rules and By-Laws;

Words and/or expressions defined in this Inner Rules and By-Laws shall bear the same meanings in any schedules and/or annexes hereto which do not contain their own defined words and/or expressions;

Where a period consisting of a number of days is prescribed, it shall be determined by including the first and excluding the last day;

Where any day for the performance of any obligation and/or the payment of any amount in terms of this Inner Rules and By-Laws falls on a day other than a business day, such obligation shall be performed and/or such amount shall be paid on the immediately preceding day which is a business day;

Where an expression has been defined and such definition contains a provision conferring rights or imposing obligations on any party, effect shall be given to that provision as if it were a substantive provision contained in the body of this Inner Rules and By-Laws;

If figures are referred to in numerals and words, the words shall prevail in the event of any conflict between the two;

Words and/or expressions defined in any particular clause in the body of this Inner Rules and By-Laws shall, unless the application of such word and/or expression is specifically limited to that clause, bear the meaning so assigned to it throughout this Inner Rules and By-Laws;

None of the provisions hereof shall be construed against or interpreted to the disadvantage of the party responsible for the drafting or preparation of such provision;

Whenever a provision is followed by the word "including" and specific examples, such examples shall not be construed so as to limit the ambit of the provision concerned;

Any communication which is required to be "in writing" shall include a communication which is written or produced by any substitute for writing or which is partly written and partly so produced, and shall include printing, typewriting, lithography, facsimile or electronic mail or any form of electronic communication or other process or partly one and partly another.

SEAT

Article 1:

The seat of the World Federation of Diamond Bourses (hereinafter: "The WFDB") will be in Antwerp.

The seat of the elected President of the WFDB (hereinafter: **"The President"**) will be in the country where the elected President resides.

The seat of the Secretariat of the WFDB will be permanently based in Antwerp.

OBJECTIVES

Article 2:

The objectives referred to hereunder are not exhaustive but are codified for purposes of being the guiding principles of the WFDB.

The objectives of the WFDB include and are inter alia, to protect and advance the interests of the affiliated bourses and their individual members by way of making resolutions and recommendations and the enforcement thereof, and to provide mechanisms through which the amicable settlement or arbitration of differences and disputes between the individual members of the affiliated bourses and between the affiliated bourses can be amicably resolved and achieved.

These objectives furthermore include the creation or participation to any forum, communication channel or anything of the like through which affiliated members, Associate Members and Nation Affiliated Members can advance and promote further integration, co-operation and dispute resolution(s), whereby specific commercial interests or the common interest of the diamond industry worldwide can be safeguarded and advanced.

In the furtherance of these objectives the WFDB may participate in the promotion of International Trade, the Kimberley Process through recognized channels, and encourage the establishment of bourses, with a view to their eventual affiliation with the WFDB.

ACKNOWLEDGMENT OF AUTHORITY

Article 3:

The affiliated bourses shall remain autonomous in everything related to its internal matters.

Each affiliated bourse shall be bound by the By-Laws, Inner rules, resolutions and recommendations of the WFDB and in addition be bound by the decisions of the Congress, the Presidents' meetings and the Executive Committee, which may be made and/or amended from time to time.

Each affiliated bourse shall notify the Secretariat of the WFDB of elections, suspensions and expulsions of any of its members immediately upon such a decision being made.

The affiliated bourses agree to take all measures necessary to ensure compliance by their own individual members with the decisions taken by the Congress, Presidents' Meetings, and by the Executive Committee and the WFDB International Arbitration Panel and to be

bound by these laws and rules which would subsequently be introduced, all of which would be subject to the prevailing laws and regulations in their jurisdiction. If no provision for this aim exists in their own By-Laws, Rules, Regulations or Constitutions, they will take all measures necessary to have such provisions introduced at the earliest opportunity or at the latest at their own next General Meeting.

DELEGATES

Article 4:
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a) Each affiliated bourse shall be represented at the Congress of the WFDB by a maximum of three (3) members, thereto duly empowered and who are members of their respective Executive Committees or Board of Directors. The president of each bourse is by right one of the three delegates. Each affiliated bourse may elect to nominate observers to attend Congress.

b) When a delegate is elected as an Executive Officer of the WFDB either as President, Vice-President, Secretary-General, or Treasurer-General, his bourse may appoint an additional delegate, in order to have the full complement of three delegates.

c) Where the word president is used in these By-Laws and Inner Rules to mean the president of a bourse, this shall mean and include the Chairman of a bourse if such is the office that heads the bourse.

d) An affiliated bourse shall be entitled to attend Congresses and Presidents' Meetings at which time only their respective President’s and Vice-President’s shall be entitled to vote, all subject to the provisions of these By Laws.

CONGRESS

Article 5:
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a) The delegates of the bourses affiliated to the WFDB shall meet every three (3) years in a Congress under the direction of the President.

b) Under exceptional circumstances, the Executive Committee or the Presidents' Meeting may decide, when it deems necessary, to hold a Congress in the alternate years and to determine the time and place of that Congress.

c) In the event that at least ten (10) affiliated bourses from five (5) different countries submitted a written request, to the President, to hold a special Congress, the Congress must be convened by the Executive Committee within three months, from the receipt of such request. The time and place of the special Congress shall be determined by the Executive Committee.

d) A written notice regarding a Congress shall be sent by the Secretary-General to each affiliated member to the WFDB, entitled to participate therein, (i.e affiliated bourse, Associate Member, and National Affiliated Member) no later than thirty (30) days prior to the time of the convening thereof.

e) The notice shall specify the time and place of the Congress. The fact that an affiliated member did not receive the notice shall not invalidate the Congress. The agenda of the Congress shall be determined by the Executive Committee.

f) The Congress Working Session shall not be called to order unless there is a quorum at the opening of the meeting. A quorum shall be constituted when delegates representing at least ten (10) affiliated bourses from five (5) different countries are present.

g) If one hour after the scheduled time for the commencement of the Working Session there is no quorum, the delegates who are present shall be deemed to be a quorum provided that delegates representing at least 4 (four) of the 6(six) major manufacturing and trading centers i.e.: Antwerp, Tel Aviv, New York, Mumbai, , Shanghai and Dubai are present at the meeting.

h) The President shall sit as Chairman at every Congress and in his absence; one of the Vice Presidents, as determined by the Executive Committee shall take his place, and in his absence the second Vice President shall take his place, and in his absence the Secretary-General shall take his place.

i) Each affiliated bourse present at the Congress shall be entitled to one vote during every vote held at the Congress. Any vote, act, or participation by an affiliated bourse, shall be carried out in person by its delegates and it will not be possible to empower any other entity or third party, whether by proxy or in any other manner, to act or vote in its name or on its behalf.

j) All resolutions at a Congress, with the exception of resolutions relating to the elections of the Executive Committee members, the Secretary General and the Treasurer-General, must be adopted by at least two thirds of the affiliated bourses present at the Congress in a meeting that has a quorum.

k) A resolution which has been brought for voting at the Congress shall be passed by a show of hands.

l) Notwithstanding clause "k" above, the Chairman of the Congress shall be entitled to decide that a vote regarding any proposed resolution shall be carried out by secret ballot, and he shall be obligated to do so in the event that one of the affiliated

bourses present at the Congress have demanded to hold a secret ballot during the course of the Congress, or prior thereto

m) In the event of a decision to hold a secret ballot, the manner and the time of the vote shall be determined by the Chairman of the Congress and shall be conducted under the supervision of the Secretary General.

n) Every affiliated bourse which has not paid the annual fee shall be entitled to participate at a Congress but shall not be entitled to vote.

In the event of non-payment by an Affiliated Bourse, the Treasurer-General shall notify the fact prior to a vote to the Congress.

o) The following issues shall be decided only by the Congress:

1. To consider any recommendation made by the Executive Committee by either accepting or denying any application received of new bourses to become an Affiliated Bourse .

2. Save for the contents of article 6(q) herein below, to ratify recommendation(s)_ or decision(s) made by a President's Meeting by either accepting or denying any application received of a new Nation Affiliated Member, or an Associate Member to be admitted or not, as the case may be.

3. To consider and either confirm or reject a recommendation made by the Executive Committee to either suspend or expel an Affiliated Bourse from the WFDB.

4. To elect the Executive Committee Members of the WFDB.

5. To ratify either the nominations made by either the Executive Committee or a President's Meeting for persons to hold the office of either being Honorary Officers of the WFDB or in terms of Article 6(b)(1) of the By-Laws.

6. To decide (subject to Article 5(b) above) upon the place where the next Congress shall be held.

7. To ratify the amount determined by the President's Meeting or if not possible by an Executive Committee meeting of the annual contribution payable by each bourse in full to the Treasurer-General on or before 31 March of every year.

8. The delegates attending Congress are entitled to make binding agreements only within the limits of these By-Laws and Inner Rules.

No decision or resolution of the WFDB shall be binding or have any effect on any affiliated bourse if it should be in contravention of the laws of the country where this bourse is established.

PRESIDENTS' MEETINGS

Article 6:
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a) The Presidents of the bourses affiliated to the WFDB shall meet at least once a year. In the event of his absence, the president of each bourse may appoint his Deputy to attend the meeting, or failing his attendance too, another member of his board. Each President's Meeting shall decide upon the place and date of the next Presidents' Meeting.

b) Either a Presidents Meeting or Congress may decide on the admission of such an entity as a Nation Affiliated Member, or as an Associate Member. Such decision shall be subject to ratification or cancellation or under such conditions determined by the President's Meeting, at the following President's Meeting, at its sole discretion.

(1) In the event of any Congress not being held for whatever reason, the President's meeting immediately following upon the aforesaid Congress shall have a mandate in terms hereof, to either re-appoint the nominations and selection of the existing members of the Executive Committee that was elected at the previous Congress (irrespective of any position having been subject for election or not) or replace any member of the Executive Committee (irrespective of the capacity of such member) if such member is incapable of serving in his position, and on good grounds shown by the Executive Committee member. Any decision of the President's Meeting taken in terms of this clause shall be automatically reviewed by any Congress following upon the President's Meeting.

c) Each affiliated bourse has the right to petition for a special Presidents' Meeting clearly stating its reasons. The Executive Committee will be empowered to take the decision as to whether or not the requested meeting will be held and shall decide upon the time and place thereof.

d) In the event that at least ten (10) presidents from five (5) different countries request in writing for a special Presidents' Meeting to be held, a Presidents' Meeting must be convened by the President within one month from the date of receipt of such a request. The time and place of that Presidents' Meeting shall be determined by the President.

e) A written notice regarding a Presidents' Meeting shall be sent by the Secretary-General to each affiliated member of the WFDB, entitled to participate therein, no later than twenty-one (21) days prior to the time of the convening thereof.

f) The notice shall specify the time and the place of the meeting, the agenda, and the matters which are to be discussed. The fact that an affiliated member did not receive the notice shall not invalidate the Presidents' Meeting.

g) The agenda of the Presidents' Meeting shall be determined by the President and the Secretary General.

h) The Presidents' Meeting Working Session shall not be called to order unless there is a quorum at the time of the opening of the meeting. A quorum shall be constituted when delegates representing at least ten (10) affiliated bourses from five (5) different countries are present.

i) If one hour after the scheduled time for the commencement of the Working Session there is no quorum, the delegates who are present shall be deemed to constitute a quorum provided that delegates representing at least four (4) of the six major manufacturing and trading centers i.e.: Antwerp. Tel Aviv, New York, Mumbai, Shanghai and Dubai are present at the meeting.

j) The President shall sit as Chairman at every President's Meeting and in his absence one of the Vice Presidents, as determined by the Executive Committee shall chair the meeting, and in his absence the second Vice President shall chair the meeting, , and in turn in his absence, the Secretary-General shall chair the meeting.

k) Every resolution and recommendation at a Presidents' Meeting must be adopted by a simple majority of votes of the presidents present at the meeting that has a quorum.

l) Proposal of a resolution which has been put forward for voting at the Presidents' Meeting shall be passed by a show of hands.

m) Notwithstanding clause 6(l) above, the Chairman of the Presidents' Meeting shall be entitled to decide that a vote regarding any proposed resolution shall be carried out by secret ballot and he shall be obligated to do so in the event that a majority of the presidents present at the meeting have demanded to hold a secret ballot during the course of the Working Sessions or prior thereto.

n) In the event that a secret ballot has been determined, the manner and the time of the vote shall be determined by the Chairman of the Presidents' Meeting and conducted under the supervision of the Secretary General, and if circumstances do not permit same, the Chairman of the Judicial Committee shall make such a determination.

o) Each president will have the right to cast one vote at the Presidents' Meeting. The vote must be made in person and, by proxy, shall only be allowed if such proxy is given to any attending member of his Board of Directors.

p) Every president shall be entitled to participate but is not automatically entitled to cast a vote for any issue to be decided upon unless otherwise determined by a President's meeting

In the event of non-payment by an Affiliated Bourse, the Treasurer-General shall notify this fact prior to a vote.

q) Apart from the issues provided in Article 5(o) above, Presidents' Meetings shall be empowered to substantively amend the By-Laws and Inner Rules, rescind or amend Executive Committee resolutions and to take any decision on behalf of the WFDB provided that the meeting has been duly convened, has an adequate quorum, and that such matters have been placed on the agenda, and with giving 6 weeks' written notice of the proposed amendments of these By-Laws and Inner Rules. In furtherance hereof, the President's Meetings shall have exclusive jurisdiction over any decision regarding annual fees not excluding the amount and the date upon which the annual fees will become due and payable.

EXECUTIVE COMMITTEE

Article 7:
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a) The Executive Committee of the WFDB shall direct and enforce the policies of the WFDB according to resolutions passed by any Congress and Presidents' Meeting(s), recommendations made by the Secretary-General, the Chairman of the Judicial Committee and assisted by the Executive Director (as the case may be) and shall have such authority to give proper effect thereto as expressed in terms of these laws and rules. .

b) The Executive Committee shall consist of the President, two Vice-Presidents, the Secretary-General, the Treasurer-General, the Chairman of the Judicial Committee (as an invited party) and nine (9) additional executive members, all of whom shall be nominated at least 30 (Thirty) days before the date of Congress. When a bourse nominates a candidate, that nomination shall be signed by a minimum of two (2) members of the board of directors of that bourse. Such nominations shall be communicated to all bourses. All candidates for the various offices, when nominated, shall accept their nomination in writing. In the event of a nomination for Executive Committee membership being received by the Secretary General of the WFDB from a bourse to whom the candidate is not a member of, the Secretary General shall write a letter to the bourse of the nominee, seeking the bourse's endorsement.

c) The President, the Vice-Presidents and the nine (9) additional executive members shall respectively be serving in their capacities as either the President and/or Vice President of their respective bourses (as the case may be).

The President, the Vice Presidents, the Secretary-General, and/or the Treasurer-General of the WFDB, who during their term as members of the Executive Committee of the WFDB, terminated their service as board members of their perspective bourses, will be able to finish the full term of service in their elected capacity at the WFDB. In addition, (1) as long as continuity is maintained between their role as board members in their respective bourses and their role as members of the Executive Committee of the WFDB, and, (2) as long as they hold a title of Honoree President, Honoree Board member, or any other similar title, and, (3) as long as they are members of their bourse and active diamond dealers, can seek re-elected to the position of President, Vice-President, Secretary-General, and/or the Treasurer-General of the WFDB ,for a consecutive term/s as allowed by the term limit under these By Laws, unless their bourse objected to this nomination.

the Secretary-General and the Treasurer-General shall be members of the board of directors of their own respective bourses. The Chairman of the Judicial Committee is specifically excluded from this requirement as he shall be invited to attend all Executive Committee meetings as an observer without any voting rights as is the case with the Executive Director.

d) No country may have more than two (2) seats on the Executive Committee.

e) Subject to clause 7(d) above, the six major manufacturing and trading centres: Antwerp, Tel Aviv, New York, Mumbai , Shanghai and Dubai shall be represented on the Executive Committee at all times. In the event of more than two candidates representing a Major Centre the elections will take place between those candidates.

f) The members of the Executive Committee, except the Chairman of the Judicial Committee and the Executive Director, shall be elected by the Congress, but without a term limit, for a period ending at the next Congress, subject to the principles stated in this clause 7 and consist of those persons referred to in clause 7(c) of the By-Laws. Each bourse shall be allowed to propose any candidate whose nomination has been signed by a minimum of 2 (Two) members of its Board of Directors of the proposing Bourse as a candidate in the elections for office on the Executive Committee, provided that the candidate fulfils the requirements stated in this clause 7 and provided that a written notice has been delivered by the bourse to the Secretary General at least 30 (Thirty) days before the Congress. In the event of a nomination for Executive Committee membership being received by the Secretary General of the WFDB from a bourse to whom the candidate is not a member of, the Secretary General shall write a letter to his bourse informing them of the nomination, seeking the bourse's endorsement.

A simple majority of votes shall be required for any election under this article. If more than two (2) candidates compete for an office and no candidate obtains a majority after the first round, then the two (2) candidates who obtained most of the votes will compete and the candidate that received the majority of the votes shall be elected for office. The voting shall be conducted under the supervision of the Secretary-General.

The President and the Vice-Presidents shall not be elected for more than two (2) consecutive terms of three (3) years of office.

If there is only one candidate representing a Major Centre who fulfils the requirements stated in this clause 7(e), no elections will be held with respect of that candidate and he shall be automatically appointed to the Executive Committee. In the event of more than one candidate representing a Major Centre, the elections will take place only between those candidates.

g) The Congress shall appoint a Deputy Secretary-General and a Deputy Treasurer-General who shall be members of the board of directors of their respective bourses

h) The elections conducted under clause 7 shall be carried out by way of secret ballot under the supervision of the Secretary-General unless the President or one of the Vice-Presidents, as the case may be, or a majority of the Congress members present at the meetings decided that the vote shall be by show of hands. In the event of more than 1 (one) candidate being available for the position of Secretary-General, the Chairman of the Judicial Committee shall supervise the voting process and this process shall also be subjected to be by secret ballot.

i) Where a bourse nominates a candidate for the function of President, Vice-President, Secretary-General, Treasurer-General or executive member 30 (Thirty) days before the date of the Congress, and such candidate no longer remains – for whatever reasons – member of the board of his bourse, such bourse shall have the right to nominate a replacement candidate up to the commencement of the next Congress.

j) If the President is unable or unwilling to continue in office, one of the Vice-Presidents as determined by the Executive committee shall become President and act as such until the next Congress. Should the past President have been a nominee from one of the Major Centres such centre shall nominate another president to complete the Executive Committee.

If the Secretary-General or the Treasurer-General is not re-elected as director of his own bourse's board of directors, he shall nevertheless be entitled to complete his mandate until the following Congress. If he is unable or unwilling to continue in office for any other reason, a Deputy shall succeed either of them as the case may be.

When a nominated candidate for the Presidency is not elected to that position, he will de facto be allowed to be a candidate for the Vice-Presidency (if he so wishes.)

When a nominated candidate for the Vice-Presidency is not elected to that position, he will de facto be allowed to be a candidate for the Executive Committee (if he so wishes.)

At all times however the composition of the Executive Committee must remain in accordance with these laws

k) If a Vice-President or an additional Executive Member is unable or unwilling to continue in office, the Executive Committee shall elect a new Vice-President to serve until the next Congress.

If a Vice-President or an additional Executive Member was designated by one of the Major Centres, then such centre shall appoint a president to the Executive Committee which then in turn may elect a new Vice- President to serve until the next Congress.

l) If the acting President is unable or unwilling to continue in office and there is no Vice-President, the Executive Committee shall appoint an acting President from its own members until the next Congress.

m) Notwithstanding any of the other provisions in this Article 7, if a President is prevented from standing for re-election as president of his own bourse at the end of his term of office due to provisions of his own bourse's rules, or if he's not re-elected, he shall nevertheless serve for the full term of his office as President.

n) The office of a member of the Executive Committee shall be vacated in the event that the member:

1) Has given notice in writing to the Secretary General and the President of his resignation. In this case his resignation shall come into force at the expiration of forty-eight (48) hours from the date of delivery of the letter of resignation, unless he retracted his notice of resignation within the above-mentioned time.

2) Has been legally declared incompetent.

3) Has been declared insolvent, been placed under judicial administration or entered into any accord with any creditor for the repayment of a debt that remains outstanding.

4) Is a shareholder or a director of a legal entity which is engaged in the business or industry of diamonds jewelry and precious stones, and a court order regarding the liquidation, receivership or judicial administration of that legal entity have been issued.

5) Was suspended or expelled from membership of his bourse.

6) Was convicted, by final and unappealable judgment, of any criminal offense.

o) The Executive Committee shall meet at least twice a year and at every Congress and Presidents' Meeting.

The President shall be entitled to convene the Executive Committee at any time with a prior notice of at least seven (7) working days. The President shall be obligated to convene an Executive Committee meeting, in case at least three Executive Committee members demanded in writing such meeting regarding

specific issue/s. The meeting shall be convened within seven (7) working days following such request.

The President shall determine the place and time for the following Executive Committee meeting and the agenda for a President's meeting or Congress and their respective agenda(s). The agenda shall include matters which the President and Secretary General have determined, and every matter which a member has requested to be included in the agenda at a reasonable time prior to the convening of the meeting and the President has agreed to do so. The President and Secretary General shall also agree to the contents of Minutes of Meetings recorded at either an Executive Committee or President's Meeting or Congress (as the case may be) that was the last convened meeting,

p) Notice of the meeting of the Executive Committee shall be delivered to all its members by the Secretary-General at least seven (7) working days in advance. The notice shall indicate the date and time of the meeting and the matters on the agenda. The notice may be given by telephone or email.
With the agreement of the majority of it's members, the President is also entitled to convene a meeting without notice or by shorter notice.

The fact that a member of the Executive Committee did not receive the notice shall not invalidate the meeting.

Every member of the Executive Committee shall attend meetings in person and only under exceptional circumstances will be allowed to participate in an Executive Committee meeting via electronic media. In furtherance of the aforegoing an Executive Committee member shall only be allowed to give a proxy vote to any other Executive Committee member, if such member is unable to attend an Executive Committee meeting and only upon good grounds provided for his absence.

q) No discussion shall commence at the Executive Committee meeting unless there is a quorum present at the time of the opening of the meeting, a quorum shall be constituted when the President or one of the Vice Presidents and at least five (5) additional members of the Executive Committee shall be present in person.

If there is no quorum one (1) hour after the time scheduled for the meeting to commence, the members who are present shall be deemed to be a quorum on condition that the President or one of the Vice presidents and at least two (2) additional members, each from a different Major Centre are present at the meeting.

r) The President shall sit as Chairman at every Executive Committee meeting and in his absence one of the the Vice Presidents, or the Secretary-General, as the case may be, shall preside over the meeting.

s) Each member present at the meeting, except the Chairman of the Judicial Committee and the Executive Director (if appointed) is entitled to one vote. In case of equality of votes the President, and in his absence one of the Vice-Presidents as

determined by the Executive Committee and in his absence the second Vice-President and in his absence the Secretary-General, shall have a casting vote.

t) Every Executive Committee decision must be adopted by a simple majority of votes of the members present at the meeting that has a quorum.

u) Proposal of a resolution which has been put forward for voting at the Executive Committee meeting shall be passed by a show of hands. Notwithstanding the above, the President shall be entitled to decide that a vote shall be conducted by secret ballot and he shall be obligated to do so in the event that not less than seven (7) members present in person at the meeting have requested a secret ballot during the course of the meeting or prior thereto.

In the event that a secret ballot has been determined, the manner and the time of the vote shall be determined by the President and conducted under the supervision of the Secretary General.

v) A resolution which is approved by the majority of all the members of the Executive Committee or to which such majority of members of the Executive Committee have agreed in writing or by telegram shall have the same validity for every purpose as though it had been passed at a meeting of the Executive Committee which was lawfully convened.

"Telegram" for the purpose of this clause includes: electronic mail, notice by means of facsimile, conference conversations, use of any other electronic means such as WhatsApp, zoom etc., and a note or protocol recorded by the President with regard to the agreement of members of the Executive Committee given in telephone conversation(s).

w) A committee member shall be entitled to participate but shall not be entitled to vote at the Executive Committee meeting if the Committee members' bourse has not discharged all payments due to the WFDB including the annual membership fee. Any committee member who has failed and/or neglected to attend 3 consecutive committee meetings shall be excluded from participation in the following committee meeting and may only on good cause shown be allowed to vote on any matter raised.

In the event that the Committee members' bourse is in default of such payments to the WFDB for a period exceeding one (1) year, that bourse's Committee member shall not be entitled to participate and vote at the Executive Committee Meeting and may be subject to disciplinary steps that falls within the sole discretion of the Executive Committee .

In such a case, the Treasurer-General shall notify the above-mentioned fact prior to a vote.

x) The Executive Committee may authorize the President and/or any other representative/s to represent the WFDB regarding specific matter(s) and act as Chairman of any Sub-Committee.

In addition to the powers granted to the Chairman of the Judicial Committee in terms of these By-Laws and Inner Rules and without derogating there from the Chairman of the Judicial Committee shall have the right to make recommendations to the Executive Committee regarding any disciplinary or other matters.

The Executive Committee, President's meeting and the Congress shall be entitled to employ the services of an Executive Director or any third party within its sole discretion and establish any number of committees comprised of members of the Executive Committee, and others, and to grant them such powers as it shall deem fit provided, that the committees shall be entitled to act on behalf of and/or obligate the WFDB and shall submit their recommendations for the approval of the Executive Committee. The Executive Committee shall be entitled at any time, to cancel, to revoke or to alter all or part of the authorities granted to any of the committees or remove any Chairman of a Sub-Committee established in terms hereof.

A committee shall be able to convene and to adjourn its meetings as it sees fit and in accordance with the directions provided by the Chairman of the Sub-Committee. Any question that may arise at one of its meetings shall be decided in accordance with a majority of votes of the members who are present at the meeting, with the Chairman of the Sub-Committee being granted a casting vote.

The Executive Committee or the President has the right to invite additional persons who are representative of other associated industry bodies, Chairpersons of Sub-Committees or Honorary Life World Federation of Diamond Bourses Presidents, Honorary World Federation of Diamond Bourses Members or any other party who may provide a substantive and clear contribution, to attend Executive Committee or President's meetings, with the proviso that such invited party shall not have the right to vote on any matter before the Executive Committee or President's meeting or Congress.

y) (i) Any Sub-Committee constituted in terms hereof shall be limited to a number not exceeding 7 members nominated and appointed by the President, Vice-Presidents and Secretary-General. Such Sub-Committee may be extended to a number not exceeding 9 of which a number not exceeding 2 shall be reserved for Associate Members and/or Nation Affiliated Members.

(ii) Any member from an Associate Member and/or Nation Affiliated Member elected to serve on any Sub-Committee shall not have the right to vote.

(iii) Any and all Chairmen of Sub-Committees shall be nominated by the President and thereafter be approved by the Executive Committee.

(iv) Chairpersons of Sub-Committees shall report twice a year to the Executive Committee and once a year to the President's meeting and to Congress (as the case may be) regarding progress and deliverables reached by the Sub-Committee.

(v) In the event of a Sub-Committee not being able to reach its deliverables or being able to progress its mandate as represented by its Chairman or the Chairman failing to report as stipulated in (iv) herein above, the Executive Committee shall have the right to take appropriate steps it deems necessary under the circumstances, which may include the dissolution of the Sub-Committee or the removal of the Chairman of the Sub-Committee.

(vi) Any Sub-Committee shall have the right to determine the framework of its mandate and the time frame within which the mandate can be fulfilled, on condition that the Executive Committee shall have the right to prescribe time limits and the ambit of its mandate when it is in the overall interest of the WFDB.

(vii) To consider any proposals made by the different Sub-Committees and to provide further input and consideration to proposals made by any Sub-Committee including the removal of any Chairman from such Sub-Committee.

APPLICATIONS FOR MEMBERSHIP

Article 8:
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a) Bourses whose members deal in diamonds and/or precious stones and jewellery shall be entitled to apply for membership of the WFDB provided that the country where the bourse is established, is a member in good standing of the Kimberly Process, provided they have been established and operational for at least one full year under a written Constitution and/or By Laws, have a clearly designated and representative governing body, are able to prove their means of subsistence, and provided that they have agreed in writing to the terms and conditions of their membership, as stipulated by the Executive Committee and approved by the Congress.

b) The Constitution, alternatively By-Laws and Inner Rules of an applying bourse shall contain the principal commercial and business rules and procedures in use in the diamond trade. Applications have to be submitted with a certified copy of the Constitution, translated into English and shall state readiness to accept the By-Laws and Inner Rules of the WFDB, and to comply and be bound with their provisions and with the resolutions of the Congresses, Presidents' Meetings and Executive Committees of the WFDB.

c) Applications are to be sent to the Secretary-General, at least six (6) months before the date of the Congress. The Secretary-General shall communicate the applications to each affiliated bourse.

d) The bourse submitting the application for membership shall file with the WFDB a certified copy of its By Laws and/or constitution documents and its Regulations applicable to arbitrations and shall commit itself and its members not to restrict any trade with the countries where the affiliated bourses are situated. The Constitution and/or By Laws and Inner Rules of the applicant shall be reviewed by the Executive Committee and/or anyone on its behalf and the applicant bourse shall undertake to change and/or adjust and/or modify any clause that does not conform to the By Laws and Inner Rules of the WFDB.

   In addition the Executive Committee will appoint 2 (two) representatives from 2 (two) different Bourses to visit the applicant bourse, to examine the manner in which it operates, or intends to operate, the identity of its members, etc. and to report in writing to the Executive Committee about its findings.

e) Each bourse undertakes to notify the Secretary General, in writing, about any changes to the By Laws and the regulations of that bourse, soon after the changes have been made, accompanied by an updated copy of the By Laws.

f) If any original text of any of the above documents is not in English, an English translation must be added.

g) Applications shall be submitted for decision of the Congress at the next Congress subject to fulfilling all demands and conditions of the Executive Committee

Article 9:
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a) A diamond producing country duly represented by an applicable government ministry or department or semi-governmental corporation, shall be entitled to apply to the WFDB as a Nation Affiliated Member, provided it is, and in the case of semi-governmental corporation, its country is, a member in good standing of the Kimberly Process, and provided it has agreed in writing to the terms and conditions of its membership, as stipulated by the Executive Committee.

b) A corporation, or any other form of legal entity whether public, private, governmental or semi-governmental, that is engaged in :

1) the promotion and development of the trade and manufacture of diamonds and gem stones and jewellery, and/or;
2) in the funding and/or development of tools and machines intended to be used in the diamond and/or gem stones and jewellery manufacture and trade and/or;

3) in the promotion and/or protection of the interests of its members that are engaged in the diamond and/or, gems trade and jewellery trade manufacture or any other industry related or associated thereto, shall be entitled to apply to the WFDB as an Associate Member, provided it is, and in the case of semi-governmental corporation, its country is, a member in good standing of the Kimberly Process, and provided it has agreed in writing to the terms and conditions of its membership, as stipulated by the Executive Committee;

shall be entitled to apply.

c) Applications must be submitted with a certified copy of applicable documents and/or their By Laws and Inner Rules, if applicable, translated into English and shall state readiness to comply and be bound to the resolutions of the Congresses, Presidents' Meetings and Executive Committees of the WFDB.

d) Applications are to be sent to the Secretary-General, at least (6) six months before the date of a Congress or President’s Meeting. The Secretary-General shall communicate the applications to each affiliated bourse.

e) The By Laws and Inner Rules of the Applicant, if applicable, shall be reviewed by the Executive Committee and/or anyone on its behalf to ensure their compatibility with the rules and regulations of the WFDB.

In addition the Executive Committee may appoint 2 (two) representatives from different Bourses to visit the applicant, to examine the manner in which it operates and report to the Executive Committee about its findings.

f) Changes to the By Laws and Inner Rules should also be notified in writing to the Secretary General soon after the changes have been made accompanied with an updated copy of the By Laws and Inner Rules.

g) If any original text of any of the above documents is not in English, an English translation shall be provided

h) A Nation Affiliated Member and an Associate Member, duly represented as aforesaid, shall be entitled to attend Congresses and Presidents' Meetings, be represented and exercise such rights afforded to it at any Sub-Committee that may exist or be constituted from time to time, but shall neither be entitled to stand for a position on the Executive Committee, or be elected to the Executive Committee , or to vote, nor shall it be bound by the provisions related to arbitration and disciplinary proceedings. A representative of a Nation Affiliated Member or Associate Member or representative of other associated industry bodies, Chairpersons of Sub-Committees or Honorary Life Presidents, Honorary Members or any other party who may provide a substantive and clear contribution may be co-opted onto the Executive Committee of the WFDB for participation of any matter placed on the Agenda, on proviso that he shall not have a right to vote on any matter placed for voting purposes.

i) Notwithstanding article 10(a) hereunder, the entrance fee, annual contribution and any other matter related to the terms and conditions of the membership of a Nation Affiliated Member and an Associate Member shall be determined by the Executive Committee.

j) Any application received shall be submitted for a decision either by the Presidents Meeting or Congress, whichever occurs first at the next Presidents Meeting or Congress subject to fulfilling all demands and conditions of the Executive Committee. Any decision made by the President’s meeting, as the case may be, shall be subject to ratification or cancellation by the Congress, at the next Congress, at its sole discretion.

k) During the period starting at the date of approval of the entity as a Nation Affiliated Member or an Associate Member by the Presidents Meeting, and until the ratification or cancellation of the decision by the Congress, the entity shall be entitled to all the relevant rights and obligations set by Article 10(h) above. If the Congress cancelled the Presidents Meeting decision, the Nation Affiliated Member membership or the Associate Member membership of that entity shall be cancelled and shall cease to exist following the Congress decision.

Article 10:

The Congress, after a recommendation received from the Executive Committee, shall be entitled, to cancel or suspend the membership of any affiliated bourse and/or of a Nation Affiliated Member and/or Associate Member, if it or its country, ceases to be a member in good standing of the Kimberly Process and/or it does not act in accordance with the rules and objectives of the WFDB, and/or breaches the terms and conditions of its membership and/or acts in contradiction to the interests of the world diamond trade and industry and/or avoids paying the annual fees due, without having to justify their decision.

The bourse or the Nation Affiliated Member or Associate Member shall be advised in writing prior to a Congress by the Secretary-General, that the cancellation or suspension of its membership is on the agenda of that Congress and will be given the opportunity to appear before the Congress and present its arguments.

In addition, if the affiliated bourse does not act in accordance with the rules and objectives of the WFDB, and/or breaches the terms and conditions of its membership and/or acts in contradiction to the interests of the world diamond trade and industry and/or avoids paying the annual fees due, the Executive Committee shall be entitled, at its sole discretion and by a majority of its members, impose on the affiliated bourse one or more of the following sanctions.

Temporarily, for a period not exceeding 24 months, to cancel its participation in Congress or Presidents' Meetings, and/or, to cancel its right to vote in those meetings.

If a bourse representative is a member of the Executive Committee, to temporarily, for a period not exceeding 24 months, to cancel his/her right to attend Executive Committee meetings, and/or to cancel its right to vote in those meetings.

The bourse shall be advised in writing prior to an Executive Committee meeting that one of the above sanctions is on the agenda of the Executive Meeting and will be given the opportunity to appear before the Executive Committee and present its arguments.

Article 11:

The acceptance of new constituents and the suspension and expulsion of members including a Nation Affiliated Member and an Associate Member shall require a simple majority of the Congress or the President's meeting.

Article 11 (a):

An approved member which complies with the By-Laws as set out in Articles 8-9 herein above shall be required to pay an entrance fee, as decided upon from time to time by the Executive Committee and upon the recommendation of the Treasurer-General as a fundamental pre-condition of such membership. In addition, each member shall pay an annual membership fee as determined upon from time to time by the Executive Committee.

RESIGNATION OF MEMBERSHIP

Article 12:

Any affiliated bourse, a Nation Affiliated Member and an Associate Member intending to resign its membership of the WFDB shall submit a letter of resignation stating its intention to the President and to the Secretary-General, sent by registered air-mail or delivered by hand or by way of electronic media, receipt of which must be acknowledged immediately by the Secretary-General.

Copies of these letters must be communicated without delay to all affiliated bourses. The resignation letter must be sent to the WFDB at least six (6) months before the date of the next Congress, to which it must be submitted for consideration.

All dues or subscriptions by the resigning body must be paid to the end of the financial period of the WFDB in the Congress year.

Upon to the resignation of any Member and until his resignation becomes effective except an Associate Member or Nation Affiliated Member, such Member shall, as prescribed in the provisions of the Inner Rules, remain bound to perform the duties assigned to it relating to any Arbitrations(s) that commenced in any manner, before its resignation as prescribed in the provisions of the Inner Rules.

Article 13:

If a resignation as set out in Article 12 is not accepted by the Congress, the resigning body shall be bound to conform to any decision or penalty reached at that time.

Article 14:
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a) Members of the affiliated bourses shall be members of such bourses as individuals and in their own names.

   In the event that this provision contravenes local laws and/or practices, Congress may approve the dispensation of this rule.

b) A member of a bourse shall be obliged to use the bourse arbitration and disciplinary proceedings exclusively subject to the provisions of the Inner Rules.

INDEMNITY OF OFFICERS

Article 15:

Any Officer or employee acting on behalf of the WFDB ,such as a member of the Executive Committee with voting rights, shall be indemnified and secured harmless by the WFDB, from and against all actions, costs, charges, losses, damages, and expenses which they or any of them shall or may incur or sustain by reason of any act done or omitted, in or about the execution of their respective duty or supposed duty in their respective offices except such, if any, as they shall incur or sustain by or through their own wilful act, and none of them shall be answerable for the acts, neglects or defaults of the other or others or for any loss or damage which may occur in the execution of their respective offices or in relation thereto, unless these occur by or through their own wilful act.

INSURANCE OF OFFICERS

Article 16:

The WFDB shall be entitled to insure the liability of any Officer or employee acting on behalf of the WFDB such as a member of the Executive committee with voting rights and the Chairman of the Judicial Committee, in whole or in part, from and against all actions, costs, charges, losses, damages, and expenses which they or any of them shall or may incur or sustain by reason of any act done, or omitted, in or about the execution of their respective duty or supposed duty in their respective offices, except such, if any, as they shall incur or sustain by or through their own wilful act.

INNER RULES

Article 1:

These Inner Rules form an inseparable part of the By Laws of the World Federation of Diamond Bourses.

Access to the premises of an affiliated bourses is to be granted only to that person who can prove clearly that he is engaged in the trade of diamonds or, precious stones and jewellery, in accordance with the legislation of the country of his residence and subject to the rules and regulations of the relevant bourse.

Such person's bourse is to confirm in advance to the bourse to be visited that such a person is a present member of his own bourse. Access does not entitle the visitor to trade without complying with the visiting bourse's regulations and the local laws of its country.

Article 2:

Every member of a bourse affiliated to the WFDB, emigrating to another country and in good standing with his bourse, will be admitted by the Bourse with the written endorsement of the WFDB to which he is applying, after complying with the bourse's application procedure.

Article 3:

Should a member of one of the affiliated bourses be suspended or expelled, for any of the following reasons:

a) Failure to make payment to a bourse and/or a bourse member of any sum lawfully due.

b) Not fulfilling agreements regularly made in accordance with commercial usage or the Concluding of secret agreements

c) Not submitting himself to the judgment of the bourse or Arbitration Committees

d) Non-payment of dues

e) Prejudicing the moral or material interests of the industry by failure to comply with Standards of integrity as prescribed by the WFDB.

f) Not complying with a final arbitration judgment.

g) Breach of the terms and conditions of a bourse membership and/or not acting in the best interests of the world diamond trade and industry.

h) In the event that the bourse member has been declared bankrupt.

i) In the event that the bourse member is a shareholder, or a director of a legal entity engaged in the business or industry of diamonds, jewelry and precious stones, and a court order regarding the liquidation or receivership of that legal entity has been issued.

j) mis-declaring the goods, mis-representing the goods, and mixing of diamonds with man-made / CVD diamonds and selling man-made / CVD diamonds/lab grown diamonds without disclosure. Further, in the event an accused who claims to be a victim and fails to provide sufficient evidence in this regard then he shall not be entitled to claim the defense of being a victim

k) Any other relevant reason according to the By Laws of an affiliated bourse.

Such facts shall immediately be communicated by the relevant bourse to the Secretary-General, who shall transmit the information to the affiliated bourses. The affiliated bourse(s) will thereafter in terms of the procedures prescribed in its own Constitution or By-Laws and Inner Rules (as the case may be) as well as its national law be compelled to take the appropriate disciplinary action. Should a member of one of the affiliated bourses be subjected to any form of disciplinary action for any other reason than those mentioned in the above mentioned clause (k), the bourse in question shall, through the Secretary-General, convey information as to the cause of the measure unless the local laws of the bourse's country prohibit this.

l) All Bourse members shall ensure that their respective membership includes the following text on their invoices/ receipts or anything of the like:

"A rough diamond seller must inform the client/buyer whether the diamond underwent Galatea/Galaxy (or any other similar) inspection.

Failing disclosure of this information could cancel the transaction and could also be subject to further claims".

Article 4:

ARBITRATION BETWEEN MEMBERS OF DIFFERENT BOURSES

Section A: Submission to Arbitration

a) Any member of a bourse affiliated to the WFDB shall submit to the exclusive adjudication of a dispute as defined in Article 4, section B, of the Inner Rules involving a member of a different bourse affiliated to the WFDB. Such dispute shall, directly or indirectly, be related to the diamond and precious stones. and jewellery business. He may not take action in any other forum, unless he has received written authorisation by the bourses concerned. If any member fails to adhere to act in terms of this clause, the bourse affiliated to the WFDB and to whom the member is affiliated to, shall have the right to take further disciplinary steps against the aforesaid member, in terms of its Constitution or Inner-Rules and By-Laws as the case may be.

b) When implementing this article each party shall use English as the arbitration language and all documents related to the arbitration including the bourse Arbitration rules and regulations, the arbitration agreement, the claim, the defence, arbitration protocols, and arbitration award. etc. shall be recorded inland/or translated to, English

Section B: Commencement of Arbitration

The commencement of the arbitration takes effect when a member of a bourse files a claim in writing against a member of another bourse to his own bourse. A copy of the claim submitted to the plaintiff's bourse must be delivered immediately and without delay, by the Plaintiff's bourse to the Defendant's bourse, in English. Such claim should clearly state the grounds on which the plaintiff claims jurisdiction.

Section C: Jurisdiction

Where a dispute arises between members of different bourses, the jurisdiction shall be determined in accordance with the articles listed in sections A-I below, in their order of appearance, meaning that the section appearing first takes precedence over the subsequent section:

a) The plaintiff shall always have the right to lodge a dispute for arbitration at the defendant's bourse. If the plaintiff lodged the claim at the defendant's bourse, that bourse shall have jurisdiction over the dispute.

b) If prior to the dispute, a party to the dispute signed, an undertaking towards a bourse, committing him to its arbitration in the event of disputes arising between him and members of that bourse, or between him and other parties signing similar undertakings, that bourse shall have jurisdiction over the dispute.

c) The parties shall always have the right to agree either before or after a dispute arises, as to which bourse shall have jurisdiction to hear the existing or future dispute, provided that such bourse agrees to hear the dispute, and if so done, that bourse shall have jurisdiction over the dispute.

d) If none of the foregoing applies and the parties to the dispute did not reach an agreement within 14 (fourteen) days following the filing of the claim, the presidents of both bourses will try to reach an agreement within additional 14 (fourteen) days, as to which bourse shall have jurisdiction over the dispute. Such agreement reached by the presidents of the bourses shall bind the parties to the dispute.

e) If none of the foregoing applies and/or a dispute or failure to agree persists as to which bourse has jurisdiction the WFDB shall determine, in accordance with sub-clauses (f) and (g) below and at its sole discretion without the need to justify the decision, following a written request submitted by the plaintiff's bourse, with a copy to the defendant's bourse, that a Qualified Bourse (as defined in sub-clause (m) below) will hear the arbitration, on condition that it will not be one of the bourses whose members are involved in the dispute. The WFDB could also determine that the dispute shall be referred to International Arbitration in accordance with section F below.

f) The President, one of the Vice-Presidents, and the Chairman of the Judicial Committee of the WFDB shall decide, as soon as possible, following the request submitted by the plaintiff's bourse, at their sole discretion without the need to justify their decision, where the arbitration shall be conducted. and shall be entitled to demand additional relevant information and/or documents from the bourses involved in the dispute. If the President, Vice-President, or the Chairman of the Judicial Committee is a member of a bourse involved in the dispute, another member/s of the Executive Committee shall be appointed in his/their stead, by the Secretary General, and if he is a member of a bourse involved in the dispute, by one of the Vice Presidents that is not a member of a bourse involved in the dispute .

g) In acting so, the President, the Vice-President, and the Chairman of the Judicial Committee of the WFDB may decide as follows:

   i. The arbitration shall be conducted within a neutral bourse, in a manner provided by article l here below to conduct arbitration between members of different bourses.

   ii. That the dispute be referred to International Arbitration provided herewith by this Article.

iii. That the dispute be referred to International Arbitration provided herewith by this Article to be conducted and heard without physical presence of the parties and the arbitrators but with the use of electronic devices such as ZOOM/TEAMS or any other similar electronic manner that enable the parties and the arbitrators to simultaneously see and hear each other, provided that the value of the claim or counter claim, if filed, do not exceed the sum of 100,000 US$.

The above-mentioned decision of the President, the Vice-President and the Chairman of the Judicial Committee of the WFDB shall be final and shall be sent in writing to the bourses.

h) A bourse shall be authorized to conduct arbitrations between members of different bourses provided all conditions detailed in sub-clauses (1)-(3) below are met:

1. The bourse fulfils all following basic conditions:
   (i) Arbitration proceedings will begin with the filing of a claim that will include, in brief, at least the nature of the dispute, the relevant facts, and the amount claimed. The defendant may file a statement of defense. An arbitration agreement, if needed under the local laws, will be signed by the litigants.
   (ii) The arbitration shall be conducted in English. The parties and the arbitrators can decide that the arbitration proceedings will be carries out in a different language provided that the arbitration award and/or decisions shall be rendered in English.
   (iii) The bourse has gained, enough experience in conducting arbitrations during at least two Calander years that proceeded the Executive committee approval referred to in sub clause (3) below.
   (iv) The arbitrators must be completely objective and independent.
   (v) The arbitrators will enable the litigants to reasonably assert their claims. The arbitration will be conducted as continuously as possible and will begin, except in exceptional cases, 30 days following the nomination by the WFDB.
   (vi) The arbitrators shall be entitled to render the award at their sole discretion and in a manner that appears to them to be best and most beneficial for a fair, honest, and speedy resolution of the disputes and in accordance with trade rules and commercial practices prevailing in the diamond trade.

2. The bourse has given its consent to conduct arbitrations between members of different bourses as well as a confirmation that it complies with the minimum conditions set forth above.

3. Following sub-clauses (1)-(2) above, the bourse has been approved by the Executive committee, according to its sole discretion, to conduct arbitrations between members of different bourses, following the review and recommendation by the Judicial Committee of its constitutional documents, by-laws, inner-rules and any other relevant document that refers to arbitration within the bourse.

i) A list of initial bourses entitled to conduct arbitrations between members of different bourses shall be recommended by the Judicial committee and approved by the Executive Committee within three (3) months following the approval of these amendments (The "**Qualified Bourse**").

In addition, at any time, any bourse may request to be qualified to handle arbitrations between members of different bourses by filing a written request accompanied by a copy of its constitutional documents and its rules and procedure of conducting arbitrations, as well as written confirmation that it complies with the conditions set forth above. The Executive Committee following a review and recommendation by the legal committee, shall consider the application and may approve or reject it at its full discretion.

j) Subject to any judicial decision in a relevant jurisdiction of any of the bourses, none of the member bourses shall be entitled to handle the arbitration before the WFDB renders the decision regarding jurisdiction.

k) Any bourse appointed to hear a dispute as set forth in the above-mentioned subsections shall, upon request, forward to the parties, all its relevant rules and regulations in force and any other relevant document relating to the arbitration procedures, all in English. The dispute shall be heard and conducted according to the rules and procedures in force at the bourse (including inter alia: the right of appeal or re-hearing to a higher tribunal of that bourse, if this exists, representation or non-representation by a legal counsel, etc.) and shall bind a non-member of that bourse in the same manner as a member.

l) If any bourse appointed under the above-mentioned subsections is unwilling or unable to hear the dispute, the President, the Vice-President and the Chairman of the Judicial Committee of the WFDB shall choose an alternate bourse. It is hereby emphasized that if Qualified bourse has been nominated by the WFDB to conduct an arbitration between members of different bourses, it will be obligated to conduct the arbitration proceedings until its termination and will not be entitled to withdraw or cease to handle the proceedings except due to a judicial order of a competent court, or under other special circumstances subject to the approval of the Executive Committee following a recommendation of the Judicial Committee

m) The above procedures shall be conducted between the WFDB and the relevant affiliated bourses and not directly with the members involved in the dispute.

Section D: Procedures

a) The President may, before any matter has been referred to arbitration in terms of these Inner Rules offer the relevant parties to the dispute, the possibility of conciliation or mediation of any such dispute, to be conducted by him or by another suitable bourse member. The President may, at his discretion, request the assistance of another officer of the WFDB or any officer of any other bourse towards this purpose.

b) Once jurisdiction has been finalised, the bourse that will hear the dispute shall arrange for the arbitration to commence within thirty (30) days following the WFDB decision regarding jurisdiction and to be finalised as expeditiously as possible. The selected bourse shall notify all parties and their bourses, and copy the WFDB Secretary-General of the date, time and place of the hearing, by certified mail with return receipt requested, or by registered mail, or by personal delivery or by fax/email with confirmation to be obtained at least from the bourse. The opposing party's bourse shall deliver the notice to its member after the date and place of the hearing has been fixed.

c) A party to arbitration shall be warned in writing that should he decide not to appear at the arbitration hearings, the arbitrators shall be authorised to hear the arbitration and reach an award in his absence and that award shall be binding on that party.

Section E: Counterclaims

The bourse hearing the dispute as well as the International Arbitration Panel referred to hereunder shall be qualified to adjudicate upon any counterclaim or related claim originating from the dispute referred to it.

Section F: International Arbitration

Section F1:

The International Arbitration Board will consist of the arbitrators and their alternates appointed by their Qualified Bourses as follows: Every Qualified Bourse shall appoint one (1) arbitrator who has to be the president or suitably appointed member of its board of directors or of its board of arbitrators and two (2) alternates who must also be members of the board of directors or of the board of arbitrators, or Honorary presidents of its bourse.

Every Qualified Bourse shall communicate these names to the Secretary-General at every Congress and Presidents Meetings.

Following the recommendation of the Judicial Committee, the Executive Committee may appoint up to 20 additional bourse members, with reputation and proficiency in the diamond industry, who have given their prior consent, to serve as arbitrators in the International Arbitration Board.

Section F2:

Any claim, or counter-claim, or a related claim, referred to International Arbitration under the provisions of this article 4, shall be brought before three (3) arbitrators whose election by ballot shall be supervised by the Secretary-General or in his absence by one (1) other official of the Executive Committee. Their election by ballot shall be held by drawing names from the list of the International Arbitration Board (excluding the arbitrators from the bourses whose members are parties to the arbitration), the first three (3) names so drawn being the arbitrators and the next two (2) names first and second alternate respectively.

Notice of the nominated members of the International Panel shall be delivered to the parties and their respective bourses. One rejection on each side will be permitted by written notification to the Secretary-General within seven (7) working days following the acceptance of the notice.

Should an arbitrator prior to the commencement of the arbitration be unable to preside, his place shall automatically be filled by the alternate appointed by his Bourse. Should any arbitrator during the hearing of the matter be unable to continue presiding, his place shall be taken by the first alternate or second alternate as the case may be. Such arbitrators and alternates shall continue to preside until the conclusion of the hearing notwithstanding their subsequent non-reappointment to the International Arbitration Board by their bourses.

Before the first arbitration hearing, the parties to the arbitration will sign an Arbitration Agreement in a form attached to these Inner Rules, prepared by the Secretary General of the WFDB and based on the principles embodied in these By Laws or any other similar form determined by the arbitrators. Refusal by a party to sign the Arbitration Agreement shall not reduce, prejudice or affect his obligations to appear before the Arbitration Panel and conduct the Arbitration proceedings and the principles embodied in this clause 4 shall be regarded as the Arbitration Agreement.

Section F3:

In the performance of their duties and without limitation by the following subsections, the International Arbitration Panel so chosen shall have the following powers and authorities:

a) To investigate the facts charged in the claim, counterclaim and the defence;

b) To summon litigants and witnesses and to call, to convene and to hear the litigants and the witnesses;

c) To order the presentation of books, objects, documents and records essential to the facts as charged in the claim (s), defence, and counter-complaint (s);

d) To impose fines in favour of the WFDB in the event of a refusal or failure of a party or a witness to appear and testify, or produce records, or objects, as set forth herein, pertinent to the cause of action, or in the event of contemptuous behaviour

during the process of hearing, or if the member does not abide by any decision of the arbitrators, or for any other reason and subject to local jurisdiction laws, a costs order in an amount not exceeding 50,000 United States Dollars and the costs of the hearing, as determined by the Arbitration Panel;

e) To determine the procedure and to act in a manner which, to the best of their conscience and knowledge, shall be most appropriate to the settlement of the dispute and most beneficial for determining a just and speedy resolution to the dispute;

f) To designate the time of the hearings and exchange of pleadings;

g) To determine the costs and expenses of the arbitration and, if so decided, to impose them on a party, whether finally or provisionally;

h) To engage the services of experts, to consult with them and to determine their costs and fees;

i) To reach a decision that will be binding on all parties;

j) To ensure that all necessary procedures are taken to conclude any arbitration on an expedited basis including publication of the award made by the Arbitrators as stated in clause F(l)3 herein below;

k) With due regard to section F3 herein, to require the payment of security from the party requesting Arbitration not longer than 30(thirty) days before any Arbitration. The amount of security shall be determined by the Judicial Committee whose decision in this regard shall be final. Failure to deposit the security timeously or at all shall cause the Arbitration proceedings to be suspended, alternatively terminated, depending on the circumstances relating to the default. The Chairman of the Judicial Committee shall in terms of this clause provide a written notice to all parties concerned, upon either the suspension or termination of the Arbitration proceedings.

l) The International Arbitration Panel empowered to hear and determine any claim may render a decision by a majority vote. Such decision must be rendered within thirty (30) working days from the last hearing. In the event that no decision is rendered within thirty (30) working days, the arbitrators will have an extension of an additional thirty (30) working days, and they must reach a final judgement within the above-mentioned period.

m) To transmit a copy of the award to any bourse whose member is affected thereby, or a bourse against whose member an order has been made, and the latter bourse shall be responsible for the implementation thereof as if it were an order of its own Arbitration Committee, subject to the prevailing laws and regulations in its jurisdiction.

n) The arbitrators authorized to hear and adjudicate the claim and counterclaim, are entitled to issue interim awards with or without costs , to issue an order to deposit stock or any other asset, whether it is at issue between the parties or not, including 'notes' and cheques deposited with the arbitrators, or in with whomever the arbitrators will instruct.

o) The arbitrators shall be entitled, in the event they deem this to be appropriate, to impose any relevant costs order of the arbitration upon any of the parties upon such scale as they deem appropriate, which order may include traveling and other expenses.

p) A party to the arbitration that wishes to be represented by a legal representative during the arbitration proceedings must inform the Secretary General and the arbitrators of his intentions, in writing, at least twenty (20) working days prior to the arbitration hearing. The Secretary General will convey the above message without delay to the other party and to its bourse, which shall be entitled likewise. Failing such notice, the party shall provide compelling reasons to be entitled to be represented

q) Failure by one of the parties to appear at a hearing of the arbitration without advance notice approved by the arbitrators, or failure to sign the Arbitration Agreement shall not prevent the arbitrators from conducting the arbitration and from issuing their decision, but this on condition that a notice, verbally or in writing, has been delivered to the party in which he has been warned that the hearing may be held even in his absence.

Section F4:

The President, one of the Vice-President and the Chairman of the Judicial Committee of the WFDB shall designate the place for the hearings. The above ccommittee could determine that the arbitration will be conducted under the auspices of one of the bourses, in which case that bourse shall, to the best of its ability and possibility, provide administrative assistance, such as a conference room to conduct the arbitration, assisting with the recording of the minutes of the hearing, etc. The Secretary-General shall be charged with ensuring that each party receives a copy of all documents filed and shall collect an arbitration security fee which shall be paid by the plaintiff in each international arbitration case.

The Fee paid to the WFDB for any claim and counter claim, if any, subject to clause F5 below, will be one per cent (1%) of the value of the claim and counterclaim, with a minimum fee of US$ Ten thousand (10,000 United States Dollars) and a maximum fee of US$ Hundred thousand (100,000 United States Dollars). The fee shall be paid to the WFDB by the claimant and counterclaimant, if any, upon filing the claim and counterclaim.

Further arbitration fees covering the costs and expenses of the arbitration including but not limited to travel and hotel accommodations expenses and any expert engaged by the arbitrators, shall be determined by the arbitrators , with the approval of the WFDB's legal committee, immediately following the appointment of arbitrators, and shall be communicated to the parties. The claimant and the counter claimant, if any, shall deposit the amount of US$ Twenty thousand (20,000 United States Dollars) on account of the anticipated costs and expenses with a final amount and/or additional payment/s on account still to be decided by the arbitrators.
If a litigant is called to appear before the International Arbitration Panel and does not do so, without having applied for a postponement and granted such, then the said Panel may continue with the hearings in his absence, and adopt a final decision in the arbitration, which will be binding on all parties.

With reference to the provisions of these Inner-Rules, all decisions reached by the International Arbitration Panel shall be final and no further appeal(s) may be submitted or considered by the International Arbitration Board.

Section F5

Notwithstanding any other provision of Section F, if the International Arbitration has been determined to be conducted and heard without physical presence of the parties and the arbitrators but with the use of electronic devices such as ZOOM/TEAMS or any other similar electronic manner that enable the parties and the arbitrators to simultaneously see and hear each other, the plaintiff or the defendant that filed a counter claim shall each pay to the WFDB a reduced fee in amount of $2,000 and the arbitrators shall perform their duties without any remuneration and/or rreimbursement of expenses. In addition, the Parties shall bear, according to the arbitrators' final decision, the costs and expenses relating to the handling of the arbitration proceedings including in regard to the handling of the minutes of the hearing and the preparation of the award and decisions. The claimant and the counter claimant, if any, shall deposit in advance an amount to be determined by the Secretary General of the WFDB on account of the anticipated costs and expenses, with a final amount still to be decided by the arbitrators.

Section G:

No member of any International Arbitration Panel shall be held responsible, in any matter, for any of his acts and/or omissions carried out or overlooked advertently or inadvertently in his official capacity, or be subject to any legal suits or proceedings whatsoever for any decision rendered, on condition that the member did not act wilfully or maliciously .

Section H:

A copy of all decisions of the International Arbitration Panel shall be forwarded to the President and the Secretary-General, and to the respective bourses of each party who shall be charged with the duty of taking the necessary action to enforce such decisions strictly in accordance with the wording of each decision. To that purpose only, the decision shall be regarded as if it is an arbitration award rendered by a bourse.

Section I.

Section I (a).

Failure to comply with International Arbitration Panel decisions or decisions rendered by a bourse, or if no action has been taken by the relevant bourse within two (2) weeks shall result in the party's immediate suspension from its bourse and all bourses affiliated to the WFDB, which may lead to the party's permanent expulsion and after all legal remedies have been exhausted. Notice of such failure to comply shall be made to the offices of the WFDB's Secretary-General and President, and to the non-complying party's bourse informing them of such non-compliance and requesting an immediate suspension of said party from all bourses affiliated to the WFDB. This clause shall be subject to Article 3(j) of the Inner Rules.

Section I (b).

b) When a final arbitration decision is rendered in accordance with due process between members of different bourses, or results from an international Arbitration, this decision must be communicated in writing by the bourses where the decision was rendered by registered mail to:

    1. The parties to the arbitration;
    2. The referring Bourses' whose members are involved in the Arbitration; and
    3. The Secretary-General of the WFDB.

c) The referring Bourse shall, within fourteen (14) working days of receipt of the decision, take all measures required in accordance with its own By-Laws and Rules to ensure that its member complies with the decision.

d) In the event that a referring bourse fails to act in accordance with the above, the bourse of which the affected party is a member has the right to complain in writing to the President and the Secretary-General.

e) The WFDB, through the Executive Committee, shall give the bourse concerned the opportunity to be heard in connection with the complaint against it.

f) In the event the Executive Committee finds the said bourse to be in default, the Executive Committee shall be entitled to:

1. Admonish the bourse and request it to comply with the provisions of this article and/or

2. Fine the bourse in the amount to be determined by the Executive Committee and/or

3. Bring a recommendation to the Congress to suspend or expel the defaulting bourse from the WFDB until such time as it shall have complied with the provisions of this section.

g) The provisions stated herein shall not be applicable in the event that the laws of the country in which the defaulting bourse is located, do not permit it to act in accordance with the provisions contained herein.

Article 5:

Any change of the Inner Rules shall require the agreement of two thirds of the affiliated bourses.

Article 6:

English shall be the only official language of correspondence between affiliated bourses.

ARBITRATION AGREEMENT

Made and entered into in _____ on___ day of _____

Between

1. _____
_____

2. _____
_____

Hereinafter: "First Party"

All jointly and severally

Of the one part;

And

1. _____
_____

2. _____
_____

Hereinafter: "Second Party"

All jointly and severally

Of the other part;

WHEREAS Disputes have arisen between the Parties, relating to the trade and manufacture of diamonds and precious stones and specified in the claims attached as schedule A to this Agreement (Hereinafter: **"The Disputes"**);

WHEREAS the Parties have agreed to refer the Disputes to the sole and final decision of three arbitrators to be nominated as detailed hereunder;

Therefore it is agreed, declared and stipulated by the parties as follows:

1. The preamble to this Agreement constitutes an integral part hereof.

2. The Parties agree that the Disputes shall be brought before and resolved by three arbitrators whose election by ballot shall be made in accordance with Section F2 of the World Federation of Diamond Bourses ("The WFDB") Inner Rules. The arbitrators' election by ballot shall be held by drawing seven (7) names from the list of members of the International Arbitration Board of the WFDB excluding members nominated by Bourses of which one of the Parties is a member. The first three names so drawn being the arbitrators and the next two names first and second alternate respectively. The above-mentioned election of the arbitrators shall be done immediately following the execution of this Agreement.

3. Notice of the nominated arbitrators shall be delivered to the Parties and their Bourses. One rejection on each side will be permitted within seven (7) working days following the acceptance of the notice.

4. Should any arbitrator during the hearing of the matter be unable to continue presiding, his place shall be taken by the first or second alternate as the case may be, who shall continue the hearing.

5. Each Party shall pay to the WFDB, prior to the commencement of the arbitration hearings, a filing fee of one per cent (1%) of the value of the claim and counterclaim, if any, with a minimum fee of US$ Ten thousand (10,000 United States Dollars) and a maximum fee of US$ Hundred thousand (100,000 United States Dollars).

6. In addition each Party shall deposit within the WFDB the amount of US$ Twenty thousand (20,000 United States Dollars) on account of the anticipated costs and expenses of the arbitration, including but not limited to airfare and hotel accommodations of the arbitrators, the alternates and any expert engaged by the WFDB or the arbitrators. Further arbitration payment/s whether final or additional on account of payments shall be decided by the arbitrators.

7. The arbitrators shall not be bound by any substantive law, the laws of evidence and of civil procedure and shall be entitled to conduct, consider and decide on the Disputes at their sole discretion and in a manner that appears to them to be best and most beneficial for a fair, honest, and speedy resolution of the Disputes and in accordance with trade rules and commercial practices prevailing in the diamond trade.

The arbitrators shall be entitled to prescribe rules and/or procedures pursuant to which the hearings before them will be conducted and will determine the time for the hearings. The place of the hearing shall be determined by the WFDB.

8. Without derogating from clause 7 above, the arbitrators shall have the following powers and authorities:

a. To investigate the facts charged in the claim, counterclaim and the defence.

b. To summon litigants and witnesses and to call, to convene and to hear the litigants and the witnesses.

c. To order the presentation of books, objects, documents and records essential to the facts as charged in the claim, counterclaim, and the defence.

d. To levy fines, in favour of the WFDB, in the event of a refusal or failure of a party to appear and testify, or produce records, or objects, as set forth herein, or in case of contemptuous behaviour during the process of hearing, or if he does not abide by any decision of the arbitrators, or for any other reason, in an amount not exceeding US$50,000,00 (Fifty Thousand United States Dollars) to be determined by unanimous decision of the arbitrators.

e. To determine the procedure and to act in a manner which, to the best of their conscience and knowledge, shall be most appropriate to the settlement of the Disputes and most beneficial for determining a just and speedy resolution to the Disputes.

f. To designate the time of the hearings in accordance with the WFDB Inner Rules.

g. To fix the costs and the expenses of the arbitration and if so decided to impose them upon any of the Parties.

h. To engage the services of advisors and experts, to consult with them, and to make a suitable decision as to their costs.

i. To issue interim decisions including partial judgments, to order the deposit of stock or any other asset in the care of the arbitrators or in the care of whomever the arbitrators will instruct, all as they deem fit and at their sole discretion.

j. To come to a decision that will be final and binding on all parties.

k. To require collateral from a party or from the parties.

l. To ensure that all necessary steps are taken to conclude the arbitration as quickly as possible.

9. The first Party shall present in writing and submit to the other Party, with four (4) copies to the office of the WFDB, all the arguments regarding its claims, within 30 (thirty) days following the execution of this Agreement (hereinafter: **"The First Party Claims"**).

The Second Party shall then present in writing and submit to the other Party, with four (4) copies to the office of the WFDB, all the arguments regarding its claims (hereinafter: "The Second Party Claims") and it's response to The First Party Claims (hereinafter: "The Second Party Response") ,within 30 (thirty) days following the receipt of the First Party's Claims.

The First Party will then present in writing and submit to the other Party, with four (4) copies to the office of the WFDB, it's response to The Second Party Claims (hereinafter: "**The Additional First Party Response**") within 15 (fifteen) days following the receipt of the second Party's Claims.

10. The arbitration shall be conducted in English. Each Party shall be summoned, personally or through its legal counsel and/or its Bourse to the arbitration meetings.

11. The arbitrators shall not be obliged to keep records and to handle protocols, but they will give grounds for their decisions and their award.

12. Any decision, judgment or award by the arbitrators may be rendered by a majority vote. The award must be rendered within thirty (30) working days after the last hearing. In the event that the award is not rendered within thirty (30) working days the arbitrators will have an extension of an additional thirty (30) working days, and they will have to reach the award within the above-mentioned period.

13. Failure by one of the Parties (whether in person or through its lawful representative) to appear at a hearing of the arbitration without advance notice approved by the arbitrators, shall not prevent the arbitrators from conducting the arbitration and from issuing their decision which shall be binding on all Parties.

14. The decisions of the arbitrators and the award shall be final and absolute and shall be binding on the Parties who shall be obliged to act in accordance therewith. No appeal will be permitted on the decisions and the award.

15. A copy of this Agreement and a copy of all decisions and the award shall be transferred by the arbitrators to the President and the Secretary-General of the

WFDB, and to the respective bourses of each party, to any bourse whose member is affected thereby or to any bourse against whose member an order has been made, who shall be charged with the duty of taking the necessary action to enforce and/or implement such decisions. To that purpose only, that decision and/or award shall be regarded as if it has been rendered by the bourse and/or as if it were an order of its own Arbitration Committee, all subject to the prevailing laws and regulations in its jurisdiction.

16. The Parties hereby agree that failure to comply with the arbitrator's decisions and the award shall result in the party's immediate suspension from its bourse. Notice of such failure to comply shall be made to the Secretary-General and President of the WFDB, and to the non-complying party's bourse, informing them of such non-compliance and requesting an immediate suspension of said party from all bourses affiliated to the WFDB.

17. The arbitrators shall not be held responsible, in any matter, for any of their acts and/or omissions in their official capacity or be subject to any legal suits whatsoever for any decision rendered.

In witness whereof the Parties have hereunto signed
At the place and on the date first fore written:

Amended version adopted in
Singapore July 2026