



## Terms and conditions for membership of the Kimberley Process Certification Scheme

### (Terms and Conditions)

#### Membership to the UAE Kimberley Process Scheme

1. The UAE Kimberley Process office (**UAE KP Office**) shall offer membership, subject to these Terms and Conditions, to an individual or company that submits an application to the UAE KP Office for membership to the Kimberley Process Certification Scheme (**Membership**) that falls into one of the categories as further detailed at clause 2 (**Applicant**).
2. An Applicant must be one of the following:
  - (a) a UAE company with a valid trade licence with a licensed activity listed at clause 9 (a **Company**); or
  - (b) an individual (an **Individual**),  
that wishes to trade rough diamonds within the UAE or to import to or export rough diamonds from the UAE (**Trade**). Subject to clause 5, a Company or an Individual must be a Member in order to Trade.
3. The fee for the Membership shall be an annual fee of AED 2020 payable to the UAE KP Office by the Applicant (the **Membership Fee**).
4. The process for completing an application for Membership (**Application**) includes:
  - (a) submission of online application for Membership on the DMCC Portal;
  - (b) acceptance of these Terms and Conditions, as may be amended from time to time;
  - (c) provision of all necessary documentation as notified by the UAE KP Office to the Applicant in respect of an Application, as more particularly described at clause 9; and
  - (d) any other steps as required by the UAE KP Office from time to time.
5. Individuals shall be permitted to import rough diamonds to, or export rough diamonds from, the UAE on one occasion only and will be required to become a Member (as defined below) prior to any such import or export. Should an Individual wish to carry out any further Trades, the Individual must set up a Company and follow the process for Membership for a Company.
6. If, pursuant to clause 5, an Individual makes a Company Application then the Membership Fee shall not be payable for a second time, however, the Term (as defined below) of such Company Membership shall remain the same as the original Term of the Individual Membership.
7. Membership is not available to:
  - (a) any company which does not have a valid trade license in UAE with an appropriate licensed activity;  
or
  - (b) any Individual or Company which fails to meet the UAE KP Office's due diligence requirements.
8. The Membership Fee is non-refundable and non-transferable, under any circumstances.

## Documentation

9. The documentation required for an Application is set out in the table below (but may be amended from time to time):

	Individual documentation requirements	Company documentation requirements
1.	Valid passport copy	A valid trade license with a licensed activity of: <ol style="list-style-type: none"><li>1. trading in diamonds;</li><li>2. trading in precious metals; or</li><li>3. jewellery manufacturing.</li></ol>
2.	Valid ID copy (for example, Emirates ID, nationality card, driving license or insurance card which reflect the individual's full name)	Valid passport copies of the directors, shareholders, managers and partners of the Company
3.	A document showing proof of address	A letter of authority listing key members of staff authorised to deal with the UAE KP Office in respect of Trades, including passport copies of those members of staff
4.	Letter granting authority to clearing agent and addressed to the Individual's appointed clearing agent	Letter granting authority to clearing agent and addressed to the Company's appointed clearing agent
5.	Declaration of annual stocks and local purchases and sales for the previous year	Declaration of annual stocks and local purchases and sales for the previous year
6.	UAE Kimberley Process Individual Application Form	Declaration of Ultimate Beneficial Owner form
7.	Any other necessary documentation as may be required by the UAE KP Office from time to time and as notified to the Applicant.	Any other necessary documentation as may be required by the UAE KP Office from time to time and as notified to the Applicant.

## Approval of Application

10. Approval of an Application is subject to the UAE KP Office's approval, which approval will be given in UAE KP Office's sole discretion. The decision of the UAE KP Office regarding any aspect of an Application or Membership is final and binding and no correspondence will be entered into about it.

11. If an Application is successful then the UAE KP Office shall notify the Applicant by email and request payment of the Membership Fee (**Membership Email**).

12. An Applicant shall become a member of the UAE Kimberley Process Scheme (**Member**):

- (a) upon receipt of the Membership Fee in cleared funds by the UAE KP Office, in respect of a Company Application; or
  - (b) upon receipt by the Applicant of the Membership Email, in respect of an Individual Application.
13. The Membership Fee must be paid via the DMCC Portal. No other form of payment will be accepted under any circumstances.
14. Failure to complete all relevant procedures, documentation requirements, and any other formalities that the UAE KP Office may require, will result in an Application being rejected.

#### **Term and Renewals**

15. Membership will be valid for a period of one year from the date that the Applicant becomes a Member in accordance with clause 11 (the **Term**). At the end of the Term, the Membership shall automatically expire and the Individual or Company will not be able to Trade unless the Membership is renewed in accordance with clause 16.
16. If a Member wishes to renew Membership (**Renewal**), the Member must pay the Membership Fee and submit all documentation in accordance with clause 9 to the UAE KP Office at least thirty (30) days prior to expiry of the Term (the **Renewal Period**).
17. Renewals are subject to the UAE KP Office's approval which approval will be given in the UAE KP Office's sole discretion. The decision of the UAE KP Office regarding any aspect of a Renewal is final and binding and no correspondence will be entered into about it.
18. If a Member does not pay the Membership Fees and submit the necessary documentation prior to the expiry of the Renewal Period, then the Membership shall be put "on hold".
19. The UAE KP Office may put a Membership "on hold" in its sole discretion, and while Membership is "on hold" the Member shall not be able to Trade, under any circumstances.
20. If a Member attempts to Trade during such time then the UAE KP Office shall return any rough diamonds received in respect of such Member, or take any other action as deemed necessary by the UAE KP Office, until Membership has been reinstated. Such reinstatement shall be at the UAE KP Office's sole discretion and subject to completion of all necessary processes and payment of any relevant fees.
21. Applicants and Members acknowledge that the UAE KP Office must verify all documentation submitted in respect of an Application or a Renewal and carry out due diligence checks and there may be delays in granting Membership or Renewal until all documentation has been verified. The UAE KP Office may request further details or documentation in respect of an Application or Renewal as it deems necessary, in its sole discretion. Failure to cooperate in this respect will result in the Application or Membership being put "on hold" if the UAE KP Office deems this necessary or Membership lapsing due to the passage of time.
22. Any outstanding Membership Fees that accrue as a result of a delayed Renewal or any delays pursuant to documentation verification shall be calculated from the date that payment of Membership Fees would have been due. Therefore, if a Member fails to pay Membership Fees for the previous year where Membership has expired, been put "on hold" or a Renewal has been delayed, but that Member wishes to Trade in the current year, then that Member shall pay fees for previous year and the current year,

submit all necessary documentation and follow procedures required by the UAE KP Office at that time in order to reinstate their Membership.

23. If a Member wishes to cancel Membership, the Member must submit to the UAE KP Office a company closure letter and a letter issued by UAE Customs confirming that the company holds zero stock of rough. If that Member subsequently establishes a new company, then a new Application must be made for the new Company to become a Member. If any stock is transferred from the original company to the new company, then a stock transfer letter, issued by UAE customs or relevant authority, must be submitted to the UAE KP Office with the new Application documentation.

#### **Member Processes**

24. Each Member acknowledges and agrees that it is mandatory to keep for a period of five years daily buying, selling or exporting records listing: (i) the names of buying or selling clients; (ii) their contact details; and (iii) the amount and value of diamonds sold, exported or purchased. The UAE KP Office reserves the right to request to see these records at any time and Members must comply with such request in a timely manner.
25. Each Member acknowledges that the UAE KP Office may send rough diamonds to the Dubai Municipality Dubai Central Laboratory Department for authenticity testing, at the Member's cost, where the UAE KP Office deems it necessary, in its sole discretion. The UAE KP Office shall notify the Member of its decision to send the rough diamonds for testing. The Member will not be able to Trade until the fee for such testing has been received in cleared funds by the UAE KP Office and the results of the test have been received. The UAE KP Office does not accept any liability nor any responsibility for any loss which may arise in respect of any rough diamonds that are sent for testing.
26. Members must provide a packing list with all exports of rough diamonds. The packing list must include as a minimum: (i) Carat weight per item; and (ii) total value in USD of each lot, if any of this information is not included, the rough diamonds will be returned to the Member and will not be exported until this is rectified to the satisfaction of the UAE KP Office.
27. Members must provide the following information on each export invoice: (i) country of origin, (ii) number of lots, and (iii) Harmonised System (HS) code, if any of this information is not included, the diamonds will be returned to the Member and will not be exported until this is rectified to the satisfaction of the UAE KP Office.
28. Members must ensure that all exports of rough diamonds are packed in a sealed plastic see through bag. Paper and cloth bags will not be accepted and any packages received in this condition will be returned to the Member to repackage and will not be exported.
29. In respect of local purchases within the UAE, Members may only purchase rough diamonds within the UAE from other Members. If a rough diamond shipment accompanied by a local sale and purchase invoice is sold to a Member by a non-Member, the UAE KP Office will keep the shipment "on hold" until the seller of those rough diamonds becomes a Member.

#### **General Terms**

30. A Member may not transfer or assign any of its rights or obligations under the Membership to any other company or individual.

31. The UAE KP Office, in its sole discretion, reserves the right to hold void, restrict, cancel, suspend, review or amend the Membership where it becomes necessary to do so. The decision of the UAE KP Office regarding any aspect of the above is final and binding and no correspondence will be entered into about it.
32. Each Member acknowledges that
- (a) the UAE KP Office is subject, at all times, to the requirements of the Kimberley Process Certification Scheme (**KPCS**);
  - (b) the requirements of the KPCS may change from time to time; and
  - (c) all requirements of the KPCS which apply to the UAE KP Office will also apply to each Member.
33. These Terms and Conditions are governed by the laws of the Emirate of Dubai as such laws apply in the United Arab Emirates and the Applicants and Members agree that any dispute arising out of or in relation to these terms and conditions will be subject to the exclusive jurisdiction of the Dubai courts.