

The Israeli Diamond Exchange – Code of Ethics

Mission Statement

Overseeing the diamond exchange in Israel.

The Israeli Diamond Exchange and each and every one of its members regard themselves as full partners in the comprehensive responsibility that is essential to the Israeli diamond industry's existence, prosperity and professional development.

Ethical Responsibility:

1. The Israeli Diamond Exchange and its members are responsible for the existence of the diamond industry and for its proper management, for the benefit of its clients and traders and for the benefit of the public as a whole, with respect to trade, manufacturing and other fields of activity in the industry.
2. The Israeli Diamond Exchange and its members are active partners that share the responsibility of training newcomers in the diamond trade, including mentoring them during the initial periods of their activities.
3. The Israeli Diamond Exchange and its members contribute as best they can to the development of the diamond industry with respect to manufacturing, trade, marketing and any other professional aspect in the industry, with the understanding that innovative progress, in every possible aspect of activity, is vital.
4. The Israeli Diamond Exchange and its members spare no effort to maintain, in good faith, the reputation of the Diamond Exchange and its members, in Israel and worldwide, including by fostering close international relations in the fields of information, regulation, arbitration, and ethics.

The Core Principles

Trust, Providence and Good Fortune

The Israeli Diamond Exchange and each and every one of its members conduct themselves, in any and all activity in the diamond industry, based on mutual, absolute and permanent trust, which must be maintained in practice without any reservation, compromise or negative appearance.

The Principles of Trust:

5. The members of the Diamond Exchange meet every "providence and good fortune" obligation to its letter and spirit, in a complete and precise manner, and in an agreed upon scope, timing, and quality.
6. The members of the Diamond Exchange base their interactions on complete mutual trust as to the propriety of all aspects of activity.
7. The members of the Diamond Exchange constantly strive to foster mutual trust among members, as well as to foster the trust of their clients and the public at large, including through transparency and full disclosure arrangements.
8. The members of the Diamond Exchange are very careful to steer clear of any activity that could erode the trust of their peers, clients and the general public.

Fairness

The Israeli Diamond Exchange and each and every one of its members conduct every activity within the diamond industry honestly, dependably and with due regard to others.

The Principles of Fairness:

9. The members of the Diamond Exchange maintain the diamond industry within the framework of fair competition, while maintaining the dignity of all participants in the eyes of their peers and the public, and in their ongoing relations with certain buyers.
10. The Israeli Diamond Exchange and its members maintain an arbitration body to resolve any disputes among themselves and they conduct arbitration proceedings in a practical manner, in an ongoing effort to avoid any semblance of bias or conflict of interest.
11. The members of the Diamond Exchange spare no effort to rectify any errors found, with aim of mitigating or minimizing the negative ramifications of said errors, once discovered and as soon as possible.
12. The members of the Diamond Exchange strive, should any act appear to be unfair, to rectify the situation with the necessary determination and sensitivity.

Integrity

The Israeli Diamond Exchange and each and every one of its members conduct any and all activity within the framework of the Diamond Exchange in a manner that meets the organization's mission statement, regulations, ethics and rules of conduct.

The Principles of Integrity:

13. The members of the Diamond Exchange conduct any and all activity within the framework of the Diamond Exchange based on the conventional understanding of what is required of them according to the organization's mission statement, regulations, ethics and rules of conduct, and under the law.
14. The Israeli Diamond Exchange and its members maintain an arbitration body as the primary and proper mechanism through which disputes can be settled, in accordance with arbitration bylaws and their conventional understanding, and by ensuring that any decision reached within the framework of the arbitration mechanism is based solely on the regulations, their conventional understanding, and fair and relevant discretion.
15. The members of the Diamond Exchange may propose changes to any of the Diamond Exchange's codes, but they must do so only in the ways designated for this purpose in the relevant regulations. Where it turns out that there is no way to propose changes, the Diamond Exchange will create such ways as soon as possible.
16. Members of the Diamond Exchange who hold various positions in the organization's institutions and find themselves, within the framework of their duties, faced with a situation in which following existing Diamond Exchange arrangements may prove unreasonable or harmful, may consider deviating from the existing arrangements, but only in the absolute minimum necessary. They must report the matter to the relevant institution within the Diamond Exchange as soon as possible.

Expertise

The Israeli Diamond Exchange and each and every one of its members conduct activities in the diamond industry solely on the basis of the expertise required to carry out such activities.

The Principles of Expertise:

17. The members of the Diamond Exchange engage in diamond industry activities only after having acquired the knowledge and skills necessary for expert activity in the relevant field.
18. The members of the Diamond Exchange develop the quality of their activities in the diamond industry so that it will be as similar as possible to professional activity, based on systematic knowledge and advanced skills; while continuously honing their knowledge and skills.
19. The members of the Diamond Exchange develop the quality of their activities in the diamond industry so that they are able to explain every action taken to their peers and especially to their customers.
20. The members of the Diamond Exchange see themselves as active partners in the effort to develop and implement technological innovations in processing, marketing, and other areas of activity.

Tradition

The Israeli Diamond Exchange and each and every one of its members honor the well-known traditions of diamond industry activities in Israel and around the world.

The Principles of Tradition

21. The members of the Diamond Exchange respect its tradition, whether as-is or with the changes that it deems appropriate to introduce in an orderly fashion, without undermining it.
22. The members of the Diamond Exchange may consider how to maintain the Diamond Exchange's tradition while shaping the format of their business activities.
23. The members of the Diamond Exchange must be sensitive to their peers' desire to work within the framework of the Diamond Exchange's tradition, and will show that the proper respect.
24. The members of the Diamond Exchange provide a place for the Diamond Exchange's tradition alongside its rules, regulations, and arrangements, including its Code of Ethics. Neither will undermine nor take the place of the other.

Business Practices

The Israeli Diamond Exchange and each and every one of its members see the activities of the Diamond Exchange primarily as business activities.

The Principles of Business Practices:

25. The members of the Diamond Exchange manage the diamond industry based primarily on economic considerations, in accordance with the internal arrangements of the entities as part of which they operate.
26. The members of the Diamond Exchange are entitled to make business decisions in a manner that takes into account personal, community or social values, even if they come with an economic cost.
27. The members of the Diamond Exchange operating within the framework of a complex diamond trading corporation must follow adequate corporate governance principles, and they must maintain them with care and determination.
28. The Israeli Diamond Exchange and its members consider themselves loyal to the community in which they operate and therefore consider the various options of "community outreach."

Mutual Responsibility

The Israeli Diamond Exchange and each and every one of its members maintain a stable practice of expressing internal solidarity under special circumstances.

The Principles of Mutual Responsibility

29. The Israeli Diamond Exchange and its members are full partners in the principles of mutual responsibility, which guarantee that members of the Diamond Exchange who find themselves in a special personal need of assistance, will receive immediate, significant, respectable, relevant and equal assistance, in order to weather the crisis and resume their normal course of activity within the Diamond Exchange, as circumstances allow.
30. The members of the Diamond Exchange are also active members in internal charity associations that express the mutual responsibility relations prevailing among the organization's members.
31. The Israeli Diamond Exchange and its members follow the principles of mutual responsibility with respect to an individual member or a group of members in times of trouble.
32. The Israeli Diamond Exchange and its members express the principles of mutual responsibility, alongside their routine activities, in recognition of the importance of maintaining a normal routine, based on a flexible definition of what constitutes a special, personal need for assistance, without considering compensation.

Core Values

Human Dignity

The Israeli Diamond Exchange and each and every one of its members are careful to observe the dignity of every person with whom they come in contact as part of their activities in the diamond industry, regardless of race, nationality, ethnicity, religion, gender, economic status, etc.

The Principles of Human Dignity

33. The members of the Diamond Exchange express a positive attitude toward all people, including clients, colleagues, employees, manufacturers, suppliers, regulators, or any other individual operating within any capacity in the Diamond Exchange.
34. The members of the Diamond Exchange, when acting in the capacity of their membership, are sensitive to the differences between them and others in terms of values, views, customs and personal, communal or social tastes.
35. The members of the Diamond Exchange are careful with regard to all their activities within the Diamond Exchange. As such, they refrain from engaging in gossip or waging social media attacks pertaining to the Diamond Exchange's activities, particularly when such activities may have a detrimental effect on others, especially on their reputation.
36. The members of the Diamond Exchange assess each other's activities within the framework of the Diamond Exchange, while distinguishing between errors in judgment, personal or professional weaknesses, malpractice, and malicious intent, and responding to the suspicion or discovery of each on merit.

The Rule of Law

The Israeli Diamond Exchange and each and every one of its members make sure that any and all actions they perform within the framework of their activity in the Diamond Exchange are within the letter of the law.

The Principles of the Rule of Law

37. The members of the Diamond Exchange operate within the letter of the law in any and all activities.
38. The members of the Diamond Exchange operate within the framework of the internal arrangements set by the Diamond Exchange, within the framework of its arrangements with the authorities, as determined periodically, and within the law.
39. The Israeli Diamond Exchange and its members will cooperate with every state regulator, in compliance with the required transparency arrangements.
40. The Israeli Diamond Exchange and its members will take action against any allegedly illegal act with the necessary determination and sensitivity, and will seek to rectify the situation under the law.

The Israeli Diamond Exchange – Code of Conduct

Introduction

The purpose of the Code of Conduct is to promote the proper conduct of all those working within the framework of the Diamond Exchange, in any field, anywhere, and anytime.

A person who, in the framework of his activities as part of the Diamond Exchange, conducts himself in accordance with these rules shall act in accordance with the Diamond Exchange's Code of Ethics.

The Code of Conduct reflects the values and principles of the Israeli Diamond Exchange, as outlined earlier in this document.

These rules apply to all those who operate within the Diamond Exchange and seek to add the Code of Ethics to the rules outlined in the Diamond Exchange's regulations, its arbitration arrangements and any other official arrangement practiced by the Diamond Exchange.

The rules are arranged according to the types of activity that an individual operating within the framework of the Diamond Exchange may be involved with.

Rules Pertaining to Peer, Subordinate, Appointee and Employee Relationships within the Diamond Exchange

Diamond Exchange members:

1. Will carry out every peer-transaction in a reliable, fair, honest manner, while fulfilling every promise, to its letter and spirit.
2. Will cooperate with their colleagues, as well as with their subordinates and superiors in the companies in which they operate, in a friendly and respectful manner, while demonstrating a practical and professional approach, and while maintaining the principles of mutual responsibility.
3. Will see themselves as duty-bound to assist their colleagues, as well as their subordinates, superiors, and employees in the companies in which they operate, should any of them require assistance in fulfilling their duties, out of a sense of shared responsibility.
4. Will foster mutual trust between the members themselves and between the members and managers of the companies in which they operate.
5. Will foster a sense of shared responsibility, steadfast support and positive, stable interaction between the members of the Diamond Exchange.
6. Will act politely toward any person with whom they come in contact as part of their activities within the Diamond Exchange.

Rules Pertaining to the Management's Conduct

The members of the Israeli Diamond Exchange's management:

7. Will see themselves as responsible for realizing the Israeli Diamond Exchange's mission statement, in cooperation with all Diamond Exchange members.
8. Will operate within the framework of the Diamond Exchange's management for the benefit of all Diamond Exchange members.
9. Will make decisions following regular discussions based on professional preparatory work.
10. Will publish their decisions together with a summary of the arguments supporting them.
11. Will establish a mechanism that allows Diamond Exchange members to present proposals and express concerns and grievances.
12. Will lead by constant personal example of proper conduct, in accordance with the Diamond Exchange's rules, regulations, and Code of Ethics.

Rules Pertaining to Institutional Activities

13. The Israeli Diamond Exchange and its members will work toward a clear, concise, and contemporary definition of the mission statement, responsibilities and authority of each of the Diamond Exchange's institutions.
14. Each Diamond Exchange institution will follow internal bylaws that will comply with the Diamond Exchange's regulations and Code of Ethics.
15. Each Diamond Exchange institution will have a clear, internal division of duties, in accordance with its designation and modus operandi.
16. Each Diamond Exchange institution will maintain full internal transparency arrangements, as well as the appropriate transparency arrangements with the Diamond Exchange's management and members.
17. Each Diamond Exchange institution will publish periodic reports on its activities and will discuss the responses they garner from the members of the Diamond Exchange.

Rules Pertaining to the Arbitration Mechanism

18. Members of the Israel Diamond Exchange who have a dispute over their activity within the Diamond Exchange will bring the dispute before the Diamond Exchange's arbitration body as the first and primary step toward resolving said dispute.
19. Members of the Israeli Diamond Exchange who serve as both arbitrators and Diamond Exchange members when presenting a dispute to the arbitration body will follow the rules of the Diamond Exchange's arbitration institution.
20. Members of the Israeli Diamond Exchange who serve as arbitrators will attempt to resolve the dispute presented to them through mediation, and proceed to rule on the matter only if said mediation efforts fail.
21. Members of the Diamond Exchange, who are involved in arbitration proceedings, be it as arbitrators, parties or witnesses, will maintain the confidentiality of all proceedings.
22. Members of the Diamond Exchange will honor the arbitration institution's ruling in their case, whether they see it as final or decide to seek another resolution for the dispute outside the Diamond Exchange.

Election Rules

23. Any formal election procedure held by the Israeli Diamond Exchange will be held in accordance with the election bylaws and will be conducted by an elections committee, while adhering to fairness and the rules and regulations.
24. Any formal election procedure will be planned in a manner that facilitates fair, effective and expedient elections.
25. Members of the Diamond Exchange who are candidates for any position within the framework of the Diamond Exchange's official elections will conduct their campaign, insofar as they wish to conduct a campaign, in good faith, in a fair and businesslike manner, and while strictly respecting the dignity of all other vying candidates.
26. Members of the Diamond Exchange who are candidates for any position within the framework of the Diamond Exchange's official elections will present a campaign, insofar as they wish to present one, which will outline a practical agenda and plans that will benefit all members of the Diamond Exchange.
27. Members of the Diamond Exchange will respect the results of the elections and will lend the elected officials their full cooperation despite any differences that may have surfaced during the election campaign.

Rules Regarding Interacting with Manufacturers Operating within the Diamond Exchange

Members of the Diamond Exchange

28. Will conduct their transactions with manufacturers based on business considerations, while ensuring credibility, fairness, integrity, and the fulfillment of every promise, in letter and spirit.
29. Will conduct transactions only with reputable, professional manufacturers.
30. Will refrain from conducting business with manufacturers who have a criminal record or any indirect link to criminal activities.
31. Will conduct transactions with manufacturers in a manner that will not undermine the reputation of the Israeli Diamond Exchange, the members of the Diamond Exchange, their colleagues, or the State of Israel.
32. Will encourage the manufacturers with whom they work to develop production methods and cultivate the professional level of those engaged in production.

Rules Regarding Interacting with Clients Operating within the Diamond Exchange

Members of the Diamond Exchange:

33. Will make available for sale only diamonds that are clearly of trading quality.
34. Will ensure the credibility of their publications with respect to the services they provide.
35. Will conduct all sales while ensuring credibility, fairness, integrity, and the fulfillment of every promise, in letter and spirit.
36. Will view their clients as worthy of high-quality service, and will make a good faith effort to understand the needs of clients so that they can purchase diamonds according to their taste and financial ability.
37. Will respect every person with whom they come in contact and consider any sensitivity and sensibility they have for any reason whatsoever.
38. Will provide service to any person who wishes to obtain their services in their respective fields of activity and will also distance themselves from even the appearance of discrimination.
39. Will, at any venue in which they are operating within the framework of the Diamond Exchange, engage only in the trade of diamonds and jewelry.

40. Will abide by the law even if they have to deal with a request, offer or pressure from a client suggesting otherwise.
41. Will conduct transactions with clients in a manner that will not undermine the reputation of the Israeli Diamond Exchange, the members of the Diamond Exchange, their colleagues or the State of Israel.

Rules Regarding Interacting with Suppliers Operating within the Diamond Exchange

Members of the Diamond Exchange:

42. Will treat any supplier whose services they require in the framework of their activities within the Diamond Exchange with honesty, integrity and fairness, fulfilling every promise, in letter and spirit.
43. Will retain the services of suppliers based on business or personal considerations and will also distance themselves from even the appearance of discrimination.
44. Will be wary of situations entailing a potential conflict of interest, and act in accordance with the regulations and arrangements pertaining to the issue of conflict of interest.
45. Will abide by the law even if they have to deal with a request, offer or pressure from a supplier suggesting otherwise.
46. Will conduct transactions with suppliers in a manner that will not undermine the reputation of the Israeli Diamond Exchange, the members of the Diamond Exchange, their colleagues or the State of Israel.

Rules of Conduct when Representing the Diamond Exchange

Members of the Diamond Exchange:

47. Will represent the business entities which they have undertaken to represent as trustees with honesty, fairness, and integrity, fulfilling every promise, in letter and spirit, and with transparency toward those entities.
48. Will, in their activities, prioritize the Israeli Diamond Exchange's codes, including its rules, regulations, ethics and procedures, over the business considerations of the entities they represent, should those considerations clash with the operations of the Diamond Exchange.
49. Will be wary of situations entailing a potential conflict of interests and act in accordance with the regulations and arrangements pertaining to the issue of conflict of interests.

50. Will abide by the law even if they have to deal with a request, offer or pressure from the business entities they represent suggesting otherwise.
51. Will meet their obligations as representatives in a manner that will not undermine the reputation of the Israeli Diamond Exchange, the Diamond Exchange's members, their colleagues or the State of Israel.

Rules of Conduct when Interacting with Visitors Operating in the Diamond Exchange

Members of the Diamond Exchange:

52. Will treat visitors seeking to operate within the framework of the Diamond Exchange as they would other Diamond Exchange members, as circumstances allow.
53. Will interact with visitors not as if they were members of the Diamond Exchange, but solely in accordance with Diamond Exchange procedures on this issue.
54. Will abide by the law even if they have to deal with a request, offer or pressure from a visitor suggesting otherwise.
55. Will treat visitors in a manner that will not undermine the reputation of the Israeli Diamond Exchange, the Diamond Exchange's members, their colleagues or the State of Israel.

Rules of Conduct when Interacting with Authorities Operating in the Diamond Exchange

Members of the Diamond Exchange:

56. Will cooperate with any authority interested in their operations, as required by law and in good faith.
57. Will cooperate with any authority interested in the operations of the Israeli Diamond Exchange, in accordance with the relevant arrangements between the Diamond Exchange and said authority.
58. Will cooperate with any authority interested in the operations of the Israeli Diamond Exchange in a manner that will not undermine the reputation of the Israeli Diamond Exchange and its members.
59. Will strive to improve the law or policies of the authority interested in the operations of the Israeli Diamond Exchange in accordance with the relevant Diamond Exchange arrangements on this issue.
60. Will see themselves as partners with the authorities in every process contributing to the development of the diamond industry, as part of the process of bolstering Israel's economy.

Rules of Conduct when Interacting with Members of the Media Operating in the Diamond Exchange

Members of the Diamond Exchange:

61. Will cooperate with Israeli media outlets in accordance with their business interests in a manner that will not undermine the reputation of the Israeli Diamond Exchange, its members, and other colleagues.
62. Will cooperate with foreign media outlets in accordance with their business interests in a manner that will not undermine the reputation of the Israeli Diamond Exchange, its members, their colleagues or the State of Israel.
63. Will conduct themselves on social media in accordance with their business interests in a manner that will not, in any way, undermine the reputation of the Israeli Diamond Exchange, its members their colleagues or the State of Israel.
64. Will conduct themselves on social media in a respectful, credible, honest and polite manner.
65. Will conduct themselves on social media with the utmost care and consideration, and will make sure not to participate in any activity that may have serious personal repercussions.