

RAPAPORT

THE RAPAPORT US DIAMOND PROTOCOL

October 31, 2023

Section 1.

All diamonds imported into the United States will require the following declarative statement by the importer and exporter:

“To the best of my knowledge the diamonds being imported have not been sourced from any US sanctioned entity.”

Note: “sourced” diamonds include diamonds purchased from a sanctioned entity that have been substantially transformed by non-sanctioned entities. This includes diamonds purchased from Alrosa and manufactured outside of Russia.

US Customs or another designated government authority may maintain a list of companies allowed to export or import diamonds into the US.

Section 2.

In the event the US government wishes to implement a tracing capability for the import of diamonds into the US, the following protocols should be implemented:

All diamonds imported into the US shall have a unique US Blockchain Identification Number (USBIN) that links to the following information related to the import: name of blockchain; name of mining company; name of diamond manufacturer; import carat weight; import US\$ value; invoice trail of diamonds from mine to importer, listing the names of all companies that have transacted the diamonds.

The USBIN must be prominently displayed in a clear tamper-proof sealed bag containing the diamonds. For the purpose of import, the blockchain information will be restricted to government auditing entities.

All diamonds already in the US may be entered into a government-approved blockchain and assigned a USBIN by the company exporting the diamonds from the US. Such diamonds may be reimported into the US using the USBIN.

It is the responsibility of US government designated entities such as US Customs and/or Office of Foreign Asset Control to audit and approve acceptable diamond blockchains, as well as to designate entities that are allowed or not allowed to be included in the USBIN supply chain.

Once polished diamonds are in the US, there are no restrictions on their trade or statements required on any invoices.

Other countries, such as members of the G7, may or may not accept the US Diamond Protocol and US-USBIN for the importation of diamonds into their country.