

ANTI-MONEY LAUNDERING POLICY OF DIAMOND COMPANY..... (add company name)

I. GENERAL INTRODUCTION

This **policy to prevent money laundering (ML)** is drafted by the sector federation Antwerp World Diamond Centre private foundation (AWDC) and aims to serve as a guideline for Belgian registered diamond trader who wish to have an efficient policy in their company¹ to prevent ML/FT. This policy contains open fields as well as optional paragraphs and risk scorecards which are to be completed or modified by the diamond trader, to make the policy tailored to the company's reality. The diamond trader's policy has to be **risk-based** and thus take into account the specific risks on company level and on client/supplier level. The measures and monitoring in the company have to be used for where the risk is the highest.

This policy is based on the Belgian anti-money laundering law, the Royal Decree in execution of the anti-money laundering law for the Belgian diamond sector and the Risk analysis money laundering in the diamond sector 2017, but also touches upon other legal areas such as data protection, sanctions and embargoes, and the Kimberley Process to prevent conflict diamonds.

The supervising authority of the Belgian diamond sector – the **FPS Economy** – has approved this policy. The diamond trader who completes this policy in good conscience where necessary and applies it, is considered to trade in compliance with the Belgian anti-money laundering law.

Finally, the **AWDC guides** '*Best practice guide for trade in the Belgian diamond sector*' and '*Sanctions and embargoes compliance guide for the diamond trade*' fit seamlessly with this anti-money laundering policies and are applied by the diamond trader as well to improve a transparent and modern diamond trade.

¹ For the sake of convenience, company also covers sole proprietorships in this document.

II. INTERNAL ORGANISATION

2.1 Importance of a robust policy to prevent ML and FT

[COMPLETE: The diamond trader is strongly recommended to briefly describe why he finds a robust policy to prevent ML/FT important for his company: ...]

.....

.....

2.2 Risk analysis at company level

The diamond trader **makes a general analysis of the ML and FT risks in his own company, taking into account the risk scorecard in Annex A.**

[COMPLETE: The diamond trader is recommended to make a short summary of the overall risk analysis of his company. The risk scorecard in Annex A is used to make the detailed analysis:]

.....

.....

2.3 Anti-money laundering officer(s)

The diamond trader has appointed an **anti-money laundering officer** at the highest level of the company (director and/or manager). The anti-money laundering officer at the highest level monitors the implementation of and compliance with the anti-money laundering legislation.

[COMPLETE: Name of the anti-money laundering officer at the highest level: ...]

.....

[Optional paragraph in case the company has staff that supports the director(s): The diamond trader has appointed one or more additional anti-money laundering officer(s) charged with the practical execution of and monitoring on the (internal) organization and implementation of the anti-money laundering law and the related recommendations. This anti-money laundering officer has the necessary reliability, expertise, experience, hierarchical level and competences to perform these functions in an effective, independent and honest manner. *COMPLETE: Name(s) of the anti-money laundering officer(s) at the executing level:]*

2.4 Anti-money laundering training

The anti-money laundering officer(s) of the diamond **trader annually follow(s) an anti-money laundering training approved by the FPS Economy**, such as the anti-money laundering seminars of AWDC or has successfully taken part in the anti-money laundering exam organized by AWDC and the FPS Economy which has provided the trader with an exemption to participate in a training for 3 years.

The participation certificates of the anti-money laundering trainings are **kept** at the company's premises and can be presented in case of an anti-money laundering inspection. Thanks to this, the diamond trader is up-to-date about the (most recent changes in the) anti-money laundering law and about the money laundering risks on national and sector level.

[Optional paragraph in case the company has staff: The anti-money laundering officer(s) have/has made sure that the information shared at the anti-money laundering seminars is shared internally with colleagues and managers who also have to be up-to-date about the most important principles of the law and possible money laundering risks. *COMPLETE: The diamond trader is recommended to give a brief description of how he informs the rest of the (management) staff about the anti-money laundering law (for example, providing information via e-mail, ..):*

.....

.....

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2.5 KYCP platform

The diamond trader has access to the **KYCP platform** and followed a training at AWDC or watched a recorded version of the webinar to use this tool correctly. The diamond trader uses the KYCP platform to manage and optimize the identification, verification and risk screening process of its clients and suppliers, as well as to update this information timely and renew

expired documents. Acceptance, rejection or termination of client and supplier relationships are logged in the KYCP dashboard of the diamond trader accompanied by a written motivation.

2.6 Anti-money laundering report

The diamond trader annually submits an **anti-money laundering report** of the FPS Economy. The diamond trader completes the report truthfully with regard to his internal organization to prevent ML/FT, the implemented vigilance measures during the past year, including identification and verification procedures. The diamond trader keeps a copy of these reports in his company.

2.7 Group level

[Optional paragraph in case the diamond trader is part of a group of companies: The diamond trader is part of a group and applies this anti-money laundering policy at group level, taking into account the specific risks on the level of the other companies of the group and local legislation.]

2.8 Data protection

The diamond trader informs his clients/suppliers that their details have to be collected due to his legal obligation to prevent ML/FT and that the details will only be used for this purpose and not for commercial purposes. The diamond trader will only request data which are relevant to prevent ML/FT, unless he has obtained his client's/supplier's permission to use certain data for other purposes.

2.9 Retention of data

The diamond trader retains the following documents during **10 years** after the end of the business relationship or after carrying out an occasional transaction.

- a) a copy of the documents and information obtained in the performance of customer due diligence, including information obtained through electronic identification means;
- b) a record of the assessment undertaken pursuant to the reporting of a suspicious transaction, including the information and circumstances considered and the results of such assessment, whether or not such assessment results in a suspicious transaction report being made to the FIU, and a copy of the suspicion transaction report, if any;
- c) the supporting evidence and records of transactions, consisting of the original documents or copies;
- d) when they participate in partnerships for information sharing, copies of the documents and information obtained in the framework of those partnerships, and records of all instances of information sharing.

All documents are presented to the FPS Economy upon first request. After this period expires, the diamond trader destroys all documents in context of data protection.

III. VIGILANCE IN CLIENT RELATIONSHIPS (CLIENT/SUPPLIER ACCEPTANCE POLICY)

3.1 Whom and how to identify the client/supplier and verify the information received:

The diamond trader identifies and verifies the identity of a **client/supplier**:

1. with whom a business relationship is entered into;
2. with whom he, outside a business relationship, performs one or more transactions between which there seems to be a connection, for an amount of 10.000 euros or more; or
3. who does not fall under 1° or 2°, but when there is a suspicion of money laundering or financing of terrorism;
4. when it is doubted whether the earlier obtained identification details about an already identified client are truthful.

The diamond trader identifies and verifies the identity of a client/supplier using the following client/supplier questionnaire:

Identification of the company

- Corporate name:
- Registered office address:
- If a Belgian company: extracts from the KBO register or Belgian Official Gazette of your company and, if applicable, coordinated articles of association, confirming your corporate name and registered office
- If a non-Belgian company: extracts from an official commercial register or coordinated articles of association, or other reliable and independent documents, confirming your corporate name and registered office

Identification of the legal representatives of the company (these are usually the directors who can legally bind your company)

- Name, first name, date and place of birth and, if possible, address of all directors:
- A copy of an identity card or passport of all directors
- If a Belgian company: extracts from the KBO register or Belgian Official Gazette and, if applicable, coordinated articles of association showing who the legal representatives (directors) are
- If a foreign company: extracts from a commercial register or coordinated articles of association, or other reliable and independent documents showing who the legal representatives (directors) are

Identification of the ultimate beneficial owners (UBO)² of your company (You do not need to complete this section if you are a listed company within the EEA, Australia, Hong Kong, or the United States)

- Name, first name, and, if possible, date and place of birth and address of all ultimate beneficial owners:
- A copy of an identity card or passport of all ultimate beneficial owners
- If a Belgian company: an extract from the Belgian UBO register supplemented by an additional document (e.g. declaration by the director identifying the ultimate beneficial owners, minutes general assembly, copy shareholders' register, extract from a specialized database, etc.)
- If a foreign company: a document proving who the ultimate beneficial owners are (e.g. declaration by the director, minutes, shareholders' register, extract from a specialized database, etc.)

Politically Exposed Persons (PEP)

Is any of the directors or ultimate beneficial owners of the company related to a politically exposed person, or a politically exposed person themselves?

- No
- Yes. Title and position:
.....
- Yes. Source of your financial means (e.g. do the financial means used for this purchase come from your company's ordinary operating funds, and can you confirm that these funds are not of criminal origin?):
.....

High-risk countries for money laundering and/or terrorist financing

If you are established in a high-risk country (as identified by FATF and the European Commission), please indicate the source of your financial means (e.g. do the financial means used for this purchase come from your company's ordinary operating funds, and can you confirm that these funds are not of criminal origin?) and confirm that your credit institution applies due diligence standards that are no less strict than those laid down in Belgian anti-money laundering legislation:

² The ultimate beneficiary is the natural person who has ultimate control over or is owner of the company. In concrete terms, this means that the diamond trader analyses: 1. Which natural person(s) has/have at least 25% of the shares or voting rights in the company of the client and/or the representative of the client and 2. Which natural person(s) has/have control in the company by other means (e.g. person who has the right to dismiss the majority of the management or of the board of directors, or controls the majority of the voting rights through a shareholder agreement). If the diamond trader exhausted all possible means to identify persons according to the first rule (25% rule) or the second rule (control by other means), without any result, and there are no grounds of suspicion, or in case he doubts that the identified person(s) is/are indeed the ultimate beneficiary(ies), he appoints someone of the management of the company (e.g. CEO) as ultimate beneficiary.

Payments

Please confirm that you will execute the payment of our invoices from an account linked to your company and that the payment will not be made by a third party:

*[Optional: When diamonds are given in **consignment**, there is no purchase/sale of diamonds yet. As a best practice, the diamond trader however identifies the consignee, and in any case when the consignee is unknown to the diamond trader. After all, the consignee takes valuable goods of the diamond trader in custody, with a risk of loss, damage, theft, ... It is also possible that the consignment later ends up in a purchase/sale of the entrusted goods between the same parties.]*

If the client/supplier is a publicly listed company in the EEA, Australia, Hong Kong, or the United States, the diamond trader identifies **listed companies** in a simplified manner, for example, through the listed company's website. The ultimate beneficiary(ies) of a listed company do not need to be identified.

3.2 Reporting of discrepancies with information contained in beneficial ownership registers

The diamond trader shall report to the central registers any discrepancies they find between the information available in the **Belgian** central UBO-register and the collected information. This without undue delay and, in any case, within 14 calendar days of their detection.

3.3 Tools for identification and verification

In addition to the tools already mentioned in 3.1 (such as UBO register etc., ..)the diamond trader uses the **KYCP platform** (which includes the ORBIS database and GRID screening tool) to assist in obtaining the information from the client/supplier and screen on completeness and correctness AND/OR the diamond trader uses **AWDC's client/supplier letter templates** to request his clients to provide them of the required KYC information.

The diamond trader also verifies the validity of the VAT number of clients/suppliers located in other European member states through the website http://ec.europa.eu/taxation_customs/vies/vieshome.do?locale=nl

The diamond trader uses **Google** to screen his clients and/or suppliers.

[Optional: The diamond trader uses additional tools to verify the information received from the client/supplier on completeness and correctness:]

3.4 Risk analysis of the client/supplier

Once the diamond trader has all required identification details of his client/supplier, he assesses **which risks are related to doing business with the client/supplier** . Before entering into a business relationship or performing an occasional transaction, a diamond trader shall assure itself that it understands its purpose and intended nature. To that end, the diamond trader shall obtain, where necessary, information on:

- (a) the purpose and economic rationale of the occasional transaction or business relationship;
- (b) the estimated amount of the envisaged activities;
- (c) the source of funds;
- (d) the destination of funds;
- (e) the business activity or the occupation of the customer or supplier.

In addition to this, the diamond trader uses **the risk scorecard in Annex B** to understand what types of risks could be associated with your counterparty and what additional questions and documents he should request from his client/supplier.

The diamond trader uses the **GRID screening tool via the KYCP platform** to screen for PEP's, sanctions, adverse media, ..

The result of the risk screening will impact the final **decision to onboard or reject the client/supplier**. The Risk score cards enclosed as well as the risk screening results in KYCP support the trader in making this decision.

3.5 Time of identification and verification and risk analysis

The diamond trader completes the identification and verification of the identity of clients, representatives and ultimate beneficiaries and/or of suppliers as well as the risk analyses, **before potentially entering into a business relationship or executing an occasional transaction.**

3.6 Continuous vigilance: updating details

The diamond trader keeps the collected information about his clients/suppliers **up-to-date**. Based on the risk analysis of his client/supplier (see Annex B), the diamond trader decides to update the information about his clients/suppliers **at least**:

- (a) for higher risk customers, 1 year;
- (b) for all other customers or suppliers, 3 years.

The diamond trader shall further review and, where relevant, update the customer information where:

- (a) there is a change in the relevant circumstances of a customer or supplier;
- (b) the diamond trader has a legal obligation in the course of the relevant calendar year to contact the customer for the purpose of reviewing any relevant information relating to the beneficial owners
- (c) they become aware of a relevant fact which pertains to the customer.

3.7 Continuous vigilance: suspicious or atypical transactions, facts and behaviors during the business relationship

The diamond trader exercises vigilance, proportional to the risk level identified with respect to every transaction, whether occasional or carried out during the business relationship, by their clients which includes in particular the following:

- a thorough examination of occasional transactions and an ongoing examination of transactions carried out during the business relationship, as well as, if necessary, the origin of the funds, to verify whether these transactions are consistent with the client's characteristics, their risk profile, and, where applicable, the purpose and nature of the business relationship, and **to identify atypical transactions that must be subjected to a detailed analysis.**
 - o The diamond trader conducts a specific analysis of the atypical transactions identified to determine whether these transactions can be suspected of being related to money laundering or terrorist financing and drafts a **written report**. In particular, they investigate, to the extent reasonably possible, the background and purpose of all transactions that meet at least one of the following conditions³:
 - 1° they are complex;
 - 2° they are unusually large;
 - 3° they exhibit an unusual pattern;
 - 4° they have no apparent economic or lawful purpose.
- in the case of a business relationship, keeping the data up to date, particularly when elements relevant to the individual risk assessment

If after analysis, there is no justification for the atypical transaction, the diamond trader assesses if this gives rise to a suspicion of money laundering or terrorist financing and whether there is reason to report to the CTIF (Financial Intelligence Processing Unit) (see chapter IV. 'Notifications in case of suspicions of ML/FT').

3.8 Conclusion to accept or reject a client/supplier

The diamond trader writes a **brief report** of a few sentences why he has accepted or rejected a particular person or company to support his decision. He keeps this report in writing and presents it during an inspection where appropriate.

A rejection of a client/supplier can be because of the following reasons (non-limitative):

- o Identification
- o Verification of the details
- o An individual risk analysis of the client
- o Updating the details
- o Analyzing atypical, suspicious transactions, facts or behaviors of the client/supplier
- o

³ To assist the diamond trader in identifying the atypical transactions, the **risk scorecard in Annex C** can be used.

The diamond trader uses the **AWDC conclusion template** available on the AWDC website or records this decision in the **KYCP platform**.

IV. NOTIFICATIONS OF SUSPICIONS OF ML/FT

In case there is at least one unacceptable/red risk in **Annex A, B or C** or if there are too many risk increasing factors which do not permit the diamond trader to enter into a business relationship or carry out transactions with the client/supplier, then the diamond trader does not accept this client/supplier, the existing business relationship with him is terminated and/or the transaction is not being carried out. This decision is documented in writing (see title 3.8 'Report in case of a high-risk client/supplier').

The diamond trader immediately informs the **Financial Intelligence Processing Unit (CFI)**.

The diamond trader does the notification before the transaction is executed and indicates within which period the transaction will be executed. The CFI can **oppose** a transaction in case it deems this necessary. In this case, the execution of the transaction is halted during maximum five working days. The transaction can be executed if:

1. The CFI has not opposed the transaction
2. The CFI has opposed the transaction, but the opposition period (maximum 5 days) has expired

If the diamond trader cannot do the notification before executing the transaction, he does this immediately after the execution and indicates why it was impossible to do it earlier.

The diamond trader does not inform the client/supplier or third parties about the fact that he notified the CFI.

The diamond trader **increases his vigilance** in case he would not have terminated the business relationship with the client/supplier and makes a new individual risk analysis of the client/supplier (**see annex B**) where appropriate.

The diamond trader (or another employee) who does the notification, is protected against any threat or act of aggression by the competent authorities, when he does a notification. The notifications are not shared with any third party by the CFI. The diamond trader (or another employee) who provides information or does notifications in good faith, cannot be sanctioned in any way or cannot receive any complaints against him (either civil, criminal or disciplinary) and thus has **immunity**.

V. CASH POLICY

5.1 3000 Euros

The diamond trader respects the cash limit of 3000 Euros and pays nor receives cash for an amount higher than 3000 euros within Belgium. Every payment in case where at least one of the parties resides or has activities in Belgium, is deemed to have been carried out on Belgian territory.

5.2 Limit abroad

If a Belgian diamond trader does or receives a payment in cash abroad where another cash limit applied, he can prove by all means that he indeed received or paid this cash abroad. At least he has the client/supplier sign the invoice, where the counterparty declares that he paid/received in that country.

Signature AML Officer(s)

[Company name:] hereby declares to comply with this anti-money laundering policy in its current form.

Annex A – Risk scorecard: general risk assessment on company level and actions to be taken

	The director(s) of the diamond trader has/have blank criminal record.	
	The diamond trader recently had an inspection by the FPS Economy concerning the implementation of the anti-money laundering law in his company, without any consequences.	Feedback about the inspection can be obtained at the FPS Economy.
	The diamond trader always does a notification to the CFI when he encounters a suspicious transaction or fact which could possibly relate to ML/FT.	CFI contact details: Email: info@ctif-cfi.be of Tel. 02 533 72 11
	The diamond trader applies the recommendations from the AWDC ' <i>Best practice guide for trade in the Belgian diamond sector</i> '.	
	The diamond trader complies with this anti-money laundering policy.	
	The diamond trader uses the KYCP platform.	The diamond trader can demonstrate this on the basis of the list of onboarded clients/suppliers in KYCP
	The diamond trader applies the recommendations in the AWDC guide ' <i>Sanctions and embargoes compliance guide for the diamond trade</i> '.	
	The diamond trader is part of a group and all entities of the group apply a similar anti-money laundering policy.	
	The diamond trader annually has many new clients/suppliers and/or a client/supplier portfolio that changes regularly.	
	One or more directors of the diamond trader have had a bankruptcy in the past.	
	The diamond trader regularly does business with countries with less supervision on the banking industry and/or a favorable fiscal regime / or countries with high risk on ML/TF	Check the following links for information about countries: https://index.baselgovernance.org/ https://www.transparency.org/cpi2018 http://www.fatf-gafi.org/countries/#high-risk https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/
	The diamond trader regularly has discussions at Diamond Office about the value of his imported or exported goods.	
	The diamond trader regularly receives or does money transfers from or to countries with less supervision on the banking industry and/or a favorable fiscal regime.	
	A part of the client/supplier portfolio of the diamond trader refuses to provide identification information and documentation about themselves/their company.	

	The diamond trader regularly receives or does payments (related to diamond transactions) in cash in countries where there are no or limited cash limits.	
	The diamond trader has a complex or untransparent company structure.	
	The diamond trader sells diamonds through the internet or through online platforms.	
	The diamond trader regularly does business with countries to which sanctions or embargoes apply and/or countries which are not member of the Kimberley Process.	The diamond trader follows the '<i>Sanctions and embargoes compliance guide for the diamond trade</i>' and assesses whether, despite the high risk, it is nonetheless possible to do business, in case certain risk mitigating measures are taken. http://www.fatf-gafi.org/countries/#high-risk https://www.transparency.org/cpi2018 https://www.kimberleyprocess.com/en/kp-participants-and-observers
	The diamond trader is not registered at the FPS Economy, or his registration was suspended or cancelled.	

Annex B – Risk scorecard for accepting individual client or supplier relationships and actions to be taken

	No risks were detected via the GRID screening tool in the KYCP platform.	
	The counterparty understands the anti-money laundering legislation or similar legislation in his country and actively cooperates to provide the diamond trader all required information.	
	The counterparty is located in a EU member state, or a country outside of the EU with an effective anti-money laundering regime.	
	The diamond trader received positive references about the counterparty.	
	The counterparty is RJC (Responsible Jewellery Council) certified.	https://www.responsiblejewellery.com/members/
	The counterparty is member of a recognized diamond bourse.	The diamond trader asks for the bourse membership card.
	The counterparty is resident of a country with less supervision on the banking sector and/or a favorable fiscal regime and/or a country with a failing anti-money laundering regime/ a conflict affected and high risk area	The diamond trader undertakes the following: - obtains permission of the senior management staff in his company to conclude the business relationship and/or to execute the transaction; - gathers information about the client and its ultimate beneficial owner(s), about the intended nature of the business relationship, about the source of the funds used and the source of the client's wealth and that of its ultimate beneficial owner(s), about the reasons for the intended transactions or the executed transactions; - enhances his supervision of the business relationship;

		• makes sure that at least the first transaction is executed via an account on the client's name with a credit institution where the vigilance measures towards clients are not less strict than the principles established as per the anti-money laundering law. The source of the funds can possibly be checked by asking confirmation to the client that his financial resources stem from the ordinary operating funds of the company. Also pay checks, tax declaration documents, independent audit reports or media reports could provide information on this. Check the following links for information about countries: https://ec.europa.eu/info/business-economy-euro/banking-and-finance/financial-supervision-and-risk-management/anti-money-laundering-and-counter-terrorist-financing/eu-policy-high-risk-third-countries_en https://index.baselgovernance.org/ https://www.transparency.org/cpi2018 http://www.fatf-gafi.org/countries/#high-risk https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/ https://www.cahraslist.net/cahras
	The ownership structure of the company of the counterparty seems unusually or excessively complex considering the type of company activity.	The diamond trader requests to provide a clear structure or organizational chart of the company, if applicable with the shareholder registers or other pieces of evidence which can demonstrate the identity of the ultimate beneficiaries.
	The diamond trader never met his counterparty personally.	
	Negative media is connected to the counterparty	
	The counterparty is a politically exposed person (PEP), family member of a PEP or close associate of a PEP.	The diamond trader takes extra vigilance measures for clients who are PEPs, family members of close associates thereof. In any case he takes the following measures: - o He obtains permission of the higher management in the company to enter into or continue the business relationship with these persons; - o He takes appropriate measures to determine the origin of the funds which are used in the business relationship or transactions with these persons; - o He exercises a stricter supervision on the business relationship and the execution of the transaction.
	The identification details which the counterparty has provided, do not correspond to information which one finds through certain verification tools.	The diamond trader asks additional documents to verify the identity of his client or supplier.
	The identification details which the counterparty provided, are not official, do not look authentic or are not up-to-date.	The diamond trader asks additional documents to verify the identity of his client or supplier.
	It is unclear what type of business relationship/occasional transaction the counterparty wants.	The diamond trader asks the counterparty what kind of business relationship of or sort of occasional transaction he intends to have.
	The counterparty is active in a sector where the purchase or sale of diamonds does not logically fit in its corporate purpose (e.g. a sector other than diamond trade, jewelry,...)	The diamond trader pays attention if the sector in which the counterparty is active is a high-risk sector such as second-handed vehicles, construction, ...

	The counterparty has or seems to have little experience in the diamond sector.	The diamond trader asks the counterparty what kind of business relationship of or sort of occasional transaction he intends to have
	The counterparty works through one or several intermediary(ies) and/or the diamond trader has never met the client personally and it is also not clear which role the intermediary(ies) play(s) exactly.	- The diamond trader insists on meeting the counterparty personally and asks for clarification about the involvement of the different parties. - If the counterparty is a high-net-worth individual (HNWI, a person with large capital), the diamond traders asks a bank statement of this person.
	The diamond trader has had bad experiences with the client in the past (suspicion of money laundering, financing of terrorism).	
	The counterparty went bankrupt in the past and recently established a new company.	The diamond trader asks for the reasons of the previous bankruptcy.
	The counterparty is located in a country which is not a member of the Kimberley Process.	https://www.kimberleyprocess.com/en/kp-participants-and-observers The diamond trader does not enter into the business relationship or does not execute the occasional transaction and notifies the CFI.
	The counterparty requests you not to analyze his identity, insist on anonymity, and/or is prepared to pay/compensate for this.	The diamond trader does not enter into the business relationship or does not execute the occasional transaction and notifies the CFI.
	The counterparty is/was persecuted for certain serious crimes, such as money laundering, financing of terrorism, fraud.	The diamond trader does not enter into the business relationship or does not execute the occasional transaction and notifies the CFI.
	The counterparty is on a sanction list.	The diamond trader does not enter into the business relationship or does not execute the occasional transaction and notifies the CFI.
	The counterparty is a Belgian diamond trader/broker not registered at the FPS Economy.	The diamond trader does not enter into the business relationship or does not execute the occasional transaction and notifies the CFI.

Annex C – Risk scorecard for monitoring during business or occasional relationship

	The counterparty executes payments and/or invoices in accordance with the AWDC ' <i>Best practice guide for trade in the Belgian Diamond sector</i> '.	Where appropriate, the diamond trader insists with the counterparty to follow the recommendations in this guide.
	The flow of goods which relate to transactions with a counterparty outside of the European Union are being controlled by the Belgian Diamond Office.	This is a legal obligation
	The counterparty pays from a country with less supervision on the banking sector and/or a favorable fiscal regime and/or with a high money laundering and/or corruption risk and/or countries for which sanctions/embargoes apply and/or countries which are not member of the Kimberley Process.	The diamond trader will monitor these transactions even more closely, check the origin of the funds and see whether these are consistent with the individual risk analysis made of the client.
	The seller's invoice does not clearly indicate whether it concerns synthetic/treated diamonds or (natural) diamonds.	The diamond trader follows the recommendations of the AWDC ' <i>Best practice guide for trade in the Belgian diamond sector</i> '.
	The counterparty often changes his bank account.	The diamond trader asks his counterparty to explain.
	The client wants to pay through a currency broker, money transfer services (MoneyGram), Hawala or payments in new digital coins (e.g. Bitcoin).	The diamond trader follows the recommendations of the AWDC ' <i>Best practice guide for trade in the Belgian diamond sector</i> '.
	The counterparty suggests an atypical payment/delivery method (e.g. payment through a third party, payment through the account of a third party, payment through other channels than official banks/financial institutions is proposed).	The diamond trader asks the counterparty to explain. He checks the origin of the funds and whether these are consistent with the individual risk analysis made of the client. Where appropriate, he makes a tripartite agreement as recommended in the AWDC ' <i>Best practice guide for trade in the Belgian diamond sector</i> '.
	The counterparty wants to execute a complex or unconventionally big transaction with does not have a visible economic or legitimate purpose.	The diamond trader checks the origin of the funds and whether these are consistent with the individual risk analysis made of the counterparty. He asks his counterparty to explain and follows the recommendations of the AWDC ' <i>Best practice guide for trade in the Belgian diamond sector</i> '.
	The client insists on cash payments of more than 3,000 Euros in Belgium.	The diamond trader does not execute the transaction and notifies the CFI.
	The supplier of the diamond trader cannot provide a Kimberley Process Certificate for the delivery of rough diamonds or it concerns a rough transaction from a country that is not member of the Kimberley Process.	The diamond trader does not execute the transaction and notifies the CFI.