



SUPPLIER AND SERVICE PROVIDER CODE OF CONDUCT

**For Service Providers, LabDirect Consolidators, Distributors,
Suppliers of Goods, Consultants and Independent Contractors
of
Gemological Institute of America, Inc. and its Affiliates**

I. INTRODUCTION

A. Applicability

This Supplier and Service Provider Code of Conduct (“Code”) applies to service providers, LabDirect consolidators, distributors, suppliers of goods, consultants, and independent contractors (“Suppliers and Service Providers”) for the Gemological Institute of America, Inc. and its Affiliates (collectively “GIA” or the “Institute”).

B. Purpose and Commitment

GIA has an international reputation for uncompromising integrity in its service to the public and the gem and jewelry industry. That reputation is based on an expectation of ethical conduct on the part of all GIA employees, board members, and GIA’s Suppliers and Service Providers at all times. We must adhere to the highest ethical standards to earn public trust and confidence in all facets of our operations. Accordingly, as a GIA Supplier and Service Provider you are expected to behave ethically and with integrity, and to comply with all applicable laws and regulations. Failure to do so will result in disciplinary action, including possible termination of your service to GIA.

Please read this Code carefully and sign the attached Acknowledgement where indicated. If you have any questions, or if you need clarification either before you sign the Acknowledgement or in the future, please contact GIA.

C. Reporting Mechanisms

You have a duty to report all suspected or actual violations of the Code, of GIA’s policies, or of any applicable laws and regulations. You must make all such disclosures to GIA. If you wish to report any such matter anonymously, you may do so by calling GIA’s toll-free helpline at 866-295-2625 (U.S. and Canada) or, internationally, by asking your local operator to place a collect call to 503-726-2269 (from outside of the U.S. and Canada), or by submitting a report of the suspected violation or other complaint or concern to: www.ethicspoint.com.¹ The Helpline is staffed with multi-lingual support 24 hours a day, 7 days a week. All reports will be treated as strictly confidential.

D. Revisions to the Code

GIA may revise or supplement this Code at any time. GIA will distribute promptly any such modification, and at that time you will be required to sign a new Acknowledgement to reaffirm your agreement to adhere to this Code. **You have a continuing obligation to familiarize yourself with any such revisions and to ensure that you comply with all laws, GIA’s policies, and with this Code.**

¹ This provision does not apply in countries or jurisdictions that prohibit anonymous reporting systems, including hotlines.

II. GENERAL OBLIGATIONS

The Institute expects you to use professional, honest, and ethical judgment in discharging your responsibilities as a Supplier and Service Provider of GIA. You must conduct yourself in a way that serves the public interest, honors the public trust, and demonstrates your commitment to a high level of professionalism. The duty of care you owe to the Institute requires you to exercise your duties in good faith, with at least the level of care an ordinarily prudent person would exercise in his or her position under similar circumstances, and in a manner that you reasonably believe is in the best interests of the Institute. Your duty of loyalty to GIA requires that you act in good faith and with the honest belief that all actions taken in your official capacity are in furtherance of the Institute's best interest and not in a manner that involves self-dealing or conflicts of interest.

GIA observes a "zero tolerance" policy with respect to misconduct that involves fraud, corruption, deceit or dishonesty, or that affects the integrity of the Institute. Any Supplier and Service Provider who engages in any such misconduct will be terminated from his or her service with GIA.

III. CONFLICTS OF INTEREST

As a Supplier and Service Provider of the Institute, you must, at all times, avoid a real or perceived conflict of interest between actions taken as a GIA Supplier and Service Provider and those you conduct as an individual or as part of a third party business.

IV. ACCEPTANCE OF GIFTS, GRATUITIES, AND FAVORS

The reputation of the Institute must not be tainted by any perception that favorable treatment was sought, or in fact obtained, through you as a Supplier and Service Provider of GIA. In accordance with the mechanisms set forth in Section I(C), you must report promptly any offer of a gift, gratuity, or favor made by any person or entity who sought to gain an improper privilege or benefit through you in your capacity as a Supplier and Service Provider of GIA.

V. COMPLIANCE WITH LAWS AND REGULATIONS

You are prohibited from using the Institute's funds, services, assets, or information for any unlawful or improper purpose. You also may not obtain privileges or special benefits from GIA.

It is vital that you adhere very carefully to the U.N. Universal Declaration of Human Rights, ILO Conventions 1, 14, 132, 138 and Recommendation 146 and similar standards (unless superseded by local law), to ensure that human rights and the dignity of the individual are respected at all times. These important standards include principles concerning child labor, forced labor, freedom of movement, freedom of association, non-discrimination, non-harassment, non-retaliation, the prohibition against corporal punishment, employment terms and conditions, and the right to a safe, healthy, and clean working environment for all employees, contractors, sub-contractors, and others. In addition, legal and fair compensation and benefit frameworks are required which at a minimum meet governing laws. [See the following links for a copy of the above-mentioned standards:]

U.N. Universal Declaration of Human Rights: <http://www.un.org/en/documents/udhr/index.shtml>

ILO Conventions 1, 14, 132, 138, et al.: <http://www.ilo.org/ilolex/english/convdisp1.htm>

ILO Recommendation 146, et al.: <http://www.ilo.org/ilolex/english/recdisp1.htm>

It is also important to be mindful of all legal obligations concerning patents, copyrights, trademarks, trade secrets, confidentiality or privacy agreements, and other intellectual property rights belonging to GIA. Because it is the Institute's policy to comply at all times with all applicable federal, state, and local laws, if such a law now imposes, or later imposes, a legal obligation on the Institute that conflicts with any provision of this Code, the Code is superseded for that purpose.

While we cannot provide an exhaustive list of applicable laws, three of particular importance to which Suppliers and Service Providers are required to comply (U.S. and international locations) are anti-corruption laws (including the Foreign Corrupt Practices Act (FCPA) and UK Bribery Act); the U.S. Treasury – Office of Foreign Assets Control (OFAC) sanctions; and, Regulations Governing U.S. Non-Profits and their Affiliates.

A. Anti-Corruption

GIA complies fully with The Foreign Corrupt Practices Act of 1977 (FCPA), the UK Bribery Act, and all anti-corruption laws in the countries in which GIA operates which prohibit offering or paying bribes or any “thing of value” to a government official. Anti-corruption laws prohibit payments made corruptly to influence any act or decision of a government official (including a decision not to act), or to induce an official to use his or her influence to affect a government act or decision so as to assist GIA in obtaining or retaining business, directing business to any person, or enabling GIA to conduct business generally. Prohibited “things of value” can include not only cash, but also gifts, meals, entertainment, or travel of *any* value given without first receiving **advance, written review and approval** from GIA President/CEO or their express designee. Even a token payment or “gift” to a government official in any position within a foreign government may be considered a violation of anti-corruption laws. Additionally, anti-corruption laws define “government official” broadly to include *all* employees at any level of any governmental ministry, bureau, office, department or agency, as well as *all* employees of companies that are wholly or sometimes even just partially owned or controlled by a government.

In addition to prohibiting improper payments to government officials directly, anti-corruption laws prohibit payments, authorizations, promises or offers to any intermediary if it is known, *or reasonably should have been known*, that any portion of that payment will be passed along to a government official, political party, or candidate for furtherance of a purpose prohibited under anti-corruption laws. Indirect payments, including those to agents or third parties, with the knowledge or awareness of a high probability that at least a portion of the payment will be given to a government official for an illegal purpose are strictly prohibited by GIA.

Because of anti-corruption laws’ prohibition against indirect corrupt payments made through intermediaries, GIA’s policy of complying fully with anti-corruption laws extends to all operations of GIA and applies to all Governors, officers, managers, full and part time employees, Suppliers and Service Providers and anyone who conducts business on behalf of GIA or in furtherance of its interests, whether that business is conducted inside or outside the United States.

GIA’s policy of complying with anti-corruption laws’ prohibitions against bribery is discussed in further detail in the Anti-Corruption Policy and Compliance Handbook, which is incorporated herein by reference. Published copies of GIA’s Anti-Corruption Policy and Compliance Handbook are available to Suppliers and Service Providers upon request, and shall be distributed to GIA employees, agents or representative whose duties are likely to lead to involvement in or exposure to any of the areas covered by anti-corruption laws. Periodic certifications of compliance with GIA’s Anti-Corruption Policy and Compliance Handbook will be required.

Penalties for violation of anti-corruption laws can be severe, including imprisonment. Corporations and other business entities can be subject to fines of up to USD \$2,000,000. Suppliers and Service Providers, Governors, officers, directors, employees, and other agents are subject to fines of up to USD \$100,000 and imprisonment for up to five years. Fines imposed on individuals may *not* be paid by their employer or principal. A person or firm found in violation of anti-corruption laws may also be barred from doing business with the U.S. federal government and may be ruled ineligible to receive export licenses. A violation may also disqualify the firm from obtaining financing from, or being involved in projects financed by, multilateral financial institutions, such as the United Nations or the World Bank.

Any Supplier and Service Provider, Governor, employee, director or stakeholder who believes that a violation of anti-corruption laws has been committed, is being committed, or is being planned must report the matter immediately to GIA’s President/CEO or their express designee, or anonymously by calling toll-free to 866-295-2625 (U.S. and Canada) or from outside of the U.S. and Canada by placing a collect call to 503-726-2269, or by submitting a report of the suspected violation or concern to www.ethicspoint.com.

B. Activities Governed by U.S. Economic Sanctions

The Office of Foreign Assets Control of the U.S. Department of the Treasury (OFAC) administers and enforces economic sanctions against targeted foreign countries, governments, regimes, terrorists and terrorist organizations, narcotic traffickers and those engaged in activities related to the proliferation of weapons of mass destruction in furtherance of U.S. foreign policy and national security objectives. Economic sanctions are designed to deprive the target of the use of its assets by freezing or “blocking” any property subject to the jurisdiction of the United States in which the target has an interest, and by denying the target access to the U.S. financial system and the benefits of trade, transactions and services, including financial services, involving U.S. markets, businesses and individuals. OFAC has recently instituted dramatically higher civil penalty amounts for violations of economic sanctions programs, up to the greater of USD \$250,000 or twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed. OFAC’s Enforcement Guidelines and additional information about each economic sanctions program administered by OFAC, including the SDN list, is available on OFAC’s website at <http://www.treas.gov/ofac>. Before conducting any transaction, providing any service or exporting any goods to any OFAC-sanctioned country, the OFAC website should be consulted for specific country requirements.

Sanctions imposed against foreign countries and governments may be comprehensive, as in the case of Cuba, Iran and Sudan, or more selective, as in the case of Burma and Syria. As these programs differ country to country, it is important that particular attention be paid to the guidance specific to each country. OFAC also maintains a list of entities and individuals that have been specially designated (referred to as “specially designated nationals” or “SDNs”) as a target of economic sanctions or as acting for or on behalf of a sanctions target (the “SDN list”). GIA, its employees, Suppliers and Service Providers, Governors, and Affiliates, wherever located, are prohibited pursuant to these sanctions programs from providing any educational or other services to: 1) Cuban nationals, wherever in the world located, including any person resident in Cuba; 2) any person ordinarily resident in Iran or Sudan; and 3) any person on the SDN list. Imports from these countries may also be restricted, as in the case of rubies and jade from Burma, and exports to these countries and persons may be prohibited by OFAC as well as by the US Department of Commerce’s Bureau of Industry and Security (BIS). For items on the BIS Commodity Control List, exports may be prohibited without a license to more than just the OFAC-sanctioned countries. Prior to exporting any goods, GIA will insure that the export is permitted under BIS regulations in addition to regulations administered by OFAC.

It is GIA’s policy that it be in full compliance with these requirements and that Suppliers and Service Providers have read and understand this policy.

C. Business Ethics Applicable to Not-For-Profit Companies

a. Political Activities

As an organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, the Institute may not become involved with political parties or candidates for office at any level – national, state or local. You may not make statements on behalf of, or in opposition to, candidates for public office while acting in your capacity as a Supplier and Service Provider. Of course, these restrictions should not discourage you from voting, signing petitions, expressing your political views, or making contributions to candidates or political parties of your choice, provided they are undertaken at your own expense. You, however, must not seek to influence or pressure GIA employees to make political contributions or otherwise support a political party or candidate.

b. Lobbying Activities

In your capacity as a Supplier and Service Provider of GIA, you may not engage in lobbying activities in an attempt to advocate the adoption or rejection of legislation, or contact members of a legislative body (or urge the public to make such contacts) for the purpose of proposing, supporting, or opposing legislation, whether on a national, state, or local level.

c. Relationships with Public Officials

While acting in your capacity as a Supplier and Service Provider of GIA, you may not maintain a relationship with a public official that is of such a nature that the Institute's integrity or reputation would be damaged by public disclosure of the existence or full details of the relationship. In your capacity as a Supplier and Service Provider of GIA, you may not make payments or gifts to public officials or entertain public officials. These prohibitions extend not only to direct disbursement of corporate funds, but also to indirect contribution or payment made in any form, such as through consultants, suppliers, customers or third parties or by reimbursement to staff employees.

As addressed in further detail above, GIA's relationships with public officials is strictly governed by anti-corruption laws. GIA policies and procedures for interacting with public officials are addressed in more detail in the Anti-Corruption Policy and Compliance Handbook. This material is distributed to GIA employees and Suppliers and Service Providers whose duties are likely to lead to involvement in or exposure to any of the areas covered by anti-corruption laws.

VI. COMPLIANCE WITH INTERNATIONAL LAW

The Institute's policy is to comply with all laws that apply in the countries where it conducts business. In countries where common practices are less restrictive than GIA's ethical standards, Suppliers and Service Providers must follow the latter.

VII. MEDIA INQUIRIES

From time to time, you may be approached by reporters or other media representatives. To ensure that the Institute speaks with one voice and provides accurate information regarding its business, you should direct all media inquiries to GIA's public relations department. You are not permitted to discuss matters involving the Institute with any reporters or other media representatives without the express written consent of the GIA public relations department.

VIII. ENFORCEMENT OF GIA'S COMPLIANCE POLICIES

This Code is based on the Institute's core values, its commitment to best business practices, and applicable laws and regulations. Its existence does not, of course, ensure compliance. Accordingly, it is the responsibility of every GIA Supplier and Service Provider to adopt and cultivate a policy of integrity and compliance, grounded on the notions of self-policing and self-reporting.

A. Compliance

You are expected to become familiar with, understand, and comply with the requirements of this Code and all relevant policies of the Institute.

B. Internal Audits and Investigations

When an alleged violation of this Code is reported, the Institute shall take prompt and appropriate action in accordance with the law and otherwise consistent with best business practices. If the suspected violation or concern involves GIA's financial disclosures, internal accounting controls, questionable auditing or accounting improprieties, you are required to comply with the reporting mechanisms set forth in Section I(C).

Suppliers and Service Providers are expected to cooperate fully with GIA representatives, both internal and external, who are conducting an internal investigation, audit, inquiry, or other review.

C. Disciplinary Action

Suppliers and Service Providers must ensure that this Code is enforced through appropriate disciplinary measures. Any Supplier and Service Provider violating this Code, any other GIA policy, or applicable laws shall be subject to discipline, up to and including termination of his or her service. The Institute may refer for criminal prosecution any Supplier and Service Provider or former Supplier and Service Provider who has violated applicable laws and regulations. GIA may institute a civil action in response to such violations to, among other things, enforce its legal and equitable rights, and to obtain restitution, contribution, and/or damages.

D. Non-Retaliation

Suppliers and Service Providers may not retaliate, directly or indirectly, or encourage others to do so, against any other Supplier and Service Provider or GIA employee who reports a violation of this Code. If you believe that retaliation has occurred, you should immediately report the conduct consistent with the mechanisms set forth in Section I(C). The Institute will not permit retaliation of any kind against good faith related to violations to this Code or other illegal or unethical conduct.

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**ACKNOWLEDGEMENT OF RECEIPT OF
SUPPLIER AND SERVICE PROVIDER CODE OF CONDUCT**

I hereby acknowledge receipt of the Supplier and Service Provider Code of Conduct (the "Code") that applies to service providers, LabDirect consolidators, distributors, suppliers of goods, consultants, and independent contractors ("Suppliers and Service Providers") of the Gemological Institute of America, Inc. and its Affiliates (collectively "GIA" or the "Institute"). I understand that my compliance with this Code and all relevant policies of the Institute is a condition of my continued service to GIA. I understand that the Institute expects the highest degree of business ethics and integrity in connection with my service. I understand that the Institute requires that I keep confidential all information obtained in my capacity as a Supplier and Service Provider of GIA. I acknowledge that it is impossible for GIA to identify and list every possible action that may violate this Code and that GIA reserves the right to impose discipline for any conduct it deems inappropriate.

The Code does not constitute nor is it intended to constitute a contract of employment. I have carefully read and I understand the foregoing Code. I support these professional standards for GIA, for myself, and for my company (as applicable), and I will act (and ensure my employees and Suppliers and Service Providers act) in accordance with them.

I confirm that I am not a "foreign official" as defined herein. In connection with my representation of GIA, I have not offered, paid, promised to pay, or authorized the payment of money or anything of value to (a) any "foreign official" or (b) any person, while knowing that all or a portion of such money or thing of value will be offered or given directly or indirectly to any "foreign official" for any "prohibited purpose." "Foreign official" is defined as (i) any officer or employee of the foreign country's government, including any federal, regional or local department, agency, state-owned or state-controlled enterprise or corporation or other instrumentality thereof; (ii) any person acting in an official capacity for or on behalf of any such entities identified in clause (i); and (iii) any official of a political party, or candidate or nominee of any political party in the foreign country or for any position with any entity identified in clause (i). Defined "Prohibited purposes" are (1) to influence any act or decision of any "foreign official" in his or its official capacity; (2) to induce such "foreign official" to do or omit to do any act in violation of the lawful duty of such "foreign official"; (3) to secure any improper advantage; or (4) to induce such "foreign official" to use his or its influence with a foreign government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality.

Throughout this document, I have been asked to disclose certain information in writing. Consistent with that requirement, I hereby state: (Check one:)

_____ I have nothing to disclose.

_____ I would like to make the following disclosures. (List and briefly explain below even if disclosed previously.)

I understand and agree that if, during the course of the year, additional or new circumstances arise that require disclosure I will disclose such matters in writing pursuant to Section I(C) of the Code.

I have read and understand the terms of the above and by my signature below agree to abide by such terms. I certify that I have all necessary authority to sign this agreement on behalf of the Company.

Company Name

Signature

Printed Name

Title

Date