

January 22, 2018

Mr. John Q Example  
123 Plain St.  
Nowhereville, Utah 12345

Dear Mr. Example,

At your request I examined the jewelry you submitted and have provided an opinion of the approximate Replacement Value at the retail market level for insurance purposes.

There are 4 items in this report and it is valid only in its entirety. The final figure excludes local sales tax. You may wish to take this into consideration when using the report. The value conclusions are subject to limiting conditions that are set forth in the body of the report. My opinion, to the best of my knowledge and experience, is that the replacement value of the jewelry is approximately \$xx,xxx.00.

Photographs are included with the original report for your reference. I suggest that you keep your copy of this report in a safe place.

This report was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Please call if I can be of any further assistance.

Sincerely,

Patrick B. Stout  
Graduate Gemologist



## Southern Utah Gem and Jewelry Appraisals

1031 South Bluff Street, Suite 116 St. George, Utah 84770  
(435) 414-1404 [patrick@suappraisals.com](mailto:patrick@suappraisals.com)

# GEM AND JEWELRY VALUATION

REPLACEMENT VALUE APPRAISAL FOR THE EXPRESS PURPOSE  
OF USE IN INSURANCE SCHEDULING

Prepared  
For

**Mr. John Q Example**  
**123 Plain St.**  
**Nowhereville, Utah 12345**

**Prepared by:**  
Patrick B. Stout  
Graduate Gemologist  
**Date:** 1/22/2018



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This report is valid only in its entirety and for its stated purpose and intended use and was prepared in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).



## SCOPE OF WORK

### PURPOSE

The purpose of this report is to describe and document the quality of the jewelry listed and to arrive at an opinion of its Replacement Value.

### INTENDED USE AND USERS

The intended use of this report is for obtaining insurance coverage on the jewelry described. This report is intended for use only by Mr. John Q Example and the insurer. Use of this report by others is not intended by the appraiser.

### DATES

Examination Date: **1/17/2018**  
Valuation Date: **1/21/2018**  
Effective Date: **10/21/2017**

### DEFINITIONS OF REPLACEMENT VALUE

Based on accepted appraisal methodology, my definitions of replacement value are:

- Replacement value (new): The cost necessary to replace the appraised item with a new item of like kind, quality, and similar utility, at current market prices.
- Replacement value (comparable): The cost necessary to replace with a similar piece of like kind, quality, period, condition, and similar utility, but not an exact duplicate.
- Replacement value (reproduction): The cost of reproducing a duplicate of the appraised item using the same construction techniques, design, and materials as the original.

### APPROACH TO VALUE

There are three traditional approaches to value that are as follows:

- Income approach: applies to properties that produce a stream of income, and is used only if the property has been or will be used for rental or other income-producing purposes.
- Sales comparison approach: researches, records and analyzes current verifiable sales of articles with qualities similar or identical to the subject item and adjusts for differences to arrive at an indication of value. Appraisal standards dictate that any recent sales of the subject property also be considered.
- Cost approach: establishes the total value of an item by considering the consumer's cost to have a similar, equally desirable substitute produced, taking into consideration precious metal content, gemstone weights and qualities, labor, and any other fees. Depreciation may be applied as appropriate.

Depending upon the circumstances of the individual item of jewelry and the market conditions prevailing at the time of the appraisal, replacement value for insurance purposes may be estimated using the sales comparison approach and/or the cost approach. Usually both valuation methods are considered. The income approach does not apply in this appraisal because no income stream is currently being produced by the property.

### MARKET SELECTION

Value always relates to a particular market. The most appropriate market for valuing jewelry can vary depending upon the purpose of the appraisal and the attributes of the article including materials, condition, craftsmanship, period of manufacture, provenance, desirability and demand.

The type of retail outlet that most commonly carries the item being appraised is considered to be the appropriate market level for insurance coverage. Because of the condition of the jewelry and ready availability of similar items, the appropriate replacement market for the purposes of this appraisal is the retail jewelry establishment.



Unless otherwise indicated, the values given do not reflect the prices for which the appraised items may be purchased from any particular store.

## METALS MARKET

<b>Date:</b>	1/21/2018
<b>Gold:</b>	\$1,280.00
<b>Silver:</b>	\$17.00
<b>Platinum:</b>	\$921.00
<b>Palladium:</b>	\$964.00

## PROCEDURES

The jewelry described within has been analyzed and graded in accordance with prescribed grading standards using "state of the art" methods and standard precision laboratory equipment. In some instances, the appraiser may recommend advanced testing by a major research laboratory.

Each item described in this report has been photographed and copies of the images as well as a copy of the report are maintained in the appraiser's files for at least five years after the report date.

Unless expressly stated otherwise, condition is good for the type and period. Ordinary wear and tear are not noted. Any serious damage, deficiencies or repairs affecting value are noted and considered in the valuation.

Unless otherwise stated, stones have not been removed from their mountings and all gemstone weights, grades and measurements are approximate.

Jewelry constructed solely of, or in combination with, precious metals (i.e. platinum, palladium, yellow or white gold and/or silver) is tested, analyzed and described for its type and content of such metal.

Whenever possible, current replacement prices are obtained for trademarked items. When that information is unavailable, prices for substantially similar substitute items are considered.

Colorless & near colorless diamonds are graded with the prescribed grading nomenclature of the Gemological Institute of America (GIA) and the use of pre-graded permanent master diamond color comparison stones.

Colored stones are color graded using the GIA color grading system, Gem eWizard, GemDialogue, GIA Gem Set or Color Scan color comparators.

Unless otherwise stated, all colored stones listed on this appraisal report have probably been subjected to various treatments to improve their appearance. Treatments are considered usual and customary practices when properly disclosed and when done without intent to defraud the consumer. The treatments are mostly stable and do not require special care. Some treatments are reversible and re-treatable. Prevailing market values are based on these universally practiced and accepted processes by the gems and jewelry trade. Detection of some treatments requires sophisticated equipment not found in a standard gemological laboratory. It is beyond the scope of the appraisal to determine exact treatment methods or the amount of treatment present. When a treatment is detected, and considered not to be "usual" it will be so noted.



## ASSUMPTIONS AND LIMITING CONDITIONS

The appraiser assumes the ownership of the subject property is true as stated by the client.

Regularly published industry sources are assumed to be reliable; the appraiser does not assume responsibility for their information.

Verification of title is beyond the scope of this assignment. Possession of this report does not prove title to the items appraised. The appraisal process does not discover liens, encumbrances, or fractional interests but if known, they are noted.

The limited owner of this appraisal is the client for whom the work was performed.

This document is invalid unless all items listed in the Table of Contents are present.

This report may not be published in any medium without the express written consent of the appraiser.

No changes may be made to this report by anyone other than the appraiser. The appraiser cannot be responsible for unauthorized alterations.

Confidential information disclosed to the appraiser during the course of the assignment will not be disclosed to any unauthorized third parties, except by force of law.

Intended users requiring further information than that contained in the report must obtain the written permission of the owner of the appraisal before the appraiser will discuss the report.

Fees paid do not include the services of the appraiser for any future services. In particular, fees paid to date do not include any of the appraiser's time or services in connection with any statement, testimony or other matters before an insurance company, its agents, employees or any court or other body in connection with the property herein described.

If the appraiser is requested to testify or to make any such statements to any third party concerning the described property and/or appraisal, the applicant shall pay the appraiser for all such time and services so rendered at the appraiser's then current rates.

Periodic review of appraisal values is recommended due to economic fluctuations. The appraiser is not responsible for advising the clients when values have changed; clients must establish their own appraisal value review criterion.

The professional relationship between the appraiser and the client, regarding the items described herein, ends with the delivery of this report.



## SUBSCRIPTIONS RETAINED FOR VALUE CONSULTING

Drucker, Richard - The Guide, Northbrook, IL

Levine, Gail - Auction Market Resource, Rego Park, NY

Rapaport, Martin - Rapaport Diamond Report, New York, NY

## LIST OF LABORATORY INSTRUMENTS

Binocular microscope	Leveridge gauge
Electronic scale (metric and carat)	Thermal conductivity diamond tester
Touchstone and acids	Fiber optic light
Electronic metals tester	Spectroscope
Electronic calipers	Polariscope
Dichroscope	Color Gemstone color descriptive system
Refractometer	Heavy liquids
Chelsea color filter	Diamond light and graded master comparison stones
Type IIa diamond tester	Ultra-violet light (long and short wave)
Desktop ASET device	Pressurized steam cleaner
Ultra-sonic cleaner	

## CERTIFICATION OF APPRAISAL PRACTICE

I hereby certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and they are my personal, impartial, professional analysis, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved in this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice (USPSP) 2008 – 2009 Edition*, published by the Appraisal Foundation and the Code of Ethics of the *National Association of Jewelry Appraisers (NAJA)*.
- I have made a personal inspection of the property that is the subject of this report, unless otherwise clearly stated.
- No one provided significant personal property appraisal assistance to the person signing this report.

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Patrick B. Stout  
Graduate Gemologist  
1/22/2018



**Patrick B. Stout**  
**Graduate Gemologist-Owner**  
**Southern Utah Gem and Jewelry Appraisals**

**Career Summary:**

Over thirty years of experience in fine retail jewelry stores such as Ben Bridge Jewelers, Tiffany & Co., Graff Diamonds, Tourneau Fine Watches, and McArthur Jewelers, primarily serving in senior sales-consultant, management, buyer, training, management consultant, staff gemologist, and appraiser positions.

Seven years as the Education Services Manager for the American Gem Society (AGS). The American Gem Society is a non-profit trade organization, founded in 1934 by Robert Shipley (who also founded the Gemological Institute of America in 1931). The American Gem Society functions as a professional forum of fine retail & manufacturing jewelers, and related professionals, with emphasis on professionalism, consumer protection, professional educational and ethical standards of business. Membership in the AGS is awarded only to those professionals who meet and maintain strict educational/ethical standards and cannot be simply purchased.

**Educational/Professional Summary:**

**Dixie High School:**  
1977 Graduate

**Gemological Institute of America (GIA):**  
Diamond and Diamond Grading Certificate; August, 1983  
Gemologist Diploma; November, 1989  
Graduate Gemologist Diploma; June, 1995

**American Gem Society (AGS):**  
Certified Gemologist; April, 1992  
Certified Gemologist Appraiser, April, 1998 (held this title for approximately 17 years)

Currently in the process of gaining accreditation with the National Association of Jewelry Appraisers (NAJA).



**Prepared For:** Mr. John Q Example  
123 Plain St.  
Nowhereville, Utah 12345

**Date:** 1/22/2018

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## DESCRIPTION OF ITEM(S)

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### ITEM 1 - RING

One lady's Platinum (stamped, electronic confirmation) fashion ring that is mounted with a single pear-shaped blue sapphire (natural, evidence of heat treatment, origin is indeterminate), forty-five (45) tapered baguette cut diamonds, and eleven (11) round brilliant cut diamonds.

This ring is a hand-fabricated item with the wires support struts being individually cut, trimmed and soldered/fused in place. Tooling is very good. Finish is very good. Prong tips are extremely well tooled and set. The ring mounting shows minor wear and tear (scuffs and scratches) but no significant structural integrity issues. Porosity at solder joints is minimal.

Several of the baguettes show minor chips to the corners and one stone is fractured (still articulated and in place).

This ring, being a one-of-a-kind, hand-fabricated article could only be reasonably replaced by custom fabrication to duplicate the design. The client states that this ring was manufactured in the early 1960's. The listed replacement value includes estimated modern CAD design work, 3-D printer model fabrication, metal casting/fabrication and stone setting labor (\$x,xxx.00), a comparable sapphire (natural, heat treated, \$xx,xxx.00) and diamonds of similar make and grade (\$xx,xxx.00).

**Total Diamond Weight:** 6.20 ct.

#### Sapphire Attributes

Shape and cut:	Pear shaped faceted
Measurements:	15.85 x 8.95 x 5.41 mm (actual)
Weight:	5.53 ct. (calculated)
Color:	B 5/2 - medium slightly grayish blue
Cut:	Very Good
Finish:	Very Good
Brilliance:	Good - 50% to 70%
Fluorescence:	None lw
Comments:	This stone shows evidence of heat treatment and some noticeable color zones.

#### Diamond Melee Attributes

Shape and cut:	Tapered baguette
Number of diamonds:	45
Total Weight:	4.00 ct. (estimated)
Clarity grade:	VS to VVS
Color grade:	F-G
Cut:	Good
Finish:	Very Good
Comments:	Matching is good with minor variations in proportions and symmetry. Clarity grades range from VVS-1 to VS-1. Several stones show minor chips to corners. One is fractured.



**Diamond Melee Attributes**

Shape and cut: Round full cut  
Weight: 0.18 to 0.20 ct. each  
Number of diamonds: 11  
Total Weight: 2.20 ct. (estimated)  
Clarity grade: VVS-2  
Color grade: F-G  
Cut: Very Good  
Finish: Very Good  
Comments: Matching is very good for cut, color and clarity

**Item Attributes**

Design: Custom, hand-fabricated "cocktail ring"  
Weight: 12.26 gr.  
Metal: 90% Platinum/10%Iridium  
Manufacturing: Custom, hand-fabricated  
Finish: Polished  
Setting: Prong  
Hallmark / Year / Sponsor: Not legible  
Trademark: None  
Condition: 90% Platinum/10%Iridium

**TOTAL APPROXIMATE RETAIL VALUE EXCLUDING TAX      \$XX,XXX.00**



**ITEM 2 - WRIST WATCH**

One Gent's Omega wrist watch identified as a "Symbol" from the DeVille collection which is and produced in 18K yellow gold and stainless steel.

The bezel is of 18K yellow gold while the remainder of the watch is stainless steel. Based upon the serial number and style, this watch is estimated to have been produced in the early to mid-1990's.

This watch is identified as serial number 83138765, case/style number 4330.13.00, and movement caliber 1440. It is a 32.00 x 6.00 mm case with recessed synthetic sapphire crystal.

This design/style is no longer produced by Omega Watch Co. Numerous examples of this item were found on the secondary market. Replacement value is representative of selling prices from several different forums.

**Watch Attributes**

Maker:	Omega
Type:	Gents
Movement:	Quartz, Caliber 1440, 6 jewels
Material:	Stainless and 18K gold
Shape:	Round
Bezel:	Smooth
Dial / Features:	White / Date
Hour markings:	Arabic with stick markers
Hands:	Gold
Strap/Bracelet:	Stainless steel
Clasp:	Integral with deployment clasp
Condition:	53500989
Model number:	4330.13.00
Serial number:	Good
Comments:	Case, bezel and clasp show minor scratches and scuffs. Bezel is in very good condition with no significant dents, pits or gouges. Crystal is in excellent condition.

**TOTAL APPROXIMATE RETAIL VALUE EXCLUDING TAX                    \$XXX.00**



**ITEM 3 - PEARL STRAND**

One (1) 18" strand of golden South Sea Cultured pearls. This strand had a manufacturer's tag still in place. It states that this strand is from Hikari Pearl Co. Communications with Hikari confirmed the sizes, colors and descriptions.

The pearls graduate from 9.3-13.9 mm, are spherical to near spherical. The pearls are extremely well matched for color, luster, surface texture and secondary hues/overtones.

Manufacturer states that this strand of pearls originates from the Philippines and are natural color. Testing shows no evidence of dye.



**Golden South Sea Pearl Attributes**

- Number: 39
- Size: 9.3-13.9
- Shape: Round to Near Round
- Color: Golden w/ rose overtones
- Luster: Very good
- Surface: Clean
- Nacre quality: Very good
- Matching: Excellent
- Comments: Individually knotted, 18K yellow gold decorative fishhook style clasp

**TOTAL APPROXIMATE RETAIL VALUE EXCLUDING TAX      \$XX,XXX.00**



ITEM 4 - LOOSE DIAMOND

One (1) unmounted round brilliant cut diamond weighing 1.51 ct. This diamond is accompanied by a grading report from the Gemological Institute of America (number 5206680186, copy included). Please refer to the original report for additional technical details.

This diamond has been microscopically reviewed and matches the descriptions on the grading report. The GIA report number is laser engraved on the girdle. A copy of the GIA report is included with this document as is a brief definition sheet of ASET imagery.




An ASET image of this diamond is included with this report. ASET is an acronym for Angular Spectrum Evaluation Technology developed by the American Gem Society Laboratories. ASET images demonstrate "Light Performance" and are a visual demonstration of cutting quality, which is, in this case, "Excellent". For more information on ASET technology and images, please contact the appraiser or contact the American Gem Society.

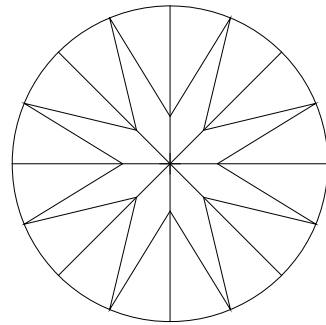
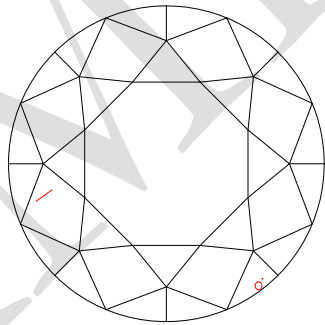
**Total Diamond Weight:** 1.51 ct.

**Diamond Attributes**

Shape and cut:	Round brilliant
Measurements:	7.47 x 7.43 x 4.45 mm (actual)
Weight:	1.51 ct. (actual)
Clarity grade:	VS-1
Color grade:	D
Proportions:	Excellent
Finish:	Excellent
Fluorescence:	Faint blue (lw)
Comments:	Laser engraved: "GIA 5206680186"

Legend:

-  Crystal
-  Needle
-  Pinpoint



**TOTAL APPROXIMATE RETAIL VALUE EXCLUDING TAX      \$XX,XXX.00**



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TOTAL APPROXIMATE RETAIL VALUE EXCLUDING TAX FOR ALL ITEMS      \$XX,XXX.00

XXX THOUSAND DOLLARS AND NO CENTS

Signature of Appraiser: \_\_\_\_\_

Patrick B. Stout  
Graduate Gemologist  
Owner



## Southern Utah Gem and Jewelry Appraisals

1031 South Bluff Street, Suite 116 St. George, Utah 84770  
(435) 414-1404 patrick@suappraisals.com

