



Connecticut
JEWELRY APPRAISERS
PO Box 521, Chester, CT 06412

GEM AND JEWELRY VALUATION

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

Prepared
For

Joe Sample
123 Any St.
Anywhere, CT 06000

Prepared by:
Paul D. Indorf, GG, ICGA

Date: 12/21/2009

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This report is valid only in its entirety and for its stated purpose and intended use. The report was prepared in accordance with the standards set forth by the American Society of Appraisers (ASA), the National Association of Jewelry Appraisers (NAJA), the American Gem Society (AGS) and is compliance with the Uniform Standards of Professional Appraisal Practice (USPAP).

SCOPE OF WORK

TYPE OF VALUE

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 Joe Sample and the insurer. Use of this report by others is not intended by the appraiser.

LOCATION AND VALUATION DATES

The inspection and evaluation location: 3 Sypher Rd., Chester, Connecticut

Inspection Date: 12/21/2009

Effective Date: 12/21/2009

DEFINITIONS OF REPLACEMENT VALUE (ASA)

Replacement value is defined as the price at which the public would most commonly purchase each piece. Any combination of the following replacement costs may have been used to determine replacement value:

- Replacement Cost New is the cost necessary to replace the items being appraised with new items of like kind, quality and utility. This definition assumes that an exact substitute can be found or recognizes that the item may be upgraded to a newer style. Replacement cost new is used for items that are still being manufactured and/or are still available on the open market.
- Replacement Cost Comparable is the cost necessary to replace the items being appraised with comparable items of like kind, age, quality and utility having similar wear and tear, defects and obsolescence as the items being appraised. Replacement cost comparable assumes that exact duplicates cannot be found for the jewelry being appraised.
- Reproduction Cost is defined as the total cost to construct an exact replica, using the same materials and construction techniques as the original, by a qualified craftsman. Reproduction cost is used for unusual items that cannot be purchased new within a reasonable amount of time and which are capable of being reproduced.

APPROACH TO VALUE (ASA)

There are three traditional approaches to value, which are as follows:

- Income approach: Applies to income producing properties and is used only if an income situation or rental property can be identified.
- Sales comparison approach: Compares the qualities of the subject item to an article with similar or identical qualities, and researches and records current verifiable sales of such merchandise.
- Cost approach: Establishes the total value of an item by considering the value of its component parts (precious metal content, gemstone weights and qualities, labor, and any other fees). To this is applied the appropriate retail markup according to the norms of the jewelers in the locale, supply and demand and the current state of the marketplace.

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 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, and craftsmanship, period of manufacture, provenance, desirability and demand. The appropriate insurance replacement market for the purposes of this appraisal is the retail jewelry establishment.

Markets explored were retail markets such as independent and chain jewelry stores. If a market used in the development of the value conclusions was other than balanced, it will be so noted. In general, consultation with and/or use of several types of resources including specialist dealers, auction sales results, reproduction quotes, and retailer catalogs, recognized price guides, invoices, actual sales by dealers, or other personal observations. Unless otherwise stated herein, the values expressed are based on the general expertise and qualifications of the appraiser as to the appropriate market and valuation for the items involved. Where particular detailed valuation information is relied upon, it will be so stated in writing.

METALS MARKET

Date: 12/21/2009
Gold: \$1,001.00
Silver: \$16.46
Platinum: \$1,276.00

METHODOLOGY

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 is not noted. Any serious damage, deficiencies or repairs affecting value are noted and considered in the valuation.

Unless otherwise stated, all stones are of natural origin. They 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 and 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 and the GIA Gem Set.

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 appraised values are based upon the whole interest and possessor interest of the client, undiminished by any liens, fractional interests or any encumbrance or alienation.

Should, in conjunction with this appraisal, additional services of the appraiser be requested by the client, his agent, or the courts (such as for added time researching for other value purposes, pretrial conferences, court appearances, court preparation, etc.), compensation for same shall be at the customary daily rate charged. The fee shall be paid by the client immediately upon receipt of a statement of said work.

With the exception of my client, possession of this report or its copy does not carry with it the right of publication, nor may this report be used for any other purpose by anyone other than my client or his agent without my previous written consent. If this report is reproduced, copied or otherwise used it must be done so in the report's entirety including the cover document and all attachments. Furthermore, no change to any item in this appraisal shall be made by anyone other than the appraiser. This document is invalid unless all items listed in the Table of Contents are present.

I regard all information concerning this appraisal as confidential. I retain a copy of this document along with my original notes, and I will not allow others to have access to these records without your written permission unless so ordered by a court of law.

This appraisal is not an indication or certificate of title or ownership. The identification of the interest of the client has been represented to me by the client and no inquiry or investigation will be made nor is any opinion to be given as to the truth of such representation.

The value conclusions expressed herein are an unbiased opinion based on the appraiser's best judgment and are not a representation or warranty that an item will realize those values if offered for sale at auction or otherwise. The values expressed are based on current information on the date of the appraisal. No opinion is expressed as to any past value, nor, otherwise expressly stated, as to any future value.

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
Specht, Kenneth - The Specht Sheet, Miami, FL
Braun, Peter - Wristwatch Annual 2009, New York, NY
Shugart, Cooksey - Complete Price Guide to Watches 2009, Mount Pleasant, SC

LIST OF LABORATORY INSTRUMENTS

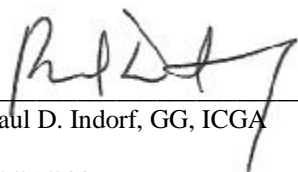
My gemological laboratory is accredited by the American Gem Society (AGS) and includes all of the minimum required equipment. Any combination of this equipment listed below, deemed necessary for an accurate and thorough examination of the appraised items, may have been utilized in the completion of this assignment.

Binocular microscope	Leveridge gauge
Electronic scale	Thermal conductivity diamond tester
Touchstone and acids	Ultraviolet light unit
Fiber optic light	Electronic metals tester
Spectroscope	Proportionscope
Polariscope	Dichroscope
Color Gemstone color descriptive system	Refractometer
Chelsea color filter	Heavy liquids
Diamond light	Graded master comparison diamonds
ASET Scope and camera	Digital Microscope

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 to 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 (USPAP) 2008 – 2009 Edition.
- ◆ I have made a personal inspection of the property that is the subject of this report.
- ◆ No one provided significant personal property appraisal assistance to the person signing this report.



Paul D. Indorf, GG, ICGA

12/21/2009

Prepared For: Joe Sample
123 Any St.
Anywhere, CT 06000

Date: 12/21/2009

DESCRIPTION OF ITEM(S)

ITEM - DIAMOND ENGAGEMENT RING

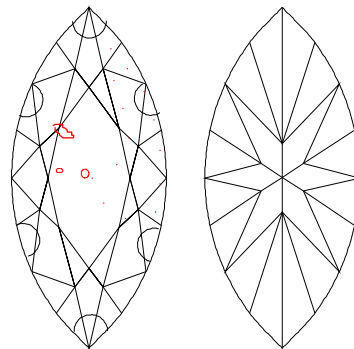
One lady's diamond engagement ring. The ring was custom designed by Peter Indorf. The ring is cast, assembled, set and highly polished in platinum and 14k yellow gold. The design features a marquise diamond set in a six prong basket setting flanked by two bar set tapered baguettes. The stones are set in platinum. The shank is yellow gold, rounded and 2mm wide. Signed "Peter Indorf PT 14K". The condition is new. The workmanship is excellent. Gross weight 2.6 -dwt. Finger size 6.5.

Total Diamond Weight:	1.48 cts.
Diamond Grading Report	
Shape and Cut:	Marquise
Measurements: (approximate)	10.56 x 5.45 x 3.61 mm
Weight:	1.21 cts. (calculated)
Proportions:	Fair
Depth:	66.24%
Table:	51.4%
Girdle:	Medium to Very thick
Culet:	Closed - abraded keel
Finish	
Polish:	Good
Symmetry:	Fair
Clarity:	SI-2
Color:	F
Fluorescence:	Moderate blue (lw) Faint blue (sw)



Stone Plot

Legend:
○ Included Crystal
○ Cloud



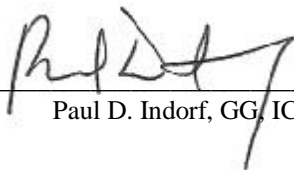
Diamond Melee Attributes

Shape and cut:	Tapered baguette
Weight:	5.50x2.64x1.79mm cts. each
Number of diamonds:	2
Total Weight:	0.27 cts. (actual)
Clarity:	VVS
Color:	G-H
Proportions:	Very Good
Finish:	Very Good

Total Approximate Replacement Cost	\$8,550.00
6.00 % Tax	\$513.00
Total Approximate Replacement Cost Including Tax	\$9,063.00

TOTAL APPROXIMATE REPLACEMENT COST FOR ALL ITEMS - INCLUDING TAX \$9,063.00

NINE THOUSAND SIXTY-THREE DOLLARS AND NO CENTS

Signature of Appraiser: 
Paul D. Indorf, GG, ICGA

BIOGRAPHICAL BACKGROUND AND QUALIFICATIONS

Paul D. Indorf, GG, ICGA, ASG

Education

- Associate of Arts, 1977, St. Leo College
- Bachelor of Science, Business Management, 1999, Albertus Magnus College
- Master of Science, Management, 2000, Albertus Magnus College

Business

- United States Navy, Chief Warrant Officer, Anti-Submarine Warfare Specialist, 1972 to 1992
- Peter Indorf Jewelers, Vice-President, Appraiser, Senior Gemologist, Inventory Manager, 1992-2009
- Connecticut Jewelry Appraisers, Owner/Appraiser, 2009
- Independent Certified Gemologist Appraiser Firm – American Gem Society – July 2009
- Accredited Gem Laboratory – American Gem Society – July 2009

Professional Qualifications

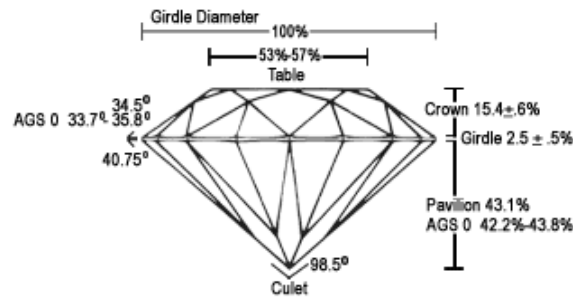
- Registered Jeweler (RJ), 1992, American Gem Society (AGS)
- Diamonds Graduate, 1992, Gemological Institute of America (GIA)
- Colored Stones Graduate, 1993, Gemological Institute of America (GIA)
- Graduate Gemologist (GG), 1993, Gemological Institute of America (GIA)
- Certified Gemologist (CG), 1993, American Gem Society (AGS)
- Certified Gemologist Appraiser (CGA), 1994, American Gem Society (AGS)
- Associate Member, 1995, International Society of Appraisers (ISA)
- Accredited Member (ISA), 1996, International Society of Appraisers (ISA)
- Certified Member (CAPP), 1997, International Society of Appraisers (ISA)
- Advanced Personal Property Appraiser (APPA), 2008, American Gem Society (AGS)
- Member, 2008, National Association of Jewelry Appraisers (NAJA)
- Accredited Senior Gemologist (ASG), 2009, Accredited Gemologists Association (AGA)
- Independent Certified Gemologist Appraiser (ICGA), 2009, American Gem Society (AGS)

Professional Courses

- Graduate Gemologist Program (GG), Gemological Institute of America (GIA)
 - Diamonds, 1990; Colored Stones, 1990; Diamond Grading, 1992; Gem Identification, 1993; Colored Stone Grading, 1993
 - Diamond Grading Course, 1992; Colored Stone Grading Course, 1993; Gem Identification Course, 1993
- Registered Jeweler Program (RJ), American Gem Society (AGS)
 - The AGS Way Course, 1992
 - Diamond Grading Practical Exam, 1992
- Certified Gemologist Appraiser Course (CGA), American Gem Society (AGS)
 - Appraisals I & II, 1994, Boston AGS Conclave
 - Color Vision Test, 1998, New York, 2006, Stamford
 - CGA Written and Practical Exam, 1994, Boston AGS Conclave
- Gems & Gemology Challenge, 1993, Gemological Institute of America (GIA)
- AGS Phoenix Conclave Seminars
 - Identification of Synthetic Gemstones
 - Pearl Grading

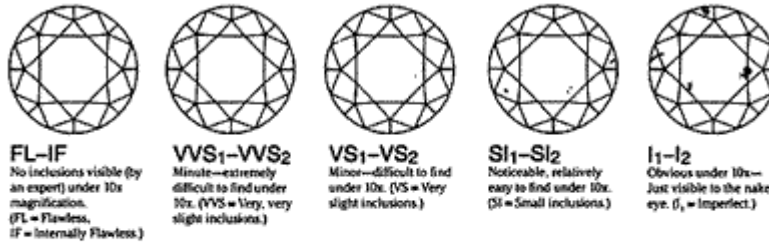
- Annual AGS Title Recertification Exam, 1992-present, American Gem Society (AGS)
- University of Maryland/International Society of Appraisers Core Courses
 - Course 101: Appraisal Principles and Business Practices
 - Course 102: Ethics and Standards of Professional Personal Property Appraising
 - Course 103: Basic Appraiser Techniques/Appraisal Report Writing
- Insurance Replacement Appraisal Course, 1996, Gemological Institute of America (GIA)
- Gemology Update: Synthetic and Treated Gems, 1998, Gemological Institute of America (GIA)
- Brightest Stars in the AGS – Diamond Performance Grading System, 2005, American Gem Society (AGS)
- Advanced Personal Property Appraisal Course, 2009, American Gem Society (AGS)
- Ace It Winter Conference, National Association of Jewelry Appraisers (NAJA), February 2-3, 2009
 - Lectures attended: The Art of Appraising Mineral Specimens, The 24 Karats of Venetian Beads, SW Indian Jewelry since 1970, Mysteries of the Rainbow (Spectrometer Training), Zultanite – The Next Big Thing, New Pathways in Jewelry Design, Queen Conch Pearls and Diamonds from the Forbidden Zone
 - Color Vision Screening – Rated “Superior”
- Tucson Gemological Conference, Accredited Gemologists Association (AGA), February 4, 2009
 - Lectures attended: Heating of Corundum: From the Naked Eye to the Spectrometer, Identification of Natural and Treated Tanzanite, Observations through the Microscope, Task Force on Lighting Standards in Diamond Color Grading and Beryl: The Latest on Natural & Synthetic
- Seminars and Classes, Gemological Institute of America (GIA) - February 7, 2009
 - Microscope Challenge - John Koivula
 - Identifying Synthetics and Imitations - Andy Lucas
- Ethics Examination – American Society of Appraisers (ASA) – April 7, 2009
- Gems and Jewelry Appraisal Techniques and Standards (GJ206) – American Society of Appraisers (ASA) – May 26-29, 2009
- National Uniform Standards of Professional Appraisal Practice (USPAP SE100) – American Society of Appraisers (ASA) – June 30, 2009
- 2009 Antique Jewelry & Art Conference – Hofstra University – July 17-19, 2009
 - Lectures attended: Great American Jewelers 1930-80, History of Van Cleef & Arpels, Artists-Jewelers of the American Arts & Crafts Movement, Art Nouveau Jewelry & Art, Toolmarks of the Masters Parts 1 & 2, The Glitter & Gold: Jewelry in America, Stylistic Considerations in the Jewelry of Faberge, Tiffany, Lalique & Their Contemporaries, A View into 18th & 19th Century Jewelry, Recognizing the Effects of Provenance, Changing Landscape of the Gem & Jewelry Business, Colored Gemstones & Pearls in Period Jewelry, Antique Diamonds from A-Z, and Fashions & Adornments Accompanying Costumes from 1860-Edwardian Period
- Appraisal Theory, Methods & Applications (GJ205) – American Society of Appraisers (ASA) – July 20-22, 2009
- Yale Jewelry Symposium – Yale University – October 16-17, 2009
 - Lectures attended: Collecting Jewelry for Yale, Jewelry and Fashion, Bling’s the Thing, Contemporary Jewelry as Sculpture, From Seventh Avenue to Seventh Heaven, Materials and Techniques, Materials and Methods in American Jewelry, The Desire and Allure of Gems, Good as Gold, and Computer Aided Design and Fabrication

AGS/GIA DIAMOND GRADING STANDARDS



COLOR GRADING SCALE

GIA	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X	Y	Z
	Colorless			Near Colorless			Faint Yellow			Very Light Yellow					Light Yellow								
AGS	0	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0	5.5	6.0	6.5	7.0	7.5	8.0	8.5	9.0	9.5	10		



CLARITY GRADING SCALE

GIA	Flawless	VVS ₁	VVS ₂	VS ₁	VS ₂	SI ₁	SI ₂	I ₁	I ₂	I ₃	
	Internally Flawless								Imperfect		
AGS	0	1	2	3	4	5	6	7	8	9	10

