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**JEWELLERY APPRAISERS**  
OF THE WORLD





Gemology Resources

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# APPRAISAL REPORT

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REPLACEMENT VALUE APPRAISAL FOR THE EXPRESS PURPOSE  
OF INSURANCE

Prepared for  
Jane Sample

# Scope of Work

## PURPOSE

To describe and document the quality of the jewelry listed and to estimate its approximate replacement value.

## PREPARED FOR

Jane Sample

## DATES

Examination Date: 12/20/2021

Report Date: 12/20/2021

Effective Date: 12/20/2021

## 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 Jane Sample and the insurer and their authorized agents. Use of this report by others is not intended by the appraiser.

## INTEREST

The appraiser has no present or prospective interest in the property that is the subject of this report.

## METHOD OF VALUATION

### EXAMINER IDENTIFICATION AND INSPECTION LOCATION

The property described in this appraisal has been examined by Melissa Scarani, GIA GG, FGA at the offices of Gemology Resources.

The value conclusion is based upon the general expertise and qualifications of the appraiser and is subject to the stated limiting conditions of each individual assignment. The value conclusion is valid for the stated effective date which, for insurance coverage is either on or close to the inspection date.

### 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 new materials 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, condition, and similar utility, but not an exact duplicate.
- ◆ Replacement value (reproduction): The total cost of reproducing a duplicate of the appraised item using the same construction techniques, design, and materials.



# Scope of Work Continued

## APPROACHES TO VALUE

There are three traditional approaches to value: the income, the sales comparison, and the cost approach.

- ♦ Sales comparison approach: (Market Data) 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.
- ♦ 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. The income approach rarely applies to any jewelry appraisal.

Only two of these are commonly used to value jewelry: the cost and the sales comparison approach. The cost approach calculates value by determining the costs involved in reproduction or reconstruction of the property, then that cost is adjusted for market level. The sales comparison approach calculates value by analyzing appropriate market activity for the particular item being appraised, keeping in mind the appropriate market.

Depending upon the circumstances of the individual item of jewelry and the market conditions prevailing at the time of the appraisal, replacement value, most often used to obtain insurance coverage, may be estimated using the sales comparison approach and/or the cost approach. Since the property is not currently, or is it expected to generate a stream of income, the income approach is not applicable.

## MARKET SELECTION

Value and market are directly correlated with one another. The purpose and function of an appraisal is to find the most appropriate market for valuing jewelry. The most appropriate market depends on what is being sold, the quantity being sold, the quality of the property being sold, and the urgency with which the property must be sold. The type of retail market that commonly sells comparable items to the one(s) being appraised is considered the appropriate market.

A market survey of like and comparable items for sale in retail stores as well as current offerings of manufacturers, and internet resources has been employed.

Current replacement prices are obtained directly from the artists who trademark their work, or jewelers who carry the trademarked items in their retail stores.



# Scope of Work Continued

## PROCEDURES

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

Each item described has been photographed and copies of the images, a copy of the report and all supporting documentation are maintained in the appraiser's work file for at least five years after the report date.

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

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

Diamonds are graded with the prescribed grading nomenclature of the Gemological Institute of America (GIA) and the use of pre-graded permanent master 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.

## ACCEPTABLE TOLERANCES

The accepted and normal tolerance for both color and clarity grading unmounted diamonds and for clarity grading unmounted colored stones is  $\pm 1$  grade.

Weights of mounted diamonds and colored stones are estimated by measurement with a microscope reticule, GIA table gauge or a Leveridge gauge and proper volumetric formula and should be accurate to  $\pm 10\%$  unless keen measurement was substantially hampered by the mounting.

Mounted diamonds and colored stones can be graded only to the extent permitted by the mounting, and keen determination of grades and measurements may be prevented by certain types of mountings.

Color grading tolerances for mounted diamonds and other gemstones are much wider than the tolerances for unmounted gemstones and can vary  $\pm 2$  grades.



# Scope of Work Continued

## STATEMENTS

The condition of the item is good for its type with serious deficiencies and/or significant repairs noted. Ordinary wear and tear is not noted.

The value given does not reflect the prices for which the appraised items may be purchased from any particular store.

Conclusive identification of natural origin and/or origin of color of a diamond is possible only through advanced laboratory testing. This advanced laboratory testing is cost-prohibitive, particularly when it comes to identifying very small diamonds, and therefore outside of the scope of this assignment. The diamonds were not tested for origin (natural or laboratory grown) or origin of color (natural or treated). Based on the results of standard screening procedures including fluorescence and magnification combined with supporting documentation when available, all diamonds are assumed to be of natural origin and of natural color.

The ring has been valued as a whole interest, based on the complete legal ownership as represented to me by the client and undiminished by any liens or fractional interests. No inquiry or investigation has been made nor is any opinion given as to the truth of such representations.

The limited owner of this appraisal is the party for whom the work was performed, and this report should not be considered as proof of ownership or title.

Fees paid do not include the services of the appraiser for any other matters. 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 described.

If I am requested to testify or to make any such statements to any third party concerning the described property and/or appraisal, the client shall pay the appraiser for all such time and services so rendered at the current rate.

No changes may be made to this report by anyone other than myself. I am not responsible for unauthorized alterations.

Possession of this report, any portion of this report, or any copy thereof, does not include the right of publication in any medium without my written consent.

A copy of this report and the original notes from which it was prepared is retained in the work-file. The records are confidential and access is not permitted by anyone without the client's authorization, except if legally compelled to do so, or if requested by a lawful beneficiary. If later, an updating of the appraisal is needed (or if an appraisal for a different purpose is required), one can be made from the work files. All work papers, statements, appraisals and records incident to rendering services in the practice of appraising shall be and remain the property of the appraiser unless there exists a written express agreement to the contrary. Destruction of records will occur in no less than five years after the date the appraisal is published. Maintenance and storage beyond the date of destruction can be arranged for a reasonable storage fee. No work papers, statements, appraisal copies, records incident to the rendering services will be sold, transferred or bequeathed without the consent of the client or his or her personal representative. All such papers will be destroyed immediately upon demise, retirement or transfer of ownership of Gemology Resources LLC.

  
Melissa Scarani, GIA GG, FGA, CM (NAJA)  
Gemology Resources LLC  
12/20/2021



## Assumptions and Limiting Conditions

This appraisal report is given subject to the terms and conditions set forth herein, all of which are a part hereof unless expressly set aside in writing either on the pages of this report or by an addendum to the Certification signed by all parties concerned.

Unless otherwise stated, the appraised value(s) is based on the whole ownership and possessory interest undiminished by any liens, fractional interests or any other form of encumbrance or alienation.

This report is made at the request of the party named for his/her use. It is not an indication or verification of title of ownership. The identification of the interest of the requesting party is simply that represented to the appraiser by such party and no inquiry or investigation has been made nor is any opinion given as to the truth of such representation.

The value expressed herein is based on the appraiser's best judgment and research and is not a representation of warranty that the item(s) will realize that value if offered for sale at auction or otherwise. The value(s) expressed is based on current information at the time of the report and no opinion is hereby expressed as to any future or past value, unless otherwise expressly stated.

Where a value conclusion is based on the sales comparison approach, comparables represent a selection from within a broader range of data. Therefore, the potential exists that a different but still reasonable value conclusion could be reached by another appraiser. Any such difference in opinion, however, is expected to be minor.

Unless otherwise stated herein, value(s) expressed are based on the general expertise and qualifications of the appraiser as to the appropriate market and valuation for the item(s) and purpose involved. Where particular detailed valuation information is relied on, it will be so stated in writing.

Unless expressly stated, the condition of the item(s) is good for its type, with serious deficiencies and repairs noted. Ordinary wear and tear common to this type of item is not noted.

Possession of this report, or a copy, does not include the right of publication without the written consent of the appraiser. This report in its entirety or any part thereof, including the identity of the appraiser or his firm, shall not be made public through advertising, public relations, news releases, sales, or other distribution or information media without written consent of the appraiser.

No changes to this report may be made by anyone other than the appraiser whose signature is appended to this report. If changes are made by others, the signed appraiser is not responsible for same, and the appraisal is null and void.

All gem material was graded in the mounting. The mountings limit the ability to be conclusive in the color and clarity grades assigned to these gems. This is reflected in the use of ranges when describing color and clarity. Refer to the gemstone grading charts for a description of gemstone and diamond color and clarity grading information.

All gem material was evaluated in the mounting. Identification is accurate insofar as the mounting permits. In rare cases, gemstones cannot be positively identified. If the identification of a gemstone significantly alters the value of a jewelry item, it is suggested that a gemstone be removed from the mounting for further evaluation or sent to a laboratory for more intensive examination.

All gem material was measured in the mounting unless otherwise noted. Due to the mountings, precise measurements may not be attainable. These measurements were used when calculating the gem material(s) carat weight using industry standard formulas. The carat weight for gem materials is an approximate weight based on these calculations.

Where an appraisal is based not only on the item(s), but also on data or documentation supplied to the appraiser, this certificate shall so state by making reference to this fact.



DWT, or pennyweight, or GR, or grams, for the items were obtained at the time of inspection and are total weights. Unless otherwise noted, the weight is for both the metal and gem materials.

Photos may be reduced or enlarged in size. A photo is meant to provide an identification of shape, cut, and relative size. While close to reality, it should not be taken as an accurate representation of the color, clarity, or brilliance of the gemstone or jewelry.

This appraisal is based upon the critical assumption that the information supplied by the client is true and the source is assumed to be reliable.

Published industry sources are assumed to be reliable.

Only a metallurgist can conclusively establish the metal quality of the components of finished jewelry. Therefore, the conclusions are based upon the quality markings, which are assumed to be valid. In the absence of a fineness mark, or if the mark is in doubt, a touchstone and/or electronic gold test will be administered as indicated in the description section.

Third parties may rely on the information in this report for the defined purpose and intended use only. Third parties requiring further information than what is in the report must obtain the written permission of the client before the I will discuss the report with any third party.

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



# Laboratory Instruments Available

## Microscopes

B&L SZ/7 microscope  
Olympus SZX12 microscope  
B&L SZ/7 horizontal immersion microscope

## Color Grading

Gran DC3000 electronic colorimeter  
GEM Diamond Lite  
GIA GemSet colored stone grading system  
Diamond & CZ master set  
GemDialogue

## Lighting

LW & SW ultraviolet light  
Fiber optic lights  
Mettler - Toledo CB203 electronic scale

## Metal Testing

Touchstone and acids  
Kee's gold tester

## Metal Market Date: 12/20/2021

Gold: \$1796.00  
Silver: \$22.21  
Platinum: \$924.00

## Spectrometers

GemmoSphere UV-Vis-NIR spectrometer  
GemmoRaman spectrometer  
GemmoFTIR EWS spectrometer  
EDXRF spectrometer  
EXA fluorescent spectrometer

## Measurement

A.D. Leveridge Gauge  
OGI Scanox Digital Proportiometer  
Digital Gauges  
GIA Gem Ocular Proportionscope

## Handheld Tools

Handheld spectrosopes  
Dichroscope  
Chelsea color filter  
Polariscope  
Rayner Dialdex/GIA/Kruss Refractometers



# Privacy Notice

In accordance with the Gramm-Leach-Bliley Privacy Act of 1999, appraisers, along with all providers of personal financial services, are required by federal law to inform their clients of the policies of the firm with regard to the privacy of client nonpublic personal information. As a professional, I understand that your privacy is very important to you, and I am pleased to provide you with this information.

## **Types of Nonpublic Information I Collect**

In the course of performing appraisals, I may collect what is known as “nonpublic personal information” about you. This information is used to facilitate the services that I provide to you and may include the information provided to me by you directly or received by me from others with your authorization.

## **Parties to Whom I Disclose Information**

I do not disclose any nonpublic personal information obtained in the course of my engagement with my clients to nonaffiliated third parties except as necessary or as required by law. By way of example, a necessary disclosure would be to my assistants, and in certain situations, to unrelated third-party consultants who need to know such information to assist me in providing appraisal services to you. All of my assistants and any third-party consultants I employ are informed that any information they see as part of an appraisal assignment is to be maintained in strict confidence within the firm.

A disclosure required by law would be a disclosure by me that is ordered by a court of competent jurisdiction with regard to a legal action to which you are a party.

## **Confidentiality and Security**

I will retain records relating to professional services that I have provided to you for a reasonable time so that I am better able to assist you with your needs. In order to protect your nonpublic personal information from unauthorized access by third parties, I maintain physical, electronic, and procedural safeguards that comply with industry professional standards to ensure the security and integrity of your information.

Please feel free to call me at any time if you have questions about the confidentiality of the information that you provide.



# 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 are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- ♦ I have no present or prospective interest in the property that is the subject of this report and personal interest with respect to the parties involved.
- ♦ I have performed no services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding the agreement to perform this assignment.
- ♦ I have no bias with respect to the property that is the subject of this report or to the parties involved with 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**.
- ♦ 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 certification.



Melissa Scarani, GIA GG, FGA, CM (NAJA)  
Gemology Resources LLC  
12/20/2021



# Appraisal Report for Insurance Purposes

Prepared for: Jane Sample

Date: 12/20/2021

## Item 1 - Engagement Ring

### Item Attributes:

One 14k (stamped and tested) lab grown oval diamond ring with channel set diamond shoulders, containing:

Weight: 3.7 grams

Size: 7

### Main Lab Grown Diamond Attributes:

One prong set oval brilliant lab grown diamond measuring 9.66 x 7.11 4.62 mm with a reported weight of 2.00 carats. The diamond was graded loose by IGI and is accompanied with report number LG497155188.

Color: H

Clarity: VVS2

### Accent Diamond Attributes:


Ten channel set round brilliant cut diamonds weighing an estimated 0.03 carat each with an estimated combined total weight of 0.30 carat.

Color: G - I

Clarity: VS1 - SI1



Estimated Retail Replacement Value (New or Comparable) Excluding Tax: \$7,750.

Signature of Appraiser: 

Melissa Scarani, GIA GG, FGA, CM (NAJA)  
Gemology Resources LLC





# Credentials

Melissa Scarani, GIA GG, FGA

## Gemological Institute of America:

- ◆ Diamond Grading and Evaluation (certificate 1998)
- ◆ Colored Stone and Gem Identification (certificate 1998)
- ◆ Graduate Gemologist (diploma in residence 1998)

## Gemmological Association of Great Britain:

- ◆ Certificate in Gemmology - 2018
- ◆ Diploma in Gemmology - 2019
- ◆ Fellow, The Gemmological Association of Great Britain - 2019

## American Gem Society:

- ◆ Registered Jeweler (2018)
- ◆ Certified Gemologist (2019)

## Memberships:

- ◆ Member: Gemological Institute of America Alumni Association
- ◆ Accredited Senior Gemologist: Accredited Gemologists Association
- ◆ Certified Member: National Association of Jewelry Appraisers

## Press and Media

- ◆ JTV Experience 2021: A Deep Look Inside, Speaker
- ◆ An extraordinary journey through the microscope, Jewelers Valuers Association, by Shirley Mitchell
- ◆ Melissa Allen, And the Art of Gemstone Photomicrography, Pietra Communications, by Olga Gonzalez
- ◆ Gems & Jewellery, Spring 2020 (Cover Photo)
- ◆ IGR - Italian Gemological Review, Spring 2020 (Cover Photo)
- ◆ Gems & Jewellery, Winter 2020 (Cover Photo)
- ◆ Advantages and Disadvantages of Raman & Fourier Transform Infrared Spectroscopy (FTIR) in the Gemological Field, Author, AGTA PRISM Vol. 2, 2019

## Employment

- ◆ Gemology Resources: 2021 - current
- ◆ Amber's Designs and Fine Jewelry: 2018 - 2022
- ◆ Past Era Antique Jewelry/Tenenbaum: 2007 -2018
- ◆ Joe Escobar Diamonds: 2004 - 2006
- ◆ Gleim Jewelers: 2000 - 2004
- ◆ Brown and Co. Jewelers: 1999 - 2000



