

Northwest Gemological Laboratory - Boise, Idaho - (208)362-3938

Appraisal Reference Number: 07886-HD

September 6, 2018

INSURANCE

APPRAISAL REPORT: 07886-HD

Prepared for:

NOAH HILLEN

September 6, 2018

Appraiser: Sharon Wakefield, BS ChE, GG

Northwest Gemological Laboratory - Boise, Idaho - (208)362-3938

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Cover Letter

Hal Davis Jewelers, on behalf of their client, **Noah Hillen**, requested that I prepare this report to document an appraisal of quality, physical attributes, and the current estimated Retail Replacement Value for a diamond wedding set. I examined the property at *Hal Davis Jewelers* in Boise on September 6, 2018.

This report is prepared for the stated purpose (retail replacement value) and function (insurance coverage and/or client personal information) *only* and is not valid for any other purpose or function. The methodology and market selection used in reaching my value conclusions are only for this purpose and may be different and result in different value conclusions for other purposes or functions. The values provided herein are *most representative of the range of fair and typical prices* charged to consumers by retail jewelers who regularly sell comparable merchandise.

I have determined that the current estimated retail replacement value for this wedding set, excluding tax, is \$8975. This value is based on my knowledge of retail market prices for comparable items in the stated market and the listings in current issues of various gemstone and jewelry price resources.

Diamond color grades and clarity grades, as recorded in Section II, were determined using standards established by the **Gemological Institute of America (GIA)**. These standards are generally used by the gemological profession in this country and internationally. Although color grades and clarity grades are necessarily subjective, they are based on my technical background, formal gemological training, years of grading experience and they are presented in the standard descriptive terminology of the profession. *The industry accepted tolerance for assigning clarity and color grades is \pm one grade. That is, it is acceptable trade practice for any two qualified graders to differ by one grade because of the inherent subjectivity of the grading process.* Diamond grading standards are provided in Appendix A.

I measured and graded the diamonds while mounted, which may limit accessibility and visibility, and may introduce some color distortion. Therefore, diamond weights and grades are based on my best estimation of measurements, color and clarity, with these stated limitations. It is probable that, if de-mounted and re-examined, these diamonds would show some variation in weight and/or quality grades.

I offer this report as my best professional opinion, with no stated contingent or limiting conditions other than those enumerated in this section and in the following "Standard Terms and Conditions". I have no present interest or contemplated future interest in the item described herein, or any other interest which would bias this report. My fee is based strictly on the work required to perform the task and is in no way contingent on the value of property described herein.

I prepared this report in accordance with the principles and procedures for evaluation and valuation of personal property, as prescribed by the Certified Appraiser of Personal Property (CAPP) program of the **International Society of Appraisers**. Gemological and laboratory procedures are in accordance with the standards of the **Gemological Institute of America**.



Sharon Wakefield, BS ChE, GG

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Standard Terms and Conditions

This appraisal is rendered subject to the following terms and conditions, all of which are a part of this appraisal unless expressly set aside in writing within the body of the appraisal and signed by all parties concerned:

1. Unless otherwise stated herein, this appraisal is based only on the readily apparent identity of the items appraised and no further opinion or guarantee of authenticity, genuineness, attribution, provenance, or authorship is made.
2. Unless otherwise stated herein, appraised values are based on whole ownership and possessory interest undiminished by any liens, fractional interests or any other form of encumbrance or alienation.
3. This appraisal is rendered at the request of the party or parties named for their exclusive use. This appraisal is not an indication or certificate of title or ownership. The appraiser's understanding of the interest of the requesting party is simply that represented by such party and no inquiry or investigation has been undertaken nor is any opinion given as to the truth or validity of such representation.
4. **All values expressed herein are based upon the appraiser's best judgment and opinion. They are not a representation or warranty that any item will realize such value if offered for sale or at auction or otherwise. Values expressed are based upon current information as of the date expressed and no opinion is hereby expressed as to any future value or, unless otherwise specifically noted, any past value.**
5. Unless otherwise stated herein, values expressed are based on the general expertise and qualifications of the appraiser as to the appropriate market for the items and purpose involved. Where particular detailed valuation information is relied upon, it is so stated in the body of the appraisal.
6. If this appraisal is based not only on the items, but on data or documentation supplied therewith, it is so stated herein by making reference thereto and, where appropriate, by attaching and making copies a part of this appraisal.
7. If photographs are included in this report, they are most probably not to scale unless otherwise stated in the body of the report. Color fidelity may be distorted due to the photographic process and is offered as only representative. These photographs should not be relied upon for grading or valuation purposes.
8. Unless expressly otherwise stated, condition of items is good for their type and serious deficiencies and repairs are noted. Common wear and tear to the specific type of item is not noted.
9. The appraiser has no present or contemplated future interest in the items described herein. Employment for this appraisal and compensation for it are not contingent on valuations rendered.
10. Should any additional services of the appraiser, in conjunction with this appraisal, be required by the client, her/his agent or heir or attorney or the court, the appraiser shall be compensated at the customary hourly rate then charged by said appraiser.

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Section II – Description and Valuation

ITEM 1 – Diamond Wedding Set

The 14 karat yellow gold, modified bypass style engagement ring comprises 1 larger and 10 smaller round brilliant-cut diamonds with a total estimated weight of 1.48 carats. Smaller diamond characteristics: Diameters, 2.0 mm; Carat Weight, 0.30 carat total, estimated from measurements; Clarity Grade, 9 @ Slightly Included (SI₁), 1 @ Included (I₃); Color Grade, "G-H-I". Engagement ring bears the "14 K" quality mark and has a total weight of 2.6 pennyweight. The matching 14 karat yellow gold wedding band comprises 11 round brilliant-cut diamonds with the following characteristics: Diameters, 2.0 mm; Carat Weight, 0.33 carat total, estimated; Clarity Grade, Slightly Included (SI₁); Color Grade, "G-H-I". Wedding band bears the "14 K" quality mark and has a total weight of 1.7 pennyweight.

Larger Diamond Characteristics

Shape/Cut:	Round/Brilliant
Dimensions:	6.80 – 6.82 x 4.12* mm, *depth estimated due to mounting obstruction
Carat Weight:	1.18 carats, estimated from measurements
Clarity Grade:	Slightly Included (SI ₂)
Color Grade:	"F-G"
Table:	60%
Girdle:	Faceted, Thin to Slightly Thick
Pavilion Depth:	45 – 46%, estimated
Crown Angle:	32 – 33°, estimated
Polish/Symmetry:	Good/Good



ESTIMATED RETAIL REPLACEMENT VALUE FOR THIS SET, EXCLUDING TAX, IS \$8975.

(Engagement Ring: \$7775; Wedding Band: \$1200)

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Appendix A - GEMSTONE GRADING STANDARDS

Diamond Clarity Grades:

Northwest Gemological Laboratory employs the Gemological Institute of America (GIA) clarity grading criteria. These criteria are judged at ten power magnification and assume a skilled grader. This grading scale and definitions are as follows.

Flawless (F):	No blemishes or inclusions.
Internally Flawless (IF):	No inclusions and only insignificant blemishes.
Very, Very Slightly Included (VVS ₁ , VVS ₂):	Minute inclusions which are very difficult to see.
Very Slightly Included (VS ₁ , VS ₂):	Minor inclusions which are difficult to see.
Slightly Included (SI ₁ , SI ₂):	Noticeable inclusions which are easy to see with 10x magnification but usually not visible face-up to the unaided eye.
Included (I ₁ , I ₂ , I ₃):	Obvious inclusions which may be eye-visible face-up. I ₃ stones may be so included as to affect durability and beauty.

Diamond Color Grades, D – Z Scale:

The Gemological Institute of America (GIA) diamond color grading system is divided into 23 color ranges, denoted with the letters "D" through "Z". The chart below illustrates the grading system and gives general color descriptions and information for each grade.

Mounted diamonds may be assigned a color grade range, e.g., "H-I-J". Depending on the visual and color interference presented by the mounting, it is not always possible to differentiate the subtle color distinctions between two adjacent color grades when stones are mounted. Unmounted diamonds are assigned a single color grade.

GRADE	COLOR	DESCRIPTION
D E F	<i>Colorless</i>	<i>No Color Face Up or Down</i>
G H I J	<i>Near Colorless</i>	<i>No Color Face-Up, Some Color Face-Down</i>
K L M	<i>Faint Yellow</i>	<i>Small Stones: No Color Face Up When Mounted. Large Stones Will Be Tinted</i>
N - R	<i>Very Light Yellow</i>	<i>Mounted Stones Will Display A Yellowish Tint, Even to the Untrained Eye</i>
S - Z	<i>Yellow</i>	
Z+	<i>Fancy Yellow</i>	<i>Wide Range of Intensities</i>

Appendix B

GemFacts: Diamond

The ancient Greeks believed that diamonds were splinters of stars that fell to earth. Another legend attributed the source of diamonds to an inaccessible valley in Central Asia carpeted with these jewels. It was said to be "patrolled by birds of prey in the air and guarded by snakes of murderous gaze on the ground". *In fact*, diamonds are formed more than 120 miles below the surface of the earth under tremendous pressures and temperatures. They reach the earth's surface through volcanic action. The oldest known diamonds are over 3 billion years old.

Diamond is the hardest of all gemstones and is the simplest in composition: 99.95% Carbon, 0.05% impurities. The name diamond comes from the Greek "*Adamas*", or unconquerable. Indeed, for many centuries it was believed that diamonds were unbreakable.

A diamond is judged by four distinct factors that combine to determine its value. These factors are called the **4C's: Carat (Weight), Clarity, Color, Cut**.

Carat is a measure of weight. One carat equals 0.2 grams.

Almost all diamonds contain minute impurities and flaws. Most are not discernible to the naked eye and require magnification to be seen. These imperfections are called inclusions, and the factor that describes this is **Clarity**.

Diamonds come in every **Color** of the rainbow. The majority range from those with a barely perceptible yellow or brownish tint, up to those that are very rare and are described as colorless. Some even rarer stones are naturally colored and are often referred to as Fancy Colored Diamonds. These diamonds are only found very occasionally and can come in tints such as green, red, blue or amber.

The **Cut** or make of a diamond will dramatically influence its fire and sparkle. It is the cut that enables a diamond to make the spectacular use of incident light for which it is famous. A poorly cut diamond will look dull; a well cut diamond looks bright and showcases the display of "fire" or spectral colors.

No special precautions are required for cleaning diamonds. The best method for home-cleaning is to use warm water and a mild, soapy solution, or a commercial jewelry cleaner.

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Appendix C

Professional Profile

Sharon Wakefield, BS ChE, GG

DEGREES AND PROFESSIONAL DESIGNATIONS:

BS Chemical Engineering, BS ChE, *cum laude*, 1980, Calif. State University, Long Beach

Graduate Gemologist, GG, 1991, Gemological Institute of America (GIA)

Accredited Member, ISA, 1991, International Society of Appraisers

Certified Appraiser of Personal Property, CAPP, 1996, International Society of Appraisers

ADVANCED GEMOLOGICAL TRAINING:

Advanced Diamond Grading, 1992 - GIA

Pearl Grading Laboratory, 1992 - GIA

Fracture Filling - Identification of fracture-filled gemstones, 1992 - GIA

PROFESSIONAL APPRAISAL EDUCATION:

These courses, taught by the International Society of Appraisers are part of the *Certified Appraiser of Personal Property (CAPP)* educational program:

Professional Appraisal Practice, Course 101

Personal Property Methodology and Reasoning, Course 102

Personal Property Appraiser's Fiduciary Responsibilities and Liabilities, Course 103

Advanced Appraisal Theory and Report Writing, Course 104

The Appraiser as Expert Witness, Course 105

Appraisal of Gemstones, Course 8

Appraisal of Contemporary Jewelry, Course 9

AFFILIATIONS:

Owner - Northwest Gemological Laboratory, Boise, Idaho, established 1991

Certified Laboratory - Accredited Gemologists Association, 1992 - 2006

Chair - GIA Annual Campaign Cabinet, 1995 - 2000

Vice-Chairman - GIA Alumni Association, Board of Directors, 1993 - 1997

Senior Accredited Gemologist - Accredited Gemologists Association, 1991 - 2006

Regional Governor: Northwest Region, 1993 - 1997

Director - Certified Laboratory Program, 1993 - 1997

Member - Southwest Idaho Better Business Bureau, 1991 - 2008

Board of Directors, 1994 - 2006

President, Board of Directors, 1998 - 1999; 2003 - 2004

Chair - *Integrity Counts!*, 1997-2001

Director - International Council of Better Business Bureaus, 1999 - 2005

Chair - Marketing Committee, 2003 - 2005

Chair - Strategic Planning Committee, 2003 - 2004

Member - Rotary Club of Boise, Inc., 1992 - 2005

Member - St. Luke's Regional Medical Center Children's Board, 1995 - 2003

Chair - St. Luke's RMC Kid-For-A-Night Benefit, 1995 - 1996

Member - GIA International Executive Council, 1995 - 2006

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Appendix C (Continued)

PROFESSIONAL EDUCATION PRESENTATIONS:

Synthetic Diamonds: The Future is Now, Oct. 1993, GIA Alumni Association; February 1994, AGA Conf.
Fracture Filled Diamonds, February 1994, Accredited Gemologists Association Annual Conference
Synthetic Diamonds Update, June 1994, GemFest Europa, Italy; October 1994, Arizona Jeweler's Conf.
Fracture Filled Diamonds: Care and Handling, October 1994 Arizona Jeweler's Association
Colored Diamonds: Origins of Color, Feb. 1995, AGA Conference; March 1995, GIA Alumni Assoc.
CZ "Mastersets": A Question of Standards, March 1995, International Society of Appraisers Conf.
Synthetic Diamond Jewelry: A New Paradigm, October 1995, Michigan Chapter, GIAAA
Diamond: Origins of Color, January 1996, Washington DC GIA Alumni Association
Synthetic Diamond Jewelry: Are You Ready?, April, 1997, International Society of Appraisers Conference
2001: A Diamond Odyssey, September 1998, Intermountain Jewelers Association Conf, Wyoming
Jewelry Appraisal: Who? What? When?, September 1998, Intermountain Jewelers Association Conf.
Pearls: The Rainbow Gem, September 1998, GIA Alumni – Central California Chapter, Sacramento
Whitening Diamonds, January 2000, JCK Orlando – *Touch the Future*
High-Tech Diamond Color: Whiter, Brighter and Vivid, June 2000, GemFest Italy, Vicenza, Italy
Diamond Graffiti and Beyond, April 2002, International Society of Appraisers Conference, Seattle
Fancy Color Diamonds: Folklore, Fact, Fantasy, June 2002, GIA Alumni, Phoenix

PUBLICATIONS:

"Fracture-Filled Diamonds: A Ticking Time Bomb?", *CORNERSTONE*, Autumn 1993
"Fracture Filled Diamonds: A Question of Stability", Nov. 1994, *Appraisers Information Exchange*
"Cultured Pearl Master Comparison Sets: A Critical Review", Dec. 1994, *Auction Market Resource*
"Synthetic Diamond Jewelry: Are You Ready?", March 1996, *Jeweler's Circular-Keystone*
Technical Consultant, *Pearl Grading*, Extension course from GIA, 1996 – 1998
"Synthetic Diamonds: The New Realities", June 1997, *Rapaport Diamond Report*
Contributing Author, *Pearls*, Distance Education Course from GIA, 1997 – 1999
Abstracts Review Board, *Gems & Gemology*, 1998 – 2008
"The Pegasus POlemic", *Rapaport Diamond Report*, July 1999
"Diamond Fountainhead: 21st Century Sources", *Rapaport Diamond Report*, July 1999
"Millennium Manufacturing", *Rapaport Diamond Report*, July 1999
"Industry Conundrums", *Rapaport Diamond Report*, July 1999
"Let There Be Light . . .", *Rapaport Diamond Report*, November 1999
"Making the Cut", *Rapaport Diamond Report*, November 1999
"A New World Order", *GemKey Online NewsCenter*, May 2000
"Erroneous Zones", *GemKey Online News Center*, July 2000
"Diamond Graffiti", *GemKey Online News Center*, August 2000
"Diamonds 2000: Welcome to the Discomfort Zone", *Auction Market Resource*, December 2000
"The Tao of Pearl Grading", *Auction Market Resource*, June 2002; *Pearl World*, October 2002
"It's Déjà vu All Over Again", *Auction Market Resource*, December 2003
"Catch-22: Grading Large Mounted Diamonds", *Auction Market Resource*, December 2004