



Document of Replacement Value

For the Express Purpose of Use in Insurance Scheduling

Gem and Jewelry Valuation

Prepared For:
Sample Client

Diamond Engagement Ring

September 11, 2022

Prepared By:
Peter D. Indorf, GG, VCGA, ASGR
Vintage Certified Gemologist Appraiser, AGS



Client: Sample Appraisal 58319 September 11, 2022

September 11, 2022

Sample Client
112 Enwood St.
Palm Beach, FL 32000

Dear Sample,

Thank you for the opportunity to be of service. We appreciate your confidence and trust. I will email your copies of this report and will keep digital copies on file. I'll enclose the hard copy of this report with the jewelry.

Number of items in this evaluation: 1

Total value of all items in this report excluding sales tax: \$10,060 which includes sales tax.

Enclosed you will find:

- Letter of Transmittal
- Scope of the Work
- Document of Replacement Values
- Diamond Report
- Lab Report Conditions
- Statements Concerning this Document
- Diamond Grading Standards
- My Qualifications
- Addendum: Questions to ask your insurance agent

Should you need any further assistance or have any questions, please get in touch.

Sincerely yours,

A handwritten signature in purple ink, appearing to read "Peter Indorf".

Peter D. Indorf, President
Peter Indorf Designs, LLC
Graduate Gemologist, GIA
Vintage Certified Gemologist Appraiser, AGS,
Accredited Gem Lab, AGS.
Accredited Senior Gemologist Retired, AGA



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SCOPE OF WORK

TYPE OF VALUE

The purpose of this report is to describe and document the quality of the item(s) listed and to arrive at an opinion of Replacement Value(s).

INTENDED USE AND USERS

The intended use of this report is to obtain insurance coverage on the jewelry described. Use of this report by others is not intended by the appraiser. This report is valid only in its entirety and for its intended use.

LOCATION AND VALUATION DATES

The inspection and evaluation location: 1103 W. Hibiscus Blvd., Melbourne FL

Inspection Date: September 11, 2022

Effective Date: September 11, 2022

METALS MARKET

Date: September 11, 2022

Source: www.stuller.com

Gold: \$1702/ounce

Platinum: \$864/ounce

DEFINITIONS OF REPLACEMENT VALUE

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:

- 1) 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.
- 2) 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.
- 3) 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.

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 fine independent jewelry stores. If a market used in the development of the value conclusions was other than balanced, it will be so noted. In general, there has been consultation with and/or use of several types of resources including specialist dealers, reproduction quotes, and retailer catalogs, recognized price guides, actual sales by dealers or other personal observations. I assume the information relied upon to be factually correct. Where detailed valuation information is relied upon, it will be so stated in writing.

APPROACH TO VALUE



Client: Sample Appraisal 58319 September 11, 2022

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

- Sales Comparison Approach: Compares the qualities of the subject item to an article with similar or identical qualities, and research 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.
- Income Approach: Applies to income producing properties and is used only if an income situation or rental property can be identified.

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 determined using the Sales Comparison and/or the Cost Approach. When using the Cost Approach, the customary markup used in the market where the item was purchased will be applied. In most cases both valuation methods are considered. The Income Approach does not apply in this appraisal.

LABORATORY INSTRUMENTS AND CERTIFICATION

My gemological laboratory is accredited by the American Gem Society (AGS). It includes all the minimum required equipment and reference material. 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
Diamond Tester
Ultraviolet Light
Dino-Lite Digital Microscope
Ellin's CZ Masterstone Set
Ott Light
Leveridge Gauge
Touchstone and Acids
Fiber Optic Light
Polariscope
Refractometer
Chelsea Color Filter
Spectroscope
Dichroscope
Electronic Gem Scale
Electronic Metal Scale
Digital Camera



Client: Sample Appraisal 58319 September 11, 2022

GENERAL PROCEDURE

The jewelry described in this report was analyzed and photographed in accordance with prescribed grading practices. The stones were graded using GIA and AGS standards. Precious metals (i.e., platinum, palladium, gold and/or silver) were visually inspected for fineness stamps, evidence of plating, and tested using non-destructive metal testers. A copy of this report will be maintained in the appraiser's files for at least five years.

DIAMOND GRADING AND TREATMENTS

Diamonds graded using the GIA scale outlined in Appendix A. Diamonds can be treated to alter the stone to add or remove color as well as improve apparent clarity. Some of these treatments require special care. The stones identified as diamonds in this report have been visually examined for color and/or clarity treatment. If warranted, the appraiser may recommend sending the diamond to a major laboratory for advanced testing. Unless otherwise noted, all stones listed as diamonds are assumed to be untreated natural diamonds.

TRADEMARKED ITEMS

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

CONDITION

The general condition of the item is reported in the description and uses the following scale: Excellent, Very Good, Good, Fair, or Poor. Any serious damage, deficiencies or repairs affecting value are noted under condition in the item description and considered in the value determination.

WORKMANSHIP

Quality of workmanship is reported in the item description and uses the following scale: Excellent, Very Good, Good, Fair, or Poor. Amplifying information supporting the grade may be included.

TOLERANCES

Unless otherwise noted, tolerances will fall within the parameters listed in the following chart:

Item	Mounted (+ or -)	Loose (+ or -)
Diamond carat weight	2%	0.001
Gemstone/old cut diamond carat weight	5%	0.005
Diamond/gemstone color/clarity	2 grades	1 grade
Stone measurements	0.5 mm	0.5 mm
Mounting measurements	0.5 mm	n/a
Mounting gross weight	0.05 dwt	n/a

ASSUMPTIONS AND LIMITING CONDITIONS

- **Ownership** This appraisal is not an indication or certificate of title or ownership. 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



Client: Sample Appraisal 58319 September 11, 2022

alienation. 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.

- **Publication** 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.
- **Value Conclusions** The value conclusions expressed herein are an unbiased opinion based on the appraiser's best judgment. I assume the information relied upon for determining values to be factually correct. The values listed are for the stated purpose only and are not a representation or warranty that an item will realize those prices if offered for sale at auction or otherwise. The values expressed are based on current information on the effective date of the appraisal. No opinion is expressed as to any past value, nor otherwise expressly stated, as to any future value.
- **Updates** 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.
- **Additional Services** 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.
- **Relationship** The professional relationship between the appraiser and the client, regarding the items described herein ends with the delivery of this report.

WEBSITES AND WORKS CONSULTED

Drucker, Richard, *GemGuide*, Northbrook, IL, bi-monthly
www.Stuller.com



Client: Sample Appraisal 58319 September 11, 2022

Document of Replacement Value

Item #1

Type of Jewelry: Engagement Ring

This engagement ring was designed, created and appraised exclusively for Sample Client by the artists, designers, craftsmen, jewelers and gemologists of Peter Indorf Designs. This ring is signed with our registered trademark, the Peter Indorf signature, which is your guarantee of quality.



Metal: Platinum – Stamped PLAT

Design attributes: Our X ring band with a rope design and a cushion cut diamond set in split prongs.

Measurements: 8.2mm at the top and 1.8 mm at the back

Size: 7.25

Gross Weight: 4.00 dwt.

Method of Manufacture: Cast, fabricated, hand finished to a high polish

Workmanship: Excellent

Condition: New

Markers Mark: Peter Indorf Designs logo

MAJOR GEM

Species, variety: Lab Grown Diamond

Gem report: IGI LG492144048

Shape and facet style: Cushion Brilliant Cut

How many: 1



Client: Sample Appraisal 58319 September 11, 2022

Measurements: 7.45 x 7.44 x 5.08 mm

Weight: 2.06 carat

Color: E

Fluorescence: None

Clarity: VVS2

Proportions

Light Performance: Excellent

Symmetry: Excellent

Polish: Excellent

Condition: New



Value including sales tax: \$10,060.00

Evaluated by:

A handwritten signature in purple ink, which appears to read "Peter Indorf".

Peter D. Indorf, President
Peter Indorf Designs, LLC
Graduate Gemologist, GIA
Vintage Certified Gemologist Appraiser, AGS,
Accredited Gem Lab, AGS.
Accredited Senior Gemologist Retired, AGA



INTERNATIONAL GEMOLOGICAL INSTITUTE

LABORATORY GROWN DIAMOND REPORT

September 7, 2021

IGI Report Number: **LG492144048**

Description: **LABORATORY GROWN DIAMOND**

Shape and Cutting Style: **SQUARE CUSHION MODIFIED BRILLIANT**

Measurements: **7.45 X 7.44 X 5.08 MM**

GRADING RESULTS

Carat Weight: **2.08 CARATS**

Color Grade: **E**

Clarity Grade: **VVS 2**

ADDITIONAL GRADING INFORMATION

Polish: **EXCELLENT**

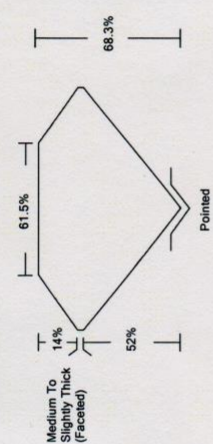
Symmetry: **EXCELLENT**

Fluorescence: **NONE**

Inscription(s): **LABGROWN IGI LG492144048**

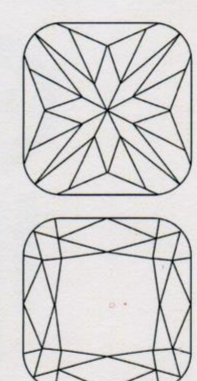
Comments: As Grown - No indication of post-growth treatment. This Laboratory Grown Diamond was created by High Pressure High Temperature (HPHT) growth process. Type II

PROPORTIONS



Medium To Slightly Thick (Faceted)

CLARITY CHARACTERISTICS



KEY TO SYMBOLS

Red symbols indicate internal characteristics.

Green symbols indicate external characteristics.

GRADING SCALES

CL	NC	PT	VS	SI	I
COLORLESS	NEAR COLORLESS	FAINT	VERY SLIGHTLY INCLUDED	SLIGHTLY INCLUDED	INCLUDED

CLARITY (NO GRADING SCALE)

FL	IF	VVS	VS	SI	I
FLAWLESS	VERY SLIGHTLY INCLUDED	VERY SLIGHTLY INCLUDED	SLIGHTLY INCLUDED	INCLUDED	INCLUDED

The laboratory grown diamond described in this Report (Report) has been graded, tested, analyzed, examined and/or certified by International Gemological Institute (IGI) and is hereby certified to be a laboratory grown diamond. IGI is not responsible for the origin of the diamond, but only for the grading and certification of the diamond. IGI is not responsible for the origin of the diamond, but only for the grading and certification of the diamond. IGI is not responsible for the origin of the diamond, but only for the grading and certification of the diamond.

THIS REPORT IS NEITHER A GUARANTEE, VALUATION, NOR APPRAISAL OF THE GEMSTONE DESCRIBED HEREIN. PLEASE REVIEW THE LIMITATIONS AND RESTRICTIONS SET FORTH ONLINE FOR THIS REPORT. FOR A COMPLETE LIST OF LIMITATIONS AND DISCLAIMERS, PLEASE GO TO WWW.IGI.ORG OR CALL 1-888-807-1025.

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www.igi.org



Client: Sample Appraisal 58319 September 11, 2022



**IMPORTANT DISCLAIMER AND LIMITATION OF LIABILITY
REGARDING DIAMOND LABORATORY GRADING REPORTS**

A Diamond Laboratory Grading Report, (Report) is an independent third-party opinion regarding the quality of a diamond. While such Reports are based upon quantifiable standards, a certain level of subjectivity is always inherent in the diamond grading process. Moreover, the standards that the various diamond laboratories use are not uniform. Accordingly, Peter Indorf Designs, LLC. (Indorf) transmittal or use of any such Reports should not and does not imply Indorf's agreement with or endorsement thereof.

Further, Indorf makes no representation of express warranty, and disclaims all implied warranties, with respect to the diamond laboratory grading reports accompanying or applicable to the diamonds that it sells, or the accuracy thereof.

In no event shall Indorf or any of its employees or agents be liable to a customer or any other third party for any loss, damage or expense, or any consequential, incidental, indirect, exemplary, statutory, special or punitive damages, resulting from an error in or omission from, or the issuance of, use of, or reliance upon, a report, regardless of whether or not the customer or such other third party was advised of the possibility of such damages.

1103 West Hibiscus Blvd., Suite 307B, Melbourne, FL 32901
321-914-0118 | peter@peterindorf.com | www.peterindorf.com



Client: Sample Appraisal 58319 September 11, 2022

Statements Concerning This Document

Date: September 11, 2022

The values set forth herein are estimates of the current retail market price at which the appraised jewelry may be purchased in a retail establishment commonly in the business of selling similar merchandise and does not necessarily reflect the price at which the appraised jewelry may be purchased at Peter Indorf Designs. The stated retail replacement values are for the purpose of obtaining insurance and include sales tax, if applicable.

The process of appraising and evaluating jewelry is not a pure science and results in an informed estimate or judgement of value; therefore, an evaluation is subjective. Estimates of replacement value may vary from one appraiser to another. Such a variance does not necessarily constitute error by the appraiser, but is an indication of differences in the chosen approach to market analysis. This appraisal is not intended to be used as the basis for the purchase or sale of the items set forth herein and is provided solely as an estimate of approximate replacement values for acquiring insurance of said items at this time and place. The appraisal is null and void and indefensible by the appraiser if used for any other purpose.

Replacement value means the cost necessary to replace an item with a comparable item of like, kind, quality, and similar utility to the item being appraised, at current prices. Unless otherwise noted, this definition assumes that the item being appraised cannot be substituted new with an exact duplicate. An antique must be replaced with a comparable item with similar vintage and functional utility, including similar wear and tear.

The values expressed are opinions based on current information, and no opinion is hereby expressed as to any future or past values.

The insurance company's cost of replacement is generally less than the appraised value. In the event of loss, should you elect to "cash out" rather than accept a replacement, expect to receive less than the value stated under most insurance policies. The premium is based on the insurance company's cost to replace and not on the assigned value.

This report or any outside laboratory report are opinions and are not to be considered as an express warranty as to the description, identification, or value of the items.

Possession of this appraisal or any copy does not include the right of publication, nor may it be used for any purpose by anyone other than the above-named client without the consent of the appraiser and, in any event, only in its entirety with the proper qualification and this statement. No change on any piece in the appraisal report shall be made by anyone other than the appraiser, and the appraiser shall have no responsibility for an such unauthorized change.

This report is not a verification of ownership or title, and no investigation has been made regarding ownership.

Unless otherwise stated, all weights, grades, and measurements are approximate. Gemstones have not been removed from their mountings for testing, weighing or grading.

Identification of metal quality as stamped on the individual articles cannot be considered conclusive. In the absence of a quality (e.g., 14K) stamp, we have been limited to a metals test, and the quality of the metal approximates that set out on the appraisal.

Mountings are assumed to be mass produced unless otherwise stated. Irreplaceable articles, such as handmade antique jewelry, are valued based upon the price of similar merchandise in the antique marketplace, unless stated otherwise. Items not typically available in this country are valued based upon the selling prices of comparable merchandise.

The Gemological Institute of America (GIA) diamond grading nomenclature is used. Diamond color grading has been performed with lighting rated at approximately 5,000 degrees Kelvin (daylight equivalent). Our firm has an Accredited Gem Lab and we maintain a set of pre-graded master diamonds to compare diamonds presented for evaluation. Diamond plots are provided only upon request from the client.

When diamonds do not warrant the extensive application of the GIA diamond grading nomenclature because of their size, quality, and/or quantity, we have substituted our own system, as follows:

Fine denotes a fine cut, color, and clarity;



Client: Sample Appraisal 58319 September 11, 2022

Good qualities are graduated, based on a combination of major and/or minor deviations;
Poor quality represents poor cut, color, and clarity.

Significant colored gemstones will be described using the "World of Color" color communication system, where needed, in addition to narrative color descriptions.

The term dwt. is an abbreviation for pennyweight. Twenty pennyweights equal one troy ounce. One pennyweight is equal to 1.555 grams. The abbreviation mm is for millimeters.

When a report is entitled **Document of Replacement Values**, the dollar amount stated is based upon replacement from our firm in the event of a loss and what it may cost to replace.

Photographs are copyrighted by the appraiser and are provided for identification purposes only. Quality, size, and brilliance of items images may not be accurate due to limiting factors of photo equipment and lighting.

Considering that one custom designer can demand a sharply contrasting price as compared to the next (depending upon quality, time involved in design and fabrication, uniqueness of design, and artist's reputation), stated values are based upon the knowledge available at the time of valuation.

If an item is a copyrighted design, and the insurance policy stipulates replacement with "like kind and quality," only replacement with the same copyrighted design is acceptable. Unauthorized reproduction of this item can result in prosecution under copyright law and does not constitute a proper replacement.

Many gemstone materials are routinely enhanced to improve their appearance. Some of these enhancements are not detectable using standard gemological equipment and testing. In some cases, enhancement may not be stable and might be affected by heat, ultrasonic cleaning, or chemicals. When enhancements are detected and identified, they will be specifically described in the body of the appraisal report.

Colored stones and/or cultured pearls listed on the report, unless otherwise noted, probably have been subjected to a possible undetectable color enhancement process and/or a clarity enhancement process. These processes normally are included during the cleaning and processing of the original material. Prevailing market values are based on these universally practiced and accepted processes by the gem and jewelry trade.

With the advent of synthetic diamonds into the marketplace, it should be noted that it is impossible to differentiate between a natural and synthetic, or lab-grown diamond with a simple appraisal inspection. Lab-grown diamonds are physically, chemically and optically identical to the natural diamond. Therefore, to certain the diamond is natural origin or lab created, advanced laboratory testing is required. Advanced testing can be cost-prohibitive and consequently outside the scope of this assignment. The client has the option to pay an additional fee and have the item in question submitted to a recognized laboratory for sophisticated testing. Thus, the diamonds examined and described in this report were restricted to limited non-conclusive testing available to this gemologist-appraiser. This report assumes all diamonds are natural unless otherwise specified.

Small mounted diamonds, called melee, may be or not be natural and standard tests are not reliable. Advanced testing would be necessary and is not performed unless specifically requested. Thus, it will be assumed by this gemologist-appraiser that all small diamonds are of natural origin and the valuation is based upon that assumption.

We have retained a copy of this appraisal report and the original notes from which it was prepared. These records are confidential. Access will not be permitted to anyone without your authorization unless we are legally required to do so. The client agrees that the worksheets, notes, and copies of the final report shall remain the property of the appraiser.

The appraiser's testimony or attendance in court or any other hearing is not required by reason of rendering this appraisal, unless such arrangements are made a reasonable time in advance, at which time current fees for such appearance will be quoted.

Please retain the original appraisal in a safe place, using photocopies or emailed pdf files for your insurance needs.



Client: Sample Appraisal 58319 September 11, 2022

Certification

- We hereby certify that, to the best of our knowledge and belief:
- The statements in this document are true and correct including representation of quality and quantity.
- The appraiser has made a personal inspection of the property, unless otherwise stated.
- Neither the appraiser nor the firm represented by the appraiser have any financial interest in the items appraised and do not contemplate any such interest in the future. Employment to make this appraisal and compensation for it are not contingent upon the valuation determinations.
- We are competent to identify and determine the relative quality of the subject property, which is similar to items normally bought and sold on the retail level. All significant characteristics affecting the replacement value have been documented.
- This report has been prepared, in conformity with the American Gem Society Appraisal Standards.

A handwritten signature in purple ink, appearing to read "Peter Indorf".

Peter Indorf Designs, LLC

Peter D. Indorf, President
Peter Indorf Designs, LLC
Graduate Gemologist, GIA
Vintage Certified Gemologist Appraiser, AGS,
Accredited Gem Lab, AGS.
Accredited Senior Gemologist Retired, AGA



Client: Sample Appraisal 58319 September 11, 2022

Biographical Background and Qualifications

Peter D. Indorf, GG, VCGA, ASGR

Education and Professional Qualifications:

Bryant College, 1980 Management Studies
Dale Carnegie Course, 1974
Dale Carnegie Management Seminar, 1976
University of Maine, Antique Jewelry Seminar, 1975
Gemological Institute of America, GIA
Jewelry Design Course, 1979
Colored Gemstone Grading, 1985
Graduate Gemologist Degree, Awarded GG, 1987
Advanced Diamond Clarity Grading, 2011
Field Gemology, 2011
Identifying Glass Fillings and Healed Fissures in Corundum, 2015
Identifying Heat Treatment of Corundum, 2015
Emeralds: Country of Origin Determination, 2019
Identifying Laboratory Grown Diamonds, 2019
American Gem Society, AGS
AGS Registered Jeweler title, Awarded RJ, 1982
Certified Gemologist Title, Awarded CG, 1983
Certified Gemologist Appraiser Title, Awarded CGA, 1987
AGS Accredited Gem Lab, 1987
Re-certified my education and knowledge with AGS every year since 1981
Presenter at Phoenix Conclave 2001, The Internet and the Single Store Independent
Passed Color Vision Testing, 2015
Presenter at the Washington DC Conclave 2015, Custom Jewelry Seminar
Vintage Certified Gemologist Appraiser, 2016
American Gem Society Conclave, Seattle, 2019
Yale University, Taught a college seminar on Gems and Gem Materials with Catherine Skinner, 1985
International Society of Appraisers, ISA Core Courses 100 & 101 Appraisal Principles, 1995
Jewelers of America, Certified Management Professional, 2002
Gemvision Training, Certificate of Completion, 2015
Accredited Gemologists Association, Accredited Senior Gemologist Retired ASGR, 2017
Association for the Study of Jewelry & Related Arts, 2019
Jewelry History Series, Miami Beach, 2019, 2020
Jean Schlumberger ~ Drawn to Beauty, St. Petersburg Museum of Art, 2019