

# Valuation

For the purpose of  
*Insurance Replacement*

Prepared by:  
**Simon Johnson MIRV** No.98820

Please find enclosed your Valuation documents prepared as discussed, please keep these documents safe as you may need them in the future.

*Your Valuation has been produced by a member of the Institute of Registered Valuers, the UK's leading professional jewellery valuation body. All the work contained therein has been professionally analyzed and researched and the values reached fully justified in accordance with the Institutes strict guidelines. In the event of any query in the first instance please contact the valuer named above otherwise the Institute will be happy to resolve any queries.*

MEMBER OF  
**INSTITUTE OF  
REGISTERED VALUERS**  
NATIONAL ASSOCIATION OF JEWELLERS



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12th August 2020

Mr John C Smith Valuation

Job Ref. 1265

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**The GemLabW4**

23 TURNHAM GREEN TERRACE, CHISWICK , LONDON, W4 1RG  
TEL: 020 8742 1178 EMAIL: ENQUIRIES@THEGEMLABW4.CO.UK  
WWW.THEGEMLABW4.CO.UK

Mr John C Smith  
101 Nowhere street  
Anytown  
Somewhere  
SW1 1LL

2<sup>nd</sup> August 2020

Dear Mr Smith,

I am pleased to enclose your valuation for the purpose of *insurance replacement*, it is not valid for any other purpose or intended use. All sections are relevant and form an integral part of this valuation; it is only valid in its entirety and should be read as a whole.

The values applied to your item within the valuation are based on the most appropriate markets for replacing each individual piece. These markets will vary according to age, design and workmanship of the jewellery amongst other factors. The values represent my professional opinion of the approximate replacement value within these stated markets and are valid only for the purpose specified. The market forces are controlled by supply and demand and can also be affected by currency exchange rates and the price of bullion. Precious metals and gemstones are traded universally in US Dollars. With such variables it is therefore inevitable that values of the same property will fluctuate through different periods of time. Therefore, no opinion is expressed to any long-term future values, or as to any past values.

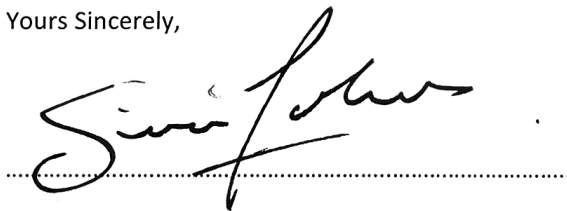
When diamonds and gemstones are being assessed it is important that the appraiser to have sight of any laboratory certificates/reports, as when diamonds and gemstones are set into jewellery it is not always possible to positively identify them. In the absence of laboratory certificates, appraisers can only place estimated quality assessments against such diamonds/gemstones and then calculate conclusions based upon these assessments, and the estimated/calculated weights.

**Note of any other Caveats/ conversations with client here.**

The Notes to the Schedule are an explanation of the valuation process, its limitations and abbreviations used. Any further notes relating to the specific item will be found either within the main description of the item or on a separate sheet within your valuation.

These items have been thoroughly examined with great care to ensure that your valuation is comprehensive and fully researched as possible. I hope that you will find your valuation interesting and informative, should you have any queries, please do not hesitate to contact me, I will be delighted to help in any way I can.

Yours Sincerely,



Simon Johnson MIRV 98820  
(Registered Jewellery Valuer)

12th August 2020

Mr John C Smith Valuation

Job Ref. 1265

Page 3 of 11

The GemLabW4

23 TURNHAM GREEN TERRACE, CHISWICK, LONDON, W4 1RG

TEL: 020 8742 1178 EMAIL: ENQUIRIES@THEGEMLABW4.CO.UK

WWW.THEGEMLABW4.CO.UK

# Valuation for: Insurance Replacement

Mr John C Smith  
101 Nowhere street  
Anytown  
Somewhere  
SW1 1LL

2<sup>nd</sup> August 2020

## Schedule

|                  |                 |       |
|------------------|-----------------|-------|
| Gold Price:      | £/g             | 38.86 |
| Platinum Price:  | £/g             | 24.20 |
| Silver Price:    | £/g             | 0.46  |
| Conversion rate: | £1=U.S. \$ 1.24 |       |
| Job Reference:   |                 |       |

### Item 1: Diamond Ring

#### Description

A modern platinum and diamond single stone ring. Featuring a modern round brilliant diamond in a four (4) claw setting double gallery setting, to a tapered D band shank with open shoulders.

#### Item 1: Details of Mounting(s)

**Gross Weight** – 5.27 Grams

**Approximate Dimensions** – 5.42mm x 6.32mm

**Manufacture** - Modern Cast

**Metal** - Platinum

**Markings** - MARM, Orb, London, U (2019)

**Ring Size** - K

**Condition** - Excellent

**Period** - Modern



#### Item 1: Stone Assessments

##### Principal Stone

**Description** - Diamond (1 pc)

**Cut/Shape** - Modern Round Brilliant Cut

**Approximate Dimensions** - 6.39 - 6.45 x 3.42mm

**Setting** - Claw

*All dimensions are approximate due to setting limitations*

**Calculated Weight** – 1.10 carats

**Assessed Colour** – G/H

**Assessed Clarity** – VS1/2



**Total Diamond Weight** – 1.10 carats

### Item 1: Valuation

£12,500

*(Twelve Thousand Five Hundred Pounds)*

Schedule Notes: New Replacement Value (NRV) See Notes to the Schedule

## **Item 2: Ruby and Diamond Ring**

### **Description**

A yellow metal, ruby and diamond ring. Made in a carved half hoop style with a square cushion shaped mix cut ruby claw set in the centre with an old European cut diamond on each side. There's is an accent diamond at each shared claw in the centre and on either end, however 3 are missing. To a slightly flared d band shank.

### **Item 2: Details of Mounting(s)**

**Gross Weight** – 6.52 Grams

**Approximate Dimensions** – 5.20mm x 17.40mm mm

**Manufacture** - Hand Made

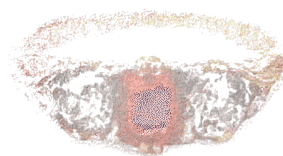
**Metal** - 18 Carat Gold

**Markings** - 'Indistinct' 18 London 1882 (G)

**Ring Size** – M

**Condition** – Fair

**Period** - Victorian



### **Item 2: Stone Assessments**

#### **Principal Stone**

**Description** - Ruby (1 pc)

**Cut/Shape** - Antique Cushion

**Approximate Dimensions** - 5.4mm x 6.2mm x 4.2mm

**Setting** - Claw

*All dimensions are approximate due to setting limitations*

**Calculated Weight** – 0.96 carats

**Assessed Colour** – Deep Red

**Assessed Clarity** - Si

**Assessed Quality** - 5



*(please note images are NOT representative of the description just web examples for this demonstration)*

#### **Item 2: Side Stones**

**Description** – Diamonds (2 Pcs)

**Cut/Shape** – Old European

**Approximate Dimensions** – Approx. 5.00mm

**Setting** - Claw

**Calculated Weight** – 0.65cts / each 1.30cts total

**Assessed Colour** – I/J

**Assessed Clarity** – Si 1/2

**Fluorescence** - None

**Total Diamond Weight** – 1.30 cts

**Total Gemstone Weight** – 2.26 carats

### **Item 2: Valuation**

£900

*(Nine Hundred Pounds)*

Schedule Notes: Antique Replacement Value (ARV) Notes to the Schedule

**Total Schedule Value £13,400**  
**(Thirteen Thousand Four Hundred Pounds)**

Appraiser's Declaration

I have personally examined and appraised the property detailed in this schedule and in my own opinion the figure ascribed to each item represents its value based on the market designated and for the purpose specified, at the stated date of appraisal.

Signed



12<sup>th</sup> August 2020

Simon Johnson MIRV 98820  
Jewellery Valuer



## NOTES TO THE SCHEDULE

A valuation schedule can be quite a complex document, so to help you better understand what it contains and why, as well as a few of the limitations that are applicable to the valuation process itself, the following explanatory notes have been compiled for your information. **These should be read in conjunction with the attached schedule and the transmittal letter and should you like any further assistance or have any queries please feel free to discuss these with the valuer.**

### General Matters

1. In accordance with the NAI Principles of Best Practice for Valuers, the utmost care and precaution has been taken to present an honest and unbiased report on the quality and value of the goods contained in this schedule. File copies of all pertinent information are maintained for a period of six years for updating and/or future reference.
2. The value(s) of the article(s) specified in this schedule may reasonably vary from the value(s) assigned to the same article(s) by other valuers. Such variances do not necessarily constitute error on the part of any valuer concerned. In the event of serious dispute, the valuer agrees to abide by the Resolution of Disputes Procedure specified by the NAI Principles of Best Practice for Valuers. Should any detail and/or value stated within this schedule become the subject of dispute and it subsequently transpires that material information relating to that detail and/or value was withheld, the valuer reserves the right to recall this schedule and make any amendments as may be necessary. In this event, the valuer shall be entitled to levy reasonable additional fees for the extra work incurred.
3. The values stated in the schedule do not constitute an offer to purchase nor are they intended to suggest figures likely to be raised in the event of a sale (unless the valuation is specifically for that purpose).
4. Where it is applicable and unless otherwise stated, the values given in the schedule include Value Added Tax (VAT) at whatever rate is in force at the date of the schedule.
5. Articles are valued only with regard to materials, workmanship, scarcity and relevant market forces and no account is taken of any *sentimental value*.
6. It is recommended that a valuation for insurance be updated regularly. This provides an opportunity to check and clean the articles thoroughly, and in such cases a reduced fee may be applicable. Customers are reminded that values do not necessarily correspond to the prevailing rate of inflation, and the practice of index-linking used by some insurers may prove to be misleading and inaccurate, and may result in either overpayment of premiums or underinsurance in the event of a claim.
7. All unhallmarked articles contained in this schedule are valued as specified.
8. Any items detailed in this valuation which, to the best of the valuer's knowledge and belief, have either been sold, restored or repaired by this establishment have been endorsed accordingly. Notwithstanding this, the valuer has faithfully complied with due diligence and employed the NAI's Institute of Registered Valuers' recommended impartial methodology in determining all the values expressed in this valuation. For the avoidance of doubt, no values have been influenced by, or taken into account, the sums paid in relation to those items.
9. The valuer has not investigated title to the property detailed in this valuation and the inclusion of any one person's details does not convey any inference, indication or verification of that person's ownership and/or title to the property specified herein.
10. Colour reproduction in digital images may not be the true colours of the component parts of the jewellery items illustrated. More accurate colour assessments of diamonds and/or gemstones may be referenced in the narrative section of this document. Furthermore, invariably the overall dimensions of the digital images do not replicate the actual size of the pieces illustrated; neither do they necessarily bear any correlation to each other in this respect. The actual dimensions of the items may be referenced in the narrative section of this document. Accordingly, any images contained in this report are for guidance only.

### Gemstone Matters

11. Unless otherwise stated, all dimensions and estimated weights of gemstones in this schedule have been determined without unsetting the stones and are, therefore, only approximate because of limitations imposed by the mount. Estimated weights are normally calculated by applying standard formulae to the measurements taken.
12. Unless otherwise stated, any quality assessments attributed to diamonds in this schedule have been determined without unsetting the stones and are, therefore, to be considered only as estimated because of limitations imposed by the mount. Where stated, colour assessment has been undertaken against graded comparison stones. The quality assessment system adopted in this schedule has been based on the diamond grading scale recommended by the GIA (Gemological Institute of America). In the event of serious doubt, it is recommended that a report be obtained from a recognised independent gem testing laboratory.
13. Unless otherwise stated, any colour assessments attributed to coloured gemstones in this schedule have been determined without unsetting the stones and are, therefore, to be considered only as probable because of limitations imposed by the mount. Where stated, colour assessment has been undertaken utilising the World of Color system and/or other internationally recognised and accepted grading systems. Whilst the valuer is reasonably satisfied that all such descriptions are correct, no responsibility can be assumed if subsequent unsetting and testing disproves these opinions. In the event of serious doubt, it is recommended that a report be obtained from a recognised independent gem testing laboratory.
14. Unless otherwise stated, any article which incorporates pearls has been valued according to the opinion expressed, i.e. cultured, natural. Unless otherwise stated, none has been subjected to testing by X-ray to confirm this opinion.
15. As a Member/Fellow of the National Association of Jewellers, the valuer makes use of the guidelines concerning gemstone nomenclature recommended by the international governing body, CIBJO.
16. With the increase in production of synthetic diamonds, mostly in small melee sizes, it has become increasingly difficult to detect and/or identify whether all diamond melee in an item of jewellery are natural, treated or synthetic. Additionally, there is a recent increase in the larger sizes being submitted to the gemstone testing laboratories and subsequently identified as being synthetic. Currently, few valuers or retailers have the necessary equipment to screen out diamonds which might potentially have issues with treatments or with not being of natural origin. The small number that can be successfully screened out still need to be submitted to a laboratory for definitive scientific testing which can be an expensive process. Therefore, valuers may make certain assumptions as to the identity of small melee diamonds. Due to the relatively small size of these stones the valuation is unlikely to be significantly affected by a more accurate identification. In the larger diamond sizes, those without recognised diamond reports, and from an unknown source of supply, it is recommended that the owner is advised to have the diamond/s sent to a laboratory for a report to be carried out.

### Insurance Matters

17. The following abbreviations are used to explain the categories of replacement values for the purpose of insurance replacement.

**NRV New Replacement Value.** This category of value represents the average current UK retail replacement price of a visually similar new item of equivalent quality. Convention dictates that this category of value is usually ascribed to items which, in the valuer's opinion, are of recent manufacture. It does not, however, allow for recreating a handmade facsimile of the original.

**NFOV New For Old Value.** This category of value embraces the same parameters as new replacement value but is ascribed to second-hand items when the owner discloses to the valuer that, in the event of a loss, the basis of settlement specified in their insurance policy is 'new for old'. Many obsolete wristwatches are very often placed into this category of value and the ascribed value reflects the current new replacement price of a similar model of equivalent quality which may, or may not, be the same brand name.

**SHRV Second-hand Replacement Value.** This category of value represents the average current UK retail replacement price of a visually similar second-hand comparable item of equivalent quality and in like



condition. The value expressed makes no allowance whatsoever for the current cost of individual replacement component parts in the event of a partial loss; neither does it take into account the cost of restoring or recreating the article in question in the event of major accidental damage. Convention dictates that this value is usually ascribed to items which, in the valuer's opinion, have been manufactured less than 100 years ago, but where NRV/NFOV is not appropriate.

**ARV Antique Replacement Value.** This category of value represents the average current UK retail replacement price of a visually similar antique comparable item of equivalent quality and in like condition. The value stated makes no allowance whatsoever for the current cost of individual replacement component parts in the event of a partial loss; neither does it take into account the cost of restoring or recreating the article in question in the event of major accidental damage. Convention dictates that this value is usually ascribed to items which, in the valuer's opinion, have been manufactured over 100 years ago.

**FV Facsimile Value.** This value reflects the likely average current replacement price of creating a facsimile of the original utilising the same quality materials and processes. It should be noted that this is a type of valuation rarely used and the vast majority of modern jewellery will, even if handmade, be adequately covered by the standard new replacement qualification.

**Nominal Values.** Convention dictates that this category of value is usually ascribed to items that are below the insured's single item limit and, as such, are not required to be specified on their policy. Nominal values are based primarily upon the valuer's knowledge and experience of visually similar comparable pieces of equivalent quality and all such values are to be considered as approximate only because the pieces have not been appraised in any great detail.

**Public Auction** (high auction estimate) – when this market is selected as entirely appropriate and/or acceptable to all interested parties as being the medium in which replacement is to take place, the replacement values ascribed to the property reflect the likely presale high auction estimated prices likely to be achieved at this level in the UK, notwithstanding that the only categories of value that can possibly be contemplated in this market are either second-hand replacement value or antique replacement value (i.e. SHR and ARV). Such values reflect the condition the property is in at the date of appraisal and are based upon the higher limit of estimated auction prices plus an appropriate purchaser's commission.

**18. Agreed Value**

Not strictly a category of value, Agreed Value is more a contractual obligation by the insurer, who will pay the insured a predetermined sum of money in the event of loss – in return for a premium. The insurer and insured can use any category of value at any market level (e.g. NRV, ARV, SHR, FV, NFOV, NOM at retail, auction, wholesale [trade], internet, TV channel, etc.) to decide on an Agreed Value. Generally, insurers accept Agreed Values for high net-worth jewellery where it is more important to the client to keep a lower premium

19. **Partial loss/damage.** Regardless of the type of value ascribed to an article, it should be noted that the value makes no pro rata allowance for the current cost of individual component parts in the event of a partial loss, nor does it take into account the cost of restoring or recreating the article in question in the event of major accidental damage. It is accepted by insurers that the costs of selecting replacement gems and repair work to settings etc. generally cannot be directly related to the value of an article in its entirety. This is particularly relevant to pairs and/or sets or articles valued as either SHR or ARV.
20. All values given represent average approximate retail replacement prices within the various categories specified - i.e. NRV/NFOV, SHR, ARV and FV. These values do not necessarily reflect the price at which the valued item(s) may be purchased from any particular retailer but attempt to reflect an average of a broad range of current prices of such items available from retailers offering similar goods in the appropriate market.
21. All values given for articles of foreign manufacture represent approximate retail replacement prices (as defined above) which attempt to reflect an average of a broad range of current prices of such articles available from retailers offering goods of comparable quality to consumers in the UK.
22. **Obsolete watches:** the stated value for any obsolete watch given a NRV/NFOV figure represents the current new replacement price for the nearest model of equivalent quality, which may, or may not, be of the same brand. Watches valued for second-hand replacement (SHR) are generally (but not necessarily) likely to be more than 30 years old, and will be so valued because they are of a brand/style/type no longer available, or

will be in a condition that reflects the age and wear provided by the passing years. Insurers normally accept the distinctions, and will normally take the stance that replacement will be on the basis of 'equivalence' rather than 'betterment', and it is this principle that guides the valuer in the valuation method applied.

23. **Post Loss Assessment.** A Post Loss Assessment Report must not be confused with formal valuations as it is not a valuation. They are presented in a totally different format, clearly stating the valuer has not examined the property. A post loss assessment is an opinion of value based upon information researched and compiled by the valuer in relation to the missing property.

24. **Levels of Value**

It is customary that valuations for the purpose of insurance replacement ordinarily reflect likely retail values at UK 'high street' shops/outlets. However, there are alternative sources that can be used to replace items of personal property. Unless otherwise stated, the level of replacement values ascribed in this valuation is based upon UK high street shops/outlets retail prices, but for the avoidance of doubt, the most frequently accepted levels of value acceptable to insurers are usually as follows:

**Retail Shops (UK High Street)** – when this market is selected as entirely appropriate and/or acceptable to all interested parties as being the medium in which replacement is to take place, the replacement values ascribed to the property reflect the likely prices normally achieved at this level, notwithstanding the categories of value adopted (i.e. NRV/NFOV, SHR, ARV and FV).

**Internet** – when this market is selected as entirely appropriate and/or acceptable to all parties as being the medium in which replacement is to take place, the replacement values ascribed to the property reflect the likely prices normally achieved at this level by UK based traders. The normal categories of value adopted within this market are usually NRV/NFOV, SHR and ARV.

**Television Shopping Channels** – when this market is selected as entirely appropriate and/or acceptable to all parties as being the medium in which replacement is to take place, the replacement values ascribed to the property reflect the likely prices normally achieved at this level by UK based traders. The normal categories of value adopted within this market are usually NRV and NFOV.

25. References to condition are as follows (please note this only affects values ascribed as SHR and ARV):

**EXCELLENT** – in the valuer's opinion, the article is in 'as new' condition.

**VERY GOOD** – in the valuer's opinion, the article is in exceptional condition in relation to its age and does not display any obvious evidence of repairs and/or restorations.

**GOOD** – in the valuer's opinion, the article is in better than average condition in relation to its age and may display evidence of discreet repairs and/or sympathetic restorations.

**FAIR** – in the valuer's opinion, the article is in average condition in relation to its age and may display evidence of acceptable repairs and/or restorations.

**POOR** – in the valuer's opinion, the article is in lower than average condition in relation to its age and may either display obvious repairs and/or restorations or be in need of repairs and/or restorations.

**VERY POOR** – in the valuer's opinion, the article is in a dilapidated condition in relation to its age and may have missing or broken components and/or display obvious evidence of poor quality repairs and/or restorations.

**SCRAP** – in the valuer's opinion, this is when the article is in a decrepit condition and/or is literally falling apart with no possible and/or viable prospect of repair/restoration.

**Miscellaneous Matters**

26. In the event of this valuation being for the purpose of **probate**, the values ascribed are required to comply with Section 160 of The Inheritance Act 1984. Such values represent the estimated **gross** open market prices most reasonably likely to be achieved for the property at a hypothetical public auction sale **at the date of**

**death.** If appropriate, the estimated **gross** open market prices can reflect a hypothetical auction sale taking place within a wider marketplace than the geographical area in which the deceased resided. Such values reflect the condition the property was in at the date of death and represent the likely hypothetical 'hammer prices' and do not take into account any commissions and/or premiums payable.

27. In the event of this valuation being for the purpose of **Private Sale/Sale Between Parties**, each item is valued taking the average of the researched likely Open Market figure and the retail replacement value. In the majority of circumstances this will be the Second hand retail replacement figure, including VAT, that a prospective buyer might be likely to pay in a second-hand retail outlet. The Open Market figure is based on GROSS researched mid-auction estimates for similar items offered at public auction, without deductions for commission and charges. Condition of the item has been taken into consideration in both the open market and the second-hand retail markets.
28. In the event of this valuation being for the purpose of **formal division of assets, or family division of property**, in a willing buyer/willing seller situation, unless otherwise stated, the values (or value bandings) expressed are based upon the estimated open market prices most likely to be paid by prospective buyers for the property at a hypothetical public auction sale in circumstances requiring disposal without specific time or geographical constraints. The values expressed reflect the condition the property is in at the date of appraisal and are based upon a range of hypothetical estimated auction prices between upper and lower limits and represent the likely hypothetical 'hammer prices'. They do not take into account deductions of any commissions and/or charges payable unless the valuer has been specifically instructed/requested to do so by the client or their solicitor(s).
29. In the event of this valuation being for the purpose of **divorce settlement** there are two values to be taken into consideration dependent on which party is instructing the valuer: (i) the net realisable asset: the researched likely open market hammer figure or mid auction estimate with the deduction of the seller's commission and charges; (ii) the new retail replacement value, including VAT. If the instruction is for a Court Hearing the Court will require both these values.
30. In the event of this valuation being for the purpose of **forced sale**, unless otherwise stated, the values (or value bandings) given represent the approximate net open market cash prices likely to be achieved by an immediate forced sale of the property, at the date of appraisal only, without the benefit of waiting for either more favourable market conditions or within another venue. ***This value is adopted when the vendor is compelled to convert the property into cash immediately*** and often reflects a discounted scrap/breakdown value of the property, which is usually significantly below that of its intrinsic value. Generally, it does not usually represent a willing buyer/willing seller situation and usually denotes cash offers likely to be made for the property by dealers and traders on the day and is ***net of any commissions and/or premiums payable***. Forced sale value is the lowest of all the possible appraised values.

#### **Limiting Conditions**

31. No alteration to the description or value of any item contained either within this schedule, or to any copy thereof, shall be made by anyone other than the valuer and the valuer shall have no responsibility for any such unauthorised alteration.
32. The rendering of this schedule does not in itself commit the valuer to any further involvement, or involvement in any process of litigation including attendance in Court and the giving of oral testimony, unless arrangements are made at a reasonable time in advance and such involvement has been commissioned at an agreed customary rate per hour as of that date.
33. Any liability whatsoever on the part of the valuer is limited to the fee paid for this valuation schedule.
34. Citizens' Statutory Rights are in no way affected by reason of any of these notes to the schedule.