

SECTION TWO-----#1 DIAMOND BUYER'S GUIDE

Hearts and Arrows

In trying to locate a high grade diamond today, you will no doubt come across the term 'hearts and arrows'. This is the name applied to a diamond that has exceptional symmetry in relation to its proportions. The symmetry is so exceptional that when the loose diamond is viewed in a 'hearts and arrows' viewer, you will see a clear, crisp circular pattern of hearts when viewing the diamond with the culet facing up in the 'H & A' viewer, and, in the opposite direction, with the culet facing down you will see a clear pattern of eight arrows. Since this H & A patterning is due to the high symmetry of the diamond, usually those diamonds that are rated by GIA as having either excellent or very good symmetry or are rated by AGS as having ideal symmetry will end up being 'Hearts and Arrows' diamonds. But there are no steadfast rules. A diamond can be rated as having an 'excellent symmetry' by GIA or 'ideal' symmetry by AGS but may still NOT display the Hearts and Arrows pattern. On the otherhand a diamond may only have a 'good' symmetry rating yet may still qualify as a 'Hearts and Arrows'.



The above diagram illustrates a 'clean and crisp' H&A pattern. The above pattern is 'a top' H&A pattern possible. Notice how the 'hearts' are sharp, angular, and very well defined. The same with the 'arrows'.

A very detailed analysis of explaining how the H&A pattern is achieved was written by Gary Holloway. You can view this analysis by going to http://www.pricescope.com/hearts_parts.asp

The whole concept of 'hearts and arrows' started in Japan and became exceedingly popular to the extent that approx. 80% of diamonds sold in Japan were cut to 'H&A' standards.

Don't let the concept of 'H&A' cut diamonds confuse you. A diamond can be highly brilliant and exceptionally beautiful even if it's not 'H&A' cut. The term 'H&A' is not recognized on the certificates that these organizations offer. 'H&A' is a phenomenon that is used to market diamonds. Yes, the 'H&A' pattern can certainly be intriguing to a couple purchasing a diamond ring. You usually pay a premium of approx. 10 to 20% for an H&A cut diamond. It's difficult to say how important 'H&A' diamonds will be in the future. Remember that you can purchase a diamond without 'H&A' and it can be highly brilliant and perhaps even more brilliant than an 'H&A' diamond. I would recommend discussing this matter with your gemologist before purchasing a diamond.

Here are some basic facts to consider:

- A diamond may be an ideal cut AGS000 or GIA EX EX yet that does not necessarily mean it's a 'hearts and arrows' diamond.
- As a rule a 'hearts and arrows' diamond will generally have very high brilliance and could possibly 'outshine' an ideal cut diamond.
- The combination of 'H&A' as well as AGS000 or GIA Ex Ex is sure to result in a very highly brilliant diamond.
- Generally a diamond that is rated as an AGS000 or GIA Ideal EX EX will usually have a 'H & A' pattern.

Any further questions concerning 'hearts and arrows' please call 1 800 252-1476.

AGS 000 Diamonds

An AGS000 diamond is an exceptionally fine quality diamond. They are referred to as 'triple zero' diamonds meaning that the diamond has 'ideal proportions', 'ideal symmetry' and 'ideal polish'. They are truly spectacular diamonds. Please go to AGS's site at <http://www.ags.org> for more information concerning the American Gem Society and their DQD's or Diamond Quality Documents. For more information on AGS Triple Zero diamonds please visit the following writeup by USA Certed diamonds.

<http://www.usacerteddiamonds.com/heartsandarrows.html>

GIA EX EX Diamonds

A GIA cert that has an EX EX rating refers to the fact that the symmetry and polish have 'excellent' ratings. Often time these diamonds have ideal proportions as well. It is recommended actually visiting the GIA site to see what they have to say about their certs. Please click onto <http://www.gia.org> Once at the site proceed to the Gem Trade Laboratory Section and there you will receive a complete and detailed explanation of the GIA cert.

However, at the site they do not state what the optimal ratings are nor do they state what would be poor ratings that should be avoided.

For a modern round brilliant cut diamond, if you are looking for an ideal cut then the diamond must meet the following criteria:

1. The depth percentage should be between approx. 59.7% and 62.8%. However, the best depth percentages would be in the range from 60.0% to 61.7%. Avoid diamonds with depth percentages greater than 63% as they are cut too

deep and will have an overall 'dark' appearance, and avoid diamonds less than 59% as they will be too shallow and will have a 'glassy' hollow type look. Diamonds cut excessively shallow are known as 'fish-eyes'.

2. To be qualified as an ideal the girdle should be between thin and slightly thick. The best ratings are thin, thin to medium, and medium. Avoid 'very' and 'extremely' thins as well as 'very' and 'extremely' thick girdles.
3. Culet should be 'none' or 'very small'. The best rating is 'none'.
4. In order to qualify as 'ideal' the diamond should have either a 'very good' or 'excellent' rating for both symmetry and polish. Of course, 'excellent' is slightly better than 'very good'. However, a diamond rated with 'good' for the symmetry and polish can still be a beautiful diamond.
5. Clarity of diamond in my opinion should be SI1 or higher. Oftentime you can place a higher grade diamond, such as a VS2, or VVS1 next to an SI1 and yes, it is hard to tell the difference. So why pay more when there is really no eye visible difference? If you do choose SI1, I recommend having the inclusions under the crown facets and not the table. I also recommend avoiding SI1's with heavier inclusions under the table and with feathers that reach the surface. In larger diamonds over 1ct. the inclusions in an SI1 are easier to see due to the larger size of the diamond. Discuss this topic thoroughly when viewing the diamond with your appraiser. What may be eye visible to one person may not be to another. Also, one person may look intensely at the diamond from two or three inches while another looker views from armslength. Everything is relative.

6. Fluorescence should not be a problem. As diamonds increase in strength of fluorescence the price drops up to a max. of about 15% for strong to very strong fluorescence. There is no reason to avoid a faint or medium fluorescence. If anything the faint or medium fluorescence can cause the diamond to appear up to one grade higher in color. What you should avoid is a strong fluorescence that causes the diamond to have a 'greasy' or 'hazy-milky' appearance. Also, certain diamonds that fluoresce strong blue can also take on a bluish tinge under the sun's ultraviolet rays, or under fluorescent lighting. Hint: Seriously consider purchasing a faint blue at a significantly lower price. You're diamond may even appear whiter in color.
7. Comment section. May state such items as 'additional clouds are not shown' or 'surface graining is not shown'. Don't worry about this. The chances of you ever noticing these characteristics are indeed slim. You usually need high magnification. Consult with your gemologist, however, I would not be turned off by their comments as usually they are very insignificant.
8. Check the date on the appraisal. My opinion: the date shouldn't be older than approx. 2 years. Older dates may mean that the diamond may have been removed from a setting and is being resold. Suggestion: If everything looks great and the diamond has an older cert just have it resubmitted to GIA for an update. If it's an older cert, who's to say that the diamond wasn't in a setting for a while and may have been damaged in the setting.
9. Make sure the GIA cert is bona fide and genuine. Call GIA at 1800 421-7250. Give them the report number to make sure that they have that cert on record.

I hope the above information helps you out. Please call 1 800 252 1476 if you have any further questions.

FOR FANCY CUT DIAMONDS

PLEASE VISIT THE FOLLOWING LINK PROVIDED BY COURTESY OF 'GEMAPPRAISERS.COM' OR D.ATLAS AND COMPANY. This link contains all the recommended proportions and percentages for all the fancy cuts as well as the round cuts. If you have any questions whatsoever please call 1 800 252 1476 and we will be glad to answer any questions you may have. Here is the important link:

<http://www.gemappraisers.com/chrt.htm>

BRANDED HEARTS AND ARROWS DIAMONDS

It is recommended today to purchase a round brilliant cut diamond that is either an AGS000 or GIA Ideal EX EX. These diamonds rate exceptionally high in cut quality and are generally extremely brilliant. To purchase a branded diamond you are simply paying a top premium whereas you will usually end up with the same quality by purchasing an AGS000 Triple Zero or a GIA Ideal EX EX. With 'branded' diamonds you are paying extra for the 'label' and it ends up being the same

quality as a GIA Ideal EX EX or an AGS Triple Zero. There are certain marketing costs as well as additional expenses involved in marketing a 'branded' diamond and the suppliers are forced to charge the consumers more. Don't pay more than you have to for a diamond. I would think that a GIA EX EX or an AGS000 would certainly meet all of your expectations.

A QUICK NOTE ON THE DIFFERENT TYPES OF CERTS

Please remember that even though a diamond has a GIA or AGS cert, that does not in itself guarantee that the diamond is the quality as stated on the cert. The report must still be verified by your own independent appraiser. There are two certificates that are known by the trade to be more reliable than others. These two organizations are GIA and AGS. EGL certificates are generally considered not as reliable in terms of clarity and color accuracy. However, in the last two years I have noted a big improvement with the quality of these certs. EGL or European Gem Lab tends to be more lenient on the color and clarity grading. What EGL calls a VS2, GIA might call a SI1. AGS is known to be the strictest with the tightest clarity and color standards. Personally, I feel more comfortable and at ease with a client purchasing a diamond with a GIA or AGS cert. Hint: The EGL certified diamonds are usually priced 10 to 20 per cent lower. Therefore, by purchasing a diamond with an EGL cert you can save a lot. And, if the grading is way out well then you have nothing to lose since you can return the diamond.

TIPS AND POINTS TO NOTE FOR PURCHASING DIAMONDS ON THE INTERNET

Please read the following important steps if choosing to explore an internet vendor:

1. Read their web site fully. Pay special attention to their diamond testimonials. Phone the company and speak at length to the person who would be involved in your sales transaction. Perhaps email or speak to one or two of the testimonial writers to verify their testimonials.
2. Have the diamond internet company state on their invoice or bill of sale that you have at least seven days from the date of receipt of the diamond to return the diamond for a full refund. If the diamond internet company requires you pay the return shipping and handling charges, that is acceptable. Within that return time frame you want to set up an appointment with an independent diamond gemologist appraiser in order to have the diamond verified. You want the appraiser to verify that the diamond matches the cert, to discuss the value with you as well as all other pertinent information relating to the quality of the diamond. HINT: You may find an appraiser at <http://www.diamondappraisers.net> Alternately, you may want the diamond internet company to send the diamond directly to an independent appraiser of your choice in your city so that you may view the diamond before paying. You only pay for the diamond once you are assured by the appraiser that everything matches and that you are getting good value for your money. Of course, you would pay the independent appraiser for his or her services. All the appraisers at <http://www.diamondappraisers.net> are highly recommended and 100% trustworthy. Once you are satisfied that everything is OK, then you would arrange to pay the diamond internet company. The appraiser would then release the diamond to you upon obtaining a release from the diamond internet company. It is not unreasonable for the diamond internet company to request that you pay for the return shipping charges if the diamond is returned. HINT: Use the independent

appraiser to help you do the setting. Either they can provide that service for you or they can recommend someone extremely reliable. There is no better way to buy a diamond than using this highly intelligent, sensible, and cautious method. Think about it. You have the opportunity to see the absolute best diamond at the lowest possible price before purchasing and you have the assistance of the top professionals, the appraisers, in the diamond business.

3. It is very important that the diamond be sent to you or to the independent appraiser with all the documents including the GIA or AGS or EGL cert. You may also request a copy of the Sarin report as this will indicate the angles of the diamond. The AGS report automatically has all the angles on it. Some appraisers may be able to do a Sarin report. The Sarin machine is expensive and many appraisers may not own one. Otherwise, the wholesaler in NYC for example may be able to provide the Sarin report as well. If you are purchasing a diamond that has Hearts and Arrows, then make sure the appraiser has a 'hearts and arrows' scope in order to view the 'hearts and arrows'.
4. An excellent idea when purchasing from a diamond internet vendor is to arrange for the diamond internet vendor to call the supplier in NYC directly and arrange for you to speak to the diamond expert at the diamond wholesale company. This way you can talk directly to the person who has the diamond 'in the tweezers'. As he is louping the diamond he can tell you exactly what he sees, where the inclusions are, whether or not they are eye visible, how brilliant the diamond is as well as the effect of any fluorescence. I am sure that the diamond internet vendor will be more than pleased to arrange for you, the client to talk directly with the wholesaler. Do not discuss

price with the diamond wholesaler in NYC since that matter is strictly between the wholesaler and the diamond internet vendor. These diamond wholesalers are extremely ethical and are straight forward honest guys. They call it the way they see it.

5. HINT: Oftentime the internet diamond vendor can obtain GIA Ex Ex diamonds or AGS000 diamonds from Israel. The Israeli diamonds are less expensive than the ones in the U.S. There is usually an extra \$120 to \$150 extra for shipping to the U.S but even with that added on the prices can still be less. The service from the Israeli companies is extremely reliable and the diamonds are delivered to you by insured Fedex delivery. The reason that the diamonds are less in price is simply because the Israeli companies purchase their rough directly from the mines in South Africa.
6. One advantage of purchasing over the internet is that you do not have to pay state taxes when you are buying over the internet. If the diamond is being shipped from one state to another there is no taxes. If a diamond is being shipped from Israel to a client in the U.S there are no duties. Diamonds being shipped to Canada are subject to a 10% excise tax, 7% Goods and Service Tax (GST) as well as Provincial Sales Tax (PST). Clients are strictly responsible for duties into their country. This would be over and above the price of the diamond.
7. The diamond internet company that is highly recommended for a diamond purchase is USA Certed Diamonds Please visit them at: <http://www.usacerteddiamonds.com> Their service is impeccable and anyone of their highly qualified sales staff will bend over backwards to find you the right diamond. USA Certed Diamonds are specialists in

obtaining either an AGS000 Triple Zero or a GIA Ideal EX EX. Also, their prices are the lowest of any internet site and their service is unbelievable. Please see <http://www.diamondtestimonials.com>

8. Also, it is highly recommended going to <http://www.1diamondquotes.net> Here you will receive exceptionally low diamond quotes from the highest caliber diamond internet companies.
9. Also, you want to choose a diamond internet company that has access to all the major U.S inventories. You should choose a company that can scan all the available diamonds on the market so that you don't miss out on any opportunities. USA Certed Diamonds has access to ALL inventories since they are members of Polygon www.polygon.net , Rappnet www.diamonds.net and VirtCert www.virtcert.com .