

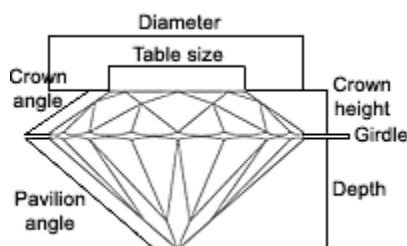
Diamond Buying Guide

An Introduction to Buying Diamonds...

When purchasing diamonds, educating yourself first is going to ensure that you are getting a good value for your money. Whether you are a first time diamond buyer or just need a refresher course, the following information will be very helpful when making your next purchase.

Anatomy

Before getting into the grading of diamonds it is important to understand the anatomy of a diamond. Throughout this buying guide you will hear references to different parts of a diamond. This will give you a glossary to refer back to.



- **Diameter**
The width of the diamond as measured through the girdle.
- **Table**
This is the large, flat top facet of a diamond.
- **Crown**
The upper portion of a cut gemstone, above the girdle.
- **Girdle**
The narrow rim of a diamond that separates the crown from the pavilion. It is the largest diameter to any part of the stone.
- **Pavilion**
The lower portion of the diamond, below the girdle. It is sometimes referred to as the base.
- **Culet**
The tiny facet on the pointed bottom of the pavilion, which is the portion of a cut gem below the girdle.
- **Depth**
The height of a gemstone, from the culet to the table.

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The "Four Cs"

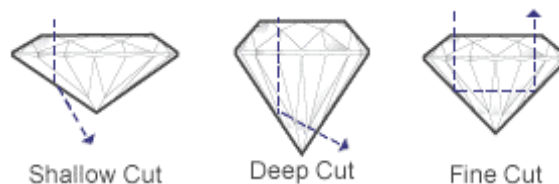
Various characteristics of diamonds are graded and categorized by the diamond industry. The four essential grading points are broken down to what is called the "Four Cs". The "Four Cs" consist of:

- Cut
- Clarity
- Color
- Carat

These are the criteria jewelers use to grade diamonds and they are the ones you should use to choose the perfect diamond.

Cut

First, don't confuse diamond "cut" with "shape". Shape refers to the general outward appearance of the diamond, (such as round, princess, oval, heart, etc). When a jeweler (or a diamond certificate) says "cut," that's a reference to the diamond's reflective qualities, not the shape. Diamond cut is perhaps the most important of the four Cs, so it is important to understand how this quality affects the properties and values of a diamond. A good cut gives a diamond its brilliance, which is that brightness that seems to come from the very heart of a diamond. The angles and finish of any diamond are what determine its ability to handle light, which leads to brilliance. As shown in the images below, when a diamond is well-cut, light enters through the table and travels to the pavilion where it reflects from one side to the other before reflecting back out of the diamond through the table and to the observer's eye. This light is the brilliance we mentioned, and it's this flashing, fiery effect that makes diamonds so mesmerizing.



In a poorly cut diamond, the light that enters through the table reaches the facets and then leaks out from the sides or bottom of the diamond rather than reflecting back to the eye. Less light reflected back to the eye means less brilliance. Most

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gemologists agree that the best-cut diamonds are those that follow a set of formulas calculated to maximize brilliance. These formulas can be seen in a diamond's proportions, most importantly how the depth compares to the diameter, and how the diameter of the table compares to the diameter of the diamond. However, the variance in the proportions between an Ideal Cut and a Poor Cut can be difficult to discern by the untrained eye. Because cut is so important, several grading methods have been developed to help consumers determine the cut of a particular diamond. In general, these grades are:

- Ideal
- Excellent
- Very Good
- Fair
- Poor

Ideal Cut

This cut is intended to maximize brilliance, and the typically smaller table sizes of these diamonds have the added benefit of creating a great deal of dispersion or 'fire' as well. Ideal quality diamonds are truly for the person who enjoys knowing that he has one of the finest things that money can buy. This category applies only to round diamonds.

Excellent

In the case of round diamonds, many Premium Cut diamonds have cuts that are the equal of any Ideal Cut diamond, though they often can be purchased at slightly lower prices than AGS Ideal Cuts. They are intended to provide maximum brilliance and fire. Like the Ideal Cut, these are also for the person who enjoys knowing that he has one of the finest things that money can buy.

Very Good

These diamonds reflect most of the light that enters them, creating a good deal of brilliance. With these diamonds, the cutters have chosen to stray slightly from the preferred diamond proportions in order to create a larger diamond. The result is that these diamonds fall slightly outside of some customers' preferences in terms of, for example, table size or girdle width, though, in many cases many of the parameters of diamonds in this range will overlap with certain parameters of diamonds in the Ideal or Premium ranges. Generally, the price of these diamonds are slightly below that of an excellent cut.

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Good

Diamonds that reflect much of the light that enters them. Their proportions fall outside of the preferred range because the cutter has chosen to create the largest possible diamond from the original rough crystal, rather than cutting extra weight off to create a smaller Premium quality diamond. Diamonds in this range offer an excellent cost-savings to customers who want to stay in a budget without sacrificing quality or beauty.

Fair & Poor

A diamond graded as fair or poor reflects only a small proportion of the light that enters it. Typically these diamonds have been cut to maximize the carat weight over most other considerations.

Clarity

Most diamonds contain some inner characteristics, or inclusions, that occur during the natural formation process deep within the earth. The visibility, number, and size of these inclusions determine what is called the clarity of a diamond. Diamonds that are clear create more brilliance, and thus are more highly prized, and priced. If you think about the incredible amount of pressure it takes to create a diamond and the fact that natural diamonds are not grown in a sterile laboratory, it's no surprise that most diamonds have these natural characteristics. Basically there are two types of natural characteristics: inclusions and blemishes. Inclusions refer to internal characteristics and blemishes are on the surface of the diamond. However, in the diamond grades listed below, you'll note that none of the grades include the term "blemish" -- for the purposes of grading diamonds, all flaws are called "inclusions." Diamonds are graded for clarity under 10x loupe magnification. Grades range from Flawless (diamonds which are completely free of blemishes and inclusions), to Included 3 (diamonds which possess large, heavy blemishes and inclusions that are visible to the naked eye). Here is a breakdown of the clarity ratings you will find:

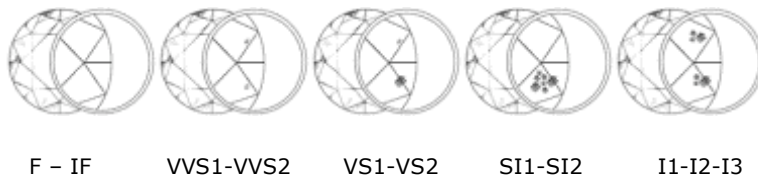
- **F**
Flawless: No internal or external flaws. Extremely rare.
- **IF**
Internally Flawless: no internal flaws, but some surface flaws. Very rare.
- **VVS1-VVS2**
Very Very Slightly Included (two grades). Minute inclusions very difficult to detect under 10x magnification by a trained gemologist.

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- **VS1-VS2**
Very Slightly Included (two grades). Minute inclusions seen only with difficulty under 10x magnification.
- **SI1-SI2**
Slightly Included (two grades). Minute inclusions more easily detected under 10x magnification.
- **I1-I2-I3**
Included (three grades). Inclusions visible under 10x magnification AS WELL AS to the human eye. We do not recommend buying diamonds in any of these grades.



While the presence of these clarity characteristics (inclusions and blemishes) do lower the clarity grade of a diamond, they can also be viewed as proof of a diamond's identity. GIA certificates include what is known as a "plot" of a diamond's inclusions -- think of it as a "diamond fingerprint." Since no two diamonds are exactly the same, comparing the uniqueness of your diamond's clarity characteristics with the plot provided on the diamond certificate offers assurance that the diamond you pay for is the same diamond you receive.

Which Clarity Should I Choose

While Flawless diamonds are the rarest, a diamond does not have to be flawless to be stunning. Diamonds with VVS and VS grades are **excellent** choices for both value and appearance. More affordable (and still a great choice) are those diamonds which gemologists call "eye-clean" - diamonds with no inclusions visible to the naked eye. These diamonds are SI1 and SI2 and unless the recipient carries a 10X loupe (a strong jewelry magnifying glass), she won't see the inclusions. As to I1-I3? Maybe when there's a diamond grade that's defined as "you can see the flaws just by looking at the diamond," nothing more needs to be said. Okay, to be "fair" to I1-I3 -- not **everyone** notices visible flaws in a diamond. And not all "visible" flaws are "equally" visible -- think about the difference between dripping mustard on a starched white dress shirt and dripping mustard on a brightly-colored Hawaiian shirt (not that we think you have a lot of mustard dripping experience). Obviously, one shows up a lot more than the other. But if you choose to buy an I1-

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I3 diamond (which we don't really recommend), know that some people will look at it and immediately see the flaws, and not just experienced jewelers.

Color

When jewelers speak of a diamond's color, they are usually referring to the presence or absence of color in white diamonds. Color is a result of the composition of the diamond, and it never changes over time. Because a colorless diamond, like a clear window, allows more light to pass through it than a colored diamond, colorless diamonds emit more sparkle and fire. The formation process of a diamond ensures that only a few, rare diamonds are truly colorless. Thus the whiter a diamond's color, the greater its value. To grade 'whiteness' or colorlessness, most jewelers refer to GIA's professional color scale that begins with the highest rating of D for colorless, and travels down the alphabet to grade stones with traces of very faint or light yellowish or brownish color. The color scale continues all the way to Z.



Which Color Grade Should I Choose?

Diamonds graded D through F are naturally the most valuable and desirable because of their rarity. Such diamonds are a treat for the eyes of anyone. But you can still obtain very attractive diamonds that are graded slightly less than colorless. And diamonds graded G through I show virtually no color that is visible to the untrained eye. And while a very, very faint hint of yellow will be apparent in diamonds graded J through M, this color can often be minimized by carefully selecting the right jewelry in which to mount your diamond. Keep in mind that, while most people strive to buy the most colorless diamond they can afford, there are many people who actually prefer the warmer glow of lower-color diamonds.

Carat

A carat is the unit of weight by which a diamond is measured. Because large diamonds are found less commonly than small diamonds, the price of a diamond rises exponentially to its size. Read this guide to get a better understanding of what a carat is and how it affects the appearance of a diamond. A carat is a unit of

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measurement, it's the unit used to weigh a diamond. One carat is equal to 200 milligrams, or 0.2 grams. The word "carat" is taken from the carob seeds that people once used in ancient times to balance scales. So uniform in shape and weight are these little seeds that even today's sophisticated instruments cannot detect more than three one-thousandths of a difference between them. Don't confuse "carat weight" with "karat," the method of determining the purity of gold. The process that forms a diamond happens only in very rare circumstances, and typically the natural materials required are found only in small amounts. That means that larger diamonds are uncovered less often than smaller ones. Thus, large diamonds are rare and have a greater value per carat. For that reason, the price of a diamond rises exponentially to its size. If a ½ carat diamond is priced at \$1,000, a 1 carat diamond of the same quality will not be \$2,000. Because the larger stone is more rare to find, the price will be exponentially larger.

What Size Diamond Should I Buy?

- First, determine your budget. One general rule of thumb when buying a diamond engagement ring is "two month's salary." This is just a guideline, it's not carved in stone and your first consideration should be what you can comfortably afford.
- Deciding on carat size is really about striking a balance between size and quality. If she prefers larger jewelry items, and you are working within a budget, you can still find a larger diamond of excellent quality gem by selecting one which is graded slightly lower in terms of color and clarity.
- Remember that slender fingers make small diamonds look bigger. If she has small fingers, a 1-carat diamond will look proportionately large -- and an even larger stone may appear stunningly big!
- Think about what sort of setting will hold the diamond. You'll have to be sure that the setting you choose is made to fit the carat weight of your diamond.

Hopefully this guide has answered some of the many questions that you will encounter while searching for that perfect diamond. This is a brief overview and may not answer all questions. If at any time you have a question please feel free to contact us by phone or email.

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