

## GIA recalls hundreds of diamonds

May 14, 2015

Source: National Jeweler

Carlsbad, Calif.--The Gemological Institute of America has cut off four clients traced to hundreds of diamonds submitted with an undisclosed treatment that improves their color by as much as three grades but fades over time.

The approximately 500 diamonds passed through the GIA's laboratory in Ramat Gan, Israel in the past several months and now are circulating in the trade. The GIA sent out notifications about the still-unidentified temporary treatment Tuesday and is asking anyone in the trade with **these 424 potentially treated stones** to turn them back into the GIA for reexamination. (Approximately 76 of the 500 already have been reexamined by the GIA.)

The vast majority of the stones are 1 carat or larger, with a number of 3-, 4- and even 5-carat stones in the mix. A three color-grade jump for stones of this size would amount to a big difference in price or, as one industry player observed, "big bucks" for the sellers.

Meanwhile, the GIA has terminated the client agreements of the companies linked to the stones, as the lab "reasonably suspects" that the companies knew the diamonds were treated and did not disclose it, GIA spokesman Stephen Morisseau said.

The companies are listed online as: E.G.S.D Diamonds Ltd., L.Y.E

Diamonds Ltd., Abramov Romok and Yair Matatov.

None of the four companies could be reached at the phone numbers listed online for them, all 972-54-397 numbers, mobile phones on the Israel Diamond Exchange's cell phone system.

Only one of the four, Romok Abramov, replied to request for comment on the case via email.

In his email, he claims that "the amount of stones (that) can be submitted to GIA by one account is limited," and so "Gabi" at E.G.S.D Diamonds, who presumably had hit his limit, asked him to submit stones on his behalf. "(I) never saw any of those stones and don't have any idea if they were treated," Abramov stated.

The GIA confirmed that there are indeed stone submission limits at its lab in Ramat Gan. And Morisseau said the lab does have a procedure whereby clients can ask for another client to submit stones on their behalf, but he doesn't know if that procedure was followed in this case.

The GIA said it has notified the diamond bourses about what happened. In a statement issued Wednesday, the Israel Diamond Exchange said it called an emergency meeting of its board of directors upon hearing the news and has "resolved to identify the

suspects" and act immediately to "take the needed measures."

Morisseau said the GIA has not yet identified the treatment but are "actively researching it."

The lab became aware of this potentially new color treatment when a client (not one of the four listed above) purchased one of these diamonds and the treatment began to wear off, leaving him with a diamond that had a much lower color grade than what he had paid for.

He returned the stone to GIA for reexamination. It was then that the GIA discovered the treatment and connected this stone with hundreds of others that had been submitted by the four companies.

While the GIA hasn't drawn any solid conclusions yet, Morisseau said they "reasonably believe" that all of the approximately 500 stones have been treated but won't be able to say definitively until the lab reexamines them.

He added that they are monitoring other GIA labs worldwide for similar submissions.

The report numbers of the potentially treated stones are posted on **GIA.edu**. Anyone who has purchased or has access to any of these diamond is asked to submit them to any GIA lab for free, expedited review.