

# Gemstone Forecaster

NGC P.O. Box 42468 Tucson, AZ 85733 1-800-458-6453 1-520-577-6222



## TABLE OF CONTENTS

**Our Newly Redesigned Website**

**The Burma Connection on Gems and Covid**

### Burma News

**In Myanmar, Landslide at Jade Mine Kills More Than 160 People**

**'I feel guilty for surviving': The deadly hunt for jade in Myanmar**

### International Gem Reports

**Australia-India Bore discovers rare purple diamonds at Ellendale**

### Gemstone Scams

**It's a \$40 Million Question: Was This 35-Carat Pink Diamond Stolen?**

**US citizen charged with running diamond Ponzi scheme, cryptocurrency scam**

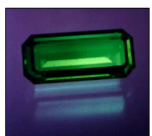
**11 great heists in the History**

### Notable Quotes

## Our Newly Redesigned Website

by Robert Genis

### WELCOME TO NATIONAL GEMSTONE'S WEB PAGE



#### OPTIONS

- ◆ [On-Line Brochure](#)
- ◆ [Gemstone Forecaster Newsletters](#)
- ◆ [The Privacy Report](#)
- ◆ [How to Collect Gems For Fun and Profit](#)
- ◆ [Price Lists](#)
- ◆ [Price Charts - 20 Year Gem Performance](#)
- ◆ [Great Gem Photographs from The Smithsonian Gem and Mineral Collection](#)
- ◆ [Media Comments, Awards, and Reviews](#)
- ◆ [E-Mail Mailing List](#)

Dealers in fine diamonds, precious stones, collector gemstones.

#### NGC BACKGROUND

Robert Genis is the President of National Gemstone, which was founded in 1982. Robert has over 25 years experience in the field. He is frequently quoted in the national gem press, and has written numerous articles on gem collecting and investing. He is also the editor of The Gemstone Forecaster newsletter and the author of Privacy And Gems: How To Avoid The Privacy Invaders. NGC has been recognized and recommended as a reputable dealer by PreciousStones Newsletter, The Gem Market Reporter, Wealth, Personal Finance Newsletter, The Retirement Letter and The Dow Jones-Irwin Guide to Fine Gems and Jewelry.

#### TO REACH NGC

Call 1-800-458-6453 or 1-520-577-6222  
 Snail Mail at P. O. Box 42468, Tucson, AZ, 85733  
 E-mail: [rgenis@primenet.com](mailto:rgenis@primenet.com)

Copyright © 1995,1996 NGC. All rights reserved. Reproduction in any form, without prior permission, is expressly prohibited.

We are proud to announce our newly redesigned website. Thanks Virtualize. We hope the new website will be easier to use on phones and tablets, compared to our original site, which was designed before these devices were invented. In the 90's, if you wanted a website on the internet, you designed for big box computers. Just for fun, we thought it would be interesting to look at how far our website has come since 1995.

We put up our first website in '95, but the first version found on the waybackmachine (waybackarchive.org) is from 1996. You have to remember in those days, most people got on the internet via dial-up on AOL. If you had many large images, people would leave immediately because they took too long to load. As you can see in the screenshot of our original site above, we had one photograph of a 15.41 tsavorite and a link to the Smithsonian Gem and Mineral Collection. You might also notice we had no gemstones for sale.

It seems unbelievable today, but selling on the internet was originally considered taboo. The internet was designed initially only for the sharing of information. A sort

of free speech, anti-capitalist experiment. If you tried to sell anything, the rest of the internet would gang up and flame you into submission. In the spring of 1995, we went on-line as <http://www.primenet.com/~rgenis/>. Yes, this is how you set up websites at that time. By 1998, the domain name business exploded and we bought preciousgemstones.com. Eventually, large corporations entered the net and the culture of not selling faded into oblivion. The no-selling dictum seems quaint now.

One final change to note, in the beginning a one dimensional picture of a gem or grading report was the norm. Eventually, clients wanted numerous pictures of the gem from all angles. Today, the gold standard is video.

Seems hard to believe we have been on the internet for 25 years. Time does fly. We hope you enjoy the new site, whether on your home computer, phone, or tablet. Stay tuned to our website (preciousgemstones.com), for our new blog, the Gemstone Forecaster newsletter, and other exciting things happening in the gem markets.

## The Burma Connection on Gems and Covid

We interviewed one of the main Burmese gem dealers in the US. We have known him for over 20 years. He wishes to remain anonymous for security reasons. He now lives in New York but travels frequently to Burma. Well, until Covid-19 hit.

**Gemstone Forecaster Newsletter (GFN):**  
**Where were you when the Covid-19 lockdown started? Were you in Burma?**

**Burma Connection (BC):** "I was in Mogok when I heard about Covid-19 from the news and social media in mid January. None of us were scared because we'd already lived through SARS and H1N1. I left Burma at the end of January. The people in Burma were talking about the virus but everything was still normal. I spent one night in Bangkok and had another layover in Seoul. The passengers on the flights and the people in Bangkok and Seoul were normal. Nobody wore masks. When I traveled to Tucson in the first week of February, I noticed that everyone at the gem shows were not worried about the virus. When one of my friends came from Burma to Tucson, I picked him up at the airport. He was the only one who wore a mask among the passengers. He was surprised about this because he said that the people in Asia were starting to worry about Covid. Everyone in New York was still calm in late February. I had an appointment to see a new customer on March 13th, but she canceled the appointment that morning. She said her office would be closed because of the virus. I stopped going to the city then."

**GFN:** Did you think of trying to get back to Burma or stay in NY?

**BC:** "No, my family is in NY."

**GFN:** New York was one of the first states to get hit hard. Did you go into total quarantine? Tell me about that? How did you get food and supplies?

**BC:** "The last time I went into the city before going into quarantine at home was March 3rd. We did not need to go out to buy food and supplies for a while because my son-in-law had bought them back in January. He was concerned when he heard of the spread in China back in January."

**GFN:** What did you do during the quarantine?

**BC:** "I spent most of the time with my grandson."

**GFN:** At press time, Burma only has 10,734 cases and 226 deaths. Do you believe these numbers?

**BC:** "Now the numbers are going up. Yes, I believe these numbers."

**GFN:** Did you remain in contact with your family, friends and gem contacts in Burma during the crisis?

**BC:** "Yes, I contact my family regularly and I talk to gem dealers in Burma."

**GFN:** At some points the riots happened. That just made living in New York worse, right? Did it scare you?

**BC:** "I learned about the riots in NY from the news. NYC is very big and the riots happened far away from where we live, so it did not affect me very much."

I have experienced riots in Burma a few times in my life. The people did not like military government and so they protested. The government cracked down on them by force and the protests became riots."

**GFN:** The quarantine has been lifted in NY. Have you been out? What is it like compared to the pre-Covid days?

**BC:** "Recently, I went into the city for the first time in six months. I went to the banks and post office in Rockefeller Center. The summertime in Rockefeller Center used to be very busy with tourists. But now it is very quiet. I saw only a few people wearing masks. The restaurants are still closed."

**GFN:** Any interesting or funny story you want to tell about your Covid or riot experience?

**BC:** "Even though Covid has been a difficult time, the silver lining is that my daughter flew home from California and the family is living under the same roof again. We are able to spend more quality time together."

**GFN:** Do you want to go to Burma? Are the borders closed in Thailand and Burma?

**BC:** "I want to go back to Burma to see my mother. The airport in Burma is closed for international flights. They aren't giving visas to foreigners. Only relief flights can land. Everyone who flies into Burma has to be quarantined for 21 days. The borders with neighbors are closed for foreigners."

**GFN:** When do you think they will reopen?

**BC:** "The government had announced the airport would reopen at the end of July. Then they changed it to the end of August, and changed again to end of September. They don't know when they will open."

**GFN:** Do you have any idea of what is happening to the gem markets in Burma?

**BC:** "There is no gem business in Burma. I've talked to many dealers. The stone owners are keeping their stones in their safes. Nobody wants to buy stones and there is no stones for sale in the market even if you want to buy."

**GFN:** Do you think the Chinese are still going into Burma?

**BC:** "I don't think so."

**GFN:** Did you hear about the flash flood catastrophe at the Jade mines? Any thoughts?

**BC:** "Some hundreds died in that tragic event. Sad."

**GFN:** When you go back to Burma, do you expect gem prices to be lower, the same or higher?

**BC:** "I don't think I will find nice stones. If I find one the price will be the same high price. I have never seen Burma prices go down."

**GFN:** Thank your your time and insights. We are glad you are safe.

## Burma news

### In Myanmar, Landslide at Jade Mine Kills More Than 160 People

By Feliz Solomon and Myo Myo

WSJ

July 2, 2020

*Per the previous interview, this was a tragic incident for the miners and their families. ED*

### Deadly accident hits largely unregulated industry in country that is the world's largest producer of precious green gemstone

At least 162 people have been found dead after heavy rains triggered a landslide at a jade mine in northern Myanmar, the deadliest accident that the largely unregulated industry has seen in years.

Myanmar is the world's largest producer of jade, a precious green gemstone mined almost exclusively for export to neighboring China. The multibillion-dollar industry has been linked to decades of corruption, poor labor conditions and human-rights abuses, according to human-rights organizations.

The landslide on Thursday occurred at the Wai Khar open-pit mine in Hpakant, an area in northern Myanmar's Kachin state known for its wealth of natural resources, including gems and timber. The state borders China's Yunnan province, where many of its riches are sold on the black market.

The Myanmar Fire Services Department said the mine, which wasn't in operation, was owned by a conglomerate of five local companies: Yadanar Kywae; Kyuak Myat Shwe Kyi; Yadanar San Shwan; Ayeyar Yadanar; and Thit Thone Lone.

A spokesman for the Hpakant Police Department, Than Win Aung, said 162 bodies had been recovered as of 7 p.m. local time, and 54 people had been injured. "We are still searching for bodies and survivors," Mr. Than said.

Myanmar's mining industry was controlled for decades by secretive military-linked companies, which fueled conflict between the country's central government and ethnic minorities who live in the resource-rich borderlands.

Gems from Myanmar, including jade, were banned from the U.S. until 2016, when then-President Barack Obama lifted economic sanctions in response to democratic changes. Myanmar was ruled by the military until the current government was elected in 2015.

Human rights groups at the time criticized the decision to lift sanctions related to the mining sector, calling for concrete reforms before resuming the lucrative trade.

A 2015 investigation by the London-based nonprofit Global Witness concluded that the industry was worth \$31 billion the previous year—equivalent to nearly half the country's GDP—and that it continued to enrich figures linked to the regime including former dictator Than Shwe. The group said key players in the trade posed a "clear threat to reform and peace-building efforts."

The new government led by Aung San Suu Kyi promised early in its administration to overhaul the industry, but little progress has been made. A new gemstones law passed in 2019 has yet to come into effect, and it has been criticized by rights groups as favoring investment while failing to strengthen environmental regulations and protect human rights.

Monywa Aung Shin, a spokesman for the ruling National League for Democracy party, admitted efforts haven't gone far enough, in part because conflict in nearby areas has obstructed government access. "We must carefully review the mining industry, and frankly speaking, I am not satisfied with what our government has done to reform jade mining," he said.

Hanna Hindström, a senior campaigner for Global Witness, said the "entirely preventable accident serves as a devastating indictment of the Myanmar government's failure to introduce promised reforms for the jade mining industry."

Each year, mine workers are killed as heavy rainfall destabilizes the hillsides and leads to avalanches of rocky debris. Thursday's landslide was the deadliest recorded since 2015, when at least 113 people died in a similar incident and prompted new calls for an industry overhaul.

Those killed are often laborers who migrate from other parts of the country to rummage through heaps of mining debris in hopes of finding bits of the precious stone. Many are buried alive, with their bodies never recovered.

### 'I feel guilty for surviving': The deadly hunt for jade in Myanmar

By Soe Soe Htoon and Rebecca Henschke

BBC World Service

August 4, 2020

*Extremely well written, in-depth article by the BBC. ED*

Si Thu Phyto was scavenging for leftover gemstones when he felt the earth shake loose around him. The 21-year-old was hard at work in one of the world's largest jade mines, in Kachin State in northern Myanmar. He was just one of hundreds of jade pickers in the pits that day. He tried to run, as the landslide crashed down, but before he could escape he was engulfed by a wave of water, mud, and stone.

Si Thu tumbled under the water. "My mouth was full of mud, the stones were hitting me and the waves pushed me under again and again," he said. "I thought I was going die."

But Si Thu swam his way out. Later, in hospital, he learned that seven of his closest friends didn't. They were among an estimated 200 people who had died in the nation's worst ever mining landslide.

"We lived like brothers, often sleeping in the same bed," Si Thu said quietly, recalling his friends.

From his cramped home, which he shares with nine family members, he can see the mountain where he was searching for stones that day.

"I feel guilty for being the one who survived," he said. "I wish this tragedy is a bad dream and I wake; no landslide and my friends are back."

Deadly landslides occur almost every year during the rainy season at the vast mines in Kachin state. The mines produce about 70% of the world's jade - a gem coveted by the Chinese and a trade worth billions of dollars annually.

Last month's landslide was the deadliest on record. Unlike some that went before, it was captured on mobile phone video. "Social media has made the people aware," said Si Thu. "When there was no internet and phone connection here, authorities and the companies could turn a blind eye." Under pressure, Myanmar's government appointed an investigative body, led by the Minister for Natural Resources and Environmental Conservation, Ohn Win, to determine responsibility and arrange compensation for the families.

The group's report now sits with the President. Its findings haven't been made public yet, but Mr Win has already angered many jade pickers by suggesting those who died were "greedy".

He said the mines had been officially closed for the monsoon season and the Government had issued warnings about heavy rain. "It was greed," he said.

The nation's de facto leader, Aung San Suu Kyi, suggested unemployment levels were to blame.

Yan Naing Myo was also in the mines that day. He survived by holding on to an empty oil barrel. Others clung to floating corpses, he said. He was deeply hurt by the words of the environment minister.

"The Government sent them to investigate, but they are just blaming us scavengers," he said. "It makes us very unhappy at a time when we are in the midst of grief."

Yan Naing, who is 23, has 14 stitches in his head and extensive bruises on his body. He also has a bachelor's degree in Burmese literature. He started scavenging for jade in the mines just for "pocket money" at first, during his holidays. After graduating he felt unmotivated and returned to the mines. Now he sees it as the only work he can do, he said.

Si Thu didn't make it that far. He was forced to drop out of school when he was 10, after Cyclone Nargis destroyed his family's rice paddies and livelihood in 2008.

Now 10 members of the family live together in the shadow of the mines. Si Thu usually wakes around 5am and sometimes works all day, scrabbling for precious stones.

### Lawless land

The jade scavengers are driven by unemployment and poverty. Campaigners say they are able to operate in the dangerous territory around the mines because the Myanmar government has limited control over the areas.

"To blame the victims doesn't address the issues that make it possible for them to be there, which is conflict, lack of rule of law and armed groups," said Paul Donowitz, lead

campaigner with Global Witness, an international watchdog that monitors natural-resource exploitation.

Companies linked to the Myanmar military, or Tatmadaw, largely control the industry and operate in near secrecy, say campaigners. Armed rebel groups, which are seeking self-rule in the region, also extract their own revenues and so do drug kingpins.

"We have found evidence that the ethnic armed groups and the military are even cooperating on the mining fields, while being in armed conflict on the battlefield," said Mr Donowitz. A nationwide ceasefire deal that the central government is trying to reach, he said, "could damage all their economic interests in the mine".

A 2019 analysis by the Natural Resource Governance Institute estimated the value of mined jade in Myanmar at somewhere between \$15bn (£11.5bn) annually, but most of it is mined illegally. Official government data puts the annual value somewhere in the millions. "The state is losing 80% to 90% of the revenue it should be generating," Mr Donowitz said.

Most of the jade mined in the Kachin state is believed to end up across the border in China. As China has become wealthier, its appetite for the bright emerald stone has soared and at the top end jade can be worth more than gold.

When Si Thu finds a large jade stone, the mining company or the armed groups take a cut, or both. Or in some cases they just seize the stone, he said. "One of my friends found a big precious stone in this mine here," he said, pointing to where the landslide took place. "But he threw it in the water because he was fed up with how we are treated. We are living a hand-to-mouth existence and never given a chance."

There is also endemic drug use amongst the miners. Users told the BBC that a shot of heroin cost just \$1.

One of four companies that operates in the area where the landslide happened is Kyauk Myat Shwe Pyi, locally known as the Triple One mining company.

U Min Thu, a senior official at the mining ministry and the secretary of the investigation team, confirmed to the BBC that the company is a joint Chinese-Myanmar venture with connections to the Wa Ethnic armed group.

"Armed groups, which have made peace agreements with the government, are allowed to invest in the country," he said.

And while a 2019 law prohibits foreigners from investing in jade mining, Chinese mining companies can simply create joint ventures, U Min Thu said. The shares are then divided.

"Government owning 25%, and the company 75%," he said.

In an effort to create greater transparency, the government published information late last year about ownership of mining companies and potential conflicts of interest. But in a new report that analysed the data, Global Witness found only eight of the 163 companies that took part said they had owners with close ties to high-ranking former or present military officials or leaders of ethnic armed groups.

According to the Global Witness report, the entries for the Myanmar military-owned company MEHL were "incomplete and inaccurate", and the Triple One mining company was not on the list at all.

**'Hope is fading'**

At the site of the landslide that killed Si Thu's friends, flowers and incense were placed late last month into the black and grey soil, during a memorial service for the dead and the missing. The service was led by one of the country's most prominent monks, Sitagu Sayadaw.

More than 200 monks, along with hundreds of others, chanted Buddhist rites, so the dead could be reincarnated into a better life.

Among the crowd was Daw Mu Mu, who travelled 20 hours from Mandalay to try and find her missing 37-year-old son, Ko Yarzar.

"Every time I hear that another body has been found, I run down into the pits to see," she said. Her knees were swollen from climbing up and down.

She needs to find her son's body in order to gain the 3,500,000 Kyat (2,500 US dollars) in compensation that is being offering to families of the deceased by the government and aid agencies.

"I know I have lost him and hopes of finding his body are fading," she said. "For now, I am just sleeping in my son's room filled with grief, reviving good memories and consoling myself with the clothes he wore when he was alive."

A month after the disaster, people are beginning to return to the mines. Among those making their way back to work are children who toil alongside their parents, searching for the precious stone on the fragile cliffs, knowing all the while that the cliffs could collapse around them.

On a rainy day in July, 10 days after the landslide, Si Thu walked back up to the mine. He was waiting for his injuries to heal. He said he would return to work when they had. Standing at the edge of the pit where his friends died, he stared off into the distance. "Next time I'll run away before bad things happen," he said.

**International Gemstone News****India Bore discovers rare purple diamonds at Ellendale**

by Salomae Haselgrove  
Australian Mining  
August 17, 2020

*With Rio Tinto's Argyle mine ready to close, new yellow diamonds with purple fluorescence have been discovered in another area. ED*



Image: India Bore Diamond Holdings.

Australian junior India Bore Diamond Holdings has unearthed extremely rare purple diamonds at the Ellendale diamond field in Western Australia.

India Bore identified a large alluvial deposit that contained fancy yellow diamonds at the East Kimberley site near Derby.

Follow-up scientific tests to the fancy yellow diamonds revealed that many featured a highly rare and attractive purple fluorescence under ultraviolet light.

Natural fluorescence occurs in about 30 per cent of diamonds, and more than 95 per cent of these fluoresce blue, with yellow and green representing just a few per cent. India Bore spokesperson Patrick Stringer said the lucky find was completely unexpected for the company.

"The purple color came as a complete surprise and may indicate that a new primary source of diamonds is nearby," Stringer said.

"So far, we know that these special diamonds are contained within a specific area known as the L-Channel.

"We have a very detailed understanding of the L-Channel deposit, but we never expected to discover that fancy yellow diamonds would fluoresce purple."

Perth-based Delta Diamond Laboratory is investigating the nature of the purple fluorescence and the signature pure yellow colour of the diamonds discovered by India Bore.

"Violent or purple fluorescence is normally associated with blue diamonds, so the fluorescence of these Ellendale fancy yellow diamonds is quite rare," Delta diamond scientist John Chapman said.

The L-Channel of the Ellendale diamond field is estimated to contain at least 1.3 million carats of gem quality diamonds, including fancy yellows.

The diamonds are contained within a previously unknown buried river system, flowing southward through the Ellendale field.

Ellendale's fancy yellow diamonds command a premium in the global diamond market, with many diamantaires rating them as "among the highest quality fancy yellow diamond production in the world."

**Gemstone Scams****It's a \$40 Million Question: Was This 35-Carat Pink Diamond Stolen?**

By Jill Newman  
Town and Country  
Jul 16, 2020

*A fascinating story that will probably be a movie one day. ED*

**High profile family feuds typically involve money, inheritances, and nasty sibling rivalries.**

The Princie Diamond has been making headlines since Christie's sold the 34.65 carat pink diamond at a New York auction in 2013 for a record-breaking \$39.3 million. Soon after, an Italian family came forward claiming the diamond had been stolen by their stepsibling. And, just last week, a New York appellate court ruled in favor of the family, who

are descendants of the Italian politician and businessman Renato Angiolillo, who purchased the stone from Van Cleef & Arpels in 1960. The case is now finally going to trial.

A pink diamond of this size, with such saturated color and quality, is a rare natural phenomenon, and only stones as remarkable as the Princie can be traced back centuries.

Experts say the Princie was discovered 300 years ago in India's legendary ancient Golconda mines, which were once the source of many of the world's most spectacular diamonds. The stone was first recorded in the 18th century as part of the Nizam of Hyderabad's treasure chest of jewels, and it passed through generations of Indian rulers.

While having such an illustrious history adds to its value, it also makes it especially hard to conceal or sell such a stone without detection. Its whereabouts were unknown for decades until it appeared at a Sotheby's auction in 1960, where it sold as "property of a gentleman" to an unknown buyer.

Later that year, Angiolillo, a wealthy politician and owner one of Italy's largest newspapers, Il Tempo, purchased the pink diamond from Van Cleef & Arpels. That same year he married his second wife, Maria Girani Angiolillo, and upon Angiolillo's death in 1973, she retained custody of the stone (along with other jewels).

### The Italian Connection

However, under Italian law, a person's possessions are passed on to their children unless otherwise defined in their will. Hence after Maria's death in 2009, her late husband's descendants, who reportedly had a good rapport with their stepmother, requested the gems be returned. But her son (and their stepbrother) Marco Oreste Bianchi Milella, insisted the stone, along with other valuable jewels, had just simply disappeared. The Angiolillo family filed a police report. They didn't hear about the diamond again until it came up for sale at Christie's New York four years later.

During an investigation, it was revealed that Milella had in fact sold the diamond to Swiss gem dealer David Gol for \$20 million, who then consigned the stone to Christie's in 2013. According to records, Milella claimed he inherited the diamond from his mother, who, he says, got the stone as a gift from her husband. Now it's up to the courts to decide who was the rightful owner of the stone when it was sold to Gol. There's a problem, though: the laws in Italy and in the United States, where the stone was sold, differ with respect to estates. Once Angiolillo's family heard of the impending Christie's sale, they alerted the auction house that the diamond was likely their stolen stone. But Christie's believed that Gol, the consignor, had the legal rights to it.

"This matter stems from a long-standing and highly contentious inheritance dispute among the members of an Italian family, who claim to be heirs of a past owner of the pink diamond," said a Christie's spokesperson following the appellate decision on last week. "While Christie's is disappointed by the appellate court's decision, we continue to believe that the evidence at trial will demonstrate that Christie's consignor had the right to sell the diamond at issue, and that Christie's acted in complete good faith in doing so in April 2013." (Christie's is a defendant in the case along with David Gol, his brother, and their companies.)

Big ticket diamonds and jewels are often a contentious issue in estates, divorces, and family feuds because they

[WWW.PRECIOUSGEMSTONES.COM](http://WWW.PRECIOUSGEMSTONES.COM)

are small, valuable, and sentimental (and sometimes suspiciously misplaced). Those that are as rare and unusual as the Princie further complicate matters.

### Estate Drama

"If there is anything that can be learned from the Princie court case it's that, even amongst spouses and family members, valuable and portable gifts of this nature need to be accompanied by deeds or wills," says Lee Siegelson, a third generation New York jeweler who handles exceptional gems and period pieces. "The last legacy someone wants to leave their family is a court case."

"Jewelry is the most portable form of wealth, and there are countless thrilling tales of Russian nobles smuggling their jewelry into Europe sewn into the seams of their clothing during the revolution," says Siegelson. "Less thrilling and rather tedious, however, are tales of family discord due to obscure 'gifts' or inheritances."

Today, the Princie Diamond is in the hands of the Qatari royal family, who paid the record-breaking sum at the 2013 Christie's auction. But its fate is now in the hands of the courts. The trial was originally postponed last fall, when the state's appellate division agreed hear an appeal filed by the defendants, but the court's July 9 announcement that the trial can proceed means the saga continues.

For their part, the Angiolillo family wants the gem returned to them—if not, they'll take compensation. But whatever the outcome, one thing is clear: the Princie Diamond will surely go down as one of the most scandalous jewels in history.

### US citizen charged with running diamond Ponzi scheme, cryptocurrency scam

By Charlie Osborne

ZDNET

September 14, 2020

*We remain confused why people invest in these obvious colored diamond scams. Never forget, if it sounds too good to be true, it probably is. If you buy colored diamonds or colored gemstones, the first rule is to take possession. ED*

### The operator claimed to have \$25 million in diamond 'stock'

Prosecutors claim that Jose Angel Aman, from Washington, DC., operated a fraudulent investment scheme across the United States and Canada, luring investors with promises of quick returns in the diamond trade.

The US Department of Justice (DoJ) said on Friday that Aman was the operator of a Ponzi scheme from May 2014 to May 2019. Together with his partners, Aman allegedly solicited individuals to invest in "diamond contracts," in which their money would be used to buy large, rough, uncut diamonds.

These diamonds would then be cut and polished in order to be resold at a profit. To instill trust in the organization, Aman said that funds were backed by his own physical colored diamond stock, apparently worth \$25 million.

As is the case with many Ponzi and get-rich-quick schemes, investors expect to see a cut of the profits and without this, Ponzi schemes are exposed and collapse quickly.

[rgenis@preciousgemstones.com](mailto:rgenis@preciousgemstones.com)

Therefore, Aman allegedly used investor funds to pay off earlier investment "interest," and as more investors joined the pool, the transfer of funds down the chain continued -- without any legitimate profit obtained from diamond purchases.

When funds ran low and the operator was at risk of being exposed, he allegedly created "Reinvestment Contracts" to entice users to roll over their cash into new 'deals' in order to buy Aman time to sign up new investors.

However, this could not carry on forever, and US prosecutors say that Aman set up Argyle Coin as the Ponzi scheme was on the verge of collapse. Argyle Coin claimed to be a cryptocurrency-project backed by diamond trading, and as a fresh wave of investment poured into the coffers, only a "fraction of the money received" was used to create a cryptocurrency token.

Instead, the DoJ says the majority of the funds were used to pay off investors from the previous Ponzi program, under the names Natural Diamonds Investment Co. (Natural Diamonds) and Eagle Financial Diamond Group Inc (Eagle).

"During the course of the Ponzi scheme, Aman and his partners collected over \$25 million from hundreds of investors," prosecutors say. "Aman allegedly used the money to make purported interest payments to investors, to pay business expenses, to pay commissions to the partners, and to support his own lavish lifestyle."

Investor funds were allegedly used for purposes including housing rent, horse purchases, and riding lessons.

In 2019, the Securities and Exchange Commission (SEC) obtained an emergency court order to freeze Argyle Coin's operations. The US District Court for the Southern District of Florida granted a request for a temporary restraining order and asset freeze while the cryptocurrency organization was investigated.

Aman is facing charges of wire fraud, which could result in up to 20 years behind bars, as well as restitution payments.

## 11 great heists in the History

By Alankrita Rawat

Andoverleader

July 30, 2020

*Although not all of these heists involve gemstones or diamonds, it's still an interesting read. One technical note, Colonel Blood never got away with the Crown Jewels. He was surprisingly pardoned by King Charles because the king was impressed by Blood's audacity. ED*

Hollywood has shown us some of the biggest real-life crimes around the world for the past few decades. Thieves have chosen some ingenious ways to get the goods, starting from dressing in ladies' clothes and extending to tunneling up into the bank. On an industrial scale, the real pros steal money in super-massive amounts.

Here are 11 of the biggest heists in history with some sordid details:-

### Millennium Dome Raid

In 2000, London had completed the construction of the Millennium Dome with "Millennium Star" as their primary showpiece, a crown jewel with 203-carat gem worth \$250 million. The robbers' plan was to explode smash, grab the job, run in guns blazing and escape on a waiting speedboat. Their plan, however, was foiled as they were coincidentally already under surveillance by London's metropolitan police for a few armored car robberies, hence arresting them on site.

### Pink Panther Jewelry Heist

From Switzerland to France, Germany, and Japan, even Kim Kardashian claimed to be a victim of the notorious jewel thieves, who got famous after the movie series Pink Panther. One of their most famous heists involved four men dressed as women and entering the Harry Winston jewelry store in Paris which had jewels worth more than \$105 million. While many of their members have been arrested, they have been successful in carrying out numerous prison breaks around the world in order to free their co-conspirators.

### Isabella Stewart Gardner Museum Heist

In 1990, two thieves dressed as Boston police officers and entered the museum to steal 13 works of priceless art. The missing pieces include a Manet, a Rembrandt, and a few works by Degas, which estimated to stand at \$500 million in total. This happened while the whole of Boston was celebrating St. Patrick's Day.

### The Collar Bomb Bank Robbery

This one is related to the movie "30 minutes or less" but the real story is more tragic than the movie plot. In 2003, a pizza delivery man walked into a bank, handed the teller a note, and asked for the money in the vault. He then lifted his shirt to show a collar bomb around his chest and neck. He tried to get out of the bank after stealing the money, but after 15 minutes, state troopers arrested him.

### \$6 Billion in the U.S. Taxes Stolen in Iraq

While former Iraqi military, private security contractors, and the US army were fighting for control of the region, someone took off with over \$6-11 billion dollars worth of the money that Congress had dumped on the country to pay the salaries of City workers and the Iraqi army. Stuart Bowen, Special inspector general for Iraq reconstruction, confessed that he couldn't account for the money, and labeled it the "largest theft of funds in national history."

### The French Bank Vault Tunnelers

In 2010, a team of robbers burrowed a tunnel to enter into Parisian bank's vaults where they robbed over 100 safety deposit boxes. The value of the items that were stolen cannot be known, since containers were confidentially managed by wealthy clients.

**Vastberga Helicopter Robbery**

In Sweden, a crew of thieves landed on the roof of a cash depot building using a stolen helicopter. They used sledgehammers to break through glass, blew through security doors using explosives, and then raided the cash store vaults. They stole bags of money as they made their escape. The robbers faced 7 years of imprisonment.

**Thomas Blood and the Crown Jewels Of England**

Around 1671, an Irish assassin, Thomas Blood, decided to give robbery a try. The crown jewels of England became his target. It consisted of the British monarchy's royal treasure of a scepter, a crown, and an orb, which were held in the Tower of London.

**Antwerp Diamond Heist**

This robbery was claimed as the "Heist of the Century". In 2003, the missing items that were estimated to be more than \$100 million, went missing. But turns out, there was more to the story. The robbery was orchestrated by Leonardo Notarbartolo, who lived beside the diamond center for three years before executing the crime. Leonardo posed as an Italian diamond merchant, as part of his sophisticated ruse, to get credibility at the center.

**Bernie Madoff**

This robbery was related to the share market. Bernie Madoff conned investors out of US\$65 billion and made most of those on our list, look like amateurs, like Kevin Bacon and Kyra Sedgwick. He convinced people that he could deliver high returns, bring in some new investors, and use their money to repay the older ones. He did all of this while pocketing his own share. However, the structure collapsed when investors started asking for their money

back, and later on, he was sentenced to 150 years in prison.

**British Bank of the Middle East Heist**

In Beirut, in 1976, some gunmen with links to the Palestinian Liberation Organization carried out a robbery of \$133 million worth of diamonds, jewels, gold bars, and foreign currency. They used explosives to burst through the bank walls and gathered as much loot as they could take with them and disappeared into the city. The money was transferred out of the country and the bank robbers never got identified

**Notable Quotes**

"In times of financial and economic uncertainty, people tend to seek to invest in tangible assets. As some of the oldest and rarest things on earth, exceptional diamonds and gemstones have traditionally been considered a safe haven. Similarly, great jewels have always represented a very portable way of storing wealth – a belief, I might add, which goes back hundreds of years."

**David Bennett, Worldwide Chairman of Sotheby's Jewelry Division**

"We've seen an enormous jump in the demand of high-quality Paraiba tourmalines at auction in the past few years," leading to record-breaking prices. Oscar Heyman frequently works with Paraiba tourmaline, with this necklace an exceptional example. It features 32 perfectly matched, pear-shaped Paraiba tourmalines with 52 diamonds scattered throughout, adding brilliance to the necklace and enhancing the color."

**Quig Bruning, head of jewelry at Sotheby's New York**

The information provided in this newsletter has been derived from research and sources believed to be reliable. However, no guarantee is expressed or implied as to their validity. Opinions included herein are subject to change without notice. The gem market is speculative and unregulated. Certification does not eliminate all risks associated with the grading of gems. Recommendations are meant for those who are financially suited for the risks involved. Past performance is not a guarantee of future performance. Neither NGC nor The Gemstone Forecaster guarantee a profit or that losses may not be incurred as a result of following its recommendations. They may also hold positions in areas they recommend. Subscribers should not view this publication as investment advice, nor is it intended as an offer or solicitation with respect to the purchase or sale of any security.

**Write: GFN**  
**P. O. Box 42468**  
**Tucson, AZ 85733**

**Call: 1-(800)-458-6453**  
**1- (520) 577-6222**

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

I like the Gemstone Forecaster.  
 Please send it to me for one year (four issues) for \$49.  
 Canadian orders send \$69 (US).  
 International orders send \$79.00 (US).

I have gems I want to liquidate. Enclosed find copies of my AGL or GIA grading reports.