> HOW TO BUY AN . . . ENGAGEMENT RING

Consider a custom ring over generic bling

Choosing the ring without your partner's input can be risky — but there's a payoff

KATRINA CLARKE
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When Andrew Partridge finally pulled out the ring he'd been secretly designing for two months, his girlfriend was so surprised she barely looked at it.

"I don't even think she said 'yes,'" said the 31-year-old Oakville accountant. "I think we were both just jumping around and (were) pretty excited."

But three years later, the ring-planning story is one she shares often, and one Partridge couldn't be prouder of.

The way he tells it, he wanted to keep his search for the ring secret — not even telling his friends about the plan — so, armed with the knowledge that his soon-to-be-fiancée, Keri, liked her grandmother's and mother's cushion-cut diamonds, he went jewel-hunting at the mall. But it was a distasteful experience that left him hating the thought of buying a popular brand-name ring and sent him on a path of seeking out a jeweller to design a special creation.

HANNAH YOON

Oakville resident Andrew Patridge spent months secretly designing a ring for his soon-to-be fiancée Keri.

While choosing a ring without his girlfriend's input was a risky move, Partridge said he was "pretty confident" in himself. "I had in my head (that) I did (this) thing from scratch, from my own brain, so this is going to mean something," he said. "It means a lot more because of that."

After the proposal, once Partridge revealed how he'd spent lunch hours working with a jeweller to design the ring in secret, Keri was extremely impressed. The sneaky ring story still earns him brownie points one year into their marriage, he said.

"The story gets told because there is an actual story to tell, rather than, 'Oh yeah, you got it at Peoples (Jewellers),'" he said. "She loved hearing that."

Here are five tips for buying a custom-designed ring, from Jonathan Goldberg, president and CEO of Kimberfire, a Toronto-based manufacturer and retailer of high-end diamond jewelry, specializing in engagement rings:

> Go in with a budget.

"Small changes in design can sometimes significantly affect the cost so start the process prepared with what you can afford to spend and work within those parameters."

In terms of buying from a traditional retailer versus a manufacturer, Goldberg says prices depend on where the ring is purchased. "For custom pieces, it's generally best to go with a jeweller like Kimberfire who manufactures their own products. We are able to offer the highest-quality craftsmanship while maintaining greater control over the process and offering better value than a traditional retail setting."

> Launch a reconnaissance mission.

"Go in prepared with styles that have caught your or your partner's attention. Go window shopping, flip through magazines, look online and check out Pinterest. Whether it's one specific look you really like or a combination to draw inspiration from, it all helps. Note what you both like and dislike."

> Know your jeweller.

"Ensure you're working with a designer who uses the latest in computer-aided design technology. They will be able to show you a 3D rendering of what your ring will look like prior to putting anything to metal and can easily make revisions and fine-tune your design.

"Your jeweller should warrant all work for manufacturing defects and should commit to at least once-a-year cleaning and inspection."

> Consider the tastes of the recipient.

"When selecting the metal quality and colour of your ring, white-gold or platinum is the classic choice. Unless your partner has indicated that they would like rose-gold, yellow-gold or something specific, it's generally your best bet is to stick with those.

"Do you want a diamond or a coloured gemstone? If a diamond, ensure it is GIA (Gemological Institute of America)- or AGS (American Gem Society)-certified and within a high enough quality range to maximize its visual appeal without overpaying for colours and clarities that will not make a difference to the end product."

> Give yourself time.

"Don't expect a custom ring in time for next week's proposal. Designing and creating a custom ring can take anywhere from four to six weeks to complete."

EIGHT WAYS TO MAKE SURE YOUR DIAMOND MAKES THE CUT

If staging a proposal takes guts, choosing the right ring takes grit. Not only is there the type of stone to consider — diamonds still reign supreme — but there's also the setting, the band and any extra baubles your prospective partner might want. And then there's cost. The unwritten rule is that men should spend three month's salary on a ring, but some jewellers balk at that standard. Price point "depends on the person who's buying it and it depends on the person they're buying for," says Kat Wilkinson, shop manager and gemologist at Penwarden Fine Jewellery in Toronto. "Some people want something really big and glamorous and other people are very reserved. They're not comfortable wearing something big and sparkly."

To get the straight facts on ring shopping, we consulted Wilkinson; Jonathan Goldberg, CEO of Kimberfire, a Toronto-based manufacturer and retailer of high-end diamond jewelry; and Tom Ormsby, director of external and corporate affairs with De Beers Canada.

Stone

Colourless diamonds are still the go-to for engagement rings, but coloured diamonds and other gem stones are slowly growing in popularity, Wilkinson says. Sapphires of all colours are favourites, along with yellow diamonds, she says.

Cut

The cut of a diamond tends to follow the natural shape of the stone, so a round rough diamond would likely become a round polished diamond, Ormsby says. A good cut "gives that sparkle" to a diamond, by drawing attention to the way the light moves through it, he says. "Round brilliant" is the most popular cut.

Colour

Diamonds are ranked in colour from D, which is colourless, to Z, which is light yellow or brown. G and H diamonds are still white but K, L and M are very faint yellow colours. Colourless diamonds typically fetch the highest prices, but rare coloured diamonds, such as pink or blue, are also highly valued. As for why there are no A, B or C diamonds, Ormsby says, "There's always room for improvement."

Clarity

Clarity is a measure of the inclusions, such as a tiny speck of carbon or cloudiness, in a diamond. Polished diamonds range from totally flawless to VVS — very very small inclusion — to larger inclusions, Ormsby says. Several inclusions typically lower the cost of a diamond, but a jeweller can sometimes use techniques to hide imperfections, such as a placing a prong to block out a speck.

Carat

Carat is the physical weight of a diamond, with one carat being equal to 0.2 grams. A recent De Beers study indicated the average size of a diamond engagement ring in the United States is 0.90 carats, Ormsby says. Weight is the main influencer on the total price of a diamond.

Metal

White gold, yellow gold, rose gold and platinum are all typical engagement ring bands, Wilkinson says. Costs for the shank increase depending on the material, metal costs at the time and the size of the ring.

KEITH BEATY/TORONTO STAR

Experts recommend making sure your gem is reliably certified.

Setting

Another challenge to a ring-buyer is choosing the setting. Popular options include a standard one-stone, or solitaire setting; a smattering of stones on one half of the ring facing up, or a half-eternity setting; small stones encircling a bigger stone, called a halo setting; and a stone nestled in metal, or a bezel setting.

Certificate

Make sure the diamond is certified by a reputable third-party grading laboratory. Goldberg recommends people buy gems certified by the American Gem Society or the Gemological Institute of America. These certificates give consumers reliable information about the rock they're buying.

Ellen Roseman

Know the state of your estate taxes

What happens to your assets after you die? How much tax will be deducted from your estate?

Readers bombarded me with questions after reading my Oct. 6 column on Ontario's estate administration tax.

The rate is $5 per $1,000 for the first $50,000 of estate value and goes up to $15 for each $1,000 after that (there is no tax on estates of $1,000 or less).

Ontario recently added a 90-day deadline to provide information to the government after an estate had been probated in court and a certificate has been issued appointing an executor.

Does an estate have to be probated?

It depends on the nature of the estate assets to be administered. A third party holding the deceased person's assets, such as a bank, may require a certificate of appointment of estate trustee before the assets are released.

A lawyer is in the best position to provide legal advice about whether or not it is necessary to obtain a certificate of appointment of estate trustee.

Columnist Ellen Roseman explains why giving away assets such as the family cottage to avoid estate taxes won't really save you money.

What is a certificate of appointment of estate trustee?

There are two categories of court-ordered documents in Ontario.

A certificate of appointment of "estate trustee with a will" proves the authority of the estate trustee (formerly called an executor) to administer the provisions of the deceased person's will.

A certificate of appointment of "estate trustee without a will" gives authority to the estate trustee (formerly called an administrator) to manage and distribute the estate of a person who died without having made a will.

What does the Ontario estate administration tax cover?

It is charged on the total value of all assets owned by the deceased person at the time of death. This includes real estate in Ontario (minus any mortgages, loans or liens), bank accounts, investments, vehicles, intangible property and business interests.

Life insurance held by the deceased person is also subject to Ontario tax, if the proceeds pass through the estate.

Financial advisers say it's better to designate family members or friends as beneficiaries of your life insurance than to leave it to the estate.

Isn't your home free of tax when you die?

When you sell your home, you may realize a capital gain. You do not have to report the sale on your tax return if the property was your principal residence.

Your home is deemed to have been sold when you die. No income tax is payable by your estate if the property was your principal residence for every year you owned it.

Canada's income-tax rules are different from provincial estate tax rules. Ontario has the power to charge a tax on the value of your principal residence as part of your estate.

To get around the Ontario tax, you can try to keep your principal residence out of your estate by holding jointly with family members. Consult a lawyer before proceeding.

What about giving away property before you die?

Under federal income tax rules, you usually have a capital gain when you sell or are considered to have sold capital property. This includes, says the CRA, when "you give property (other than cash) as a gift."

Suppose you have a long-held family cottage that is not your principal residence. If you gave it away to your kids, your estate would likely have to pay capital gains tax that would exceed the Ontario estate tax saved by keeping it out of your estate.

"Purchasing sufficient life insurance might be a better way to provide for the estate tax and the tax on the deemed capital gain, which will result on the death of the owner of the cottage," says chartered accountant Robert Sealey.

Does Ontario have the highest estate tax in Canada?

Ontario is now second to Nova Scotia, says Mark O'Farrell, president of the Canadian Institute of Certified Executor Advisers.

Here are the provinces with the highest taxes on a $1-million estate:

Nova Scotia, $15,823.
Ontario, $14,500.
British Columbia, $13,658.

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MORTGAGE BUMPS AND MOBILE BANKS

Could you handle a mortgage bump?

Nearly one in six Canadians would not be able to handle a $500 increase in their monthly mortgage payments, a new survey from the Bank of Montreal suggests.

According to the bank, 16 per cent of respondents said they would not be able to afford such an increase, while more than a quarter, or roughly 27 per cent, would need to review their budget. A further 26 per cent said they would be concerned, but could probably handle it.

Such an increase would be generated in the case of a three-percentage-point hike in interest rates — to 5.75 per cent from 2.75 per cent — on a $300,000 mortgage with a 25-year amortization period. Given that interest rates are likely to increase in the foreseeable future, the bank said there was no better time to craft a detailed debt-management plan.

Hi, Tangerine

Tangerine, the online lender that shook up Canadian banking in the late 1990s as ING Direct, is experimenting with facial recognition on mobile phones.

The bank was the first in Canada to allow cheque deposits by taking photos with mobile phones in 2013 and to use fingerprint scanning and voice-enabled banking.

Tangerine is now delving deeper into the possibility of facial recognition to improve customer experience and security, chief executive officer Peter Aceto said.

Star staff