



# Guide to Gold Regulations

Do you buy gold fabrication materials or sell gold jewelry? Gold in the United States is regulated in ways that vary from some other international markets, creating differences in how gold products are sold, marked and marketed worldwide. Even if you don't usually do business outside of the U.S., becoming educated about gold regulations will help you steer clear of potential problems. This overview presents very basic information on three regulations that affect how gold is bought and sold in the U.S.: karat minimums, nickel laws and conflict mineral status.



**Please note:** This guide is not intended as any form of legal advice. Rather, we hope to help jewelers become more informed about regulatory topics that relate to the gold jewelry they sell. We encourage jewelers to do additional research as it relates to their individual business model.

## Karat Minimums

### WHAT IT IS

The purity of gold is indicated by its karatage; the more karats, the purer the gold. Gold labeled “24-karat” is at least 99.9% pure gold, a standard observed for thousands of years around the globe. However, when gold is alloyed with other metals—as is the case with 18-karat, 14-karat and 10-karat-gold—international markets can define these categories of gold differently from each other. In the case of popular 14-karat gold, European rules state that the alloy must be at least 58.5% pure gold. But in the United States, gold jewelry can be as low as 58.3% pure gold and still be considered 14-karat. Furthermore, the number of karats required for jewelry to be advertised as “gold” varies from country to country. The United States has a relatively high 10-karat minimum, compared to 9 karats in the U.K., Ireland, Portugal, France and Austria, and 8 karats in Denmark and Greece.

### Typical American Karat Compositions of Yellow Gold

Karatage	Gold (Au)	Silver (Ag)	Copper (Cu)	Zinc (Zn)	Palladium (Pd)
9k	37.5%	42.50%	20%	--	--
10k	41.70%	52%	6.30%	--	--
14k	58.30%	30%	11.70%	--	--
18k	75%	15%	10%	--	--
22k	91.70%	5%	2%	1.30%	--

Information courtesy of the [World Gold Council](#)

### HOW IT AFFECTS YOU

European 14-karat gold tends to be a little more expensive than U.S. 14-karat gold because there is slightly more pure gold in the European alloy. On the other hand, European jewelry made with 8- or 9-karat gold commands less money than a comparable piece made with American 10-karat gold. If you sell gold jewelry internationally, be aware of the composition of your gold materials and the karat definitions they meet. The 14-karat gold sold by Rio Grande meets the American purity standard of 58.3%.

### LEARN MORE

Read the Jewelers Vigilance Committee essential guide “[The U.S. Trade in Gold and Silver Jewelry](#)” underwritten by LeachGarner and the Richline Group.



# Nickel Laws

## WHAT IT IS

In the late 1990s, the European Union issued a directive on nickel (now updated and retitled “EN1811:2011”), which regulates the amount of nickel that can be released when it makes contact with the skin. Outside of Europe, nickel is commonly alloyed with yellow gold to create white gold. But because of EN1811:2011, the majority of white gold sold in the E.U. derives its white hue from palladium instead of nickel.

## HOW IT AFFECTS YOU

Palladium is a precious metal, and so European white gold is, by and large, more expensive than American white gold. Furthermore, most “nickel white” gold sold in the U.S. does not meet the European standard. That’s also true of the materials that Rio Grande sells, though we offer some “palladium white” gold fabrication materials as an alternative. If you intend to sell jewelry internationally, be sure to consider the nickel content of your materials first.

## LEARN MORE

Read the Santa Fe Symposium paper “[White Gold Piercing Jewelry and the ‘Nickel Directive,’ 2004/96/EC](#)” by G. Raykhtsaum & D. P. Agarwal, Leach & Garner.

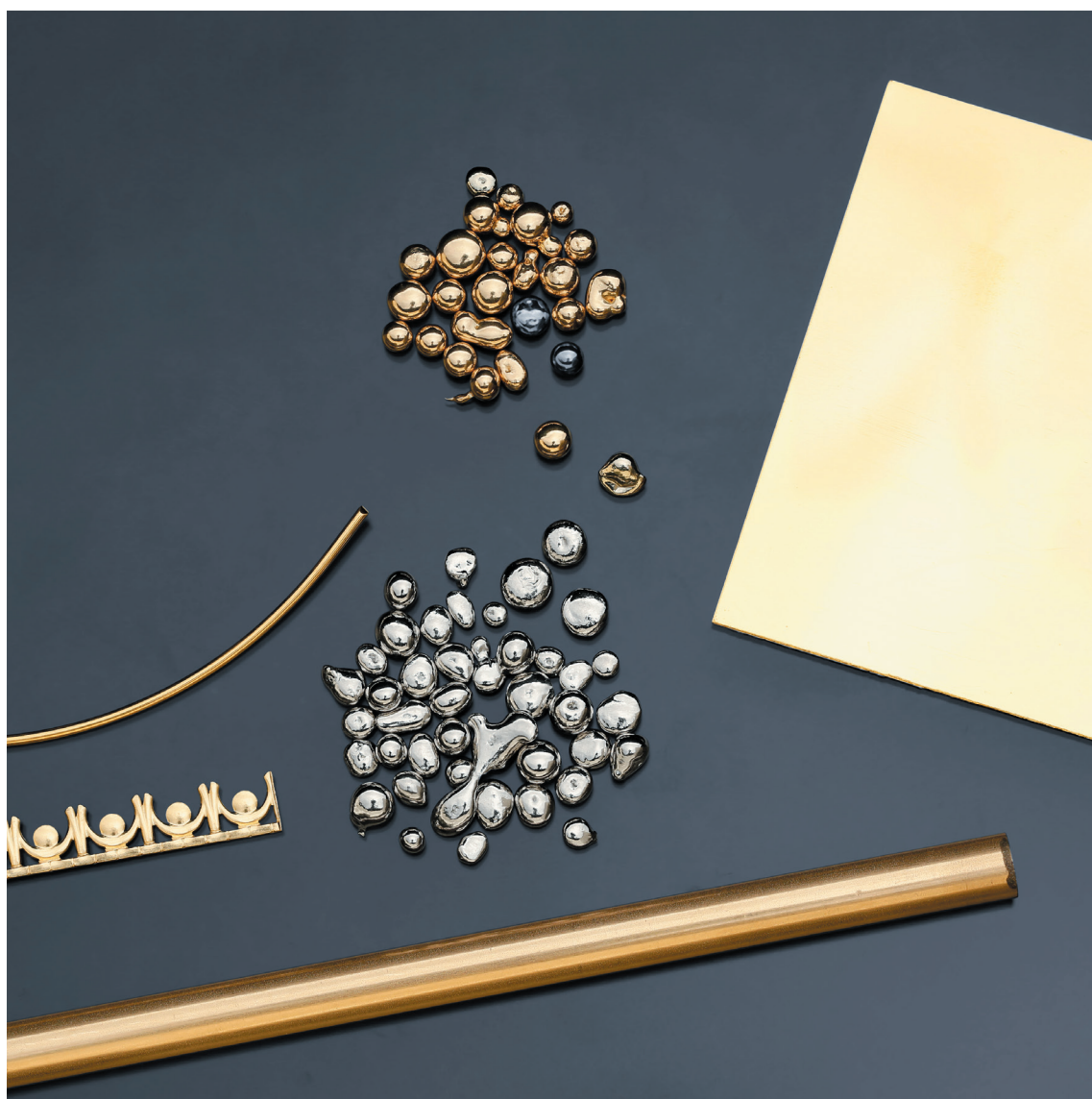
# Conflict Mineral Status

## WHAT IT IS

The Dodd Frank Act is a piece of U.S. legislation that, in part, defines and regulates gold as a “conflict mineral.” The provision exists because money generated by this type of natural resource tends to perpetuate violent conflicts and humanitarian crises in the Democratic Republic of the Congo (DRC), as well as in surrounding countries. Companies listed with the Securities and Exchange Commission (SEC) that sell products manufactured with gold, tungsten, tin or tantalum must take reasonable steps to ensure that their supply chains are free from conflict minerals.

## HOW IT AFFECTS YOU

If you sell gold jewelry to a publicly traded company, you must be able to certify that your materials are “conflict-free.” The materials at Rio Grande are sourced only from vendors who have certified that they are conflict-free, and we follow protocols to ensure our gold findings and fabrication materials are compliant with the Dodd Frank Act.



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