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Antiques--Are you Covered? P.1

Antique Insurance Coverage: What Collectors Need to Know to Safeguard Their Treasures

“If you have homeowners insurance, there is coverage for personal property, but there are also limits to the value of goods insured under that policy. A large collection of antique art, antique furniture, and heirloom and estate jewelry will need a special rider or separate insurance,” advised Loretta Worters, vice president, I.I.I. “The precious antiques a homeowner has spent years amassing could be subject to fire, theft and a host of other perils, so it’s important to have your valuable possessions appraised and properly insured.”

If you have an antiques collection, you may want to consider getting home insurance from an insurer that specializes in high-net-worth individuals and/or an insurer with an expertise in art and antiques. These insurers generally provide risk managers for their policyholders, to advise them on how to best protect their art or antiques so that the collection retains its value. You can get the names of specialized insurers from a local independent agent.

Cost of coverage will vary depending on the type of art, where it will be displayed or stored, whether you plan to

lend it out, and the item’s geographic location. Premiums may be more costly, for instance, in locations at high risk for hurricanes or wildfires.

TIPS TO PROTECT AND PROPERLY INSURE YOUR ANTIQUES:

1. Get your antiques appraised. Find out from your insurer what type of appraisal they will accept. Most insurers will require some kind of independent appraisal to ascertain the value of your collection, and the decision about what kind of appraisal/appraiser is acceptable rests entirely with them. Appraisals should come from qualified professional appraisers. The following appraisal organizations test and certify appraisers: The American Society of Appraisers (www.appraisers.org), The Appraisers Association of America (www.appraisersassoc.org) and the International Society of Appraisers (www.isa-appraisers.org).
2. Take a full inventory and carefully document all the items in your collection. Take high quality digital photographs or video and have a complete written description of each item, with as much detail as possible, including the price you paid, the provenance and any

appraisal information. Some insurers only require an itemized inventory over a certain dollar value, but it's worth doing no matter how big or small your collection. Be sure to keep your inventory updated and notify your insurer as you acquire new items. [Know Your Stuff® – Home Inventory](#), the Insurance Information Institute's free online home inventory software makes creating and updating your home inventory easy and efficient. And with our free, secure online storage you will have access to your inventory anywhere, any time.

3. Make sure you fully understand the terms of your policy. Will your insurer pay to restore your antique or replace it with an identical modern reproduction? Make sure to find out what perils are covered: fire, theft, accidental breakage, water damage, damage while traveling, etc.
4. Take steps to safeguard your collection. This includes security precautions and systems, and storing items in appropriate lighting and climate conditions to properly preserve antiques. Be sure to understand what your responsibilities are in the eyes of the insurance company.
5. Notify your insurer as soon as possible after you buy a new piece so that it can be added to your policy. Most policies will extend coverage to new pieces but only for a specified period of time (a few weeks to a few months).
6. Revisit your policy annually. The value of antiques and collectibles can change quickly (up or down), or you may add to your collection or downsize it, so revisit your policy annually to make sure you're not over- or underinsured. Some companies offer a 150 percent valuation guarantee in the event of a loss. This means that if an appraisal is not up-to-date at the time of a loss, the insurer will pay 1.5 times the value of the item listed on the schedule.

Keep in mind that if you are moving your antiques from one location to another, you may need separate coverage. Ask the antique dealer whether they provide coverage when delivering the piece or if you need to get that coverage yourself? Inland marine insurance, generally available through your homeowners insurer, can be used to cover fine art or antiques in transit. Policies can cover individual collectibles although it is possible to choose blanket coverage. Coverage provides for all risks of physical loss unless the peril is a specific exclusion. Be sure to ask about coverage for "breakage" as this is not automatically provided by all inland marine insurance policies. In order to get a quote or coverage, you will need proof of value, specifically appraisal documentation, for each item you wish to insure.

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