



Consumer Alert

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Is your Valentine's Day gift insured?

- *Homeowners Insurance offers limited coverage against losses for expensive items such as jewelry, but you may need additional coverage.*
- *A Floater or Endorsement is needed in addition to your Homeowner's policy to cover the full value of expensive items like jewelry, antiques or collections.*
- *A floater or endorsement for jewelry typically costs 1 to 2 percent of the items' value.*

SEATTLE, February 8, 2018 – *Diamonds are forever* may sound promising when buying or receiving expensive jewelry for Valentine's Day. In reality, jewelry is just as vulnerable to theft and loss as any high-dollar item. That's why it's important to protect expensive Valentine's Day gifts by re-evaluating your insurance coverage.

A recent report by [The National Retail Federation](#) says consumers will spend a total of \$19.6 billion on Valentine's Day this year on gifts for loved ones, and it's expected consumers will spend \$4.7 billion on jewelry.

"Most homeowner's policies include some coverage for the loss of valuables like jewelry," said Kenton Brine, NW Insurance Council president. "However, if you've purchased or received jewelry or other items of special value such as cameras, musical

instruments, coins or fine arts, the included coverage for theft is limited and may not be enough on its own to cover your loss.”

Typically, [Homeowners Insurance](#) policies protect jewelry against losses from disasters such as fire and windstorm for the full value of the item. The theft of jewelry also is covered, but usually has a limited dollar amount up to \$1,000-\$2,000 for all jewelry owned in the household.

Also keep in mind that a [Renters Insurance](#) policy typically classifies jewelry into a sub limit category, meaning overall coverage for damaged, lost or stolen jewelry may be as low as \$1,500, which often isn't enough to replace an engagement ring.

Special coverage, called a [Floater or Endorsement](#), can be purchased in addition to your Homeowner's or Renters policy to cover the full value of your jewelry for situations such as theft, loss of the item or losing a stone or for major catastrophes such as flood or earthquake that are not covered by a standard Homeowners insurance policy.

A floater or endorsement typically costs 1 to 2 percent of the value of your jewelry. If you have a \$5,000 engagement ring, for example, it would cost approximately \$50 to \$100 a year to insure.

Undervaluing your jewelry may save you a few dollars in insurance premiums, but could cost you thousands if you underinsure your jewelry and have to take money out of your own pocket to replace a lost, stolen or damaged item.

When you purchase extra coverage for your jewelry, it's important to provide your insurance company with an accurate appraisal for each item. Both the insurance premium you'll pay and the dollar amount you'll receive if you have a claim are based on the most recent appraised value you've provided to your insurance company. Contact your insurance company or agent for help in finding a reputable appraiser.

If you've purchased expensive jewelry in the past, experts say you should have it inspected annually to be sure the settings are secure. Also, appraise your jewelry every

two years and send the updated appraisal to your insurer so the insured value of the item can be adjusted as needed.

[NW Insurance Council](#) offers the following tips to help you protect your jewelry for many years to come:

- Contact your insurance company or agent and let them know you own an expensive piece of jewelry. Find out how much coverage you have and if more is needed.
- Examine your jewelry periodically for signs of damage or loose stones.
- Have your jewelry cleaned and checked annually. Many jewelers guarantee the safety of a stone if you have regular checkups.
- Store your jewelry in a secure place such as a safe deposit box.
- Keep a video, photographic and written inventory of all personal property, including jewelry, and keep receipts for all high-value items. This simplifies your insurance claim if you do have a loss. Many insurance companies offer [mobile apps](#) to help you track your home inventory.

To learn more about protecting your jewelry, visit [NW Insurance Council](#) or call (800) 664-4942.

NW Insurance Council is a nonprofit, public-education and public policy organization funded by member insurance companies serving Washington, Oregon and Idaho.

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