

High Life

Don't lose sleep over priceless possessions



Insurance companies cover valuables such as fine art and jewellery, for a premium

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Losing your prized possessions or seeing it getting damaged can be heart-rending. But suffering losses on your priceless collectibles can be particularly tear-jerking. There is some recompense though, thanks to the policies offered by some insurance companies that cover fine art, personal belongings and other valuables.

While standard home insurance policies do cover house and its contents, many specifically exclude art and precious items. But insurers, such as Tata AIG, Bajaj Allianz and Future Generali, have policies that explicitly cover these valuables.

So, if you paid an enormous sum for a diamond-crusted crocodile skin Hermes bag, don't lose sleep over it.

My precious

Tailor-made especially for the ultra rich, Tata AIG's Private Client Group (PCG) insurance covers all personal assets of clients—from a needle to a car. It covers jewellery, art, watches, pens and even expensive clothing and handbags, along with the structure and content of the house. The policy also covers all portable electronic items.

What's more, Tata AIG provides an all-risk cover, which protects your valuables against fire, other perils, such as earthquakes, floods, burglary, theft

and other accidental damage or loss. Multiple properties can be insured within one policy.

Paintings are covered for all risks, including accidental loss or damage. This is in line with what is offered in the global market. "One of our client's very expensive paintings got damaged while doing some routine house work. After surveying the damage, we paid the restoration cost and also the loss of value of the painting," explains M Ravichandran, President - Insurance, Tata AIG General Insurance Company.

While Tata AIG's policy is a sort of a lifestyle cover offered to the uber rich, as part of its home insurance policy Bajaj Allianz General Insurance offers optional cover for curios, works of art, jewellery and valuables. It provides cover against all calamities—fire, burglary, robbery and other perils, such as earthquakes, floods and even terrorism. Essentially, it is an all-risk cover. It can be taken only if the contents are also covered under the policy.

Valuation report

"Under the broad definition of curios, works of art, we do cover stamps, coins, etc. provided there is a valuation report," says Sasikumar Adidamu, Chief Technical Officer, Bajaj Allianz General Insurance.

In the case of art, one has to furnish a valuation report at the

time of taking the policy. "Tomorrow if there is a loss, then the claim is paid based on the sum insured decided at the time of the policy issuance, according to the valuation report, to avoid any dispute on the actual value of the items," says Sasikumar.

"It is important to value the paintings properly. The sum insured is based on the value certified by a professional expert in case of art," says KG Krishnamoorthy Rao, MD and CEO, Future Generali India Insurance.

The art insurance offered by Future Generali India Insurance is not merely limited to paintings, but also includes antiques, porcelain, statues, sculptures, collectibles (stamps, coins, clocks, watches, etc), antiquarian books, manuscripts, curios, works of art, artefacts, and crystals.

"If the price of jewellery or art goes up, then the client will have to submit a revised valuation report to avoid uncertainty at the time of the claim. Tata AIG has an add-on cover, under which if the value of the painting goes up (along with special conditions attached to it), the reimbursement happens based on the increased value of the painting," adds Tata AIG's M Ravichandran.

Dazzle without fear

What about your heirloom jewellery or that antique ornament? It is true that heirloom jewellery transferred from one generation to another involves a bit of sentiment, prestige and tradition that

cannot be replaced. While it may mean more than just a piece of gold, having a cover can at least recompense you financially.

In case of jewellery too, insurance policies cover all risks. Usually, your jewellery is scattered in different places—some in the bank, some at home, and some on you.

The policy covers jewels kept in each of these places, but is limited to the amount you initially declared under each head.

So, if you brought home jewels from your bank to flaunt on a special occasion, be sure to inform the insurance company. They can provide an additional cover for an additional premium.

In case of Bajaj Allianz, you have the option of choosing different plans. "In case of jewellery or other valuables, the insured has to submit a valuation report for sum insured exceeding ₹2.5 lakh, ₹5 lakh and ₹7.5 lakh under different plans. However, for sum insured up to ₹2.5 lakh, ₹5 lakh and ₹7.5 lakh, no valuation report is required. Only value and description need to be submitted," says Sasikumar.

On the go

If you are a globe-trotter and like to carry your valuables wherever you go, then the worldwide cover offered by insurance companies can come in handy.

Tata AIG offers worldwide cover, but only for items carried in your hand baggage. Check-in luggage is not covered. If you are

taking your art for exhibitions outside India it would be covered. However, you will need to inform the insurance company in advance.

At Bajaj Allianz, jewellery, valuables and portable equipment are given worldwide cover, for an additional premium. They are covered irrespective of whether they are carried in the hand luggage or check-in baggage. But your art is only covered within your premises.

"Coverage can continue while the art is in transit. This is the norm worldwide, provided the insurance company is informed beforehand," says Krishnamoorthy of Future Generali.

The outgo

Much like the ultra-premium credit cards that are 'by-invite-only', Tata AIG's PCG insurance is not mass-marketed. The company carefully picks its clients after extensive due diligence. What's more, be prepared to fork out lakhs to insure your valuables. Tata AIG's policy has a minimum premium threshold of ₹1.5-2 lakh per annum. But if you have spent millions on your collection, a few lakhs to insure them may not be such a bad idea.

In case of Bajaj Allianz, the premium is about 1 per cent of the value of the cover. So, for a ₹100-crore value one has to pay a premium of approximately ₹1 crore.

Premium for Future Generali's art insurance is 0.75-1.5 per cent of the value of sum insured.



Rich cover

- Insures against all perils, theft and accidental loss
- Includes watches, pens, coins and stamp collection
- Policies offer worldwide cover

At a cost

Premiums are nearly 1 per cent of the value of the sum insured