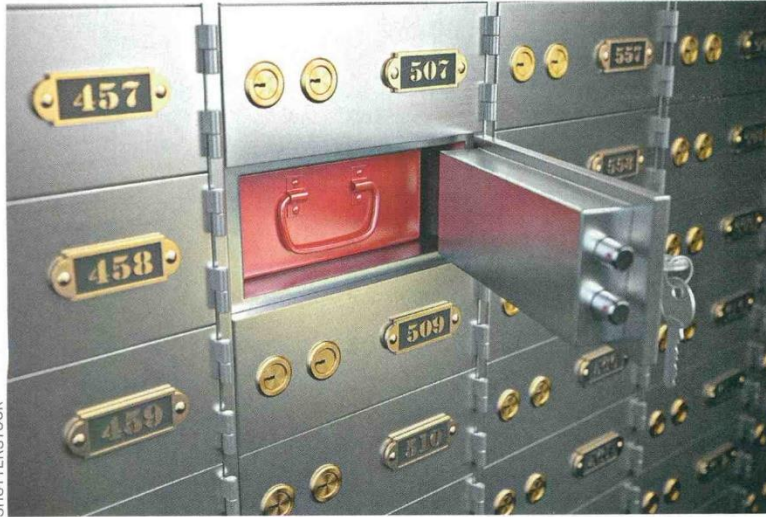


SMART MONEY | INSURANCE



SHUTTERSTOCK

PREMIUM FOR BANK LOCKER PROTECTION POLICY

Sum Insured (in Rs lakh)	Premium
3	300
5	500
10	1,000
20	1,500
30	2,000
40	2,500
Above 40 lakh	Rs 60 per lakh

Source: Iffco-Tokio

Safeguarding the Safe

A bank locker insurance policy can help you protect the contents of your locker against theft or destruction

Bank lockers have long been considered a safe option to store jewellery and important papers. However, in the recent past, there have been several instances of theft in bank lockers. Bank locker hiring agreements absolve banks of any responsibility for the losses. So it may be prudent to insure the contents of the locker. Home insurance policies cover jewellery too, but you could also look at specific insurance for a bank locker. Iffco-Tokio has recently launched a bank locker protection policy.

COVERAGE

A locker insurance policy covers jewellery and other valuables kept in bank safes against accidents, burglary, acts of terrorism, among other things, but not cash. "Besides jewellery, important documents can also be

covered as an add-on feature," says Subrata Mondal, executive vice-president (underwriting), Iffco-Tokio General Insurance. "The cost of replacing the lost or damaged documents is paid on an actual basis subject to a maximum sum insured of Rs 25,000."

BUYING THE POLICY

The policy is not available online, it can be bought only through the branch offices of Iffco-Tokio. In most cases, a self-declaration of the value of the jewellery suffices. However, if the value of an individual item exceeds Rs 10 lakh and the total sum assured is over Rs 40 lakh, then a valuation report from a government-approved valuer is required.

CLAIM SETTLEMENT

For making a claim, you need to submit a copy of the first information

report (FIR) filed by the bank along with the claim form. The claim is settled on the basis of the market value subject to the sum assured. Once the relevant documents are submitted, settlement takes 15 days, says Mondal.

COVER UNDER HOME INSURANCE

A few general insurance companies such as Bajaj Allianz also cover jewellery under home insurance, but generally there are sub limits to it and you may not get a Rs 40 lakh cover for jewellery alone. "Under the 'My Home' insurance policy, we cover not just the jewellery kept in homes but also in bank lockers," says Sasikumar Adidamu, chief technical officer, Bajaj Allianz General Insurance. "The policy also offers worldwide coverage. So the jewellery is covered even if a person

is wearing/ carrying it anywhere in the world." A bank locker policy, on the other hand, does not cover jewellery kept at home or outside the bank locker. Hence the premium paid for a bank locker policy is lower than that for insuring jewellery under home insurance.

SHOULD YOU BUY A SEPARATE LOCKER POLICY?

If the value of the contents in your locker is high and the premium low, it is prudent to cover the risk. "The need to buy separate locker insurance depends on the intrinsic value of the locker's contents and affordability. If the value is considerable and home insurance coverage not exhaustive, it is advisable to buy locker insurance and vice-versa," says Balachander Sekhar, CEO, RenewBuy.com. ■

—Renu Yadav