



GEMOLOGICALLY SPEAKING

Questions for Your Insurance Agent

The primary basis for your insurance coverage and the settlement of any claim you file is the appraisal that you provide to bind coverage and the specific wording in your policy. The jewelry item is insured, not the replacement value. If you ask for a cash payout rather than replacement jewelry, you may not be paid the appraised replacement value; but your premium will be based on it. That means that accurate, detailed descriptions and carefully researched values will assure that you are fully protected and not paying too much. Gemologically Speaking will provide you with exactly that.

Know Your Coverage: You should thoroughly understand the terms and limits of your policy and what coverage options are available to you. Your insurance agent or the underwriter can explain your policy to you; but always ask see the specific language in your policy that addresses your concerns. These questions might serve as a starting point for the discussion.

1. Is a current appraisal the best way to assure full coverage? Define "current appraisal".
2. How often should I update the values in my appraisal?
3. Will my claim & replacement value be more readily accepted if the appraiser is highly trained, such as an American Society of Appraisers Master Gemologist Appraiser®?
4. If there's a loss, do I have the option of a cash payout of the full appraised value?
5. If you payout less than the appraised value, how is the amount you pay determined?
6. Will you explain an "agreed value" policy? How does the premium differ?
7. What's the difference between scheduled and unscheduled coverage?
8. Please explain "replacement value" and "actual cash value"; which one is stipulated in my policy?
9. Is my coverage "all risk" or are there any specific exclusions such as mysterious disappearance or negligence?
10. How is damage or partial loss handled? Do I get to choose whether something is repaired or replaced and by whom?
11. Will you pay to reproduce an identical piece of jewelry? If that's what I want, can it be stipulated in the policy? At what additional cost?
12. Is there a "sets and pairs" clause? Will an additional amount be paid for matching a missing part of a set or pair even if it isn't separately valued in the appraisal?
13. Is my jewelry covered while in someone else's possession or if I take it out of the country?
14. Is there an "escalator" clause that automatically increases my coverage and my premium?
15. Am I required to use the company's source for replacement, are they local and if so, who is it?
16. If replacement is through the insurance company's source, may I verify adequate replacement by an appraiser of my choice? Who pays for that appraisal?
17. If the value of my jewelry increases, is a settlement limited by the appraised value? Does an "inflation guard" apply?

18. Is depreciation ever imposed? If so, to which items & how is it computed?
19. How are "vintage" or "antique" items covered? How will I be compensated for a total loss claim?
20. What kinds of property or damage aren't covered? For instance, is damage to my watch crystal covered?
21. Is my watch covered if the movement is ruined due to water damage caused by a damaged crystal?
22. Will specific precautions lower my premium, such as a home security system?
23. What proof/documentation is needed to file a claim?
24. Will filing a claim affect my continued coverage or my premium rate?
25. What is the premium rate per \$1000 in coverage? Do all insurers charge the same rate?