

ASK SAVE: Are your holiday gifts covered?

Question: “I do a lot of shopping at Christmastime, and generally have many packages left in my car as I go from shop to shop. What about the gifts sitting in my car, do I have coverage if they are stolen?” from S. M. Hartford, CT

Answer: Presents stolen from your car are not covered by the typical auto insurance policy. However, they may be covered, subject to a deductible, under your homeowners or renters policy—except when limited under the conditions mentioned above.

We received many more questions about holiday gift coverage, and we share them below:

Question: “My house is filled with expensive gifts waiting to be opened. If my home is burglarized, damaged or destroyed, are all these gifts covered under my homeowner’s policy?”

Answer: Not necessarily. There may be limitations on the amount of insurance provided by your homeowner’s policy, especially for expensive gifts such as personal computers, silverware, stamp or coin collections, fine art and jewelry. There also may be limitations on the types of loss or damage that are covered, such as breakage, theft or flood.

Question: “Can I get additional coverage for these gifts?”

Answer: Yes. Look into personal property endorsements and floaters. With an endorsement, you can specify a higher amount than under the standard homeowner’s policy. With a personal articles floater, items such as jewelry can be covered at full value, with no deductible, based on current appraisal or the bill of sale. Floaters also can cover additional causes of loss, such as dropping a new ring down the drain.

Question: “As a renter, are my gifts covered by renters insurance?”

Answer: Yes, but renters insurance also has limits on amount of coverage and types of loss covered. Tenants also can purchase floaters and endorsements to provide insurance for these uncovered or undercovered items.

Question: “Besides purchasing endorsements, how else can I protect my property?”

Answer: We suggest that you conduct a home inventory of all your possessions, and update this inventory whenever you make major purchases or receive gifts. Go over your insurance policy with our agency to be sure it provides coverage for the total value of items on your inventory. Keep receipts, serial numbers and dates of purchases of major items. Appraise jewelry and fine art at least every three years, because they may change in value over time.

Question: “What’s involved in a home inventory?”

Answer: A few hours of your time and a working camera or video recorder. First, list all of your major belongings and furnishings, with a brief description, any serial numbers, and any receipts or appraisals. Second, back up this list with photos or a video. Photograph every wall of every room, and inside closets and cabinets. With a video, make comments for a verbal record as well as a visual one. Third, store everything in a safe place away from your home, such as a safe-deposit box, so they won’t be damaged by the same event that might cause you to need them. Update this inventory whenever needed. That’s all it takes for the peace of mind that comes with knowing that you are adequately covered.

Michelle Jacobik, Vice Present

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