

# Jewellery Insurance

CHUBB®



## **Did You Know...**

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What contributed to jewellery sale growth over the past 5 years?

- Rapid growth of luxury markets in China, India, Russia, Middle East and Latin America
- Unprecedented jewellery auction sales
- Rising production costs to produce new jewellery or replace existing pieces due to increased costs for raw materials such as precious metals, diamonds and gemstones
- Robust online sales as jewellery that was not easily obtainable before, is now sold online with a few simple clicks

## **Common Myths About Insuring Jewellery:**

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- *It's fully covered* - even the best homeowners policy may be limited in coverage for theft, damage or disappearance of jewellery. Under Chubb's Masterpiece® Valuable articles policy, you can provide broad industry-leading coverage
- *It's too expensive* - standard coverage for jewellery costs just 1 to 2 percent of the item's appraised value

Chubb offers a reduced rate for items kept in a bank vault. We also offer 3 complimentary out of vault transactions per policy term. Reduced rates may apply for items kept in a home safe

- *It's too much work* - the prospect of obtaining appraisals for a jewellery collection can seem daunting. Chubb does not require a professional appraisal for jewellery items under \$100,000
- *It's only for vulnerable jewellery* - even with a home security system, all jewellery is at risk. Jewellery is twice as likely to be lost or misplaced than stolen, according to Chubb's claims and experience

## **Types of Jewellery Insurance:**

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- Itemized coverage – specific values are established and listed on the policy, item-by-item, prior to a loss
- Blanket coverage – instead of insuring each piece individually, the customer selects a total or “blanket” limit of coverage. Chubb's maximum per-item limit is \$50,000. Both options offer worldwide coverage, and no deductible applies

## Personal Risk Services

## Why is an Insurance Appraisal Required?

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Insurers require professional appraisals to validate an item exists, substantiate the value, and serve as a description in the event of a loss. Underwriting requirements may vary by insurance company.

## How does an insurance appraisal differ from other appraisals?

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An insurance appraisal offers valuation information and documentation that is critical at the time of loss:

- **Replacement cost appraisal** – most frequently used by insurers to determine the amount to replace a lost, stolen or damaged item at retail value, including anticipated costs like commissions, sales tax and shipping
- **Market value appraisal** – determines the cash value of an item for sale or re-sale
- **Estate appraisal** – determines fair market value for estate, auction, donation, collateral or tax purposes

## Key Elements of a Good Jewellery Insurance Appraisal

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- Name and address of customer
- Type of jewellery and accurate description
- What the item is made of
- Types of gemstones used
- Grading of the stones

- Description of how the item is designed
- Manufacturer, origin or designer
- Credentials of the appraiser
- Signature of the appraiser and date

If a stone has a certificate or has been inscribed by laser, that information should be provided as well. Any damage should also be noted. If provenance is associated with the jewellery, it should be included too, as that impacts the value of the item.

## Keep Pace With Rising Jewellery Costs

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- Appraise jewellery collections every 3-5 years
- Items scheduled or listed on a policy for \$100,000 or more, or pieces containing diamonds of 3 carats or more, should be re-evaluated at least every 1-2 years
- Use a professional jeweller with a Graduate Diamond or Gemmologist certification

## How are jewellery insurance claims settled?

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Jewellery claims are handled in various ways, depending on the type of coverage and the insurer. Many insurers simply replace the jewellery with a preselected item of like kind and quality or use a preselected jeweller to replace the item. In any case, it is important to have a current appraisal with a detailed description

## The Chubb Advantage and our “Five C’s” of Jewellery Insurance

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Just as the value of a diamond is based on the Five C’s (cut, colour, clarity, carat and certification), Chubb jewellery insurance is built on Five C’s that offer your clients a distinct advantage:

- **Certainty** – We insure jewellery for what it’s actually worth – What the customer paid for the item or the recently appraised amount. The value is all settled in advance, before anything happens. We pay 100% at the time of a covered loss, with no deductible or depreciation. With itemized coverage, we can pay up to 150% in some cases to account for inflation, provided the item is replaced
- **Coverage** – All-risk coverage applies for most causes of loss including “mysterious disappearance” of misplaced, lost or stolen items, all with no deductible
- **Conditions** – Peace of mind to wear jewellery anywhere in the world, with no restrictive conditions
- **Claims** – World-renowned for swift and equitable claim handling, we offer unsurpassed service and 24/7 global claim reporting
- **Choice** – In a covered loss, our customers can choose to repair or replace the item at their jeweller of choice, or receive a cash settlement

Chubb. Insured.<sup>SM</sup>

Chubb is the marketing name used to refer to subsidiaries of Chubb Limited providing insurance and related services. For a list of these subsidiaries, please visit our website at [www.chubb.com](http://www.chubb.com). In Canada, Chubb operates through Chubb Insurance Company of Canada and Chubb Life Insurance Company of Canada. All products may not be available in all Canadian jurisdictions. In the United States, insurance is provided by ACE American Insurance Company and its U.S. based Chubb underwriting company affiliates. This communication contains product summaries only. Coverage is subject to the language of the policies as actually issued. Chubb is the world’s largest publicly traded property and casualty insurance group. With operations in 54 countries, Chubb provides commercial and personal property and casualty insurance, personal accident and supplemental health insurance, reinsurance and life insurance to a diverse group of clients. Chubb Limited, the parent company of Chubb, is listed on the New York Stock Exchange (NYSE: CB) and is a component of the S&P 500 index.