



Division of Specialty  
Program Group, LLC

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This article is informational only.



## Understanding the Claims Process for Fine Art, Antiques, Pairs and Sets

The damage or loss of a customer's fine art and antiques, including pairs or sets of valuables, is one of the most difficult claims in the moving and storage industry.

These items include: collectibles (ex: stamp collections), valuable papers, precious or semi-precious stones, metals (gold/silver/platinum, alloys), fur, and jewelry. Fine arts and antiques also require special handling.

Not only are some of these items very valuable, but they also can be difficult to replace and have sentimental value for the customer. That's why you take special precautions with these items.

If you do not already have one, we strongly encourage you to use a High Value Inventory Form and incorporate it into your company procedure when booking a move or storage customer with a declared value, making them aware of the Fine Arts and Antiques sublimit.

The High Value Inventory Form is essential in identifying high value items so that they can be properly accounted for at origin, and noted at delivery as received in good condition.

In this *Mover's Choice Briefing*, we'll look at how antique, collectable or valuable pairs, sets and other high-value items are valued before and after they are damaged or lost as well as how the shipping documents and insurance policy work in tandem as the claim is evaluated.

### Determining Value

With a pair, sets or parts that involve loss or damage to any part of a pair or set the insurer may attempt to repair or replace any part to restore the pair or set to its value before the loss or damage; or they can pay the difference between the value of the pair or set before and after the loss or damage.

Example, the insured or claimant owns a set of antique salt and pepper shakers. The value of the set is \$3000 and one is destroyed. This is the value before the loss. The remaining one is worth only \$1000. The policy would pay the difference of \$2000.

Regarding fine Arts and Antiques the Inland Marine policy has very specific language covering art/ antiques and how those claims for damages will be resolved.

# Understanding the Claims Process for Fine Art, Antiques, Pairs and Sets

It states: We will pay for loss of or damage to fine art and antiques which are part of the “shipping document” or “storage document”.

For such fine arts and antiques we will pay the lesser of:

1. The original acquisition cost; or
2. The market value at the time of loss; or
3. The stated limit on the schedule that is part of the “shipping document” or “storage documents” or
4. The appraised value.

Complicating these cases are several factors:

- Your customers may have emotions and memories attached to these items, resulting in a very strong reaction to a loss. However, insurance claims professionals cannot consider sentimental value when managing a claim for lost or damaged valuables.
- Your customers may not have an accurate or up-to-date estimate of value. They may use an appraisal received decades earlier, but that value will likely be revised up or down in the event of a loss.
- Your customer may try to save money by not including valuables on the high value inventory list or underestimating them.

## Working with Customers

As a moving professional, you always ask customers if they have valuables, and you itemize these valuables on the high value inventory list along with their estimated value.



But it is up to your customers to give you accurate information.

It's important to have thorough documents and communications with the customers to protect your interest in the event of loss or damage. Also, it is always up to you whether you want to accept the item for moving.

In handling claims such as these, everyone plays a distinct role. You provide the necessary documentation, the insurance adjuster makes an assessment and the professional appraisers determine before and after value and the ultimate claims settlement amount. This process ensures the claim is settled fairly and accurately.

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