

[Date]

[Client Name]

[Client Address]

[City, State, Zip Code]

Subject: Explanation of Coverage for Fine Art and Jewelry

Dear [Client Name],

This letter provides a summary of the specialized coverage included in your insurance policy regarding your fine art and jewelry collection. Standard homeowners' policies often have limited sub-limits for high-value items; therefore, we have implemented specific protections to ensure your assets are fully covered.

### **Coverage Overview:**

- **Valuation Method:** Your items are covered based on [Agreed Value / Market Value]. This ensures that in the event of a total loss, you receive the full amount listed on your schedule of items without depreciation.
- **Perils Covered:** This policy provides "All-Risk" coverage, protecting against accidental damage, breakage, theft, and mysterious disappearance, unless specifically excluded.
- **Newly Acquired Items:** You are provided with automatic coverage for newly purchased pieces for a period of [Number] days, up to [Percentage]% of the total scheduled limit, allowing time for the items to be formally added to the policy.
- **Worldwide Coverage:** Your jewelry and portable fine arts are protected while in transit or while traveling anywhere in the world.

### **Appraisal Requirements:**

To maintain accurate coverage limits, we require updated appraisals for items valued over \$[Amount] every [Number] years. This ensures your policy reflects current market fluctuations in the art and precious metals sectors.

### **Deductible Information:**

The deductible for your scheduled fine art and jewelry is \$[Amount]. [Optional: Note if there is a \$0 deductible for these items].

Please review the attached Schedule of Items to ensure all descriptions and values are correct. If you have any questions or have recently acquired new pieces, please contact our office immediately.

Sincerely,

[Your Name]  
[Your Title]  
[Agency Name]