

Insuring Your Art Collection



There are some very good homeowner's policies that cover fine art and antiques. Why consider a Fine Arts Rider (sometimes called a "Floater") or even a stand-alone Fine Arts policy?

Firstly, remember that standard homeowners' policies cover art only up to the policy's limit for contents. It could be a simple issue of over-all under-insurance.

In addition, standard homeowners' policies often do not cover fine art in transit or while on loan to museums or galleries.

Most fine art insurance riders have no deductible.



With specialized cover, if your painting is stolen, the insurance company will own it if it is later recovered. You can buy it back for the amount of the insurance claim plus the expenses the insurer incurred to recover it.

The market value of fine art and antiques is far more volatile - and therefore disputable - than most real assets. This can make it difficult for collectors and their insurance companies to agree on reimbursement in the case of theft or damage. Scheduling values on a rider or separate policy - greatly eases this process. Bear in mind, you will likely need an appraisal to look-to in the event of a loss or...a retrospective appraisal. (Which would you rather rely on?)

Above and left - "Diana" was accidentally torn during a home move – and was restored through the Chicago Conservation Centre.

Choosing an insurance company that specializes in fine art might also help collectors avoid complete loss in case of damage. Many true collectors don't want a cash settlement if their fine art can be saved. Remediation work sometimes needs to begin immediately, and if the insurance company is not equipped to handle fine art, then the claims adjuster won't know the proper professionals to call.

While insured art is covered in the event of theft, fire or water damage or damage caused during transit, a policy will not pay for gradual deterioration, such as fading or cracking caused by natural or artificial light.

While less expensive, and usually more comprehensive, than a standard homeowner's policy, fine-art insurance can vary significantly in cost--from a low of 10 cents per \$100 of coverage to \$1 per the same amount. A number of factors determine this broad range, including the nature of the collection, the worth of the individual items, where the items are displayed, the type of security and geography.

Anyone with a collection approaching a worth of half a million dollars could save money and get better protection with a stand-alone Fine Arts policy versus a rider on their Homeowners' Insurance.

HUNTERS has the expertise and interest in ensuring you have the right solution. Call Brooke Hunter at 416-323-9300 to discuss further.

Above and right – This "Portrait of a Man" suffered severe water damage causing the film to lift. Fortunately, proper and timely conservation made the damage invisible.

