



Jewelry & Art Policy

Your Jewelry & Art Policy Quick Reference

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This policy is issued by Privilege Underwriters Reciprocal Exchange (PURE), a reciprocal insurance company. By purchasing this policy, you are a Subscriber to PURE. You are subject to the Subscriber's Agreement and Power of Attorney. This is a non-assessable policy consistent with section 629.261, Florida Statutes. The liability of the Subscriber to PURE is limited to the costs associated with the insurance policies only. This is a participating policy and you are entitled to dividends as may be declared by PURE. PURE may annually allocate a portion of surplus to subscriber savings accounts. Amounts allocated to subscriber savings accounts remain a part of PURE's surplus. They may be used to support the operations of PURE. Your right to the balance in the subscriber savings account is limited as set forth in the Subscriber's Agreement.

Insuring Agreement

Privilege Underwriters Reciprocal Exchange will provide the insurance described in this policy in return for payment of the premium and compliance with all applicable provisions of the policy.

SECTION I – DEFINITIONS

In this policy, “you” and “your” refer to the “named insured” shown in the Declarations and if the “named insured” is an individual, the spouse if a resident of the same household. “We”, “us” and “our” refer to the Company providing this insurance.

In addition, certain words and phrases are defined below. When used throughout the policy the defined words will be bolded.

Collectibles

Collectibles means collections of rare, unique or novel items of personal interest. Examples of **collectibles** are memorabilia, model trains, books and dolls.

Deductible

Deductible means the amount you are responsible to pay for any covered loss we pay.

Diminution in Value

Diminution in value means the difference between the **market value** of an item or items immediately before a covered loss and the **market value** of the item or items after restoration.

Family Member

Family member means a person that lives in your household and is related to you by blood, marriage, registered domestic partnership under State law, or adoption.

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Market Value

Market value means the dollar amount for which an item could reasonably be replaced by an item of like kind and quality in a reasonable period of time.

Valuable Article(s)

Valuable articles means your personal property for which an amount of coverage is shown on your Declarations.

SECTION II – PERILS INSURED AGAINST

A. Valuable Articles

We insure for direct and accidental loss of or damage to **valuable articles** anywhere in the world unless an exclusion applies. **Valuable articles** may be subject to a **deductible** as shown on your Declarations.

B. Newly Acquired Valuable Articles

We will cover property that is newly acquired, consigned or entrusted to an insured during the policy period.

For coverage to apply:

1. The newly acquired property must be a class of **valuable articles** for which a coverage limit is shown on your Declarations;
2. You must request coverage for this property within ninety (90) days of acquisition or possession; and
3. You must pay the additional premium from the date of acquisition or possession.

This coverage does not increase the total limit of liability for the class of **valuable articles** for which the newly acquired property qualifies. We reserve the right to decline your request to insure newly acquired property. This coverage does not apply to property under the “miscellaneous” class of **valuable articles**.

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SECTION III - LOSS SETTLEMENT

A. Scheduled **Valuable Articles**

1. Total Loss

For a covered loss to a **valuable article** scheduled on your Declarations that is totally destroyed or lost, we will pay the greater of:

- a. The scheduled value for that **valuable article** shown on your Declarations; or
- b. The **market value** of the **valuable article**.

2. Partial Loss

For a covered partial loss to a **valuable article** scheduled on your Declarations, we will pay the lesser of:

- a. The cost to restore the **valuable article** to its condition just before the loss and any **diminution in value**; or
- b. The **market value** of the **valuable article**.

The most we will pay for any one **valuable article** is 150% of the scheduled value, but not more than the coverage limit for the class to which the **valuable article** belongs. The most we will pay for any one loss to **valuable articles** of a specific class is the limit of coverage for that class. We reserve the right to declare any loss a total loss.

B. Blanket Coverage

For a covered loss to a **valuable article** covered under blanket coverage we will pay the lesser of:

1. The cost to restore the **valuable article** to its condition just before the loss and any **diminution in value**;
2. The **market value** of the **valuable article**; or
3. The single article limit for that class of **valuable articles** as shown on your Declarations.

C. Pair or Set

For a covered loss to an item that is part of a pair or set, you may choose to:

1. Restore the item to its condition immediately prior to the loss. We will pay the cost to replace or restore any part of the item to its condition just before the loss and any **diminution in value** of the pair or set;
2. Receive the **diminution in value** of the pair or set; or
3. Surrender the undamaged items of the pair or set to us, in which case we will pay you the **market value** of the pair or set immediately prior to the loss.

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The most we will pay for any one **valuable article** scheduled on your Declarations is 150% of the scheduled value, but not more than the coverage limit for the class to which the **valuable article** belongs. The most we will pay for any one loss to a pair or set under blanket coverage is the single article limit for that class of **valuable articles** as shown on your Declarations.

D. Payment of Loss

Payment for a covered loss will be made within thirty (30) days of us receiving and accepting the proof of loss required under Paragraph X.7. of Section V – General Provisions.

SECTION IV – EXCLUSIONS

The following exclusions apply to this policy:

A. Bank Vaulted Jewelry

We do not cover any loss to jewelry insured as “Bank Vaulted” while these items are out of a bank vault, unless we receive notice in advance of the removal and we agree in writing to provide coverage.

B. Confiscation

We do not cover any loss or damage resulting from confiscation, nationalization, requisition or destruction of property by or under the order of any government, public or local authority.

C. Electrical or Mechanical Breakdown

We do not cover any loss caused by electrical or mechanical breakdown. This exclusion does not apply to loss to wine caused by temperature extremes or changes resulting from the failure of a climate control system.

D. Gradual or Sudden Loss

We do not cover any loss or damage to **valuable articles** due to

- a. Wear and tear, gradual deterioration;
- b. Inherent vice and latent defect;
- c. Smog, rust or other corrosion;
- d. Mold, wet or dry rot; or
- e. Birds, vermin, rodents or insects.

E. Hurricane or Named Storm losses to Outdoor Fine Art and **Collectibles**

We do not cover any loss to fine art and **collectibles** that are installed or exhibited outdoors when the loss is caused by, contributed to, or in any way resulting from a hurricane or named storm.

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F. Intentional Loss

We do not cover intentional loss. An intentional loss means any loss arising out of any act you or a **family member** commit or conspire to commit with the intent to cause a loss. In the event of such loss, no insured is entitled to coverage, even insureds that did not commit or conspire to commit the act causing the loss.

G. Misappropriation

We do not cover any loss caused by the taking or other misappropriation of a **valuable article(s)** from you or a **family member** by you or a **family member**.

H. Nuclear Hazards

We do not cover any loss caused by or resulting from nuclear reaction, radiation or radioactive contamination, whether controlled, uncontrolled or however caused, or any consequence of any of these.

I. Chemical Hazards

We do not cover any loss caused by chemical, biological bio-chemical or electromagnetic contamination, whether controlled or uncontrolled or however caused.

J. Shipments by Mail

We do not cover any loss caused during shipment by mail including regular first class mail unless we agree in advance in writing. This exclusion does not apply to shipments with a value of \$10,000 or less.

K. Specific Class Exclusions

1. Stamps

We do not cover any loss to stamps and **collectibles** due to folding, pleating, fading, thinning, color transfer, scratching, dampness or extreme temperature changes.

2. **Collectibles**

We do not cover any loss to **collectibles** caused during their use other than as a collectible.

3. Fine Art, **Collectibles**, Stamps and Coins

We do not cover any loss or damage to fine arts, stamps, coins or **collectibles** resulting from reparation, restoration, or retouching, unless we approve in writing.

L. War Acts

We do not cover any loss caused by war, undeclared war, civil war, insurrection, rebellion or revolution, warlike acts by a military force or military personal or destruction or seizure

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of property for a military purpose. Discharge of a nuclear weapon, even if accidental, is deemed a warlike act.

SECTION V – GENERAL PROVISIONS

A. Abandoning Property

You cannot abandon any property to us unless we agree to accept it.

B. Assignment

Assignment of this policy will not be valid unless we give our written consent.

C. Bankruptcy

Bankruptcy or insolvency of you or a **family member** will not relieve us of our duties under this policy.

D. Cancellation

1. Your Cancellation

You may cancel this policy at any time by returning it to us or by letting us know in writing of the date cancellation is to take effect.

2. Our Cancellation

We may cancel this policy by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations. Proof of mailing will be sufficient proof of notice. The cancellation will be effective as of the date shown on the Cancellation Notice, but not less than ten (10) days after mailing to the address in this policy or last known address. The mailing of notice is sufficient proof of notice of cancellation. Delivery of notice shall be equivalent to mailing.

E. Concealment or Fraud

We do not provide coverage to an insured who, whether before or after a loss, has:

1. Intentionally concealed or misrepresented any material fact or circumstance;
2. Engaged in fraudulent conduct; or
3. Made false statements

relating to this insurance. This exclusion does not apply to an otherwise covered loss of an innocent co-insured.

F. Conforming to State Law

If any provision of this policy conflicts with the laws of the state in which you live, this policy is amended to conform to those laws.

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G. Conviction of Crime

We may cancel this policy with forty-five (45) days notice if you have been convicted of a crime arising out of an act that increases the hazard insured against.

H. Death of an Insured

In the event of the death of an insured this policy will cover the legal representative of the deceased for the remainder of the Policy Period unless cancelled. We will cover the legal representative of the deceased only with respect to the **valuable articles** of the deceased covered under this policy at the time of death.

I. Increase in Hazard

We may cancel this policy with forty-five (45) days notice in the event or circumstance of a material increase in, or a change to, the covered property that increases the hazard insured against.

J. Insurable Interest

We will not pay for any loss to property in which you or a **family member** does not have an insurable interest at the time of the loss.

K. Legal Action Against Us

No action can be brought against us by you unless there has been full compliance with all of the terms of this policy. The action must be brought against us within five years after the date of the loss. You may not bring any action until thirty days after proof of loss has been filed and the amount of loss has been determined.

L. Liberalization Clause

If a change is made which broaden coverage under this edition of our policy without any premium charge, the change will automatically apply to your policy at of the date we made the change in your state.

M. Mediation

If you and we fail to agree on the amount of a loss, either party may demand an appraisal of the loss. In this event, each party will choose a competent appraiser within twenty (20) days after receiving a written request from the other. The two appraisers will choose an umpire. If they cannot agree upon an umpire within fifteen (15) days, you or we may request that the choice be made by a judge of a court of record in the state where the **valuable articles** are located. The appraisers will separately set the amount of the loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of the loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will set the amount of the loss.

Each party will:

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1. Pay its own appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If, however, we demanded the mediation and either party rejects the mediation results, you are not required to submit to, or participate in, any appraisal of the loss as a precondition to action against us for failure to pay the loss.

N. Nonrenewal

We may elect not to renew this policy. We may do so by delivering to you, or mailing to you at your mailing address shown in the Declarations, written notice at least 30 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

O. Other Insurance

1. If you have an in-force homeowners policy with us, and a specific item that is lost or damaged is also covered by the homeowners policy, you may choose the policy under which a covered loss is paid. Coverage under the homeowners policy and the Jewelry and Art policy can not be combined to increase the payment that would be made under either of the policies separately.
2. When any other property insurance applies to a covered loss, we will pay only the portion of the loss that our amount of coverage bears to the total amount of insurance covering the loss.

P. Packing/Unpacking

To the best of your ability, you will provide for the insured property to be packed and unpacked by competent packers and handlers.

Q. Policy Changes

This policy can be changed only by a written amendment we issue.

R. Policy Term

This policy applies only to a covered loss which occurs during the policy period.

S. Premium Refund

In the event of cancellation by you or by us, we will refund any unearned premium on the effective date of cancellation, or as soon as possible afterwards. The unearned premium will be computed pro rata for the unexpired term of the policy.

T. Recoveries

In the event we pay for a covered loss to property and the property is recovered, we agree to offer you an opportunity to buy it back.

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U. Renewals

If we elect to renew this policy, we will let you know in writing:

1. Of our decision to renew this policy; and
2. The amount of renewal premium payable to us.

This notice will be mailed to you at your mailing address shown in the Declarations at least 45 days before the expiration date of this policy. Proof of mailing will be sufficient proof of notice.

V. Salvage

When we pay for a total loss, we may keep all or part of the damaged property.

W. Subrogation

We may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you must sign and deliver all related papers and cooperate with us.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. You or a **family member** will do everything necessary to secure such rights and do nothing after a loss to prejudice such rights.

X. Your Duties After a Loss

In the event of a loss for which coverage may be provided under this policy, you or an insured must:

1. Give prompt notice to us or your agent;
2. Notify the police in case of loss by theft;
3. Protect the property from further damage. If repairs to the property are required, you must:
 - a. Make reasonable and necessary repairs to protect the property; and
 - b. Keep an accurate record of repair expenses;
4. Cooperate with us in the investigation of a claim;
5. Prepare an inventory of damaged, lost or stolen property. Show the quantity, description and amount of loss. Attach all bills, receipts and related documents that justify the figures in the inventory;
6. As often as we reasonably require:
 - a. Show the damaged property;

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- b. Provide us with records and documents we request and permit us to make copies; and
 - c. Submit to separate examination under oath. When we determine it is necessary, you must help us to obtain examinations under oath from any employee, resident of your household or other individuals;
7. Send to us, within sixty (60) days of our request, your signed, sworn proof of loss. The proof of loss must set forth, to the best of your knowledge and belief:
- a. The time and cause of loss;
 - b. The interest of all insureds and all others in the property involved and all liens on the property;
 - c. Other insurance which may cover the loss;
 - d. Specifications of **valuable articles** and detailed repair estimates;
 - e. The inventory of damaged items described in 6. above.

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Privilege Underwriters Reciprocal Exchange

In witness whereof, we have caused this policy to be executed and attested, and if required by state law this policy shall not be valid unless countersigned by our authorized representative.



If you would like to obtain information about your coverage or if you need assistance in resolving an issue relating to your insurance policies with us, please contact us at:

Privilege Underwriters Reciprocal Exchange
1 N. Lexington Ave, Suite 1450
White Plains, NY 10601

Please include your name and policy number in any correspondence.

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Special Provisions – Minnesota

This endorsement changes the policy. Please read it carefully.

All provisions and conditions of the policy apply unless they are altered by this endorsement.

SECTION III – LOSS SETTLEMENT

D. Payment of Loss is replaced by the following:

D. Payment of Loss

1. We will adjust all losses with you. We will pay you unless some other person is named in the policy or is legally entitled to receive payment.
2. Loss will be payable within 5 working days:
 - a. From the receipt of the agreement by us or, if later, from the date of your performance of any conditions set by such agreement;
 - b. After there is an entry of a final judgment; or
 - c. After there is a filing of an appraisal award with us.

SECTION V – GENERAL PROVISIONS

C. Bankruptcy is replaced by the following:

C. Bankruptcy

Bankruptcy, insolvency, or dissolution of you or a **family member** will not relieve us of our duties under this policy.

D. Cancellation, 2. Our Cancellation is replaced by the following:

D. Cancellation

2. Our Cancellation

We may cancel this policy only for the reasons stated below by letting you know in writing of the date cancellation takes effect. This cancellation notice may be delivered to you, or mailed to you at your mailing address shown in the Declarations.

Proof of mailing will be sufficient proof of notice.

- a. When you have not paid the premium, we may cancel at any time by providing notice to you at least 20 days before the date cancellation takes effect.
- b. When this policy has been in effect for less than 60 days and is not a renewal with us, we may cancel for any reason by providing notice to you at least 20 days before the date cancellation takes effect.
- c. When this policy has been in effect for 60 days or more, or at any time if it is a renewal with us, we may cancel for one or more of the following reasons:

Special Provisions - Minnesota

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- (1) Misrepresentation or fraud made by you or with your knowledge in obtaining the policy or in pursuing a claim thereunder;
- (2) An act or omission by you which materially increases the risk originally accepted;
- (3) Physical changes to any of the insured property which are not corrected or restored within a reasonable time after they occur and which result in the property becoming uninsurable.

This can be done by letting you know at least 30 days before the date cancellation takes effect.

W. Subrogation is replaced by the following:

W. Subrogation

We may require an assignment of rights of recovery for a loss to the extent that payment is made by us. If an assignment is sought, you must sign and deliver all related papers and cooperate with us.

All of your rights of recovery will become our rights to the extent of any payment we make under this policy. You or a family will do everything necessary to secure such rights and do nothing after a loss to prejudice such rights.

Our rights under this Provision do not apply against:

1. You or a family member; or
2. Any person or organization insured under another policy by us with respect to the same loss.

All other provisions of this policy apply.