Did you remember insurance for those holiday gifts?

by Bend_Weekly_News_Sources

Many Northwest households plan to give or receive electronic gadgets, jewelry or gift cards this year. But most of us don't fully understand if and how those items are covered by insurance.

"So many of us are giving gift cards, or gadgets such as iPods and gaming systems. But only a fraction of us think about contacting our insurance agents with questions on coverage," says Bob Sadler, Director of Insurance Agency Services for AAA Oregon. "Anytime you receive an expensive item, it's a good idea to check on how to protect these gifts."

Most electronic gadgets are typically covered under the standard homeowners or renters policy. However, there are some common exceptions that many aren't aware of. These exclusions can include digitally-downloaded data such as iTunes and other music, and electrical power surges. And many consumers aren't familiar with deductibles. "The cost of the gadget is often less than the usual deductible on many standard homeowners and renters policies," Sadler says. "But many people mistakenly believe the loss of an electronic product would be covered." He adds that electronics are usually not covered for loss in a natural disaster such as a flood or earthquake.

It's a similar story for gifts of jewelry. Imagine giving a beautiful piece of jewelry, only to have it get lost or stolen. A typical homeowner's policy has a limit on what will be paid for damage or theft of jewelry, usually around $1,500 to $2,500. To protect against a loss of jewelry, you can add a rider to your policy or schedule the item so that the full amount would be covered.

Gift cards are more popular than ever, but what happens if they are lost or stolen? Some homeowners and renters policies treat gift cards the same as cash and limit coverage to $200 if stolen. Many policies do not cover a gift card if it is lost. And in some cases, carriers do not extend coverage to gift cards. Sadler says, "If you buy gift cards, make sure and save all the receipts, and check on each store's policy regarding how it handles lost or stolen cards."

By taking a few steps, you can protect those holiday gifts in the event they are lost or stolen.

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