

Protecting Stamps

Personal property that is attractive to collectors usually requires special coverage under a Homeowners (HO) policy. This is due to severe coverage restrictions on special property. The premiums charged for personal property protected by a HO policy is designed to cover regular furnishings and ordinary property that face an average risk of loss. A regular stove, a chair, kitchen table or bed is no big deal. Such property is common to all homes and they're subject to routine losses. What makes property special? Usually certain circumstances that increase its susceptibility to loss such as:

- Rarity (age or scarcity)
- Small size, but high value
- Appreciating value
- High marketability
- High utility value

Stamps (also called philatelic property) qualify as special property. It refers to postal or revenue (tax) stamps and related material. Such property is very fragile and, due to its high-value and portability, it's a theft target too. Because of this higher likelihood of loss, a regular HO policy may limit coverage to a few hundred dollars, even for a collection that may be worth thousands of dollars. Therefore, separate, scheduled coverage may be necessary.

Coverage

Stamp Collection Floater insurance covers the following:

Philatelic property		
Postage stamps	Stamped envelopes	Postage due stamps
Official stamps	Revenue (tax) stamps	Match stamps
Medicine stamps	Covers	Locals
Locals	Reprints	Essays
Proofs	Books	Pages and mountings

Insurance protection is typically provided against all risks of physical loss (except as excluded) and may be written on a blanket (a total limit of coverage applies to all stamps) or a scheduled (limits are established for individual items) basis.

Limitations

While coverage usually applies anywhere in the world, there are limitations. A stamp policy will not cover loss involving wear and tear, gradual deterioration, insects, vermin, or inherent vice, fading, creasing, denting, scratching, tearing, thinning, or transfer of colors, disappearance (of individual items) or damage caused by regular handling, or due to extreme temperatures.

If stamp collecting is a part of your life, be sure to talk to an insurance professional. The extra protection of the coverage is well worth the extra expense.

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