

# LOSSPREVENTION LESSONS

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## *The Theft of Valuable Property*

A very wealthy business man decided to retire and move across the country. He was referred to a local insurance agent to purchase a homeowners policy. A few days later, the agent drove to his luxurious home during the procurement process. He was stunned when he pulled up to his home. The customer had the kind of home that you would expect to see in a magazine or on a TV show. The inside was completely customized and valuable paintings adorned the walls. The agent quickly realized the extent of the customer's wealth and was happy to have a new client with such expensive tastes that would undoubtedly need several insurance policies. He bound the insurance policy for the customer with the understanding that the two would meet again to discuss his other insurance needs in the near future.



Unfortunately, the man's display of wealth made him a target. While traveling several weeks later, thieves broke into his house and ransacked it. When all was said and done between the jewelry, paintings, and coins stolen, the total losses claimed amounted to several million dollars. Some of the items had been scheduled on the policy by the agent, but not all. The carrier paid the content sub-limits and paid for the items that had been scheduled, but there was still a significant shortfall.



The customer claimed that he had told the agent that he wanted coverage for all items in the home and the agent had acknowledged that he was providing full coverage for everything. However, the agent had a much different recollection of events. He stated that he and his customer had discussed the sub-limits for contents and added the items that were specifically requested by the customer. There were certain pieces of valuable jewelry and the customer had balked at the cost to have them insured. He also didn't want to go through the hassle of appraisals on certain items. Unfortunately, there was no documented evidence to back up either parties claim so it became a he said, she said situation. If the agent had taken a few minutes to email the customer with a brief synopsis of the discussion regarding content limits and scheduling specific high value items via endorsement, it would have made the claim much more defensible.



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