

Money Talk

# SAFETY DEPOSIT BOXES' CONTENTS NOT ALWAYS INSURED

Thursday, October 27, 1988 Stephen N. Blaising

An erudite friend of mine collects "oxymorons." No, these are not mentally retarded beasts of burden, but rather figures of speech expressing contradictory ideas like thunderous silence, sweet sorrow or enlightened Aggie.

Unfortunately, safe deposit boxes may have a rightful, frightful place in his unusual collection.

Shocked? Probably not nearly as shocked as a client who contacted me earlier this year.

He had just learned that his safe deposit box- along with many others at his bank, had been robbed. Irreplaceable family papers, securities, personal medals and some jewelry had been stolen.

To his surprise and dismay, he also learned the bank carried no insurance on the contents of the boxes and would not pay for his loss. He appealed to the Federal Deposit Insurance Corporation which politely, but firmly, informed him that the government agency only insures money deposited with the bank not the contents of safe deposit boxes.

He turned to the bank's parent, a major holding company, for restitution but was informed that its bonding company could not make good on the loss unless a court of law proves a bank employee was responsible for the actual theft.

His only recourse was to file a claim with his homeowner's insurance policy. But since he had never separately listed or appraised the contents of the box, the most he could collect from the entire loss was \$500 - considerably less than the estimated \$5,000 in valuables in the box.



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Careful Accounting Required This sad account underscores that safe deposit boxes are not 100 percent safe. Neither the basis nor the federal government are responsible for the contents.

You must insure the contents or valuables you store by attaching them to your list of insured items under your homeowner's or teram's insumere policy. Receipts for the items, photographs or even videotapes are also helpful, should it become necessary to prove the existence of those items.

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value. It also is not advisable to keep life insurance policies in your safe deposit box, since the contents are subject to being frozen and personal access blocked usefit a will is officially probated. A copy of the policy or a listing of the policy numbers, semustra and insurers is a wise alternative in the event of a family catastrophe, but keep the originals in an accessible location.

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processing point estimation of the source of the monotonic suggestions on quarky and placement. You also might look into private safe deposit companies. They are not con-nected with banks, but do insure the contents against hoss and so provide elaborate screening processes for access. Make it a hubit to check selected items into safe deposit when you are check-ing out for variation, just as you would board the dog, put the lights on timers and alert your patteria officer. But adhere to the insurance precautions. Sentimental value cannot be recovered, but you can at least avoid a francial loos. Sphern M. Buisting, provident of Flanceal Dynamics, Inc., of Dallas, is a private comount and financial planmer. He is a registered investment advisor residing in Highland Hark. (If you know a financial question for Mr. Blaizing, submit is dn't was negative or contact him directly at 361-6291.)

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But adhere to the insurance precautions. Sentimental value cannot be recovered, but you can at least avoid a financial loss.

Stephen N. Blaising, President of Financial Dynamics, Inc. of Dallas, is a University Park resident.