

You need to enable JavaScript to run this app. Your request is being processed. Please wait. FDIC-Insured - Backed by the full faith and credit of the U.S. Government Accept Mail Offer See If You Pre-Qualify For What's Ahead Customer Service Sign In Credit One Central Categories Credit Education Personal Finance Life Events Financial Planning Glossary Home Blank Credit Education A Guide to Credit Card Insurance Protection Author: Heather Vale July 10, 2024 Topics: Credit Card Financial Tips Your credit card may come with coverage that you're not aware of. Discover the various types of insurance and protection that you could have. In this article: Introduction Types of Credit Card Insurance Other Credit Card Protections How To Get the Most Out of Your Credit Cards Insurance Protection Bottom Line Introduction You might choose a credit card for the benefits, like the ability to earn points or cash back rewards. Or you might make a mathematical decision by choosing the best interest rate, highest credit line, or an annual fee that works for you. But many of the best credit card perks are sometimes overlooked. Besides the levels of security that protect your money and personal data during transactions, your card may include additional coverage for your purchases. And sometimes you don't have to do anything to activate this insurance beyond paying with the card. Types of Credit Card Insurance Not all credit card insurance is the same, and you may have several types of protection associated with your account. There's zero fraud liability to protect you from unauthorized activity, free coverage for certain card purchases, automatic extended warranties, and account protection that you can purchase as an add-on service. All but the last one are usually included at no cost, so let's take a look at them first. Fraud protection Most credit cards offer zero-liability fraud protection, which guarantees that you won't be responsible for fraudulent or unauthorized purchases, as long as you report the activity right away. The time frame you have and the documents you need to provide may vary from one card issuer to another. But under the Fair Credit Billing Act, you have 60 days to notify your creditor from the statement date. If your card has been lost or stolen and you report it immediately, you're also fully protected against all future charges. This federal law is enforced by all the major networks, including Visa, Mastercard and American Express. Even if you report the loss after a fraudulent charge is made, your liability is limited to \$50. Again, creditors can set their own rules as long as they don't violate the network policies or legal guidelines. Shopping purchase protections It's pretty common to have some sort of free coverage for product purchases made with the card. There are many different ways this could look, depending on your specific card. Purchase protection covers the loss, damage or theft of an eligible item if it's reported during the required time frame, which is usually 90 days. Your purchase may be reimbursed, or the item could be replaced or repaired. Price protection allows you to get back the difference if you buy something and then find it at a lower price. Return protection extends your return window so you can take back a product and get a refund past the normal store deadline. Extended warranties protect you if a product breaks or malfunctions after the manufacturer's warranty has already expired. Travel-related purchase protections Another type of protection that frequently comes with credit cards is for travel-related purchases made with the card. This credit card travel insurance also varies between different networks and card offerings. Rental car insurance covers theft or damage and is usually secondary, meaning it kicks in after your regular insurance is used up. Rental car collision insurance covers damage to the car, but not medical or legal costs from an accident. It's also typically secondary. Travel accident insurance covers accidental death and dismemberment for you or a travel companion if you paid for your trip with the card. Trip cancellation insurance covers prepaid travel purchases that would normally be nonrefundable if you have to cancel your trip for a covered reason, like injury, sickness, or severe weather. Trip delay insurance protects you if your prepaid trip is delayed by bad weather, a canceled flight, lost passport, or other eligible reasons. Often it pays for extra lodging, meals, or other expenses caused by the delay. Baggage delay insurance reimburses you for clothes and other personal supplies that you have to purchase because your luggage went missing. Other Credit Card Protections Besides free coverage that comes with your card and protects your purchases, there's also paid coverage for your account itself. This is usually called credit card payment protection, credit card protection insurance, or simply credit protection, and it's designed to help out if you encounter financial hardship. Generally, this optional protection will help you make payments until you can get back on your feet after a difficult situation, like involuntary job loss or disability. It will likely reduce or suspend your minimum payments or interest rates for a specified time, which could be several months or years. If you pass away while your account is protected, the entire balance will usually be wiped clean, up to a certain amount. The cost for this coverage is based on the amount owed in each billing cycle, such as \$1 for every \$100 of your current balance. How To Get the Most Out of Your Credit Cards Insurance Protection You may be covered for more than you realize, but every benefit comes with terms and conditions. So the best way to get the most out of your credit cards insurance protections is to read and understand what's protected, what's excluded, and what your coverage limits are. You should also know what your claim windows are, so you don't miss any important deadlines for reporting events or submitting documentation. And keep track of all your purchases so you have any receipts or warranties that support your claim. Knowing the details of your protection lets you plan ahead and strategize. That way you can make sure you meet the purchase conditions and take full advantage of any protections that your card offers. Bottom Line Credit cards are meant for buying things first and foremost, but it's easy to forget that they come with additional benefits. That often includes rewards and

discounts, as well as supplemental or secondary insurance, purchase protection, extended warranties, and more. If you'd like a new credit card that comes with both automatic and optional protection, take a look at the range of offerings from Credit One Bank. You can see if you pre-qualify before applying, which won't affect your credit score. About the author: Heather Vale Heather is an accomplished writer and editor in the financial and business industries, with expertise in credit building, investments, cryptocurrency, entrepreneurship, and thought leadership. She loves investigating and pulling apart complicated topics to make them simple, engaging, and easy to understand. But she also enjoys writing about the personal side of life, including self-help, creativity, relationships, families, and pets. She approaches everything from a yin-yang perspective, so her passion for wordplay and metaphors is always balanced with an intense focus on accuracy. Heather has a BFA in Visual Arts from York University, and has worked as a journalist in all media: TV, radio, print, and online. This material is for informational purposes only and is not intended to replace the advice of a qualified tax advisor, attorney or financial advisor. Readers should consult with their own tax advisor, attorney or financial advisor with regard to their personal situations. Recommended Articles What Is Credit Card Travel Insurance & What Does it Cover? What Is Credit Card Payment Protection? What Is Credit Card Purchase Protection? Credit Cards Browse Credit Cards See If You Pre-qualify Accept Mail Offer Application Status Support FAQs Contact Us Accessibility Credit One Central About Us Company Partnerships Community Careers Testimonials Credit One Bank Mobile App Privacy Terms of Use Security & Fraud Card Agreements 2025 Credit One Bank, N.A. All Rights Reserved. Member FDIC. This is a secure site.