

# Fine Art Insurance

POLICY DOCUMENT



[www.ecclesiastical.com](http://www.ecclesiastical.com)



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# Introduction

Thank you for insuring with Ecclesiastical and we welcome you as a policyholder. We are a specialist financial services group, with a strong portfolio of insurance, investment management, broking and advisory businesses in the UK, Ireland, Canada and Australia. All are underpinned by a reputation for delivering an outstanding service for customers, with firmly established roots as a socially responsible general insurer.

## Policy information

The policy is divided into a number of sections. Your schedule will show which sections are in force and for how much you are insured.

Please read the policy and schedule carefully. If you have any queries or wish to change your cover, contact us immediately.

We will send you an updated schedule whenever the cover is changed and at each annual renewal date. The most recent schedule will provide the details of your current cover. Please retain this with your policy booklet, together with any special notices we send you about the policy.

Please also retain all other schedules so you may check what cover applied on any specific date should you need to do so.

If your needs change, please tell us.

## How we will use your data

We hold data in accordance with the Data Protection Act 1998. It may be necessary for us to pass data to other organisations that supply products and services for this policy.

## Fraud prevention

We may check your details with various fraud prevention and credit reference agencies. If false or inaccurate information is provided and fraud is identified, details will be passed to fraud prevention agencies. Law enforcement agencies may access and use this information. If you make a claim, we will share your information (where necessary) with other companies to prevent fraudulent claims.

**For further information on how we use your data and fraud prevention please refer to our Privacy Policy at [www.ecclesiastical.com/privacypolicy](http://www.ecclesiastical.com/privacypolicy)**

# Claims service and contact numbers

At Ecclesiastical, we like to keep claims simple.

When you claim, we'll look at your cover to see how we can best help you. We'll work swiftly, and deal with your claim fairly. If we can resolve your claim when you first contact us, we will. But if it's a little more complicated, we'll make sure you always know what's going on. We'll also give you direct access to the expert claims handler dealing with your claim, who will be able to make key decisions about your claim.

We'll take a proactive approach to protecting your interests against third party legal liability claims, and we'll always consult you before making any admission of liability.

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## Claims promise

Our claims promise

- We're here to help when you need to make a new claim – 24 hours a day, 7 days a week
- You can claim by telephone, by email or online
- For new property claims we will respond quickly and within a maximum of one working day
- New personal injury claims will be reviewed and a considered response provided to you within a maximum of 3 working days
- We will give you the name and direct contact details of the specialist who is handling your claim, so you always know who to talk to for help, advice and support
- We will keep it as simple as possible, guiding and assisting you through your claim
- We have carefully chosen our suppliers, working with proven specialists to provide you with the support you need in resolving your claim
- We will pay your claim within one working day of agreeing the settlement amount
- We will defend claims made against you for personal injury robustly, where we have the evidence to do so

We will look for cover and will not hide behind the small print, paying you exactly what you are entitled to, quickly and without fuss.

# Making your claim

For new claims the services are available 24 hours a day, 7 days a week.

For enquiries about existing claims, the services are available from Monday to Friday 8am to 6pm.

**For all claims call:**

**0345 603 8381**

The action to be taken by the policyholder in the event of any incident which may give rise to a claim is shown in the Claims conditions.

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## Helplines

**In the event of a problem, you can obtain help from any of the following helpline services.**

Please make sure that you are able to give your policy number shown on your policy schedule.

### Risk Advice Line

(provided by Ecclesiastical professionals or external specialists)

**0345 600 7531**

**Email: [risk.advice@ecclesiastical.com](mailto:risk.advice@ecclesiastical.com)**

Risk specialists are on hand to advise you on a range of topics, including:

- Property protection, security, business continuity planning
- Health and safety, food safety, environmental management
- Construction safety, fire safety, occupational health, water safety or asbestos

This helpline is available Monday to Friday 9am to 5pm.

### Emergency glass replacement

**0345 600 0148**

If you suffer glass breakage you can call upon the services of our selected specialist provider who will affect a rapid repair.

You will be solely responsible for the entire cost of repairs.

This helpline is available 24 hours a day, 365 days a year.

# General information

## Complaints procedure

If you are unhappy with our products or service, please contact us as soon as possible.

### You can complain in writing or verbally at any time to:

Ecclesiastical Insurance Office plc  
Beaufort House,  
Brunswick Road,  
Gloucester,  
GL1 1JZ

Tel: **0345 777 3322**

Email: [complaints@ecclesiastical.com](mailto:complaints@ecclesiastical.com)

## Our promise to you

We will aim to resolve your complaint within one business day.

To resolve your complaint we will:

- Investigate your complaint diligently and impartially.
- Keep you informed of the progress of the investigation.
- For more complex issues, we may need a little longer to investigate and we may ask you for further information to help us reach a decision.
- Respond in writing to your complaint as soon as possible.

If you are not satisfied with our response, or if we have not completed our investigation within eight weeks, we will inform you of your right to take the complaint to:

The Financial Ombudsman Service,  
Exchange Tower,  
London, E14 9SR

Tel: **0800 0 234 567**

Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)

Web: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

If you have bought your insurance online, you can also register your complaint on the Online Dispute Resolution website <http://ec.europa.eu/consumers/odr/>, which has been set up by the European Commission.

This complaints handling procedure does not affect your right to take legal proceedings.

## The Financial Services Compensation Scheme

The Financial Services Compensation Scheme (FSCS) is the independent body, set up by Government, which gives you your money back if your authorised\* financial services provider is unable to meet its obligations.

The FSCS protects a range of products for both individuals and small businesses. Limits apply depending on the product you have bought. The FSCS does not charge individual consumers for using its service. The FSCS cannot help you if the firm you have done business with is still trading.

For further information on the scheme you can visit the website at:

**[www.fscs.org.uk](http://www.fscs.org.uk)**

or write to:

Financial Services Compensation Scheme  
10<sup>th</sup> Floor, Beaufort House,  
15 St Botolph Street,  
London, EC3A 7QU.

Tel: **0207 741 4100** or **0800 678 1100**

Fax: **0207 741 4101**

Email: [enquiries@fscs.org.uk](mailto:enquiries@fscs.org.uk)

\* The FSCS can only pay compensation for customers of financial services firms authorised by the PRA or the FCA.

# General definitions

Each time any of the following words or phrases appear in this policy in bold italic type or in capital letters in the schedule they will take the specific meaning shown below unless specifically defined in a policy section

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

## ***Aircraft***

means aircraft and other aerial devices dropped from them

## ***Business***

means the business of the ***Insured*** as stated in the schedule

## ***Company/we/our/us***

means Ecclesiastical Insurance Office plc

## ***Condition precedent to liability***

means a condition of this policy where non-compliance (provided that such non-compliance is material to the loss) shall mean the claim will not be paid and any payment on account of the claim already made by ***us*** shall be repaid to ***us***

## ***Damage***

means physical loss destruction or damage

## ***Earthquake***

means earthquake including fire as a result of earthquake

## ***Escape of oil***

means accidental escape of oil from any fixed oil fired heating installation or storage tank caused by a sudden identifiable unintended and unexpected incident which has taken place in its entirety at a specific time and place during the ***period of insurance***

## ***Escape of water***

means escape of water from any tank apparatus or pipe including ***damage*** to any water tank apparatus or pipe itself caused by freezing of water but excludes water discharged or leaking from an installation of automatic sprinklers

## ***Excess***

means the first amount of each and every loss (after applying any adjustment for underinsurance) up to the amount set out in the schedule to this policy relevant to that loss

## ***Fire***

means fire by any cause other than ***earthquake*** and includes any losses arising from lightning or explosion

## ***Flood***

means the escape of water from the normal confines of any natural or artificial water course or lake reservoir canal or dam or inundation from the sea

## ***Geographical limits***

means England Scotland Wales Northern Ireland the Channel Islands and the Isle of Man

## ***Impact***

means impact by any road or rail vehicle or animal

## ***Insured/you/your***

means the Insured shown in the schedule

***Malicious persons***

means intentional and wilful **damage** not caused by thieves

***Period of insurance***

means the period of insurance stated in the schedule

***Premises***

means that part of the buildings and grounds at the addresses shown in the schedule owned or occupied by **you** in connection with the **business**

***Restricted peril(s)***

means **fire earthquake aircraft riot malicious persons storm flood impact escape of water**

***Riot***

means riot civil commotion strikers locked out workers or persons taking part in labour disturbances

***Storm***

means a period of violent wind rain snow or hail but excluding **damage** caused by **flood**

***Theft***

means theft or attempted theft

***Unoccupied***

means vacant untenanted unfurnished empty or no longer in active use for a period exceeding 30 consecutive days

# Insuring clause

This policy document and the schedule including all clauses applied to the policy shall together form the policy and be considered as one document

In consideration of payment of the premium **we** will provide insurance against loss destruction damage injury or liability (as described in and subject to the terms conditions limits and exclusions of this policy or any section of this policy) occurring or arising in connection with **your business** during the **period of insurance** or any subsequent period for which **we** agree to accept a renewal premium

# General exclusions

## This policy does not cover the following

### 1 Excess

Any **excess**

### 2 Other insurances

Property more specifically insured under another policy

### 3 Radioactive contamination

Loss damage liability or expense directly or indirectly caused by or contributed to by or arising from

- (a) ionising radiation from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel
- (b) the radioactive toxic explosive or other hazardous or contaminating properties of any nuclear installation reactor or other nuclear assembly or nuclear component thereof
- (c) any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter
- (d) the radioactive toxic explosive or other hazardous or contaminating properties of any radioactive matter  
Part (d) does not extend to radioactive isotopes other than nuclear fuel or nuclear waste when such isotopes are on the property insured and are being prepared stored or used in the normal course of operations by **you** for the commercial agricultural medical scientific or other similar peaceful purposes for which they were intended
- (e) any chemical biological bio-chemical or electromagnetic weapon

However this exclusion does not apply to losses arising from naturally occurring radioactive gases released from the earth such as Radon

### 4 War risks

Loss or damage directly or indirectly occasioned by happening through or in consequence of war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power

### 5 Terrorism

#### Definitions specific to this exclusion

#### *Act of terrorism*

##### **In respect of**

#### **(a) England Wales and Scotland (but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987)**

means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

#### **(b) all other instances**

means an act including but not limited to the use of force or violence and/or the threat thereof of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) committed for political religious ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear

Any loss damage cost or expense directly or indirectly caused by contributed to by resulting from or arising out of or in connection with any **act of terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss

This insurance also excludes loss damage cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any action taken in controlling preventing suppressing or in any way relating to any **act of terrorism**

If **we** allege that by reason of this exclusion any loss damage cost or expense is not covered by this policy the burden of proving the contrary shall be upon **you**

This exclusion does not apply to the Terrorism section

## 6 Date recognition

### Definitions specific to this exclusion

#### *Computer*

means computer or other equipment media or system (or any part of them) for processing storing or retrieving data to include without limitation any microchip integrated circuit or similar device or any computer software

Any claim directly or indirectly arising from the failure or possible failure of any **computer**

- (a) to correctly recognise any date as its true calendar date
- (b) to save and/or correctly interpret or process any data or command as a result of treating any date other than its true calendar date
- (c) to save or correctly process any data on or after any date

but this shall not exclude subsequent **damage** or consequential loss not otherwise excluded which itself results from a **restricted peril** or **theft**

This exclusion does not apply to the Terrorism section

## 7 Electronic risks

**Damage** caused by electronic risks as set out below

### Definitions specific to this exclusion

#### *Data*

means information represented or stored electronically including but not limited to code or series of instructions operating systems software programs and firmware

#### *Failure of a system*

means the complete or partial failure or inability whether in terms of availability functionality and/or performance or otherwise of a **system** whether or not owned by **you** to operate at any time as desired as specified or as required in the circumstances of **your** business activities

#### *Microchip(s)*

means a unit of packaged computer circuitry manufactured in small scale and made for program logic and/or computer memory purposes and expressly includes integrated circuits and microcontroller

#### *System(s)*

shall include computers other computing and electronic equipment linked to a computer hardware electronic data processing equipment **microchips** and anything which relies on a **microchip** for any part of its operation and includes for the avoidance of doubt any computer installation

**Virus**

means programming code designed to achieve an unexpected unauthorised and/or undesirable effect or operation when loaded onto a **system** transmitted between **systems** by transfer between computer systems via networks extranets and internet or electronic mail or attachments thereto or via floppy diskettes or CD-ROMS or otherwise and whether involving self-replication or not

Cover excludes **damage** to

- (a) **data** (other than as provided for under any reinstatement of data extension within the Business interruption section or Equipment breakdown section) which shall include but shall not be limited to
  - (i) **damage** to or corruption of **data** whether in whole or in part
  - (ii) unauthorised appropriation of use of access to or modification of **data**
  - (iii) unauthorised transmission of **data** to any third parties
  - (iv) **damage** arising out of any misinterpretation use or misuse of **data**
  - (v) **damage** arising out of any operator error in respect of **data**
- (b) any items insured arising directly or indirectly from
  - (i) the transmission or impact of any **virus**
  - (ii) unauthorised access to a **system**
  - (iii) interruption of or interference with electronic means of communication used in the conduct of **your business** including but not limited to any diminution in the performance of any website or electronic means of communication
  - (iv) **failure of a system**
  - (v) anything described in (a) above

but in respect of (b) (i) (b) (ii) (b) (iii) and (b) (iv) this shall not exclude subsequent **damage** or loss resulting from subsequent **damage** which itself results from a cause not otherwise excluded provided that such **damage** does not arise by reason of any malicious act or omission

This exclusion does not apply to the Terrorism section

## 8 Pollution or contamination

**Damage** caused by pollution or contamination but this shall not exclude **damage**

- (a) to the property insured caused by pollution or contamination which itself results from a **restricted peril** or **theft** or **escape of oil**
- (b) to the property insured caused by a **restricted peril** or **theft** or **escape of oil** which itself results from pollution or contamination

For the purposes of this exclusion **theft** means theft or attempted theft involving entry to or exit from the buildings of the **premises** by forcible and violent means or following actual or threatened assault or violence

This exclusion does not apply to the Terrorism section

# General conditions

## 1 Policy voidable

**You** must ensure that a fair presentation of the risks to be insured is made to **us**

In the event of misrepresentation misdescription or non-disclosure of any material fact or circumstance **we** may void the policy and retain any premium paid where such misrepresentation misdescription or non-disclosure is deliberate or reckless

Where such misrepresentation misdescription or non-disclosure is not deliberate or reckless **we** may at **our** option

- (a) void the policy and refund to **you** any premium paid if **we** would have not entered into this policy on any terms had clear representation description and disclosure been made
- (b) proportionately reduce the amount to be paid on any claim if **we** would have entered into this policy on the same terms but for a higher premium

The reduction in claim payment will represent the percentage difference between the premium **you** have paid and the premium **we** would have charged **you** had clear representation description and disclosure been made

- (c) impose additional terms on this policy if **we** would have entered into this policy on such additional terms but at the same premium had clear representation description and disclosure been made

**We** may apply these additional terms to **your** policy with effect from inception

## 2 Reasonable care

It is a **condition precedent to liability** that **you** shall

- (a) take all reasonable precautions to prevent **damage**
- (b) exercise reasonable care in seeing that all statutory and other obligations and regulations are observed and complied with
- (c) maintain the **premises** works machinery and plant in sound condition

## 3 Alteration of risk

If after the commencement of this insurance

- (a) there is any alteration of risk which increases the risk of **damage** accident or liability
- (b) the **premises** are undergoing alterations or repairs where the contract value exceeds £100,000
- (c) **your** interest ceases except by will or operation of law
- (d) an administrator or a liquidator or receiver is appointed or where **you** enter into a voluntary arrangement
- (e) there is any other material change in use of the **premises**

**you** must give notice to **us** as soon as is reasonably possible

Upon any alteration described above **we** shall be entitled to cancel the policy from the date of the alteration or impose special terms or charge an additional premium

This condition does not apply where buildings become **unoccupied** as this is dealt with under the 'Unoccupied buildings' general condition

## 4 Multiple insurances

If at the time any claim arises under this policy there is any other insurance in force whether effected by **you** or not covering the same **damage** loss expense or liability **we** shall not be liable for more than **our** rateable proportion

If such other insurance is subject to any condition of underinsurance this policy if not already subject to any condition of underinsurance shall be subject to that condition of underinsurance in like manner

## 5 Fraudulent claims

If a claim made by **you** or anyone acting on **your** behalf or any other person claiming to obtain benefit under this policy is fraudulent or exaggerated whether ultimately material or not or if any **damage** is caused by **your** wilful act or with **your** connivance **we** may at **our** option

- (a) repudiate the claim
- (b) recover any payments already made by **us** in respect of the claim
- (c) cancel the policy from the date of the fraudulent act and retain the premium due for the unexpired period of insurance from the date of cancellation up to the renewal date

If **we** cancel the policy **we** will notify **you** in writing by special delivery to **your** last known address

## 6 Unoccupied buildings

It is a **condition precedent to liability** that

- (a) when a building or part of a building in which property insured by this policy becomes **unoccupied** or when an **unoccupied** building or part of a building is again occupied **you** must tell **us** as soon as is reasonably possible

Upon any alteration as described above **we** may at **our** option

- (i) amend the terms and conditions that apply to such buildings and charge an additional premium
- (ii) cancel the cover for any affected property
- (iii) cancel the policy in accordance with the Cancellation condition

- (b) in respect of any building or part of a building which becomes **unoccupied**

- (1) **you** must turn off electricity gas and water supplies at the mains and drain down all water systems other than those required to maintain intruder alarm fire alarm and sprinkler installations or other fire suppression security or other risk protection systems or devices
- (2) **you** must remove all waste and unfixed combustible materials both internally and externally from such buildings
- (3) **you** must maintain in full and efficient working order and keep operational all alarms sprinkler installations fire suppression systems locks and all other protective and security devices including perimeter security protection at the **premises**
- (4) where there is a sprinkler installation **you** must maintain the central heating system to prevent freezing and
  - (i) the system should be inspected to ensure it is operating correctly whenever such buildings are inspected
  - (ii) the temperature throughout the building must be maintained at not less than 7 degrees Centigrade (45 degrees Fahrenheit)
  - (iii) the system must be serviced and maintained at least annually by an appropriately qualified engineer
- (5) **you** must undertake an internal and external inspection of such buildings at least every 7 days and rectify as soon as is reasonably possible any defects in the fabric of the building or the security or fire protection installations
 

A record of inspections including remedy of any defects must be maintained
- (6) **you** must permanently seal shut the letterbox
 

Where the letterbox cannot be sealed shut **you** must fit a metal box or cage to the inside of the letterbox aperture and remove the post from it whenever such buildings are inspected
- (7) **you** must tell **us** as soon as is reasonably possible if such buildings are to be occupied by contractors for any alterations renovations conversions or repairs

- (8) in addition to the Claims condition that requires **you** to tell **us** as soon as **you** become aware of an incident that may result in a claim **you** must also tell **us** as soon as **you** become aware of any illegal entry to the **premises** whether or not any **damage** has occurred
- (9) **you** must review and update **your** risk assessment (including the fire risk assessment) of such buildings to reflect the change in risk

Unless otherwise agreed by **us** in writing

## 7 Security

It is a **condition precedent to liability** for **damage** at the **premises** caused by theft or attempted theft that all locks bolts and other protective devices fitted to the **premises** be put into full use whenever the **premises** are closed for business and are not attended by **you** or an authorised person for the purpose of the **business**

Where the **premises** are occupied by **you** for **business** and residential purposes

- (a) the **business** portion must be secured as outlined above outside of working hours of the **business**
- (b) the residential portion must be secured as outlined above when this portion is unattended by **you** or **your** family or other authorised persons

Any additional security conditions that apply will be detailed on **your** policy schedule if applicable

## 8 Fire extinguishing appliances

Where **you** are required to provide fire extinguishing appliances to comply with the Regulatory Reform (Fire Safety) Order 2005 (applicable in England and Wales) or the Fire Scotland Act (2005) and/or any similar or replacement legislation or **you** have otherwise provided fire extinguishing appliances upon which others may rely **you** must have all such appliances inspected and maintained under an annual service contract with a specialist contractor or otherwise competent person

## 9 Fire alarm installations

It is a **condition precedent to liability** that where any **premises** is protected by an automatic fire alarm installation that

- (a) the installation (including any automatic alarm signalling) shall be maintained in full and efficient working order at all times and all reasonable steps taken to prevent damage to the installation
- (b) an undertaking shall be in force with engineers who are LPS 1014 or BAFE SP203 approved (or engineers as otherwise accepted by **us**) to maintain the automatic fire alarm installation and written confirmation shall be obtained from them that the installation is in satisfactory working order following each inspection
- (c) the testing servicing and maintenance requirements specified by the manufacturer of the equipment/installing engineers shall be carried out and any defect revealed by the testing promptly rectified
- (d) immediate notice shall be given to **us** if the level of response to the automatic fire alarm has been or will be reduced or delayed
- (e) where there is an external alarm signal **you** shall appoint at least two keyholders and lodge written details (which must be kept up to date) with the alarm receiving centre
- (f) in the event of notification of any activation or alarm fault of the automatic fire alarm a keyholder shall attend the **premises** as soon as is reasonably possible
- (g) immediate notice shall be given to **us** of any disconnection or failure of the automatic fire alarm installation (including any automatic alarm signalling) and any precautions **we** instruct **you** to take shall be acted upon

- (h) advance notice is given to **us** if it is proposed that any part of the
  - (1) installation (including any automatic alarm signalling) is to be extended altered repaired or rendered inoperative
  - (2) **premises** is to be extended or altered and obtain **our** prior written agreement
- (i) records of all alarm faults disconnections tests and maintenance visits are kept and made available when required to **our** representatives
- (j) **our** access to the **premises** is permitted at all reasonable times for the purpose of inspecting and witnessing the testing of the installation

Unless otherwise agreed by **us** in writing

## 10 Intruder alarms

### Definitions specific to this condition

#### *Intruder alarm system*

means the component parts of the intruder alarm system including the means of communication used to transmit signals

#### *Keyholder(s)*

means **you** or any person or keyholding company authorised by **you** who is available at all times to accept notification of faults or alarm signals relating to the **intruder alarm system** and attend and allow access to the **premises**

It is a **condition precedent to liability** that where any **premises** is protected by an **intruder alarm system** that

- (i) the **intruder alarm system** shall be installed in accordance with the specification agreed in writing by **us** and no alteration or variation of the system or any structural alteration to the **premises** which would affect the system shall be made without **our** written consent
- (ii) the **intruder alarm system** shall be maintained in full and efficient working order at all times and be serviced under a maintenance contract approved by **us** and immediate notice of any apparent defect in the **intruder alarm system** or its signalling shall be given to the maintenance contractor
- (iii) the **intruder alarm system** shall be tested and set whenever the alarmed portion of the **premises** is closed for business and is not attended by **you** or any person authorised by **you** to be responsible for the security of the **premises** provided that any detection devices and their circuits connected for continuous protection shall be fully operative at all times
- (iv) all keys including duplicate keys and notes of combination locks/electronic pass codes letters and numbers relative to the **intruder alarm system** shall be removed from the buildings of the **premises** whenever they are closed for business and are left unattended provided that at such times if part of the **premises** is occupied residentially by **you** or an authorised employee the said keys shall be removed from the business portion of the **premises** to the part occupied residentially
- (v) immediate advice shall be given to **us** of any notice from the police or a security organisation that **intruder alarm system** signals may be or will be disregarded
- (vi) **you** shall appoint at least two **keyholders** and lodge written details (which must be kept up to date) with the alarm company and police authorities
- (vii) in the event of notification of any activation of the **intruder alarm system** or interruption of the means of communication during any period that the **intruder alarm system** is set a **keyholder** shall attend the **premises** as soon as is reasonably possible

Unless otherwise agreed by **us** in writing

## 11 Arbitration

Provided **we** have admitted liability for a claim any dispute as to the amount to be paid shall be resolved by arbitration in accordance with the statutory provisions in force at the time by

- (a) an agreed arbitrator or if an arbitrator cannot be agreed
- (b) an arbitrator appointed by the Chartered Institute of Arbitrators following a request from either party provided they have given seven days' written notice to the other party

**You** must not take legal action against **us** over the dispute before the arbitrator has reached a decision

## 12 Cancellation

In circumstances other than those in the Policy voidable Alteration of risk and Fraudulent claims conditions **we** may cancel the policy or any section of it by sending seven days' notice commencing from the date of posting by special delivery to **you** at **your** last known address and shall refund to **you** the proportionate premium for the unexpired period of cover

## 13 Sanctions

**We** shall not provide any cover under this policy or be liable to pay any claim or provide any benefit to the extent that the provision of such cover payment of such claim or provision of such benefit would expose **us** to any sanction prohibition or restriction under United Nations resolutions or the trade or economic sanctions laws or regulations of the European Union United Kingdom or United States of America

If any such sanction prohibition or restriction takes effect during the **period of insurance you** or **we** may cancel that part of this policy which is affected with immediate effect by giving such notice in writing

In such circumstances **we** shall return a proportionate premium for the unexpired period of cover provided no claims have been paid or are outstanding

## 14 Assignment

**You** shall not assign any of the rights or benefits under this policy or any section of this policy without **our** prior written consent

**We** will not be bound to accept or be affected by any notice of trust charge lien or purported assignment or other dealing with or relating to this policy or any section of this policy

## 15 Law applicable

This policy (other than the Legal expenses section) shall be governed by and construed in accordance with the law of England and Wales unless the **Insured's** habitual residence (in the case of an individual) or central administration and/or place of establishment is located in Scotland in which case the law of Scotland shall apply

## 16 Rights of third parties

A person or company who is not a party to this policy has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this policy but this does not affect any right or remedy of a third party which exists or is available apart from that Act

# Claims conditions

## Your duties

When an incident occurs that may result in a claim it is a **condition precedent to liability** that **you** shall

- (a) take all practicable steps to recover property lost and otherwise minimise the claim
- (b) tell the police as soon as is reasonably possible if the **damage** is caused by thieves malicious persons vandals or as a result of **riot**
- (c) tell **us** as soon as **you** become aware
- (d) within 30 days (7 days for **damage** by **riot**) give **us** at **your** expense any information **we** require and continue to provide **us** with any information and assistance **we** require before or after **we** pay **your** claim under the policy
- (e) not make or allow to be made on **your** behalf any admission offer promise payment or indemnity without **our** written consent
- (f) forward to **us** every letter claim writ summons and process immediately upon receipt without acknowledgement and advise **us** in writing as soon as **you** have any knowledge of any impending prosecution inquest or inquiry in connection with that event

## Our rights

**We** may

- (a) start take over defend and conduct any legal action in **your** name
- (b) prosecute in **your** name for **our** benefit any claim for indemnity or damages

**We** will have full discretion in the conduct and settlement of any such action

- (c) enter any building where **damage** has occurred and take and keep possession of any property insured by this policy

**We** will not accept property abandoned to **us**

This policy shall be proof that **you** have authorised **our** rights under this condition

- (d) at any time pay to **you** the relevant limit of indemnity or any lesser amount for which at **our** discretion any claim or claims can be settled

**We** will then relinquish control of the claim and have no further liability

Additional conditions apply to the Fine art and collections section which are detailed in the section

# 1 Fine art and collections

**The schedule will show if this section applies and the cover in force**

## Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

### **Agreed value**

means the value agreed by **you** and **us** for the purpose of this policy

No representation is made by **us** that those values represent the **market value** or any other basis of value

### **Art**

means anything that could be bought or sold at a reputable auction house including but not limited to

- (a) paintings works on paper **exhibits** tapestries rugs antique guns furniture sculpture ceramics gold silver or gold and silver plated items architectural features
- (b) collectibles including glass clocks barometers coins stamps medals antiques and wine

Excluding **jewellery/watches/furs**

### **Authorised volunteers**

means voluntary workers normally resident in the **geographical limits** acting under **your** authority whilst engaged in **your business**

### **Depreciation**

means the reduction in value of an item caused directly by **damage** to the item and arrived at with reference to the full insured value of the item as per the basis of settlement and its condition prior to the **damage**

### **Exhibits**

means any temporary or permanent item or items held in **your** collections as listed in the schedule

### **Jewellery/watches/furs**

means jewellery watches gemstones pearls items of gold or silver or other precious or semi-precious metal and/or articles comprising them designed to be worn on the person and furs

### **Market value**

means the price a willing buyer would pay to a willing seller with good title at the place the item was located immediately prior to the loss after a reasonable period for marketing taking into account the state of the market for goods of that type and the size and condition of the goods

### **Temporary**

means for a period not exceeding 90 days

### **Vermin**

means any wild animals birds and insects (whether they have protected status or not) that are known to cause **damage** or carry disease

## Cover

**We** will indemnify **you** in accordance with the Basis of settlement following **damage** to an item of **art** and **jewellery/watches/furs** as stated in this section or the schedule belonging to **you** or for which **you** are legally responsible or which are entrusted to **you** occurring during the **period of insurance** whilst at the **premises** or whilst at other locations agreed by **us**

## Exclusions

**We** shall not be liable for

- (1) **damage** or expense caused by or resulting from theft fraud or dishonesty committed by any of **your** directors trustees employees or **authorised volunteers** or anyone to whom **your art** is consigned or otherwise directly or indirectly entrusted or loaned
- (2) items kept in the open grounds of the **premises** unless specifically declared to **us** as such and agreed by **us** at the applicable premium
- (3) **damage** to the property insured whilst in any building which is **unoccupied** unless agreed by **us**
- (4) mysterious disappearance or unexplained loss
- (5) **damage** or expense caused by or resulting from
  - (a) natural ageing gradual deterioration inherent vice latent defect rust or oxidation **vermin** warping or shrinkage mould fungus mildew corrosion or the intrinsic nature of the subject matter insured
  - (b) smoke damage caused by smog agricultural or industrial work or any gradual cause
  - (c) aridity humidity exposure to light or extremes of temperature unless such **damage** is caused by **storm** frost or **fire** or another sudden unforeseen event
  - (d) any process or alteration refurbishment repair maintenance dismantling restoration decoration heating drying cleaning washing or dyeing
  - (e) misuse of any property insured under this section
- (6) **damage** attributable solely to change in the water table level
- (7) **damage** to information on computer systems or other records programs or software resulting from accidental or malicious erasure loss distortion or corruption or from any unidentifiable cause or any consequential loss resulting therefrom

## Basis of settlement

- (1) **Art**
  - (a) The basis of valuation for settlement of any total loss covered will be
    - (i) for **art** individually listed the **agreed value** shown in the schedule
    - (ii) for **art** not individually listed the **market value** immediately prior to the loss up to £30,000 for any one item pair or set
    - (iii) for **art** loaned to **you we** will pay the value specified in the Loan Agreement
  - (b) In the event of partial **damage** to any **art** the amount payable will be the cost of restoration plus any resulting **depreciation** but not exceeding the full insured value of the **art** valued as in (1)(a) above as applicable
- (2) **Jewellery/watches/furs**
  - (a) The basis of valuation for settlement of any total loss covered will be
    - (i) for **jewellery/watches/furs** individually listed in the schedule the value listed or the market value immediately prior to the loss whichever is the less
    - (ii) for **jewellery/watches/furs** not individually listed in the schedule the **market value** immediately prior to loss up to £17,500 for any one item pair or set
  - (b) In the event of partial **damage** to any **jewellery/watches/furs** insured **we** will pay the cost of repair plus any resulting **depreciation** but not exceeding the full insured value of that item as in (2)(a) above as applicable

At **our** option **we** may arrange the repair

Any disagreements as to the **market value** are to be resolved in accordance with the General condition 'Arbitration' Following **damage** to any item which has an increased value because it forms part of a pair or set the amount **we** shall pay will take into account the loss in overall value

## Limit of liability

**Our** liability in the **period of insurance** shall not exceed

- (a) the sum insured for each item shown in the schedule or
- (b) any other limit of liability in this section  
and
- (c) in total shall not exceed the total sum insured for all items

## Extensions

The insurance by this section is extended to include the following

Unless specifically stated otherwise these extensions do not increase **our** liability as stated in the Limit of liability paragraph

### 1 New acquisitions

The limit provided by this extension is in addition to the sums insured stated in the schedule

New acquisitions of **art** and **jewellery/watches/furs** acquired during the **period of insurance** provided that **you** notify **us** within 60 days of the acquisition and pay any additional premium as may be required from inception of the cover

**We** may cancel cover for new acquisitions by notifying **you** in writing within 14 days of receiving notification and giving 7 days notice

Limit

10% of the total sum insured on such property or £250,000 whichever is the lower any one claim

### 2 Defective title

The limit provided by this Extension is separate from the sums insured stated in the schedule

**We** will indemnify **you** for claims made against **you** arising from **your** purchase of **art** for which the vendor had defective or no title or on which a charge or encumbrance had been placed prior to the purchase of which **you** were not aware and should not have been aware after making reasonable enquiry

Providing always that

- (i) the purchase was made after the date **you** first insured **your art** with **us** under this policy
- (ii) the claim is made against **you** during the **period of insurance**
- (iii) **you** do not commence any litigation or other legal process without **our** consent and **you** inform **us** immediately upon becoming aware of any title issues and do not initiate or respond to any related letter or other communication without **our** consent
- (iv) **we** have the right to take over the conduct of the litigation if **we** wish and settle on such terms as the lawyer instructed advises are reasonable
- (v) if **you** are required to relinquish possession of the **art** to another party **we** will pay the amount that **you** paid to purchase the **art**
- (vi) if **you** are required to pay damages to another party **we** will pay the amount of those damages up to the **market value** of the item at the time of payment

Limit

£500,000 including legal costs in any one period of insurance

### 3 Restoration and framing

Notwithstanding exclusion 5(d) if any **damage** occurs which is caused by a professional conservator restorer or framer **we** will pay the reasonable cost of repair and any **depreciation** directly caused by the **damage**

Provided that **our** liability under this extension shall not exceed the value of the individual item and in the aggregate the sum insured for **art**

### 4 Work in progress

**We** will cover uncompleted works of **art** and **jewellery/watches/furs** by an artist commissioned by **you** which are damaged prior to completion or which cannot be completed due to the artist's death

**We** will pay for the costs **you** have incurred for the materials and supplies for the artist and the contracted costs for labour

Limit

For any one claim **we** will not pay more than the amount of non-recoverable deposits or the full commission price if pre-paid

The most **we** will pay is £30,000 in the aggregate the **period of insurance**

### 5 Temporary removal

**Art** and **jewellery/watches/furs** whilst away from the **premises** for a **temporary** period at locations shown in the schedule and in transit

Limit

- (i) for **art** is £5,000,000 or the sum insured for **art** whichever is the less
- (ii) for **jewellery/watches/furs** is £15,000 in the aggregate in the **period of insurance**
- (iii) in respect of losses from unattended vehicles for **art** and **jewellery/watches/furs** is £10,000 in the aggregate in any one period of insurance provided that
  - (a) the vehicle is locked at all points of access and alarmed
  - (b) there are visible signs of forcible or violent entry to the vehicle
  - (c) the property is out of sight in a locked compartment or locked boot within the vehicle

When in transit it is a **condition precedent to liability** that you comply with the Transit condition

### 6 Emergency Evacuation

The reasonable cost with **our** agreement of moving **your art** and **jewellery/watches/furs** to and from and keeping them in secure storage if

- (a) **your premises** become unoccupied due to sudden loss of or damage to **your premises** or
- (b) A statutory or regulatory body prohibits occupation or use of **your premises**

until either the loss or damage is rectified or the local authority allows **you** to occupy **your premises** again

## Conditions

### 1 Recovered property

Following payment of the full amount insured for any **art** or **jewellery/watches/furs** title passes legally to **us**

However if **we** recover any of **your** property after **we** have paid a claim **we** will contact **you** and **you** can buy it back from **us** within 60 days

**We** will charge

- (a) the amount **we** paid for **your** claim plus interest and any recovery cost and expenses or
  - (b) the **market value** of the item at the time **we** recover it
- whichever is the less

### 2 Art – loaned items

- (a) In respect of **art** loaned to **you** values for the purpose of this policy should be agreed between **you** and the owner before the loan is accepted and should be documented in a Loan Agreement complying with paragraph (b) below

Anything first loaned to **you** after the inception of this policy with no Loan Agreement will not be covered under this policy unless specifically agreed by **us** in writing

- (b) Loan Agreements must incorporate the following
  - (i) the name of the owner
  - (ii) a statement specifying which party shall be responsible for any loss or damage and when risk transfers
  - (iii) a description of each item of **art** loaned
  - (iv) the loan value of each item of **art** consigned as agreed between **you** and the owner

### 3 Consignment of art

Items of **art** loaned to **you** must not be given to any third party without the written approval of the owner of the **art**

If there is a breach of this condition **we** will not pay any claim arising whilst the **art** is out of **your** possession (with the exception of specialist transporters art handlers conservators framers and specialist photographers)

### 4 Transit

All items must be packed securely and adequately when being transported

When property insured is being transported and the combined value of all items exceeds £10,000 then the following conditions apply

- (a) Transits by air must either
  - (i) be transported by **you** or **your** employee as hand luggage and at all times be kept in sight or
  - (ii) be transported as air cargo with enhanced security control by the airline
- (b) Transits by road must either
  - (i) be transported by **you** or **your** employee in a vehicle under control of **you** or **your** employee kept out of sight at all times and all entry points of the vehicle must be locked when unattended or
  - (ii) be transported by a professional Fine Art carrier

For any other transit not detailed above **you** must inform **us** in advance and **we** must agree in writing to the security in place during transit

## 2 Terrorism

**The schedule will show if this section applies**

### Definitions

Each time any of the following words or phrases appear in this section in bold italic type (or in capital letters in the schedule) they will take the specific meaning shown below

Where words or phrases are not highlighted in this manner the normal everyday meaning of the word or phrase will apply

#### ***Act of terrorism***

means acts of persons acting on behalf of or in connection with any organisation which carries out activities directed towards the overthrowing or influencing by force or violence of Her Majesty's government in the United Kingdom or any other government de jure or de facto

#### ***Business interruption***

means loss arising from interruption or interference with the ***business*** carried on by ***you*** at the ***premises*** as a result of damage to or destruction of property used by ***you*** at the ***premises*** for the purpose of the ***business***

#### ***Denial of service attack***

means any actions or instructions constructed or generated with the ability to damage interfere with or otherwise affect the availability of networks network services network connectivity or information systems

Denial of service attacks include but are not limited to the generation of excess traffic into network addresses the exploitation of system or network weaknesses and the generation of excess or non-genuine traffic between and amongst networks

#### ***Event***

means all individual losses arising in respect of a continuous period of 72 hours of which the proximate cause is the same ***act of terrorism***

The date and time that any such period of 72 hours shall commence shall be set by ***us***

#### ***Hacking***

means unauthorised access to any computer or other equipment or component or system or item which processes stores or retrieves data whether ***your*** property or not

#### ***Nuclear installation***

means any installation of such class or description as may be prescribed by regulations made by the relevant Secretary of State from time to time by statutory instrument being an installation designed or adapted for

- (c) The production or use of atomic energy
- (b) The carrying out of any process which is preparatory or ancillary to the production or use of atomic energy and which involves or is capable of causing the emission of ionising radiations
- (c) The storage processing or disposal of nuclear fuel or of bulk quantities of other radioactive matter being matter which has been produced or irradiated in the course of the production or use of nuclear fuel

#### ***Nuclear reactor***

means any plant (including any machinery equipment or appliance whether affixed to land or not) designed or adapted for the production of atomic energy by a fission process in which a controlled chain reaction can be maintained without an additional source of neutrons

#### ***Phishing***

means any access or attempted access to data or information made by means of misrepresentation or deception

**Property insured**

means all property which is insured under the Fine art and collections section of this policy

Excluding

- (a) any land or building which is occupied as a private residence or any part thereof which is so occupied unless
  - (i) the remainder of the building is not a private residence and is insured under this policy
  - (ii) such land or building is not insured in the name of an individual
- (b) any **nuclear installation** or **nuclear reactor** and all fixtures and fittings situated thereon and attached thereto and all pipes wires cables drains or other conduits or service media of any description which are affixed or connected to or in any way serve such **nuclear installation** or **nuclear reactor**

**Territorial limits**

means England Wales and Scotland but not the territorial seas adjacent thereto as defined by the Territorial Sea Act 1987

**Virus or similar mechanism**

means program code programming instruction or any set of instructions intentionally constructed with the ability to damage interfere with or otherwise adversely affect computer programs data files or operations whether involving self-replication or not

This includes but is not limited to Trojan horses worms and logic bombs

## Cover

**We** will pay **you** for damage to or the destruction of **property insured** belonging to **you** or for which **you** are legally responsible occasioned by or happening through or in consequence of an **act of terrorism** within the **territorial limits**

Provided always that the insurance by this section

- (i) is not subject to any of the General exclusions of this policy
- (ii) is not subject to any long term agreement or undertaking which may otherwise apply
- (iii) is not subject to any terms in this policy which provide for adjustments of premium
- (iv) is subject otherwise to all the terms provisions definitions and conditions of this policy except where expressly varied within this section
- (v) is subject to a maximum period of insurance of 12 months from the inception or renewal date of this policy Any subsequent period of cover provided by this section whether for 12 months or less is deemed to constitute a new period of insurance provided that
  - (a) no subsequent period of insurance by this section shall extend beyond the next renewal date of this policy
  - (b) the renewal premium due in respect of this section has been received by **us**

## Basis of settlement

As described in the relevant section of this policy in respect of damage to or destruction of the **property insured**

The most **we** will pay for any one **event** is the lesser of

- (a) the total sum insured or
- (b) for each item its individual sum insured or
- (c) any other limit of liability

as stated in the relevant section of this policy less the **excess**

The **excess** applicable to losses under this Terrorism section shall be equal to the **excess** applied in respect of the risk of fire and/or explosion under the other sections of this policy

## Exclusions

**We** will not be liable for any losses whatsoever

- (1) occasioned by riot civil commotion war invasion act of foreign enemy hostilities (whether war be declared or not) civil war rebellion revolution insurrection or military or usurped power
- (2) from **business interruption**
- (3) arising under
  - (a) marine aviation and transit policies
  - (b) motor insurance policies
  - (c) bankers blanket bond
- (4) directly or indirectly caused by contributed to by or arising from or occasioned by or resulting from
  - (a) the alteration modification distortion corruption of or damage to any computer or other equipment or component or system or item which processes stores transmits or receives data or any part thereof whether tangible or intangible (including but without limitation any information or programs or software)
  - (b) any alteration modification distortion erasure corruption of data processed by any such computer or other equipment or component or system or item

whether **your** property or not where such loss is directly or indirectly caused by or contributed to by or arising from or occasioned by or resulting from **virus or similar mechanism** or **hacking** or **phishing** or **denial of service attack**

## Condition

- (1) If **we** allege that any loss is not covered by this section the burden of proving that such loss is covered shall be upon **you**

# Notes

# Notes

# Notes

This contract is underwritten by:  
Ecclesiastical Insurance Office plc.

Our FCA register number is 113848.  
Our permitted business is general insurance.

**You can check this on the  
FCA's register by visiting the  
FCA's website**

**[www.fca.org.uk/register](http://www.fca.org.uk/register)**

**or by contacting the FCA on  
0800 111 6768**

If you would like this booklet in large print, braille,  
on audio tape or computer disc please call us on

**0345 777 3322**

You can also tell us if you would like to always  
receive literature in another format.



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