



Introduction

This insurance has been specially designed for fine art collectors.

We intend for the language and layout to be clear because **we** want **you** to understand the cover of the guarantees granted by **your** Fine Art by Hiscox **policy** as well as **your** obligations.

Please read the general terms and conditions, together with the **schedule** (including any endorsement) of **your policy** carefully before returning it signed to **us**. The insurance proposal is an integral part of the **policy**. Please advise **us** immediately of any potential error or necessary modification to **your policy**.

The **policy** will come into effect and the guarantees will be valid as soon as **we** will receive the **policy** duly signed by **you** and the payment of the premium accordingly.



Robert Hiscox, Chairman, Hiscox plc

Guide to sections

1. Definitions	01
2. Guarantees	02
2.1. Insuring clause	02
2.2. Indemnification	02
2.3. Pairs and sets	02
2.4. Full payment	02
2.5. Recovered property	02
2.6. Your new possessions	02
2.7. What is excluded?	03
2.8. When a loss occurs	04
2.9. Our claims promise	04
3. General Conditions	05
3.1. Information concerning the insured risk	05
3.2. Reasonable care and preventive measures	05
3.3. Premium payment	05
3.4. Cancellation	05
3.5. Joint insured	06
3.6. Jurisdiction - applicable law	06
3.7. Complaints procedure	06

1. Definitions

Words shown in bold type are defined below and have the same meaning throughout this **policy**.

Act of terrorism	Any act, including use of force or violence or threat thereof which: <ul style="list-style-type: none">• is committed by a person or group of people, whether acting alone or on behalf of or in connection with an organisation or government; and• is committed for political, religious, ideological or similar reasons, including the intention to influence a government or to frighten the public or any section of the public.
Endorsement	An amendment in writing to the terms of the policy .
Schedule	<p>The attached document showing your name, your address and the details of the guarantees that you acquire under this policy, including any amendment by endorsement.</p> <p>The schedule takes precedence over the general terms and conditions of the policy.</p>
Excess	The amount for which you are responsible as the first part of each agreed claim.
Fraud, fraudulent	Act, omission, or characteristic of an act or omission whose purpose is to intentionally mislead or harm someone.
Insured amount, insured value	The highest amount per insured object that we will pay for each incident of loss as shown in the schedule . This value is considered as correct. Subject to the correctness, completeness and sincerity of the information that you have communicated to us , we hereby commit not to dispute it.
We, us, our	The insurers of the Hiscox group, as are determined in your schedule .
Period of insurance	The time for which this policy is in force as shown in the schedule .
Policy	These general terms and conditions and the schedule including any endorsements .
Insurance proposal	The information which has served as a basis to determine the accepted risk and which are mentioned on the proposal form (accompanied by its annexes, if any) that you have filled out and signed and which are an integral part of this policy .
You, your	The person named as the insured in the schedule .

2. Guarantees

2.1. INSURING CLAUSE

We insure **your** fine art's collection up to the **amount insured** against physical loss or physical damage which occurs anywhere in the world during the **period of insurance**, subject to the exclusions, terms and conditions of the present **policy**.

2.2. INDEMNIFICATION

- 2.2.1. If an item is partly damaged, **you** may choose between the repair, the replacement or the payment of the value of the insured item. In case of repair, **we** will also pay for the loss in value. In any case, the most **we** will pay in total is the **insured value** of that item.
- 2.2.2. If an item is lost or destroyed, **we** will pay the **insured value** of that item.
- 2.2.3. For items listed individually, the **insured value** is the amount shown in front of each item in the **schedule**.
- 2.2.4. For unspecified items mentioned in the **schedule**, the **insured value** is the market value of these items on the date of loss, as mutually accepted or if not, as fixed by the expert jointly designated by the parties. The most **we** will pay in total for each item or categories of items is the **insured amount** as mentioned per item or category of items in the **schedule**.

2.3. PAIRS AND SETS

If any item which has an increased value because it forms part of a pair or set is lost or damaged, **we** will take into account this increased value in the settlement of the loss. Therefore, **you** will be entitled to claim for the payment of the value of the entire pair or set. The most **we** will pay is the **insured value** of that pair or set.

2.4. FULL PAYMENT

If **we** pay the full **insured amount** for an item, pair or set, **we** will then own it and have the right to take possession of it.

2.5. RECOVERED PROPERTY

- 2.5.1. If we recover any insured property after a loss, **we** will write to **you** within the shortest of delays at **your** last correspondence address shown in the most recent **schedule**. If **you** recover lost or stolen items, **you** must inform **us** in writing in the shortest of delays, at **our** address as mentioned in the **schedule**.
- 2.5.2. **You** have the opportunity to buy the recovered items that became **our** property following indemnification back from **us** within 60 days from the receipt of **our** or **your** letter.
- 2.5.6. **We** will charge **you** the lesser of the two following amounts:
 - the amount we paid for **your** claim plus interest at the legal rate;
 or
 - the fair market value of these items at the time we recover them as mutually accepted or, if not, as fixed by the expert jointly designated by the parties.

2.6. your NEW POSSESSIONS

- 2.6.1. Each item of **your** new possessions will automatically be covered as of the date of its acquisition and until the contract is modified, provided that **you** tell **us** about the new possession within sixty days of the date of acquisition and that **you** pay within the required delay the extra premium claimed.
- 2.6.2. This guarantee is granted for up to a total of 25 % of the full **insured amount** under the **policy**.

2.7. WHAT IS EXCLUDED?

- 2.7.1. The **excess** mentioned in the **schedule** of the **policy**.
- 2.7.2. Any indemnification to the extent that it would be granted under another insurance contract, without prejudice to the mandatory law provisions.
- 2.7.3. Any consequences resulting from an act intentionally caused by the insured and, in accordance with law, any consequences resulting from a **fraudulent** act attributable to the insured.
- 2.7.4. Loss or damage caused by wear and tear, gradual deterioration, inherent defect, rust or oxidation, moth or vermin, variation of hygrometry or temperature, exposure to light, deformation, folding or shrinkage of an item.
- 2.7.5. Damage to the insured item caused by machinery breakdown or by mechanical or electrical default of the item itself.
- 2.7.6. Loss, damage, costs or expenses arising directly or indirectly from biological or chemical contamination caused by or resulting from an **act of terrorism**, including poisoning or preventing or limiting the use of an insured object due to the effects of any biological or chemical agent.
- 2.7.7. Loss, damage or liability arising directly or indirectly from nuclear reaction, nuclear radiation or radioactive contamination.
- 2.7.8. Loss, damage or liability directly or indirectly caused by war, invasion, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, rioting, military or usurped power.
- 2.7.9. Loss or damage caused by or resulting from **your** property being taken, confiscated, damaged or destroyed by or under the order of any government or public or local authority.

2.8. WHEN A LOSS OCCURS2.8.1. **Your** obligations when a loss occurs:

- a) As soon as **you** are aware of a loss, **you** must tell **us** within the shortest of delays. If **you** do not, **we** may reduce the indemnification of **your** loss by the amount corresponding to the damage that **we** have suffered due to **your** late declaration.
- b) **You** must take all the necessary steps to prevent and minimise the consequences of a loss which is occurring or has already occurred.
- c) **We** reimburse **you** for the costs incurred in taking these steps within the limits of the total **insured amount**, without this amount exceeding the legal ceiling and provided that:
- these steps have been taken at **our** request,
Or
- if **you** acted at **your** own initiative, the steps were necessary and reasonable, urgently required, without the possibility of advising **us** beforehand to obtain **our** prior approval. This provision relates not only to the prevention of an imminent loss but also to the prevention or attenuation of the consequences of a loss which is occurring or has already occurred.
- d) **You** must provide **us** with all probatory elements and useful information concerning the loss, as well as give **us** optimal cooperation.
- e) If a crime seems to be at the origin of the loss, **you** must also file a claim with the police in the shortest of delays and notify **us** immediately of the claim reference number from them.
- f) Any notification concerning a loss made by a party to the insurance intermediary designated in the **schedule** will be considered as if made to the other party.

2.8.2. Subrogation

We may pursue, in **your** name but at **our** expense, recovery from third parties of amounts **we** become liable to pay under this **policy**. **You** must give **us** all the assistance **we** may reasonably require to do this.

2.9. our CLAIMS PROMISE

We commit to pay **your** claim within four working days after receiving the indemnification acceptance form duly signed by **you**, provided that **your** premium payments under this **policy** are duly made.

Failing doing so, **we** commit to pay **you** interest on the indemnity amount at the legal rate provided that the agreed claim is more than 3.000 €.

Please mention **your** bank account number on the indemnification acceptance form.

3. General conditions

3.1. INFORMATION CONCERNING THE INSURED RISK

- 3.1.1. In deciding to accept this insurance, **we** have relied on the information **you** have given **us** in the insurance proposal. **You** must make sure that all information is accurate and provide **us** with the necessary facts that might influence **our** acceptance of the risk.
- 3.1.2. The evaluation of the risk mainly relies on the information communicated in the **insurance proposal**. If **you** are in any doubt concerning which information to communicate to **us** regarding the insured risk, **you** should speak to **us** or to **your** insurance intermediary.
- 3.1.3. You must tell **us** in the shortest of delays about any change in circumstances which occurs during the contract period and which affects elements of risk evaluation.
- 3.1.4. Subject to article 3.1.5 below, **we** will suggest **you** to modify **your** contract within the month following the day during which **we** will be made aware of the change in circumstances which affects elements of risk evaluation. **you** must confirm **your** acceptance of the modification of the contract within the month following the receipt of the modification proposal. Failing doing so, **we** will have the right to cancel the **policy** within the next fifteen days.
- 3.1.5. If the risk is aggravated such that **we** would have never accepted to insure it, **we** will have the right to cancel the contract within the month from the day during which **we** will be made aware of the risk aggravation.

3.2. REASONABLE CARE AND PREVENTIVE MEASURES

- 3.2.1. **You** must take all reasonable steps to protect the insured property against loss or damage, i.e.:
- The prevention measures imposed in the **schedule**.
 - The necessary and reasonable steps required to keep the insured items in good condition and repair.
- 3.2.2. If **you** do not, **we** may reduce the indemnification by the amount corresponding to the damage that **we** have suffered. If this failure results from a **fraudulent** intention, **we** may refuse **you** the insurance guarantee.

3.3. PREMIUM PAYMENT

We will not make any payment unless **you** have paid in due time the premium that are due under the **policy** and that **we** have duly claimed to **you**.

3.4. CANCELLATION

- 3.4.1. **You** may cancel this **policy** with immediate effect within 30 (thirty) days from the entry into force of the guarantee. **We** have the same right to cancel the **policy** provided that **we** send **you** a prior notice of eight days.
- 3.4.2. The **policy** may be cancelled by either party upon the annual term, by sending a minimum of one month's prior notice to the other party before the related annual term.
- 3.4.3. The **policy** may be cancelled by either party within the month of the indemnification or of the refusal to indemnify a loss, by sending one month's prior notice to the other party. A refund of the premium will be made on a prorated basis, taking into account the remainder of the **insurance period** before the next annual term.
- 3.4.4. In any event, the cancellation will be notified by recorded post, the notice period starting the day following the deposit of the recorded letter to the postal office. The recorded letter will be sent to either **your** or **our** correspondence address shown in the **schedule**.

3.5. JOINT INSURED

- 3.5.1. If there is more than one of **you** insured, the total amount **we** will pay will never exceed the amount **we** would be liable to pay to any one of you.
- 3.5.2. Only **you** or the insured shown in the **schedule** have a right to claim the guarantees under this **policy**.

3.6. JURISDICTION – GOVERNING LAW

- 3.6.1. Unless agreed otherwise and without prejudice to the applicable mandatory law provisions, any dispute between the parties will only be dealt with in the courts of Belgium.
- 3.6.2. Unless agreed otherwise, this **policy** is governed by Belgian law.

3.7. COMPLAINTS PROCEDURE

Hiscox Europe Underwriting Ltd, Belgian Branch is an intermediary belonging to the Hiscox group and acting exclusively for the account of the Hiscox Insurance Company Ltd and the Syndicate 33 at the LLOYD'S. Hiscox Europe Underwriting Ltd is authorized and regulated by the Financial Services Authority in the United Kingdom (ref. number 6712051), and is active in Belgium in accordance with the European regulations on freedom of establishment (ref. number CBFA 490964).

The present **policy** is concluded for the account of Hiscox Insurance Company Ltd, 1 Great ST Helen's, London EC3A 6HX, United Kingdom or the Syndicate 33 at the LLOYD'S (as per provisions mentioned on the **schedule**), established 1 Lime Street EC3M 7HA, London, United Kingdom. LLOYD'S is an underwriters' association founded by an Act of the Parliament (in the United Kingdom).

The member state accountable for the control of **our** activities is the United Kingdom and the institution in charge of this control is the Financial Services Authority, established at 25 the North Colonnade, Canary Wharf, London E14 5HS, United Kingdom.

Your requests or complaints, if any, must in principle be first addressed to your insurance intermediary. Please always quote **your policy** number shown in the **schedule**.

Should **you** wish to contact **us** directly, **you** may direct **your** complaint to the following address:

Lambroekstraat 5D
 B-1831 Diegem-Brussels
 Belgium
 Tel: +32 (0)2 788 2600 - Fax: +32 (0)2 788 2601

If the insurer mentioned in the **schedule** is the Syndicate 33 at the LLOYD'S, **you** may also direct **your** complaint to the following address:

Mr. Alexis Duco Fontein
 LLOYD'S General Representative in Belgium
 C/O D'Hoine & Mackay
 Schaliënstraat 30
 2000 Antwerp
 Belgium

or at:

Policyholder and Market Assistance
 LLOYD'S
 One Lime Street,
 London EC3M 7HA,
 United Kingdom

You are always free to file **your** complaint with the Insurance Ombudsman to the following address:

Square de Meeüs 35
 1000 Brussels
 Belgium
 Tel: + 32 (0)2 547 58 71 - Fax: +32 (0)2 547 59 75
www.ombudsman.as



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