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Hiscox Fine Art Insurance  
Policy wording





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## General terms and conditions

WD-APC-UK-GTC(2)  
18769 01/21

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### Introduction

**Thank you for choosing to insure with Hiscox.** Please read this wording, together with any endorsements and the schedule, very carefully.

If anything is not correct, please tell us or your broker as soon as possible.

**We always try to deliver the highest standards of service.** Your views are important to us, so if you feel that our service is below the standard you would expect from Hiscox, please contact us on the phone number shown in your schedule.

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### General definitions

Words shown in bold type have the same meaning throughout this **policy** and are defined below. Any extra definitions are shown in the section to which they apply.

#### Act of terrorism

An act, including using or threatening to use force or violence, which:

1. is committed by a person or group of people, whether acting alone or in connection with an organisation or government; and
2. is for political, religious, ideological or similar reasons. This includes trying to influence a government or to frighten the public or any section of the public.

#### Amount insured

The most **we** will pay as shown in the **schedule**.

#### Computer or digital technology

Any **programs**, computer network, hardware, software, operational technology, internet-connected device, network-connected device, electronic device, information technology, communications system, including but not limited to any internet-of-things devices, email system, intranet, extranet, website or cloud computing services.

#### Computer or digital technology error

Any negligent act, error or omission by anyone in the:

1. creation, handling, entry, modification or maintenance of; or
2. ongoing operation, maintenance (including but not limited to installation, upgrading or patching) or development of,

any **computer or digital technology**.

#### Cyber attack

Any digital attack or interference, whether by a **hacker** or otherwise, designed to:

1. gain access to;
2. extract information from;
3. disrupt access to or the operation of;
4. cause damage to,

any data or **computer or digital technology**, including but not limited to:

- a. **programs** designed to damage, disrupt, extract data from, or gain access to any data or **computer or digital technology** including, but not limited to, malware, wipers, worms, trojans, rootkits, spyware, dishonest adware, crimeware, ransomware, crypto-jacking and other malicious software or viruses; or
- b. denial of service attack or distributed denial of service attack.

#### Endorsement

A change to the terms of the **policy** agreed by **us** in writing.

#### European Union

The countries within the European Union.

#### Excess

The amount **you** are required to pay as the first part of each agreed claim.

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<b>Hacker</b>	<p>Anyone, including an employee of <b>yours</b>, who gains unauthorised access to or unauthorised use of any:</p> <ol style="list-style-type: none"> <li><b>computer or digital technology</b>; or</li> <li>data held electronically by <b>you</b> or on <b>your</b> behalf.</li> </ol> <p>This definition does not apply to the Personal cyber section of the <b>policy</b>.</p>
<b>Period of insurance</b>	The time for which this <b>policy</b> is in force as shown in <b>your schedule</b> .
<b>Policy</b>	This insurance document and the <b>schedule</b> , including any <b>endorsements</b> .
<b>Program(s)</b>	A set of instructions written in a computer language which tells a computer how to process data or interact with ancillary equipment, systems or devices.
<b>Schedule</b>	The document showing <b>your</b> name, <b>your</b> address and <b>your</b> insurance details that <b>we</b> sent <b>you</b> when <b>we</b> accepted this insurance or following any subsequent amendment to <b>your</b> cover, whichever is the more recent.
<b>Social engineering communication</b>	Any request directed to <b>you</b> or someone on <b>your</b> behalf by a person improperly seeking to obtain possession or the transfer to a third-party of virtual currency, money, securities, data or property that such person or third-party is not entitled to.
<b>United Kingdom</b>	England, Wales, Scotland, Northern Ireland, the Isle of Man, and the Channel Islands.
<b>We/us/our</b>	The insurer named in the <b>schedule</b> in respect of each section of the <b>policy</b> .
<b>You/your</b>	The policyholder named in the <b>schedule</b> and anyone else identified as 'you/your' in the Special definitions of any section of this <b>policy</b> .

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<b>Our promise to you</b>	<p><b>We</b> will:</p> <ol style="list-style-type: none"> <li>cover <b>you</b> in accordance with the terms and conditions of this <b>policy</b> in return for the premium <b>you</b> pay; and</li> <li>pay covered claims as quickly and efficiently as possible.</li> </ol>
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<b>Your promise to us</b>	<p><b>You</b> must:</p> <ol style="list-style-type: none"> <li>take care when providing any information <b>we</b> ask for and ensure that it is true, accurate and complete. Tell <b>us</b> or <b>your</b> broker if this information changes. If <b>you</b> are in any doubt, please talk to <b>us</b> or <b>your</b> broker. <b>We</b> will tell <b>you</b> if a change in information affects <b>your</b> insurance; and</li> <li>comply with the terms and conditions of this <b>policy</b>, including the terms of each section.</li> </ol> <p>If <b>you</b> do not, it may affect the validity of the <b>policy</b>, <b>our</b> ability to pay a claim or the amount <b>we</b> pay in respect of a claim.</p>
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<b>How to make a claim</b>	<p>In order for <b>us</b> to deal with <b>your</b> claim <b>you</b> must:</p> <ol style="list-style-type: none"> <li>tell <b>us</b> or <b>your</b> broker as soon as possible if something has happened which may result in a claim. If a crime has been committed, <b>you</b> must also tell the police as soon as possible;</li> <li>not admit responsibility or make any offer of payment without <b>our</b> prior agreement;</li> <li>send any correspondence regarding a claim to <b>us</b> or <b>your</b> broker if <b>you</b> have one, as soon as <b>you</b> can;</li> <li>give <b>us</b> all the co-operation <b>we</b> need to investigate and resolve <b>your</b> claim, including providing evidence of the value of any items involved in a claim as well as any other relevant information and documents <b>we</b> may reasonably require;</li> </ol>
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5. allow **us** to take over and deal with the defence or settlement of any claim in **your** name, if **you** are being held responsible for causing an injury or damage to property; and
6. allow **us** to start recovery proceedings in **your** name and give **us** all the assistance **we** need to do this.

If **you** do not, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment we have suffered as a result of **your** failure to comply with these obligations.

**You** must also comply with any other conditions contained within the specific sections of the **policy**.

## Information you have given us

- |  |   |
|--|---|
| Reasonable care                              | 1. The information <b>you</b> give to <b>us</b> is important as <b>we</b> use this in setting the terms and premium for the <b>policy</b> . <b>You</b> must take reasonable care not to give <b>us</b> information that is untrue, incomplete or inaccurate.  |
| Deliberately or recklessly given information | 2. Occasionally, <b>we</b> are deliberately or recklessly given false information. If this happens <b>we</b> will treat this <b>policy</b> as if it never existed and refuse all claims. <b>You</b> must repay any payments already made by <b>us</b> under the <b>policy</b> and <b>we</b> will not return the premium to <b>you</b> .   |
| Carelessly given information                 | 3. If <b>you</b> acted carelessly when giving <b>us your</b> information, several things could happen: <ol style="list-style-type: none"> <li>a. if <b>we</b> provided insurance cover that <b>we</b> would not otherwise have offered, <b>we</b> will treat this insurance as if it had never existed. If this happens, <b>we</b> will give <b>you</b> back <b>your</b> premium and <b>you</b> must repay any payments already made by <b>us</b> under the <b>policy</b>;</li> <li>b. if <b>we</b> would have insured <b>you</b> on different terms, <b>we</b> will amend this <b>policy</b> retrospectively and apply these amended terms to all claims under the <b>policy</b>, including any claims <b>you</b> have already made; or</li> <li>c. if <b>we</b> would have charged <b>you</b> more premium if <b>you</b> had provided accurate information, <b>you</b> must pay <b>us</b> the difference between the premium <b>we</b> actually charged and the premium <b>we</b> would have charged. <b>We</b> may deduct this amount from any claim payment.</li> </ol> <p>Paragraphs 3. b. and c. above do not apply where:</p> <ol style="list-style-type: none"> <li>i. the information concerned relates to the value of any physical property covered under this <b>policy</b>; and</li> <li>ii. the underinsurance condition in the Your home and personal possessions section applies</li> </ol> |
| Changes to information                       | 4. If there are any significant or material changes during the <b>period of insurance</b> to any information <b>you</b> have given <b>us</b> , <b>you</b> must let <b>us</b> know as soon as possible. This includes anything that could result in any limit within the <b>policy</b> not being sufficient, such as acquiring new property. <b>We</b> may then change the terms of the <b>policy</b> , charge an additional premium or cancel the <b>policy</b> in accordance with the cancellation condition. If <b>you</b> do not tell <b>us</b> about such change, <b>we</b> will be entitled to the remedies set out under 3. a. to c. above with effect from the date of the change. <p><b>You</b> do not need to tell <b>us</b> about any newly acquired property covered under 'New possessions' in the Home and personal possessions section, where <b>you</b> benefit from that additional cover.</p>  |

## Your obligations

**You** must:

1. always try to prevent accident or injury and protect **your** property against loss or damage;
2. keep **your** property in good condition and repair; and
3. arrange for urgent repairs to be undertaken as soon as possible, if such repairs are needed to prevent further damage.

If **you** do not, **we** may reduce any payment **we** make under this **policy** by an amount equal to the detriment **we** have suffered as a result of **your** failure to comply with these obligations.

Full value

**You** must ensure that the **amount insured** represents the full value of the property covered under the **policy**, as set out below:

1. for buildings, the full value is the estimated cost of rebuilding the buildings to the same specification, including fees and expenses involved in the rebuilding. This is not the same as the market value.
2. for tenant's improvement, the full value is the cost to repair or replace as new.
3. for contents, the full value is the current cost as new.
4. for jewellery, watches and valuable items that are not specified individually, the full value is the higher of the replacement cost and the current market value.

If the **amount insured** does not represent the full value, **we** may reduce the amount **we** pay for a claim.

## General conditions

Governing law

1. Unless agreed otherwise in writing, this **policy** is governed by the law, and any disputes in relation to the **policy** will be dealt with in the courts, of the country within the **United Kingdom** in which **your** main residence is situated. If **your** main residence is not in the **United Kingdom**, the law and courts of England and Wales will apply.

The most we will pay

2. When a claim is made, **we** will only ever pay up to the relevant **amount insured**.

Multiple insureds

3. If more than one person is entitled to cover under the **policy**, the total amount **we** will pay following a claim will not exceed the amount **we** would be liable to pay to any one such person. Unless **you** have advised **us** otherwise, **we** will pay each person named in the **schedule** their respective share of such claim.

Fraudulent claims

4. If any claim is in any way dishonest, exaggerated or fraudulent then **we** will:
  - a. refuse to make any payment in respect of the dishonest, exaggerated or fraudulent claim;
  - b. tell **you** that **we** are terminating **your policy** and back-date the termination to the date of the fraud, dishonesty or exaggeration;
  - c. refuse to make any payment under this **policy** in respect of any claim made or any loss occurring on or after the date of the fraud, dishonesty or exaggeration; and
  - d. not return any premium.

If **we** have paid any claims after the date of any fraud, dishonesty or exaggeration, **you** must pay **us** back.

Third parties

5. No third party will have any right, or be able to enforce any term of this **policy**, under the Contracts (Rights of Third Parties) Act 1999 or any similar or successor legislation. This does not affect the rights or remedies available to a third party which exist apart from this Act.

Cooling-off

6. a. If for any reason **you** feel that this **policy** is not right for **you**, **you** can cancel the **policy** within 15 days of insuring with **us**. If **you** have not made a claim, **we** will return **your** premium in full.

Cancellation by you

- b. **You** can cancel the **policy** by notifying **us** at any time. If **you** cancel after the first 15 days and have not made a claim, **we** will return a pro-rata proportion of **your** premium.

**We** will never charge **you** a fee for cancelling the **policy**.

Cancellation by us

7. a. **We** may cancel this **policy**, but **we** will only do so for a valid reason and only after giving **you** at least 30 days' notice, which will be sent by recorded post to the

correspondence address shown in **your schedule**.

This does not apply to the Motor physical damage or Motor third-party liability sections of the **policy**, where applicable.

- b. If **we** cover **you** under the Motor physical damage or Motor third-party liability sections of the **policy**, **we** may cancel those sections by giving **you** 14 days' notice, which will be sent by recorded post to the correspondence address shown in **your schedule**.

If **we** cancel the **policy** or any section of the **policy** for any reason, **we** will return a pro-rata proportion of **your** premium, provided **you** have not made a claim.

- |                               |   |
|-------------------------------|---|
| Premium instalments           | 8. If <b>we</b> have agreed that <b>you</b> can pay <b>us</b> the premium by instalments and <b>we</b> have not received an instalment 15 days after the due date, <b>we</b> may cancel the <b>policy</b> . <b>We</b> will contact <b>you</b> before <b>we</b> cancel <b>your policy</b> in order to give <b>you</b> the opportunity to pay any premium due to <b>us</b> . If the <b>policy</b> is cancelled, the <b>period of insurance</b> will equate to the period for which premium instalments have been paid to <b>us</b> . <b>We</b> will confirm the cancellation and amended <b>period of insurance</b> to <b>you</b> in writing.   |
| Renewal                       | 9. <b>We</b> will write to <b>you</b> or <b>your</b> broker if <b>you</b> have one, at least 21 days in advance of <b>your</b> renewal date with <b>our</b> offer to renew, or to give <b>you</b> plenty of time to make other arrangements if <b>we</b> are unable to renew <b>your policy</b> . The renewal offer will include the premium and any changes in the terms and conditions for the next period of insurance which, unless <b>you</b> have advised <b>us</b> otherwise, will automatically proceed if <b>you</b> continue to pay <b>your</b> premium. Where <b>we</b> have agreed to collect this premium automatically, <b>we</b> will continue to do so unless <b>you</b> tell <b>us</b> differently. If <b>you</b> do not wish to renew <b>your</b> insurance please let <b>us</b> know before the renewal date of <b>your policy</b> . |
| Premium payment               | 10. <b>We</b> will not make any payment under this <b>policy</b> unless <b>you</b> have paid the premium due to <b>us</b> .<br><br>If <b>you</b> make a claim under the <b>policy</b> , <b>we</b> will keep the premium that is due to <b>us</b> . If <b>you</b> pay <b>your</b> premium by instalment <b>we</b> will ask <b>you</b> to either continue paying <b>your</b> premium by instalment or <b>we</b> may deduct any outstanding instalment from any claim payment <b>we</b> have agreed to make.   |
| Cover under multiple sections | 11. Where <b>you</b> , or anyone else entitled to cover under the <b>policy</b> , are entitled to cover under more than one section of the <b>policy</b> in respect of the same claim or loss, or any part of a claim or loss, <b>we</b> shall only provide cover under one section of the <b>policy</b> , being the section that provides the most advantageous cover to <b>you</b> or the party entitled to cover.  |

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## What is not covered

The following exclusions apply to the whole of **your policy**. There are more specific exclusions which are shown in the sections to which they apply.

**We** do not cover any claim, loss, damage or liability:

- |                           |   |
|---------------------------|---|
| Deliberate acts           | 1. arising out of a deliberate or dishonest act by <b>you</b> or anyone acting on <b>your</b> behalf.   |
| Terrorism                 | 2. directly or indirectly due to: <ul style="list-style-type: none"> <li>a. biological or chemical contamination; or</li> <li>b. any failure in the supply of gas, water, electricity or phone service to <b>your home</b>; which is caused by an <b>act of terrorism</b>.</li> </ul> |
| Nuclear and radiation     | 3. directly or indirectly due to any nuclear reaction, nuclear radiation or radioactive contamination.  |
| War                       | 4. directly or indirectly due to war, invasion, act of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.  |
| Confiscation by authority | 5. directly or indirectly due to <b>your</b> property being confiscated, taken, damaged or destroyed by or under the order of any government or public or local authority.  |



Other insurance

6. that would be covered under another insurance if this **policy** did not exist. However, **we** will pay the amount exceeding the cover available under that other insurance.

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## Claims promise

**We** pride ourselves on offering a service that is fast, efficient and helpful. Please let **us** know if **we** do not pay **your** claim within four working days after receiving **your** acceptance of **our** offer and **we** will pay **you** interest, at **your** bank's base rate. **We** will only do this if **your** premium payments are up-to-date.

**We** can only keep this promise if **your** bank is in the **United Kingdom** and if **you** give **us** **your** bank details at the time **you** accept **our** offer. **We** can then transfer the money into **your** account. This promise cannot apply if **you** ask **us** to pay by another method.



## Fine art

WD-APC-UK-ART(2)  
18772 01/21

The General terms and conditions and the following terms and conditions all apply to this section.

If **you** need to make a claim, please refer to 'How to make a claim' within the General terms and conditions.

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### Special definitions for this section

#### Art and collections

Art, antiques and collectibles of particular value due to their age, style, artistic merit or collectability all of which belong to **you** or for which **you** are legally responsible, including:

1. furniture;
2. paintings, drawings, etchings, prints and photographs;
3. tapestries and rugs;
4. manuscripts;
5. porcelain and sculptures;
6. stamps or coins
7. gold, silver, and gold- and silver-plated items;
8. clocks and barometers;
9. books;
10. wine;
11. dolls and toys;
12. memorabilia;
13. medals and militaria;
14. furs and guns.

**We** do not include jewellery, watches, gemstones, krugrand, gold bullion and precious metals held as commodities within this definition.

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### What is covered

#### Art and collections

**We** will cover **your art and collections** against physical loss or physical damage which happens anywhere in the world during the **period of insurance**.

#### Additional cover

**We** will also provide **you** with the following cover up to the corresponding **amount insured**:

#### New possessions

**We** will increase the total **amount insured** by up to 25% but no more than £100,000, to cover any items **you** acquire during the **period of insurance**. **We** will not charge for this additional cover unless **you** request any adjustments to the **policy**. **You** must tell **us** about any new possessions at the renewal of the **policy**, at which point **we** may increase the premium for the following period of insurance to reflect the value of the additional possessions

#### Death of the artist

**We** will increase the **amount insured** for any item listed in the specification by up to 100% if the artist dies during the **period of insurance**. **We** will only do this for the six months immediately following the death of that artist and provided **you** can produce an independent professional valuation or a purchase receipt which is not more than three years old at the time of any physical loss or physical damage **we** have agreed to pay. **You** must be able to prove the increased value if **you** make a claim for that item.

**We** will also reimburse **you** for any costs or expenses **you** have paid but are unable to recover on works of **art and collections** commissioned by **you** which remain incomplete at the time of the artist's death. **We** will only do this if the artist dies during the **period of insurance** and **you** are legally entitled to a refund of such costs or expenses.

If **you** are unable to provide evidence of the costs or expenses that are legally due to **you** or a professional valuation or purchase receipt and proof of increased value then this extension will not apply.

Defective title

If, during the **period of insurance**, someone claims that an item of specified **art and collections** is not rightfully **yours** and **you** are legally obliged to return the item to its rightful owner because it is proved that **you** do not have good title to it, **we** will pay **you** the amount **you** paid for it, or the value shown in the specification if this is less. **We** will only do this if **you**:

1. bought the item during the period that the **art and collections** have been insured with **us**;
2. tell **us** about the claim during the **period of insurance**; and
3. made reasonable enquiries about the item's provenance before **you** bought it.

**We** do not cover any items **you** inherit or that were given to **you**.

## What is not covered

**We** do not cover:

1. loss or damage caused by wear and tear, rust or oxidation, moth or vermin, inherent defects, warping or shrinkage, or anything which happens gradually.
2. mechanical or electrical faults or breakdown.
3. damage to, or any loss, cost or expense arising in respect of:
  - a. any item of **computer or digital technology** that is caused by any:
    - i. **cyber attack**;
    - ii. **hacker**;
    - iii. **computer or digital technology error**; or
    - iv. **social engineering communication**;
 affecting that item; or
  - b. any resulting reduction or loss of function to any other items of **computer or digital technology** that is or may be caused by that item's direct or indirect digital connectivity to the **computer or digital technology** detailed at a. above.

This exclusion 3 a. and b. does not apply to any otherwise covered damage, loss, cost or expense which arises as a result of a **cyber attack**, **hacker**, **computer or digital technology error** or **social engineering communication**.

## How much we will pay

**Your schedule** will show **you** the maximum amount **we** will pay for each agreed claim, along with any limits for any item, pair or set. This amount will be shown as an **amount insured**.

**We** will not pay the cost of preparing a claim.

## Excess

**Your schedule** will show **you** if **you** are required to pay the first part of each agreed claim. This amount will be shown as an **excess**.

## Specified items of your collection

Items, pairs or sets worth more than £50,000 each must be specified individually. Any items that have not been individually specified will be covered as unspecified items.

The most **we** will pay is the corresponding **amount insured** for each specified item in the specification agreed by **us** and held by **us** or **your** insurance broker.

If the item is partly damaged, **you** may decide whether **we** repair, replace or pay the loss in value of the damaged item.

## Professional valuation

If:

1. any specified item has had a professional valuation carried out within the last three years; and
2. the values in the specification agreed by **us** and held by **us** or **your** insurance broker reflect this valuation,

**we** agree to cover these items on an increased value basis.

This means **we** will pay the value of the item at the time of loss even if it is more than the

value shown for that item in the specification.

The most **we** will pay for the increase in value is:

1. an additional 25% of the value shown for that item in the specification; or
2. £100,000 in total for each incident of loss.

whichever is the lower.

**Loss in value**

If **we** repair any damaged specified item, **we** will also pay for any loss in value. The most **we** will pay in total is the value shown for that item in the specification agreed by **us** and held by **us** or **your** insurance broker.

**Destruction**

If any specified item is lost or destroyed, **we** will pay the value shown for that item in the specification agreed by **us** and held by **us** or **your** insurance broker.

**Unspecified items of your collection**

For items that are not specified, **we** will decide whether **we** repair, replace or make a cash settlement for any lost or damaged item. If **we** choose to make a cash settlement, **we** will pay the market value of the item on the date of loss. If **we** repair it, **we** will also pay for any loss in value.

The most **we** will pay for any one unspecified item, pair or set is the corresponding **amount insured**.

The most **we** will pay in total for each incident of loss is the **amount insured** for each category of unspecified items.

**Pairs or sets**

If any specified or unspecified items which have an increased value because they form part of a pair or set are lost or damaged, any payment **we** make will take account of the increased value.

**Full payment**

If **we** pay the full value for any specified or unspecified item, pair or set, **we** will then have the right to take possession of it.

**Recovered item**

If **we** recover any specified or unspecified item after **we** have paid a claim, **we** will write to **you** at **your** correspondence address shown in the **schedule** and **you** can buy it back from **us** within 60 days. **We** will charge **you** the lesser of:

1. the amount **we** paid for the loss; or
2. the fair market value of the item at the time **we** recover it.

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