



Fine Art Insurance Policy – Dealers and Gallery Owners

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The Proposal Form accepted by the Insurer constitutes the basis of this insurance and is incorporated herein.

COVER

The property described in the attached schedule (the “Schedule”) is insured against physical loss or physical damage occurring during the period of insurance while at the named location(s) or within the territorial limits specified in the Schedule, subject to the following exclusions, basis of valuation and conditions.

EXCLUSIONS

The Insurer is only liable to the extent that any other valid insurance would fail to cover in the event of a claim.

This insurance does not cover:

A. loss or damage caused by or resulting from:

- (i) natural ageing, gradual deterioration, inherent defect, rust or oxidation, moth or vermin, warping or shrinkage;
- (ii) repairing, reframing, restoring, retouching or any similar process;
- (iii) aridity, humidity, exposure to light or extremes of temperature, unless such loss or damage is caused by storm, frost or fire;
- (iv) theft or dishonesty committed by or in collusion with any principal, shareholder (beneficial or otherwise), partner, director or other officer or any employee of the Insured, or any person to whom insured property is entrusted or loaned.

B. loss or shortage discovered while taking inventory.

C. loss of or damage to property unless it is entered in the Insured’s stock records.

D. loss or damage at any trade fair, unless specifically notified to and agreed by the Insurer in advance.

E. loss from or damage in or on unattended vehicles.

F. electrical or mechanical fault or breakdown.

G. the amount of the Excess stated in the Schedule for each and every loss.

H. consequential loss of any kind.



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I. mysterious disappearance or unexplained loss.

J. loss or damage or liability directly or indirectly occasioned by, happening through or in consequence of war, terrorism, invasion, acts of foreign enemies, hostilities (whether war be declared or not), civil war, rebellion, revolution, insurrection, military or usurped power.

K. loss or damage caused by or resulting from confiscation, nationalisation, requisition or destruction of or damage to property by or under the order of any government or public or local authority.

L. (i) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss

(ii) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from

(a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel

(b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof

(c) nuclear reaction, nuclear radiation or radioactive contamination.

BASIS OF VALUATION

A. The basis of valuation for settlement will be:

(i) for items which belong to the Insured, the basis specified in the Schedule;

(ii) for items sold but not delivered to the purchasers, the selling price;

(iii) for items bought on behalf of the Insured's client, the purchase price plus any fee or commission pre-agreed and made in writing;

(iv) for items in the care, custody or control of the Insured which belong to third parties, the lesser of the market value immediately prior to the loss and the Insured's legal liability to the third party;

(v) for fixtures and fittings, the lesser of replacement cost after an allowance for depreciation or the cost of repair.

In no event will the Insurer be liable for more than the limits of liability set out in the Schedule.

B. In the event of partial loss or damage to any item insured, the amount payable shall be the cost and expense of restoration plus any resulting depreciation in value but not exceeding the full value of that item.



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C. In the event of loss of or damage to any insured property which has an increased value because it forms part of a pair or set, any indemnity under this insurance shall not take account of the increased value but shall only be a proportional part of the value of the pair or set.

D. Following the payment of the full amount insured for any item, pair or set, the Insurer will become the full owners and reserve the right to take possession of the item, pair or set.

CONDITIONS

Anything to be done or complied with by the Insured shall be a condition precedent to the Insurer's liability.

1. Stock records

The Insured must keep and maintain stock and account records in which details of all purchases, sales, property bought on behalf of the Insured's client and other property entrusted to the Insured are recorded. These records must be available for inspection by the Insurer or their representatives in the event of a claim. Property not recorded in these records is not covered under this insurance.

2. Due diligence

The Insured must take all reasonable care and measures to protect the insured property and to maintain it in a good and proper condition.

3. Transits

The Insured must ensure that the insured property is packed and unpacked for transit by competent professional packers.

4. Protections maintenance clause

The Insured must ensure that all physical protections notified to the Insurer are engaged whenever the named location(s) are left unattended.

The Insured must ensure that all fire alarm and security systems notified to the Insurer are activated whenever the named location(s) are left unattended.

The Insured must also advise the Insurer as soon as reasonably possible if for any reason a system is not working properly. The Insurer may then vary the terms and conditions of this insurance. All systems must be regularly serviced under contract by a reputable company at least annually.

5. Keys clause

The Insured must ensure that all keys to all safes, strongrooms, alarms and final exit doors are removed from unattended named location(s).

6. Notice and proof of loss



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In the event of loss or damage that may give rise to a claim under this insurance, notice is to be given to the Insurer as soon as reasonably possible, and to the police if a crime is suspected.

In the event of loss or damage to the insured property, the Insured must give the Insurer such relevant information and evidence as may reasonably be required and co-operate fully in the investigation or adjustment of any claim. If required by the Insurer, the Insured must submit to examination under oath by any person designated by the Insurer.

7. Subrogation

If the Insurer become liable for any payment under this insurance in respect of a loss, the Insurer shall be subrogated, to the extent of the payment, to all the rights and remedies of the Insured against any party in respect of the loss and shall be entitled at their own expense to sue in the name of the Insured. The Insured shall give the Insurer all such assistance in his power as the Insurer may require to secure their rights and remedies and, at the Insurer's request, shall execute all documents necessary to enable the Insurer effectively to bring suit in the name of the Insured. The Insurer shall be entitled to all recoveries from any third party up to the amount of their outlay including their own costs and expenses.

8. Misrepresentation and fraud

If the Insured has concealed or misrepresented any material fact or circumstance relating to this insurance or makes any claim knowing it fraudulent, this insurance shall become void.

9. Cancellation

This insurance may be cancelled at any time by the Insured in writing to the Insurer, who will then be entitled to retain the prorata portion plus 15% of the premium.

This insurance may also be cancelled by or on behalf of the Insurer by giving 30 days notice in writing sent by post to the Insured at his last known address. The Insurer will then be entitled to retain the prorata proportion of the premium.

Notice will be deemed to have been given if sent by post properly addressed.

10. Governing law and jurisdiction

This insurance is governed by the laws of India. Any terms or conditions of this Policy which are in conflict with the laws of India where this Policy is issued are hereby amended to conform to such laws.

Both the Insured and the Insurer irrevocably and unconditionally agree to submit any dispute under or in any way relating to this insurance to the exclusive jurisdiction of the Courts of India.