

## Artists Insurance Policy

Developed in conjunction with a-n The Artists Information Company, acting on behalf of members of AIR (Artists' Interaction and Representation)

### Policy Summary

#### Introduction

Please read this document carefully. This is a summary only, full terms and conditions can be found within your Policy Document. This summary is provided to you for information purposes only and does not form part of your insurance contract

The Summary should be read in conjunction with the Selected Definitions at the end of the Summary.

The Artists Insurance Policy is underwritten by a consortium of A rated insurers led by ArgoGlobal and will be operative for a period of 12 months or as shown within the Policy Schedule.

**Please refer to your Policy Schedule or Quotation Document for details of the policy sections that are applicable (for the 'Off-the-Peg' options this will be Sections 1 – 3 only) plus full details of any endorsements or excesses that apply.**

### Section 1 – Artwork & Artist Materials

Operative only if shown in the Policy Schedule

Key Features & Benefits			Significant Exclusions & Policy Conditions	
Applicable Cover	Bespoke Policy	'Off The Peg'	Significant Exclusions	
Cover for loss, damage or theft of your Artwork (both completed or in progress) or your Artists Materials from the Studio Premises.	✓	✓	The first 10% of any claim subject to a minimum contribution of GBP 100 and a maximum of GBP 1,000.	
Worldwide cover for your Artwork or Artists Materials whilst temporarily removed from your Studio, including damage occurring whilst it is in transit or at exhibition.	Optional	✓	Damage caused by Vermin or Insects, Wear & Tear or Mechanical or Electrical Breakdown.	
Cover available for Precious Metals, Precious Stones and Jewellery	Optional	✓	Damage caused to Artwork or other property whilst being worked upon or Damage arising from faulty or defective workmanship or operational error.	
Completed Artworks insured for the net sale price	✓	✓	Artwork more specifically insured (e.g. Artwork at an exhibition where insurance is effected by the gallery).	
Works in Progress insured for 50% of the estimated net sale price	✓	✓	Damage to moveable Artwork or other property in the open by theft, wind, rain, hail, sleet, snow, flood or dust.	
Cover for Artwork left in unattended vehicles	✓	✓	Damage to Artwork in transit due to insufficient packaging or damage to glass or brittle work whilst being carried in the hold of an aircraft.	
			This exclusion does not apply to work in the possession of professional Art Movers.	
			Unexplained losses or losses discovered during the taking of an inventory.	
			Policy Conditions	
			The Artist must maintain a record of all work sold, undertaken, completed and in progress and make such records available on request.	
			The onus of proof of valuation of the Artwork rests with the Artist. There is provision for mediation in the event of any dispute.	
			Average Condition (Under-Insurance) – if at the time of a claim the Sum Insured in respect of Artwork specified in the Policy Schedule is less than the full value of Artwork held, the amount payable shall be proportionately reduced.	

## Section 2 – Artists Tools, Equipment and Other Property

Operative only if shown in the Policy Schedule

Key Features & Benefits		
Applicable Cover	Bespoke Policy	'Off The Peg'
Cover for loss, damage or theft of the Property Insured from the Studio Premises.	✓	✓
Cover for the Property Insured whilst temporarily removed from the Studio Premises, including damage occurring whilst in transit. UK/Europe or Worldwide cover available.	Optional	✓
Cover for Studio Buildings	Optional	✗
Cover for Business Money kept at the Studio Premises during business hours, in a safe overnight or whilst in transit to/from the bank.	£1,000 limit	£1,000 limit
Personal Accident cover following Theft or attempted Theft of Money	£100 Weekly benefit £10,000 Capital benefit	£100 Weekly benefit £10,000 Capital benefit
Damage to External & Internal Glass and Sanitary Fittings at the Studio Premises	£2,000 limit	£2,000 limit
Additional Metered Water Charges caused by Damage at the Studio Premises	£5,000 limit	£5,000 limit
Cost of unauthorised use of metered electricity, gas or water	£10,000 limit	£10,000 limit
Cover for Property left in unattended vehicles	✓	✓

Significant Exclusions & Policy Conditions
<b>Significant Exclusions</b>
The first GBP 100 of each and every claim (or such other excess that may be specified in the Policy Schedule).
Damage caused by Vermin or Insects, Wear & Tear, Deterioration, Wet or Dry Rot, Rust, Mould, Atmospheric Conditions, Change of Temperature or Mechanical or Electrical Breakdown.
Damage caused to property being worked upon or Damage arising from faulty or defective workmanship or operational error.
Damage to moveable property in the open by theft, wind, rain, hail, sleet, snow, flood or dust.
Unexplained losses or losses discovered during the taking of an inventory
Breakage of items of a brittle nature unless caused by fire or thieves.
<b>Policy Conditions</b>
All Machinery must be inspected in line with statutory regulations.
Conditions apply in respect of any Studio Premises that are Unoccupied for a period of 30 or more consecutive days. The exclusion does not apply to permanent storage locations.
Average Condition (under-insurance) – if at the time of a claim the Sum Insured of any item of Property Insured specified in the Policy Schedule is less than the full value of that item, the amount payable shall be proportionately reduced.

## Section 3 – Business Interruption

Operative only if shown in the Policy Schedule

Key Features & Benefits		
Applicable Cover	Bespoke Policy	'Off The Peg'
<p>This section provides cover for any reduction in the Gross Profit of your artistic practice as a result of any Damage to Property Insured occurring at the Studio premises or elsewhere as specified below.</p> <p>Cover only applies under this section if either Section 1 (Artwork &amp; Artists Materials) or Section 2 (Artists Tools, Equipment &amp; Other Property) has been selected.</p> <p>Various limits apply automatically and are listed below. These limits can be increased upon request.</p>		
Damage occurring at the Studio Premises:	£50,000 Sum Insured	£50,000 Sum Insured
Damage occurring at an Exhibition Site:	£25,000 Limit	£25,000 Limit
Damage occurring at any Contract Site (e.g. for a commission):	£25,000 Limit	£25,000 Limit
Damage occurring at the UK premises of any customer:	£25,000 Limit	£25,000 Limit
Damage occurring at the UK premises of any supplier:	£25,000 Limit	£25,000 Limit
Prevention of Access to the Studio Premises due to Damage in the vicinity:	✓	✓
Damage occurring at any storage location:	£25,000 Limit	£25,000 Limit
Accounts Receivable – outstanding customer accounts that cannot be traced following Damage at your Studio Premises (also includes additional costs incurred in tracing outstanding accounts):	£5,000 Sum Insured	£5,000 Sum Insured

Significant Exclusions & Policy Conditions
Significant Exclusions
<p>Damage from any cause excluded by Section 1 (Artwork &amp; Artists Materials) or Section 2 (Artists Tools, Equipment &amp; Other Property).</p> <p>Fines, penalties or damages of any kind.</p>
Policy Conditions
<p>Average Condition (Under-insurance) – if at the time of a claim the amount of the Gross Profit insured by this policy is less than the actual Gross Profit of your artistic practice, the amount payable shall be proportionately reduced accordingly.</p>

## Section 4 – Employers' Liability

Operative only if shown in the Policy Schedule

Key Features & Benefits		
Applicable Cover	Bespoke Policy	'Off The Peg'
Your legal liability to pay damages (including claimant costs, fees and expenses) in respect of Injury to any Person Employed (this will include freelancers and volunteers working under your control).	£10m Limit of Indemnity	✗
Legal Expenses incurred in defending any prosecutions under Health & Safety at Work Act (1974) or the Consumer Protection Act (1987) or any legislation of similar effect.	✓	✗
Legal Expenses incurred arising out of representation at a Coroners Inquest of Summary Jurisdiction (for incidents which may form a claim under this section of the policy).	✓	✗
Cross Liabilities	✓	✗
Compensation for Court Appearances	✓	✗

Significant Exclusions & Policy Conditions
Significant Exclusions
Circumstances where compulsory insurance is required by any road traffic legislation.
Arising out of any activity undertaken in the United States of America or Canada.
Punitive or exemplary damages, fines or penalties of any kind.
Policy Conditions
Immediate notification to be given of any incident that may give rise to a claim.
No admission of fault to be given without the consent of the Underwriters.

## Section 5 – Public Liability

Operative only if shown in the Policy Schedule

Key Features & Benefits		
Applicable Cover	Bespoke Policy	‘Off The Peg’
Your legal liability to pay damages (including claimant costs, fees and expenses) in respect of Injury to any person or damage to property.	✓	✗
Legal Expenses incurred in defending any prosecutions under Health & Safety at Work Act (1974) or the Consumer Protection Act (1987) or any legislation of similar effect.	✓	✗
Legal Expenses incurred arising out of representation at a Coroners Inquest of Summary Jurisdiction (for incidents which may form a claim under this section of the policy).	✓	✗
Cross Liabilities	✓	✗
Compensation for Court Appearances	✓	✗
Cover for temporarily occupied buildings	✓	✗

Significant Exclusions & Policy Conditions
<b>Significant Exclusions</b>
The first GBP 250 of each and every claim arising from damage to property.
Injury to any Person Employed.
Any claim arising out of the sale or supply of any Product.
Ownership, use or possession of any Motor Vehicle for which compulsory insurance is required.
Ownership, use or possession of any aircraft, hovercraft or any offshore rig, installation or platform.
Ownership, use or possession of any Watercraft (unless less than 10 metres in length and on inland waterways).
Damage to any property whilst in the care, custody or control of the Insured.
Breach of professional duty.
Wrongful or inadequate advice provided separately for a fee (or where a fee would normally be charged).
Creation and installation of public artworks after the point of handover to the commissioner.
Any activity undertaken more than 10 metres above floor or ground level.
Arising out of any activity undertaken in the United States of America or Canada unless agreed by insurers.
Punitive or exemplary damages, fines or penalties of any kind.
Arising from Pollution (other than from sudden or accidental causes).
Arising from an act of Terrorism.
Arising from the any process involving the use of Asbestos.
Any work undertaken at any Hazardous Premises.
Any use of Fire, Explosives or Pyrotechnics on third party premises (other than the use of flash paper, flash string, flash cotton, pottery ovens or kilns)
<b>Policy Conditions</b>
Immediate notification to be given of any incident that may give rise to a claim.
No admission of fault to be given without the consent of the Underwriters.

## Section 6 – Products Liability

Operative only if shown in the Policy Schedule

Key Features & Benefits		
Applicable Cover	Bespoke Policy	‘Off The Peg’
Your legal liability to pay damages (including claimant costs, fees and expenses) in respect of Injury to any person or damage to property arising out of the sale or supply of Artwork or any other Product.	✓	✗
Legal Expenses incurred in defending any prosecutions under Health & Safety at Work Act (1974) or the Consumer Protection Act (1987) or any legislation of similar effect.	✓	✗
Legal Expenses incurred arising out of representation at a Coroners Inquest of Summary Jurisdiction (for incidents which may form a claim under this section of the policy).	✓	✗
Cross Liabilities	✓	✗
Compensation for Court Appearances	✓	✗

Significant Exclusions & Policy Conditions
<b>Significant Exclusions</b>
The first GBP 250 of each and every claim arising from damage to property.
Injury to any Person Employed.
Costs incurred in the repair or replacement of any Product.
Product recall costs.
Any Product intended for incorporation into any aircraft, other aerial device, hovercraft or watercraft.
Liability assumed under contract (except such liability that would have applied in the absence of the contract).
Arising out of any Product supplied to the United States of America or Canada unless agreed by insurers.
Punitive or exemplary damages, fines or penalties of any kind.
Arising from Pollution (other than from sudden or accidental causes).
Arising from an act of Terrorism.
Arising from the any process involving the use of Asbestos.
<b>Policy Conditions</b>
Immediate notification to be given of any incident that may give rise to a claim.
No admission of fault to be given without the consent of the Underwriters.

**Selected Definitions**  
for full list of Definitions please refer to the Policy Wording

<b>WORD / TERM</b>	<b>DEFINITION</b>
<b>Artists Materials</b>	Materials intended for incorporation into <b>Artwork</b> including un-used packing materials belonging to the <b>Insured</b> .
<b>Artwork</b>	<b>Completed Artworks, Works In Progress and Artists Materials.</b>
<b>Completed Artworks</b>	Shall mean: a) Works of art or craftwork the property of the <b>Insured</b> , which has been completed and offered for sale; or b) Commissioned works of art deemed to be completed under the terms of the contract between the <b>Insured</b> and the commissioner.
<b>Gross Profit</b>	The amount by which; a) the sum of the amount of the <b>Turnover</b> and the amounts of the closing stock and work in progress shall exceed b) the sum of the amount of the opening stock and work in progress and the amount of the <b>Uninsured Working Expenses</b> The amounts of the opening and closing stocks (including work in progress) shall be arrived at in accordance with the <b>Insured's</b> usual accounting methods due provision being made for depreciation.
<b>Hazardous Premises</b>	shall mean: a) power stations or nuclear installations/establishments b) oil, gas or chemical i) refineries ii) bulk storage iii) production premises c) aircraft, aerospace or hovercraft d) watercraft other than work on or in watercraft in docks, harbours, boatyards or inland waterways e) railways or airports other than non-airside or non-trackside work
<b>Person Employed</b>	means any: 1. Employee being a person under a contract of service or apprenticeship with the <b>Insured</b> 2. labour master and persons supplied by him 3. person employed by labour only sub-contractors 4. self employed person under the control of the <b>Insured</b> 5. person hired to or borrowed by the <b>Insured</b> 6. person undertaking study or work experience or youth training scheme with the <b>Insured</b> working for the <b>Insured</b> in connection with the <b>Business</b> .
<b>Property Insured</b>	Save where expressly provided otherwise, the <b>Studio Buildings, Stock, Machinery, Plant and Equipment</b> at the <b>Studio Premises</b> , all as defined in the <i>General Definitions</i> , if and to the extent they are included as property insured in the <b>Schedule</b> .
<b>Schedule(s)</b>	The <b>Schedule</b> specifying the terms and extent of this <b>Policy</b> .
<b>Studio Premises</b>	The Address(es) specified in the <b>Schedule</b> .
<b>Works In Progress</b>	Shall mean: a) Works of art or craftwork the property of the <b>Insured</b> , which is the subject of an agreed sale or is intended to be offered for sale upon completion, on which work has commenced but not completed; or b) Commissioned works of art not deemed to be completed under the terms of the contract between the <b>Insured</b> and the commissioner.

## General Information

### Renewing Your Policy

At least 21 days before each policy renewal date, you will be advised of the premium and terms and conditions that will apply for the following year.

Please note in normal circumstances your premium is due to be paid in full by the inception date of the policy, unless you have specifically agreed alternative payment methods with us. Failure to pay within the terms may result in your insurance being cancelled.

### Cancellation Rights

You may cancel this insurance within 14 days from the conclusion of the contract or the day on which you receive the policy document, whichever is the later. Underwriters reserve their rights to charge a pro-rata premium for the period for which cover was provided.

### How To Make A Claim

In the unfortunate event that you need to make a claim, please contact Hencilla Canworth GI Limited as soon as possible either in writing at Simpson House, 6 Cherry Orchard Road, Croydon, Surrey, CR9 6AZ or by telephone on 020 8686 5050. **Please note that late notification can lead to claims being repudiated.**

### Complaints Procedure

It is always the intention to provide a first class standard of service. However it is appreciated that occasionally things go wrong. In some cases we will be able to resolve any concerns and you should contact us directly.

Alternatively if you need to complain please contact the Pen Underwriting Limited Complaints Officer quoting your policy or claim number.

Pen Underwriting Limited Complaints Officer  
3 Atlantic Quay, 20 York Street, Glasgow, G2 8JH  
Telephone: 0141 285 3539  
Email: [pencomplaints@penunderwriting.com](mailto:pencomplaints@penunderwriting.com)

Your complaint will be acknowledged within 5 business days of receipt. If the complaint is not resolved within 4 weeks of receipt Pen Underwriting will write to You and let You know what further action will be taken. A final response letter will be issued within 8 weeks of receipt. Upon receipt of the letter if You remain dissatisfied You may refer Your complaint to the Financial Ombudsman Service.

The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

The Financial Ombudsman Service  
Exchange Tower, London E14 9SR  
Telephone: 0800 0234567 (for landline users); Telephone: 0300 1239123 (for mobile users)  
Email: [complaint.info@financial-ombudsman.org.uk](mailto:complaint.info@financial-ombudsman.org.uk)  
Website: [www.financial-ombudsman.org.uk](http://www.financial-ombudsman.org.uk)

You have six months from the date of the final response from Your Insurer to refer Your complaint(s) to the FOS. This does not affect Your right to take legal action, however, the FOS will not adjudicate on any case where litigation has commenced.

### Financial Services Compensation Scheme

ArgoGlobal along with all other consortium insurers are members of the Financial Services Compensation Scheme (FSCS). You may be entitled to compensation from the scheme if they are unable to meet it's obligations to you under this contract.

If you are entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract. Further information is available from the Financial Services Compensation Scheme (7<sup>th</sup> Floor, Lloyd's Chambers, Portoken Street, London, E1 8BN) and from the FSCS website at [www.fscs.org.uk](http://www.fscs.org.uk).

### Details Of Our Regulator

ArgoGlobal and all other policy insurers are authorised by the Prudential Regulation Authority and regulated by the Prudential Regulation Authority and the Financial Conduct Authority. Hencilla Canworth GI Limited are authorised and regulated by the Financial Conduct Authority. The Financial Conduct Authority website, which includes a register of all regulated firms can be visited at [www.fca.org.uk](http://www.fca.org.uk), or the Financial Conduct Authority can be contacted on 0800 111 6768.

### Additional Information

If you require any further information or wish to request a copy of the policy document – Please contact:

Hencilla Canworth GI Limited  
Simpson House, 6 Cherry Orchard Road, Croydon, Surrey, CR9 6AZ

Tel: 020 8686 5050  
Fax: 020 8686 5559  
e-mail: [mail@hencilla.co.uk](mailto:mail@hencilla.co.uk)