

Hiscox Fine Art



Who is Hiscox?

Hiscox is a leading specialist insurer, headquartered in Bermuda, with roots dating back to 1901.

We are not a traditional insurer.

We target specific types of insurance in which we develop expertise, often focusing on areas other insurers find too complex to insure.

By challenging convention we offer market leading products and services to businesses.



Hiscox and fine art

Insuring art requires a specialist. The Hiscox love of art gets into everything we do: not only do we insure it, we also collect, sponsor and promote it. As a world leading insurer of fine art and collectibles, we have a wealth of experience of protecting valuable possessions and unique objects.

From the restoration of fragile or contemporary art to the recovery of stolen works, our expertise is extensive. Our relationships with the art world mean if you have to make a claim you can be sure your case will be handled in the most sensitive way possible. We appreciate that your time is precious: you can rely on us for effective and speedy settlement of claims.

The range of art we insure is as diverse as the people who buy, sell and show it. We also offer bespoke cover for a range of specialist collectibles including:

- musical instruments
- classic cars
- vintage aircraft
- sports memorabilia
- stamps.

In short we cover anything that is collectible and has a value which might belong to:

- private collectors
- corporate collections
- museums and exhibitions
- dealers
- galleries.

To learn more about the Hiscox art collection please visit:

www.hiscoxcollection.com.

Why do you need a fine art policy?

A typical property policy accommodating fine art with a sublimit may not provide suitable cover for a private collection for the following reasons:

	Property policy	Fine art policy
Valuation	Requires proof of valuation.	Most policies are on an agreed value basis.
Limit	Sublimit within property policy.	Limit based on exposure.
Coverage	Frequently named perils only.	A clearer 'all risks' policy with few exclusions.
Loss of value following an insured loss	No coverage given.	Covered.
Deductibles	Large and inappropriate deductibles.	Nil, except in respect of earthquake.
Underwriting	General property underwriters.	Specialist fine art underwriters.
Claims expertise	Handled by property claims underwriters and adjustors who are not familiar with fine art.	Handled by specialist fine art specific claims underwriters and adjustors who are more experienced.

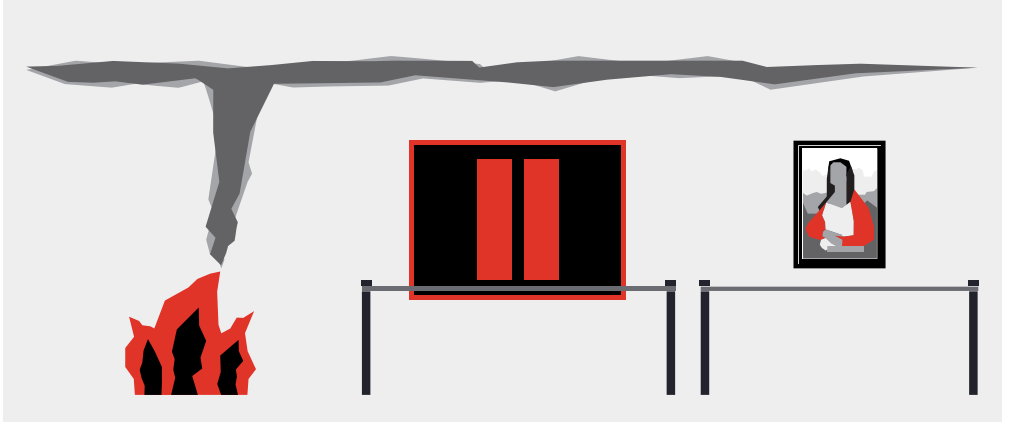
A specialist fine art policy is normally more competitive than a property policy as well as giving better cover.

Myth: my biggest risk is theft

The type of claim most commonly associated with fine art is theft. This is due to the press worthy nature of fine art thefts. In reality the biggest threat to your fine art collection comes from daily occurrences.

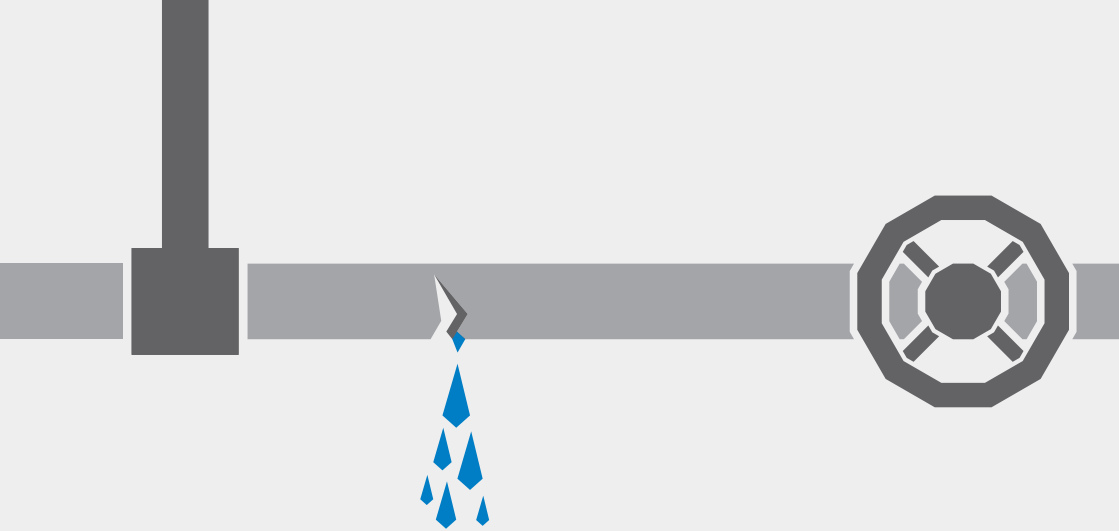
These could be:

- an oil painting being accidentally damaged while being moved or hung
- flood damage following extreme weather
- a sculpture being accidentally lost by a shipper during transit
- the loss of a whole collection during a fire.



Downsides to a typical property policy responding to fine art claims include:

- **theft** – a property policy will not respond unless there is forcible entry/exit
- **water and accidental damage** – property policies have high deductibles and inexperienced loss adjustors handling depreciation/ restoration
- **fire** – cover for your fine art will be reduced by a serious fire loss if the sum insured is not adequate on a property policy
- **mysterious disappearance** – not covered by a property policy.



Potential loss scenario

The following example shows how complex a fine art claim can be.

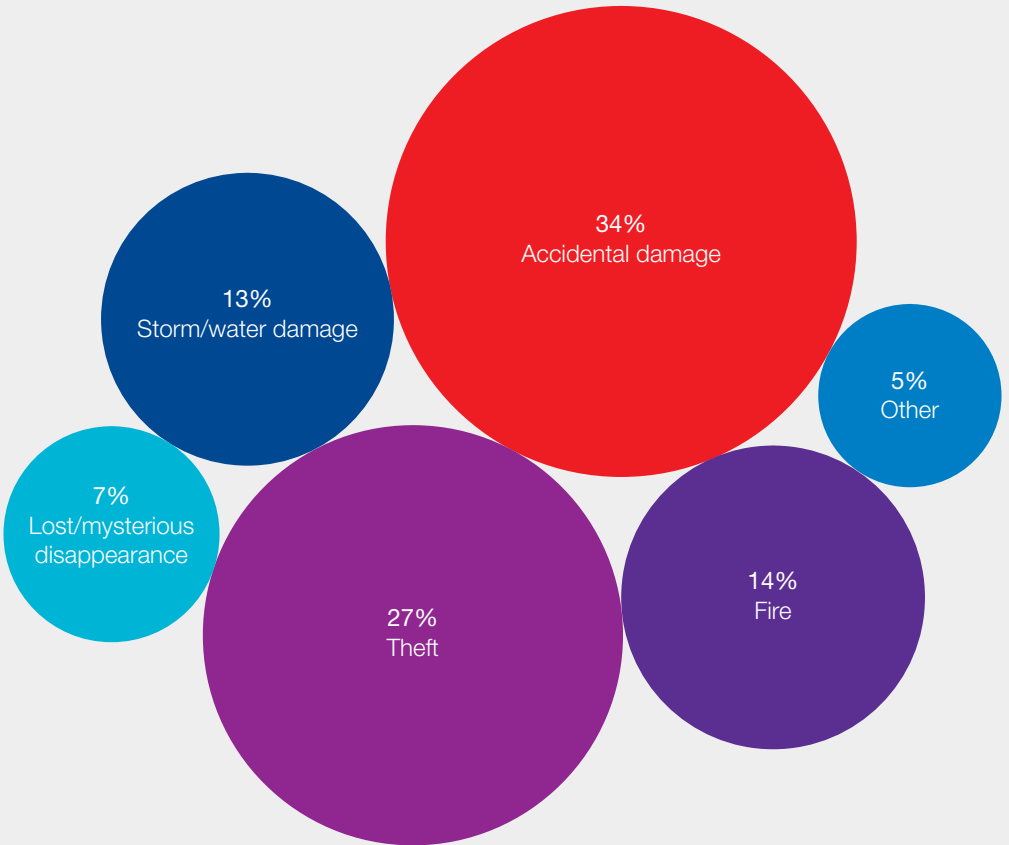
A Picasso oil painting worth \$10m is water damaged by a burst pipe while the insured is on holiday. This triggers a claim under a fine art policy.

An adjuster visits to examine the damage and the painting is sent to a restorer. The insurer pays for the painting to be restored. Following the damage, the painting has suffered depreciation which is calculated to be 20% of the insured value. The Insured receives \$2m in addition to the restoration as part of his claim settlement which would not have been covered under a typical property policy.

There are many moving parts to settling a fine art claim. The majority of our claims involve partially damaged items and in these cases it is never straightforward to calculate the depreciation of an item, as different experts can come up with wildly different numbers.

This is where our expert claims underwriters and loss adjustors are required. Insuring with Hiscox ensures claims are dealt with quickly and fairly.

Fine art claims for the last 20 years





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