



CASTLE ACRE

A Guide to Insuring
Fine Art & Collections





While Art is subjective and collecting a matter of individual taste, works of art have not only a market value but a highly personal value and owners are vulnerable to complex risks.

Collectors rarely just view their collection from an investment perspective and will often have a strong attachment to individual works of art, whether bought, inherited or commissioned. In the same way losses to public collections can also have a significant impact on the wider community.

Fine art insurance provides reassurance that whatever circumstances arise your collection will be protected. When individual pieces cannot be replaced or repaired you are compensated financially.

At Castleacre

We are experienced in arranging fine art insurance for private clients, galleries and museums.

As an independent broker we choose to work only with insurers who really understand the specialist requirements needed to protect fine art collections against all risks.

Whether we are looking after an individual piece or a much larger collection we pay the same attention to detail. If a claim arises, we act as your advocate to ensure that it is settled quickly and to your satisfaction.



What Should Fine Art Insurance Deliver?

If you make a claim, your insurance should return you to the same position as you were in before the event occurred.

Fine Art cover should offer either:

- Replacement

- Repair/Restoration

- or the equivalent value in Monetary terms (if irreplaceable)



Specialist Fine Art Insurance



Fine Art has both cultural and material value that should be protected for future generations to enjoy, whether they form part of a private collection or a public institution.

Specialist fine art insurance offers important provisions for recovery from a fine art loss. Fine Art policies protect against a breadth of risks and understanding the true market value and knowing how to respond in a disaster, including emergency removal and storage, has a significant impact on the eventual outcome.

Specialist Cover

- Defective Title (normally limited to £100,000) - This protects you in the event of a claim over the ownership of an item of fine art (a work of art bought in good faith where legal title is later disputed by another party).
- Pairs – Cover for the Replacement value of the complete pair even if only one piece is damaged or lost but the overall value is diminished.
- Restoration - 90 days of temporary cover if an item is damaged during restoration (a reputable restorer will normally have cover which will take over after this initial period).
- Automatic cover for an increase in value following the death of an artist.
- Protection against damage to a commissioned piece before delivery/collection.
- All risks including Accidental Damage including an item taken abroad or loaned to an exhibition.
- Temporary automatic cover for new additions to a collection (normally limited to a certain time period).
- Financial compensation for loss in value resulting from partial damage.
- Specified art limits are set at a generous level.

Determining Value

A fine art broker should help you establish and review the value of your fine art, working with specialist valuers.

You can choose to base the level of cover you want on either the Market Value (low/high auction estimate, Retail Value) or a Pre-Agreed Value between you and the insurer.

Values are not static and an insurer will base any compensation on the most recent valuations provided by the owner - so it is important to ensure that valuations are regularly reviewed and updated.



Specified and Unspecified Art



Insurers group works of art by value as specified or unspecified.

Individual pieces that exceed a particular value will require a detailed specified description and valuation, before cover is offered. Anything that falls below that value will be grouped together as unspecified with limited compensation for an individual piece.

An advantage of specialist fine art insurance is that the specified item limit is set at a higher level – so for example a work of art valued at £50,000 or less, may not require an individual description and valuation. Under standard insurance policies the value of specified art is set at a lower level, which means owners must provide detailed valuations and descriptions for items with much lower values.

Claims

How your insurance responds to a claim is key.

We help you through the entire process. Your personal broker acts as your representative to resolve any claim swiftly.

If specialist storage or restoration services are needed, we will organise this in conjunction with the insurer.



Loss Prevention

We advise on how to mitigate risk to help prevent future claims.

Specialist Fine Art Insurers offers cover against loss, damage or theft, even during transit or while at a temporary location, but insurers will stipulate that certain security measures are taken.

In addition to ensuring that windows and door locks are secure and a building is alarmed, valuable or irreplaceable fine art and garden statues or sculpture should be fitted with individual alarms and movement sensors.

Art Loss Register

The [Art Loss Register](#) is an international organisation which registers and helps recover stolen art. We advise owners of larger collections or works of national importance to take advantage of the Pre-loss Registration Service which is a significant deterrent to theft.



Fine Art in Public Collections & Galleries

Loans and the Government Indemnity Scheme

The [Government Indemnity Scheme](#) is designed to encourage loans of works of art by offering free insurance cover for works of art during transit and while on display. Loans between museums, galleries and private individuals (with the exception of National Galleries) are offered much needed protection through GIS but the scheme has significant limitations.

To protect loans under GIS the gallery or museum must meet the operating standards of the scheme which is not always possible. Loan risks that are not protected under GIS can be addressed by Commercial Fine Art Insurance.

Protecting Permanent Collections

As a specialist broker we help institutions decide what level of risk they face and offer pragmatic insurance solutions to protect their permanent collection:

- Bespoke cover for the whole or part of a collection against loss, damage and theft.
- Protection during restoration and repair of individual works of art including loss of value.
- Replacement or repair of display cases and equipment.
- Cover for objects in transit and while on loan from a National Collection ('Nail to Nail' insurance).

Insurance Advice

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