

GENERAL CONDITIONS

PRIVATE COLLECTIONS

PREFACE

We very much appreciate the trust that *you* place in us, and take *our* responsibility to insure *your* prized possessions very seriously.

The insurance contract covering *your* works of art and valuables is unique in more ways than one. Indeed, *we* have negotiated its terms with responsible and creditworthy *insurers*. Thus, this contract offers many advantages which distinguish it from similar contracts available.

Unless otherwise agreed in *your* special conditions, this contract contains the following advantages:

- any accidental *material damage* is covered (article 1.1), except where unequivocally excluded (article 2). *You* therefore enjoy an 'All Risks' contract subject to the exclusions therein;
- there are only six exclusions of cover in the contract (article 2);
- breakage is not excluded but is covered without additional premium;
- *your* new acquisitions are automatically insured, free of charge, until the next annual expiry date of *your* contract (article 1.3). However, new acquisitions are not provided with an *agreed value* cover until they are listed in the contract;
- individually listed items are insured on an *agreed values* basis. *We* also provide *you* with a clear and exact list of insured items (that *you* should update regularly);
- there is no *deductible* applicable in this contract;
- *depreciation* following the restoration of a an item is covered (article 4.1);
- 'sets of items' are considered as a whole (article 4.2);
- *you* have the possibility of regain possession of a stolen item that has been recovered (article 4.5);
- salvage costs are covered;
- payment within a maximum period of four days following receipt of the discharge form (article 4).

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1. COVER

Cover is granted from the moment you have paid the premium.

1.1. On collectibles

Your collectibles are insured against all *material damage* that might occur during the policy period at one of the specified risk addresses, subject to the exclusions, on the basis of the rules of indemnity and subject to the general and special conditions.

1.2. On jewellery, watches and furs

Your jewellery, watches and furs are insured against all *material damage* that might occur during the policy period within the specified geographical limits, subject to the exclusions, on the basis of the rules of indemnity and subject to the general and special conditions.

1.3. On your new acquisitions

From the moment that *your* new acquisition enters into *your* possession, it is automatically insured, free of charge, up to a maximum of 10% of the total amount of the rating class to which the item belongs until the next annual expiry date of *your* contract.

Beyond this term and this maximum amount, this automatic extension will no longer be granted to *you*. We recommend that *you* should communicate to us the list of *your* new acquisitions at the latest within 30 days preceding the expiry date of *your* contract.

2. EXCLUSIONS

The *insurers* exclude *material damages*:

- 2.1. caused by:
 - a. rust, oxidation, or shrinkage;
 - b. moth or vermin;
 - c. an inherent defect in the item;
 - d. variations in hygrometry, temperature or exposure to light;
 - e. Gradual deterioration or normal deterioration caused by use and time.

- 2.2. caused by the breakdown of a machine or by a mechanical or electrical failure of the item itself.
Indirect and consecutive *material damage arising* remains insured.

- 2.3. caused by or resulting from:
 - a. an *act of terrorism*;
 - b. loss, damage, costs or expenses arising directly or indirectly from biological, nuclear or chemical contamination caused by or resulting from an *act of terrorism*, including poisoning or preventing or limiting the use of an insured object due to the effects of any biological, nuclear or chemical agent.
 - c. war, invasion, acts of foreign enemies, hostilities (whether war has been declared or not), civil war, rebellion, revolution, an insurrection, usurped military authority;
 - d. confiscation, nationalization, requisitioning, destruction or damaging of items by or on order of any government or public and/or local authorities;
 - e. any nuclear reaction or contamination due to radioactivity;
 - f. a volcanic eruption or a tidal wave.

- 2.4. to jewellery and/or to watches, unless the aforementioned items are:
 - a. worn by *you*;
 - b. placed in a piece of hand luggage or handbag that constantly remains in physical contact with *you* or;
 - c. locked in the safe of one of the risk addresses where *you* reside, in a bank or in the main safe of a hotel.

However, this exclusion will not be applicable to jewellery or watches with a total value less than that indicated in *your* special conditions ('Exclusion 2.4').

- 2.5. any consequences resulting from an act intentionally caused by *the insured* and, in accordance with law, any consequences resulting from a fraudulent act attributable to *the insured*.

- 2.6. covered under another insurance contract, without prejudice to any mandatory legal provisions.

3. YOUR OBLIGATIONS

3.1. From the day you take out the policy

You must declare the details of the risk precisely, without reticence or false declaration. The *insurers* have undertaken their obligations on this basis, which serves to calculate the premium. Every omission, intentional inexactness or *fraud* in *your* declaration will lead to the contract being declared null and void.

3.2. From the inception date of cover

You commit yourself to:

- notify *us* of any pertinent and lasting amendment to the risk that *you* have declared;
- take every reasonable measure to ensure the protection of the insured goods and to maintain them in good condition;
- if *you* have protections:
 - keep such equipment in good working order. In the absence thereof:
 1. notify the qualified installer as quickly as possible so that any repairs can be carried out;
 2. notify *us* in the event that the repair work cannot be carried out within 24 hours;
 3. take every necessary safety measure during the entire period of the failure of the system with reasonable and due care.
 - do not alter such equipment without *our* prior approval;
 - in the event of a failure or a breakdown, *you* must take every measure necessary for the installation to be repaired and notify *us* thereof as soon as possible.

3.3. In the event of a loss

You commit yourself to:

- immediately take all reasonable and necessary measures (at the expense of the *insurers* when the loss is covered) to :
 - prevent or limit the extent of the loss;
 - safeguard the insured goods;
 - maintain every possibility of subrogation for the *insurers*;
 - enable the recording of the damage.
- send *us* declaration of loss within the 24 hours following the discovery of the loss;
- in the event of loss, theft, disappearance or suspected malicious intent, file a complaint with the police and send *us* the police record reference number;
- send *us*, as the case may be, the estimate for a restoration;
- give *us your* full cooperation to initiate the appropriate legal proceedings or to undertake any subrogation to which the *insurers* would be entitled;
- provide all useful information and proof that could reasonably be requested.

4. OBLIGATIONS OF THE INSURERS

The *insurers* agree to **indemnify the insured within a maximum period of four days** following receipt of the discharge form and, as if necessary, the restitution of the items for which the insured party was indemnified.

4.1. Amount of the indemnity

For individually listed items, the *insurers* indemnify, as the *insured* chooses:

- either the cost of repair of the items, including possible *depreciation*, fixed after restoration without however exceeding the *agreed value*;
- or the *agreed value*.

For non-individually listed items, the *insurers* indemnify the *insured* on the basis of the replacement value of an equivalent item immediately before the loss, without exceeding the overall sum insured per section and the maximum sum insured per item mentioned in *your* special conditions. This value is fixed by mutual consent or, in the absence thereof, by a jointly appointed expert.

In the event of a total loss of jewellery and/or watches, the *insurers* reserve the right to replace the items.

4.2. Sets of items

In the event of a total loss of an item that is part of a set, the *insured* may choose between either of the following procedures:

- either the indemnity shall be equal to the value of the set divided by the number of items;
- or the *insured* shall return the remaining pieces of the set and the indemnity will be equal to the value of the full set.

The fact that the objects are part of a set is established by mutual consent or, in absence thereof, by a jointly appointed expert.

4.3. Deductible

The *insurers* will deduct any *deductible* from the amount of the indemnity.

4.4. Ownership of a damaged or lost and indemnified item

The *insurers* become the owners of the items that they have indemnified as a total loss.

4.5. Recovery of lost or stolen items

In the event that the insured items should be recovered after a loss, *we will* inform *you* in writing, as soon as possible, at the last address that *you* will have communicated to *us*. Should the items be recovered, the policyholder or *insured* must inform *us* in writing as soon as possible.

The *insured* may buy the items indemnified by the *insurer* within the 90 days following receipt of the letter informing the *insured* of their recovery.

The *insurers* will claim from the *insured* the lesser of the following two amounts:

- the indemnified amount, increased by the legal interests;
- the replacement value of an equivalent item on the date of the recovery. This value is fixed by mutual consent or, in the absence thereof, by a jointly appointed expert.

4.6. Exchange rate

Regardless of the currency mentioned in the special terms, the indemnity shall be paid in euro. The exchange rate applicable shall be that of the date on which cover under this contract came into force.

5. GENERAL PROVISIONS

Any action by the *insurers* is subject to the condition that *the policyholder and the insured* have fulfilled the obligations imposed by this contract.

Specifically, if the prevention and maintenance measures imposed by this contract were not taken, the *insurers* reserve the right to forfeit the *insured* from any indemnity.

5.1. Term of the contract and payment of the premium

The contract is initially signed for the policy period mentioned in the special conditions. At the end of this period, the contract shall or shall not be renewed in accordance with the terms mentioned in the special conditions.

You have the obligation to settle the premium that *we* claim within the 30 days following the date of *our* notice of payment.

Any premium that would remain unpaid within 30 days following the expiry date of the contract yields, without any other preliminary formal notice, default interest at an annual rate of 11% and a fixed indemnity equal to 15% of the unpaid balance at the date of expiry.

Non-payment of the premium may lead to serious consequences. Indeed, it can result in the suspension of *your* cover or the cancellation of *your* contract in accordance with the legal provisions.

5.2. Cancellation and renewal

In the event of the tacit renewal of the contract, each party has the right to terminate the contract by giving three-month notice.

Any cancellation must be notified in writing to the last address communicated by *you* or that *we* communicated to *you*.

The contract may be terminated in the event of a loss, either by *you* or by *us*, upon request of the *insurers*, within 30 days following the payment of a claim or the refusal to indemnify. In this case, the fraction of the annual premium corresponding to the period when the risk was not covered will be reimbursed to *you*.

In the event that the contract should be renewed, *you* explicitly agree to consent, in *your* name and for *your* account, to the replacement of an *insurer* by one or several other *insurer(s)* upon the annual renewal of the present contract. This change will possibly be mentioned in *your* annual invoice.

5.3. Subrogation

The *insurers* are subrogated to the rights of the *insured* up to the indemnity that they have paid the *insured*.

5.4. Co-insurance

The liability of an *insurer* under this contract is several and not joint with other *insurers* party to this contract. An *insurer* is liable only for the proportion of liability it has underwritten. An *insurer* is not jointly liable for the proportion of liability underwritten by any other *insurer* nor is an *insurer* otherwise responsible for any liability of any other *insurer* that may underwrite this contract.

5.5. Payment of taxes and duties

We are responsible for settling the relevant taxes linked to this contract to the competent authorities.

5.6. Competent courts and applicable law

This contract is governed by Belgian law, specifically the Law of 25 June 1992 on terrestrial insurance contracts and its implementation decrees.

Any dispute between parties will only be dealt with before the courts of Belgium. The fact that a court would consider one of the clauses of the contract inapplicable will not affect the validity of the other clauses.

5.7. In case of difference of opinion

We aim to give *you* full satisfaction in fulfilling the execution of the terms and conditions of this contract. In the event that *you* should not agree with the application of this contract, *you* should contact *us* at:

Eeckman Art & Insurance
@ : art@eeckman.eu
T : +32 (0)2 539 00 80
F : +32 (0)2 537 96 19

If the issue remains unresolved in the following 30 days, *you* should write a letter to :

Insurance Ombudsman
Square de Meeûs, 35
BE 1000 Brussels
@ : info@ombudsman.as
F : +32 (0)2 547 59 75

6. LEXICON

- You** : The policyholder, natural person or legal entity that signs the insurance contract, pays the premium and declares the risk.
- The insured** : The natural person(s) or legal entity(ies), holder of the property right or the usufruct over the insured objects.
- We, our** : **Léon EECKMAN** S.A.
Rue Marconi, 167 B5
BE-1190 Brussels
FSMA : A12934
NN°0455565448
Acting as agent of the *insurers*.
- Insurer(s)** : The *insurer* mentioned in the special conditions.
- Material damage** : Any physical harm to or loss of an insured object, including theft.
All *material damages* resulting from the same *accident* will be considered as one and the same loss.
- Accident** : Sudden, unintentional and unforeseeable damaging event.
- Act of terrorism** : A secretly planned action or threat of action with ideological, political, ethnic or religious ends, executed either individually or in a group aimed at persons or destroying partially or totally the economic value of a tangible or intangible possession with the aim of intimidating the public, of creating a climate of insecurity or putting pressure on the authorities, to impede the normal business and functioning of either a company or a public or private service.
- Agreed value** : The value per item fixed by mutual consent and mentioned in the list of insured items. Except for *fraud*, the *insurers* agree to never challenge this value.
- Deductible** : The amount for which *you* are responsible.
- Depreciation** : Loss of the economic value of an item after restoration.
- Fraud** : Any behaviour intended to deliberately mislead or harm.