



Do we need insurance?





What is insurance?

A method of risk management by which the owner or custodian of an object (the insured) transfers the risk of potential financial loss to an insurance company (the insurer) in return for payment of a premium.

**You are
responsible for
your financial
protection**

How does it work?

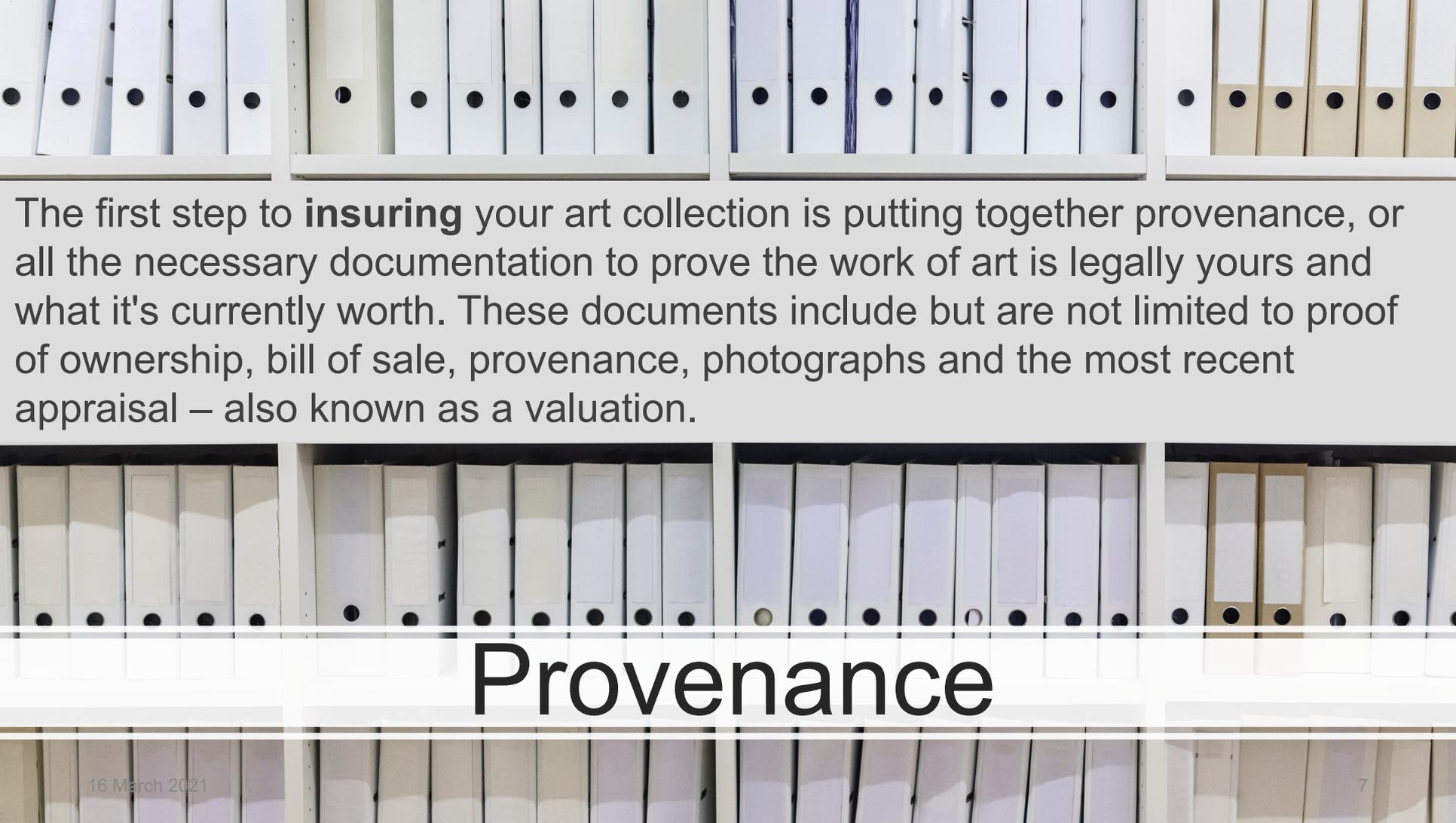
A woman with long dark hair, wearing a dark sleeveless top, is looking down at a tablet device she is holding in her hands. She has a thoughtful expression, with her hand resting near her chin. The background is dark and out of focus.

If your art or collectibles are damaged or stolen, just file a claim with your insurance company. If it's covered, your insurer will reimburse you for the cost of repair—or if lost or stolen, for the cost of replacement based on your insurer's valuation.

What is art insurance?

“All Risks” coverage, where physical loss or damage from any cause (including accidental damage) is insured within certain terms and conditions, and usually excluding specific causes of loss, such as: wear and tear; gradual deterioration; inherent defect; nuclear or radioactive contamination; war.





The first step to **insuring** your art collection is putting together provenance, or all the necessary documentation to prove the work of art is legally yours and what it's currently worth. These documents include but are not limited to proof of ownership, bill of sale, provenance, photographs and the most recent appraisal – also known as a valuation.

Provenance



How do I get insurance for my art?

Key information

Identity

Contact
information

Risk
overview

Floating
limit

Locations

Stock
value

Transit
limit

Territorial
limit

Basis of
valuation



What types of insurance do I need?

Artist Insurance

Artist insurance can include cover for studio buildings, contents & equipment, completed work and works in progress, transits and exhibitions, as well as your legal liabilities to the public and to studio staff.



Dealers. Agencies. Gallerists. insurance

Dealer insurance can include cover for buildings, contents, archives, owned and consigned stock, transits, art fairs, as well as your legal liabilities to the public and to staff. Extra cover for Defective title, fakes & forgeries.

Additionally, commercial coverage can be added for D&O, Legal, Business Interruption, travel etc.



Art insurance – also known as **Collectible insurance** protects your collection against theft, accidental breakage, flooding and more.

Insurance policies cover your collection on the basis of **Agreed Value** or **Market value**. If you insure on **Agreed Value** basis you know exactly what your collection is **insured** for at the time of the loss.

Collection

Risk: damage



Art insurance-
collector's, dealers,
museums & institutions

Insurance can protect
your **art** from accidental
damage, flood, fire
and theft.

Art Industry News: A Rampaging Toddler Knocked Over a \$50,000 Artwork at Art Basel + Other Stories. Plus, 91 percent of the pledges to repair Notre Dame remain unpaid and a Babe Ruth jersey sets a new auction record. 17 Jun 2019

Risk: theft

Art insurance-
collector's, dealers,
museums & institutions

Insurance can protect
your **art** from accidental
damage, flood, fire
and theft.



Maurizio Cattelan on Arte Generali promotional materials.



Maurizio Cattelan's sculpture, an 18-karat golden toilet was stolen from Blenheim Palace in October, 2019.

Risk: venue

A photograph of a cluttered artist's studio. The walls are covered in colorful, abstract paintings. The floor is covered with various art supplies, including brushes, paint cans, and papers. A large, round, abstract painting is visible in the background. The overall atmosphere is one of creative chaos.

What would you do in a liability claim?

Public liability

Legal liability to pay compensation, including legal costs for accidental death, bodily injury, or damage to third party property arising from the business activities.

Risk: art in transit

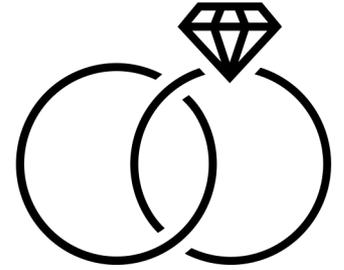


60%+ of claims arise from art damaged in transit – shipping, handling & installation

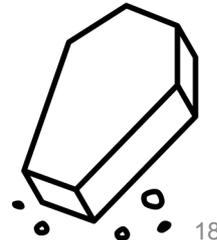
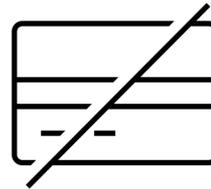
Risk: Title claim

75% of title claims concern traditional liens and encumbrances

Defective Title insurance – also known as **Art title insurance**, protects the **insured** against **defects** in legal **title** of fine **art** and other important collectibles.



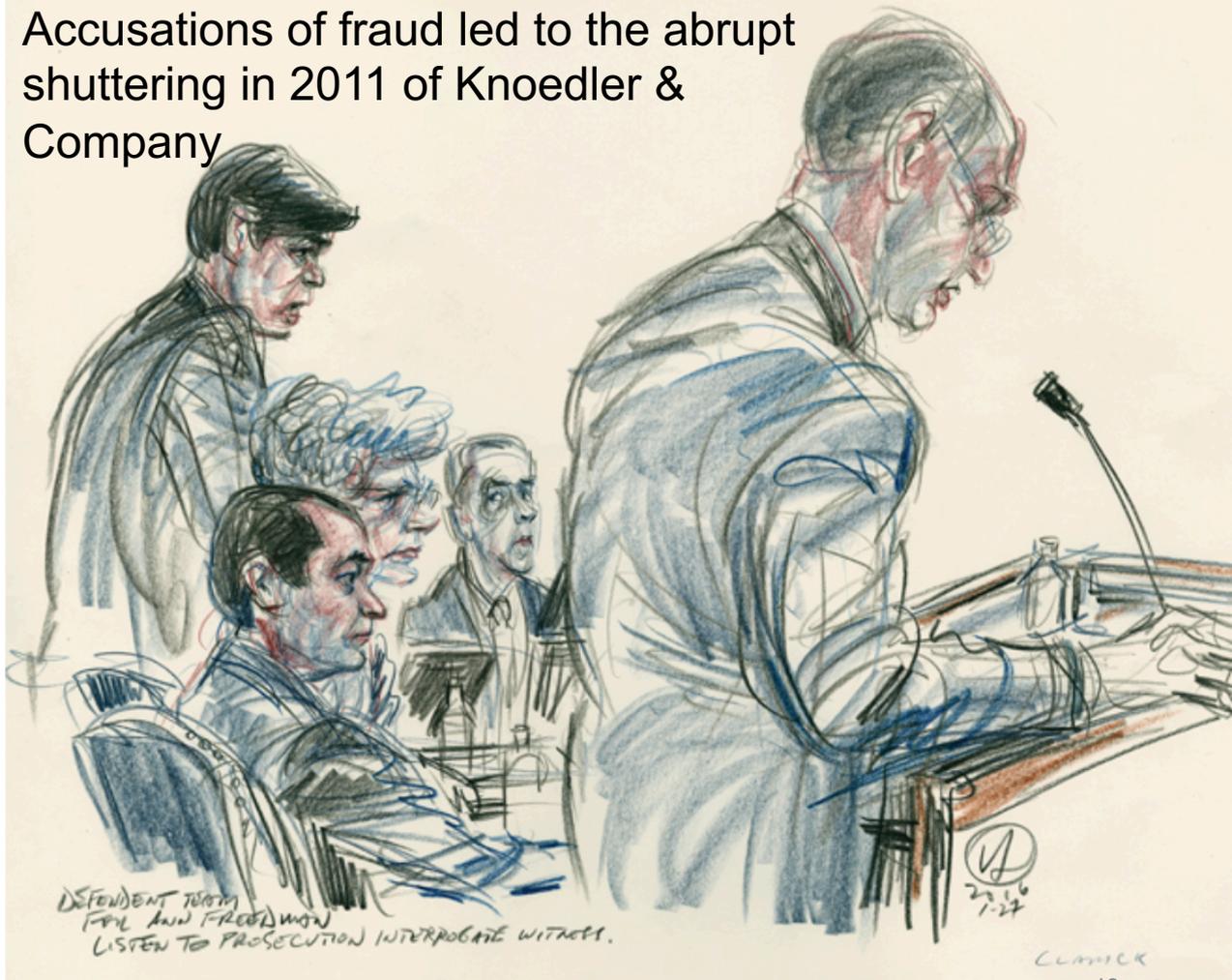
Debt
Divorce
Death



Risk: fakes

Directors' and officers' liability insurance – also known as **D&O insurance** – covers the cost of compensation claims made against your business's **directors** and key managers (**officers**) for alleged wrongful acts.

Accusations of fraud led to the abrupt shuttering in 2011 of Knoedler & Company

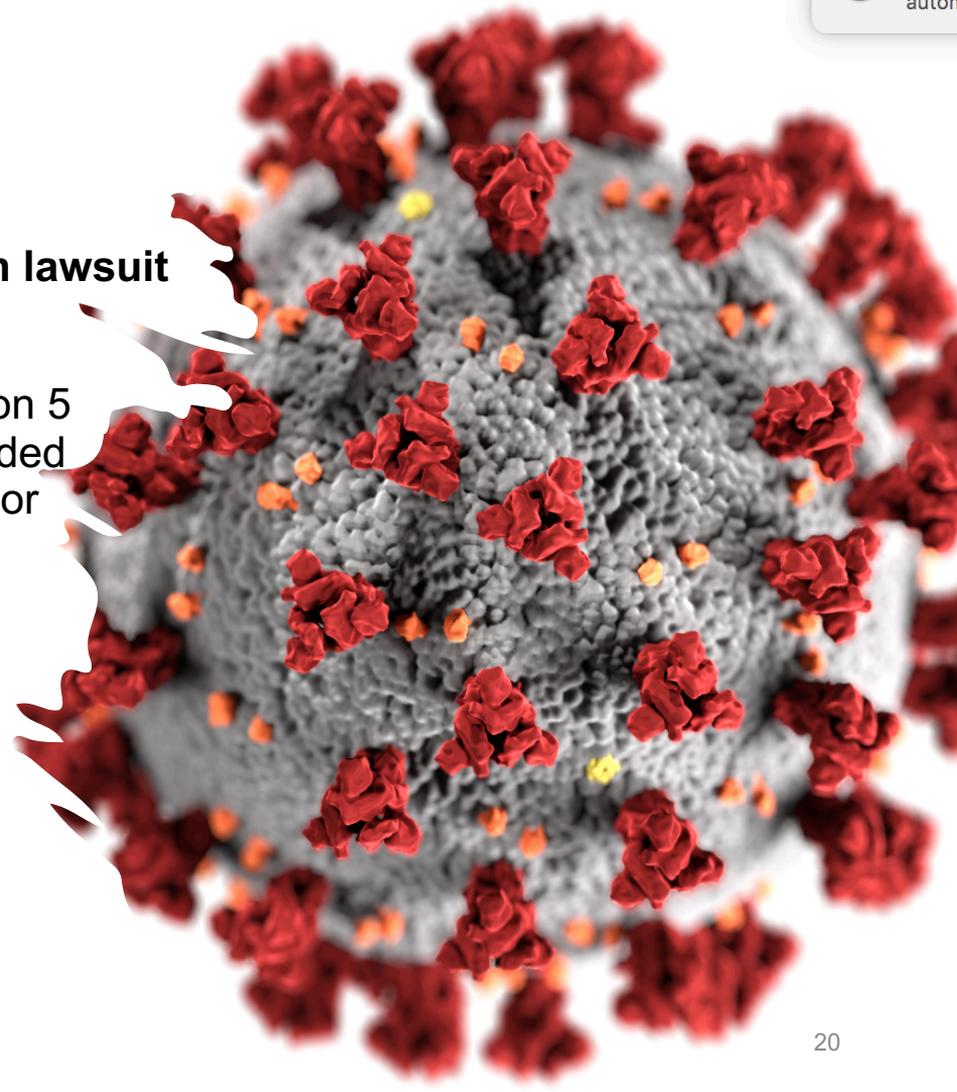


Risk: loss of income

Insurers hit by art-world class action lawsuit as coronavirus crisis bites

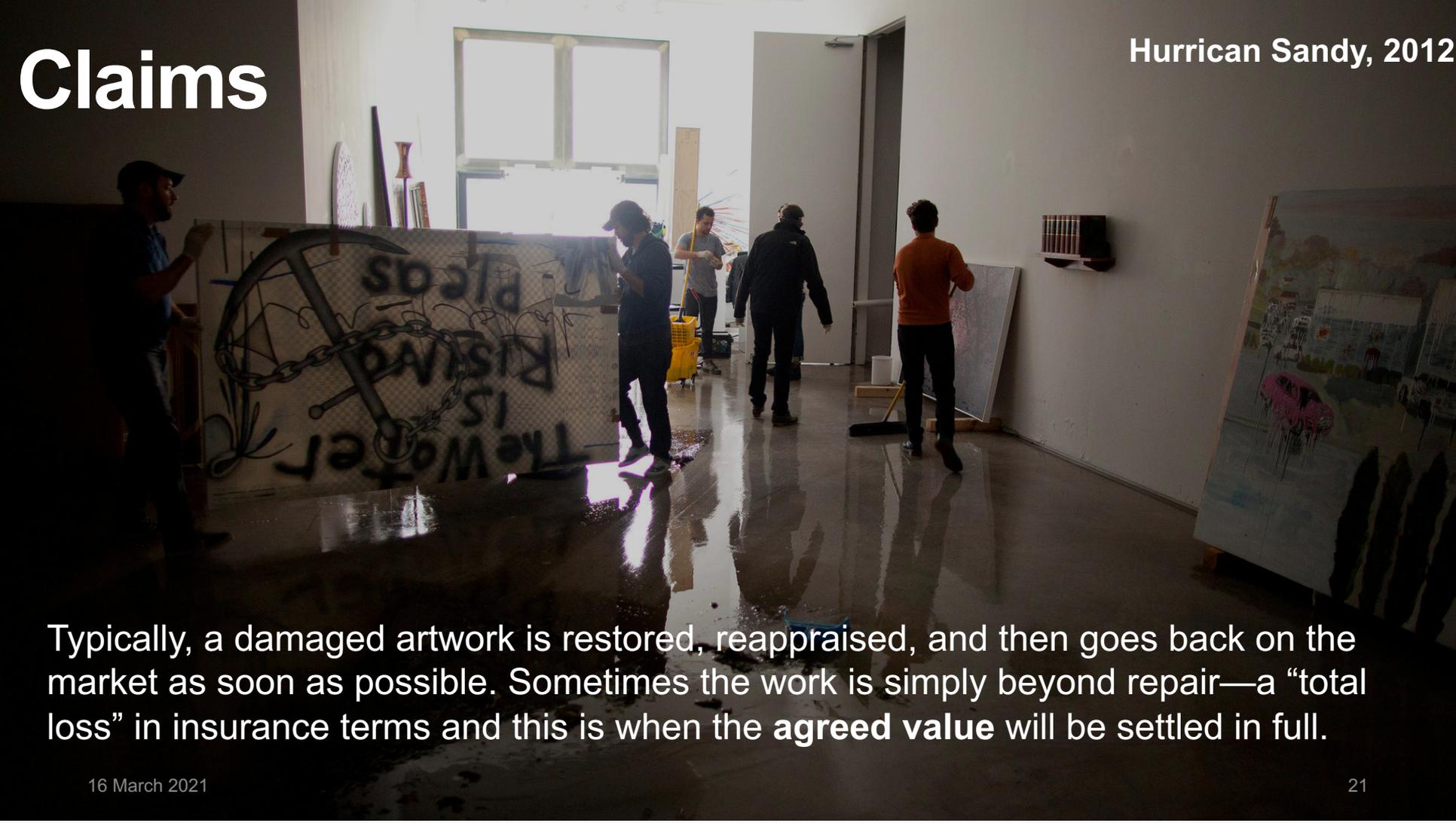
Covid-19 became a notifiable disease on 5 March 2021, when policies which provided cover for “notifiable human contagious or infectious disease” were triggered.

Business interruption insurance covers you for loss of income during periods when you cannot carry out **business** as usual due to an unexpected event. **Business interruption insurance** aims to put your **business** back in the same trading position it was in before the event occurred.



Claims

Hurricane Sandy, 2012



Typically, a damaged artwork is restored, reappraised, and then goes back on the market as soon as possible. Sometimes the work is simply beyond repair—a “total loss” in insurance terms and this is when the **agreed value** will be settled in full.

The background of the slide is an abstract painting. It features broad, expressive brushstrokes in vibrant red and various shades of blue, ranging from light turquoise to deep navy. The strokes are layered and textured, creating a sense of movement and depth. The overall composition is dynamic and artistic.

Thank you

Any questions please email
amelia.hunton@gmail.com