



Product: Commercial Fine Art

Manufacturer Information

Product information

Commercial Fine Arts Insurance is a customisable insurance product for commercial customers in Fine Art Industry: Galleries, Museums, Professional Fine Art Packers & Shippers with insurable interest in works of art of all kinds including but not limited to paintings, drawings, water colours, prints, sculpture, glass, porcelain, ceramics, antiques, furniture, books, object d'art, gold and silverware and stamps.

The product is underwritten on an all-risk of physical loss or damage basis whilst at a named location including whilst in transit for inventory, loaned items & objects on consignment.

Optional coverage available may include:

- Art fair/Trade show coverage – non-recoverable costs and/or expenses following the insured failure to participate in a declared fair due to reasons outside of the insureds' control.
- Lack of or defective title for stock sold or purchased by the insured.
- Endangered property – moving of property from an approved named location endangered by any peril covered under the policy
- Artists patterns and moulds
- Works in progress – value of claim dependent on % of project completed
- Fakes and forgeries
- Stock in the open
- Artworks on loan and in the custody of the insured
- Conservation, restoration and framing
- In the event of the death of an artist an agreed increase in the inventory will be payable during the policy period.

Target market

This product is specifically designed for commercial entities operating within the fine art industry that require comprehensive and customisable insurance solutions for artworks. It targets businesses involved in the ownership, handling, or movement of fine art and related assets. Key characteristics include:

(1) Business Size & Type:

- Micro-enterprises, small, mid-sized, and large commercial entities engaged in fine art activities.
- Examples include galleries, museums, art dealers, auction houses, professional fine art packers/shippers, and private institutions with an insurable interest in artworks.

(2) Insurance Profile:

- Customers seeking coverage for physical loss or damage to works of art of all kinds, including but not limited to:
 - (a) Paintings, drawings, watercolours, prints
 - (b) Sculpture, glass, porcelain, ceramics
 - (c) Antiques, furniture, books, objets d'art
 - (d) Gold and silverware, and stamps
- Coverage applies while artworks are in transit, on loan, or held on consignment.
- Optional extensions available for specific needs such as trade shows, defective title, endangered property, and works in progress.

(3) Customer Needs & Behaviours:

- Organisations that value tailored protection for high-value, unique assets.
- Likely to require flexibility for exhibitions, storage, and international transit.
- Customers who prioritise risk management and continuity of operations in the event of loss or damage.

(4) Geographic Scope:

- Customers domiciled in the UK, EEA, Australia/New Zealand, and Rest of World, subject to local licensing and regulatory permissions.


(5) Distribution Channel:

- Sold via insurance brokers, through advised and non-advised processes, ensuring suitability checks even when advice is not provided.

Types of customer for whom the product would be unsuitable

The Commercial Fine Art product is not appropriate for the following customer types and market segments:

- Individual consumers or retail clients: The product is designed exclusively for commercial use and is not suitable for personal or household insurance needs.
- Commercial entities outside the fine art industry: Businesses that do not have a direct insurable interest in fine art, such as those not involved in the creation, handling, packing, shipping, exhibiting, or sale of artworks, are outside the intended scope of this product.
- Entities operating in jurisdictions where Lloyd's does not hold a licence: The product must not be distributed in territories where Lloyd's is not authorised to underwrite insurance, unless specific regulatory permissions are in place.

This product is intended for commercial clients with specialist insurance needs and the ability to engage with regulated brokers who act as their agents. It is essential that distributors ensure the product is only offered to customers for whom it is suitable, and that sales are conducted in line with TMK's distribution strategy and regulatory expectations.

Any notable exclusions or circumstances where the product will not respond
Limitations & Conditions:

- In respect of war, strikes, riots and civil commotion coverage may be subject to 7 days-notice of cancellation, reduced to 48 hours in respect of sending to and from the United States of America for strikes, riots and civil commotion.
- Where covered artworks are on loan for exhibition the policy will only become the first policy of recourse in the event other forms of indemnity and /or insurance claims are declined.
- Insured must take all reasonable steps to protect the covered property against loss or damage and keep it in a good state of repair and condition.
- Where applicable Artworks must be packaged by competent packers in such a way that they can withstand the normal hazards associated with transit and storage.
- Stock and accounts records should be maintained fully detailing all sales, purchases and covered property including property consigned to the insured.
- Insured to not make and payments, assume any obligations, incur expenses, enter into any settlement without TMK written consent.

Exclusions (unless written back):

- Damage sustained due to and directly resulting from any repairing, restoration or retouching.
- Sabotage, theft, conversion or other act or omission of a dishonest character on the part of the Assured or of its Directors and Officers. This will also include employees unless written back
- Delay, loss of market, gradual deterioration, inherent defect, corrosion, moth and vermin, dampness of atmosphere, freezing or extremes of temperature or insufficient or defective packing.
- Any excluded peril.
- Loss or damage to property in unattended vehicle unless written back.
- Loss or shortage discovered while taking inventory, unexplained loss, mysterious disappearance, unless written back.

Limits of Liability:

Due to the customisable nature of this product these will be stated in the insured's schedule.

Deductibles & Excess:

Due to the customisable nature of this product these will be stated in the insured's schedule.

Other information which may be relevant to distributors

This product should be sold in line with FCA regulations and can only be sold by a regulated insurance distributor.

Where Distributor 1 sells this Product via multiple other distributors (via sub-delegation or sub-broking), it is their responsibility to ensure all distributors have been provided this document, have reviewed it and understand the content. If there is any additional remuneration, including commissions, fees or other 'non-standard' remuneration charged to the customer by other distributors, it is the responsibility of Distributor 1 to inform TMK of these details accurately and in full.

Sales journeys must identify customer eligibility and ensure that key information and choices to be made are presented to customers in a way that supports a customer through the process of understanding core cover and configuring optional elements of insurance to suit their specific demands and needs.

This product can be sold face to face, via telephone, electronic communications or a mix of these methods, as long as customers are provided with sufficient information to make an informed decision regarding the suitability of the product.

This product can be sold with or without advice in line with FCA regulations or local regulations if the distributor is regulated outside of the UK.

Commission & Fees

This product is approved for sale with up to 2 distributors in the chain.

Brokers are reminded of their own regulatory obligations in relation to remuneration under PROD 4.3.6 as well as the requirements to make all necessary disclosures to the customer.

Where there are any fees charged by any member of the distribution chain these should be:

- commensurate with the service provided by the distribution.
- not have an adverse impact on customer value; and
- distributor should ensure that TMK is made aware of the fee amount and/ or method of calculation.

How value is assessed

Value is assessed based on a number of metrics, including underwriting, claims and complaints information as well as through broker and coverholder engagement.

Remuneration paid as set out in our agreements with distributors has been considered as part of the value assessment.

If additional add-ons (including premium finance) are sold alongside this product or additional remuneration is charged, this may affect the value for the customer.

Further information on our product approval processes can be obtained on request.

Date Fair Value assessment completed	October 2025
Expected date of next assessment	October 2026