

Insurance Speciality
Fine Art & Specie

AXA XL Insurance Company UK Limited
Connoisseur Underwriting

Bonded Wine & Spirits
Insurance
Monthly Policy Wording



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1. Introduction

This policy is a contract between **You** and **Us** administered by Connoisseur Policies, Ltd. trading as Connoisseur Underwriting on **Our** behalf.

This policy consists of this wording, the **Schedule** and **Endorsements**, if any, all of which are a single document and are to be read as one contract. In deciding to accept this policy and in setting the terms and premium **We** have relied on the information which **You** have provided to **Us**.

We will, in consideration of the payment of the premium, insure **You**, subject to the terms and conditions of this policy, against the events set out in the Insuring Clause during the **Period of Insurance** or any subsequent period for which **We** agree to accept payment of premium.

Please read this policy carefully and make sure that it meets **Your** needs. If any corrections are necessary **You** should contact **Your** broker through whom this policy was arranged.

Please keep this policy in a safe place – **You** may need to refer to it if **You** have to make a claim.

1.1 Accessibility

Upon request Connoisseur Underwriting can provide Braille, audio or large print versions of the policy and the associated documentation. If **You** require an alternative format **You** should contact **Your** broker through whom this policy was arranged.

1.2 Third Party Rights

A person who is not a party to this contract of insurance has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this contract of insurance but this does not affect any right or remedy of a third party that exists or is available apart from that Act.

1.3 Law and Jurisdiction

The parties are free to choose the law applicable to this contract of insurance. Unless specifically agreed to the contrary this contract of insurance shall be governed by English law and subject to the exclusive jurisdiction of the courts of England and Wales.

The language of this contract of insurance and all communications relating to it will be in English.

1.4 Information You Have Given Us

In deciding to accept this policy and in setting the terms including premium **We** have relied on the information which **You** have provided to **Us**. **You** must take care when answering any questions **We** ask by ensuring that any information provided is accurate and complete.

If **We** establish that **You** deliberately or recklessly provided **Us** with untrue or misleading information **We** will have the right to:

- (a) treat this policy as if it never existed;
- (b) decline all claims; and
- (c) retain the premium.

If **We** establish that **You** carelessly provided **Us** with untrue or misleading information **We** will have the right to:

- (i) treat this policy as if it never existed, refuse to pay any claim and return the premium **You** have paid, if **We** would not have provided **You** with cover;
- (ii) treat this policy as if it had been entered into on different terms from those agreed, if **We** would have provided **You** with cover on different terms;
- (iii) reduce the amount **We** pay on any claim in the proportion that the premium **You** have paid bears to the premium **We** would have charged **You**, if **We** would have charged **You** more.

We will notify **You** in writing if (i), (ii) and/or (iii) apply.

If there is no outstanding claim and (ii) and/or (iii) apply, **We** will have the right to:

- (1) give **You** notice that **We** are terminating this policy; or
- (2) give **You** notice that **We** will treat this policy and any future claim in accordance with (ii) and/or (iii), in which case



You may then give **Us** notice that **You** are terminating this policy;

in accordance with the Cancellation Provisions.

1.5 **Changes We Need to Know About**

You must tell **Us** through **Your** Broker as soon as practicably possible of any change in the information **You** have provided to **Us** which happens before or during any **Period of Insurance**.

When **We** are notified of a change **We** will tell **You** if this affects **Your** policy. For example **We** may cancel **Your** policy in accordance with the Cancellation Provisions, amend the terms of **Your** policy or require **You** to pay more for **Your** insurance. If **You** do not inform **Us** about a change it may affect any claim **You** make or could result in **Your** insurance being invalid.

1.6 **Cancellation**

(a) **Statutory Cancellation Rights – Cooling-Off Period**

There are no statutory cancellation rights under this policy, as all periods of cover will have ended within a period of one (1) month from the start date of the **Period of Insurance** and will continue for as long as **You** continue to pay **Your** monthly premiums.

(b) **Your Right to Cancel**

You are entitled to cancel this policy by notifying **Us** through **Your** Broker. Cancellation will be effective from the date of such notice to cancel.

There will be no refund of **Your** monthly premium.

Please don't cancel the subscription payment at **Your** bank or card provider without first informing **Us** of **Your** intent.

(c) **Our Right to Cancel**

We are entitled to cancel this policy, if there is a valid reason to do so, including for example:

- (i) any failure by **You** to pay the premium; or
- (ii) a change in risk which means **We** can no longer provide **You** with insurance cover; or
- (iii) non-cooperation or failure to supply any information or documentation **We** request, such as details of a claim;

by giving **You** seven (7) days' notice in writing. Any return of premium due to **You** will be calculated at a proportional daily rate depending on how long the policy has been in force unless **You** have made a claim in which case the full premium is due.

1.7 **Fraud**

If **You**, or anyone acting for **You**, makes a fraudulent claim, for example a loss which is fraudulently caused and/or exaggerated and/or supported by a fraudulent statement or other device, **We**:

- (a) will not be liable to pay the claim; and
- (b) may recover from **You** any sums paid by **Us** to **You** in respect of the claim; and
- (c) may by notice to **You** treat this policy as having been terminated with effect from the time of the fraudulent act.

If **We** exercise **Our** right under (c) above:

- (i) **We** shall not be liable to **You** in respect of a relevant event occurring after the time of the fraudulent act. A relevant event is whatever gives rise to **Our** liability under this policy (such as the occurrence of a loss, the making of a claim, or the notification of a potential claim); and
- (ii) **We** need not return any of the premium paid.

1.8 **Sanctions**

We shall not provide any benefit under this policy to the extent of providing cover, payment of any claim or the provision of any benefit where doing so would breach any sanction, prohibition or restriction imposed by law or regulation.



1.9 Regulatory Information

(a) AXA XL Insurance Company UK Limited

We are authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Firm Reference No. 423308).

Registered Office 20 Gracechurch Street, London, EC3V 0BG, United Kingdom.

Registered in England Number 5328622.

You can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(b) XL Catlin Services SE

XL Catlin Services SE acts as an agent of AXA XL Insurance Company UK Limited in connection with this policy. XL Catlin Services SE is a registered insurance intermediary authorised and regulated by the Central Bank of Ireland.

Registered Office Wolfe Tone House, Wolfe Tone Street, Dublin 1, D01 HP90, Ireland.

Registered in Ireland Number 659610.

You can check this information on the Central Bank of Ireland's website at www.centralbank.ie which includes a register of all the firms they regulate.

(c) Connoisseur Underwriting

Connoisseur Underwriting is a trading name of Connoisseur Policies, Ltd.

Registered in England Number 03174402. Registered Office. 4, Guildford Road, Westcott. RH4 3NR. Connoisseur Policies, Ltd. is an Appointed Representative of Anthony Wakefield and Co., Ltd., which is regulated by the Financial Conduct Authority. Registered Number 307545.

You can check this out on the FCA's website at www.fca.org.uk which includes a register of all the firms they regulate or by calling the FCA on 0800 111 6768.

(d) Sedgwick International UK

TPA Team
Oakleigh House
14-16 Park Place
Cardiff
CF10 3DQ

Tel: 0345 600 7407

E-Mail: Connoisseur.AXA-XL@uk.sedgwick.com



2. Complaints Procedure

If **you** have any questions or concerns about this insurance or the handling of a claim, please contact Anthony Wakefield & Company Ltd at Holmbury, The Dorking Business Park, Station Road, Dorking, Surrey, RH4 1HJ.

Telephone Number: + 44 (0) 1306 740 555

We are dedicated to providing a high quality service and **We** want to ensure that **We** maintain this at all times.

If **You** wish to make a complaint **You** can do so at any time by referring the matter to:

Complaints Department

XL Catlin Services SE, UK Branch

20 Gracechurch Street

London

EC3V 0BG

United Kingdom

Telephone Number: +44 (0)20 7743 8487

Email: axaxlukcomplaints@axaxl.com

XL Catlin Services SE acts on **Our** behalf in the administration of complaints.

If **You** remain dissatisfied after the Complaints Department have considered **Your** complaint, or **You** have not received a final decision within eight (8) weeks, **You** can refer **Your** complaint to the Financial Ombudsman Service at:

Exchange Tower

London

E14 9SR

United Kingdom

Email: complaint.info@financial-ombudsman.org.uk

Telephone Number: **From within the United Kingdom**

0800 0234 567 calls to this number are free on mobiles and landlines

0300 1239 123 calls to this number costs no more than calls to 01 and 02 numbers

From outside the United Kingdom

+44 (0)20 7964 0500

Fax Number: +44 (0)20 7964 1001

Text Number: 07860 027 586 Call Back Service

The Financial Ombudsman Service can look into most complaints from consumers and small businesses. For more information contact them on the above number or address, or view their website: www.financial-ombudsman.org.uk

Insurance Guarantee Scheme

We are covered by the Financial Services Compensation Scheme. **You** may be entitled to compensation from the Scheme if **We** are unable to meet **Our** obligations under this contract of insurance. If **You** were entitled to compensation under the Scheme, the level and extent of the compensation would depend on the nature of this contract of insurance. Further information about the Scheme is available from the Financial Services Compensation Scheme (PO Box 300, Mitcheldean, GL17 1DY, United Kingdom) and on their website: www.fscs.org.uk.



3. Fair Processing Notice

a) AXA XL Insurance Company UK Limited

This Privacy Notice describes how AXA XL Insurance Company UK Limited (“we”, or “us”) collect and use the personal information of insureds, claimants and other parties (“you”) when we are providing our insurance and reinsurance services.

The information provided to us, together with medical and any other information obtained from you or from other parties about you in connection with this policy, will be used by us for the purposes of determining your application, the operation of insurance (which includes the process of underwriting, administration, claims management, analytics relevant to insurance, rehabilitation and customer concerns handling) and fraud prevention and detection. We may be required by law to collect certain personal information about you, or as a consequence of any contractual relationship we have with you. Failure to provide this information may prevent or delay the fulfilment of these obligations.

Information will be shared by us for these purposes with group companies and third-party insurers, reinsurers, insurance intermediaries and service providers. Such parties may become data controllers in respect of your personal information. Because we operate as part of a global business, we may transfer your personal information outside the United Kingdom and/or the European Economic Area for these purposes.

You have certain rights regarding your personal information, subject to local law. These include the rights to request access, rectification, erasure, restriction, objection and receipt of your personal information in a usable electronic format and to transmit it to a third party (right to portability).

If you have questions or concerns regarding the way in which your personal information has been used, please contact: dataprivacy@axaxl.com.

We are committed to working with you to obtain a fair resolution of any complaint or concern about privacy. If, however, you believe that we have not been able to assist with your complaint or concern, you have the right to make a complaint to the relevant Data Protection Authority.

For more information about how we process your personal information, please see our full privacy notice at: <https://axaxl.com/privacy-and-cookies>.

Brokers, Intermediaries, Partners, Employers and Other Third Parties

If you provide us with information about someone else, we will process their personal information in line with the above. Please ensure you provide them with this notice and encourage them to read it as it describes how we collect, use, share and secure personal information when we provide our services as an insurance and reinsurance business.

b) Connoisseur Underwriting

For information about how Connoisseur Underwriting handles your personal data, please see our full privacy notice at: <https://www.connoisseurunderwriting.com/privacy-statement.html>



4. Definitions

Certain words in this policy have special meanings. These meanings are given below. To help **You** identify these words **We** have printed them in bold on the following pages. Words derived from the words defined below should be read in accordance with these Definitions.

- 4.1 **Associated Company** means a body corporate which is for the time being a member of the same group as **You** in accordance with the definition of "group" for the purposes of the Companies Acts and so that the term "subsidiary" shall also include a subsidiary undertaking.
- 4.2 **Bonded Warehouse Location** means the Bonded Warehouse Location stated in the **Schedule**.
- 4.3 **Communicable Disease** means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
- (a) the substance or agent includes, for example, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and,
 - (b) the method of transmission, whether direct or indirect, includes, for example, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms.
- 4.4 **Damage** means an accidental physical damage to tangible property.
- 4.5 **Deductible** means an amount, as specified in **Your Schedule**, that **We** will deduct from each claim.
- 4.6 **Depreciation** means the reduction in value of an item solely and directly caused by **Damage** to the item, calculated as a percentage of the value in accordance with the applicable Basis of Settlement.
- 4.7 **Employee** means any person for the time being employed by or working for **You** or any **Associated Company**.
- 4.8 **Endorsement** means a change in the terms and conditions of this policy agreed by **Us** that can extend or restrict cover.
- 4.9 **Event** means any one or all occurrences of a series arising out of one original cause
- 4.10 **Expert** means an individual who is both recognised by their peers as an expert in the field and, who can demonstrate a minimum of ten (10) years relevant and specific experience of **Wines and Spirits** of the same type as those which are the subject of a claim.
- 4.11 **Insurer / We / Us / Our** means AXA XL Insurance Company UK Limited.
- 4.12 **Loss** means an accidental physical loss of tangible property.
- 4.13 **Market Value** means the price a willing buyer would pay to a willing seller with good title at the place **Your** property was located immediately prior to the loss after a reasonable period for marketing the **Wines and/or Spirits**, taking into account the state of the market for items of that type, the size, condition and provenance. **Market Value** includes excise duty &/or VAT, should HMRC decide it applies, post loss.
- 4.14 **Period of Insurance** means the period stated in the **Schedule**.
- 4.15 **Schedule** means the document entitled Schedule that relates to and forms part of this policy.
- 4.16 **Targeted Cyber Attack** means the use or operation, as a means of inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system where the motive is to inflict harm solely on (or upon) the Insured or the Insured's property.
- 4.17 **Terrorism** means an act, including for example the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/ or to put the public or any section of the public in fear.
- 4.18 **Wines and Spirits** means the wines and spirits specified in the **Schedule**.
- 4.19 **You / Your** means the person or persons, institution, company, trust or association shown in the **Schedule** as the Insured.



5. How to make a Claim

- 5.1 **We** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy if, in the event of **Loss** or **Damage You** do not:
- (a) notify **Us** as soon as practicably possible;
 - (b) notify the police authority as soon as practicably possible after it becomes evident that any **Loss** or **Damage** has been caused by malicious persons;
 - (c) notify the police authority as soon as practicably possible and take all practical steps to discover any guilty person and to trace and recover the property insured as a result of theft;
 - (d) carry out and permit to be taken any action to prevent further **Damage**;
 - (e) as soon as practicably possible send **Us**, without replying to it, any summons or other communication **You** receive in connection with any incident that may give rise to a claim under this policy. **You** must not admit, deny, negotiate or pay a claim or liability without **Our** written consent. **We** are entitled, but not obliged, to take over and deal with, in **Your** name, the defence or settlement of any claim;
 - (f) deliver to **Us** at the **Your** own expense as soon as practicably possible after such **Loss** or **Damage**:
 - (i) full information of the property damaged and of the amount of **Loss** or **Damage**;
 - (ii) details of any other insurances applicable to the **Loss** or **Damage** being claimed for, whether **You** intend to make a claim against such insurances or not and whether such insurances are valid and collectible or not;
 - (iii) any other proofs and information relating to the loss as **We** may require.

To make a claim or to notify **Us** of any circumstances which are likely to give rise to a claim please contact **Your** insurance adviser or contact Sedgwick International UK:

TPA Team

Oakleigh House

14-16 Park Place

Cardiff

CF10 3DQ

Tel: 0345 600 7407

E-Mail: Connoisseur.AXA-XL@uk.sedgwick.com



6. Insuring Clause

6.1 Operative Clause

Subject to the exclusions and conditions herein and the **Deductible** stated in the **Schedule**, **We** will insure **You** against **Loss** or **Damage** to **Wines and Spirits** happening at the **Bonded Warehouse Location**, occurring during the **Period of Insurance**, as specified in and up to the sums insured in the **Schedule**.

6.2 Basis of Settlement

We will not be liable for more than the Total Sum Insured stated in the Schedule.

The basis of valuation for claims settlement will be the **Market Value** prevailing at the time of replacement of **Wines and Spirits** provided the replacement should not take place later than six (6) months from the date of **Loss** or **Damage**.

In the event it is not possible to replace the **Wines and Spirits** within the six (6) months period, **Wines and Spirits** of a similar or comparable nature or value can be purchased as a substitution replacement following the confirmation of an independent third party **Expert**, mutually agreed upon between **You** and **Us**, that the substitution replacement is fair and reasonable.

(a) Partial Damage

In the event of partial **Damage** to any **Wines and Spirits**, the amount payable will be the cost of restoration plus **Depreciation** in value, but not exceeding the full insured value of that **Wine and/or Spirits** as stated in the **Schedule**.

(b) Tax

We shall also pay any Excise Duty or VAT lawfully applicable by HM Revenue and Customs.

(c) Disputes

Any disagreement as to the **Market Value** are to be resolved in accordance with the Disputes Resolution clause.



7. Exclusions

This policy does not apply to or include cover for or arising out of or relating to:

7.1 Gradual Damage

- (a) inherent vice, wear and tear (defined as reduction in value through age, natural deterioration, ordinary use, depreciation due to use, damage by exposure to the light, lack of maintenance or damage which happens gradually over a period of time) or gradual deterioration, nature of the subject-matter insured, insects, vermin, rust, corrosion, rot, mildew, or fungus.
- (b) any process of cleaning, dyeing, alteration, maintenance, repair, restoration, modification or similar process;

This exclusion shall not apply to subsequent **Damage** which itself results from a cause not otherwise excluded.

7.2 Atmosphere Exposure and Changes in Temperature

aridity, humidity, exposure to light or extremes of temperature unless such physical **Loss** or **Damage** is caused by storm, frost or fire;

7.3 Breakdown

misuse or mechanical or electrical breakdown or derangement;

7.4 Government Seizure

confiscation, requisition, detention or destruction by or by order of any government, public or local authority, or agency of them;

7.5 Prior Damage

any **Loss** or **Damage** occurring or expense incurred before the **Period of Insurance**;

7.6 Defective Title

lack of title, or defective title, on the part of any past, present and/or future purported owner;

7.7 Maintenance

any cost of routine repair, servicing, inspection, maintenance, cleaning, alteration, renovation or restoration;

7.8 Financial Loss

- (a) any additional loss, damage, cost, expense or other financial liability occurring or being incurred as a result of but after the occurrence of the event insured against;
- (b) expenses incurred in preparing a claim;

7.9 Depreciation

Depreciation other than **Depreciation** as a result of **Damage** forming the subject of a valid claim hereunder;

7.10 Unexplained shortage

loss or damage caused by contamination, discolouring, recorking, inherent vice, cork fly, ullage, shortage or shortfall, evaporation or spillage, unexplained shortages or mysterious disappearance, including loss or damage due to unexplained shortages discovered at the time of taking inventory.

We will also not pay for any theft unless resulting from threatened or actual forcible or violent entry to or exit from the insured **Bonded Warehouse Location**;

7.11 Communicable Disease

Communicable Disease or the fear or threat (whether actual or perceived) of a **Communicable Disease**.

For the purposes of this exclusion, loss, damage, liability, claim, cost, expense or other sum, includes, for example, any cost to clean-up, detoxify, remove, monitor or test:

- i. for a **Communicable Disease**, or
- ii. any property insured hereunder that is affected by such **Communicable Disease**.

This exclusion 7.11 applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s);



7.12 **Cyber**

- (a) the failure, error or malfunction of any computer, computer system, computer software programme, code, or process or any other electronic system, or
- (b) the use or operation, as a means for inflicting harm, of any computer, computer system, computer software programme, malicious code, computer virus or process or any other electronic system.

This exclusion 7.12 does not apply to an otherwise covered **Loss** or **Damage** to the **Wines and Spirits** caused by a **Targeted Cyber Attack**. The burden of proving cover under this write-back shall be on **You**.

Property insured by this policy does not include electronic data, unless and to the extent that this is expressly stated otherwise elsewhere in this policy;

7.13 **Nuclear and War**

any of the following:

- (a) (a) war (whether declared or not), invasion, acts of a foreign enemy, hostilities, or any similar act, condition or warlike operation, warlike action by a regular or irregular military force or other authority to hinder or defend against an actual or expected attack;
- (b) insurrection, rebellion, civil war, revolution, riot, attempt to usurp power, popular uprising, or any action taken by any governmental or martial authority in hindering or defending against any of these;
- (c) discharge, explosion, or use of a weapon of mass destruction (whether or not employing nuclear fission or fusion), or chemical, biological, radioactive or similar agents, by any party at any time for any reason;

7.14 **Pollution**

from seepage, pollution or contamination unless caused by a sudden, identifiable, unintended and unforeseen accident occurring and discovered within thirty (30) days of the accident during the **Period of Insurance**;

7.15 **Radioactive Contamination**

- (a) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel; or
- (b) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;

7.16 **Riots and Civil Commotion**

riot or civil commotion arising outside Great Britain, Northern Ireland, the Isle of Man or the Channel Islands;

7.17 **Terrorism**

any act of **Terrorism** regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

This exclusion 7.17 also applies to any action taken in controlling, preventing, suppressing or in any way relating to any act of **Terrorism**.

In the event that any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect;

7.18 **Wilful Act**

Your deliberate act or omission or any **Associated Company** or **Employee** and which could reasonably have been expected by **You** having regard to the nature and circumstances of such act or omission;

any act of dishonesty committed or planned by any **Employee**;

7.19 **Wine Storage Facility Bankruptcy**

loss or damage caused by or arising out of bankruptcy or any book-keeping failure of any wine storage facility;

7.20 **Water Escape**

loss or damage caused the escape of water from inside tanks, apparatus or pipes unless the temperature of the water inside the building(s) is maintained to at least 5 degrees Celsius or such equipment is drained and shut off at the mains supply to the building(s);



7.21 **Fraudulent Purchase**

loss or damage to **Wines and Spirits** which are obtained by any person using any form of payment that proves to be counterfeit, false, fraudulent, invalid, uncollectible or irrecoverable;

7.22 **Labels Damage**

loss of value of **Wines and Spirits** as a result of **Loss** or **Damage** to labels.



8. Conditions

8.1 Assistance and Co-operation

You and any person insured must provide **Us** with such information, assistance and co-operation as **We** and/or **Our** representative may request. **We** shall be entitled to refuse to pay any claim under this policy in its entirety if **You** or any person insured fails to do so.

8.2 Cessation of Cover

If a bottle is opened, cover under the policy shall cease immediately in respect of that bottle.

8.3 Dispute Resolution

If **We** and **You** are not able to agree any question of valuation, the dispute will be referred to an independent third party expert in the relevant field. If **We** and **You** cannot agree on an expert, then **We** and **You** must each propose a name and then **We** and **You** will be bound by the mid point between the valuations given by the two experts.

8.4 Documents Relevant to a Claim

You or any person insured must ensure that all documents relevant to any claim and any circumstance which is likely to give rise to a claim are not destroyed or otherwise disposed of. **We** shall be entitled to refuse to pay any claim under this policy in its entirety if **You** or any person insured fails to do so.

8.5 Insurer's Right to Conduct Litigation

We are entitled, but not obliged, to take over and conduct in **Your** name or any person insured the defence or settlement of any claim or to prosecute in **Your** name or any person insured for its own benefit any claim for reimbursement or damages or otherwise. **We** shall have full discretion in the conduct of any proceedings and in the settlement of any claim.

8.6 Other Insurance

This policy does not cover any loss or damage which is insured by or would but for the existence of this policy be insured by any other policy or policies except in respect of any excess beyond the amount paid under such other policy or policies or which would have been payable thereunder had this insurance not been effected.

8.7 Outstanding Premium

In the event of a claim being made under this policy, **We** will not settle a claim in full or in part until all outstanding premiums have been paid.

8.8 Protection, Preservation and Security of Property

During the policy **You** must:

- (a) use the utmost diligence and take all practical steps to protect, recover and save property insured and minimise any actual or potential **Loss** or **Damage** when property has sustained or is in imminent danger of being **Lost** or sustaining **Damage**.
- (b) at all at all times maintain all property in a good, proper and workmanlike manner and ensure that all protection and security systems that have been advised to **Us**, as well as all other protection and security systems, are in force at all times;
- (c) comply with all current building and health and safety legislation and regulations.
- (d) keep all intruder alarms and automatic fire detection systems in full and effective operation whenever the premises are left unattended, and have them in proper working order under a maintenance contract with the Installing Company or another qualified Installer. The Intruder Alarm shall not be regarded as effective if **You** have been notified that the connection to the central monitoring station or the Police response has been withdrawn or is not operational;
- (e) remove any keys, codes and combinations to the Intruder Alarm and any safes or strongrooms whenever the premises are closed or left unattended;
- (f) keep the protections afforded by any fire or Intruder Alarm system or other devices not varied to the **Our** detriment without **Our** prior written consent

In the event of breach of this condition, **We** shall have no liability under this policy, unless **You** show that non-compliance with this condition could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.



8.9 Record of the Property Insured

You shall keep an inventory of all **Wines and Spirits** which shall contain the **Market Value** in respect of each item insured. There is no cover under this policy for items not recorded in the inventory.

Unless otherwise agreed in writing, the Basis of Settlement for each item of **Wines and Spirits** shall be the **Market Value** of those items.

Items listed by **You** in the inventory shall be automatically insured under this policy without the need for prior agreement by **Us**, but subject to the amount insured stated in the **Schedule**.

We shall never be liable for more than the amount insured shown in the **Schedule**.

8.10 Subrogation

In the event of any payment by **Us** under this policy, **We** shall be subrogated up to the amount of such payment to all the rights of **Your** recovery or any person insured against any third party, provided always that **We** shall not exercise any such rights against any **Employee** or former **Employee** unless the loss was caused or contributed to by a fraudulent, dishonest or malicious act or omission by said person.

You and any person insured shall, without charge, provide such assistance as **We** may require in any subrogation and shall at all times protect and preserve any rights of recovery to which they would become subrogated under this policy. **We** shall be entitled to refuse to pay, or reduce the amount they pay, for any claim under this policy if **You** do not protect and preserve such rights of recovery. **We**, at **Our** option, may have the conduct of any proceedings to recover monies paid or payable by them, whether or not **You** or person insured has an interest in such proceedings by reason of any uninsured losses.

8.11 Transfer of Ownership

Where **We** have paid **You** the full sum insured of a **Damaged** item **We** are entitled (but not obliged) to take possession and ownership of that item. **You** must not dispose of it until **You** have our permission to do so. **Your** property shall remain **Yours** at all times. **We** will not take **ownership** of, accept liability for, sell or dispose of any of **Your** property unless **We** agree with **You** in writing that **We** shall do so.

8.12 Underinsurance

During the policy **You** must maintain the sums insured at a level that represents the full value in accordance with the Basis of Settlement set out in this policy.

If the **Wines and Spirits** by this policy shall at the time of any loss be of greater value than the Sum Insured stated against that sums in the **Schedule**, **You** shall only be entitled to recover hereunder such proportion of the said loss as the Sum Insured by this policy bears to the total value of the said property. However, this condition will only be applied if the actual values at the time of loss exceed the corresponding declared values by more than 15%.



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Bonded Wines and Spirits Insurance Policy Document
from AXA XL Insurance Company UK Limited
in association with:
Connoisseur Underwriting
Holmbury, The Dorking Business Park,
Station Road, Dorking, Surrey,
RH4 1HJ
Tel: 01306 740 555