

LOT A**All Risks Fine Art Insurance Policy**

This policy is agreed between

**EUROPEAN UNIVERSITY INSTITUTE
VIA DEI ROCCETTINI, 9
50014 SAN DOMENICO DI FIESOLE (Florence)
Tax ID 80020410488**

and

the Insurance Company

.....
(Branch)
.....

Duration of the contract
From 24.00:00 on: 30/06/2026
To 24.00:00 on: 30/06/2030

With periods of insurance
after the first one fixed
At 24.00 of every 30/06

CONDITIONS OF ALL RISKS INSURANCE POLICY FOR WORKS OF ART

DEFINITIONS

The Parties attribute the following meaning to the following definitions:

- a) **Insurance:** the insurance contract
- b) **Policy:** a document proving the insurance
- c) **Contractor:** the entity that takes out the insurance
- d) **Insured:** the entity whose interest is protected by the insurance
- e) **Company:** the insurance company
- f) **Premium:** the amount due from the Contractor to the Company
- g) **Risk:** the probability that a harmful event will occur and the extent of the damage that may result
- h) **Claim:** the occurrence of the harmful fact for which the insurance is provided
- i) **Compensation:** the amount due by the Company in the event of a claim
- j) **Commercial value:** the price currently allocated, or which the item may be sold for, on the art and antiques market
- (k) **Accepted estimate:** the commercial value attributed to the item by mutual agreement between the Parties
- l) **Declared value:** the value indicated by the Contractor or the Insured, where the Insured must provide proof of the true commercial value of the item affected by the claim
- m) **Depreciation:** the decrease in commercial value suffered by the item, after a restoration carried out with the agreement of the Company, compared to that which it had immediately before the claim.
- n) **Broker:** ALPHA International Insurance Brokers S.r.l.

At the following locations:

- **Badia Fiesolana**, Via dei Roccettini, 9 - 50014 San Domenico di Fiesole (FI)
- **Complesso Villa Schifanoia**, Via Boccaccio, 115/121 - 50133 Firenze
- **Villa Salviati** – (sede IUE), Via Bolognese, 156 – 50133 Firenze

Included are the following works of art and artistic assets:

Works of art owned by the European University Institute

Artist	Title of the work/ Description	Location	Value
Louis Philips	"Personaggi EUI"	Badia Fiesolana	€ 1,800.00
Hughie O'Donoghue	"Study for a figure"	Villa Schifanoia	€ 7,000.00
Paul Van Gysegem	"Gilgamesh"	Badia Fiesolana	€ 25,000.00
Joris Gaymans	"Individu"	Badia Fiesolana	€ 49,000.00
Emma Aaltonen	"Peeble"	Badia Fiesolana	€ 2,500.00

Irma Kukkasjarvi	"Small Matter"	Badia Fiesolana	€ 6,500.00
Bo Larsson	"View from Sodra Teatern, Stockholm"	Badia Fiesolana	€ 8,000.00
Klaus Reisinger	"PUNK 1"	Badia Fiesolana	€12,000.00
	"Acquaforte - Villa ponte Badia" 30x49"	Badia Fiesolana	€ 448.00
Yvon Lambert	OESLING - Foto dono del Governo del Lussemburgo	Badia Fiesolana	€ 1,200.00
Onofrio Pepe	"Donna con la melagrana"	Badia Fiesolana	€ 22,000.00
Onofrio Pepe	"Donna con il gatto"	Badia Fiesolana	€ 22,000.00
Onofrio Pepe	"Donna con il pesce"	Badia Fiesolana	€ 23,000.00
Antonio Crivelli	"Il Portale del Tempo"	Villa Salviati	€ 30,000.00
Total value			€ 210,448.00

Works of art owned by the Artist and on display at the European University Institute

Artist	Title of the work/ Description	Location	Value
Onofrio Pepe	"Orfeo"	Badia Fiesolana	€ 22,000.00
Onofrio Pepe	"Centauro e ninfa"	Badia Fiesolana	€ 24,000.00
Onofrio Pepe	"Icaro seduto"	Badia Fiesolana	€ 24,000.00
Onofrio Pepe	"Amazzone"	Badia Fiesolana	€ 24,000.00
Onofrio Pepe	"Ratto d'Europa"	Badia Fiesolana	€ 3,500.00
Onofrio Pepe	"Centauro e ninfa"	Badia Fiesolana	€ 7,000.00
Onofrio Pepe	"La porta del Mito"	Badia Fiesolana	€ 27,000.00
Onofrio Pepe	"Il ratto d'Europa" terracotta patinata	Badia Fiesolana	€ 18,000.00
Onofrio Pepe	"Europa con collana" refrattario patinato	Badia Fiesolana	€ 16,000.00
Total value			€ 165,500.00

Works of art owned by the Italian State and present at the Institute's premises

Artist	Title of the work/ Description	Location	Value
Sconosciuto	"Figura muliebre acefala"	Villa Schifanoia	€ 25,000.00
Sconosciuto	"Figura muliebre con leone"	Villa Schifanoia	€ 35,000.00
Sconosciuto	"Figura di Indios"	Villa Schifanoia	€ 38,000.00
Sconosciuto	"Figura muliebre"	Villa Schifanoia	€ 35,000.00
Sconosciuto	"Figura rappresentante Flora"	Villa Schifanoia	€ 30,000.00
Sconosciuto	"n.6 basi modanate e sagomate"	Villa Schifanoia	€ 9,000.00
Sconosciuto	"Putto con Delfino" (XVII-XVIII sec.) marmo (provenienza Villa Salviati)	Badia Fiesolana	€ 25,000.00
Sconosciuto	"Busto" (XVII-XVIII sec.) marmo (provenienza Vill	Badia Fiesolana	€ 23,500.00
Sconosciuto	"Busto di Fauno" (XVII-XVIII sec.) marmo (proven	Badia Fiesolana	€ 23,000.00
Sconosciuto	"Busto di Fauno" (XVII-XVIII sec.) marmo (proven	Badia Fiesolana	€ 23,000.00
Sconosciuto	"Busto di Fauno" (XVII-XVIII sec.) marmo (proven	Badia Fiesolana	€ 23,500.00
Sconosciuto	"Busto di Fauno" (XVII-XVIII sec.) marmo (proven	Badia Fiesolana	€ 23,500.00
Sconosciuto	"Figura alata con cigno" (XVII-XVIII sec.) marmo (	Badia Fiesolana	€ 35,500.00
Sconosciuto	"Leone" (XVII sec.) arenaria (provenienza Villa Sa	Badia Fiesolana	€ 12,000.00
Sconosciuto	"Putto con Delfino" (XVII-XVIII sec.) marmo (prov	Villa Salviati	€ 25,000.00
Sconosciuto	"n.3 vasi in pietra di Vicenza"	Deposito sottosuolo Cappella V. Schifanoia	€ 22,500.00
Sconosciuto	"n.2 urne con ovoli"	Deposito sottosuolo Cappella V. Schifanoia	€ 6,000.00
Sconosciuto	"n.4 obelischi in granito"	Deposito sottosuolo Cappella V. Schifanoia	€ 10,000.00
Sconosciuto	"n.2 obelischi in pietra arenaria"	Deposito sottosuolo Cappella V. Schifanoia	€ 4,000.00
Sconosciuto	"n.2 vasi con foglie di acanto e festoni"	Deposito sottosuolo Cappella V. Schifanoia	€ 3,000.00
Sconosciuto	"n.1 vaso a calice con petali e ovuli"	Deposito sottosuolo Cappella V. Schifanoia	€ 1,500.00
Sconosciuto	"n.1 vasca di fontana a conchiglia"	Deposito sottosuolo Cappella V. Schifanoia	€ 20,000.00
Sconosciuto	"n.1 busto della porta della stanza della lotta ace	Deposito sottosuolo Cappella V. Schifanoia	€ 18,000.00
Sconosciuto	"Testa femminile marmorea"	Deposito sottosuolo Cappella V. Schifanoia	€ 7,000.00
Sconosciuto	"Busto acefalo del giardino segreto"	Deposito sottosuolo Cappella V. Schifanoia	€ 10,000.00
Sconosciuto	"Testa della statua di Giove"	Deposito sottosuolo Cappella V. Schifanoia	€ 10,000.00
Sconosciuto	"Braccio di Giove e altri frammenti marmorei"	Deposito sottosuolo Cappella V. Schifanoia	€ 2,000.00
Total value			€ 500,000.00

Total insured value: € 885,948.00

The total amount indicated above per event and insurance year shall be insured at full value.

DEDUCTABLE AND EXCESS:

For any type of damage, except as expressly stated:	Deductible € 200.00
For works of art located outdoors:	Excess 20% with a minimum of € 200.00
For Theft with protection that does not comply with the provisions of Art. IV of the Special Conditions:	Excess 20% with a minimum of € 200.00

COMMON REGULATIONS FOR ALL SECTIONS**Art. 1 – Declarations relating to the circumstances of risk**

Incorrect or incomplete declarations made by the Contractor and the Insured, relating to circumstances affecting the risk assessment, may result in the total or partial loss of the right to compensation and termination of the Insurance pursuant to Arts. 1892, 1893, 1894, of the Italian Civil Code

Art. 2 – Payment of the premium and start of the cover

The insurance cover shall take effect from 24.00 hours on the day indicated in the policy, provided that the premium has been paid within 30 days of the same.

Exceptions to the payment terms referred to in the first paragraph of this Article shall also apply to each annex for consideration issued as a result of a change in the contract.

Should the Contractor not pay the premium or the following premium instalments, the insurance shall be suspended from 24.00 hours on the 30th day after the due date and shall take effect from 24.00 hours on the day of payment, without prejudice to the subsequent deadlines and the right of the Company to payment of the expired premiums pursuant to Art. 1901 of the Italian Civil Code.

Premiums shall be paid directly to the Insurance Company.

Art. 3 – Amendments to the insurance

Any amendments to the insurance must be confirmed in writing.

Art. 4 – Risk aggravation

The Contractor or the Insured shall give the Company written notice of any risk aggravation. Any risk aggravation not known to or not accepted by the Company may result in the total or partial loss of the right to compensation and termination of the Insurance pursuant to Art. 1898 of the Italian Civil Code.

Art. 5 – Risk reduction

In the event of risk reduction, the Company is required to reduce the premium or premium instalments following notice from the Contractor, or the Insured, pursuant to Art. 1897 of the Italian Civil Code and waives the relative right of withdrawal.

Art. 6 – Other insurance policies

It is agreed between the Parties that if it is revealed that other policies exist or are concluded subsequently directly by the Contractor or by third parties who have had an interest in them for the same entities covered by this Agreement, any damage reported by the Insured covered by this policy shall be settled and compensated by the Company directly to the Insured, regardless of the existence of other insurance contracts, without prejudice to the Company for any other rights deriving from the law (Art. 1910 of the Italian Civil Code).

The Contractor is exempted from giving prior notice to the Company of any existing policies and/or any taken out subsequently for the same risks as those covered by this contract; the Insured shall have the obligation to do so in the event of a claim, should it be aware of this.

Art. 7 – Withdrawal in the event of a claim

After each claim and up to the 30th day of payment or refusal of compensation, the Company may withdraw from the insurance by registered post or telex, with 90 days' notice. In such a case, within 15 days of the effective date of the withdrawal, it shall refund the portion of the net premium relating to the risk period not covered. The Contractor may also withdraw from the insurance in the period between each notification of claim and the 30th day from payment or refusal of compensation, in the same way as in the previous paragraph, without prejudice to the right to a refund of the premium net of the tax relating to the period of risk not covered.

Art. 8 – Period of insurance

The contract shall be of the duration indicated on the title page and shall terminate irrevocably upon expiry of said period. However, the parties are granted the right to withdraw the contract at each annual deadline by registered letter to be sent 120 days before said deadline.

It is also the right of the Contractor, with notice of not less than 30 days before the expiry date, to request from the Company a temporary extension of this insurance, for the execution or completion of the procedures to provide a new insurance policy. The Company, in response to payment of the corresponding premium instalment, undertakes to extend the insurance under the same contractual and economic conditions for a period of 180 days from the due date.

Art. 9 – Adjustment of the premium

In relation to active and passive changes in this policy, the amounts insured under this contract are subject to a premium adjustment at the end of each annual insurance period on the basis of the addition of new items or the exclusion of insured works.

On the basis of the data provided, the Company will compute the premium due by the Insured by applying the policy rate on the increasing values and the number of days concerned.

At the same time, the Company will adjust the premium for the next year on the basis of changes in the insured values.

The active/passive differences resulting from the adjustment of the premium must be paid within 60 days following receipt by the Contractor of the adjustment annex issued by the Company and deemed formally correct.

Art. 10 – Coinsurance and delegation (only valid in the case of coinsurance)

The insurance is divided into shares between the companies indicated in the premium section; each of whom is required to make provisions in proportion to the respective share as shown in the contract.

The Contractor hereby declares that it has entrusted the management of this contract to ALPHA International Insurance Brokers S.r.l. and that the insurance companies have agreed to entrust the delegation of this contract to the Company named on the front page of this policy; consequently, all reports inherent to this insurance shall be carried out on behalf of the Contractor and the Insured by ALPHA International Insurance Brokers S.r.l., which will deal with the delegated undertaking and inform the Coinsurers.

In particular, all communications relating to the Contract, including those relating to the withdrawal or cancellation and management of claims, are intended to be made or received by the assignee in the name and on behalf of all the Coinsurers.

The Coinsurers recognize as valid and effective also in their own regard all the management tasks executed by the Leading Insurer in the joint interest, except for collection of the insurance premiums, payment of which shall be made by each Company.

The undersigned Leading Insurer declares that it has received a mandate from the Coinsurers indicated in the above documents (policy and annexes) to also sign in their name and on their behalf.

Therefore, the signature of the Leading Insurer on the insurance documents, makes them valid to any effect, also for the Coinsurers' shares.

Art. 11 – Broker clause

ALPHA International insurance Brokers S.r.l. located in Florence, Viale don Giovanni Minzoni n. 44 is entrusted with the management and execution of this insurance cover as a Broker, pursuant to D.Lgs. 209/2005.

The Contractor and the Company acknowledge to each other that any communication concerning the performance of this insurance shall be through the Broker responsible.

Therefore, for the purposes of the terms of this policy, the Company acknowledges that any communication made by the Contractor/Insured to the Broker shall be understood as being made to the Company itself and vice versa; just as any communication made by the Broker to the Company shall be understood as being made by the Contractor/Insured itself.

Exclusively for termination notices, the parties (the Policyholder and the Insurance Company) shall send such notice directly to one another, copying the appointed Broker for information purposes only.

In the event of any discrepancy between communications made by the Broker and those made directly by the Policyholder to the Insurance Company, the latter shall prevail.

By virtue of the premium collection mandate granted by the Insurance Company, any premium payment made in good faith to the Broker and to the persons for whom the Broker is responsible shall be deemed to have been made directly to the Insurance Company pursuant to Article 118, paragraph 2, of Legislative Decree No. 209/2005.

It is understood that such payment shall also have a full discharging effect for the purposes of Article 1901 of the Italian Civil Code.

The Broker's remuneration shall not be borne by the awarded insurance companies, as the related fees shall be borne by the Contracting Authority in accordance with the terms set out in procedure No. NP/EUI/REFS/2025/005 for the provision of Insurance Brokerage Services.

Art. 12 - Tax exemption

The Contractor declares to be exempt from payment of taxes to the Italian State pursuant to agreements between the Government of the Italian Republic and the European University Institute referred to in Decree no. 990 of the President of the Italian Republic dated 13/10/1976, and published in the Official Journal of 19/12/1977.

Art. 13 – Competent court

The jurisdiction shall be exclusively that of the judicial authority where the Contractor has its registered office.

Art. 14 – Reference to the law

For anything not otherwise regulated here, the rules of law shall apply.

Art. 15 – Good faith

Incorrect statements or omissions by the Contractor and/or the Insured in relation to circumstances affecting the risk assessment shall not affect the right to compensation, provided that these have been made in good faith. The Contractor shall pay a higher premium on the basis of the greater risk from the time the aggravating circumstance existed.

Art. 16 – Object of the Insurance

Within the limits and conditions that follow, the Company undertakes to compensate for material and direct damage which causes, during the period of validity of the insurance, the loss of, destruction of, or damage to the Insured's property, except as mentioned in Art. 19 "Exclusions".

Art. 17 – Spatial and temporal limits

The insurance is intended to be provided not only for the deposit in the premises indicated on the cover page of the policy, but also for works which for their natural destination are placed outside the same premises, but in any case within the enclosure which delimits the property.

Also included are any movements of the works and/or movements within the premises themselves and/or between one site and another of those indicated in the policy, and, upon prior notification to the Company, located in permanent new premises.

Art. 18 – Cases of theft and robbery

The cover includes cases of theft, attempted theft, and robbery, also if initiated from outside, provided that, in the case of theft, whether committed or attempted, the perpetrator has broken into the premises containing the insured items:

- a) by violating external protection by breaking, lock-picking, using false keys, picks or similar tools; fraudulent use of genuine keys is equivalent to using false keys;
- b) in a way, other than the ordinary one, that requires overcoming obstacles or hindrances by use of artificial means or particular personal agility;
- c) in a clandestine way, provided that the removal of the stolen goods has subsequently taken place from secured rooms.

If, for all or part of the insured items, special internal protection is expected by the policy, the Company is obliged only if the perpetrator of the theft, after having entered the premises in one of the above ways, has infringed such protection as envisaged in paragraph a). Breakages of insured items are considered equal to damage for theft in committed or attempted theft or robbery.

Damage caused to premises or its fixtures or to anything similar in the event of a theft or attempted theft up to a ceiling of Euro 5,000.00 per claim is also covered.

Art. 19 – Exclusions

The following are excluded from insurance:

- a) damage caused by continuous exposure to frost, heat, temperature or pressure changes, humidity, dust or impurities in the air, light radiation;
- b) damage caused by the state of preservation of the insured item, wear, and progressive deterioration of the same;

- c) damage caused by woodworm, moths or other insects;
- d) damage whose direct origin lies in an operation of restoration, even if of simple cleaning, repair or refurbishment carried out by unskilled personnel or with unsuitable means and methods; equally, damage due to quality defects or failure to achieve the purpose of the work carried out to restore, repair or maintain insured objects shall be excluded;
- e) damage to mechanical mechanisms, electrical or electronic equipment, due to operation or wear;
- f) damage caused or facilitated intentionally by the Insured or the Contractor;
- g) damage resulting from theft or robbery committed or facilitated by employees of the Contractor or the Insured, by other persons permanently living with them or for whom they are liable, by persons in charge of supervising the premises, unless the Contractor or Insured takes legal action against them;
- h) shortages or losses of any kind;
- i) damage caused by extortion, deception and fraud.

In addition, the Company does not compensate for damage:

- 1) in the event of acts of war, including civil war, invasion, military occupation, hostilities (with or without declaration of war), revolts, insurrection, the exercise of usurped power, confiscation, requisitions, destruction or damage by order of any government or authority, whether *de facto* or legal;
- 2) which occurs in the event of explosions or the emanation of heat or radiation from transmutation of the nucleus of an atom, as well as in the case of radiation caused by artificial acceleration of atomic particles;
- 3) due to events which have occurred during inundations, floods, earthquakes, volcanic eruptions, sea storms, landslides, or avalanches.

Art. 20 – Obligations in the event of a claim

In the event of a claim, the Insured must:

- a) as required by Art. 1914 of the Italian Civil Code, immediately take all necessary measures to limit its effect and to safeguard insured items;
- b) if required by law, file a complaint with the local police or judicial authority;
- c) according to Art. 1913 of the Italian Civil Code, notify the Company within 30 days of its knowledge by registered post, telegram, telefax or telex, specifying the circumstances of the event and the approximate amount of damage;
- d) draw up a detailed list of the damage suffered with reference to the quality, quantity and value of the destroyed, damaged or stolen property. In any case, making available its records, accounts, invoices or any documents that may be required by the Company or the Experts for the purposes of their investigations and audits;
- e) keeping, until the damage has been settled, the remains and traces of the harmful event without having, for this reason, the right to compensation.

Art. 21 – Damage assessment procedure

Settlement of compensation is by direct agreement between the parties or, at the request of one of them, by means of Experts, one appointed by the Company and one by the Insured, by a special act.

The two Experts must appoint a third party when disagreement occurs between them or even before at the request of one of them. This third Expert intervenes only in the event of disagreement and decisions are taken by a majority. If one of the parties fails to appoint his or her own Expert or if the Experts do not agree on the third party, such appointments shall be made, on the initiative of the most diligent party, by the Presiding Judge of the Court in whose jurisdiction the claim has occurred.

If one of the parties so requests, the third Expert may be chosen from outside the province in which the harmful event occurred.

Each party shall bear the expense of its own Expert; half of that of the third Expert shall be paid by the Insured, who shall give the Company the power to settle and pay the expense and deduct the amount due from the compensation it is owed.

Art. 22 – Mandate of the Experts

The Experts must:

- 1. investigate the circumstances of time and place and the modalities of the harmful event, and ascertain the causes as far as possible;

2. verify the accuracy of the descriptions and declarations resulting from the contractual acts and report whether at the time of the harmful event there were circumstances which had changed the risk and had not been communicated;
3. check whether the Insured has fulfilled the obligations laid down in Art. 20;
4. verify the existence, quality, quantity and value of the insured items which are undamaged, lost, destroyed, or damaged;
5. estimate and settle the compensation and expenditure in accordance with the contractual provisions.

The results of the designated Experts' operations, or by the majority in the case of more than two Experts, must be collected in a special report (with detailed estimates attached) to be drawn up in duplicate, one for each of the parties. These results waive the parties from that point on from the right to object, except in the case of wilful misconduct or an obvious breach of the contractual agreements, or there are material errors of counting to be corrected. A report by more than two Experts is deemed valid even if one dissenting Expert refuses to sign it; such refusal must be attested by the other Experts in the final report. The Experts are exempted from observance of all judicial formalities.

Art. 23 – Determination of compensation

In the event of total destruction or loss, the Company shall pay a sum equal to the commercial value of the item at the place and at the time of the harmful event, after deduction of any Recoveries.

In the event of damage, the Company, taking into account the interests of the Insured:

- the difference between the commercial value that the item had at the moment and in the place of the left and that of the item in the state it was found in after the harmful event;
- or
- the cost of a restoration (carried out with agreement of the Company itself) plus depreciation of the insured work up to a maximum of 80%.

If the insurance uses an accepted estimate, the commercial value of the item at the place and at the time of the harmful event shall be that of said estimate.

In the event of a claim affecting an item forming part of a set, the Company is required to compensate only the intrinsic value of the damaged or lost item (or part thereof), taking into account, however, as stated by the Experts, of the higher value of the item itself resulting from being part of a set.

Art. 24 – Payment of compensation

Once the cover has been checked, the damage assessed, and the necessary documentation has been received, the Company shall pay the compensation within 30 days, provided that no objection has been raised. If a judicial procedure has been opened on the cause of the harmful event, payment shall be made only if the proceedings show that none of the cases provided for in Article 19, letter f) have occurred.

Art. 25 – Recovery of stolen items

If stolen items are recovered in whole or in part, the Insured must notify the Company as soon as it has been informed. The items recovered become the property of the Company if it has fully compensated the damage, unless the Insured reimburses the Company for the full amount received as compensation for the same items. If, on the other hand, the Company has only partially compensated for the damage, the Insured may retain the property of the recovered items after restitution of the amount of compensation received from the Company for the same, or have them sold, sharing the proceeds of the sale proportionally between the Company and the Insured. For stolen property recovered before payment of compensation, the Company is only under obligation for any damage that might have been suffered by the items as a result of the theft. If the items recovered prove to be of a quality and value that is different from that which was taken as a reference to determine the damage, the Insured is obliged to take possession of the items by returning the compensation received, without prejudice to the right of the Insured to compensation for any damage suffered by the items themselves as a result of the harmful event.

Art. 26 – Obligation to provide data on risk history

The Company undertakes to provide the Contractor with details of any claims at annual intervals, divided as follows:

- lodged claims;
- reserved claims (with indication of the amount in reserve);
- settled claims (with an indication of the amount settled);
- rejected claims.

All claims must be accompanied by the date of lodging with the Company, the date of occurrence of the claim, also, if necessary, lodged by a third-party claimant, the name of the third-party claimant, the date of the eventual closure of the case due to settlement or other reasons.

Monitoring must be progressive, i.e. continuous and up-to-date, from the date on which the cover is taken out until all cases are exhausted.

The above documentation shall be provided to the Contractor preferably via compatible computerized means usable by the Contractor.

The obligations described above do not prevent the Contractor from requesting and obtaining an update in the manner set out above on dates other than those indicated.

PARTICULAR CONDITIONS PREVAILING IN THE EVENT OF DISAGREEMENT ON THE PRECEDING ONES

I) Cunning theft

The cover is extended to devious and cunning theft inside the premises committed during the public opening hours, provided that it is noticed and reported within the 48 hours immediately following the event.

II) Inundations and flooding

The Company is liable for material and direct damage, including – by way of a partial derogation from Art. 19 no. 3) – those due to fire, explosion, and blasts, suffered by insured entities as a result of inundations and flooding in general, also if such events are caused by an earthquake.

The Company is not liable for damage caused by sea storms.

For the purposes of this extended cover:

- Payment of compensation shall be made after deduction per individual harmful event of an amount equal to Euro 2,500.00.
- Under no circumstances shall the Company pay, for a single harmful event, a sum greater than 50% of the insured value.

III) Earthquakes

The Company is liable for material and direct damage – including that from fire, explosion and blasts – suffered by insured items by the effect of an earthquake, meaning a sudden and unexpected movement of the earth's crust due to endogenous causes.

For the sole purposes of this cover, Art. 19 of the rules governing the insurance of art objects shall be declared null and void and replaced in full as follows:

Exclusions – The Company is not liable for damage:

- a) caused by explosions or the emanation of heat or radiation from transmutation of the nucleus of an atom, as well as in the case of radiation caused by artificial acceleration of atomic particles also if said phenomena originate from an earthquake;
- b) caused by volcanic eruptions;
- c) due to loss or attributable to shortages of any kind;
- d) that is indirect, such as lack of entitlement or commercial or industrial income, suspension of work or any damage which does not affect the materiality of the insured entities.

For the purposes of this extended cover:

- aftershocks recorded within 72 hours of each event giving rise to a claim are attributed to the same telluric episode and the related damage is therefore considered “a single harmful event”;
- payment of compensation shall be made after deduction of an amount equal to Euro 5,000.00, for each individual claim;
- In no case shall the Company pay, for one or more claims made during the agreed term of insurance, an amount greater than 50% of the insured value.

IV) Securing of rooms

Insurance shall be provided on the condition, essential for the effectiveness of the contract, that any opening to the outside of the premises containing the insured items, situated vertically less than 4

metres from the ground or from water surfaces, as well as from ledges accessible and practicable in an ordinary way from the outside, that is, without using artificial means or particular personal agility, be protected, for its entire extension, by strong window frames made of wood, rigid plastic material, metal or metal alloy, and containing reinforced glass, closed with key-operated locks or other suitable devices, or protected by bars fixed to the wall.

Openings, if rectangular, with a surface not exceeding 900cm² and a shorter side not exceeding 18cm, or, if not rectangular, of a shape that can fit within that of the above rectangles and with a surface not exceeding 100cm², shall be permitted in gratings and window bars made of metal or metal alloy.

In other doors and windows, spyholes or slots with a surface not exceeding 100cm² are permitted. In addition, electronic anti-theft and anti-intrusion systems must be operating.

Therefore – unless agreed otherwise – theft damage that has occurred when, for any reason, the above means of protection and closure do not exist or are not operational, or the theft is committed through windows and doors or gratings without breaking these structures or the locking devices, shall be compensated with application of an Excess of 20%.

V) Inspection of insured property

The Company shall always have the right to inspect insured property and the Insured is obliged to provide all necessary details and information on it.

VI) Insurance on behalf of the person responsible

This policy is agreed by the Contractor in its own name and in the interests of the person/s responsible.

In the event of a claim, interested third parties with the qualification of insured persons are entitled to intervene in the management of the claim in priority and directly, in accordance with the General Conditions of Insurance.

In accordance with the above, compensation which is to be paid jointly, cannot be settled except by an intervention of the third parties concerned at the time of payment.

VII) Subrogation

Insurers have the right of subrogation with regard to any liable third parties, except for the Contractor or its employees.

VIII) Commitment, charging

It is agreed between the parties that, in the event of a claim involving the following works of art (sculptures) by the artist Onofrio Pepe:

- *Amazzone* (2001)
- *Donna con il Gatto* (1999)
- *Donna con la Melagrana* (2001)
- *Donna con il Pesce* (2001)
- *Icaro Seduto* (1999)

Compensation to be settled in accordance with the terms of the policy shall not be paid by the Company without the involvement and written consent of Ms Giorgia Pepe. Similarly, there may be no reduction in the insured sum, transfer or cancellation of the contract without the above consent.

THE CONTRACTOR

THE COMPANY