



A Chaucer Company

Lonham Group Limited, The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB
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Company Reg: 01679607, FCA Reg: 311474



Policy Summary

Key Facts of Policy 109471 from 1 November 2019 to 31 October 2020

The Financial Conduct Authority (FCA) is the independent watchdog that regulates financial services. It requires us to give you this document. Use this information to decide if our services are right for you.

**The following is a summary of the main features of our insurance policy.
It does not contain all the terms and conditions of the contract.**

Who are we: Lonham Group Ltd Registered in the UK and operating from offices at The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB.
Lonham Group Ltd acts on behalf of Chaucer Syndicate 1084 at Lloyd's of London, allowing policies to be underwritten on their behalf.

Our product: Cargo/Stock Insurance by way of a Master policy arranged on behalf of wine exchange, Liv-ex Limited &/or Vine International

Cover: Subject to Liv-ex Ltd having received specific instructions to insure your goods, this insurance shall indemnify you for physical loss, destruction or damage to your goods by an insured event or peril, subject to the goods being suitably packed and protected to withstand the normal rigours of transit/storage and subject to policy clauses, conditions and exclusions.

It is the responsibility of the customer to advise Liv-ex Ltd in advance of any stock sums to be insured, any transits to be insured, providing all appropriate details including sums to be insured.

Subject Matter:

Goods Insured: Wine, Spirits or similar goods

Territories covered:

Worldwide cover **except** transits involving the following countries; whereby terms and conditions need to be agreed by insurers prior to shipment: Afghanistan, Bougainville, Burundi, Chechnia Republic of, Cote D'Ivoire (Ivory Coast), Cuba, Democratic Republic of Congo (formerly Zaire), Eritrea, Iran, Iraq, Liberia, Nigeria, North Korea, Sierra Leone, Somalia, Sudan and Syria.

Cover includes UK transits and storage cover.

Basis of Valuation:

The replacement value will be based on the Liv-ex Market Price at the time of loss. If the Liv-ex Market Price is more than 12 months old, the replacement value may be based on any other Market Data or Benchmark to evidence the value, but such data shall not extend to privately invoiced sales and the onus will be on the insured to evidence such data. If the Liv-ex Market Price is more than 12 months old and there is no other Market Data available, the last invoiced value for the product should be used. There will be a maximum additional uplift of 10% to accommodate market increases between the time of loss and the time of obtaining a replacement.

If both the Liv-ex Market Price and the invoiced value are more than 12 months old, or unavailable, the insured, can at its discretion, refer to the Liv-ex Valuation Committee for a more up to date value. In the event that Liv-ex is the insured a value will be sought from three independent merchants and the claim settled at the average value provided.

And...

The Basis of Valuation clause in this policy shall be amended for wines &/or spirits in storage to allow a maximum additional uplift of 50% to accommodate market increases between the time of loss and time of obtaining a replacement, provided that;

- i) All other terms of the existing Basis of Valuation clause shall remain operative as stated
- ii) The value declared for wine &/or spirits subject must include +50% uplift. LivEx at all times to maintain a record of wine and its owner to benefit from such uplift, to be provided to insurers on request
- iii) This is not an automatic amount, and settlement will be the lesser of the replacement value in accordance with the policy or the declared value

Implosion of Corks:

This insurance covers loss or damage to wine caused by implosion of corks occurring whilst in transit and/or storage.

Heating:

This insurance covers physical loss of or damage to wine in transit and/or storage due to the direct effects of heating. This insurance does not cover intangible and subject factors affecting or determining the quality of the wine including but not limited to its taste, odour, colour, marketability and rating as a result of actual or feared exposure to heat. Cover shall extend to damage where it is evidenced that wine has been subjected to temperatures in excess of 40 degree Celsius for a period exceeding 60 minutes, provided always that such damage is not as a result of omission to provide adequate temperature controls.

Under Insurance:

If the property covered thereby shall at the time of loss be collectively of greater value than such Sum Insured, then the Insured shall be considered as being his own Insurer for the difference, and shall bear a rateable share of the loss accordingly.

Where part or all of the transit involves a waterborne movement the following clauses and conditions shall apply whilst the consignment is waterborne:

Institute Cargo Clauses (A), Institute Cargo Clauses (Air) (Excluding sendings by post)
Institute War Clauses (Cargo), Institute War Clauses (Air Cargo) (Excluding sendings by post)
Institute War Clauses (Sendings by post)
Institute Strikes Clauses (Cargo), Institute Strikes Clauses (Air Cargo)
Institute Classification Clause
Institute Replacement Clause
Institute Radioactive Contamination, Chemical, Biological, Bio-Chemical and Electromagnetic Weapons
Exclusion Clause
Institute Cyber Attack Exclusion Clause
7 days Cancellation Clause (War Risks, Strikes, Riots, Civil Commotion Risks on shipments to or from anywhere in the world)
The Institute Clauses are deemed to be those current at the time of commencement of the risk.

(Copies of all clauses are available on request. An explanation of each clause is also available on request).

Restrictions, Limits & Exclusions:**Limit:**

Lesser of;
i) the value specified by the customer in their instructions to Liv-ex Ltd prior to transit/storage, or
ii) GBP 2,000,000 maximum any one vessel, aircraft, conveyance, but
iii) GBP 4,000,000 any one location in the course of ordinary transit

Limit in respect of mysterious disappearance GBP 150,000 any one loss and in the aggregate per annum

Storage limits:

GBP 15,000,000 maximum sum insured at London City Bond, Chill Store Berth 29-30, Tilbury Dock, RM18 7EH
GBP 500,000 maximum sum insured at Vine Bordeaux c/o Dartess B2, 14 rue de Strasbourg, ZI Bordeaux Fret, 33520 Bruges
GBP 100,000.00 maximum sum insured at Kerry Logistics Hong Kong Limited, 4-6 Kwai Tai Road, Kwai Chung, Hong Kong
GBP 25,000.00 maximum sum insured in any unspecified location

The policy storage limit is the maximum storage at any one location (this may reduce any claim should the aggregate of property in storage at that location exceed this limit).

Excess:

GBP 2,500.00 in respect of transit claims
GBP 10,000.00 in respect of stock claims

GBP 50,000 any one loss in respect of mysterious disappearance claims within any one quarterly stock check

All excesses to be borne on behalf of insured customers by Liv-ex Ltd.

Exclusions: but not limited to:

Barge movements are excluded.

Excluded Causes:

- Loss or damage attributable to customers wilful misconduct.
- Loss or damage caused by ordinary leakage, ordinary loss in weight or volume.
- Loss or damage caused by wear, tear, inherent vice or nature of the subject matter insured
- Loss or damage caused by insufficiently or unsuitability of packing or preparation.
- Loss or damage caused by delay.
- Loss or damage caused by use of any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.
- Loss or damage caused by act of war on land.
- Heating, sweating, inherent vice and/or any loss or damage caused by atmospheric conditions.
- Claims for consequential loss of any kind or description.

Stock exclusions:

- Claims for theft unless there is evidence of forcible and violent entry into the approved premises in which the subject matter is being stored
- Theft or any attempt thereof by or in collusion with any employee of Liv-Ex or the insured or any other person lawfully on the premises

Pairs and Sets Clause exclusion

Where any items are part of a pair or set, Insurers will only pay for the actual parts which are lost or damaged. No payment will be made for articles that are not lost or damaged.

Depreciation Clause

It is noted and agreed to cover up to 50% depreciation in declared value in respect of damage to labels on bottles of wine that has occurred whilst in transit and/or storage which has a detrimental effect to the value of the wine at sale.

This cause covers up to 50%. It is not an automatic amount. We expect the assured to mitigate their loss to the lowest figure possible. By way of example they find a buyer for wine with damaged labels at 80% of original price.

Choice of law: English Law and the exclusive jurisdiction on the English Courts will apply.

Duration: Insurance will commence from commencement of the transit/storage until the insured property is professionally delivered to the final destination, in accordance with the terms of the contract between Liv-Ex Ltd and the customer.

Cancellation: If you are an individual/sole trader:

Subject to the contract of insurance exceeding one month's duration and you having paid the premium, you have a right to cancel this insurance up to 14 days from conclusion of the insurance contract and the premium refunded.

Should you wish to exercise your cancellation rights you must notify Liv-Ex Ltd immediately.

After expiry of this 14 day period the policy can be cancelled at any time by either party. In this event you will remain liable for the premium due for the period on risk.

Any short term contract of less than one month's duration cannot be cancelled. Early cancellation outside of any Statutory Rights is possible by you or the Insurer. In this event you will remain liable for the premium due for the period on risk.

If you are not an individual/sole trader:

If this insurance contract is being advised and arranged for you as a Commercial Customer, there are no Statutory Cancellation Rights. Early cancellation is possible by you or the Insurer. In this event you will remain liable for the premium due for the period on risk.

Claims: If you need to make a claim please contact Liv-Ex Ltd in the first instance. It will assist you if you have all your details available.

Complaints:

Any enquiry or complaint shall be addressed in the first to the ("Freight Forwarder")

If no satisfaction is obtained, complaints should be referred to:

1) The Complaints Officer, Lonham Group Ltd, The Maltings, Princes Street, Ipswich, Suffolk, IP1 1SB, UK, Tel: +44(0)1473216116, Fax: +44(0)1473295079, E-Mail: lonham@lonham.co.uk, or,

2) The Complaints and Advisory Department, Lloyd's, Fidentia House, Walter Burke Way, Chatham Maritime, Chatham, Kent, ME4 4RN, Tel: +44(0)2073275693, Fax: +44(0)2073275225, E-Mail: complaints@lloyds.com

In the event you wish to pursue matters further you may be able to refer the matter to the Financial Ombudsman Service. The Financial Ombudsman Service can normally deal with complaints from private individuals and from small businesses and charities with an annual turnover/charity income of less than GBP 1 million.

**The Financial Ombudsman Service, South Quay Plaza, 183 Marsh Wall, London, E14 9SR Helpline: 0845 080 1800
Switchboard: +44 (0) 20 7964 1000**

Website: www.financial-ombudsman.org.uk

Compensation:

Lloyd's of London belongs to the Financial Services Compensation Scheme (FSCS). In the event of Insurers not being able to fulfil their financial obligation under the policy in paying your valid claim you may be entitled to compensation under the FSCS up to GBP 2,000 for the first part of your claim and 90% of the remainder of your claim. Further information about compensation scheme arrangements is available from the FSCS on telephone number: +44 (0) 20 7892 7300 or www.fscs.org.uk

Data Protection:Your personal information notice

We and other insurance market participants as well as the (“Freight Forwarders”) collect and use relevant information about you to provide you with the cover that benefits you, or in connection with a claim and to meet our legal obligations.

This information may include details such as your name, address and contact details and any other information that we collect about you in connection with the cover from which you benefit. This information may include more sensitive details such as information about your health and any criminal convictions you may have.

In certain circumstances, we may need your consent to process certain categories of information about you (including sensitive details such as information about your health and any criminal convictions you may have). Where we need your consent, we will ask you for it separately. You do not have to give your consent and you may withdraw your consent at any time. However, if you do not give your consent, or you withdraw your consent, this may affect our ability to provide the cover from which you benefit and may prevent us from providing cover for you or handling your claims.

The way insurance works means that your information may be shared with, and used by, a number of third parties in the insurance sector for example, insurers, agents or brokers, reinsurers, loss adjusters, sub-contractors, regulators, law enforcement agencies, fraud and crime prevention and detection agencies and compulsory insurance databases. We will only disclose your personal information in connection with the cover that we provide and to the extent required or permitted by law.

For more information about how we use your personal information please see our full privacy notice(s), which is/are available online on our website(s) or in other formats on request.

You have rights in relation to the information we hold about you, including the right to access your information. If you wish to exercise your rights, discuss how we use your information or request a copy of our full privacy notice(s), which is also available on our website www.lonham.co.uk, please contact us, or the agent or broker that arranged your cover. Our contact details are:

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