



DUTY OF DISCLOSURE

Your Duty of Disclosure

Under the Insurance Contracts Act, you have to disclose every matter that you know, or could reasonably be expected to know, is relevant to the Insurers decision whether to accept the risk of insurance and if so on what terms. The Duty of Disclosure applies on each and every occasion you seek new insurance cover or renewal, alter or extend on existing cover. Your duty, however, does not require disclosure on any matter:

- That diminishes the risk to be undertaken
- That is common knowledge
- That the Insurance Company knows or in the ordinary course of its business ought to know
- As to which the Insurer waives compliance with your duty.

It is essential that you comply with your Duty of Disclosure as the Insurance Company may be entitled to reduce its liability under the contract of insurance in respect of a claim or cancel the contract, if there is a non-disclosure. The Disclosure required is especially important in matter relating to the physical risk, past claims, cancellation of insurance covers, the imposition of increased premiums etc and any matters that may affect the acceptance of the risk such as insolvency or criminal convictions. Disclosure is not limited to matters applying to the issuers name in the Policy but includes other past businesses or private insurances.