

Disclosure Duties

At this stage, we draw your attention to your relevant disclosure duty. Please read and direct any queries you may have to us immediately. In the absence of any queries from you we will assume that you have read and understood them.

DUTY TO TAKE REASONABLE CARE NOT TO MAKE A MISREPRESENTATION

A contract of insurance is a consumer insurance contract if the insurance is obtained wholly or predominantly for personal, domestic or household purposes of the insured. It includes general insurance contracts (such as consumer credit, motor vehicle, home and contents, sickness and accident and travel insurances) and life insurance contracts.

When you apply for home insurance, car insurance or any other insurance that is wholly or predominantly for personal, domestic or household use we will ask you specific questions that are relevant to the insurers decision to insure you and on what terms including the premium that the insurer will charge. When you take out, renew, extend or vary your insurance policy, it is important that you understand you are answering questions for yourself and anyone else to be covered by the policy. You should always provide us with complete and honest answers to all the questions we ask you, by answering questions about yourself and other named policyholders to the best of your knowledge.

DUTY OF DISCLOSURE

Before you enter into a contract of general insurance with an Insurer that is not a consumer insurance contract, you have a Duty, under the *Insurance Contracts Act 1984*, to disclose to the Insurer every matter that you know, or could reasonably be expected to know, that is relevant to the Insurer's decision whether to accept the risk of the insurance, and, if so, on what terms. You have the same Duty to Disclose those matters to the Insurer before you renew, extend, vary or reinstate a contract of general insurance.

Your Duty, however, does not require you to disclose anything that:

- > reduces the risk to be undertaken by the Insurer;
- > is of common knowledge;
- > your Insurer knows, or in the ordinary course of its business, ought to know; or
- > if the Insurer has waived the obligation to disclose.

NON-DISCLOSURE

If you fail to comply with your relevant Duty, the Insurer may be entitled to reduce its liability under the contract in respect of a claim, or may cancel the contract. If your non-disclosure is fraudulent, the Insurer may also have the option of avoiding the contract from its beginning.