

## Disclosure

### Your Duty of Disclosure - Contracts of General Insurance Subject to the Insurance Contracts Act

Before you enter into a contract of general insurance with an insurer, 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, 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 disclosure of matters:

- that diminish the risk to be undertaken by the insurer;
- that is of common knowledge;
- that your insurer knows or, in the ordinary course of its business, ought to know; or
- as to which compliance with your duty is waived by the insurer

### Non-Disclosure

If you fail to comply with your duty of disclosure, 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 voiding the contract from its commencement.

### Your Duty of Disclosure -Other Contracts

Please note that in relation to policies which are not governed by the Insurance Contracts Act 1984 such as marine insurance (other than marine inland transit insurance and pleasure craft insurance) and insurance required by statute, the insured still owes a duty of disclosure to the insurer. This is a duty to disclose to the insurer before the contract is concluded, every material circumstance which is known to the insured. Every circumstance is material which would influence the judgment of a prudent insurer in fixing the premium or determining whether they will take the risk. The insurer may void the contract from inception if the insured fails to make such disclosure. In the case of insurance required by statute, such as compulsory third party motor vehicle insurance, the insurer may have rights of recovery against the insured in the event of misrepresentation, mis-statement or non-disclosure.

### Your Duty of Disclosure -Subsidiary & Associated Companies

Your Duty of Disclosure - Cover which is arranged for subsidiary and/or associated companies in addition to named Insured's.

If you enter into a contract of insurance on behalf of any subsidiary and/or related company of the named insured, that subsidiary and/or related company has the same duty of disclosure as the named insured.

We recommend that you ensure that each subsidiary and/or related company is made aware of the duty of disclosure and given an opportunity to make any necessary disclosures.