

YOUR DUTY TO DISCLOSE

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 be expected to know, is relevant to the insurer's decision whether to accept the risk of 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 re-instate a contract of general insurance.

NON DISCLOSURE

If you fail to comply with your duty of disclosure, the insurer may be entitled to reduce his 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.

AVERAGE / UNDERINSURANCE

This Policy contains an average clause. This means that we require you to insure for the market value. If you do not do so, and you are underinsured, we will pay you less in the event of a claim proportionate to the amount of underinsurance. In particular, the amount we will pay is the proportion that the sum insured bears to 80% of the market value, subject to the precise conditions set out in the Policy.

THIRD PARTY INTERESTS

You must inform us of the interests of all third parties (ie financiers, lessors) whose interest is to be noted on this insurance. Noting of their interest will not entitle them to be covered as an insured but merely to be given notice of any cancellation, lapsing or proposed payment of total loss claim. Their interest will not be protected even to this extent if they are not noted on the policy.

SUBROGATION AGREEMENTS

Where another person, other than a person exempted by law, is liable is liable to compensate you for any loss or damage covered by the policy, but you have agreed with, or given an undertaking to that person without our written authority, either before or after the loss or damage occurred that you would not seek to recover any moneys from that person, we will not cover you under the policy for any such loss or damage