



# Insurance Act 2015

## 2015 CHAPTER 4

### PART 4

#### FRAUDULENT CLAIMS

#### **12 Remedies for fraudulent claims**

- (1) If the insured makes a fraudulent claim under a contract of insurance—
  - (a) the insurer is not liable to pay the claim,
  - (b) the insurer may recover from the insured any sums paid by the insurer to the insured in respect of the claim, and
  - (c) in addition, the insurer may by notice to the insured treat the contract as having been terminated with effect from the time of the fraudulent act.
- (2) If the insurer does treat the contract as having been terminated—
  - (a) it may refuse all liability to the insured under the contract in respect of a relevant event occurring after the time of the fraudulent act, and
  - (b) it need not return any of the premiums paid under the contract.
- (3) Treating a contract as having been terminated under this section does not affect the rights and obligations of the parties to the contract with respect to a relevant event occurring before the time of the fraudulent act.
- (4) In subsections (2)(a) and (3), “relevant event” refers to whatever gives rise to the insurer's liability under the contract (and includes, for example, the occurrence of a loss, the making of a claim, or the notification of a potential claim, depending on how the contract is written).

**Changes to legislation:**

There are currently no known outstanding effects for the Insurance Act 2015, Section 12.