



Third Parties (Rights against Insurers) Act 2010

2010 CHAPTER 10

Transfer of rights to third parties

1 Rights against insurer of insolvent person etc

- (1) This section applies if—
 - (a) a relevant person incurs a liability against which that person is insured under a contract of insurance, or
 - (b) a person who is subject to such a liability becomes a relevant person.
- (2) The rights of the relevant person under the contract against the insurer in respect of the liability are transferred to and vest in the person to whom the liability is or was incurred (the “third party”).
- (3) The third party may bring proceedings to enforce the rights against the insurer without having established the relevant person's liability; but the third party may not enforce those rights without having established that liability.
- (4) For the purposes of this Act, a liability is established only if its existence and amount are established; and, for that purpose, “establish” means establish—
 - (a) by virtue of a declaration under section 2 or a declarator under section 3,
 - (b) by a judgment or decree,
 - (c) by an award in arbitral proceedings or by an arbitration, or
 - (d) by an enforceable agreement.
- (5) In this Act—
 - (a) references to an “insured” are to a person who incurs or who is subject to a liability to a third party against which that person is insured under a contract of insurance;
 - (b) references to a “relevant person” are to a person within sections 4 to 7 ^[F1](and see also paragraph 1A of Schedule 3)];

Changes to legislation: There are currently no known outstanding effects for the Third Parties (Rights against Insurers) Act 2010, Section 1. (See end of Document for details)

- (c) references to a “third party” are to be construed in accordance with subsection (2);
- (d) references to “transferred rights” are to rights under a contract of insurance which are transferred under this section.

Textual Amendments

- F1** Words in s. 1(5)(b) inserted (1.8.2016 being the day appointed for the coming into force of 2010 c. 10 by S.I. 2016/550) by [Insurance Act 2015 \(c. 4\)](#), s. 23(3)(b), **Sch. 2 para. 4**
-

Commencement Information

- I1** S. 1 in force at 1.8.2016 by [S.I. 2016/550](#), **art. 2**

Changes to legislation:

There are currently no known outstanding effects for the *Third Parties (Rights against Insurers) Act 2010*, Section 1.