



# Insurance Act 2015

## 2015 CHAPTER 4

### PART 2

#### THE DUTY OF FAIR PRESENTATION

#### **7 Supplementary**

- (1) A fair presentation need not be contained in only one document or oral presentation.
- (2) The term “circumstance” includes any communication made to, or information received by, the insured.
- (3) A circumstance or representation is material if it would influence the judgement of a prudent insurer in determining whether to take the risk and, if so, on what terms.
- (4) Examples of things which may be material circumstances are—
  - (a) special or unusual facts relating to the risk,
  - (b) any particular concerns which led the insured to seek insurance cover for the risk,
  - (c) anything which those concerned with the class of insurance and field of activity in question would generally understand as being something that should be dealt with in a fair presentation of risks of the type in question.
- (5) A material representation is substantially correct if a prudent insurer would not consider the difference between what is represented and what is actually correct to be material.
- (6) A representation may be withdrawn or corrected before the contract of insurance is entered into.

**Changes to legislation:**

There are currently no known outstanding effects for the Insurance Act 2015, Section 7.