

*These notes refer to the Insurance Act 2015 (c.4)
which received Royal Assent on 12 February 2015*

INSURANCE ACT 2015

EXPLANATORY NOTES

SUMMARY

Insurance contract law

The duty of fair presentation

14. The Act updates and replaces the existing duty on non-consumer policyholders to disclose risk information to insurers before entering into an insurance contract. It redefines its boundaries under the banner of the “duty of fair presentation”, effectively requiring policyholders to undertake a reasonable search of information available to them, and defining what a policyholder knows or ought to know. The Act also requires insurers to play a more active role, asking questions in some circumstances. Importantly, the Act introduces a new system of proportionate remedies where the duty has been breached. This replaces the existing single remedy of avoidance of the contract, except where the policyholder has breached the duty deliberately or recklessly.