

INSURANCE ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 2: the Duty of Fair Presentation

Section 7: Supplementary

71. [Section 7](#) makes further provision about the duty of fair presentation, including definitions of some terms used in earlier provisions.
72. [Section 7\(1\)](#) states that a “fair presentation” does not have to be made in a single document or oral presentation. The Act is intended to recognise that the insurer may need to ask questions about the information in the initial presentation in order to draw out the information it requires to make the underwriting decision. All information which has been provided to the insurer by the time the contract is entered into will therefore form part of the presentation to be assessed.
73. [Section 7\(2\)](#) concerns the scope of the term “circumstance”, which is the language used in the 1906 Act. Section 7(2) repeats the terms of section 18(5) of the 1906 Act in order to make clear that the terms are used in the same way in both pieces of legislation.
74. [Section 7\(3\)](#) contains a definition of material circumstance and material representation, used in section 3. It is based on sections 18(2) and 20(2) of the 1906 Act. The term “prudent insurer” is also taken from the 1906 Act.
75. [Section 7\(4\)](#) sets out three examples of things which may constitute material circumstances. Whether circumstances falling within these examples are in fact “material” will depend on the facts of each case.