

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

INSURANCE ACT 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 3: Warranties and Other Terms

Section 9: Warranties and representations

83. Under the current law, an insurer may add a declaration to a non-consumer insurance proposal form or policy stating that the insured warrants the accuracy of all the answers given, or that such answers form the “basis of the contract”.¹ This has the legal effect of converting representations into warranties. The insurer is discharged from liability for claims if the insured made any misrepresentation, even if it was immaterial and did not induce the insurer to enter into the contract.
84. This section abolishes basis of the contract clauses in non-consumer insurance. Basis of the contract clauses in consumer insurance were abolished by section 6 of CIDRA. It remains possible for insurers to include specific warranties within their policies.

¹ *Dawsons Ltd v Bonnin* [1922] 2 AC 413, 1922 SC (HL) 156; *Genesis Housing Association Ltd v Liberty Syndicate Management Ltd for and on behalf of Liberty Syndicate 4472at Lloyd’s* [2013] EWCA Civ 1173, [2013] WLR (D) 368.