

Duty of Disclosure explained

These Important Notices outline your rights and obligations relating to our Services and in entering into insurance contracts. It is essential that you read these notices carefully and advise us immediately if you need to make further disclosure or have questions about this report and/or important notices document.

MAKE SURE YOU COMPLY WITH YOUR DUTY OF DISCLOSURE

The Insurance Contracts Act 1984 requires that you, and everyone who is an insured under your policy, comply with the Duty of Disclosure. Make sure you explain the duty to any other Insureds under your policy. We do not do this unless specifically agreed in writing.

The duty requires you to tell the insurer certain matters which will help them decide whether to insure you and, if so, on what terms. You have this duty until the insurer agrees to insure you and before the insurer agrees to renew your policy. You also have the same duty before you renew, extend, vary or reinstate an insurance policy. The type of duty that applies can vary according to the type of policy.

If you are providing information for other insureds, you must confirm you have their authority to do so and that the information provided is what they have told you in response to the duty of disclosure obligations.

If you make a misrepresentation, or if you do not tell the insurer something that you are required to tell them, they may cancel your policy or reduce the amount they will pay you in the event of a claim, or both. If the misrepresentation or failure is fraudulent, the insurer may refuse to pay a claim or treat the policy as if it never existed. If we act on behalf of the insurer, you need to refer to the policy which sets out the duty that applies. We will advise you when/if we act on behalf of the insurer.

If we act on your behalf, to assist us in protecting your interests, it is important you tell BAC every matter that: you know; or, a reasonable person in the circumstances could be expected to know, may be relevant to the insurer's decision whether to insure you and, if so, on what terms.

If in doubt it is better to tell us. We will then assist you in determining what needs to be disclosed to the insurer in order to meet your duty.

When you first apply for your policy, the insurer may ask you specific questions relevant to their decision whether to insure you. Before an insurer agrees to renew your policy, you may again be asked specific questions by the insurer relevant to their decision whether to renew your policy. When you answer any questions asked by the insurer, you must give honest and complete answers and tell the insurer, an answer to each question, about every matter that is known to you and which a reasonable person in the circumstances would include in answering the questions.

EXAMPLES OF MATTERS THAT SHOULD BE DISCLOSED ARE:

Any claims you have made in recent years for the particular type of insurance; Cancellation, avoidance of, or a refusal to renew your insurance by an insurer; Any unusual feature of the insured risk that may increase the likelihood of a claim; Circumstances which may give rise to a claim.

Delay between final entry into the policy and original disclosure of information – You need to tell us if you have made disclosure of information in the application process and something has happened that makes the information disclosed inaccurate, or new matters arise that would require disclosure under the duty. You must do this before the policy has been entered into (or renewed, varied, reinstated or extended as applicable).