

Euro Risk Management (Insurances) Ltd T/As ERM Financial Services – Duty of Disclosure

YOUR RESPONSIBILITIES

We want to outline the main responsibilities **YOU** have in the arrangement of particular cover required. These are not intended to be exhausted.

Insurers need to be advised of all material facts in relation for the risk for which insurance cover is sought.

- A. A Material Fact is defined as *“A fact that is known, or ought to be known by an insured, is material to be disclosed to insurers if it would affect their assessment of the risk, the terms on which they are willing to underwrite it, or the premium they require to do so.”*

Material fact is a fact that is important, significant or essential to a reasonable person in deciding whether to engage or not to engage in a particular transaction, issue or matter at hand. It is a fact that is significant or essential to the issue or matter at hand. The term material fact is also used to distinguish the unimportant or trivial detail.

"Material" means that the subject matter of the statement or concealment related to a fact or circumstance which would be significant to the decision to be made as distinguished from an insignificant, trivial or unimportant detail. For example: In an insurance fraud, it is material that an assertion or concealment must relate to a fact or circumstance that would affect the liability of an insurer, or would affect the decision to issue the policy, or the amount of coverage or the premium for the policy.

If in any doubt then the prudent person should disclose all information.

- B. You must provide complete and accurate information which insurers require in connection with any **Proposal** or **Statement of Fact** for insurance cover before the cover starts.

Please also remember that ANY material change must be advised after cover commences and at renewal.

- C. The failure to disclose information or misrepresent any fact will have implications also for other insurance contracts that may be required in the future and could breach the terms of any loan secured on your property.
- D. You must check that all facts are correct on any Proposal Form or Statement of Fact, and in particular, prior to signing any document and particularly in any situation where you might have received assistance in completing the form.
- E. Please make sure that you read all documents issued to you and ensure that you are aware of cover, limits and other terms that apply. Please ask us if you need clarification on any aspect of the cover provided.
- F. Please also read the Warranties and Conditions which apply to your policy. If you are breach of a Condition or Warranty Insurers might avoid payment of **ANY** claim.

Please inform us **IMMEDIATELY** of any **changes** (e.g. occupancy, work practices, ownership, convictions, security protections etc.) which may affect the cover provided by your policy.

IMPORTANT NOTICE DUTY OF DISCLOSURE

You are entering a LEGAL CONTRACT with an **Insurance Company** via ERM Financial Services.

It is a statutory requirement to answer all our questions honestly and disclose all information as set out in the Statement of Fact/Proposal Form. If you have any questions relating to this obligation, please enquire with us.

We would like to ensure that ALL claims relating to the cover arranged are paid for you, but unfortunately, we may find ourselves unable to assist you, if ALL the facts are NOT disclosed at the outset.

Information required but not limited include:

All Previous claims or incidents

Even though a claim was made and did not succeed, or occurred a number of years ago, it will be recorded on a Common Claims Register, to which most insurers have access. This register will be checked once a claim is lodged. If you omit to tell your new insurer of a previous claim, medical history or incident that may have given rise to a claim, then any future claim by you, for any cover under the policy will BE PREJUDICED.

All Convictions

Both Motoring and Civil convictions, either pending or otherwise, **MUST** be advised.

Penalty Points

ALL penalty points **MUST** be disclosed, whether endorsed on your licence or not.

Insurers now have full access to the points register and they will check it.

If you make a claim under your policy and have not disclosed any penalty points this will affect the outcome of your claim.

Description of Risk to be covered

All Insurers require an **accurate description** of any property, vehicle to be insured or where applicable medical history.

Modified / Adapted or Left Hand Drive vehicles **MUST** be disclosed.

Registered owner of the vehicle: Remember the policy holder **MUST** be the registered owner of the vehicle insured under the policy of insurance.

NCT (Certificate of road worthiness)

All cars four years and over **MUST** have a current **NCT**.

All commercial vehicles **MUST** have a **DOE** certificate.

Insurers may request these at inception or any time in the future, however all vehicles in the above categories **MUST** hold current valid certificates as required by LAW. Failure to have current documents may invalidate your policy.

Standard Property Construction means built of brick, stone or concrete and may include inner timber frames - roofed with slates, tiles, asphalt, metal or concrete. Anything non-standard must be declared.

N.B. Flat Roof such as Torch on Felt or any Bituminised Felt on a timber decking is NON-STANDARD and it **MUST BE DECLARED**.

Any **UNOCCUPANCY** of your property, partial or otherwise, **MUST BE ADVISED**.

A full description all work activities undertaken in any part of your business.

A fact which increases the risk must be disclosed e.g. storage or use of flammable materials, working at increased heights, work in hazardous or high risk exposure areas

PLEASE DO NOT HESITATE TO CONTACT US, IF YOU ARE IN ANY DOUBT AS TO YOUR DISCLOSURE OBLIGATIONS.