

# Insurance act update

## How is NIG changing its documentation in response to The Insurance Act 2015

In this our fourth bulletin on the Insurance Act 2015, we take a look at the changes that NIG has made to policy documentation to ensure compliance from 12th August 2016. These changes are necessary because we've made a firm commitment to contracting into (rather than contracting out of) all of the provisions of the Act.

NIG has embraced the Insurance Act 2015. We're real advocates of the changes and believe that they will ensure that customers needs are more effectively responded to and that better customer outcomes are delivered, now and in the future.

All of our documents have been updated to comply with the Act and our revised documentation is in place from 12th August 2016.

### **NIG's approach to Policy Wording:**

- For New Business policies incepted from the 12th August 2016, a new Insurance Act compliant Policy Wording will be issued
- For Existing Business policies renewing on and after the 12th August 2016:  
An endorsement suite will be applied to both Farm Motor and Farm Combined policies

### **What Insurance Act 2015 changes can our customers and brokers expect to see in our policy wordings?**

- Removal of the basis of contract clause
- General Condition for misrepresentation has been replaced by Fair Presentation of Risk
- Claims Condition for Fraudulent Claims has been amended to comply with the requirements of the Act
- General Condition for Change of Risk or Interest has been amended so that the remedy for breach is now treated as a Condition Precedent rather than avoidance

We've also decided to remove all Warranties from our policies and replace them with Conditions Precedent, therefore going beyond the requirements of the Act.

In addition, we've reviewed all other documentation including proposal forms, statement of facts, quote letters etc. to ensure that they're also Insurance Act compliant.

We believe that the implementation of these changes, above and beyond the minimum standard of what was required by the Act, is yet another demonstration of our ongoing commitment to both customers and brokers.