



# Insurance Act 2015

## 2015 CHAPTER 4

### PART 3

#### WARRANTIES AND OTHER TERMS

#### **9 Warranties and representations**

- (1) This section applies to representations made by the insured in connection with—
  - (a) a proposed non-consumer insurance contract, or
  - (b) a proposed variation to a non-consumer insurance contract.
- (2) Such a representation is not capable of being converted into a warranty by means of any provision of the non-consumer insurance contract (or of the terms of the variation), or of any other contract (and whether by declaring the representation to form the basis of the contract or otherwise).

#### **10 Breach of warranty**

- (1) Any rule of law that breach of a warranty (express or implied) in a contract of insurance results in the discharge of the insurer's liability under the contract is abolished.
- (2) An insurer has no liability under a contract of insurance in respect of any loss occurring, or attributable to something happening, after a warranty (express or implied) in the contract has been breached but before the breach has been remedied.
- (3) But subsection (2) does not apply if—
  - (a) because of a change of circumstances, the warranty ceases to be applicable to the circumstances of the contract,
  - (b) compliance with the warranty is rendered unlawful by any subsequent law, or
  - (c) the insurer waives the breach of warranty.
- (4) Subsection (2) does not affect the liability of the insurer in respect of losses occurring, or attributable to something happening—
  - (a) before the breach of warranty, or

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*Status: This is the original version (as it was originally enacted).*

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- (b) if the breach can be remedied, after it has been remedied.
- (5) For the purposes of this section, a breach of warranty is to be taken as remedied—
- (a) in a case falling within subsection (6), if the risk to which the warranty relates later becomes essentially the same as that originally contemplated by the parties,
  - (b) in any other case, if the insured ceases to be in breach of the warranty.
- (6) A case falls within this subsection if—
- (a) the warranty in question requires that by an ascertainable time something is to be done (or not done), or a condition is to be fulfilled, or something is (or is not) to be the case, and
  - (b) that requirement is not complied with.
- (7) In the Marine Insurance Act 1906—
- (a) in section 33 (nature of warranty), in subsection (3), the second sentence is omitted,
  - (b) section 34 (when breach of warranty excused) is omitted.

## **11 Terms not relevant to the actual loss**

- (1) This section applies to a term (express or implied) of a contract of insurance, other than a term defining the risk as a whole, if compliance with it would tend to reduce the risk of one or more of the following—
- (a) loss of a particular kind,
  - (b) loss at a particular location,
  - (c) loss at a particular time.
- (2) If a loss occurs, and the term has not been complied with, the insurer may not rely on the non-compliance to exclude, limit or discharge its liability under the contract for the loss if the insured satisfies subsection (3).
- (3) The insured satisfies this subsection if it shows that the non-compliance with the term could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred.
- (4) This section may apply in addition to section 10.