

The Insurance Act

With effect from 12th August 2016, The Insurance Act 2015 replaces the previous Duty of Material Facts Disclosure. This important Legislation changes how Risk Information is provided to your Insurers. The Act also changes the laws governing how Insurers apply Conditions and deal with Fraudulent Claims. In order to ensure that your Business is adequately covered, you have an ongoing responsibility to share all material circumstances about your business accurately and in good faith. Details about your Business, its activities and how it is managed must be disclosed to your Insurers. This means you must disclose all known Material Circumstances which may influence your Insurers assessment of the Risk (this includes the knowledge of your Senior Management Team, Directors, Middle Management, Health & Safety Officer and any other Staff who may have knowledge of information material to the nature of your Business). Examples of information which should be disclosed are as follows:

- Purchase, construction or occupancy of premises/property; alteration, vacation, unoccupancy (where this is likely to exceed 30 days), refurbishment, extension or demolition of existing premises/property.
- Increases in values in excess of insured limits for buildings, contents, computer, stock etc.
- Removal of Stock or Equipment to new locations.
- Hire, lease or borrowing of equipment.
- Contractual liabilities/granting of indemnities or hold-harmless agreements.
- Changes of processes, occupancy, products or territory customer base (Importing & Exporting).
- Any new activities or alterations to the Business Description lodged with Insurance Linx.
- Proposed installation of pressure plant or new key machinery.
- Alteration, amendment or disconnection of fire or security protection systems (including Intruder/Fire Alarms Systems).
- Notification of all serious motoring convictions of drivers as and when they occur.
- Advice of use of aircraft or waterborne craft except for ordinary travel.
- Newly acquired companies, whether wholly owned, co-venture or joint venture.
- Past Convictions, County Court Judgements, Bankruptcies or Individual Voluntary Arrangements.

Uninsured Risks

For your information Insurance Linx detail below some of the risks which cover may be available and you may wish to consider cover for (if this is not already Insured) . This list is only a guide and should not be taken as an exhaustive list. If you are in any doubt, please advise Insurance Linx.

Should you wish to discuss these or any other insurance, please contact Insurance Linx.

Properties

Fire and Specified Perils
Subsidence
Sprinkler Leakage
Theft/Larceny
All Risks
Money
Computer
Deterioration of Stock
Terrorism
Difference in Conditions/Limits
Glass

Business Interruption

Loss of Profit/Revenue
Reinstatement of Computer Records
Reinstatement of Documents
Loss of Rent Payable/Receivable
Book Debts
Increased Cost of Working
Loss of License
Research Expenditure
Suppliers/Customers Dependency
Utilities Dependency (full cover or substation)

Motor

Motor Legal Expenses
Breakdown/Recovery Expenses
Airside Liability
Shortfall Insurance
Mobility Insurance
Occasional Business Use

Liabilities

Employers Liability
Public Liability
Products Liability
Professional Indemnity
Medical Malpractice Liability
Libel/Slander
Directors and Officers Liability
Employment Practice Liability
Pension Trustee Liability/Pension Crime
Environmental Impairment Liability
Financial Loss/Efficacy
Cyber Liability
Product Recall/Guarantee

Miscellaneous

Goods in Transit/Marine
Personal Accident
Sickness
Travel
Commercial Legal Expenses
Computer Fraud
Extended Warranty
Intellectual Property Legal Expenses
Kidnap & Ransom
Fidelity Guarantee/Crime
Private Medical Insurance
Contract Works/JCT Clause 21.2.1
Engineering Inspection/Breakdown
Loss Assessor Fees
Credit
Exhibition
Hired in Plant
Latent Defects
Life & Pensions/Financial Services

Important Notes

Average

Whenever an item is subject to "average" a claim payment will be proportionately reduced if the actual value of the property exceeds the sum insured.

Effectively a penalty for underinsurance, "average" is now strictly applied by most insurers and unless advised otherwise, this will apply to any Material Damage, Business Interruption or Computer Policies. As a consequence it is vital that sums insured are regularly reviewed and maintained at the correct level.

Reinstatement Cover

Where any item is insured on a reinstatement basis, the sum insured should represent the cost of reinstating the whole of the property covered. In the event it does not, "average" will apply and your claim payment will be reduced (for a definition of average see above).

Unless stated otherwise in your policy schedule, a reinstatement cover basis will apply to all property insured.

It should be noted however that for reinstatement to apply, reinstatement must actually be carried out.

Sensitive Insurance Areas

The under noted are "sensitive areas" in the Insurance Market. Any involvement directly or indirectly should be advised to Insurance Linx immediately. These are only examples and should not be taken as an exhaustive list.

- Aviation/Aerospace Industry
- Marine Craft/Submersibles
- Offshore Rigs/Quarries/Mines/Docks
- Pollution/Environmental Impairment
- USA/Canada Exports
- Unstable/Distressed Territories
- Nuclear Industry
- Pharmaceuticals/Petro Chemical
- Asbestos
- Automotive Industry

If you are in any doubt please contact Insurance Linx immediately.

Important Notes (cont)

Retention of Legal Liability Insurance Policies

Claims for compensation for health and other problems attributable to gradually operating causes are commonplace, particularly industrial disease claims from current and former employees.

Such claims are generally insured by the policy or policies which were in force AT THE TIME OF THE ALLEGED EXPOSURE. As this could be years or even decades prior to the receipt of the claim, Insurance Linx recommend that you RETAIN INDEFINITELY all Legal Liability insurance policies, including such policies held by, for example, former subsidiaries and future acquisitions.

Electrical Inspections

The majority of insurers are now insisting that all Fixed Electrical Installations are inspected at least every 5 years by a NICEIC approved Contractor. Failure to adhere to this requirement may invalidate Policy cover.

Bodily Injury Claims

Stringent timescales have now been set for dealing with claims involving bodily injury. Failure to comply with these may be severely punished by the courts and could compromise your Insurer's ability to mount the best possible defence on your behalf.

In the event of an incident which is likely to give rise to a claim you should therefore follow the Claims Procedures as detailed later in this Register.

Terms of Credit

Unless specifically agreed with you, Insurance Linx standard credit terms are 30 days from effective date of cover. Alternatively should you wish to spread your premiums, in most circumstances Insurance Linx are able to offer a monthly payment facility (subject to a service charge).

Motor Insurance Database

Following various initiatives led by European Legislation, insurance details for all Motor Vehicles must now be kept on the Motor Insurance Database (MID). Any vehicle which is under your possession for a period of 14 days or more must be input onto the MID without delay. If you have a Motor Fleet or Motor Trade Policy, it is likely that the responsibility to keep the MID up-to-date will rest with you and not your insurers. You should have received information as to how you can keep the MID up-to-date, if you are unable to locate this, please contact Insurance Linx immediately in order that replacement details may be sent. It should also be noted that failure to keep the MID up-to-date is an offence which carries a substantial fine.

Claims Procedures

In the event of loss, damage or any occurrence which could give rise to a claim you should:-

1. Take all reasonable steps to protect property and prevent further loss/damage. Retain damaged property for inspection.
 2. Report any incidents involving theft, malicious damage or lost property to the Police.
 3. Record details of the nature/ circumstances of the incident as soon as possible after it occurs. This will ensure that full and accurate information can be submitted to Insurers.
 4. Notify Insurance Linx IMMEDIATELY. Urgent matters and larger losses (in excess of £1,000) should be reported to Insurance Linx by telephone to ensure prompt attention e.g. instruction to engineers, loss adjusters etc. Delay in reporting to Insurers is a breach of policy conditions and may lead to the claim being rejected.
 5. A completed claim form will be required in most cases other than claims for windscreen/window breakages, where the repair invoice alone will usually suffice.

You should normally notify all claims to Insurance Linx in writing with the completed claim form and supporting documentation. You should not delay reporting a claim simply because you have not filled in the form, are awaiting estimates, invoices or other details –
- Insurance Linx must be advised as soon as the incident occurs.
- The claim form should be completed as fully as possible and signed by an authorised signatory.
6. On claims involving third parties, no payment or admission of liability should be made in any circumstances. Any third party correspondence received should be sent to Insurance Linx as soon as possible, preferably unacknowledged. If an acknowledgement is considered necessary, this should merely state that the incident is being dealt with by Insurance Linx.
 7. Names and addresses of any witnesses to an accident should be obtained and forwarded to Insurance Linx with the claim form.
 8. *If a Writ or Summons is received by you, this should be faxed to Insurance Linx urgently with the original sent by post for onward transmission to Insurers, who will action appropriately.*
 9. For Legal Expenses cover, you should note that Insurers will not be responsible for any costs incurred without their prior consent. It is therefore imperative that you notify Insurance Linx as soon as you become aware of any potential claim.

Should you have any queries or require advice/clarification, Insurance Linx will provide assistance.