



Summary of changes to all Matrix Underwriting policies with suffix "0114" to new policy form with suffix "0816"

These changes are as a result of implementation of the new Insurance Act 2015 that takes effect from the 12th August 2016

The existing page headed "For your information" is replaced with the following:

Introduction and Your Obligations

It is important that **You** read all **Your** documents carefully and let Your **Agent** know as soon as reasonably possible, and in any case within 3 (three) working days, if the insurance does not meet **Your** requirements or if any information is inaccurate or incomplete.

You are required to make a fair presentation of the risk to Insurers.

If **You** breach **Your** duty to provide a fair presentation and any such breach was deliberate or reckless, **Insurers** may regard the Policy as void and are not required to return any paid Premium to **You**.

If the breach was not deliberate or reckless, **Insurers'** remedy shall depend upon what **Insurers** would have done if **You** had complied with the duty of fair presentation:

1. **Insurers** may regard the Policy as void if **Insurers** would not have entered into the Policy on any terms in the absence of the breach. In this case, the **Insurers** must return the premium paid.
2. If the **Insurers** would have entered into the Policy, but on different terms (other than terms relating to premium) the Policy is to be treated as if those different terms applied from the outset, if the **Insurer** so requires.
3. If the **Insurers** would have entered into the Policy but would have charged a higher premium the **Insurers** may reduce proportionately the amount to be paid on a claim (and, if applicable, the amount already paid on prior claims).

Material facts

Material facts and circumstances are those which the Underwriter/*We* may wish to know in deciding whether to underwrite the risk and/or the terms upon which to underwrite the risk. They may be relevant either to the physical risk or to the personal background and characteristics (including financial) of *You* and/or any director, partner, officer and/or principal of *Your Business*. It is important that *Your Business* should have a system in place to ensure that all material facts and circumstances are disclosed.

Should *You* be in any doubt as to whether information is accurate or material, *You* should discuss it with **Your Agent**. If in doubt, *You* should disclose it. **We** are keen to work in partnership with **You** to avoid any misunderstandings.

Setting Your Sums Insured

This **Policy** requires **You** to specify a *Total Sum Insured* for each category of *Property Insured* and/or a *Sum Insured* for individual items of *Property Insured*. For example, if **You** wish to insure several different **buildings** under Section 1, the *Total Sum Insured* for **buildings** should represent the total cost of rebuilding all of these, as explained further below. **You** may also wish to specify a *Sum Insured* for each individual **building**.

For all items other than **buildings** the *Total Sum Insured/Sum Insured* should represent the cost of buying a new replacement of the item(s) in question.

To ensure that **You** recover an adequate indemnity in the event of a loss it is essential that the *Sums Insured* and *Total Sums Insured* are accurate. Otherwise, the amount payable by **Us** in the event of a claim may be reduced in proportion to the amount of any underinsurance. Accordingly, the *Sums Insured* and *Total Sums Insured* should reflect up-to-date cost of rebuilding and /or values (as appropriate) of all items which **You** want to insure.

Please note:

The cover provided for **Buildings** and *Contents* is on a Reinstatement basis which means that **You** should set the *Sums Insured* and *Total Sums Insured* for these items carefully by reference to the full cost of rebuilding the **Buildings** to a condition equivalent to when new, or replacing the *Contents* with equivalent new items. It is important that **You** include an allowance for the cost of *Debris Removal*, *Professional Fees* and any *Increased Cost of Construction* expenses that would be required in order to reinstate the property were it to be completely destroyed.

The definition of *Gross Profit* for the purposes of an insurance **Policy** will often vary from the definition appearing in **Your** accounts.

We would strongly recommend that **You** discuss these aspects with **Your Agent**.

Survey

At presentation and/or renewal **We** may require a survey of some or all of the *Property Insured*. **Your** obligations in respect of survey requirements are set out more fully in General Condition 18 (Subjectivity) para b).

The Contract Wording

The Proposal, any Statement of Fact, the **Policy**, the Schedule (including any *Schedule* issued in addition or substitution) and any Endorsements shall be considered as one legal document.

Your Obligations under the Policy

The **Policy** imposes certain obligations upon **You** which if not complied with may invalidate the insurance or a claim. Some of these obligations are expressed to be **conditions precedent**. Because of the importance of these clauses, which **We** explain below, each time a clause is expressed to be a **condition precedent** **We** have used bold type to draw **Your** attention to it.

Conditions Precedent

Conditions precedent are extremely important. If **You** are in breach of any of these obligations at the time of a loss, **We** will have no obligation to indemnify **You** in relation to any claim for that loss. However if a **condition precedent** is intended to reduce the risk of loss of a particular kind, at a particular location or at a particular time, **We** will not rely on the breach of that **condition precedent** to exclude, limit or discharge *Our* liability if the breach could not have increased the risk of the loss which actually occurred in the circumstances in which it occurred. Subject to any other rights which **We** may have under and/or with respect to the validity of the **Policy**, the **Policy** will remain in existence.

Steps to be taken if You cannot comply

If **You** are unable to comply with any **condition precedent** **You** should contact **Us** as soon as reasonably possible, and in any case within 3 (three) working days, through **Your Agent**. **We** will decide whether **We** might be prepared to agree a variation of the **Policy**. All conditions precedent remain effective unless **You** receive written confirmation of a variation from **Us** through **Your Agent**.

Claims procedure

General Condition 6. (Claims) explains **Your** obligations on the happening of any event which could result in a claim under this **policy** .

Please also take note of General Condition 10 (Fraud)

If **you** have a claim, or are aware of an incident that could result in a claim, please contact **Your Broker** immediately. They will report the details to Matrix Underwriting Management Ltd who will in turn report the loss to the applicable **Insurer**. Please note that cover under **Your** Policy may be provided by a number of different **Insurers** so until such time as Matrix Underwriting Management Ltd have full details of **Your** claim they will not know where to direct **Your** claim.

Please make sure that **You** provide us with contact details including a name and a telephone number.

Upon receipt of **Your** claim **Insurers** or their authorised representatives will be in touch with **You** directly.

Complaints Procedure:

If **you** have a Complaint which relates to either **your** policy or to a claim which **you** have submitted under **your policy** then please raise this in the first instance with **your** Broker who will aim to resolve **your** concerns by close of the next business day.

If **your** Broker is unable to deal with **your** concerns the matter will be forwarded onto **your Insurer** via Matrix Underwriting Management Ltd, Hornigals, Little Tey Road, Feering, Essex, CO5 9RS

Whilst reviewing **your** complaint **your Insurer** will:

- ▶ Acknowledge your complaint promptly
- ▶ Investigate your complaint quickly and thoroughly
- ▶ Keep you informed of the progress of your complaint
- ▶ Do everything possible to resolve your complaint

Your Insurer is obliged to provide **you** with a written offer of resolution within 8 weeks of the date **your** complaint was received.

If **you** are unhappy with the final decision made by **your Insurer**, **you** may be eligible to refer **your** case to the Financial Ombudsman Service (FOS). The FOS is an independent body that arbitrates on complaints.

The FOS can be contacted at the following address:

South Key Plaza, 183 Marsh Wall, London E14 9SR

Telephone: 0800 0234567 (landline users)

0300 1239123 (mobile users)

Email: complaint.info@financial-ombudsman.org.uk

Website: www.financial-ombudsman.org.uk

You have six months from the date of the final response from **your** Insurer to refer **your** complaint(s) to the FOS. This does not affect **your** right to take legal action, however, FOS will not adjudicate on any cases where litigation has commenced.

Changes to Policy wording:

General Conditions:

2. **Avoidance of Policy** is deleted
5. **Change in Risk** - opening line is changed to: This **policy** shall cease from the date of the change if . . .
10. **Fraud** is changed to:
If the Insured makes a fraudulent claim under this Policy the Insurers shall not be liable to pay the Insured any sums in respect of the fraudulent claim. The Insurers may recover from the Insured any sums that the Insurers have already paid to the Insured in respect of the fraudulent claim. The Insurers may by notice to the Insured treat this Policy as terminated with effect from the date of the Insured's fraudulent act.
18. **Subjectivity** - opening line is changed to:
The Proposal, any Statement of Fact, the **Policy**, the Schedule (including any *Schedule* issued in addition or substitution) and any Endorsements shall be considered as one legal document.
21. **Warranty is** changed to:
If the Insured breaches any warranty in this Policy, the Insurer's liability under the Policy shall be suspended from the time of the breach until the time when the breach is remedied (if it is capable of being remedied). The Insurer will have no liability to the Insured for any loss which occurs, or which is attributable to something happening, during the period when the Insurer's liability is suspended.

The full policy wordings are available at: <http://www.matrixunderwriting.co.uk/policies-and-summaries/>