

Update September 2021

Consumer Insurance Contracts Act

The following applies to:

- any new policy you take out with us on or after 1 September 2021 or any renewal of a policy on or after that date, and
- variations to any policy you have with us on or after that date



Consumer Insurance Contracts Act 2019 ("CICA") makes certain changes to the law. The purpose of this document is to ensure you get the benefit of these changes by making them part of your Policy.

This document includes terms and conditions which are now part of your Policy. If you don't have your Policy document or booklet, you can get it from: www.zurich.ie/insurancedocuments.

For your own protection you are recommended to read your Policy document or booklet, including any exclusions from the insurance cover provided, and the terms and conditions set out below.

If there is anything in this document which differs from, or is inconsistent with, your Policy document or booklet, or any other document provided to you in connection with your Policy, this document will apply instead.

Any reference in this document to 'you' or 'your' means you, the policyholder, or any other person insured under your Policy, as appropriate. Any reference to 'Zurich', 'we' or 'us' means your insurer, Zurich Insurance Europe AG.

Please note that we have agreed to provide Policy cover, and have calculated the applicable premium, based on information provided by you or on your behalf, including but not limited to:

- information provided in any proposal form, or otherwise in response to specific questions asked by us;
- information provided and recorded in any Statement of Facts issued to you;
- any declarations made by you or on your behalf; and/or
- any additional information voluntarily provided by you or on your behalf.

Under CICA, you have a legal duty to answer all questions asked by us in connection with your application for, or renewal of, insurance honestly and with reasonable care. Please also ensure that any information voluntarily provided by you or on your behalf is provided honestly and with reasonable care. Failure to comply with these requirements, and/or any negligent or fraudulent misrepresentation, could invalidate your Policy or affect your insurance cover or premium. It could also result in a claim being declined or the amount payable in respect of a claim being reduced or difficulty obtaining insurance in the future. Further details are provided in clauses 11 and 12 below.



1. Alteration of risk if what is insured changes

You must tell us immediately of any changes to the following information during your period of cover:

- a. the information provided in any proposal form or otherwise in response to;
- b. specific questions asked by us;
- c. the information provided and recorded in any Statement of Fact issued to you;
- d. the declarations made by you or on your behalf, and/or
- e. any additional information voluntarily provided by you or on your behalf.

When you notify us about a change, or if we otherwise become aware of any such change, we may reassess the premium chargeable and/or Policy cover.

We may refuse a claim where there has been a change in the subject matter of the Policy which results in a new risk which we did not agree to cover and which was beyond the reasonable contemplation of you and us when the Policy was entered into. Failure to disclose any such change may result in difficulty obtaining insurance in the future.

2. Representations and warranties

No term of your Policy (including any 'basis of contract' clause) shall turn a statement of opinion or statement as to the existence of a state of affairs made by you or on your behalf before entering into the Policy into a warranty. Any reference in your Policy to a "warranty" shall be read as a condition or a Continuing Restrictive Condition, where relevant, which you are required to comply with.

3. Breach of restrictive conditions

A "Continuing Restrictive Condition" for the purposes of your Policy is any Policy term, however expressed (including where expressed as a "warranty"), that requires you to do (or not to do) something, or to act (or not to act) in a particular way. This includes any term imposing a condition that a certain circumstance must exist (or not exist) or must be maintained. Anything in your Policy that imposes a Continuing Restrictive Condition during the term of the Policy, including one that is intended to reduce the risk of a particular type of loss, or reduce the risk of loss occurring at a particular time or in a particular location, shall be treated as a suspensive condition. This means that if:

- a. you breach any such term; and
- b. during the period of breach you suffer a relevant loss; and
- c. such breach increased, in the circumstances concerned, the risk of the loss we will have no liability for the loss. However, we shall not be entitled to decline a claim if any such breach was remedied by the time that the loss, or event giving rise to the loss, occurred.

4. Duty to Comply with Policy Conditions, including Notification Conditions

You must comply with the terms and conditions of your Policy including any term or condition requiring anything to be done or complied with by you. This includes cooperating with us in the investigation of insured events and responding to reasonable requests for information in an honest and careful manner. Except where stated otherwise in your Policy, and subject to Clause 3 above, your compliance with the terms and conditions of the Policy shall be a condition precedent to our liability under the Policy. This means that we may decline to pay a claim where you have not complied with a term or condition of your Policy.

However, breach of any notification-related term or condition will entitle us to refuse payment of a claim only where we have been prejudiced by such breach.

5. Fraudulent claims

If a claim contains information that is false or misleading in any material respect and you either know that it is false or misleading or consciously disregard whether it is false or misleading, or a claim is otherwise fraudulent in any respect, we may:

- a. refuse to pay the claim;
- b. terminate your Policy, in which case cover under your Policy shall be treated as having terminated with effect from the date on which the claim was submitted; and
- c. not return any of the premiums paid under the Policy.

6. Subrogation

- a. This clause 6 applies in relation to any right we have to be subrogated to your rights against some other person but you have not exercised those rights and might reasonably be expected not to exercise those rights because:
 - i. you and the other person are members of the same family or cohabitants, or
 - ii. you expressly or impliedly consented to the use, by the other person, of a motor vehicle insured under your Policy.
- b. Where the other person is not insured in respect of their liability to you, we do not have the right to be subrogated to your rights against that other person.
- c. Where the other person is so insured, we may not recover from the other person an amount greater than the amount that they may recover under their insurance policy.
- d. This clause 6 does not apply where the conduct of the other person that gave rise to the loss was serious or wilful misconduct.
- e. If you are an employer, we will not exercise our right of subrogation against an employee except where a loss was caused by an employee intentionally or recklessly and with knowledge that the loss would probably result.



7. Property claims

Deferring a portion of your claim payment until work has been completed

- a. This clause 7 applies only if your Policy includes insurance for damage to property and allows us to defer (postpone) paying a portion of the claim settlement amount until repair, replacement or re-instatement work has been completed and we have received specified documentation in respect of that work.
- b. The portion of the claim settlement amount that we may defer paying shall not exceed:
 - i. 5% – in a case in which the claim settlement amount is less than €40,000,
 - ii. 10% – in a case in which the claim settlement amount is €40,000 or more.



8. Insurable interest

Notwithstanding anything to the contrary in your Policy, your interest in the subject matter of your policy is not required to extend beyond a factual expectation either of an economic benefit from its preservation, or of an economic loss on its destruction, damage or loss that would arise in the ordinary course of events.

9. Third party rights

Nothing in your Policy shall be read as overriding a third party's rights to claim against Zurich under the Consumer Insurance Contracts Act 2019.

10. Compliance with the Act

- a. Anything in your policy document or booklet or any other document provided to you in connection with your Policy which is inconsistent with the Consumer Insurance Contracts Act 2019 will be read in a manner consistent with the Act.
- b. Paragraph (a) only applies into a provision of the Consumer Insurance Contracts Act 2019 which is in force and has been commenced.



11. Pre-Contractual Representations

You acknowledge and accept the following:

- a. you have a legal duty prior to entering into the Policy and/or prior to the renewal of the Policy to provide responses to questions asked by us in relation to the risk(s) to be insured.
- b. a matter about which we ask a specific question is material to the risk undertaken by us or the calculation of the premium, or both.
- c. you have a legal duty to answer all questions asked by the Insurer honestly and with reasonable care.
- d. while we acknowledge that you have no legal duty of voluntary disclosure of information, you shall ensure that information which is voluntarily provided by you or on your behalf is provided honestly and with reasonable care.

Anything in your Policy booklet or document, or any other document provided to you in connection with your Policy, which imposes a duty of disclosure prior to entering into the Policy and/or prior to renewal of the Policy which is different to that set out in this clause 11, including any requirement to voluntarily disclose material facts or any other information, shall not apply and shall be replaced by the terms of this clause 11.

12. Remedies for Misrepresentation

- a. In this clause, the term “negligent misrepresentation” means a misrepresentation made without reasonable care but which was not fraudulent (as defined in sub-clause (c) below). Where a claim is made under the Policy but an answer which was provided, or information which was volunteered, by you or on your behalf prior to the commencement or renewal of the Policy involves a negligent misrepresentation, the remedy available to us shall reflect what we would have done had we been aware of the full facts and shall be based on a compensatory and proportionate test, as follows:

- i. if we would not have entered into the Policy on any terms, we may avoid the Policy from inception or renewal (as the case may be) and refuse all claims, but shall return the premium paid;
 - ii. if we would have entered into the Policy, but on different terms, the Policy is to be treated as if it had been entered into on those different terms if we so require;
 - iii. if we would have entered into the Policy, but would have charged a higher premium, we may reduce proportionately the amount to be paid on the relevant claim.
- b. Where an answer which was provided, or information which was volunteered, by you or on your behalf prior to the commencement or renewal of the Policy involves a negligent misrepresentation which is identified at a time prior to there being any claim under the Policy, we may either:
 - i. give notice to you that in the event of a claim we will exercise the remedies in paragraphs (a)
 - ii. above as appropriate; and/or
 - iii. terminate the Policy by giving reasonable notice.
 - c. In this clause, the term “fraudulent misrepresentation” means a misrepresentation that is false or misleading in any material respect and which the person making the representation either (a) knows to be false or misleading or (b) consciously disregards whether it is false or misleading. Where a claim is made under the Policy but an answer which was provided, or information which was volunteered, by you or on your behalf prior to the commencement or renewal of the Policy involves a fraudulent misrepresentation, or where your conduct or the conduct of a person acting on your behalf (relative to the Policy or the steps leading to its formation) involves fraud of any other kind, we shall be entitled to avoid the Policy from the date of commencement or renewal (as the case may be) without return of premium.

Zurich Insurance Europe AG

Zurich Insurance Europe AG, PO Box 78, Wexford, Ireland.

Telephone: 001 667 0666 Fax: 01 667 0644 Website: www.zurich.ie

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