**Consultation response**

**Insurance Law Research Group**

**University of Southampton**

**Warranties**

1. We were not convinced by clause 11 and think it would be better not to include it in the final Bill. We spent a significant amount of time trying to decipher it and interrelate it to cl 10, and thought that this lack of clarity in itself could easily prove counter-productive to the reception and appreciation of the Bill.
2. Structurally, we felt that it was unappealing to provide one remedy where breach affected the cover under the contract and leading to its suspension in its entirety, but where that general suspension was negated in particular circumstances related to individual terms or losses. We felt that there was a lack of logic and consistency as to how the remedies were triggered and undone.
3. We felt that the explanatory notes A.72-79 contained matter going further than merely illustrating the effect of the provisions. For example, what is stated in A.79 does not follow from any close reading of the text of the Bill itself. The Bill provides only that the two provisions in cl 10 and cl 11 should apply together, or more precisely that clause 11 applies “in addition” to clause 10. Only in A79 does it become clear that cl 11 can in fact *negate* cl 10 and prevent it from becoming operational. The Explanatory Notes thus provide significant additional information which should rightly have support in the text of the Act itself.
4. Similarly, A.75 provided as further clarification something that we felt needed to be patent in the text of the Bill itself.
5. Separately, we felt that the structure of cl 10 and cl 11, even if their interrelationship were to be clarified, was such that it would generally not be clear to an assured whether they had cover or not, and in particular whether they should obtain supplementary cover to fill the gap. This uncertainty would actually end up working against the assured, and would therefore undermine the positive outcome of the reform project.

**Late payment**

1. We agreed with the provisions. We think that to the extent that the provisions leave any gaps, there is contract law that will step in and fill the void.

This response is based on contributions by Anna Bursich, Bertha Chileshe and Johanna Hjalmarsson, University of Southampton