

171 New section 46KA inserted (Other matters relating to insurance contracts)

After section 46K, insert:

46KA Other matters relating to insurance contracts

- (1) This section applies to contracts of insurance within the meaning of **section 6** of the Insurance Contracts Act **2022**.
- (2) For the purposes of section 46K(1)(a), a term of a contract of insurance defines the main subject matter of the contract only to the extent that the term describes what is being insured.
- (3) A court may not declare a term in a standard form consumer contract or standard form small trade contract to be an unfair contract term to the extent that the term is a transparent term that—
 - (a) is disclosed at or before the time the contract is entered into; and
 - (b) specifies—
 - (i) the sum or sums insured or assured; or
 - (ii) any contributory sum due from, or amount to be borne by, a policyholder in the event of a claim under the contract of insurance.
- (4) **Subsection (3)** does not limit section 46K(1).

Option A ends

Option B starts

172 New section 46KA inserted (Other matters relating to insurance contracts)

After section 46K, insert:

46KA Other matters relating to insurance contracts

- (1) This section applies to contracts of insurance within the meaning of **section 6** of the Insurance Contracts Act **2022**.
- (2) For the purposes of section 46K(1)(a), a term of a contract of insurance defines the main subject matter of the contract only to the extent that the term—
 - (a) identifies the uncertain event or otherwise specifies the subject matter insured or the risk insured against; or
 - (b) specifies the sum or sums insured or assured; or
 - (c) specifies any contributory sum due from, or amount to be borne by, a policyholder in the event of a claim under the contract of insurance; or
 - (d) excludes or limits the liability of the insurer to indemnify the policyholder on the happening of certain events or on the existence of certain circumstances.
- (3) **Subsection (2)** does not limit section 46K(1).
- (4) In this section, **uncertain event** has the meaning given in **section 6** of the Insurance Contracts Act **2022**.

Option B ends