

Competition Law Compliance:

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The following Guidance was introduced by the ABI and has not been updated to reflect the Competition Law Compliance statement above. It is entirely voluntary in nature and should be construed as such.

STOCK INSURANCES ON A DECLARATION BASIS

- 1 The premium in respect of Item(s) No(s)..... is provisional and subject to adjustment as provided below
- 2 The value of the property on the ..... day of each calendar month shall be declared by the Insured within thirty days thereafter and if a declaration be not so given the Insured shall be deemed to have declared the sum insured as the value
- 3 On the expiry of each period of insurance, the actual premium shall be calculated at the rate applicable on the total of the amounts declared divided by the number of declarations. If the actual premium be greater than the provisional premium, the Insured shall pay the difference; if it be less the difference shall be paid to the Insured.
- 4 In consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay the appropriate extra premium on the amount of the loss from the date thereof to expiry of the period of insurance.
- 5 It is warranted that any other insurance on such property covering the perils insured hereby is on a similar basis of adjustment against declarations.

Note: Amend 2 as appropriate to provide for any other frequency of declarations.