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Insurance Contracts Amendment Regulations 2002 (No. 3)¹

Statutory Rules 2002 No. $\frac{3}{2}$

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I, PETER JOHN HOLLINGWORTH, Governor-General of the Commonwealth of Australia, acting with the advice of the Federal Executive Council, make the following Regulations under the *Insurance Contracts Act 1984*.

Dated 14 NOV 2002 2002

PETER HOLLINGWORTH
Governor-General

By His Excellency's Command

IAN CAMPBELL
Parliamentary Secretary to the Treasurer

1 Name of Regulations

These Regulations are the *Insurance Contracts Amendment Regulations 2002 (No. 3)*.

2 Commencement

These Regulations commence on gazettal.

3 Amendment of *Insurance Contracts Regulations 1985*

Schedule 1 amends the *Insurance Contracts Regulations 1985*.

Schedule 1 Amendment

(regulation 3)

[1] After regulation 32

insert

33 Insurance for risks related to war and terrorism

For paragraph 9 (4) (b) of the Act, a provision of a contract, or proposed contract, for extended coverage endorsement (aviation liabilities) is prescribed if it provides one or more of the following:

- (a) the insurers may give notice in writing to review the premium or geographical limits, and the notice becomes effective after a period of 6 days 23 hours and 59 minutes after the day on which notice is given;
- (b) following a hostile detonation of any weapon of war employing atomic or nuclear fission or fusion or other like reaction or radioactive force or matter, regardless of the place or time of the detonation and whether or not the insured aircraft may be involved — the insurers may give notice, in writing, of the cancellation of one or more parts of the cover provided by the endorsement, and the notice

becomes effective after a period of 47 hours and 59 minutes after the day on which notice is given;

- (c) the cover provided by the endorsement may be cancelled by either the insurer or the insured giving notice in writing, and the notice becomes effective after a period of 6 days 23 hours and 59 minutes after the day on which notice is given.

Note Section 9 of the Act allows an insurer to vary or cancel a provision of a contract or proposed contract of insurance only to the extent that the provision covers risks related to war or terrorism.

Notes

1. These Regulations amend Statutory Rules 1985 No. 162, as amended by 1990 No. 444; 1994 No. 327; 1996 No. 304; 1997 Nos. 226 and 238; 1998 Nos. 78 and 195; 1999 No. 191; 2000 No. 118; 2002 Nos. 18 and 147.
2. Notified in the *Commonwealth of Australia Gazette* on L 2002.

15 November