



CICL CONNECTIONS

The Monthly Newsletter of Corp-EFF Insurance Company Ltd



THE LATEST FROM CICL :

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PRINCIPLE OF GOOD FAITH

Story by: CICL

An insurance contract is a legal instrument based on the principle of “Good Faith” which applies to all insurance contracts. In jurisdictions, such as the United Kingdom, “Utmost Good Faith” would be the phrase used to describe the same instrument. The Principle of “Good Faith” references the “The Duty of Disclosure”, which legally obligates all parties entering into a contract to act honestly, and refrain from misleading or withholding critical information from either party.

The duty of disclosure is one of the most essential aspects of an insurance contract. Its role is to avoid fraud and misinterpretations. Insurance agents are obligated to reveal critical details about the contract and its terms, while applicants are required to provide honest answers to all the questions asked of them.



PRINCIPLE OF GOOD FAITH

There is a possibility of a breach by either the proposer or the insurer. Breach of the disclosure can occur in the pre-contractual and post-contractual stages in an insurance contract, either deliberately, recklessly, or innocently.

Violations of the doctrine of good faith can result in contracts being voided and sometimes even lead to legal action.

Corp-EFF Insurance provides assurances of operating truthfully and ethically in transacting any contract, guided by the principle of “Good Faith”.

Working exclusively with Credit Unions, Corp-EFF Insurance has a unique understanding of the insurance market and offers real and timely product solutions to Credit Unions in the OECS. Credit Unions interested in the coverage of their Loan and Life Savings portfolios, as well as providing a CASH relief to their membership to cover funeral expenses can reach out to corpeffmanager@cwdom.dm or bdocorpeffinsurance@gmail.com for a quote.

For more information concerning this article, contact corpeffmarketing@cwdom.dm

The duty of disclosure is one of the most essential aspects of an insurance contract.

Reference: Chartered Insurance Institute, 2020-2021

<https://www.investopedia.com/terms/d/doctrineofutmostgoodfaith.asp>