

Policy on the Use of Claims History Statements in Motor Insurance Premium Calculation

1. Purpose

This policy sets out the principles and procedures for incorporating claims history statements into the calculation of motor insurance premiums. It ensures that the use of such data is fair, transparent, and compliant with the Motor Insurance Directive (Directive 2009/103/EC as amended by Directive 2021/2118) and Commission Implementing Regulation (EU) 2024/1855, which harmonises the format and content of claims history statements across the European Union.

This policy is implemented with respect for consumer rights, in accordance with the Consumer Protection Law of 2021 (Law 112(I)/2021), ensuring transparency, proportionality, and equal treatment of policyholders.

2. Scope

This policy applies to all motor insurance products offered by General Insurance, including:

- Private and commercial vehicle insurance
- Comprehensive and third-party liability cover
- Policies with named drivers or “any driver” cover

It governs the collection, analysis, and application of claims history data in the calculation of premiums.

3. Regulatory Compliance

Genikes Insurance is committed to:

- Complying with Article 20A of the Motor Vehicles (Third Party Liability Insurance) Law of 2000 (Law 96(I)/2000), as amended, and with Regulation (EU) 2024/1855 regarding the use of claims history statements in premium determination.
- Using the standardised Claims History Statement template as defined in Regulation (EU) 2024/1855.
- Ensuring non-discriminatory practices and transparency in how claims data affects premium pricing.
- Providing, upon request, a Claims History Statement covering the last five (5) years of the contractual relationship to policyholders.
- Publishing a general overview of its policy on how claims history statements are incorporated into premium calculation.

4. Risk Assessment Methodology

Claims history is assessed based on the following parameters:

Frequency: Number of claims reported in the past five (5) years

Type of Damage: Nature of the damage, including own damage, third-party liability, and glass breakage

Fault: Whether the insured driver was deemed at fault for the incident

5. No Claims Discount (NCD) Eligibility

A prospective customer may be eligible for the maximum no-claims discount if:

- No claims have been reported in the last three (3) years, and
- They were previously insured with a licensed insurer

The discount rate may vary depending on:

- i. Type of vehicle (e.g. private or commercial/professional)
- ii. Type of cover (e.g. comprehensive or third-party liability)
- iii. Driving experience of the insured or main driver

For commercial policies with “any driver” cover, where individual driver history is not available, a standardised no-claims discount may be applied.

6. Assessment of Claims History After Policy Inception

In cases where the policy is issued prior to receipt of the insured’s claims history statement, and the statement—issued in accordance with the template of Regulation (EU) 2024/1855—reveals material information that was not disclosed at inception, General Insurance reserves the right to:

- Cancel the policy ab initio, treating it as void from the inception date, due to material non-disclosure or misrepresentation that materially affects risk acceptance or pricing, in accordance with applicable insurance law; or
- Adjust the premium retroactively to reflect the revised risk profile. If the insured does not accept the revised premium, they may elect to cancel the policy, and provided that no claim has been made during the current Insurance Period, Gel Insurance will refund the applicable unearned premium after deducting cancellation fees.

This is without prejudice to General Insurance’s general right to cancel the policy as provided in the policy terms.