



<http://understandinsurance.com.au/cancelling-your-policy>

Cancelling your policy

You may (if your policy permits) cancel your policy before its expiry date. If you cancel your policy, any refund of premium will usually be sent to you within **15 business days**.

If you change your mind about your insurance purchase, you have a minimum **14-day** cooling-off period for most general insurance products. This means you can cancel your policy in this time without any penalty or loss of premium paid.

When it is time to renew your policy, the insurer must inform you in writing that your policy is going to expire **at least 14 days** before expiry, and tell you whether it will agree to renew the insurance contract. If the insurer fails to do this, the Insurance Contracts Act treats the policy as continuing for another term unless you replace the policy.

The insurer may only cancel your policy in certain circumstances:

- You fail to pay your monthly premium instalments and the payment remains outstanding for at least one month
- You fail to comply with the [Duty of Utmost Good Faith](http://understandinsurance.com.au/regulations-and-obligations#tab-2) [<http://understandinsurance.com.au/regulations-and-obligations#tab-2>]
- You fail to properly comply with your duty of disclosure at the time you entered into the contract
- You misrepresent your situation at the time you entered into the contract
- You make a fraudulent claim under the contract of insurance or some other concurrent insurance cover

If an insurer intends to cancel your contract of insurance then it must give you written notice of its plans. The minimum notice period is **three business days** after having given you the notice of cancellation, though many insurers provide longer notice periods.