



# UK Insurance 2025 Case Law Snapshot

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## Introduction

This Case Law Snapshot is designed for policyholders and covers UK decisions from 2025. The cases covered in this Snapshot clarify how Courts are approaching key coverage issues that affect policyholders' fundamental rights of recovery. For regularly arising coverage issues, this Snapshot should serve as a practical coverage resource.

There are 10 core insurance themes covered:

1. [The Insurance Act 2015](#)
2. [Double Insurance](#)
3. [Third Parties \(Rights Against Insurers\) Act 2010](#)
4. [Notification and Conditions Precedent](#)
5. [Covid-19 Business Interruption](#)
6. [Professional Indemnity Insurance](#)
7. [Aviation Insurance](#)
8. [Construction All Risks, Property Damage and Business Interruption Insurance \(non-Covid-19\)](#)
9. [Reinsurance](#)
10. [Broker Negligence](#)

Highlights are also provided on important procedural matters in insurance litigation.

If you would like to receive our regular client alerts directly to your inbox, please subscribe to our EMEA and US Insurance mailing lists [here](#).

*This information is not intended as legal advice. Readers should seek specific legal advice before acting with regard to the subjects mentioned herein.*

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## Insurance Act 2015

### [\*Lonham Group v Scotbeef Ltd\* \[2025\] EWCA Civ 203](#)

Court of Appeal decision which interprets the meaning of, and distinguishes between **representations** and **warranties** under Parts 2 and 3 of the Act. The Court held the insurer was not liable due to a **breach of warranty** and **condition precedent**.

### [\*Delos Shipping SA v Allianz Global SE, The Win Win\* \[2025\] EWCA Civ 1019](#)

Court of Appeal decision which considers what constitutes **actual and constructive knowledge** of a company for the purposes of an insured's **duty of fair presentation** of the risk to its insurer under Section 3 of the Act. The Court held there was no breach of the duty to make a fair presentation of the risk: a sole nominee director was not a "senior manager" under Section 3 and the sole nominee director's actual and constructive knowledge could not be imputed to the insured company for the purposes of assessing whether the duty had been met.

### [\*Clarendon Dental Spa LLP and Clarendon Dental Spa Ltd v Aviva Insurance Ltd and Zurich Insurance Plc\* \[2025\] EWHC 267 \(Comm\)](#)

High Court decision which interprets **insolvency questions** in insurance documents and the **implied waiver** of disclosure under Section 3 of the Act. The Court adopted a narrow approach to interpreting the insurers' questions and held the **duty of fair presentation** had not been breached. The insurers had impliedly waived disclosure over matters before the insurance policy inception, including in respect of companies other than the policyholders.



### [\*Oversea-Chinese Banking Corporation Limited v Argoglobal Underwriting Asia Pacific Pte Ltd\* \[2025\] SGHC 82 \(HC, Sing\)\(governed by English law\)](#)

Singapore High Court decision relating to Section 11 of the Act (the limits on insurers relying on **breaches of warranty** to discharge liability, except where the relevant term is one "**defining the risk as a whole**") amongst other issues. The case offers insight given English authority is lacking on the point. The terms "defining the risk as a whole" were held to be those that are so fundamental and wide-ranging that they delineate the scope of the risk the insurer agrees to underwrite, such as geographical or usage restrictions, and do not extend to all terms other than those that are "blatantly irrelevant warranties".

## Double Insurance

### [\*Watford Community Housing Trust v Arthur J. Gallagher Insurance Brokers Limited\* \[2025\] EWHC 743 \(Comm\)](#)

Pro-policyholder High Court decision on how competing "**double insurance**" clauses operate where **multiple liability policies** respond to the same loss. The judgment provides a summary of the law: where insurers each attempt to make their policy "excess" of the others, those clauses may cancel out—expanding, rather than restricting, the cover available. Brokers may face liability if late notice results in the insured losing access to higher layers of cover.



## Third Parties (Rights Against Insurers) Act 2010

### [MS Amlin v King Trader and others \[2025\]EWCA CIV 1387 \(CA\)](#)

Court of Appeal decision which upheld the validity of a “**pay first**” **clause** in a marine insurance policy. The Charterer had to pay for/discharge any loss or liability as a condition precedent to the Charterer’s right to recovery under the policy. When the Charterer became insolvent, the insurer did not have to indemnify it, nor the Owner or the Club under the 2010 Act for an Arbitration Award obtained by the Owner and the Club exceeding US\$47million. Such clauses are already outlawed by the 2010 Act in non-marine insurance and to a limited extent in marine insurance claims for death or personal injury.

### [Transworld Payment Solutions v First Curacao International Bank NV \[2025\] EWHC 2480 \(Ch\)](#)

High Court decision which applies the long-standing principle that time ceases to run for **limitation** purposes at the onset of insolvency. The Court commented *obiter* that claims under the 2010 Act fall **outside the liquidation** with no pause on limitation. Similar findings were made in the County Court judgment of *Rashid v Direct Savings* [2022] 8 WLUK 108 and contrary to the position under the predecessor 1930 Act (see *Financial Services Compensation Scheme Ltd v Lamell (Insurances) Ltd* [2006] QB 808).

## Notification and Conditions Precedent

### [Makin v Protec Security Group and QBE Insurance \(Europe\) \[2025\] EWHC 895 \(KB\)](#)

The insurer was not permitted to unravel a liability judgment against its insured despite issue of the judgment prior to the insurer joining proceedings under the 2010 Act. But breaches of **notification** clauses, which were held to be **conditions precedent**, entitled the insurer to decline indemnity.

### [Archer v R ‘N’ F Catering Ltd \[2025\] EWHC 1342 \(KB\)](#)

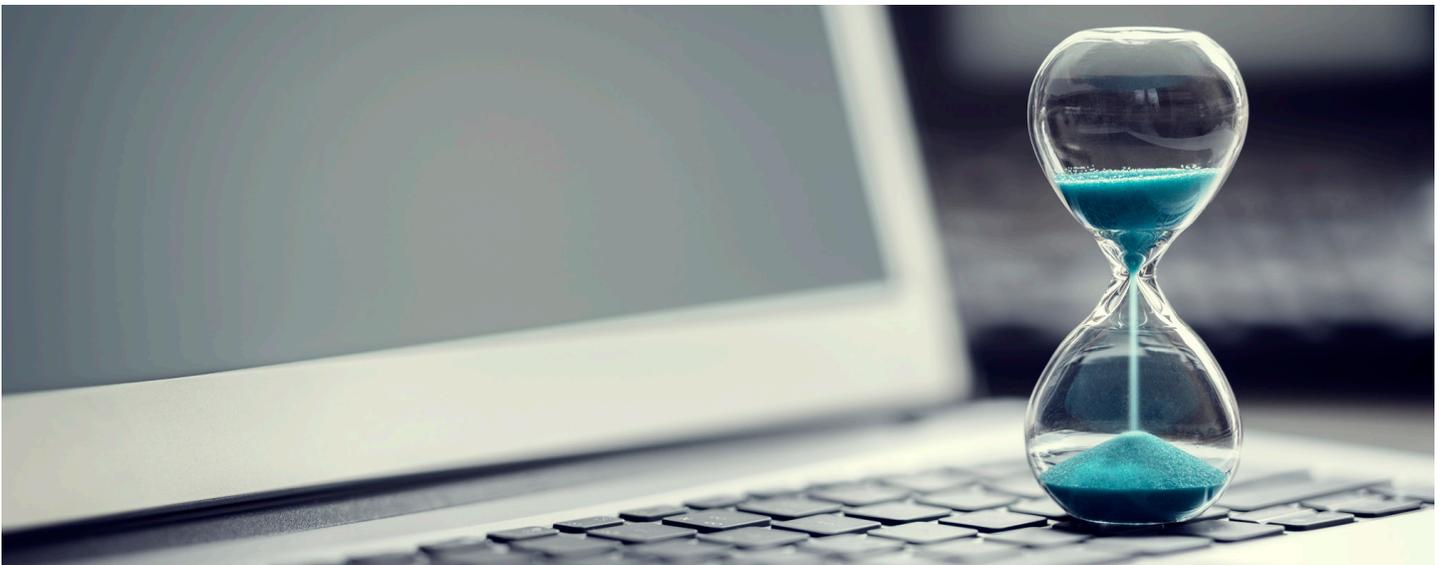
Delayed **notification** which lacked claim detail was not made “as soon as reasonably possible” and defeated

coverage. A third party claimant could not rely on **section 9(2) of the 2010 Act** to “cure” the insured’s earlier pre-liquidation breaches and could not revive a lost right to indemnity due to breaches of conditions precedent by the insured.

### [Ahmed v White & Company \(UK\) Limited \[2025\] EWHC 2399 \(Comm\)](#)

Considers what amounts to a valid **notification of circumstances** capable of triggering cover in assessing whether notifications amounted to a “can of worms” or “hornet’s nest” notification, permitting future claims to attach back to the notified policy period.

None of the communications relied upon by more than 175 claimants constituted a valid notification of circumstances capable of attaching their claims to the professional indemnity policy in question.



## Covid-19 Business Interruption

### [Liberty Mutual Insurance Europe SE -v- Bath Racecourse Company Limited and others; Gatwick Investment Limited \(T/A Crown Plaza London Ltd\) and Others v Liberty Mutual Insurance Europe SE \[2025\] EWCA Civ 153](#)

Court of Appeal decision which held **furlough payments** received by policyholders during the pandemic can be deducted by insurers from their payouts to policyholders. It also held that policyholders with **composite policies** of insurance have distinct interests in their own premises and businesses. Unless there is specific wording to the contrary, the limits of a composite policy apply to each individual insured. The appeal was heard on 11/12 February by the Supreme Court; judgment is awaited.

### [Bath Racecourse & Ors v Liberty Mutual Insurance Europe \[2025\] EWHC 1870 \(Comm\)](#)

High Court decision which provided further guidance on the meaning of **“competent authority”** and how the limit expressed to be **“any one loss”** applies. It held that a reasonable policyholder would expect bodies who have regulatory powers to govern, regulate and promote horse and greyhound racing to be described as a “competent authority” for purposes of cover under the denial of access extension. It also held that the limit applied per premises for each relevant measure or action and for each facility (owned or operated by the policyholder) affected.



### [Carbis Bay Hotel Limited v American International Group Limited \[2025\] EWHC 1041 \(Comm\)](#)

This decision reinforces that where an insurance policy includes a **closed list of diseases**, the courts will not expand the scope to extend cover to Covid-19 unless expressly listed.

## Professional Indemnity Insurance

### [Roger Leggett & 40 Others v American International Group UK Limited \[2025\] EWHC 278 \(Comm\)](#)

The decision clarifies the limits of solicitors’ professional indemnity insurance in relation to **assumed or novated liabilities**, emphasising that indemnity depends on the insured’s own provision of legal services rather than on liabilities acquired through internal restructuring. As most of the damages awarded arose from breaches of contract committed by the Firm—and not by the LLP into which it later converted—the policy did not respond to the majority of the claim. Although the policy insured both the Firm and the LLP, it did not operate to transfer liability between them so as to create an indemnity for the LLP in respect of the Firm’s liabilities.

### [Desai v Wood \[2025\] EWCA Civ 906](#)

Court of Appeal decision which considered whether insurer payments under a professional indemnity policy to an insured were held on **trust** for **third party claimants** following the insured’s insolvency. It held that absent express contractual protections or a statutory transfer under the 2010 Act, third parties have no direct claim to insurance proceeds paid to an insured just before its insolvency.





## Aviation Insurance

### [\*AerCap Ireland Limited and others v AIG Europe SA and others \[2025\] EWHC 1430 \(Comm\)\*](#)

This 12 week “Phase I” mega-trial resulted in AerCap and other lessors succeeding in their claim for over USD\$1billion against their own war risks’ insurers for the loss of aircraft and engines stranded in Russia following the invasion of Ukraine and the imposition of Western sanctions.

Clarification was given on the operation of **contingent** and **possessed cover** in **lessor policies: contingent cover** was triggered where the Lessor had made a claim under the Operator Policies and had not been paid, provided the Lessor had taken reasonable steps to recover and a reasonable time had passed. Loss was held to occur when the Lessors were **irretrievably deprived** of the aircraft and engines when Russian export restrictions took effect. The judgment further considers the interaction between **All Risks** and **War Risks** cover in a **sanctions** context.

EU and US sanctions were held not to render payment under the Lessor Policies unlawful and settlements reached with Russian insurers did not bar recovery (but had to be credited against the Lessors’ claims).

### [\*AerCap Ireland Limited and others v AIG Europe SA and others \[2025\] EWHC 2529 \(Comm\)\*](#)

Consequential matters were determined following the main “Phase I” judgment. The Court determined issues concerning **interest** (US Prime was awarded on a simple interest basis and remains the default rate for both pre and post judgment interest in the Commercial Court), costs (assessed on an issue-by-issue basis, War Risks’ insurers were ordered to pay 65% of AerCap’s recoverable costs on a several basis), **payments on account** (unsuccessful War Risks’ insurers were required to pay a proportion of the costs of successful All Risks’ insurers where claims had reasonably been brought in the alternative) and **permission to appeal** (the War Risks’ insurers and Chubb were refused permission to appeal on substantive liability/causation issues; an appeal to the Court of Appeal has been made on specific legal and financial consequences of these decisions).

## Construction All Risks, Property Damage and Business Interruption Insurance (non-Covid-19)

### Construction All Risks (“CAR”)

#### [Sky v Riverstone \[2025\] EWHC 1720 Comm](#)

The decision addresses how **losses** should be assessed under a **CAR policy** following the [Court of Appeal’s](#) landmark December 2024 ruling that damage occurring after the policy period can still fall within cover.

#### [South Capitol Bridgebuilders v Lexington Insurance Company](#)

US Court in the District of Columbia has handed down a pro-policyholder decision – the first globally – on the interpretation of the standard London Engineering Group 3 (“LEG3”) defects exclusion used widely in global engineering and construction projects for c.30 years.

This is the most generous out of a suite of three defects exclusions providing different levels of coverage. The decision has received varying degrees of criticism.

### Property Damage and Business Interruption (PDBI)

#### [Malhotra Leisure Ltd v Aviva Insurance Ltd \[2025\] EWHC 1090 \(Comm\)](#)

High Court decision which considered whether a major **escape of water** at a hotel was **accidentally or deliberately caused** and whether the policyholder breached a **fraud condition** by making false or dishonest statements in support of its claim. Extensive physical evidence—including water patterns, mould beneath adjacent tanks, and debris within the tank—was held consistent with an overspill, and inconsistent with deliberate mechanisms suggested by the insurer (loosening couplings, siphoning, or disconnecting pipework).

There was also no rational financial incentive for a deliberate loss. No breach of the fraud condition – which the Court interpreted narrowly – had occurred.

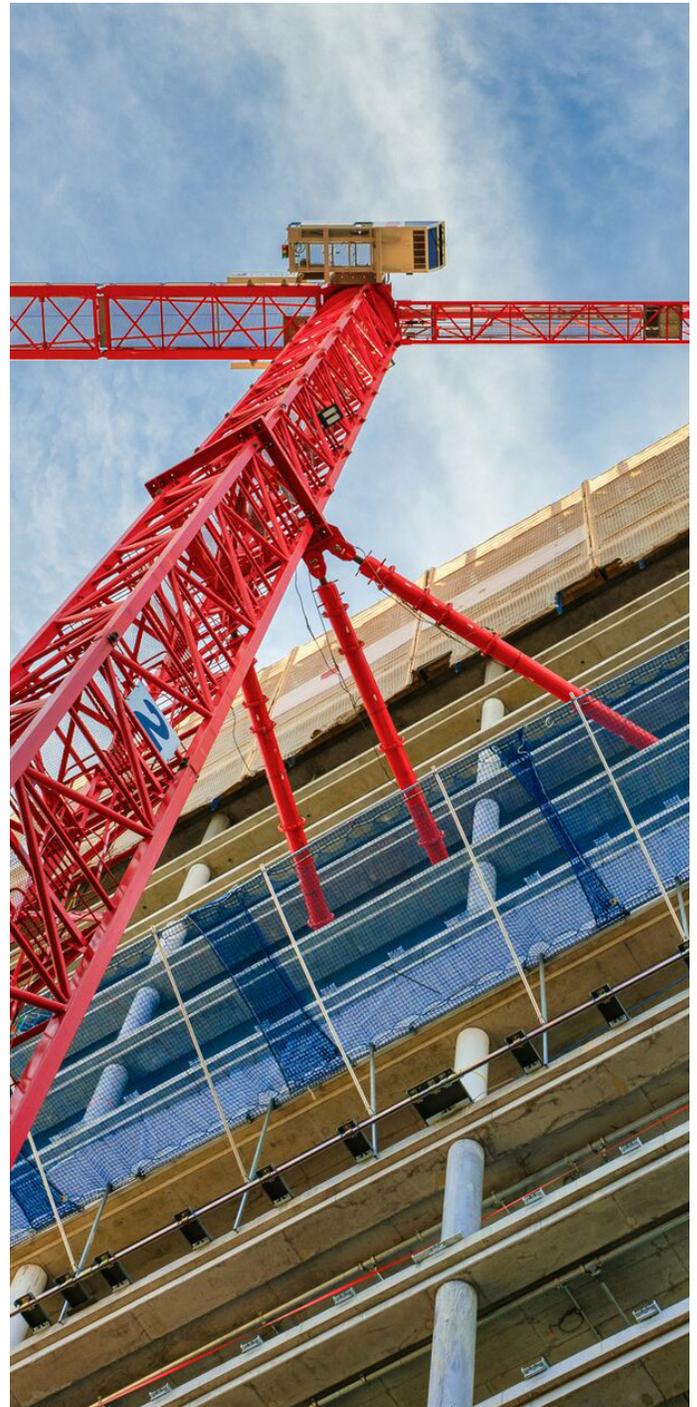
#### [Mode Management Limited v Axa Insurance Uk Plc \[2025\] EWHC 2035 \(Comm\)](#)

Considers whether policyholders can use **equitable remedies**—particularly **specific performance**—to overcome limitation defences in property insurance claims, and whether alternative statutory routes (FSMA and the Fire Prevention (Metropolis) Act 1774) can revive otherwise time barred claims.

The Court rejected the argument that specific performance could be used to circumvent limitation. The statutory claims also failed.

#### [National House Building Council v Peabody Trust \[2025\] EWCA Civ 932 \(CA\)](#)

Court of Appeal decision addresses when a **cause of action** accrues under an **NHBC “Option 1” insolvency insurance policy** for an employer. Dismissing NHBC’s appeal, the insured event was not contractor insolvency, but the insured being required to incur additional costs (or losing payments already made) because of insolvency or fraud.



## Reinsurance

### [Royal & Sun Alliance Insurance Ltd & Ors v Equitas Insurance Ltd \[2025\] EWHC 2704 \(Comm\)](#)

Provides guidance on key clauses in reinsurance policies and interest. The Court held that: (i) the **applicable excess** could only be eroded by indemnity payments and not by defence costs; (ii) the **Claims Cooperation clause** did not limit the power of RSA to bind Equitas to settlements under the **Follow Settlements** clause; (iii) RSA had not failed to take “**all proper and businesslike steps**” in entering into settlement, so Equitas was bound by the Follow Settlements clause; and (iv) RSA was entitled to simple **interest** from date of each respective loss.

## Broker Negligence

### [Norman Hay Plc \(In Members' Voluntary Liquidation\) v Marsh Ltd \[2025\] EWCA Civ 58](#)

Court of Appeal decision which dismissed Marsh’s appeal against the refusal to strike out a negligence claim arising from its alleged failure to procure worldwide non owned auto insurance. Court of Appeal reaffirmed that **professional negligence claims against brokers** must be assessed on a **loss of a chance** basis. This means a court will not confine itself to a strict analysis of what the claimant would have been entitled to recover under the relevant policy. The court will assess, on the balance of probabilities, what would have occurred in the counterfactual world in which there was no breach of duty by the broker.

## Procedural Matters

### [Disclosure: AmTrust Specialty Ltd v Endurance Worldwide Insurance Ltd \[2025\] EWCA Civ 755](#)

**Pre-contractual policy documentation** was disclosable as part of **Extended Disclosure** and likely relevant to the interpretation of a professional indemnity policy. The Court rejected the insurer’s arguments that such documentation was not relevant to interpretation of the insuring clause because it was based on a standard market form. This brings clarity to the position that incorporated pre-contractual material could be significant either as contractual terms or as part of the factual matrix.

### [Jurisdiction: Tyson v GIC Re, India, Corporate Member Ltd \[2025\] EWHC 77 \(Comm\)](#)

Addressing competing **dispute resolution clauses**, the Court held that a “**confusion clause**” gave precedence to terms of London-standard Market Reform Contracts (MRC’s) over US standard Market Uniform Reinsurance Agreements. Insureds often rely on MRCs as the primary expression of cover. The decision confirms that courts will not automatically treat later certificates as overriding the slip, particularly where documents are part of a single placement. It confirms that hierarchy clauses are common in London-market documentation but often overlooked: this case confirms they can be determinative.

