

Case-Law Update: Insurance Issues arising in Subsidence Claims
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- **Disclosure of Insurance Arrangements**

West London Pipeline and Storage Ltd v TAV Engineering [2008] EWHC 1296 (Comm)

- Buncefield litigation
- £700m claim; TAV's assets £1500
- PL Insurance listed in accounts
- Disclosure of policy under CPR 18/31?

- **Reservation of Rights**

Kosmar Villas v Trustees of Syndicate 1243 [2008] EWCA Civ 147

- K holiday company and Syndicate its PL insurer
- Accident to holidaymaker August 02, not notified till September 2003
- Notification to be "immediately after the occurrence of any injury" – condition precedent
- No express reservation of rights
- Direct dealings with injured party

CGU Insurance Ltd v AMP Financial Planning Pty Ltd [2008] HCA 36

- AMP securities dealer, PI insurance with CGU
- Notification to be "as soon as possible"; insured not to settle any claim without consent of CGU
- What is an indemnity in respect of "civil liability"?
- AMP acts as prudent uninsured and settles claims arising out of regulatory breaches

Lexington Insurance Co v Multinacional de Seguros SA [2008] EWHC 1170 (Comm)

- Claims co-operation clause under a reinsurance contract (Reinsurer – L, Insurer = M)
- Complaint of non-co-operation and claim to be discharged from liability
- L and M present united face to insured
- M then waives limitation defence and encourages insured to bring a claim (!)
- Any further breach or is M already discharged from co-operation?

- **Insurer's liability for costs**

Palmer v Palmer [2008] LRIR 535

- C injured in car accident while passenger of D
- D's insurers avoid and MIB brings in seatbelt manufacturer
- RSA (manufacturer's insurer) had indemnity limit of £500,000 – costs £2m plus
- whether RSA liable to pay



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