

Bombs away – (another) case on proximate cause

📅 30 March 2023

< Previous

[Climate risk capital – a warning to insurers from the Bank of England](#)

Next >

[Increase to FOS limits](#)

This month sees another interesting case on proximate cause.

The case of [Allianz v The University of Exeter](#) concerned a bomb which had been discovered in 2021 during building works. The bomb had initially been dropped by hostile German forces in 1942. The bomb was analysed and discovered to have degraded to such an extent that the only viable option was for it be detonated on site.

The detonation resulted in damage to buildings in the vicinity owned by the University of Exeter (“the University”). The University sought an indemnity under its buildings and business interruption policies.

Insurers declined cover on the basis that the cause, or in the alternative the proximate cause of the damage (and subsequent interruption) was the act of the bomb being dropped and that, as such the war exclusion in the policy would apply. The University asserted that the proximate cause of the damage was the destruction of the bomb and that the war exclusion could never have intended to exclude the consequences of historic wars.

Judgment

The Court agreed with the insurers that the proximate cause of the damage was indeed war and that the policy exclusion applied.

In reaching this decision, the Court re-emphasised previous case law that confirmed that causation is to be considered on a ‘net’ and not a ‘linear’ basis because causal factors ‘may converge from all directions’ rather than occurring in a convenient and linear way. In the words of the judgment, it is the ‘character of those events rather than the chronological order’ that determines the proximate cause.

Contents

[The Word, March 2023](#)

→

[Assigning your contracts – a timely reminder](#)

→

[Climate risk capital – a warning to insurers from the Bank of England](#)

→

[Bombs away – \(another\) case on proximate cause](#)



[Increase to FOS limits](#)



[Parametric policies – the future of insurance?](#)



[Increase in the cost of data breaches reaches a five-year high for businesses, report says](#)



[A rise in strikes, riots and civil commotion set to test businesses](#)



Key contact



Tim Johnson

Partner

tim.johnson@brownejacobson.com

+44 (0)115 976 6557



Rachael Murphy

Senior Associate

rachael.murphy@brownejacobson.com

+44 (0)115 976 6219

Related expertise

Sectors

Brokers

Insurers and reinsurers

Lloyd's and London market

Insurance

InsurTech

Managing General Agents