

# FCA Business Interruption Test Case

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## **What is the FCA Test Case?**

The Financial Conduct Authority (FCA) has recently commenced a test case in the High Court which aims to resolve important issues that are relevant to the operation of insurance policies providing Business Interruption cover. This will include reviewing the meaning of a representative sample of policy wordings. As the FCA make clear, the test case is not intended to encompass all possible disputes but to resolve some key contractual uncertainties and 'causation' issues and provide clarity for policyholders and insurers.

The test case is currently scheduled to be considered by the High Court in July and the Court's judgement should be published shortly thereafter. However, if the decision(s) are appealed it may take some time before final resolution of the issues. Where policies raise similar points to those considered in the test case, insurers will be able to apply the judgement when reaching a conclusion on a claim.

## **Will it affect my policy or claim?**

As noted above, the FCA test case will not cover all disputes. If you have a claim or complaint that is potentially impacted by the court case, we will contact you directly. If you would like further information about the test case, you can find this on the FCA's website at: [www.fca.org.uk/firms/business-interruption-insurance](http://www.fca.org.uk/firms/business-interruption-insurance). You may wish to subscribe for email updates from the FCA on the FCA's webpage.

The Financial Ombudsman Service has also provided information on complaints related to business interruption insurance, which you can find at: [www.financial-ombudsman.org.uk/coronavirus](http://www.financial-ombudsman.org.uk/coronavirus).

We will also update the information available on the website to provide information on how we are dealing with claims affected by the coronavirus pandemic including how we are responding to business interruption policies.

## **How can I contact you?**

If you have any questions about the test case, please contact us using the email address below

Regulatory@bhiil.com