

London Market insurance essentials

LM1: 2024 edition

Web update 1: 16 October 2023

Please note the following update to your 2024 edition of the **LM1** study text.

Chapter 2, section F1, page 2/19

The 'Case study' box following the fourth paragraph should now read as follows:

Case study

An insurance policy covers a particular loss caused by an insured peril. Insurers look first at the relationship between the peril and the loss to establish the proximate cause of the loss. They must then decide whether or not the cause (peril) is insured, before paying the claim. Proximate cause was defined in the case of *Pawsey v. Scottish Union and National (1907)*.

Proximate cause means the active, efficient cause that sets in motion a train of events which brings about a result, without the intervention of any force started and working actively from a new and independent source.



Chapter 6, section B2A, page 6/4

The fourth paragraph should read as follows (amendment in **bold**):

The FCA also has responsibility for the Financial Ombudsman **Service** and the Financial Services Compensation Scheme.