



HERBERT  
SMITH  
FREEHILLS





## SARAH MCNALLY

PARTNER

[London](#)

Sarah advises clients on the biggest and most complex insurance matters with a focus on construction, business interruption, credit and political risk and warranty and indemnity insurance claims.

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## BACKGROUND

Prior to joining Herbert Smith Freehills in 2005, Sarah practised as a barrister at Crown Office Chambers from 1999–2005. She has appeared in a range of tribunals including the QBD, TCC and Court of Appeal and retains full rights of audience. She is also an experienced mediation advocate.

## KEY SERVICES

[Insurance Coverage](#)  
[Policyholders](#)

## KEY SECTORS

[Real Estate](#)  
[Mining](#)

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## EXPERIENCE

Sarah advises clients on the biggest and most complex insurance matters with a focus on construction, business interruption, credit and political risk and warranty and indemnity insurance claims. She is also well known for her work advising professionals in relation to negligence claims arising from these practice areas.

Sarah was one of the lead partners in the successful test case brought by the FCA and decided in the Supreme Court in 2021 concerning COVID-19 business interruption claims. She continues to assist clients with all types of claim arising from the pandemic. Many of her construction cases are technically complex, and she routinely advises on claims concerning the range of DE and LEG clauses in construction policies. She has also acted in many claims concerning political risk, such as expropriation and selective discrimination, and advises on claims and wordings in relation to credit risk policies. Warranty and indemnity insurance claims and tax liability claims also form an increasing part of her practice and she has excellent cross-over expertise into M&A work.

She also has experience in relation to D&O (including in relation to class actions) and public liability, professional liability and property policies. Clients also call on her expertise in relation to non-contentious aspects of insurance, including risk allocation under contracts, M&A insurance issues and policy wordings.

Sarah is recognised as an Acritas Star and features in the Legal 500, Chambers UK and Who's Who. Legal 500 UK says Sarah "*has shown unmatched levels of responsiveness and depth of thinking.*" She is a ranked lawyer in Chambers UK 2021 for Insurance Litigation for Policyholders where she is described as "*absolutely brilliant and fantastic on insurance issues in particular.*" Who's Who (professional negligence) 2020 says Sarah is a "*first-choice adviser in professional negligence*" and is "*thoughtful, technically excellent and strategically savvy*".

Sarah's experience includes advising:

- the Financial Conduct Authority in its ground-breaking business interruption insurance test case for losses arising out of COVID-19 at first instance and the Supreme Court as well as a number of policyholders in relation to follow on claims arising from the COVID pandemic;
- PA(GI) in high court litigation concerning an indemnity claim;
- BP on insurance coverage issues arising from the Deepwater Horizon loss;
- policyholders in relation to claims under warranty and indemnity and tax liability policies concerning claims in the technology and renewables sectors and tax matters;
- policyholders on a number of insurance recovery actions arising from construction disputes, including under CAR policies, professional indemnity policies and public liability policies, such claims arising from tunnelling, piling, architectural and engineering work;

- various entities in relation to claims under political and credit risk insurance policies worldwide.