

TO THE MEMBERS AND THEIR BROKERS

Your ref
Our ref 2017/03
4 July 2017

Preparations in anticipation of the United Kingdom leaving the European Union (Update 2)

In May we issued Circular 2017/01 providing an initial summary of the TT Club's plans to retain access to the EU single market after the United Kingdom withdraws from the Union, a copy of that circular is available on the Club's website.

The UK's decision to leave the EU has led to some uncertainty as to the ability of UK companies, including insurers, to trade within the single market post-exit. The importance of the EU's free movement of services is that financial services firms authorised in a member state, such as the UK, can provide services across the EU without the need for further authorisations. As TT Club, in common with many international insurers, is established in the UK (as well as Bermuda) it is necessary to make arrangements for trading post-exit in the event that the final deal or any transitional arrangements do not permit adequate access to the single market.

Since our last circular we have been assessing the options available and have identified a short-list of jurisdictions where a presence within the EU could be established so as to continue to take advantage of the financial services 'passport' and hence, the single market. We have engaged with regulators in the short-listed jurisdictions and these discussions have been positive. We have in place a timescale for commencing the necessary application process and I plan to write to you again, in November, with a progress report. At that time I expect to tell you which jurisdiction has been chosen as the European base.

The Board of TT Club and its Managers, Thomas Miller, remain fully committed to ensuring that the Club's European Members continue to receive the high quality service to which they have become accustomed, both during the transition to the post-Brexit arrangements and thereafter.

If you have any questions or comments on this circular, please direct these to your usual TT Club contact.



Charles Fenton
Chief Executive Officer