

TO THE MEMBERS AND THEIR BROKERS

Our ref 2019/05
30 October 2019

Preparations in anticipation of the United Kingdom leaving the European Union (Update 9)

On September 17, the Club issued Circular 2019/04 providing an update of the Club's plans to retain access to the European Union ("EU") single market after the United Kingdom ("UK") leaves the EU. In that Circular we undertook to contact you again before 31 October, the date on which the extension to the Article 50 notice period then expired.

The position continues to lack certainty, but at the time of writing this Circular it appears that the EU has extended the Article 50 notice period again, until 31 January 2020.

As notified in the previous Circulars, the Club Board has decided that in the event of the UK leaving the EU with no deal and before the Club has its own subsidiary in place, the Club will be fronted by UK P&I Club N.V. ("UKNV"), a business also managed by Thomas Miller and established for this purpose in the Netherlands. Under these plans the Club's EEA based business would be renewed into UKNV. It is important to reiterate what has been said in earlier Circulars: the Club will not use this option unless it is absolutely necessary to avoid incurring unnecessary expenditure.

The fronting arrangement described above is in any event a temporary solution, and the Club is itself establishing a licenced insurance subsidiary of TT Club in the Netherlands through which it will write EEA business and administer all Member policies. It is intended that this subsidiary will be in place during the course of 2021, and indeed the application process is currently on track to achieve this. This is intended to be the permanent solution for the Club when and if the UK leaves the EU.

In summary, the Board of TT Club and its Managers, remain fully committed to ensuring that the Club's European Members continue to receive the high quality service to which they have become accustomed. I will write to you again in the New Year and before the latest extension to the Article 50 period expires on 31 January with a further report.

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



Charles Fenton
Chief Executive Officer