



M[°]CARTHY DENNING

Brexit
The saga continues...
(part 4)

Clive O'Connell
McCarthy Denning
London

MD

M[°]CARTHY DENNING

UNCERTAINTY

Insurance and Pensions Sector Report

“Insurance business operates by firms writing insurance policies for clients, intermediated by brokers (which may include retail brokers and wholesale brokers and London Market brokers). Insurance firms in turn can pass on excess risk to reinsurance firms, via reinsurance brokers. Insurance underwriting requires large amounts of capital, so the industry tends to be dominated by large firms. The broking market on the other hand features large numbers of small specialist participants.”

Insurance and Pensions Sector Report

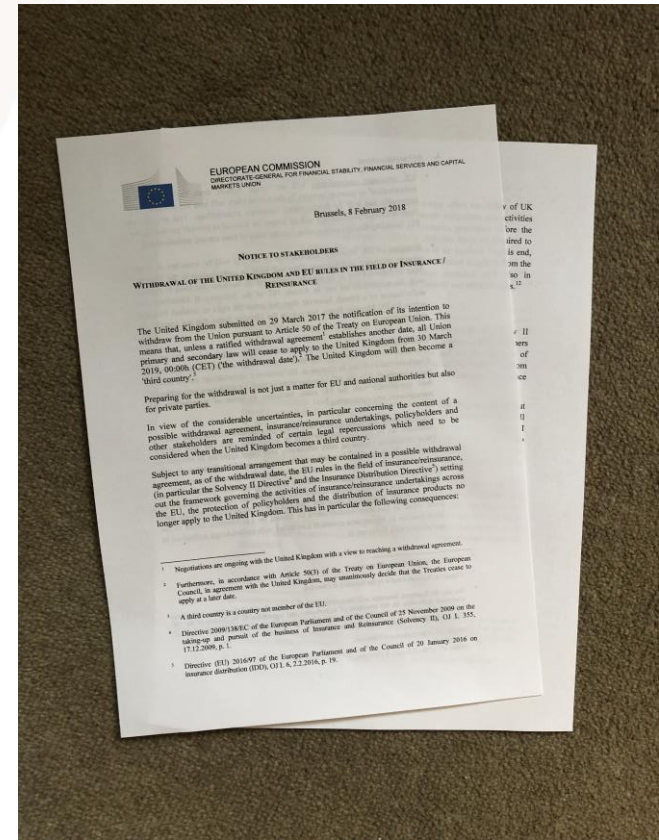
“In the London Market, operating cross-border or on a branch basis is the dominant model for firms active in both the EU and UK, although fly-in-fly-out advisory services are also provided. Many EU firms operating in the London Market branch into the UK and base their relevant specialist teams in London, while most London Market firms incorporated in the UK operate cross-border or via branches into the EU. This is because these firms’ business models rely on a concentration of underwriting expertise and capacity in London, in order to be able to cover highly specialised risks on a pan-European or global basis.”

Insurance and Pensions Sector Report

“Gibraltar has established itself as an offshore insurance hub for certain lines of business. There are around 50 insurance companies operating in Gibraltar – including captives (i.e. internal insurance companies used by large corporates to selfinsure risks), protected cell companies, liability insurers and property insurers. The provision of motor insurance is notable, especially doing business in the UK market.”

EU Position

- UK Insurance undertakings
- Branches
- EU-27 Subsidiaries
- UK Reinsurance undertakings
- Contract continuity
- Information disclosure
- Group supervision
- Insurance/reinsurance intermediaries



So what has been done

- UK based insurers:
- Establishing subsidiaries
- Locally regulated
- Transferring business?



[This Photo](#) by Unknown Author is licensed under [CC BY-SA](#)

Dublin

- Admiral
- Standard Life
- Beazley
- Royal London
- Chaucer
- Aviva
- XL Catlin
- Legal & General
- Everest Re
- Neon
- North

EUROPE



Luxembourg

- AIG
- RSA
- CNA Hardy
- FMI
- Hiscox
- Liberty
- Aioi Nissay Dowa Insurance
- Tokio Marine

EUROPE



Brussels

- Lloyds
- QBE
- MS Amlin

EUROPE



Paris

- Chubb
- Global Aerospace

EUROPE



Amsterdam

- Chesnara

EUROPE



Munich

- Markel

EUROPE



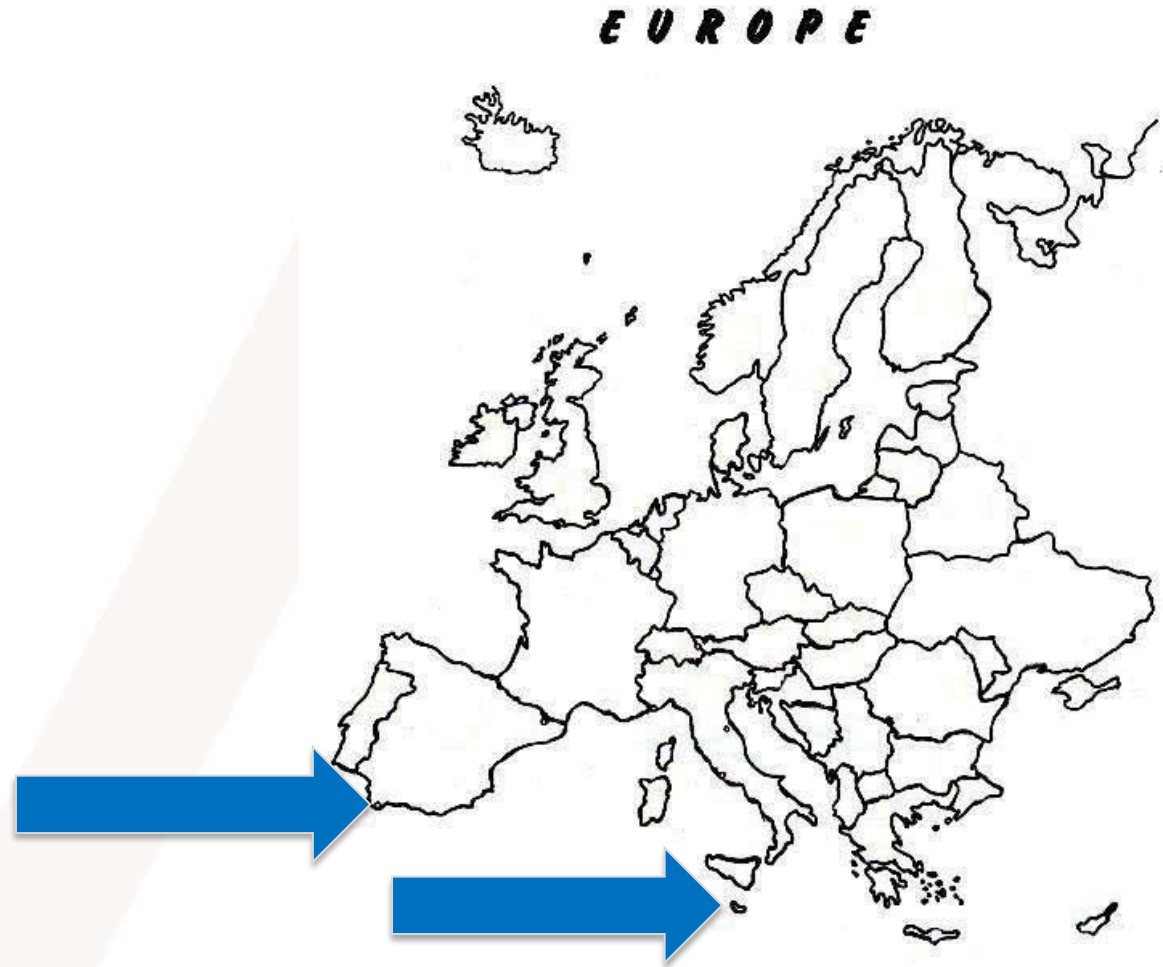
Intermediaries

- Brokers
- MGAs
- ILS funds

Other issues

Malta

Gibraltar

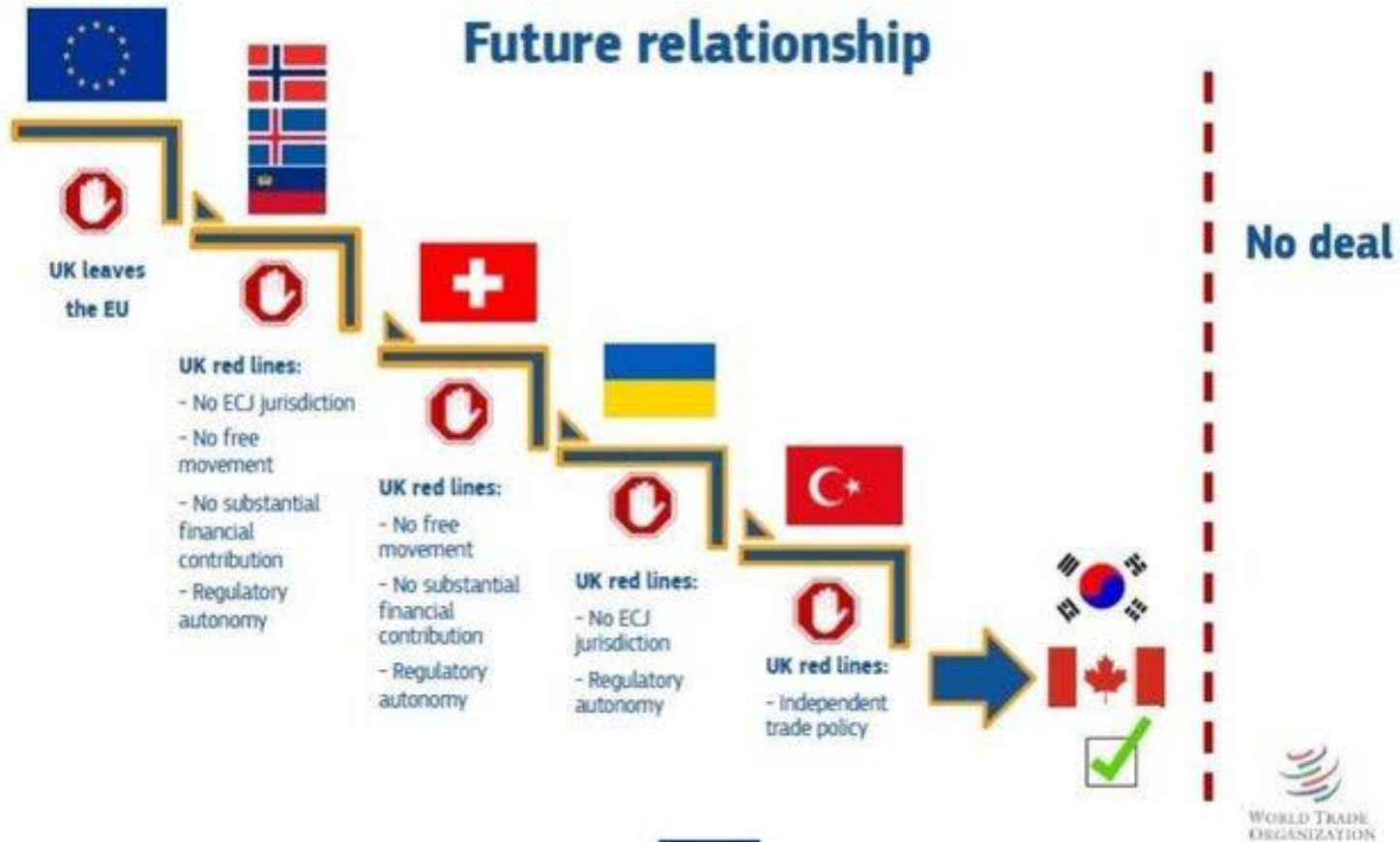


EU/EEA Insurers in the UK

- 703 companies passported in
- 6 million policy holders



Future relationship



Timetable

- First round of negotiations **COMPLETED**
- Second round of negotiation
- Deal
- Ratification
- Brexit **29 March 2019**
- Interim measures

Where now

- Second Referendum?
- Hard Brexit and WTO?
- Hard Brexit but excluded from WTO?
- Negotiated deal?

MD

M[°]CARTHY DENNING

UNCERTAINTY



M[°]CARTHY DENNING

**Brexit
The saga continues...
(part 4)**

Clive O'Connell
McCarthy Denning
coconnell@mccarthydenning.com
+44 7774 267149
London