

NAVIGATING BREXIT

Contingency planning for the insurance industry



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Large parts of the insurance industry rely on passporting permissions to do business with customers in the EU. With these rights potentially ending as the UK exits the EU, insurers and insurance intermediaries affected by Brexit need to start making contingency plans to protect their EU business and customers.

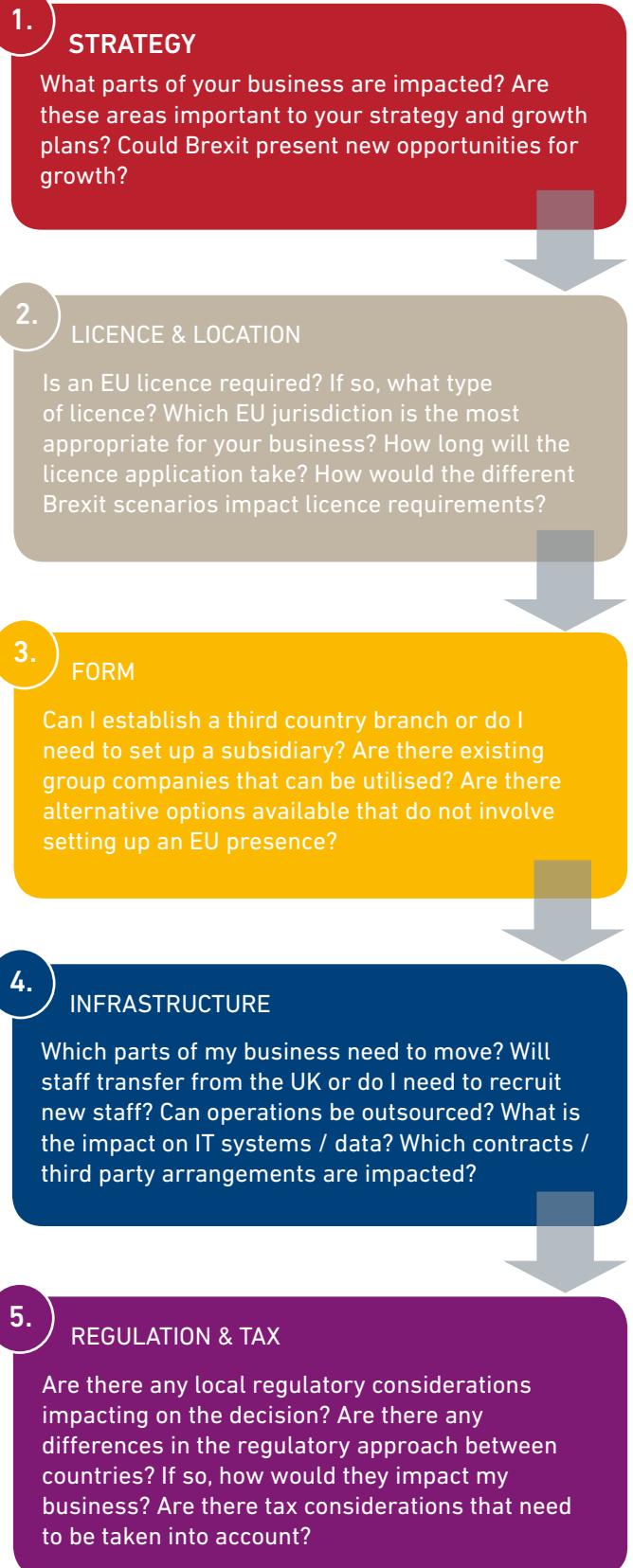
Developing a contingency plan for Brexit is not an easy task and there are many aspects that need careful consideration. The task is made even more difficult by the lack of certainty over the final outcome and the fact that there can be a long lead time for obtaining a regulatory licence and the appropriate approvals, if these are required. In addition, certain EU jurisdictions are proving more popular than others and this in itself poses a risk as the regulators concerned may lack the capacity to process multiple applications in the short period of time available. Joining the queue early is essential to ensure success.

Companies also need to leave sufficient time to establish operations, systems, resources and local arrangements in their chosen EU destination to avoid disruption to their business.

“ Applications cannot be left to the last minute and careful advance planning will be required in order to secure a licence and guarantee continuity of business once the UK exits the EU. ”

Mazars' 5 Step approach to contingency planning

Due to the complexity of the decisions required we have developed a five step approach for firms looking to develop a contingency plan to prepare for Brexit. Our approach leverages our strong European presence to provide you with holistic support and advice as you navigate this complex task.



How can Mazars help?

Our experts can work with you to develop your Brexit contingency plans:

- **Strategy** – We can provide advice and assistance to help you identify the areas of your business affected by Brexit and any related opportunities and threats.
- **Licence & location** – We will work with you to identify the type of licence you will require to protect the parts of your business impacted. By working closely with our European colleagues, we have created a directory of comparative information to provide specific advice and intelligence on individual jurisdictions and relative advantages and disadvantages of each.
- **Form** - We can identify the options available to you regarding the legal form for your EU presence and provide advice on alternative arrangements that might be possible to achieve your strategic aims. These may include the use of reinsurance or part VII transfers.
- **Infrastructure** – The practical implications of establishing an EU presence should not be underestimated. Using our impact assessment tools we will work with you to identify the areas of your operations affected including the impact on IT systems, contractual arrangements, staffing and outsourcing.
- **Regulation & tax** – We use our directory of comparative information to provide you with specific insight and intelligence on regulatory and tax differences relevant to your choice of EU jurisdiction.



Please get in touch...

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