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For more information about Brexit, visit our Brexit information hub at marsh.com, or contact your local Marsh representative.

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MARSH

JANUARY 2019

BREXIT CLIENT GUIDANCE

"NO DEAL BREXIT" PLACEMENT DECISION TREE

The United Kingdom (UK) is still on course to leave the European Union (EU) on 29 March 2019 without a deal and with no transition period. Both European Economic Area (EEA) and UK (re)insurers will be faced with a loss of passporting rights, and many (re)insurers have implemented various strategies to ensure they can continue to provide cross-border (re)insurance post Brexit.

At Marsh we have been monitoring (re)insurers preparations as such preparations will be a key factor for consideration as part of your placement strategy, along with the location of your exposure as going forward EEA licensed (re)insurers will provide the capacity for EEA risks. The following "No Deal Brexit" Placement Decision Tree provides an overview of the issues we will consider with you as you prepare for your new or renewal policies as Brexit approaches. Our "No Deal Brexit" Placement Decision Tree will help you to navigate the impact of Brexit on the placement process.

SOLUTIONS...DEFINED, DESIGNED, AND DELIVERED.

MARSH & McLENNAN COMPANIES

January 2019

BREXIT PLACEMENT DECISION TREE

IN AN EVENT OF A "NO DEAL"/NO TRANSITION PERIOD – FOR NEW OR RENEWAL POLICIES

FOR YOUR INSURANCE

Do you have any current or planned EEA exposure?

Marsh will follow this Brexit approach to placement decisions with each of your insurers for your new and renewal business.

FOR YOUR REINSURANCE

Are you domiciled in the EEA?

Yes

We will map out the (re)insurers on the (re)insurance programme to include incumbent and potential new markets, and split between Lloyd's and Company Markets.

Lloyd's Carriers ◄---► **Company Market**

We will utilise Lloyd's Insurance Company (LIC) Brussels on your behalf.

No

No changes required with the placement approach due to Brexit.

Yes

Is your insurer already domiciled in the EEA with an authorised UK branch, or intending to have an authorised UK branch before Brexit?

No changes required with the placement approach due to Brexit.

No

Is your insurer a UK insurance company that has an EEA licensed entity in place?

Yes

We will utilise licensed insurer.

Option: Include contract continuity clause, with an EEA contingent insurer.

Option: Use both UK and EEA insurers in tandem from inception.

No

Will your insurer establish an EEA licensed entity prior to policy inception date?

Yes

We will monitor your insurer's progress and utilise licensed insurer when available.

Option: Replace existing unlicensed insurer with licensed insurer.

No

Discuss options with your Marsh representative, which may include.

Option: Proceed with existing unlicensed insurer.

TAKE NOTE

Using our Brexit Decision Tree, Marsh will help you to:

- Understand your risk and separate EEA exposure from your Non-EEA exposure.
- Map your insurance providers by where they are domiciled, or where they have licenced entities.
- Decide how best to move forward with (re)insurance arrangements with these two factors in mind.