

# BREXIT UPDATE

## WHAT IMPACT WILL BREXIT HAVE ON ALLIANZ UK BUSINESS?

This statement represents the views of Allianz Insurance plc only. Other Allianz entities will issue their own communications regarding Brexit and are not considered in this statement.

**Subject to transition period negotiations between the UK and the EU, the UK will leave the EU on the 29 March 2019. The transition or implementation may mean that EU rules apply until 31 December 2020. This document considers the impact this will have on Allianz Insurance plc and on our customers and business partners.**



### WHAT ARE THE LEGAL IMPLICATIONS FOR ALLIANZ INSURANCE PLC?

Allianz Insurance plc is authorised under EU/EEA legislation to issue policies covering EU/EEA risks on a Freedom of Services (FOS) basis. However, when Brexit occurs it's highly likely that this legislation will no longer apply to the UK. Brexit will happen on 29 March 2019 or the later date of 31 December 2020, subject to the ratification of a transition deal. FOS will apply up to the date of Brexit.

There will be no changes to Allianz Insurance plc's operation as an authorised insurer and legal entity in the UK after Brexit.

### WHAT WILL THE IMPACT BE ON ALLIANZ INSURANCE PLC'S UK CUSTOMERS?

Any policies covering UK and EU/EEA risks written on an FOS basis will need to be administered differently to ensure regulatory compliance. Allianz Insurance plc is able, and fully prepared, to support customers with their requirements.

### HOW WILL ALLIANZ INSURANCE PLC RESPOND TO A NO-DEAL BREXIT SCENARIO FOR EEA RISKS UNDERWRITTEN PRE-BREXIT ON A FREEDOM OF SERVICES BASIS?

In the event that the UK leaves the European Union on 29 March 2019 with no transitional period, Allianz will continue to honour its contractual commitments including the payment of valid claims to ensure the fair treatment of customers. At the next renewal date we will offer an alternative policy solution written through one of our European offices.

Through our multinational network we benefit from having partner offices in all 30 EEA territories, 28 of which are Allianz subsidiary providers. Indeed, as part of Allianz Group we are able to leverage our strong global network to continue to provide multinational solutions to the needs of our customers. Allianz is committed to supporting our customers through the Brexit journey and preparing for the impact of Brexit.

### WHAT IS ALLIANZ INSURANCE PLC DOING TO HELP CUSTOMERS WITH THEIR POST-BREXIT INSURANCE REQUIREMENTS/NEEDS?

Allianz Insurance plc is taking pro-active steps to provide our customers with compliant insurance solutions in a post-Brexit trading world. Meeting regulatory and legal standards and treating customers fairly in our insurance provisions are of utmost importance.

Allianz Insurance plc is preparing for all possible outcomes and is taking active steps to provide a smooth transition for policyholders who may be impacted by Brexit.

We are confident that we can fully support customers who are impacted by Brexit and will be able to provide alternative and compliant insurance solutions.



## HOW WILL MULTINATIONAL SOLUTIONS AT ALLIANZ INSURANCE PLC BE AFFECTED?

Currently a customer can choose from different types of Allianz multinational solutions to cover their risks worldwide, including stand-alone local policies, DIC/DIL above local policies, single European policies (FOS) and centrally-controlled programmes including local policies.

If no trade agreement, including insurance, is in place post-Brexit, the UK can no longer be included within any FOS policies. However, Allianz Insurance plc benefits from our established multinational network which will ensure that minimal operational change is required.

The result may be that Allianz administers two or more policies: one UK policy and separate local overseas policies for the risks in each territory in the EEA/EU.

However, Allianz Insurance plc will continue to issue FOS policies until the agreed date of Brexit or until alternative information is received agreeing otherwise.

## WILL GREEN CARDS BE REQUIRED IF THERE IS A NO-DEAL BREXIT?

If the UK leaves the EU without a deal, it is likely drivers will need to obtain and carry a physical copy of a Green Card with them when driving in an EEA country. We are currently working on the best way to issue Green Cards and more will follow on this in the weeks ahead.

We want to provide reassurance to our customers there will be no change to the cover we currently provide in our motor insurance policies and no additional premium for issuing a Green Card for driving in EEA countries.

If a customer is going to be abroad on or after 29 March 2019, the current expectation is that they will need to obtain a Green Card before they travel and they must carry the Green Card with them. If a customer does not obtain a Green Card they will be breaking the law of the EEA countries they are driving in. Not being able to provide proof of insurance could lead to the vehicle being seized, the driver being accused/charged with driving without insurance and they could be subject to a fine. The Green Card must be a physical document and cannot be on a smart phone or tablet.

Insurance advisers need to consider how to make customers aware that they may need to obtain a Green Card before they travel. The Government has launched an [online portal](#) and has begun a public awareness campaign encouraging the public to visit the website.

## WHAT IS THE ALLIANZ INSURANCE PLC POSITION ON "BREXIT CLAUSES"?

A Brexit clause is a contractual provision which triggers a change in rights and obligations as a result of a defined Brexit-related event. Due to the global footprint of the Allianz multinational network there is no need for Allianz Insurance plc to adopt Brexit clauses within its policies. Following Brexit, we will continue to administer admitted insurance policies for customers with overseas risks, using the multinational network.

## WHAT IS A PART VII TRANSFER AND WHY ARE ALLIANZ INSURANCE PLC NOT DOING A PART VII TRANSFER?

A Part VII is a legal transfer of insurance contracts from one legal entity to another and is enacted by obtaining a court order. Some insurers are using a Part VII transfer as a part of their Brexit solution. Allianz Insurance plc, however, is already part of an established worldwide network of Allianz entities, including 28 subsidiaries in the EU. This network of legal entities will continue to be used to provide insurance solutions following Brexit and ensure that we are able to honour our commitments to our policyholders.

## HOW WILL ALLIANZ HANDLE BUSINESS TRAVEL DISRUPTION AND MEDICAL EXPENSES CLAIMS?

### Medical Expenses

There will be no claims impact for policyholders with Commercial Select, Embrace (both may include Director's holidays) or School Travel Insurance Policies. Our claims and telephone services will continue as normal.

### Travel Disruption – cancellation, re-arrangement and delay

Our Commercial Select, Embrace (both may include Director's holidays) and School Policies will continue to provide cover for any cause outside of the insured's control before, during and after Brexit, no matter the outcome.