

## TO ALL MEMBERS AND SUPPLIERS OF SERVICES

26 July 2013

Dear Sirs

### VALUE ADDED TAX ('VAT') PROCEDURES

This letter is to advise you of the arrangements that apply to all invoices submitted to The Standard Club Europe Ltd ('the club') in respect of claims related costs incurred by the club's members, and costs incurred by the club directly.

The need for this letter stems from a review of current UK and European VAT regimes and how they apply to the club, its members and correspondents, and in particular to serve as a reminder that claims handling expenses are incurred on behalf of members and not by the club directly.

#### Expenses incurred in settling claims costs

VAT and local tax rules should be applied based on the supplier and the member, and not on the club. Although the club in many cases settles invoices on behalf of its members, it is only doing so as paying agent for its members, and so the supply should be considered as being to the member, not the club.

As a result invoices should always be addressed to the member (although it can be addressed to the member, care of the club) and not directly made out to the club. Any VAT number shown should only be in relation to the member – the club's (or Charles Taylor's) VAT number should never be shown.

#### Application of VAT

For services provided on or after 1 January 2010, the basic rule for the place of supply of services for VAT purposes is that these are treated as supplied in the country of the member receiving the services. Therefore, for suppliers to apply the correct VAT provisions on their invoices, they are required to determine the country of the member who they are invoicing.

#### **EU supplier invoicing EU member (in different member state):**

Providing the member is VAT registered, no VAT should be included on the invoice.  
If the member is not VAT registered, VAT should be charged.

The Standard Club Europe Ltd

[www.standard-club.com](http://www.standard-club.com)

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Managers' London Agents: **Charles Taylor & Co. Limited**. Registered in England No. 2561548  
Charles Taylor & Co. Limited is an appointed representative of Charles Taylor Services Limited, which is authorised and regulated by the Financial Conduct Authority

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**EU supplier invoicing EU member (in same member state):**

Local VAT rules apply (so VAT will be charged unless the supply is exempt from VAT).

**EU supplier invoicing non-EU member:**

No VAT should be charged.

**Non-EU supplier invoicing EU member or non-EU member:**

VAT or similar tax charges dependent on the supplier's local rules.

**Address / VAT reference**

As these expenses are being incurred by the member, invoices should be addressed to the member, although they may be sent to the club as paying agents of the member. If a VAT number is required to be shown on an invoice, then it should be the VAT number of the member and not the club (or Charles Taylor).

**General services**

General services to Standard Europe should be invoiced to the club's registered office as before, quoting the club's VAT reference number **GB 244 3654 64**. In the case of UK suppliers, invoices to Standard Europe may attract VAT, however suppliers in the EU other than the UK should quote the VAT registration number of Standard Europe and not add VAT. In the case of suppliers to the Standard Club Limited no VAT should arise.

These procedures have been designed to cater for all possible combinations of circumstances that may arise, but if they are unclear in any respect please contact the Managers or the Managers' London Agents who will be glad to advise on any aspect of their application.

Yours faithfully



Nick Jelley  
Chief Financial Officer  
Charles Taylor & Co Ltd