

# CIRCULAR

By your side

## TO ALL EEA MEMBERS

30 November 2022

### **Brexit update – run off in EEA states – The Standard Club UK Limited (Standard UK)**

We refer to our update to EEA members on [5 August 2021](#).

As noted in that update, we previously took steps to register with the UK regulator under Part VII of the UK Financial Services and Markets Act 2000 (Part VII Transfer) to transfer Standard UK's legacy EEA business to its sister company, The Standard Club Ireland DAC (Standard Ireland). Following a review of the developments in relation to run off of such legacy business in EEA states, the board of Standard UK has decided not to proceed with the Part VII Transfer.

We have been continuing to monitor developments in EEA states and, since registering for the Part VII Transfer, the legal position in several EEA states where Standard UK has outstanding claims now permits indefinite run off.

Standard UK therefore intends to rely on these indefinite run off regimes to service its legacy EEA business. In EEA states that do not permit indefinite run off and where Standard UK has outstanding claims, it is anticipated that these claims will close within applicable permitted run off periods and, to the extent open claims otherwise remain, other mechanisms (such as novation on a case by case basis) may be used to allow the continued servicing of those claims where appropriate.

In our view, this approach allows the continued servicing of Standard UK's legacy EEA business in a manner which better serves the interests of the policyholders concerned when considered against the potentially significant disruption and cost that would arise from undertaking a Part VII transfer.

If you have any questions regarding the above, please do not hesitate to contact your usual club contact.

Yours faithfully



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