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Lost in transition

Part of the *Navigating the Negotiations Webinar Series*

10 November 2017

Previously on Brexit...



How could anyone get lost?

What?

UK/RoW
UK Domestic
UK/EU

Mechanism?

Revoke Art 50
Extend Art 50
Withdrawal Agreement
Separate Agreement

Rhetoric?

UK Government
EU
Business

Destination?

More Time to think
Bridge to unknown
Bridge to known

A 10x10 grid with numbers 1 to 100. The grid is divided into four quadrants by a vertical line between columns 5 and 6 and a horizontal line between rows 5 and 6. The numbers are arranged in a standard 10x10 grid. The grid is overlaid with several illustrations of bridges and paths. A large bridge is drawn across the top-left quadrant, from cell (1,5) to (5,1). A smaller bridge is drawn across the top-right quadrant, from cell (1,6) to (5,10). A path is drawn from cell (1,1) to (5,5). Another path is drawn from cell (6,6) to (10,10). A third path is drawn from cell (6,1) to (10,5). A fourth path is drawn from cell (6,10) to (10,6). The grid is surrounded by a white border.

100	99	98	97	96	95	94	93	92	91
90	89	88	87	86	85	84	83	82	81
80	79	78	77	76	75	74	73	72	71
70	69	68	67	66	65	64	63	62	61
60	59	58	57	56	55	54	53	52	51
50	49	48	47	46	45	44	43	42	41
40	39	38	37	36	35	34	33	32	31
30	29	28	27	26	25	24	23	22	21
20	19	18	17	16	15	14	13	12	11
10	9	8	7	6	5	4	3	2	1

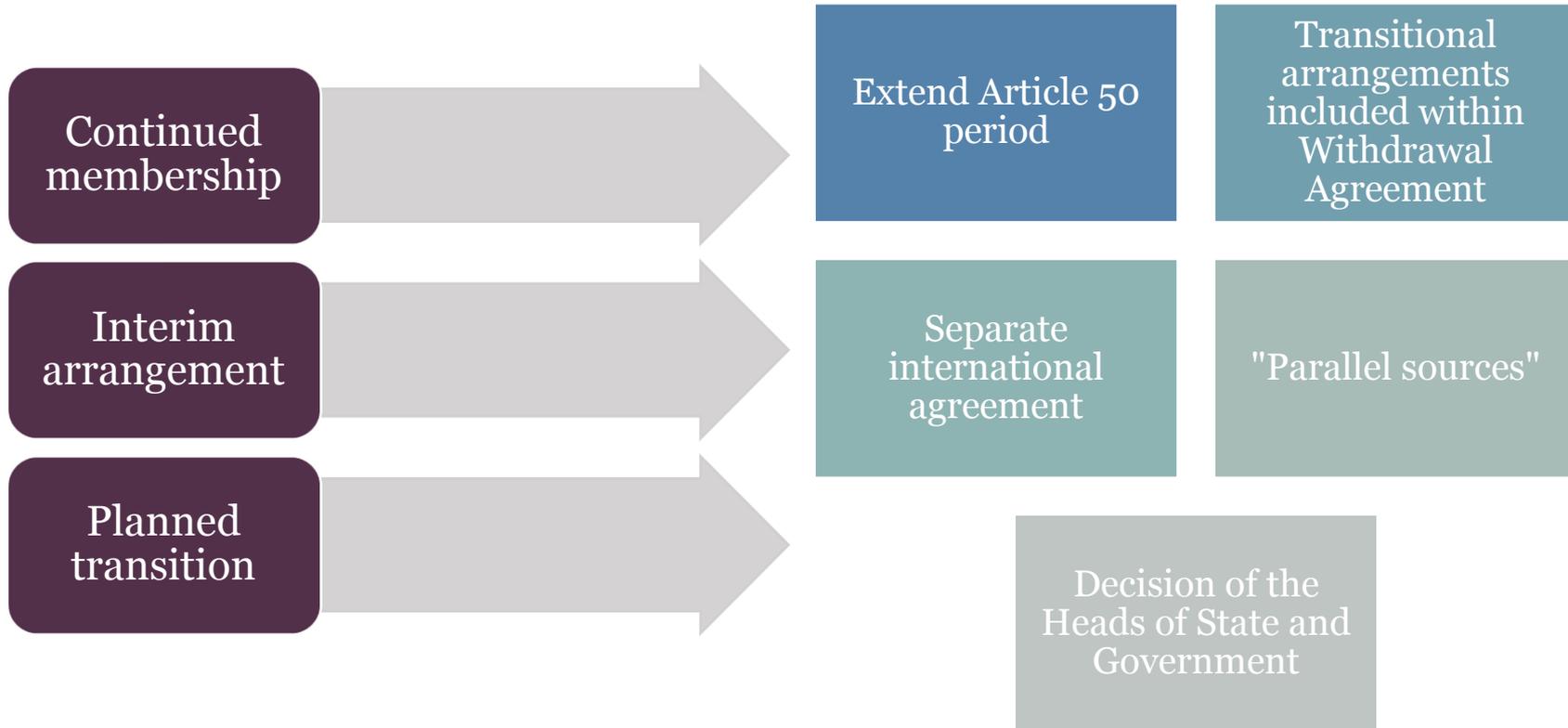
'Transition' translated: three models

Continued
membership

Interim
arrangement

Planned
transition

How to deliver timely clarity



Financial services

- Why FS has particular need for certainty
- Costly consequences of the loss of passporting
- IRSG Work – Blueprint for Mutual Access
- Hope for the best, prepare for the worst

Time to articulate

Stop saying 'transition' and say what you really mean

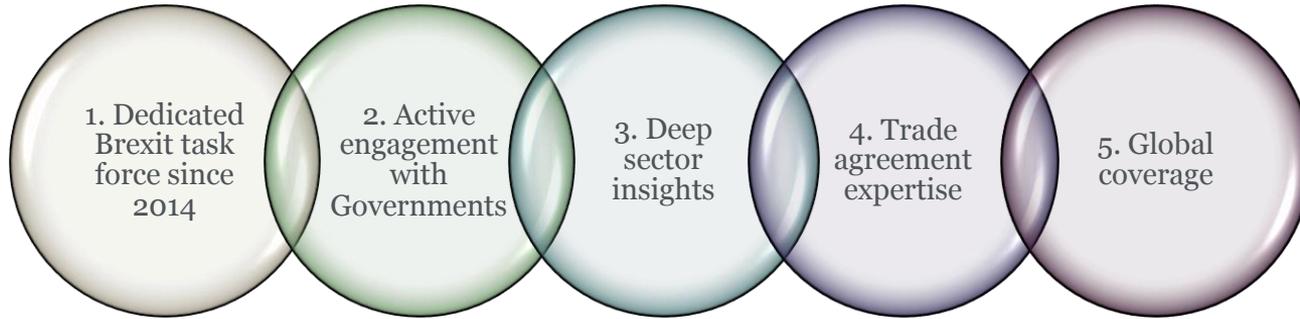
- What?
- How certain?
- When?

Practical impact for businesses



	One-off Transaction	Continuing Relationship
Brexit Ready	<ul style="list-style-type: none"> Diligence Preparedness Plan Warranty Brexit Impacts Disclosed 	<ul style="list-style-type: none"> Require updates Undertaking to take steps
People	<ul style="list-style-type: none"> Diligence cross border workforce Warranty accuracy 	<ul style="list-style-type: none"> Obligation to ensure immigration status Exclude from force majeure
Data	<ul style="list-style-type: none"> Diligence cross border data Warranty necessary permissions 	<ul style="list-style-type: none"> Obligations to have Brexit proof permissions Exclude from force majeure
Comply	<ul style="list-style-type: none"> Diligence applicable EU regulation Indemnities for identified risks 	<ul style="list-style-type: none"> Brexit proof compliance obligation Exclude from force majeure
Contracts	<ul style="list-style-type: none"> Brexit scenarios contract diligence Warranty re supply/distribution chain impacts 	<ul style="list-style-type: none"> Termination, change, price, territory, force majeure Sub-Contracts
Systems	<ul style="list-style-type: none"> Diligence Brexit readiness of systems Diligence Brexit impact of systems contracts 	<ul style="list-style-type: none"> Obligations to ensure systems Brexit proof Obligation on counterparty to provide Brexit help

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