

The ACPR cannot comply with Recommendation 6, taking into account French regulatory and case - law provisions determining that, in the case mentioned in the recommendation, the place of the risk, initially located in the United Kingdom (UK) or Gibraltar, is modified, and is now situated in France. Accordingly, it must be covered by insurance entities authorized to exercise in France under Article L 310-2 of the Insurance code.

In a Brexit without agreement context, the French Ordinance No. 2019-75 of 6 February 2019 (called Brexit Ordinance) allows undertakings in the UK and Gibraltar operating in France before the Brexit date, via the European passport, which have not envisaged or finalised a contingency plan on that date, to pursue contracts subscribed before Brexit in extinctive management, until termination. Such contracts cannot be renewed or give rise to the issue of new premiums, which, however, does not prohibit the payment of mandatory premiums payable by the subscriber under the contract\*.

This Ordinance would also apply to contracts subscribed with UK or Gibraltarian insurance undertakings by policyholders whose habitual residence or place of establishment is located in the UK or Gibraltar, and moving thereafter to France, before contract termination, **provided that the insurance undertakings are, on the date of a Brexit, authorized to exercise in France by means of the European passport for freedom of establishment or freedom to provide services.**

**As a consequence, UK and Gibraltarian insurance undertakings affected by this situation are invited to proceed to passporting notifications to their Home Competent Authorities in the coming weeks and before Brexit date, so as to benefit from French Brexit Ordinance regime. This regime would allow them to continue honoring their contracts covering policyholders having moved or moving to France after Brexit date.**

\* Brexit however does not in any case relieve insurance undertakings' obligation to execute contracts validly underwritten or renewed before Brexit date.