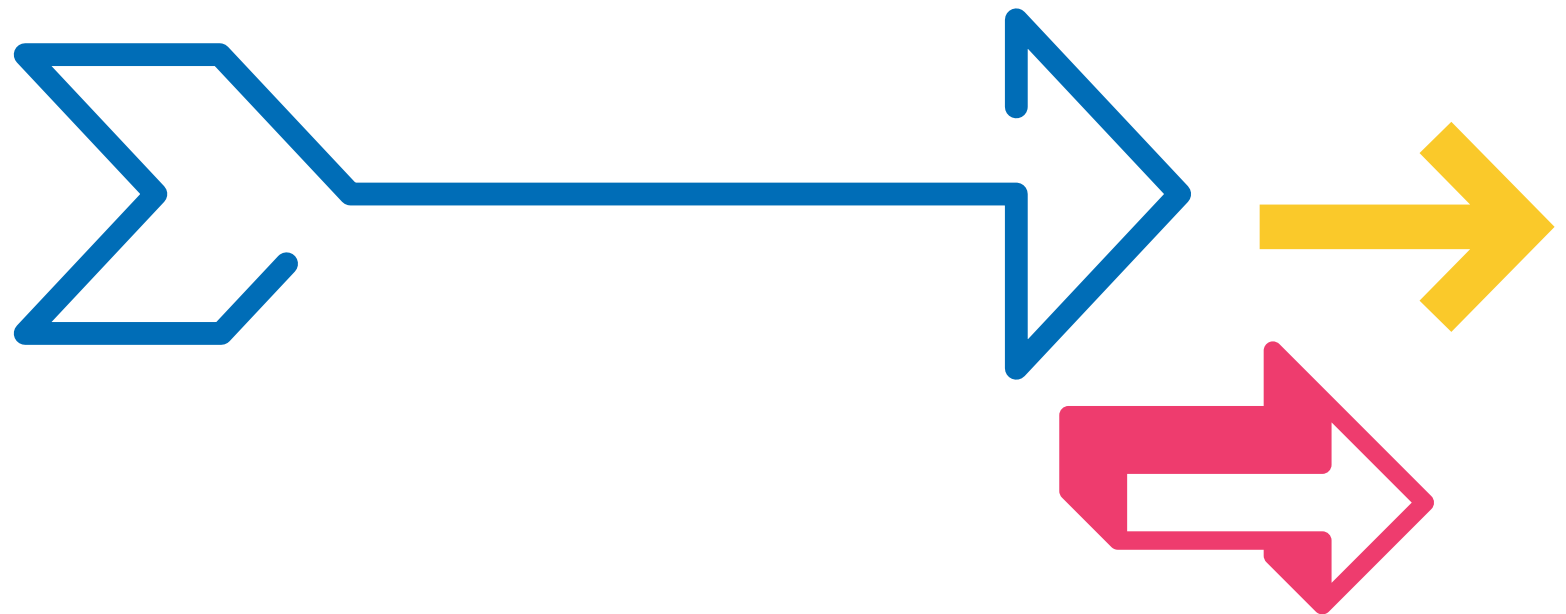


Commercial & Business customers: Your guide to Brexit



Introduction to Brexit

Following the June 2016 referendum vote to leave the European Union (EU), the UK Government started the exit process by triggering Article 50 of the Treaty on European Union in March 2017. This exit is being referred to as 'Brexit'.

The UK is due to leave the European Union (EU) on 29 March 2019. Until then, the UK is still a member of the EU. So, for the time being, nothing has changed and we would like to reassure you that there will be no immediate impact on your everyday banking services.

On 25 November 2018 the European Council announced that the EU and the UK signed a Withdrawal Agreement for the UK's departure from the EU on 29 March 2019. After losing a 'meaningful vote' on its Withdrawal Deal on January 15th, the Government held a series of votes on a proposed way forward on January 29th. The Government has since indicated that it will look to renegotiate certain elements of the deal with the EU. It's expected that there will then be a new meaningful vote on the Withdrawal Deal.

Our Brexit planning continues unchanged. This is because we have been preparing for a number of scenarios, including a 'no deal' scenario to ensure we can continue to support our customers. Where this is not possible, we will support customers with a smooth transition. We will continue to monitor the situation and regularly review our plans to ensure we're ready for Brexit, our aim is to support customers with the same level of service and range of products as we do today.

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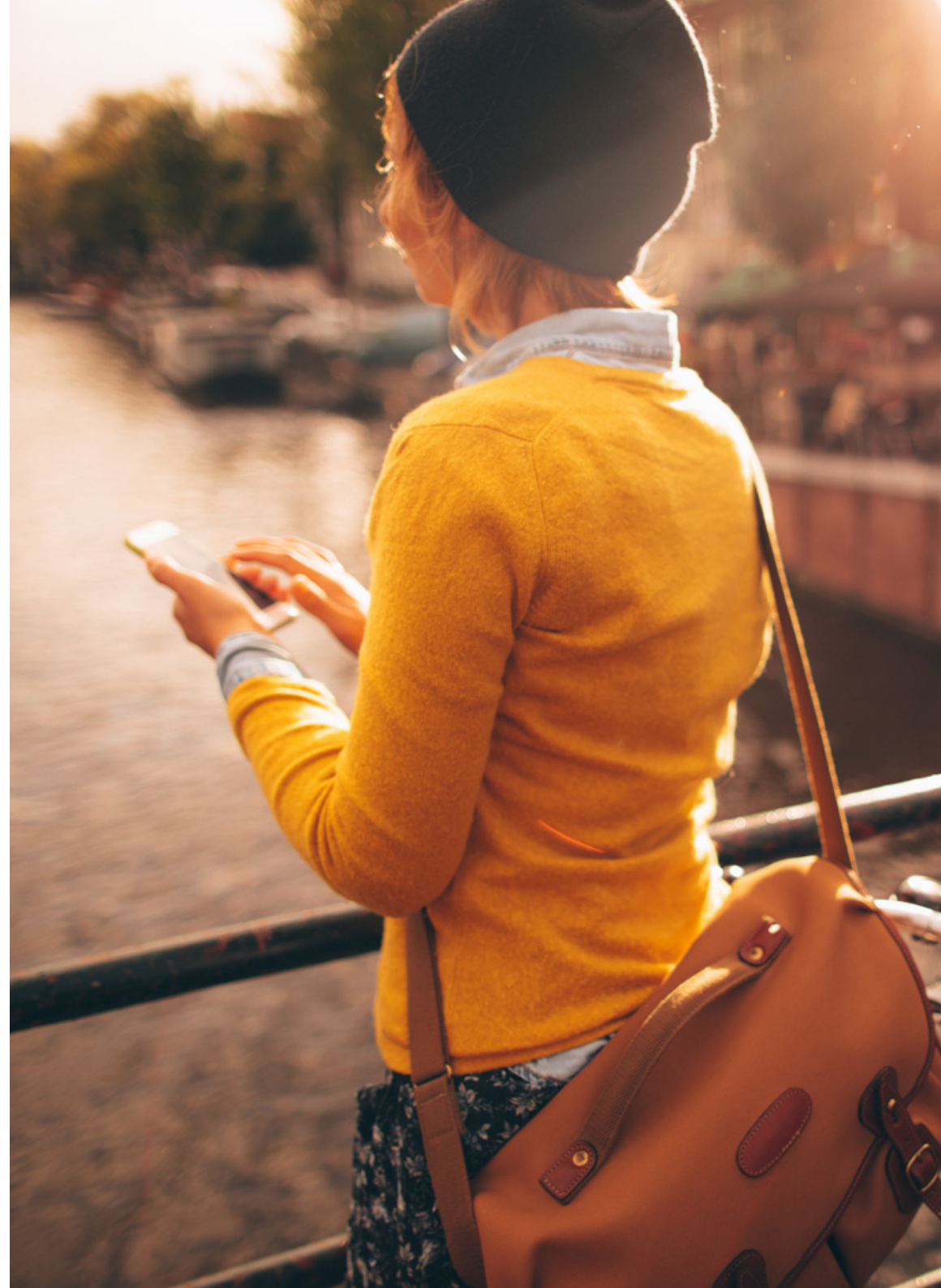
What this means for business?

There are no immediate changes to your banking services while the UK remains a member of the EU.

We're closely monitoring the situation and we're aiming to provide you with as much notice as possible should any changes be required. Our aim is to continue to provide you with the same level of service and range of products as we do today. We're also preparing for the intended move of our Western Europe Large Corporate coverage teams to NatWest Markets N.V. As much as possible we'll minimise disruption to our customers' business and we'll provide our customers with our full support throughout the transition.

What this means for your business?

Regardless of the outcomes of the Brexit negotiations, we're committed to helping you and your business succeed. With our expert knowledge, we're here to support you with the opportunities and challenges that Brexit could potentially bring to your business.



How are we planning for Brexit?

While the EU negotiations continue, the full implications and outcomes of Brexit are unknown, however we're preparing for a number of scenarios, including a no deal, to ensure we're ready to embrace the outcomes whether a deal is negotiated or not.

Maintaining our EEA business is a core element of our Brexit plans. We will use our existing banking entity in the Netherlands (NatWest Markets N.V.) to provide continuity of service from NatWest Markets to many of our EU customers. As the Netherlands is a member of the EU, the regulatory framework ("passporting" of financial services) will enable us to continue to serve our EEA customers (outside the UK) through NatWest Markets N.V.

Based in Amsterdam, NatWest Markets N.V. will have branches in Dublin, Frankfurt, Madrid, Milan, Paris and Stockholm. NatWest Markets N.V. will offer the same products and services that NatWest Markets offers today from the UK, with connections to the market infrastructure providers (needed to serve you), including trading venues and counterparty clearing houses.

Our Ulster Bank Ireland DAC business will continue to provide services for our customers that do business in the Republic of Ireland.

We're preparing for a number of scenarios, including a no deal, to ensure we're ready to embrace the outcome.

We're involved in a number of consultations with key UK bodies to help us keep abreast of the latest developments for the Financial Services sector, post Brexit, and will regularly review our plans to ensure we are Brexit ready. These bodies include

- UK Government
- Bank of England
- UK Finance
- HMT (Her Majesty's Treasury), and
- our regulators
 - the PRA (Prudential Regulation Authority)
 - FCA (Financial Conduct Authority).

We will continue to monitor the situation, assess how the final agreement will affect you and keep you updated on how we can help you through any changes this will bring.

Key dates

We'll assess how the final agreement will affect you and keep you updated on how we'll help you through the changes.



Frequently asked questions

What does Brexit mean?

“Brexit” is the short-hand term being used to describe the UK’s exit from the European Union (EU).

The UK voted to leave the EU following a referendum in June 2016. In March 2017, the UK Government started the process of leaving the EU by triggering Article 50 of the Treaty on European Union. The UK is expected to remain a member of the EU until 29 March 2019.

What is Article 50?

Article 50 of the Treaty on European Union is a provision in law which sets out how a Member State can leave the EU

What has been announced by the European Council in November 2018?

The EU and UK have signed a Withdrawal Deal on the UK’s departure from the EU, including a transition period until 31 December 2020. They have also agreed a top level political agreement on the future UK-EU relationship which is not legally binding at this stage.

What happens next?

We’re closely monitoring the situation and our aim is to continue to provide our customers with the same level of service and range of products as we do today. There are no immediate changes for our customers and our Brexit planning will continue unchanged.

What does it mean for me as a customer?

There are no immediate changes to your everyday banking services while the UK remains a member of the EU. We are closely monitoring the situation and we’re committed to providing you with as much notice as possible should any changes be required. Our aim is to continue to provide you with the same level of service and range of products as we do today.

What is the transition period?

In March 2018, the European Council announced the framework for a transition period, under which the UK would continue to participate in the European Single Market. This means UK banks would continue to have access to the European Single Market using financial services passporting rights. The proposed transition period would apply until 31 December 2020. However, the transition period still needs to be approved by the UK and European parliaments, plus formally approved by the European Council so it is not yet legally agreed.

What is passporting?

Passporting allows us as a bank to sell our financial services in the EU, so that it’s as easy to lend to a customer in Madrid as it is to lend to a customer in Manchester. It also means that some of the foreign banks who have offices here in the UK can sell their financial services into EU countries and in the UK.

How will the Bank operate if EU passporting is removed?

We are a UK focused bank, so for the vast majority of customers, our services and products will remain the same after Brexit. However, to prepare for the possible loss of EU passporting we can use our banking entity in the Netherlands, NatWest Markets N.V to provide continuity of service from NatWest Markets to our non-UK EEA customers. As the Netherlands is a member of the EU, we’ll be able to use EU passporting rights for NatWest Markets N.V. to serve EEA customers.

We’re also preparing for the intended move of our Western Europe Large Corporate coverage teams to NatWest Markets N.V. As much as possible we’ll minimise disruption to our customers’ business and we’ll provide our customers with our full support throughout the transition.

Making these changes to our operations will allow us to continue to offer products and services to our customers, regardless of where they live and where they do business.

We’ll make sure there’s minimal disruption to our customers’ business.

Why does passporting need to be removed when we leave the EU?

Passporting is intrinsic to the Single Market and will not be available to the UK after Brexit. The UK Government in its [July 2018 white paper](#) stated that its proposal for the economic partnership would include new arrangements on services and investments that provide regulatory flexibility.

Which countries are in the EU?

The EU currently consists of: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden and the UK.

Which countries are included in the European Economic Area (EEA)?

The EEA includes EU countries and also Iceland, Liechtenstein and Norway. It allows them access to the EU's single market.

Switzerland is neither an EU nor EEA member but is part of the single market – this means Swiss nationals have the same rights to live and work in the UK as other EEA nationals.

Would a UK citizen living in the EU lose access to their banking in the UK?

There is as yet no specific guidance on UK banking, however there is a risk that in the event of 'no deal', access to certain banking services in the UK could be restricted.

Will there be any changes to my ability to make payments in Euro from the UK post Brexit?

Post-Brexit our access to euro payment capability for our customers will remain as it is today.

There should be no immediate impact on your banking services.

Further information

For more information on Brexit:

Ulster Bank Brexit site

<https://digital.ulsterbank.co.uk/personal/help-and-support/brexit-hub.html>

FCA Brexit site

<https://www.fca.org.uk/eu-withdrawal>

UK Government Brexit site

<https://www.gov.uk/government/organisations/department-for-exiting-the-european-union>

<https://www.gov.uk/government/publications/implications-for-business-and-trade-of-a-no-deal-exit-on-29-march-2019>

Confederation of British Industry (CBI) Brexit site

<http://www.cbi.org.uk/business-issues/brexit-and-eu-negotiations/>

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