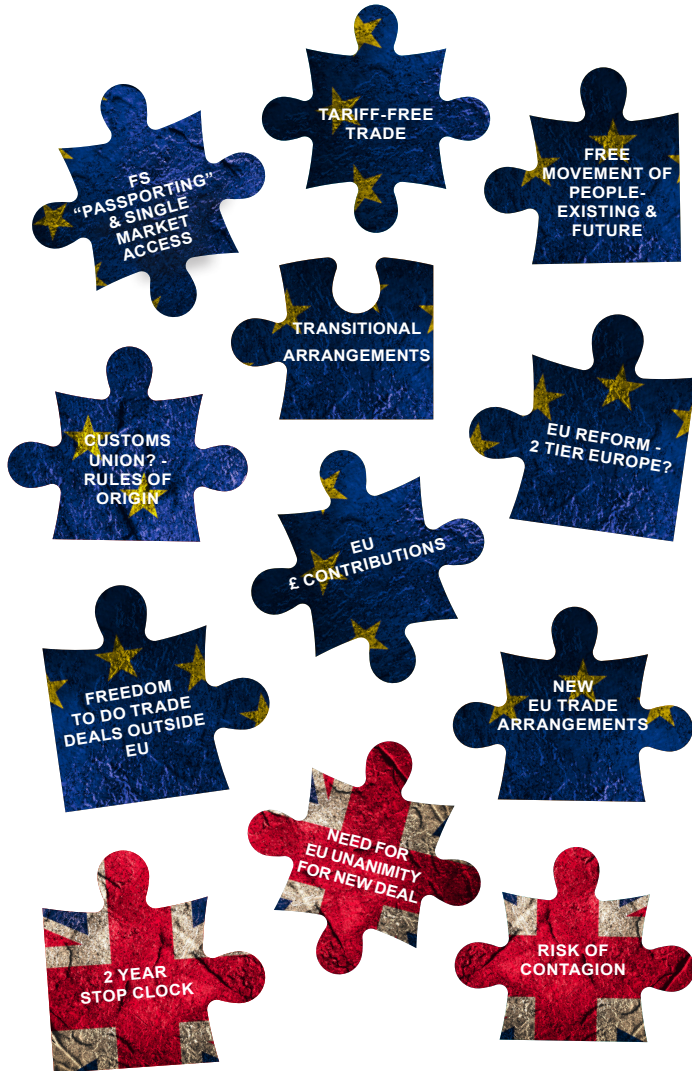


## THE BREXIT JIGSAW



## POSSIBLE OUTCOMES - SOFT → HARD BREXIT

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- ▶ EU reforms itself - 2 Tier Europe
- ▶ EEA Membership (Norway)
  - ▶ Access to “single market” but free movement (of workers?): EU contributions; limited influence; membership of EFTA
- ▶ Bilateral on EEA model (Swiss?)
- ▶ Comprehensive agreement on Canadian model - Canada+?
- ▶ “Equivalence” on firmer footing - inter-governmental agreement?
- ▶ “Third country” equivalence where available
  - ▶ “Equivalence” on firmer footing - inter-governmental agreement?
- ▶ No agreement on future relationship
  - WTO default
  - Trade war?
  - Unilaterally open trade

## THREATS & OPPORTUNITIES

- ▶ If no “single market” access
  - Wholesale v Retail (UCITS; wealth management; payments)
  - How to mitigate? Equivalence; EU Sub; Authorised branch; Local Member state perimeter approach; Reverse solicitation

But inverse position for EU firms
- ▶ Market infrastructure impact
- ▶ Increased cost for less access? Opportunities from new markets?
- ▶ Impact on commercial agreements
  - Enforcement
- ▶ Future regulation
  - What still needed to access “single market”
  - What derives from global fora
  - What reg would we have anyway?
  - Opportunities for arbitrage?