



brownejacobson^{LLP}

Brexit Overview

Your Commercial Contracts and Brexit

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London

Manchester

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The UK's departure from the EU is likely to have a significant impact on your existing and future commercial contracts. There are a number of areas where the UK's exit from the EU could be disruptive; therefore, ensuring that your commercial agreements are ready for the UK's new relationship with Europe at the end of the transition period is now a priority. Although there is still uncertainty over how organisations trading across the EEA will be impacted, we can help you put together an appropriate action plan.

Key Issues

Territory

References to the EU or EEA or other geographical locations may be affected by Brexit. Have you reviewed your distribution, franchise, IP licensing and other commercial agreements?

Import / Export

Importing or exporting goods is likely to result in additional costs (for example, new customs duties) and increased administrative formalities. Have you considered how these risks can be mitigated in your commercial arrangements?

Regulatory compliance

If you supply certain goods or services to customers based in the EEA, you will need to review your business practices, contracts and regulatory approvals to check that you still comply with EU / local laws applicable in the countries in which you do business. UK business are unlikely to be able to rely on more streamlined procedures which have previously been available due to the UK's status as an EU Member State. This means that you may need to take additional legal advice in other jurisdictions.

Force Majeure

Arguably Brexit may constitute a "force majeure event". Have you reviewed your standard clauses to avoid needless disputes with contracting parties?

Termination

You may want the ability to terminate or renegotiate agreements after Brexit. Have you assessed the termination provisions in existing contracts and those currently under negotiation?

Dispute resolution

Brexit may affect your ability to resolve disputes across borders. Have you considered alternatives like imposing an arbitration clause?



How We Can Help You

Initial planning

We can provide an overview of the key risks affecting your commercial contracts in various Brexit scenarios and the preliminary risk mitigation steps.

Risk analysis

We can help you assess your business needs and produce a risk register for commercial contracts setting out the priority issues and action points.

Contract audit

We can carry out an on or offsite assessment of your commercial contracts and identify the key clauses that need amending or renegotiating.

Bespoke advice

We can develop tailored advice to address specific issues like drafting and negotiating amendments and integrating Brexit issues in the contracting process.

Ongoing support

We can provide continuing legal and project management support to help you adapt to legislative and policy changes brought about by Brexit.

Action Points

01**Understand your commercial arrangements**

Review your business needs, locations of your business and your current commercial arrangements to understand how Brexit might have an impact.

02**Audit your current commercial contracts**

Review your current commercial contracts, understand how they might be affected and develop a plan to address the problems.

03**Amend and update your agreements**

Have proactive and early discussions with contracting parties to collaborate or renegotiate certain terms that might be a problem.

04**Build Brexit into current and future negotiations**

Make sure you consider Brexit and its impact on contractual clauses as part of your day-to-day negotiation of new commercial agreements.

For more information,
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For further guides on the impact of Brexit
please visit www.brownejacobson.com/brexit