

Brexit and your **future** business contracts: what should you consider now?

Brexit: an opportunity or a disaster? Currently at 11.00pm GMT on 31 October 2019, the UK will leave the EU.

Leaving the EU will affect some of your existing contracts. It may affect future contracts you plan to sign. In preparation, you should be thinking about the following points.

Future business contracts

The chances are you are currently considering entering into a contract in respect of your business which will still be in existence on 1 November 2019.

You need to identify those future contracts which are important for your business and consider:

- What will be the financial implications of Brexit? Do you need to include exchange rate variation and inflation clauses, and express provisions dealing with tariffs for imports or exports to and from the EU?
- Whether you need to provide for additional customs procedures.

In respect of all key future contracts, you should consider provisions addressing:

- force majeure
- excluding the right of set off
- events of termination
- the consequences of termination.

Where the key future business contracts concern contracting with parties outside England and Wales, consideration should be given to:

- governing law clauses; and
- how disputes will be resolved. If by:
 - the courts, then whose country's?
 - arbitration, then what arbitral procedure will apply?

Industry specific future contracts should be reviewed by reference to particular EU compliance requirements. For example:

- rules of origin so far as the fashion industry is concerned; and
- in respect of the chemical industry.

To discuss these issues and for concise legal advice, please contact:



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Other notes in this series are:

- Brexit and your **existing** business contracts: what should you consider now?
- Brexit and the **financial implications** for your business contracts: what should you consider now?
- Brexit and your business **operational issues**: what should you consider now?

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