

This is the latest edition of Hot Topics, focused on Brexit. We have prepared below some explanation and key messages on five hot topics relating to Brexit and the potential impact on businesses.

01

Employment law

Brexit is likely to result in a gradual chipping away of rights as our Government decides what to keep and what to discard. We are advising clients to:

- **Avoid knee-jerk reactions** – and nominate a member of the HR team to help staff with questions or concerns.
- **Protect your workforce** – consider entering into retention agreements for EU citizens, and try to make strategic hires before any potential restrictions on free movement are imposed.
- **Plan for potential redundancies and/or labour shortages** – which may result from an uncertain economic climate and/or a 'brain drain' due to the imposition of immigration controls.

Read more detail in Richard Kenyon's article: [Should we stay or Should we go?](#)

For more information please contact [Richard Kenyon](#), [James Warren](#), or [Nick Thorpe](#).

02

Financial management

Companies are already experiencing some disruption and uncertainty in day-to-day business which may well affect how they seek investment and maintain current cash flows and tax and currency arrangements. The most immediate of these issues will be the exchange rate risk. We are advising our clients to:

- **Determine who should bear the cost** should the exchange rate move against you. Clarify within payment terms, how currency changes will be dealt with before any new deals are closed.
- **Include a clause in any new contracts** in order to ensure that you are not exposed to unnecessary losses into any new contract.

For more information please contact [Neil Palmer](#) or [Mark Walker](#).

03

Data protection

At the end of 2015, EU institutions agreed the text for the General Data Protection Regulation (GDPR) which comes into effect in May 2018. The question now is, post Brexit, whether the UK will continue with its implementation, and if not, what data protection will entail. Our message to clients is:

- **Keep calm and carry on** - it will take the UK at least two years to negotiate its exit from the European Union. The UK will be subject to the same data protection regime as the EU for the immediate future - and possibly longer.
- **Keep preparing for the GDPR** - the GDPR will apply to every business - whether in the EU or not - that offers goods and services to EU citizens or that monitors EU citizens' behaviour. The UK's leaving the EU won't change this.

Read more detail on our blog: [Brexit and data protection: What does it mean for you?](#)

We are continuing to help our clients prepare for the GDPR. Contact [Hazel Grant](#), [Phil Lee](#) or [Antonios Patrikios](#) for more information.

04

IP protection

There is no immediate loss of EU registered IP protection in the UK following Brexit. Our message to clients is:

- **Keep filing EU Trade Marks (EUTM) and Registered Community Designs (RCD) as usual** - there is no abrupt change to their status and they remain valid in the UK. There is a possibility that the UK will remain within the EUTM AND RCD systems or there will be an opportunity to re-register UK national rights.
- **Consider filing a separate UK application** if your EUTMs are over 5 years old and only used in the UK.
- European Patents granted by the European Patent Office (EPO) will not be affected.
- It is unclear what will happen with the Unified Patent Court (UPC), which has not yet come into effect, or the division of the UPC intended to be hosted in London.

Read more in Fieldfisher's IP blog: [Brexit – What Happens Next?](#)

For more information please contact [David Knight](#) or [Leighton Cassidy](#).

05

Contracts

Contracts currently in place, or about to be put in place, which will continue beyond 2018 have greater exposure to risk post-Brexit. Potential changes to laws and regulation which currently underpin them will be reviewed as part of Brexit. Key considerations in relation to your current and new contracts are:

- **Manage risk exposure** – should UK law change there will be a need to change the nature or delivery of the product or service being delivered. This might mean greater costs for either party – business should act now to determine who will bear any costs.
- **Force majeure** – how is this defined within existing contracts? If broadly (ie "events beyond the parties control"), consider if it would allow parties to exit a deal due to the impact of Brexit.
- **Term and termination** – in the event that the deal becomes less attractive following the implementation of Art 50, consider how can you get out of the contract.
- **Assignment and novation** – if Brexit leads to corporate restructuring, consider whether the contract permits new supplier entities to continue to provide the services.

There are a multitude of additional issues, but when considering future-proofing your contracts, these should be given top priority.

For more information please contact [Robert Shooter](#).