****

**Place UK Ltd – Brexit Statement December 2020**

The Brexit date - when the UK leaves the EU - is currently set for 31 January 2020.

The government's Brexit bill has passed its first hurdle in Parliament, as expected after the Conservatives won a majority in the UK's general election.

Assuming the European Parliament also gives the green light, the UK will formally leave the EU on 31 January with a withdrawal deal - and it will then go into a transition period that is scheduled to end on 31 December 2020.

During this period the UK will effectively remain in the EU's customs union and single market - but will be outside the political institutions and there will be no British members of the European Parliament.

The first priority will be to negotiate a trade deal with the EU. The UK wants as much access as possible for its goods and services to the EU.

If no trade deal has been agreed and ratified by the end of the year, then the UK faces the prospect of tariffs on exports to the EU.

Given that we could still be facing a “no-deal” scenario, we have taken a number of steps to mitigate our business from potentially disruptive risks to trade.

In order to maintain our service levels to you, Place UK and Phaseolus continue to plan for minimal supply chain disruption of goods imported into the UK from the EU.

* We currently hold significant stocks of raw materials in the UK which means any delays at ports of entry into the UK will not impact our ability to service our customers. All of our imported goods have relatively long shelf lives meaning they are not vulnerable to deterioration in the event of any delays or disruption at ports.
* We are fully registered to utilise Transitional Simplified Procedures (TSP) to expedite the smooth transition of goods through Customs Clearance at UK borders.
* Our agents are standing by to clear your goods imported from the EU through UK customs.
* We have an EORI number which aims to make importing easier post Brexit.
* Our currency purchases have been well thought out in order to limit the impact of shifting exchange rates in the short term.

**Import Costs**

There may still be some unavoidable costs. Primarily, goods imported into the UK from the EU may be subject to import duty and VAT. Should the UK revert to WTO rules, additional customs formalities could also add cost to our supply chains.

In this instance we would have no choice but to invoice you separately to recover these costs.

We will issue an updated statement when the position changes. In the meantime, we wish to reassure you of our ongoing commitment to continue to trade within in the UK and our import markets.