Brexit Essentials: Navigating Uncharted Seas A Practical Guide for Businesses

1. Overview

In the aftermath of the referendum vote, corporate groups and other businesses (both domestic and overseas) face new risks and challenges which will need to be addressed[1].

This briefing starts by considering the steps to be taken following the emergence of these new risks and challenges and then goes on to analyse, in the Appendix, some key implications for certain practice areas[2].

After such a seismic event, with uncertainty seeming to be the only certainty, the first focus has to be on safely navigating the uncharted seas, on identifying and mitigating the near-term risks and anticipating and managing the longer-term consequences. This is not to say that the risks identified will necessarily materialise or that current market conditions will continue indefinitely. We have already seen a stock market rally (albeit one led by multinationals, with UK-focused businesses remaining under pressure); there is some cautious optimism for the Brexit negotiations. And of course there will also be benefits and opportunities for some (perhaps many).

Businesses will face different risks and challenges, see the potential for varying benefits and opportunities, and be impacted, directly and indirectly, to a greater or lesser extent by the referendum result and its aftermath. There is no identikit plan for the challenges and opportunities ahead. Our briefings to date are therefore just a starting point. Our aim, through ongoing dialogue with our clients, other market participants and Government, both in the UK and overseas, is to help our clients both to develop an appropriate post-referendum strategy and to shape the post-referendum world.

2. Next Steps: In Brief

Risk assessment and monitoring

2.1 There is a heightened focus on risk, increasing the importance of active assessment and monitoring, focusing on impact and mitigation.

[1] Much work is being undertaken to evaluate the implications of the referendum vote for the financial services sector and other specific sectors. Those implications will be covered by separate briefings. This briefing is focused more broadly on issues affecting businesses generally.

[2] The Appendix in particular builds upon the analysis contained in our pre-referendum briefing: "The legal and business implications of the UK leaving the EU", http://www.slaughterandmay.com/media/2535439/brexit-essentials-the-legal-and-business-implications-of-the-uk-leaving-the-eu.pdf.

2.2 From a corporate governance perspective, business as usual is unlikely to suffice. Listed companies, in particular, must proactively consider their risk management frameworks, assess and monitor the new risks, and be prepared to explain the management and mitigation of those risks.

2.3 Businesses should consider: (i) whether Risk and Audit Committees have the necessary resources to meet the emerging challenges; and (ii) establishing a Brexit response committee to oversee their response across all aspects of the business.

2.4 Some particular areas for focus in the near term are set out below.

(A) *Foreign exchange and hedging*: actions include (i) evaluating the immediate impact of higher input costs for non-sterling goods and services; (ii) mitigating ongoing currency volatility; and (iii) revising hedging policies and re-evaluating existing hedges.

(B) *Cash flow*: (i) may be impacted through e.g. lower consumer spending, order cancellations, deferred and/or cancelled investments, volatility in the FX markets and higher debt service costs; (ii) it will as a result be important to stress-test liquidity (including working capital facilities) and (in some cases) to keep solvency under review; and (iii) it may also be prudent to review and revise credit terms, cash collection and invoice settlement policies.

(C) *Investment decisions*: (i) the costs and benefits of investments will need to be re-appraised in light of recent and future Brexit-related developments; (ii) some investors are likely to defer and/or cancel investments; and (iii) while conditions remain volatile, there may be increased pressure to execute deals quickly.

(D) *Material contracts*: actions include (i) evaluating the possibility of a referendum-related or Brexit-linked repayment event or draw-stop in financing documentation; (ii) considering potential referendum-related or Brexit-linked repayment or termination events in material contracts; and (iii) considering the potential impact of Brexit on long term contracts.

(E) *Borrowings*: actions include (i) assessing the impact of tighter lending criteria, potentially higher debt service costs, the downgrading of the UK's credit rating and a possible deterioration in trading conditions; and (ii) considering other sources of liquidity.

(F) *Capital raising*: (i) disclosure of new risks and uncertainties will be required in any prospectus; and (ii) a robust assessment of risks and mitigation will be required by investors and underwriters.

(G) *Credit risks*: actions include (i) re-evaluating the solvency of counterparties (including finance providers); and (ii) considering diversification of the supply chain and customer base (in view of the potentially heightened credit risk).

(H) *Defence planning*: companies may need to re-evaluate their susceptibility to an approach in light of currency and stock market volatility.

Regulatory obligations

2.5 *EU-based regulatory obligations*: In the short and medium term, the regulatory landscape is unlikely to change. A key priority is to understand the key EU regulations that affect your business, so as to develop a view on and potentially shape the post-referendum landscape.

2.6 *Inside information*: It will be important for companies with listed equity and/or debt to consider whether they have inside information. It is conceivable that, for some companies, the referendum result will itself give rise to an impact which constitutes inside information in the short or medium term, although this is unlikely to be the case for most. Ongoing developments will need to be closely monitored.

2.7 *Results announcements* should include commentary on known impacts; however it is likely to be premature to comment on longer term consequences (unless and until these are clearly known).

Other near-term considerations

2.8 Businesses may also want to consider:

(A) *Impact on pension scheme funding*: reductions in equity values and downward pressure on gilt and bond yields may impact the funding levels of pension schemes, with the immediate impact being felt by those schemes currently undergoing an actuarial valuation and companies undertaking a major transaction;

(B) *Business plan*: modelling the impact of the plausible Brexit scenarios on your business;

(C) *Relocating*: businesses requiring unfettered access to the EU may ultimately need to consider (at least partial) relocation; and

(D) *Potential fragmentation of the UK*: evaluating the potential impact of Scotland and/or Northern Ireland ceasing to be part of the UK.

3. Next Steps

3.1. Risk assessment and monitoring

In the near term, stakeholders such as lenders, shareholders, rating agencies, underwriters, regulators and pension fund trustees are likely to expect answers to two questions:

- What impact has the decision had on your business and prospects?
- What action are you taking to monitor and mitigate that impact?

Even if you do not have significant trading exposures to the EU, you are likely to be affected by current (and ongoing) market volatility and the fall in the value of sterling, and you may have exposures in your supply chain that are not immediately evident. You may also trade with counterparties who face significant risks as a result of the referendum.

From a corporate governance perspective, "business as usual" is therefore unlikely to provide adequate responses to these questions. While the impact of the vote to leave the EU will vary from case to case and may have benefits for some, everyone is likely to be affected, in the short, medium and long term, to some extent.

As a result, the boards of UK listed companies should, in light of their duties, proactively consider their responsibilities under the UK Corporate Governance Code, in particular to:

- "establish a framework of prudent and effective controls which enables risk to be assessed and managed";
- "satisfy themselves on the integrity of financial information and that financial controls and systems of risk management are robust and defensible";
- "monitor those risks and to confirm in the annual report that they have carried out a robust assessment of the principal risks facing the company, including those that would threaten its business model, future performance, solvency or liquidity"; and
- describe those risks and "explain how they are being managed or mitigated".

Companies should now be re-evaluating their businesses with a view to managing, mitigating and monitoring the risks (and opportunities) while Brexit-related concerns and uncertainties persist. Existing assumptions and analyses and current systems and controls may need to be revised.

Businesses should reassess whether their Risk and Audit Committees have the necessary skills and resources to meet the new challenges and to navigate through the uncertainty, and rebalance or reinvigorate them, as appropriate. Boards should also consider establishing a Brexit response committee to oversee its handling of the issues arising across all aspects of the business and ensure that this is properly coordinated and knowledge is captured. Consider also, where appropriate, whether and how insights might be shared with the wider business community.

Some of the key areas which may affect your business in the near term, and which will need to be assessed and kept under close scrutiny, from a governance perspective, are summarised below.

3.1.1 *Foreign exchange and hedging*

The precipitous fall in the value of sterling against all major currencies since 23 June may signal a longer-lasting challenge which, if realised, can be expected to result in higher input costs for goods and services priced in non-sterling currencies (although the relative impact may vary from currency-to-currency). Some clients may enjoy a net benefit from the ability to sell goods and services overseas more cheaply[3].

[3] At least, prior to any actual Brexit, whilst the UK's continuing membership of the EU protects the UK from the imposition of tariffs by the EU (and other nations where the UK's trading relationship is dependent on EU treaties).

All businesses should nonetheless assess the immediate impact on their cost base and the risks presented by ongoing volatility in global exchange rates; mitigation plans should be formulated.

You may be facing significant FX exposures (or gains) under existing hedges. You will need to consider the implications of marking to market, including under financing documentation (for example, whether this has consequences under your lending covenants or for your financial statements). You may need to revise your current hedging policies and consider terminating or replacing some swaps and other treasury instruments.

You may wish to consider whether your terms of trade involve accepting short term currency risks and, if relevant, re-evaluate those terms.

3.1.2 *Cash flow impact*

The delay or cancellation of orders and investment decisions is a likely consequence of the referendum result, whilst the UK's trading, legal and regulatory relationships with Europe and the rest of the world remain unclear. Consumer-spending may fall, as a result of factors including a weaker sterling, potential short term tax increases, possible inflation, and the fragility of general economic confidence. Corporates may also be affected by reduced government spending on infrastructure and grants.

These factors may impact businesses' earnings in the short to medium term and that of their customers, suppliers and others on whom those businesses depend. It may therefore become important for businesses to stress test their working capital position and, if more significant problems are identified, there may be a need to keep ongoing solvency tests and invoice payments under review.

Businesses will want, in view of the earnings impact, to reassess their cost base, to evaluate where there is scope to reduce costs, and to identify possible triggers for cost reductions in the future. It will also be important for businesses to review their contractual protections with respect to critical customers and suppliers.

Credit terms, cash collection and invoice payment policies may need to be reviewed and tightened, although, if your solvency remains solid, imposing more stringent credit terms on counterparties whose solvency is less robust may prove counterproductive. Counterparties may themselves seek to tighten credit terms and increase payment times to help ease their own cash flows.

Businesses should consider whether there are any implications of pressure on cashflow under their financing terms. In addition, they should consider whether their existing working capital facilities are likely to be adequate (and are available for drawing, as to which, see "***Debt Terms***" below) or whether it would be prudent to negotiate additional headroom, amend the existing facilities or put new facilities in place (as to which, see "***Borrowings***" below).

3.1.3 *Going concern assessment*

All companies are required to adopt the going concern basis of accounting except in rare circumstances (e.g. the directors determine that they intend to liquidate the company or cease trading) and directors are required to assess a company's ability to adopt the going concern basis and to identify any material uncertainties that may cast doubt on the company's ability to do so. Directors should take the impact of the referendum vote (and, in due course, Brexit) into account when undertaking this going concern assessment.

3.1.4 *Investment decisions*

Until the path of the Brexit negotiations becomes a little clearer, most potential investors are likely to delay all except essential investments (although some investors will see opportunities notwithstanding (and in some cases because of) the uncertainty).

Acquisitions and other investment decisions which have yet to be implemented may need to be re-evaluated so that companies can satisfy themselves, and stakeholders, that they remain in the relevant company's best interests. New decisions may need to be evaluated against a more cautious set of investment criteria and assumptions.

Businesses may be under increased pressure to execute transactions quickly to reduce the risk of deals collapsing or being renegotiated. Businesses will need to assess on a case-by-case basis whether this represents an opportunity or a risk.

3.1.5 *Debt Terms*

You have probably already reviewed the covenants in your bank facilities, bonds and other treasury instruments to assess in what circumstances the impact of the referendum and the ensuing market/trading environment could give rise to increased costs (e.g. as a result of margin ratchet or similar arrangements), a repayment event or draw-stop on any undrawn facilities. It is certainly imperative to do so now if you have not done so already.

A specific point to bear in mind is the extent to which FX volatility may affect covenant tests, in particular those which compare balance sheet measures (e.g. borrowings) against income statement items (e.g. EBITDA), which may incorporate differing exchange rates, to the extent the terms of the relevant agreement do not anticipate and adjust for any discrepancy.

More generally, familiarity with debt terms and covenant restrictions is essential to your ability to manage any deterioration in your business (e.g. by making disposals) while remaining in compliance with your obligations. A review of debt terms should include an analysis of applicable termination dates and likely refinancing requirements, and the existence of extension rights and the availability of accordion facilities and other uncommitted lines.

3.1.6 *Material contracts*[4]

A number of contracts which were negotiated in the run up to the referendum contained a "Brexit condition" which, in some cases, has now been invoked. Specific termination rights in other non-lending contracts are less likely to be triggered, although material adverse change ("**MAC**") and force majeure clauses may now be (or become) subject to increased scrutiny. In broad terms, the accepted position

[4] See also section 1 of the Appendix.

under English law is that a MAC clause cannot be triggered on the basis of an event that the parties were aware of when the contract was entered into, although a significantly more adverse deterioration than anticipated, could alter that analysis. This may also be relevant in the context of specific Brexit conditions. As always, much will depend on the circumstances of the relevant contract and the wording of the clause in question.

As a result, businesses should consider obtaining advice now on their contractual options where these or similar provisions may apply, in particular to evaluate how quickly to act, what steps need to be taken, whether there is flexibility to delay exercise, and to evaluate any collateral consequences of doing so.

More generally, businesses should consider whether they have any material contracts which continue for more than 2 years (i.e. potentially beyond the UK's final exit from the EU) and evaluate whether these either: (i) were entered into on the basis of assumptions that the UK would remain a member; or (ii) are reliant on EU law. Some contracts might need to be re-negotiated, or contingency plans may be required, to deal with the possibility that Brexit has a material adverse impact on a party's contractual position.

3.1.7 *Borrowings*

Lenders are likely to require a Brexit risk assessment in any new credit evaluation. Banks may impose new terms and take longer to negotiate and approve facilities than in the past. Lending criteria may tighten. Borrowing costs may be affected. You may therefore need to plan further ahead when considering refinancing of your existing debt and to reassess the availability and attractiveness of additional credit if you need to increase borrowings over the next 2 years (and, possibly, beyond). Other sources of liquidity may need to be considered.

The Bank of England is keen to reassure us that British banks are better capitalised than they were going into the last financial crisis, but the specific position of your banks should be assessed.

3.1.8 *Capital raising / flotation*

When raising new capital, whether in the form of equity or debt securities, or on IPO, the risk factors section in a company's prospectus will need to address the risks arising from the referendum, if they are material to the company. Underwriters and offerees are likely, in any event, to require a convincing assessment of these risks and a compelling explanation of the steps the company concerned is taking to address them.

3.1.9 *Credit Risk*

Businesses may need to place renewed focus on the solvency of suppliers, customers and other counterparties and to develop contingency plans to respond to an insolvency of any of them. This may mean that you should be reassessing supplier dependency and looking for ways to diversify your supply chains and customer bases.

3.1.10 *Credit Rating*

As at the date of this briefing, Standard & Poor's and Fitch have already downgraded their credit ratings for the UK and Moody's have put the UK on negative watch. A number of UK banks are also on negative watch. The economic consequences of the downgrading of the UK's credit rating are complex but the underlying causes (and uncertain outlook) may affect the ratings of other companies, flowing into increased bank funding costs, which potentially has a knock-on effect on borrowing costs. This risk should be evaluated and the potential additional costs (and alternative sources of liquidity) factored into your business planning.

3.1.11 *Defence planning*

The fall in some share prices and in the value of sterling against other currencies may make certain listed companies more attractive targets for opportunistic purchasers, particularly as markets become less volatile and political uncertainties start to dissipate. It will therefore become more important for some companies to evaluate their susceptibility to approach and to consider all strategic options and opportunities.

3.1.12 *EU personnel*

Although the impact of any change in immigration policy may not be felt for some years, in the immediate term, EU personnel in the UK may be concerned about the current environment and future job security in the UK. Businesses may therefore wish to take positive steps to reassure and retain key EU personnel, including through (practical and financial) support with residency, visa or work permit applications and, potentially, further incentives.

Businesses may also need to evaluate whether they are likely to be able to justify retaining non-UK staff under any potential "points based" quota system. Should such a system be adopted, this is likely to be a particular issue for employers of unskilled or semi-skilled foreign workers. The impact is likely to be pronounced in the hospitality, healthcare, construction, leisure and agriculture sectors. The longer term impact may be to increase the cost of unskilled and semi-skilled labour in the UK.

3.2. Your Regulatory obligations

In the short and medium term, it currently seems unlikely that any material changes will be made on the regulatory front. The UK has supported most of the EU regulatory framework and in any event, prior to any actual Brexit, the Government is unlikely to be able to change the system materially, not least because (existing and future) EU regulations will continue to be directly applicable in the UK. Many important parts of the EU regulatory architecture stem from G20 or other international commitments, which is likely to limit the scope of any changes that the Government may wish to make in the longer-term.

Of course single market issues (such as the passporting of UK regulatory authorisations into the EU (and vice versa) after the UK leaves) remain to be resolved. It is too early, and the outcome of the Brexit negotiations remains too uncertain, to draw meaningful conclusions on these.

In the short to medium term, a key priority is to understand the main EU regulations that affect your business, in order to develop a view on the post-referendum landscape. All of the following areas, for example, are potentially affected: finance and treasury, accounting and reporting, competition law and state aid, tax, pensions and employment, intellectual property, environment and climate change and data protection. We are preparing further briefings containing detailed analysis of the regulatory implications in each of these areas, which will supplement the analysis contained in this briefing and in the Appendix.

You may also need to consider the following regulatory issues in the near term.

3.2.1 *Do I have Inside Information?*

The Market Abuse Regulation ("**MAR**") came into force on 3 July. The vote to leave the EU will not affect it in the near term and it is unlikely that the UK Government will seek to abandon it in the longer term, having supported the regulation through the EU legislative process.

Under MAR, an issuer of securities which has precise information which may have a significant effect on the price of its securities is obliged to make an immediate announcement, unless it is able to justify delaying its release under a relevant exception. Information which would have a non-trivial effect on the price of the issuer's securities and which a reasonable investor would take into account when making an investment decision is taken to be information which may have a significant effect on the price of those securities.

It is conceivable that your evaluation of the impact of the vote to leave the EU will give rise to precise information which meets this test. For example, if the significant fall in the value of sterling has left you with currency exposures which are expected to have an impact on your results, this might trigger an immediate announcement obligation under MAR.

Absent an immediate impact, it is unlikely that your evaluation of the longer term risks and contingencies will give rise to information which is sufficiently precise to amount to inside information for the foreseeable future. However, it will be important to monitor developments and continually to assess whether you have inside information (whether as a consequence of the developing situation, ongoing uncertainties or otherwise).

3.2.2 *What should I say about Brexit in my results announcement?*

Many companies are approaching their interim results announcements. These should include commentary on known impacts of the vote. It is likely to be premature to comment on longer term consequences unless these are reasonably certain.

3.3. Other near-term considerations

3.3.1 *New contracts*

Your standard terms of trade may need to be revised. For example, when entering into new contracts which will continue after the UK leaves the EU, consider what impact potential trade tariffs may have on your costs and pricing post-Brexit and whether the contract assumes the continued application of EU law which may cease to apply. See also section 1 of the Appendix for a consideration of governing law and jurisdiction issues.

3.3.2 *A new business plan*

The UK's decision to leave the EU may have a material impact on your current business plan. Planning for the coming years amidst political, legal, economic and diplomatic uncertainty presents obvious challenges. However, it should be possible to navigate through this uncertainty by modelling the likely impact on your business of each plausible outcome.

The UK's current membership of the EU means that it benefits from the following "freedoms":

1. Free movement of goods across EU borders;

2. Freedom to deliver services across EU borders and freedom of establishment in the EU;

3. Free movement of EU citizens across EU borders; and

4. Free movement of capital within the EU.

The ultimate settlement which the UK reaches with the EU may involve the loss of, or restrictions to, some or all of these freedoms. Planning for life after Brexit, you need to consider how reliant your business is on each of these freedoms and what steps could be taken to mitigate the effect of losing them or having them restricted.

While no one can predict the outcome of the forthcoming negotiations (and there seems little unity amongst, and no clear plan emerging from, those who campaigned to leave the UK), possible outcomes include: (i) total exit from EU and the single market; (ii) exit from the EU, with the UK becoming a member of the EEA (the "Norwegian model"); or (iii) exit from the EU, with the EU agreeing some kind of bespoke deal (akin to the "Swiss model")[5]. There has also been speculation about the possibility of a second referendum, or of a Government decision not to trigger the two year exit process. All plausible possibilities are relevant to companies' risk assessments and business planning.

3.3.3 *Relocation*

While it is unlikely that meaningful conclusions can be drawn for some time, businesses which need unfettered access to the EU may need to consider (at least partial) relocation to continuing EU Member States. Businesses that make material sales of UK manufactured goods or UK based services may need to move their production facilities or service providers into an EU Member State in order to obtain continuing access on intra-EU terms. It is unlikely to be sufficient simply to open an office or move the corporate head office in order to avoid tariffs and other barriers on goods exported from the UK.

[5] See our previous publication "Brexit Essentials: Alternatives to EU membership", http://www.slaughterandmay.com/media/2535258/brexit-essentials-alternatives-to-eu-membership.pdf.

3.3.4 *Real estate*

As you re-evaluate your location options and cost base, your real estate requirements may change significantly. Other businesses down-sizing in the UK or relocating may result in a fall in commercial property rents and values. Businesses may need to delay committing to leases and acquisitions where possible. A review of break clauses may be advisable.

3.3.5 *A break up of the United Kingdom?*

Although a further referendum on Scottish independence may not be likely in the near term, there is increasing political pressure for a further vote in view of Scotland's support for continuing EU membership. The outcome of the vote in Northern Ireland has also raised questions about its longer term position in a United Kingdom outside the EU.

As part of your overall re-evaluation of your risk profile in the wake of the vote to leave the EU, consideration should be given to the impact of the possible split of Scotland and/or Northern Ireland from the UK.

3.3.6 *Influencing policy*

Policy-makers need to formulate proposals for the UK's on-going relationship with the EU.

Businesses have a potentially important role in this process and need to identify their priorities. Evaluating these is likely to be a complex and granular process and different businesses may have their own, perhaps conflicting, priorities. However, it is important that business takes a coordinated approach as far as possible and share key insights, information and analysis, so far as appropriate (and lawful). We are keen to assist our clients in this process and would welcome the opportunity to discuss what you are doing and to share thoughts.

Appendix
Analysis of the potential impact of Brexit on specific practice areas

1. Dispute Resolution

1.1. Disputes arising from Brexit

Between now and Brexit taking effect there will be periods of further market uncertainty; parties need to be alive to the consequences of market movements for their contractual commitments. Will Brexit give grounds for avoiding those commitments? The answer will depend on the terms of individual contracts and how they respond to events which are still unfolding.

In particular, parties will want to keep under review force majeure and material adverse change clauses in their existing contracts. More broadly, it may be argued that Brexit or aspects of it constitute a frustrating event, meaning a contract is rendered incapable of performance. These arguments will be difficult in law and highly fact-sensitive. Even where a party can point to a specific "Brexit" clause, much will depend on the precise drafting of the relevant term. In all cases, parties should avoid precipitate action while remaining mindful of the calculations their counterparties may be making.

1.2. Governing law of contracts

The Rome I Regulation currently provides the legal framework for determining the governing law of a contract (even in cases where neither party is from the EU).

Rome I is similar to the English law which it superseded. Therefore, whatever the arrangements post-Brexit, there is likely to be continuity in the English courts' approach: broadly speaking, where parties have chosen a governing law for their contract (whether English law or otherwise), that choice will be respected. The key point for new contracts, therefore, is to include wording which makes the choice of law clear.

For both existing and new contracts with EU counterparties, businesses will need to consider whether English law remains appropriate, given that (until the terms of Brexit are clear) recognition and enforcement of an English law judgement in the EU remains uncertain. Some companies may already have received requests for changes in governing law. The benefits of English law (including its certainty, objectivity, and flexibility, and the impartiality and international recognition of its courts) will remain relevant for businesses considering this issue.

1.3. Jurisdiction and enforcement of judgments

The Brussels Regulation (as originally enacted and as recently revised) contains rules which the courts of EU (and most EEA and EFTA) states apply to determine whether they can accept jurisdiction over a dispute. It also sets out rules for the recognition and enforcement of the judgments of member states' courts in every other member state.

The Brussels Regulation is very different to the traditional English law position on these questions. Departure from the EU will therefore open up a broad range of options for the UK. It could revert to the traditional, pre-EU position (which could complicate the pan-European enforcement of judgments). On the other hand, it might seek continuity by attempting to join in the existing EEA and EFTA arrangements which mimic the effect of the Brussels Regulation. For the moment, no-one knows what will happen.

Until there is clarity, parties can try to protect themselves by stating clearly in their contracts which courts they wish to adjudicate in the event of a dispute. They should also consider whether it would be appropriate to seek to agree not to challenge enforcement of any judgment either party obtains. While such forms of words may be helpful, they are very far from watertight.

Even at the moment, when the UK is subject to the Brussels Regulation, enforcement proceedings in other European jurisdictions can take time. Parties who already have, or expect soon to have, the benefit of a judgment of a European court should consider its enforcement in other member states as a matter of priority.

1.4. Arbitration

The conduct of arbitrations with their seat in London should not be affected by Brexit and nor should cross-border enforcement of arbitral awards - this is governed by the New York Convention, which does not derive from EU law and to which the UK (and other EU states) are signatories in their own right.

Arbitration could therefore offer a more certain dispute resolution process, but parties thinking of incorporating an arbitration clause in contracts should still weigh up the relative pros and cons of choosing arbitration for the type of dispute(s) that may materialise under the specific contract in question. They should also consider carefully the different arbitral institutions and sets of rules available.

2. Competition law and State Aid

Until the UK formally leaves the European Union, the current competition law regime will continue in force.

Certain of the UK authorities with competition law enforcement powers have made this point explicitly in the days following the vote to leave:

- The UK Competition and Markets Authority is reported to have stated that it will continue to operate within the "*current legislative framework*", that "*in the short term, there is no impact on our work*", and that it is "*for the government to decide on next steps*".[6]

- The UK Financial Conduct Authority has similarly stated that financial regulations derived from EU legislation "are unaffected by the result of the referendum and will remain unchanged unless and until the Government changes the applicable legislation".[7]

[6] http://www.mlex.com/GlobalAntitrust/DetailView.aspx?cid=806574&siteid=242.
[7] See https://www.the-fca.org.uk/statement-european-union-referendum-result.

Up to the UK's formal departure from the EU, therefore, there is likely to be little or no short-term change to the UK's national competition rules and the manner in which they are applied. After exit, UK firms which do business in the EU will continue to be subject to the EU competition rules – the EU regime is an effects-based one so applies to the location where business is conducted, not where the firm in question happens to be domiciled. Whether or not EU competition rules will be adapted to reflect the UK's exit remains to be seen; however, the French president has been reported as suggesting that EU competition rules ought to be "adapted" following a Brexit, in order to reflect the reformed EU's objectives.[8]

The Brexit vote does, however, raise some shorter term questions for UK competition law policy in a few notable areas:

- The EU Damages Directive (which establishes an EU-wide framework for private damages actions for competition law breaches) has not yet been implemented into UK law; the current deadline to do so is 27 December 2016. It is not yet clear whether, given the vote to leave the EU, the Directive will be implemented into UK law in the timeframe envisaged (or at all).

  The Directive contains various provisions which would entail a change to current practice in English courts, including on limitation periods, and on outlawing disclosure of leniency/settlement submissions, and would also cement into legislation that on the question of infringement, EU Commission decisions are binding, whereas decisions of other Member State courts and competition authorities are at least *prima facie* evidence.

  Although the Department of Business, Innovation and Skills (which is responsible for the directive's passage into UK law) has indicated that it will continue to engage on EU-related matters until the UK has formally exited the EU, it has yet to publish its response to its public consultation on the Directive (due on 9 June). Given the myriad of other EU-derived legislative provisions with which the UK Government will need to decide what to do post-Brexit, BIS may be reluctant to add to the pile by pressing ahead with implementation without taking the leave vote into account.[9]

- The status of the Government's ongoing review of the UK competition regime. The Department of Business, Innovation and Skills recently completed a consultation on the UK competition regime (relating to merger control and antitrust).[10] The Government's response to this consultation had been expected in Autumn 2016. However, given the Brexit vote it is unclear whether this review will now be completed as originally envisaged, or adjusted to take into account the new circumstances, or simply suspended while the Government formulates its withdrawal from, and new relationship with, the EU.

[8] http://www.mlex.com/GlobalAntitrust/DetailView.aspx?cid=808058&siteid=190&rdir=1.
[9] For further information on the impact of a Brexit on EU-derived legislation in the UK, see here http://researchbriefings.files.parliament.uk/documents/CBP-7213/CBP-7213.pdf. We have also covered the implications of Brexit by legal practice area in our pre-Brexit briefing: "The legal and business implications of the UK leaving the EU", http://www.slaughterandmay.com/media/2535439/brexit-essentials-the-legal-and-business-implications-of-the-uk-leaving-the-eu.pdf.
[10] See https://www.gov.uk/government/consultations/uk-competition-regime-options-for-further-reform.

3. Outsourcing and Commercial Contracts

Whether you are a supplier or a customer, in addition to the points highlighted earlier in this briefing, it is important to consider how Brexit may impact your outsourcing and other strategic contract arrangements.

Now is the time to review your existing agreements to understand (1) how they may be impacted by Brexit, and (2) whether they offer potential leverage opportunities, or pose significant challenges, for any strategic reorganisations or restructurings you may be planning. Although there remains much uncertainty on the Brexit outcomes, there may be significant tactical and commercial benefits to raising points now with counterparties that may need renegotiation or clarification. Now is also the time to revisit your standard form contracts, many of which may be used by your business without further legal review, to ensure that they are appropriate for a post Brexit environment.

We would suggest the following as issues likely to require consideration when undertaking contract reviews:

(A) Territorial Scope – Is the territorial scope of UK-based rights or obligations defined by reference to the EU or EEA? Some contracts may restrict location of service operations, or transfers of personal data, outside the EEA. Would it be helpful to clarify the extent to which each of England, Scotland, Wales and Northern Ireland will continue to be within scope going forward?

(B) Burden of Change of Law Costs – Although any changes to the UK's legal and regulatory landscape as a result of Brexit are likely to take a number of years to finalise, it is important to understand what your responsibility is under the contract to bear them. Commonly this will come down to interpretation: of both the change itself, and the costs allocation clauses. You should get onto the front foot, both for the counterparty discussions and to dictate the scale and pace of any contract or service changes.

(C) Counterparty Risk/Financial Distress – We recall from the banking crisis the profound impact, financially and operationally, felt by outsource suppliers across all sectors. Brexit fallout may begin to impact your key supplier's ability to fulfil its obligations. In addition, your supplier may start to implement strategic business changes (e.g. moving operations outside the UK, changing location of regulatory approvals, focus on non-UK areas for growth, etc.) all of which may impact you negatively. It is worth considering now how economic pressures might affect your current key suppliers, and to review your contractual protections. For example, what does your contract say about financial distress, and termination for insolvency? Do you have a parent company guarantee in place? It is also a timely reminder to consider these issues, and to include appropriate restrictions and protections for new contracts you will execute in the coming months.

(D) Contractual Impact of Strategic Changes – If you are considering making strategic changes to your business, including for example where to base employees or locate your headquarters, there may be contractual implications of doing so. They may result in a decreased requirement for outsourced services (for example IT or BPO services supporting the operations you are re-locating), or may require changes to scope of services or delivery methodology. Your current contractual terms may place commercial or legal barriers to implementation of this strategy. This is a good time to consider and interpret the impact of key terms (e.g. termination rights, minimum term, early termination fees, minimum revenue commitments, force majeure, change control, etc.).

While we have focussed here on some of the most pressing issues to consider in the immediate aftermath of the Brexit vote, there are numerous other factors which will be relevant in the medium to longer term (and certainly in advance of any Article 50 notice coming into effect). For example, the continuing validity of EU laws in areas such as data protection, the transfer of employees, public procurement and e-commerce, will only become apparent once the terms of any exit deal are finalised. It is therefore important to keep outsourcing and supply chain arrangements under review as the post-Brexit landscape develops.

4. Intellectual Property

Intellectual property rights will continue unchanged until the UK formally leaves the EU following what will likely be a prolonged period of negotiation. This allows IP owners time to review and "Brexit-proof" their IP portfolios and agreements. We set out below some of the immediate steps you may wish to take until there is more certainty regarding the deal reached with the EU.

4.1. Patent Portfolios

Brexit will have no effect on existing European Patents which are governed by an international agreement separate from the EU. However the future of the Unitary Patent is unclear given that the UK cannot be part of this framework if it is no longer part of the EU. In addition the UK is one of the members required to ratify the Unified Patent Court Agreement for it to come into effect. The UK's decision to leave will at the very least cause delay to the implementation of the new regime. We will continue to monitor and advise our clients on the developments in this area. For future patent protection you should continue to apply for national patents or traditional European Patents until the UPC position is clear.

4.2. Trade Mark and Design Right Portfolios

There is uncertainty over the future treatment of existing EU registrations (EU Trade Marks and Community Design Rights), but it is likely that some form of transitional arrangements will apply, so you can continue to register these rights. However until there is more certainty regarding their treatment in the UK once it leaves the EU, consider also applying for a separate UK national right for key new and existing registrations.

4.3. Licensing

Review your existing licensing arrangements to identify possible weak spots resulting from Brexit (e.g. territory and licensed rights definitions) and consider if and when it would be advantageous to raise these issues with the counterparty. For licensing arrangements now being entered into, in addition to these points, pay particular attention to the appropriate term of the agreement and termination provisions.

4.4. Engaging in the Debate

We expect the Government and the UK Intellectual Property Office to launch consultations on the future of the pan-European rights and the Unitary Patent. Clients with extensive IP portfolios should consider whether it would be worth having their views heard either by responding to these consultations or through direct lobbying efforts. We were involved in advising the Government on the proposals for the Unified Patent Court and contributed to consultations on its Rules of Procedure. We will continue to monitor and contribute to the discussions on all these issues.

5. Data Protection

There has been sharp focus in the UK and throughout Europe on the forthcoming introduction (May 2018) of the new EU General Data Protection Regulation (the 'GDPR'), which will replace in totality current EU data privacy laws, and will have direct effect in all EU Member States. What should UK-based corporates do about the GDPR, following the Brexit result?

In short – we advise our clients to continue with their current plans and strategies to implement the GDPR. For now, the message should be – business as usual in the world of data privacy: carry on as before. There are a number of reasons for this view:

- The likely date for formal UK exit from the EU will come after the GDPR becomes applicable law in Member States (25 May 2018). Even if only for a short period, UK based data controllers will need to comply with the GDPR.

- Following Brexit, if the UK negotiates to join the EEA, the GDPR will continue to apply.

- If the UK does not join the EEA, the GDPR will in any event continue to apply to all UK entities that do business in the EU, namely entities that process personal data relating to the offering of goods or services to individuals in the EU or the monitoring of the behaviour of individuals in the EU.

- There will, in any event, be significant pressure from the UK business community for the UK Government to reform the current UK data protection regime in line with the GDPR:

  - to encourage global businesses to continue to operate in the UK. Many multinationals have used, and will continue to use, the EU standards of compliance as their 'highest common denominator' across their global operations.

  - to ensure the UK obtains an 'adequacy decision' from the EU Commission (assuming it does not join the EEA) for the free flow of personal data from the EEA to the UK, without the additional regulatory and administrative burden of EU standard model clauses or binding corporate rules. To achieve this adequacy decision, the EU Commission will want the UK to implement similar standards of compliance as required under the GDPR.

  - to update UK data privacy laws to take account of the significant importance in the UK of the growing digital economy. The current data protection regime dates from a different, non-digital era, when current and proposed schemes for the collection and processing of data were merely a thing of science fiction. Although some aspects of the GDPR may be less popular with businesses (e.g. mandatory data breach notification requirements), UK citizens are likely to want the benefit of the enhanced protections of the GDPR to counter the data exploitation opportunities offered by the digital revolution; and the UK Government is likely to meet this populist mood.

- We are already seeing a general direction of travel to protect individuals' rights in the UK courts, which will most likely continue in the next few years.

- Although the GDPR is an important part of the EU and UK data protection regimes, we will also be closely monitoring how the UK negotiates its Brexit deal in relation to other related laws, such as the e-Privacy Directive (currently under review by the EU), the Directive on processing for law enforcement purposes and various rules around data retention, investigatory powers and surveillance. All of these will have operational and compliance impacts for UK-based businesses.

6. Environment, climate change and real estate

6.1. Environmental and climate change law

EU legislation governs the vast majority of the UK's environmental and climate change law and policy and so Brexit is likely to have significant and direct implications for these areas.

Environmental and climate change law is also an area where most commentators consider that EU membership has had a positive effect on the UK, which was previously labelled the "dirty man of Europe". There is a general recognition that membership of the EU has been particularly positive in respect of imposing targets on waste and climate change and the measures taken relating to air and water quality. The existence of a union with environmentally-aware countries such as Germany, Sweden and Finland is also recognised as having helped to accelerate UK action in environmental matters.

The majority of EU environmental law takes the form of directives, and so the UK will need to consider whether it wishes to retain the national law that has implemented them. Many observers have suggested that Brexit supporters will be in favour of cutting red-tape on more unpopular environmental legislation relating to packaging, energy efficiency and habitat protection. However, it is worth noting that environmental issues did not feature heavily in the pre-referendum debate and so it is unclear how much time will be devoted to repealing environmental legislation.

Following the referendum, Amber Rudd, the energy and climate secretary, has said that it may now be harder for the UK to address climate change. However, this pessimism has been counter-balanced by other commentators who have emphasised that many of the UK's climate change commitments are enshrined in UK rather than EU law.

It is also hoped that the ambitious Fifth Carbon Budget (covering emissions reductions required in the period 2028-2032), which was announced by the UK Government on 30 June 2016, will provide "much needed clarity" after the fallout from Brexit. Such fallout included key players in the renewables sector announcing that new projects would be put on hold pending further certainty.

It is generally accepted that the UK will continue to participate in various European environmental initiatives, either due to the UK becoming a member of the EEA, or in order to ensure that it has access to the EU market. However, following a departure from the EU, the UK will not be able to influence EU legislation in the same manner as member states. By way of example, the reform of the EU Emissions Trading Scheme for the period after 2020 is currently being considered. If the UK is to continue to participate in the scheme this reform will be of significant interest to energy-intensive operations in the UK. The weakened position of the UK in influencing reform is shown by the recent resignation of the UK MEP Ian Duncan as rapporteur in charge of steering the reform through the European Parliament.

From an enforcement perspective, the Environment Agency, Natural Resources Wales and the Scottish Environment Protection Agency have each made post-referendum statements emphasising that it is "business as usual". This theme of continuity is generally reflected by trade organisations who note that much EU-based environmental legislation is already embedded in business operations, and so revisions to that legislation may be costly.

6.2. Real estate

In stark contrast with environmental and climate change law, land law in the UK (or rather the three separate systems of land law within it) has remained almost entirely unaffected by the UK's membership of the EU. Brexit, in any of its possible forms, is therefore unlikely to have any direct legal implications for the way in which you hold and deal with UK land.

The impact of the vote to leave on the property industry more generally is less clear. In the short term there will be an inevitable period of uncertainty while terms for the UK's future relationship with the remaining EU are settled. In the longer term there are fears of reduced demand, including for office space if multinationals relocate from London. But some doubt that leaving the EU would ultimately result in any decrease in the UK property market's attraction for foreign capital.

A number of deals under offer before the vote are reported to have fallen through completely and others will be renegotiated and delayed. At least one international bank is reported to have suspended UK property lending.

The market uncertainty leading up to the vote saw the use of "Brexit clauses" that enabled buyers to terminate or change the terms of their deals following the result of the referendum. Property documentation may continue to reflect the ongoing uncertainty while the model and timetable for the UK's exit are determined.

7. Tax

7.1. UK Government's Tax Policy

There is no reason to think that the outcome of the referendum will have any effect on the UK Government's strategy to deliver the most competitive corporate tax system in the G20. In fact, it could be said that this strategy is even more important now. That said, one area where we think the strategy should change is as regards the taxation of banks. As regards which see http://f.datasrvr.com/fr1/816/74004/Is_it_now_time_to_treat_the_banks_more_fairly.pdf.

7.2. UK as a preferred Holding Company Jurisdiction

One question raised by the outcome of the referendum is whether the UK will remain as attractive a location for a holding company, or an intermediate holding company, from a tax perspective. Whilst there may be some changes relevant in certain fact patterns, we believe that in the majority of cases the attractiveness of the UK's tax regime is likely to be unaffected and may even be improved as the UK seeks to retain the inward investment it already has and aims to encourage further investment. In particular, the outcome of the referendum should have no impact on the UK's extensive tax treaty network including, importantly, the favourable UK/US treaty providing for zero withholding on US dividends. It will also not affect the UK's full exemption for both domestic and foreign dividends nor our participation exemption for domestic and foreign capital gains (the substantial shareholdings exemption). Indeed, the UK is currently consulting on whether the conditions for the substantial shareholdings exemption should be relaxed. Further, although the revisions to the UK's corporate tax code to make it more territorial in scope, and to revise our CFC regime in particular, were prompted by certain challenges under EU law, the revised code is enshrined in domestic law. Given the increased flexibility provided by leaving the EU and the need to retain and encourage investment, any changes are likely to be beneficial. There are, however a couple of points to watch out for here – see the WHT and Stamp Duty paragraphs below.

7.3. WHT on EU to UK interest, royalties and dividends

Not all of the UK's double tax treaties with other EU countries provide for full exemption from withholding tax on interest, royalties and dividends. Most notably, in both Germany and Italy a 5% dividend withholding will apply. This may be relevant if a UK headed group, or sub-group, has material business in either Germany or Italy and the EU Directives, particularly the EU Parent/Subsidiary Directive, cease to apply to the UK. This is therefore a sensible time to look again at intra-group payment flows to ensure no hiccups arise upon exit.

7.4. The return of the 1.5% Stamp Duty Season Ticket

The 1.5% stamp duty "season ticket" charge where a UK company issues shares to a depositary receipt issuer (such as an issuer of ADRs) or a clearance system (such as DTC) is still on the UK's statute books and is only not collected by HMRC because it has been found to be contrary to EU law (the Capital Duties Directive). The Capital Duties Directive would cease to apply to the UK upon leaving and so, absent a change of law in the interim, the 1.5% charge would become payable on issues thereafter. Shares that are already within a depositary or clearance system on the date when the UK leaves should be unaffected. Groups considering issuing into a depositary or clearance service may wish to take this timing issue into account.

7.5. Corporate Migrations – not necessarily a repeat of the 2008/09 techniques

The outcome of the referendum may cause certain groups to consider moving their headquarters from the UK. In 2008/09 we saw a number of UK listed companies move from the UK because the UK tax regime for multinationals was seen as uncompetitive. That is no longer the case and, as has been seen from the US inversion transactions, the UK is from a tax perspective now a very attractive holding company location and should remain so post-Brexit. For some groups, however, a migration from the UK to another EU Member State may be something under consideration. In 2008/09 a new holding company that was Irish tax resident but Jersey incorporated was a popular structure. However, whilst tax residence and place of incorporation need not be the same, it is likely that the more common structure for Brexit driven migrations would involve a company being both incorporated and tax resident in the same EU member state. There are various ways in which to effect such a migration, the most appropriate way being very fact specific as regards the group in question.

7.6. VAT and Duties related restructuring

Whilst the fundamental VAT rules within the UK are unlikely to be significantly altered (not least because as a tax it has also accounted for just over 20% of all UK tax receipts on average over the last five years, an amount of just under £500 billion in that period) upon exit from the EU, transactions in both goods and services between the UK and the other 27 EU countries are likely to be significantly affected. The uncertainly regarding the imposition of duties on such transactions is likely to remain for some time. Both of these factors will require groups to look at all their supply chains and consider restructuring to eliminate, where possible, any inefficiencies that may arise from both a VAT and duties perspective.

8. Pensions and Employment

There is unlikely to be a major overhaul of existing employment and pensions legislation in the short term.

However, depending on the direction pursued, it could be that certain areas of social and employment legislation which derive from European law will be repealed or amended. Obvious candidates here might be the Working Time Directive. In particular, the "opt-out" right would be retained, and holiday pay rules might be relaxed, allowing employers to reach their own decisions on the appropriate level of pay and the ability of employees to carry over leave.

It is possible that tribunal awards for discrimination claims, which are currently uncapped, would be subject to a cap similar to that applying for unfair dismissal awards (the compensatory award for unfair dismissal is currently capped at £78,335). It is also possible that difficult questions around the equalisation of "guaranteed minimum pensions" provided by pension plans that were contracted-out of SERPS before 1997 will be resolved through a Government statement that such equalisation is not necessary (given that any need for such equalisation would derive from EU law).

Depending on the approach taken to free movement of workers, EU citizens might lose the right to work in the UK (UK citizens would equally lose the right to work in EU member states). It is assumed that some form of transitional protection would be put in place. Ultimately, however, it may be that UK and EU employers would both face administrative burdens associated with visas for their workers and the cost of complying with any new arrangements. It may also be that certain skills gaps for other labour shortages which are currently filled from the EU would still need to be addressed through training (or paying more for) UK personnel.

9. Infrastructure, Energy and Natural Resources

9.1. Overview: where are we now?

In a briefing earlier this year, we noted that "the big picture is one of continuity"[11] for IEN in the event of Brexit. However, if the terms of the UK's exit mean that EU regulations in the IEN sector are no longer applicable in the UK, there will need to be detailed consideration of which regulations cease to apply; which are replicated (and if so, whether in modified form); and how these need to preserve market access.

[11] https://www.slaughterandmay.com/media/2535439/brexit-essentials-the-legal-and-business-implications-of-the-uk-leaving-the-eu.pdf page 30.

9.2. Infrastructure

Investors in infrastructure assets generally favour two key attributes; long-term commitment and a steady and predictable return. Currency fluctuations, market volatility and political instability (all seen following Brexit) are likely therefore to imply significant disruption to the infrastructure space in the short term, but it remains to be seen how the dust will settle.

Some sub-sector examples:

- **Airports**: some aspects of regulation of the industry will likely remain intact after Brexit (such as the Single European Sky, which extends beyond the EU) but some renegotiation of other agreements may be needed (the Open Skies agreement, for example, will need to be looked at on a UK/US bilateral basis). The message here is to wait and see what EU legislation is retained in English law and what needs to be replaced/replicated.

- **Water**: following a UK exit from the EU, the Water Framework Directive (WFD) and Bathing Water Directive (BWD) (for example) may no longer be binding in the UK. This is because the statutory instruments used to effect the WFD and BWD were made under the European Communities Act 1972, and it is unclear whether the legislation will need to be re-enacted. However, even if this EU-derived law is no longer binding, in order to participate in the wider EU market (and maintain a good track record on clean water and beaches) the UK may choose/feel compelled to apply (or replicate) EU law anyway.

- **Rail**: the separation of network ownership from operation could be impacted by Brexit, as this was achieved through EU directives.[12] Greater flexibility could be achieved than is currently permitted under EU law, perhaps allowing for the kinds of more integrated ownership and operation models that have recently been mooted.

- **Ports/shipping**: some market news in the wake of Brexit came in the form of a possible break up of AP Møller-Maersk, which is known as a bellwether for global trade as it transports a large proportion of seaborne freight. The rumoured split could be viewed as a positive step as the group considers its options for optimum performance.

9.3. Energy

The **energy markets**:

- In relation to regulation of cross-border energy infrastructure, such as gas and electricity interconnectors, the UK will need to adopt a dispensation that at least dovetails with those of the interconnecting EU countries who are subject to those regulations.

- In relation to energy trading, as the EU markets and their integration continue to develop, the UK will need to develop its interface with these markets in parallel.

[12] http://www.oxera.com/Latest-Thinking/Agenda/2016/Brexit-implications-for-the-transport-sector.aspx

- As with other areas of regulation, in relation to unbundling of production and distribution, the UK is likely to retain the principle but may change its detailed rules.

Funding: to what extent UK energy projects will be entitled to future funding from the EU is now called into question following Brexit – "projects in areas such as power transmission, smart metering and renewable energy have received EUR 9bn in financing from the European Investment Bank (EIB) over the past five years",[13] and since the shareholders of the EIB must be EU member states, the UK is now excluded from that decision-making process in the future. Alternative funding models may be needed for energy projects; and that leaves the opportunity for more innovative financing – but more market uncertainty. The EIB could continue to invest and support the UK energy market, but this will depend on the outcome of any withdrawal settlement.

Environment: the potential disapplication of certain EU regulations in this area will mean the UK having to decide more of its own strategy for investment in sustainable technologies. It will need to adapt its own incentive and penalty regimes in the light, for example, of the removal of EC fines for missing carbon reduction targets.[14]

Oil and gas: prices are set by international markets, not by the EU, and to some extent trade with our European partners will simply continue. The EU is "much more focused on developing common infrastructure and in ensuring that there is an open market across Europe"[15] and the uncertainty from Brexit will come from there – until we know what shape a Brexit will actually take.

9.4. Natural Resources

The mining and minerals market is predominantly a global one and, of all the industries that could be impacted by Brexit, it seems to have been the least affected. Gold is one area that has benefited in particular from the Brexit turmoil: "continued uncertainty around how the UK will negotiate the terms of its EU exit means that the price of gold could keep rising – maybe to as high as $1,424 an ounce by the end of the year, according to a Bloomberg survey of analysts".[16]

Any trading interaction with Europe will likely require reciprocal standards of practice with the EU (such as in respect of safety), which suggests negligible change for the mining and minerals industry following Brexit.

[13] http://www.infra-news.com/news/funds-and-acquisitions/1810286/uk-energy-faces-losing-billions-in-eu-support.thtml
[14] http://www.infra-news.com/news/environment-and-renewables/1808011/brexit-mixed-future-for-renewables.thtml
[15] http://blogs.ft.com/nick-butler/2016/06/27/brexit-the-impact-on-uk-energy-policy/
[16] http://www.telegraph.co.uk/business/2016/06/28/heres-the-one-sector-that-has-done-very-well-out-of-brexit/

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