



Subject: Brexit

Dear Sir/ Madam,

The UK has left the European Union on the 30th of January 2020 and the transition period will come to an end on the 31st of December 2020. There will be a sizable impact on the transportation of goods between the UK and the European Union. How big the impact will be depend on several factors, for one the nature of the goods such as veterinarian products or specific markets such as agriculture will be effected more than others. What exactly does all this entail for you and what measures can we take to overcome the uncertainties that currently still remain are reflected upon in this communication.

With The United Kingdom set to leave the customs union customs documentation will become mandatory. As mentioned in previous mailings, KLG Europe is prepared for the Brexit. In Venlo we have our own AEO-certified customs department as well as at our Bradford office a team of 19 professionals strong are ready to control the entire customs procedures from start to finish. At KLG we are equipped with all the necessary licenses in order to handle import and export processes within the United Kingdom and the Netherlands.

In order to guarantee a smooth flow of goods it is vital below information is shared with KLG or either in place prior to shipping on the 1st of January 2021 or any date thereafter. What input do we require from the exporting company:

- a. Commercial invoice(s) and packing list(s) mentioning both sending and receiving company;
- b. Number of packaging units and corresponding weight, both gross and net;
- c. Currency and shipment value;
- d. Country of origin;
- e. The correct INCO terms and commodity code(s) (please be aware this might be more than one code);
- f. Export documents (in case you will prepare those yourself);
- g. Explicit information about who takes care of the customs clearance in the receiving country.

In case the exporting company chooses to outsource the process of issuing the export documents, KLG Europe offers the possibility to take care of raising the necessary documents. In order to be able to create the export documents we have to be authorized and accredited by the exporting company. In the attachment we will provide you with the relevant documents and include further information about this authorization (document 1). In case you will chose the above mentioned option we would like to ask you to provide us with this authorization before the 1st of December 2020. Furthermore, we would need to receive a copy of the latest version of your Chamber of Commerce excerpt. Please be aware that the person who signs the authorization has to be empowered to do so and is also mentioned at the excerpt of the Chamber of Commerce. Furthermore a copy of the EORI number of the exporting company is required.

We would like to point out that it is mandatory for KLG to have all mentioned information in our possession prior to loading your freight in order to avoid possible delays as much as possible.

In case of exporting goods to the United Kingdom the receiver has several options in order to organise the customs clearance of the goods:

- a. Customs clearance organised by KLG Europe Bradford.
- b. Customs clearance organised by a broker chosen by the importing company;

In order to keep as much control on the shipments as possible KLG Europe temporarily offers a reduced fixed customs clearance rate per document (including 3 commodity codes). If you would



like KLG Europe to take care of the customs clearance we would need to be authorized for this by the invoicing address.

As a second attachment you can find a letter which might be helpful and useful and can be sent to your UK-customer(s). This letter contains a detailed roadmap of what your customer needs to do in order for them to choose one of the above mentioned options for customs clearance. Besides that, you will find an authorization form that needs to be completed in case KLG Europe Bradford is assigned to take care of customs clearance for your customer. We would like to point out that this is the only option for which KLG Europe can fully guarantee that the declaration will be processed correctly. Another advantage is that KLG Europe will have the full control of both planning the shipments and issuing the additional customs activities and therefore can maintain the service level like you are used to receive from us. It also can prevent additional costs from occurring.

It goes without saying that we can also take care of issuing the export documents in case of shipments from the United Kingdom to the Netherlands (e.g. for your suppliers in the UK). In order to provide you with this service we would need to receive an authorization from your supplier in the United Kingdom. We can also take care of the customs clearance for importing goods into the Netherlands.

Should you have any further questions, please feel free to contact either KLG Europe Venlo or KLG Europe Bradford. The contact details can be found below.

To conclude we would like to draw your attention to the fact that delays might occur from the 1st of January 2021 onward once the Brexit comes into effect. Recent readiness for previously announced Brexit dates have shown delays will occur. Many receiving parties in the United Kingdom have ordered larger amounts of goods in order to anticipate possible delivery issues after the Brexit. This results in a serious capacity problem at the ferries and the tunnel from/to the United Kingdom.

We can assure that we will do our utmost best to take care of your shipments and provide the service level that you are used to receive from us, regardless of the situation once the Brexit comes into effect. The likelihood of delays affecting your shipments will strongly reduce when KLG is in charge of the end to end process. Let's be prepared together.

We hope to have informed you sufficiently.

Should you have any additional questions please feel free to contact us.

KLG Europe Venlo

brexit@venlo.klgeurope.com

+31 (0)77 324 50 00

KLG Europe Bradford

brexit@bradford.klgeurope.com

+44 (0)1274 711 498

Kind regards,

Sales Department

KLG Europe Venlo B.V