

BREXIT

Perth – 15 February 2019

DEAR CUSTOMERS & PARTNERS,

In a referendum on 23 June 2016 Britain voted for the United Kingdom's withdrawal from the European Union, commonly referred to as "Brexit". There are increasing signs that we are approaching a "Hard Brexit" but with negotiations continuing, nobody really knows what the final outcome will be.

Many of our UK customers are questioning what effects the withdrawal will have for your business relationship with TPL Vision, so we've put together some information below to reassure you on the continued availability of our products, as well as providing advice on minimising any potential delays for you and your customers.

TPL Vision manufactures all of our products in France at our TPL Vision SARL site near Nantes, from where we ship directly to our customers and partners all over the world. Only a few of our products use components coming from the UK, and we have already secured this risk by multi sourcing these parts from other suppliers outside the UK. **We therefore anticipate no manufacturing risk for any of our products.**

We do anticipate that there may be an impact from Brexit for our UK based customers due to our goods being imported into the UK from France. **If a «Hard Brexit» does occur, we expect that import duties could impact on the cost of the goods, and border delays could impact on shipping times:**

- ① Import Duties. TPL Vision has typically delivered to UK customers on DAP terms, with all delivery costs payable by the customer. To avoid any confusion and to ensure 100% clarity in terms of responsibility for any import duties resulting from Brexit, we are changing our delivery terms for **all** UK customers to Ex Works (La Chevroliere, France ie the TPL Vision factory address). This means that any **import duties due as a result of Brexit will be borne by the customer**, along with the freight costs as before. We will continue to use DHL as our main carrier & provide estimates for the freight on our quotations as we do currently, but please note that we can use customers' preferred carriers / accounts on request.
- ② Border delays. As TPL Vision offers approximately 40,000 part numbers in our catalogue, with a wide selection of LED colours, lenses and size options for each product range, it is impossible for us to stockpile our products to protect against anticipated border delays. We are therefore recommending to our UK customers where leadtime of new or spare TPL Vision products are critical to a project, that you **purchase and hold stock to cover the risk of border delays**. This is especially recommended for projects with required delivery dates soon after the Brexit deadline date of 29 March 2019. We anticipate an increase in demand over February and March so **we recommend placing orders as soon as possible, with a delivery request date no later than 28 March 2019.**

TPL Vision will continue to monitor the situation as the Brexit deadline approaches, and will provide updates as we gain further clarity.

We hope that this will help to answer your concerns regarding Brexit, but if you have any further questions, please speak with your local TPL Vision Sales Executive or email us on contact@tpl-vision.co.uk and we will reply as quickly as possible.

Best regards,

Caroline Winn
Vice President Sales