

[COMPANY LETTERHEAD]

[Insert date], 2020

**VIA** [Insert method of delivery required by Contract]

[Recipient's Name]

[Entity's Name]

[Address Line 1]

[Address Line 2]

[Recipient's E-mail]

Re: Notice of Impacts and Reservation of Rights Resulting from COVID-19

Dear [Recipient]:

This letter is regarding the coronavirus pandemic (COVID-19) and its potential impact on the [Insert Name of Project] ("Project"). As you are aware, the World Health Organization and Department of Health and Human Services have declared COVID-19 a public health emergency. We continue to monitor the situation closely and are actively taking steps to mitigate any potential impacts to our work on the Project, in addition to utilizing health and safety systems to ensure the well-being of our workers. We must recognize there is a strong likelihood of Project delays and increased costs due to the current national and local events surrounding and stemming from COVID-19. Accordingly, we believe it prudent to notify you of how COVID-19 has and will continue to impact work on the Project in compliance with [Insert reference to Notice section of Contract].

COVID-19 poses potential labor availability issues, particularly as quarantines are formally and informally imposed. In addition to potential labor shortfalls, COVID-19 has already reportedly resulted in international and domestic travel restrictions, international plant closings, supply chain issues, late or suspended material shipments from abroad, and domestic project interruptions caused by a combination of all of the above. At this time, it is not possible to quantify the delay or compute the entirety of the impact or costs this pandemic has had and will have on the Project. Despite this uncertainty, our contract for this Project requires that we provide written notice of any delays in a timely fashion. As such, please consider this correspondence to be our formal notice of potential delays to our performance through no fault of our own and entirely beyond our control, including, but not limited to, changed conditions, pandemics/epidemic, constructive suspension of work, force majeure, constructive change, government acts, etc. We hereby reserve all rights, including, but not limited to, our right to seek an extension of time [and increase in the contract price] pursuant to [Insert reference to contract section allowing for time extensions or damages] and applicable law to protect our legal and commercial interests. We will

provide more information and documentation regarding the full impacts to the Project caused by COVID-19 as such information becomes known to us.

We intend to keep you apprised of Project impacts and take reasonable steps and actions to prevent and lessen any impacts to the Project. Despite this, please understand that COVID-19 is an incident we simply cannot control, and delays and disruptions in various industries affecting our work on the project, including but not limited to, the potential inability to adequately staff or access the Project site due to health and safety concerns may make performance of our contractual obligations impractical if not impossible. We will continue to evaluate all options to minimize and mitigate the impact to the project and will keep you apprised of all related developments as more information becomes available.

Please feel free to contact me to further discuss and evaluate potential Project impacts and/or delays and discuss how we can work together to manage this mutual concern.

Sincerely,

*[Company Name]*

By: \_\_\_\_\_

*[Sender's Individual Name]*