

# Contingent Liability Disclosure

Date: [Insert Date]

To: [Recipient Name]

[Recipient Address]

Dear [Recipient Name],

We are writing to disclose a contingent liability that may impact our financial statements as of [Insert Date]. This liability arises from [Brief Description of the Cause of the Contingent Liability, e.g., potential litigation, tax disputes, etc.].

Following best practices for financial disclosure, we would like to provide you with the following details:

- **Description:** [Detailed description of the contingent liability]
- **Potential Impact:** [Estimate of potential financial impact]
- **Status:** [Current status of the liability, e.g., pending, resolved]
- **Mitigation Factors:** [Actions being taken to mitigate the liability]

We believe that transparency is key to maintaining trust and accountability. Should you require any further information or clarification, please do not hesitate to contact us.

Thank you for your attention to this matter.

Sincerely,

[Your Name]

[Your Position]

[Your Company Name]

[Your Company Address]

[Your Contact Information]