

Breach of Contract During COVID-19 Outbreak? Better Dust Off Your Agreements.

“As the global outbreak of coronavirus brings the American economy to a halt, countless companies will undoubtedly have trouble meeting their contractual obligations. But there are a few legal options that may help businesses avoid headaches down the road,” discusses Dan Niepow in *Twin Cities Business’ Law + Crime*.

“Many contracts often include force majeure provisions, which excuse poor performance under exceptional circumstances. A global pandemic would likely qualify for many agreements, but it’s worth taking a second look at contract language in any case, legal experts say.”

“As with most legal issues, there’s not really a one-size-fits-all answer. Force majeure provisions vary company to company and industry to industry, but generally speaking, they’re pulled out when something happens beyond either parties’ control. Some businesses have relied on force majeure provisions during work outages caused by striking workers or unprecedented weather conditions, said Jonathan Bye, a Ballard Spahr LLP attorney who’s worked on breach-of-contract cases for more than 30 years.”

Read the article.