

Coronavirus/COVID-19 Pandemic: Impact on Commercial Contracts

“In cases where the COVID-19 virus or government measures have interfered with commercial contracts, it is necessary to carefully analyze the state of affairs to determine the appropriate remedy. This article briefly summarizes the legal situation for commercial contracts affected by the COVID-19 pandemic in the United States and in other common law countries (UK, Hong Kong and Singapore),” writes Kanz from ***DLA Piper Global Law Firm*** in ***Lexology***.

“Force majeure clauses are contractual provisions that may excuse a party’s non-performance when circumstances beyond the control of a party prevent performance. New York courts have held that force majeure clauses are to be interpreted in a narrow sense and that performance under a contract is ordinarily excused only if the event preventing performance is explicitly mentioned in the force majeure clause. The wording of the force majeure clause thus determines whether the COVID-19 pandemic is covered by the clause.”

Read the article.