[Date]

[Recipient Name]
[Title]
[Company Name]
[Address]

RE: Material Litigation Exposure Evaluation - [Case Name/Reference Number]

Dear [Recipient Name],

This letter provides an evaluation of the potential material exposure related to the ongoing litigation: **[Case Name/Docket Number]**.

1. Case Summary
The plaintiff, [Plaintiff Name], alleges [Briefly state causes of action, e.g., breach of contract, negligence]. The current status of the proceeding is [State stage of litigation, e.g., discovery, pre-trial].

2. Liability Assessment
Based on currently available information, our assessment of the likelihood of an unfavorable outcome is [Remote / Reasonably Possible / Probable]. This assessment is based on [Briefly mention key facts or legal defenses].

3. Financial Exposure
In the event of an adverse judgment, the estimated range of loss is as follows:

- **Estimated Minimum Loss:** $[Amount]
- **Estimated Maximum Loss:** $[Amount]
- **Legal Fees and Costs to Date:** $[Amount]
- **Projected Future Legal Costs:** $[Amount]

4. Impact on Operations
[Describe if the litigation impacts business continuity, reputation, or specific assets].

5. Recommendation
Our current recommendation is to [e.g., continue vigorous defense / pursue settlement / enter mediation].

We will continue to monitor the proceedings and provide updates as material developments occur.

Sincerely,

[Your Signature]
[Your Printed Name]
[Your Title/Organization]