[Company Name]
[Company Address]
[City, State, Zip Code]
[Date]

RE: Notice of Pending Litigation

Dear Shareholder,

This letter serves as a formal disclosure to inform you of a pending legal matter involving [Company Name].

1. Case Information
On [Date], a lawsuit was filed against the Company in the [Court Name] under the case title [Case Name/Number]. The plaintiff in this matter is [Plaintiff Name].

2. Nature of the Litigation
The complaint alleges [brief description of claims, e.g., breach of contract, intellectual property dispute, or regulatory non-compliance]. The plaintiff is seeking [brief description of remedies, e.g., monetary damages or injunctive relief].

3. Company Position
The Company has reviewed the allegations with legal counsel. We believe the claims are [without merit / being vigorously defended / subject to ongoing assessment]. At this stage, the Company intends to [state action, e.g., file a motion to dismiss or engage in discovery].

4. Potential Impact
While the outcome of litigation is inherently uncertain, management currently believes that the resolution of this matter [will not / may] have a material adverse effect on the Company's financial position or operations.

5. Additional Information
Further updates regarding this matter will be provided in our [quarterly/annual] reports or as significant developments occur. If you have questions, please contact our Investor Relations department at [Phone Number/Email].

Sincerely,

[Signature]

[Name of Officer]
[Title]
[Company Name]