



Dispute Resolution Case Law Update: What is force majeure and is it Covid-19? Dispute Resolution Rosling King LLP

March 2020 Page 2 A couple of suggestions, which you may want to explore further:

- You may want to walk away from a contractual obligation. It may be possible through
  the well established English law doctrine of frustration. It will terminate a contract
  where a serious unforeseen event occurs, out of the control of the parties and which
  renders the contract impossible. It isn't easy to achieve this result, but it should not
  be ignored.
- A force majeure clause in a contract could also help. It may permit suspension of performance of the contract until the event has passed or termination of the contract if the event continues for a period of time. The clause will usually list what constitutes a force majeure, perhaps including some form of epidemic, but other than listed events, Covid-19 would need to be shown to be an Act of God an event with no human involvement that could not realistically be foreseen or prevented and happens by natural causes. An interesting debate for future litigation. It is also important here to show that every attempt was made to mitigate the situation before invoking the clause, and any linked notice provisions are complied with.

These are unprecedented and extremely challenging times. We would be happy to have a chat, if you want to talk through any business concerns. You may call or email any of us as normal as we are operating a fully functional remote working firm.

For further information, please contact Georgina Squire or the Partner with whom you usually deal.