

[Your Name]  
[Your Position]  
[Your Company/Organization]  
[Your Address]  
[City, State, ZIP Code]  
[Email Address]  
[Phone Number]  
[Date]

[Recipient Name]  
[Recipient Position]  
[Recipient Company/Organization]  
[Recipient Address]  
[City, State, ZIP Code]

Dear [Recipient Name],

Thank you for submitting your contract proposal for our consideration. We appreciate the effort and attention to detail that your team has invested in outlining the scope and terms of the project.

After careful review and assessment, we must regretfully decline the proposal at this time. Our decision is based on several key risk factors identified during our evaluation, including:

- **[Identify Specific Risk #1]:** [Brief description of risk and potential impact; e.g., Indemnification clauses that could expose us to significant financial liability.]
- **[Identify Specific Risk #2]:** [Brief description of risk and its implications; e.g., Vague delivery milestones that may affect project timelines.]
- **[Identify Specific Risk #3]:** [Other risks, such as compliance concerns, operational uncertainties, or unclear dispute resolution mechanisms.]

As part of our commitment to responsible risk management, we are unable to engage in agreements that might jeopardize our organization's legal, financial, or operational stability. We hope you understand our position and the diligence required to protect our mutual interests.

We value our relationship with your organization and would welcome the opportunity to revisit this proposal should there be an opportunity to address the concerns highlighted above. If you are open to revising certain terms or exploring alternative approaches to mitigating these risks, we would be more than happy to continue the conversation.

Thank you once again for your proposal and your understanding. We look forward to the possibility of collaborating together under more favorable conditions.

Sincerely,  
[Your Name]  
[Your Position]  
[Your Company/Organization]