

March 12, 2013

Dear Recipient,

As you are likely aware, due to the failure of Congress to reach a deal on balanced deficit reduction to avoid sequestration, the President on March 1, 2013, required by law, issued a sequestration order canceling approximately \$85 billion in budgetary resources across the Federal government for the remainder of the Federal fiscal year. As partners with the United States Agency for International Development (USAID), we are writing to provide you with timely and clear information about how these unfortunate budget cuts impact us, and in turn what it may mean for funds provided to USAID assistance recipients.

At this time, USAID is taking every step to mitigate the effects of these cuts, but based on our initial analysis, it is possible that your organization's workforce, revenue, and planning processes may be affected. For example, USAID may determine it necessary to reduce current or future funding of your agreement or completely terminate your assistance agreement.

To the extent that your agreement is affected due to these budget cuts, you will be contacted by the appropriate USAID Agreement Officer with additional details.

Thank you for your continued partnership with the United States Agency for International Development and for your cooperation as we work together to manage these unfortunate circumstances.

Sincerely,

Aman S. Djahanbani

Senior Procurement Executive