

## Worksheet 5: A letter of intent

**1 Discuss the questions in pairs.**

- 1 When your company reaches a business agreement with another company, how does it confirm the agreement?
- 2 Is it written down in a contract or a letter of agreement?
- 3 What information is included?

**2 Read this letter of intent and answer these questions *yes* or *no*.**

- 1 Have Mr. Reese and Mr. Greenall finished negotiating?
- 2 Does Mr. Greenall plan to use the services of Mr. Reese's company?
- 3 Has Mr. Greenall given Mr. Reese any money yet?
- 4 Does he plan to pay all the money in one payment?
- 5 Has the final contract been written yet?

**Carrington Structures**

Carrington Square, Forestville, CT 20753

R. Reese  
304 Redlands Road  
Kettering

Dear Mr. Reese,

**RE: Letter of intent for shopping mall construction project**

Following our final meeting last Wednesday, on behalf of my company, I am delighted to offer your company the contract for the Bremner Shopping Mall.

As agreed in our negotiations, we will provide you with an initial funding of \$750,000. On this basis, you are authorized to carry out your services without exceeding \$1,200,000.

It is the intent of our company, Carrington Structures, to enter into a formal agreement with your company, Reese Construction, and the funding will be transferred into your bank account in two weeks.

We look forward to collaborating with your company on this key project. I am asking my Director of Finance to finalize the details of this contract and send it for your approval.

Yours sincerely,

*Jim Greenall*

J. M. Greenall  
Managing Director

**3** What is the exact purpose of this letter? At this point, can the writer still change his mind? Tell the class your opinion.

**4** Find the words and phrases in the letter that have similar meanings to these phrases.

- 1 to do something as a representative of a company or organization \_\_\_\_\_
- 2 first payment \_\_\_\_\_
- 3 given permission \_\_\_\_\_
- 4 going over \_\_\_\_\_
- 5 to become bound by \_\_\_\_\_
- 6 working together \_\_\_\_\_
- 7 confirm the last parts \_\_\_\_\_
- 8 permission \_\_\_\_\_

**5** Complete these sentences with words from Exercise 4.

- 1 As a gesture of our goodwill, we are willing to offer you an \_\_\_\_\_ payment of \$2000, in advance of the full amount.
- 2 In order to give your \_\_\_\_\_, please sign the attached document and return a copy to me.
- 3 Unfortunately, I am not \_\_\_\_\_ to refund the purchase price so I will pass on your request to my manager.
- 4 I'm writing to you on \_\_\_\_\_ of my manager.
- 5 Thank you for your inquiry, but we are \_\_\_\_\_ with another company on this project.
- 6 In order to \_\_\_\_\_ into a formal agreement, we would request a signed letter of intent from your managing director.

**6** Imagine your company is going to work with an English-language school to provide English-language training for its staff. Write a letter of intent to the owner of the language school and confirm your intent.

I CAN

write a letter of intent

give details about payments and contracts