

## Sense-Checklist for Letters of Intent

If you haven't read the book, this checklist will convince you that not all clauses in letters of intent are *necessary*. If you have read the book, this checklist acts as a way to verify that you have understood and followed the guidelines in the book.

Is Your Letter of Intent Certain and a Contract?	Y/N	Chapter
Can you tell who the parties are?		10
Do you understand precisely the scope of the initial works?		11
Can you work out how much the Contractor is being paid for the initial works?		12
Can you identify the start and completion dates for the initial works?		13
Do you and the Contractor understand your respective obligations?		10–13
<b>Is Your Letter of Intent Effective?</b>		
Do you know the performance standard for the initial works?		14
Have the risks related to the initial works been identified and managed?		15
Do you understand who takes the risks involved with the initial works?		15
Does your letter limit the Contractor's liability?		16
Does your letter of intent have the same limitation period as the full contract?		16
Does your letter include payment procedures that comply with the Construction Acts?		17
Does your letter limit the extent of changes to the initial works?		17
Does your letter of intent allow you to deduct delay damages?		17
Does your letter of intent include a right to terminate?		18
Does your letter set out any aims for the initial works?		19
Does the letter of intent make it clear that it does not accept the Contractor's tender?		20
Is the letter of intent unconditional; i.e. does not depend on information, documents or approvals?		20
<b>Will You Prevent Your Letter of Intent Rumbling On?</b>		
Are the parties both ready to commit to the whole project at this stage?		21
Does your letter of intent get a positive score?		22
Are there processes in place to agree the project contract?		23
Are you aware how to act so your conduct does not change, extend or waive any limits in the letter?		23



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