

Letter of Understanding

Date: [Insert Date]

To: [Recipient's Name]
[Recipient's Address]
[City, State, Zip Code]

Dear [Recipient's Name],

This letter serves as a formal understanding of our mutual intentions regarding the [describe the subject of the contract, e.g., partnership, agreement, project].

It is understood that:

- [Point 1: Describe key terms]
- [Point 2: Mention obligations of each party]
- [Point 3: State timelines or deadlines if applicable]

Both parties agree to engage in good faith negotiations to finalize a formal contract based on these precepts. This letter is not a binding agreement but rather an indication of our intent to proceed.

We appreciate your collaboration and look forward to a successful partnership.

Sincerely,

[Your Name]
[Your Title]
[Your Company]
[Your Contact Information]