

Termination letter citing budget issues

Subject: Contract Termination Due to Budgetary Limitations

Dear [Vendor's Name],

We value the partnership we have built through our contract dated [contract start date]. However, due to budgetary constraints and cost restructuring, we regret to inform you that we must terminate the agreement effective [termination date].

This decision was not taken lightly and is strictly financial in nature. We would like to thank you for your professionalism and support during the period of our collaboration.

Please ensure that all pending invoices and obligations are completed before [final settlement date].

Sincerely,

[Your Name]

[Position]

[Company Name]

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