

[Your Company Name]

[Your Company Address]

[City, State, Zip Code]

[Email Address]

[Phone Number]

[Date]

[Vendor Name]

[Vendor Address]

[City, State, Zip Code]

Dear [Vendor Name],

We hope this message finds you well. We are writing to formally notify you of our decision to terminate our existing contract with [Vendor Company Name], effective [Termination Date]. This decision has been prompted by budgetary constraints that have significantly affected our operational capabilities.

We sincerely appreciate the services you have provided during our partnership and it has been a valuable experience. However, due to the current financial situation, we must make difficult choices regarding our vendor relationships.

We request that you cease all work related to our agreement by the termination date stated above. Please ensure that any outstanding invoices are submitted by [Final Invoice Submission Date] to allow for prompt processing.

Thank you for your understanding and cooperation during this transition. We wish you continued success in your future endeavors.

Sincerely,

[Your Name]

[Your Position]

[Your Company Name]