

Termination Letter Template

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Termination Letter Template: **Independent Contractors**

If you're ending a relationship with an independent contractor, you may need to send them a formal notice of the end of their contract. Terminating a contract can be a complicated situation to navigate, but with a well-written contract termination letter, you can help ensure a smoother process for everyone involved.

A contract termination letter is similar to an employee termination letter: It states the official date you are ending the contract and any pertinent information the independent contractor needs to have.

Ideally, a contract termination letter should maintain a professional and respectful tone—after all, you may cross paths with this independent contractor in the future. Consider including the following:

- A reason for terminating the contract—keep the explanation clear and succinct, and refer to any relevant prior conversations or stipulations in the contract.
- Important next steps for concluding the relationship (such as returning company materials or finishing a current project)
- Details on final payments and other contractual obligations on the company's end, or directions on where to find that information (such as in an attached document)
- Respectful reminders of NDA or other legal agreements

Always consult your legal counsel about any concerns or questions related to ending a contract.

How to Use This Template:

To use this template, click “Use Template,” and a copy of this doc will be added to your Google Drive. Feel free to change elements of the template to better suit your company’s needs.

Dear [*contractor's full name*],

I regret to inform you that your contract with [*company name*] will be terminated as of [*effective date*]. As I discussed in our recent meeting, we're unfortunately unable to continue our contract due to [*reason for ending contract, such as financial restraints*].

[*Team member's name*] will be contacting you shortly to discuss your current projects. Please submit an invoice by [*deadline date*] to receive your final payment by [*pay date*].

For your convenience, we've enclosed copies of your freelance services contract, Non-Disclosure Agreement, and [*other relevant legal documents*]. If you have any questions regarding these agreements, please reach out to [*legal representative name*] in our legal department.

We greatly appreciate your services to [*company name*] and wish you the best of luck in your future endeavors.

All the best,

[*HR representative name*]

[*HR job title*]