

Vendor Payment Terms Agreement

Company: [Company name] **Vendor:** [Vendor name] **Effective date:** [Date]

1. Purpose

This Agreement sets the standard payment terms that will apply to purchase orders and invoices between Company and Vendor going forward, so those terms don't need to be renegotiated for each individual order.

2. Payment Terms

Unless a specific purchase order states otherwise, invoices are due [terms, e.g., "net 30"] from the invoice date.

3. Invoicing Requirements

Vendor invoices must include: [required details — e.g., "PO number, itemized charges, and remit-to information"] to be considered valid for payment.

4. Late Payment

A payment more than [Number, e.g., 10] days late is subject to a late fee of [Late fee, e.g., 1.5%] [per month — specify], to the extent allowed by applicable law.

5. Disputed Invoices

Company will notify Vendor in writing of any disputed invoice amount within [Number, e.g., 10] days of receipt; undisputed portions remain due on the original schedule.

6. Term & Termination

This Agreement remains in effect until terminated by either party with [Number, e.g., 30] days' written notice, and continues to govern any purchase order already placed before that notice.

7. Governing Law

This agreement is governed by the laws of the State of [State].

Signatures

By signing below, each party agrees to these terms.

[Company name] ("Company")

Signature: _____ Printed name: _____ Date: _____

[Vendor name] ("Vendor")

Signature: _____ Printed name: _____ Date: _____

This template is a general starting point, not legal advice — customize it and have it reviewed for your situation.