

Contractor Payment Terms Template

Project Scope:

Description:

[Briefly outline the work to be completed, including key tasks, deliverables, and materials to be used.]

Timeline:

[Specify the project's start date, key milestones, and expected completion date.]

Pricing Structure:

Pricing Model:

[Specify the model used, such as hourly rates, per deliverable, or fixed project cost.]

Total Cost:

[List the total project cost, providing a breakdown by deliverables, phases, or tasks if applicable.]

Cost Adjustments:

[Detail any circumstances that might lead to cost adjustments, such as changes in scope, additional work, or unforeseen expenses.]

Payment Schedule:

Deposit:

[Indicate if a deposit is required, its percentage or amount, and due date.]

Progress Payments:

[Detail payments due at specific milestones or intervals, including amounts or percentages, and due dates.]

Final Payment:

[Specify the amount or percentage due upon project completion and the timeframe for payment.]

Payment Methods:

Acceptable Methods:

[List the methods accepted, such as wire transfer, PayPal, or check.]

Currency:

[Indicate the currency in which payments should be made.]

Transaction Fees:

[Specify any fees associated with the payment method and who is responsible for covering them.]

Late Fees and Penalties:

Late Fee:

[Specify the percentage or flat fee for late payments.]

Interest Rate:

[Indicate any interest rate applied to overdue balances, including how it's calculated.]

Discounts:

Early Payment Discount:

[State any discount for early payments, the percentage, and the timeframe for eligibility.]

Retainage:

Amount:

[Specify the percentage or amount held back from each payment.]

Release Conditions:

[Detail when and how retainage is released, such as upon project completion or after a warranty period.]

Additional Clauses:

Pay-When-Paid Clause:

[If applicable, indicate if subcontractors will be paid only after the contractor receives payment, and any relevant terms.]

Warranty:

[Specify if there is a warranty period after project completion, its duration, and any related terms.]

Signatures:

Contractor:

Name: _____

Signature: _____

Date: _____

Client:

Name: _____

Signature: _____

Date: _____