

[Date]

[Contractor Name]

[Contractor Address]

[City, State, Zip Code]

Subject: Offer for Early Settlement Discount on Outstanding Invoices

Dear [Contractor Name],

We are currently reviewing our accounts payable processes and would like to offer you an opportunity for accelerated payment of your invoices.

Standard payment terms under our current agreement are [Number] days. However, we are pleased to offer an Early Settlement Discount (ESD) program. If you choose to participate, we will process payment within [Number] days of receiving a valid invoice in exchange for a [Percentage]% discount on the total invoice value.

Proposed Terms:

- **Standard Terms:** Net [Number] Days
- **Early Payment Terms:** [Percentage]% [Number] Days

This offer is optional and is intended to provide you with improved cash flow. If you would like to accept this offer for future invoices, please sign below and return this letter to [Email Address/Department].

If you have any questions regarding this proposal, please contact [Contact Name] at [Phone Number].

Sincerely,

[Your Name]

[Your Title]

[Company Name]

Acceptance:

I, [Contractor Name], accept the Early Settlement Discount terms as outlined above.

Signature: _____ Date: _____