

# COMMISSION PLAN AGREEMENT

Location: \_\_\_\_\_ Effective Date: \_\_\_\_\_

## Parties:

Company Name: \_\_\_\_\_

Company Address: \_\_\_\_\_

Representative Name: \_\_\_\_\_

## Plan Overview:

This Commission Plan Agreement (the "Agreement") sets forth the terms and conditions under which the Company shall pay commissions to the Sales Representative for sales of the Company's products and/or services. This Agreement supersedes all prior plans or agreements regarding commissions and is binding upon execution.

## Commission Structure:

1. Commission Rate: The Sales Representative will earn a commission of \_\_\_\_\_% on the net sales price of all sales made directly by the Sales Representative.
2. Payment Schedule: Commissions shall be calculated monthly and paid within \_\_\_\_\_ days following the end of each calendar month.
3. Net Sales Definition: 'Net Sales' means the gross amount invoiced by the Company to customers, less any returns, discounts, taxes, shipping charges, and allowances.

## Sales Targets and Bonuses:

The following sales targets and bonuses apply:

- Achieving monthly sales of \$\_\_\_\_\_ or more entitles the Sales Representative to a bonus of \$\_\_\_\_\_.
- Quarterly sales exceeding \$\_\_\_\_\_ will be rewarded with an additional commission rate increase of \_\_\_\_\_% for that quarter.

## Deductions and Adjustments:

Commissions will be adjusted for any sales that are cancelled, returned, or for which payment is not received. The Company reserves the right to recover any overpaid commissions resulting from such adjustments.

## Expenses and Reimbursements:

Sales Representative agrees that all expenses incurred in the performance of this Agreement, including travel, lodging, meals, and other business expenses, shall be the sole responsibility of the Sales Representative unless otherwise agreed in writing by the Company.

## Term and Termination:

This Agreement shall remain in effect until terminated by either party upon \_\_\_\_\_ days written notice. Upon termination, commissions shall be paid for sales completed prior to the effective date of termination. Termination shall not affect any rights or obligations accrued prior to such date.

**Confidentiality and Non-Disclosure:**

Sales Representative agrees to maintain the confidentiality of all proprietary and confidential information received from the Company and shall not disclose such information to any third party without prior written consent.

**Compliance with Laws and Policies:**

Sales Representative agrees to comply with all applicable federal, state, and local laws, regulations, and Company policies in connection with the performance of this Agreement.

**Independent Contractor Status:**

Sales Representative is an independent contractor and nothing herein shall be construed to create an employer-employee relationship, partnership, or joint venture between the parties.

**Indemnification:**

Sales Representative agrees to indemnify and hold harmless the Company from any claims, damages, liabilities, and expenses arising from the Sales Representative's actions or omissions in connection with this Agreement.

**Dispute Resolution:**

Any disputes arising under this Agreement shall be resolved by binding arbitration under the rules of the American Arbitration Association, held in the state of \_\_\_\_\_, U.S.A.

**Governing Law:**

This Agreement shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_, without regard to conflict-of-law principles.

**Entire Agreement and Amendments:**

This Agreement constitutes the entire understanding between the parties with respect to commissions and supersedes all prior agreements and understandings, whether written or oral. Amendments shall be effective only if in writing and signed by both parties.

**Signatures:**

**COMPANY REPRESENTATIVE**

**SALES REPRESENTATIVE**

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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