

SALES COMMISSION AGREEMENT

This Sales Commission Agreement (the "Agreement") is made and entered into on [DATE] by and between:

Company: [COMPANY NAME], located at [COMPANY ADDRESS] (the "Company"); and

Salesperson: [SALESPERSON NAME], located at [SALESPERSON ADDRESS] (the "Salesperson").

The Company and the Salesperson may be referred to individually as a "Party" and collectively as the "Parties."

1. Purpose and Scope

1.1 The Company appoints the Salesperson to sell the products and/or services described below (the "Products"):

[DESCRIPTION OF PRODUCTS OR SERVICES]

1.2 The Salesperson agrees to use reasonable efforts to promote and sell the Products within the following territory or market: [TERRITORY / MARKET].

1.3 This appointment is [exclusive / non-exclusive]. The Salesperson [may / may not] sell competing products during the term of this Agreement.

2. Relationship of the Parties

2.1 The Salesperson is engaged as [an independent contractor / an employee]. Nothing in this Agreement creates a partnership or joint venture between the Parties.

2.2 If engaged as an independent contractor, the Salesperson is responsible for all applicable taxes, insurance, and expenses arising from their work unless stated otherwise in this Agreement.

3. Commission Structure

3.1 The Company shall pay the Salesperson a commission of [PERCENTAGE]% on the [net / gross] value of each qualifying sale generated by the Salesperson.

3.2 Alternative or tiered commission rates (if any) apply as follows:

Sales Volume / Milestone	Commission Rate
[TIER 1 RANGE]	[RATE 1]%
[TIER 2 RANGE]	[RATE 2]%
[TIER 3 RANGE]	[RATE 3]%

3.3 A sale is considered "qualifying" only when the following conditions are met:

(a) The customer order has been accepted by the Company; (b) The Company has received full payment from the customer; and (c) [ANY OTHER CONDITIONS].

3.4 The Salesperson [is / is not] entitled to commission on repeat orders or renewals from customers they originally introduced.

4. Payment Terms

4.1 Commissions shall be calculated at the end of each [weekly / monthly / quarterly] period.

4.2 The Company shall pay earned commissions to the Salesperson within [NUMBER] days after the end of each period, by [payment method].

4.3 The Company shall provide the Salesperson with a commission statement showing sales made, amounts collected, commission rates applied, and total commission due for each period.

4.4 If a customer cancels an order or requests a refund after commission has been paid, the corresponding commission amount may be deducted from future commission payments (a "chargeback").

5. Expenses

5.1 The Salesperson is responsible for their own expenses unless the Company agrees in writing to reimburse specific costs.

5.2 Reimbursable expenses, if any, are: [LIST APPROVED EXPENSES]. The Salesperson must submit receipts within [NUMBER] days to receive reimbursement.

6. Duties of the Salesperson

6.1 The Salesperson agrees to:

(a) Represent the Products accurately and honestly; (b) Follow the Company's pricing, policies, and applicable laws; (c) Not make any promises or guarantees on behalf of the Company without written approval; and (d) Keep the Company informed of sales activity and customer feedback.

7. Confidentiality

7.1 The Salesperson agrees to keep confidential all non-public information about the Company, including customer lists, pricing, and business strategies, both during and after the term of this Agreement.

8. Term and Termination

8.1 This Agreement begins on [START DATE] and continues until [END DATE] or until terminated as provided below.

8.2 Either Party may terminate this Agreement by giving [NUMBER] days' written notice to the other Party.

8.3 Either Party may terminate immediately if the other Party materially breaches this Agreement and fails to correct the breach within [NUMBER] days of written notice.

8.4 Upon termination, the Salesperson shall be paid commissions on all qualifying sales completed before the termination date, subject to the payment terms in Section 4.

9. General Provisions

9.1 **Entire Agreement.** This Agreement is the complete understanding between the Parties and replaces any prior agreements on this subject.

9.2 **Amendments.** Any changes to this Agreement must be in writing and signed by both Parties.

9.3 **Governing Law.** This Agreement is governed by the laws of [STATE / COUNTRY].

9.4 **Severability.** If any part of this Agreement is found to be invalid, the remaining parts remain in full effect.

9.5 **Assignment.** Neither Party may transfer its rights or obligations under this Agreement without the written consent of the other Party.

Signatures

By signing below, both Parties agree to the terms of this Sales Commission Agreement.

Company

Signature: _____

Name: [AUTHORIZED REPRESENTATIVE NAME]

Title: [TITLE]

Date: [DATE]

Salesperson

Signature: _____

Name: [SALESPERSON NAME]

Date: [DATE]

Appendix A — Commission Statement Template

Period	Customer / Sale	Sale Amount	Commission Rate	Commission Due	Status
[PERIOD]	[CUSTOMER]	[AMOUNT]	[RATE]%	[AMOUNT]	[Paid / Pending]

Period	Customer / Sale	Sale Amount	Commission Rate	Commission Due	Status
[PERIOD]	[CUSTOMER]	[AMOUNT]	[RATE]%	[AMOUNT]	[Paid / Pending]
Total				[TOTAL AMOUNT]	

Prepared by: [NAME]

Date: [DATE]