**(Insert Logo Here)**

**2014 Sales Compensation Plan**

**Overview**

(Describe the company’s goals for the year and, more specifically, how the sales team should contribute towards their accomplishment. Describe key attributes to the go-to-market model and any initiatives to improve it. Basically, this section is your opportunity to set the stage for the upcoming sales period.)

**Metrics**

The following metrics are incorporated into the sales compensation plan:

* **Metric A**
  + Explanation of what Metric A means and how it is determined
* **Metric B**
  + Explanation of what Metric B means and how it is determined

**Commission Payment Exceptions**

Conditions that could call for exceptions or reductions to commission payments are as follows:

* **Contingencies** – Any purchase orders with contingencies that disallow revenue recognition will not be counted until the contingency is released and revenue can be recognized
* **Shipments** – Any order that does not ship before a given ending period due to last minute notice or lack of proper forecasting in the CRM system will not be counted until the order ships.
* **Discounting** – Any discounts extended to (customers/partners) must be approved by the CEO or President prior to the receipt of a purchase order reflecting the discounts.
* **Side Letters** – Absolutely no side letters communicating company commitments or promises are allowed. All information about a particular order must be contained on the purchase order. **Violation is possible cause for termination**.
* **Cash Incentives** – Our employees should never be involved in cash incentives to our partners or end customers in exchange for placing an order. **Violation will result in immediate termination**.

**Compensation Plan Mechanics**

**Base Salary:** 60% of your total “on target” compensation amount to be paid in the regular company payroll cycles.

**Sales Commission:** 40% of your total “on target” compensation amount to be paid within 30 days following the end of each sales period.

**Sales Period:** Quarterly

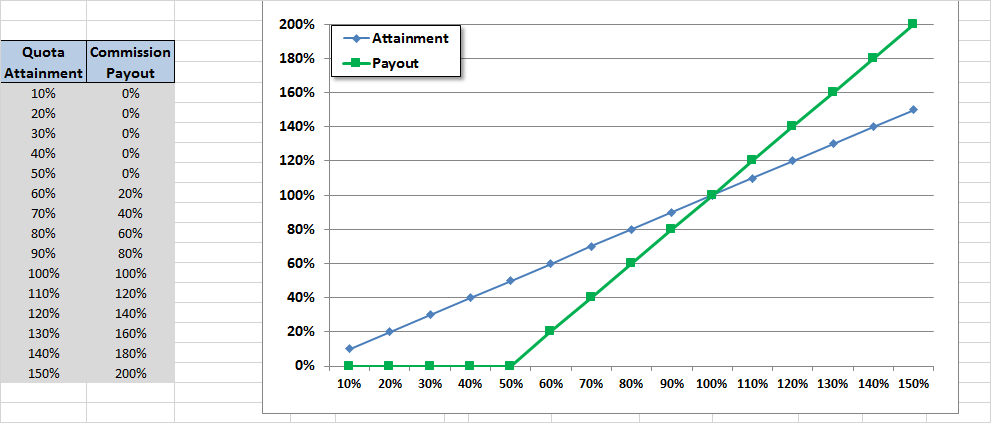
**Minimum Achievement for Sales Commission:** 50% of the quota for the sales period

**Method for Calculating Sales Commission:** Straight line based on % quota attainment and starting at the Minimum Achievement threshold. See payout example below.

**Quota:**

* Q1 2014: $150,000 USD
* Q2 2014: $200,000 USD
* Q3 2014: $250,000 USD
* Q4 2014: $250,000 USD

**Payout Example**



**Foreign Corrupt Practices Act Covenant**

## You must always remain in compliance with the Foreign Corrupt Practices Act of 1977 (FCPA). Neither you or the other sales team members you work with should ever:

### use company funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity or to influence official action;

### make any direct or indirect unlawful payment to any foreign or domestic government official or employee from company funds;

### make any bribe, rebate, payoff, influence payment, kickback or other unlawful payment; or

### fail to disclose fully any contribution or payment made by you (or made by any person acting on your behalf of which you are aware) that violates the FCPA.

**Failure to comply with this Covenant will be cause for immediate termination of employment.**

**This Sales Compensation is Signed and Agreed by:**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Name**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Signature Date**