[Date]

[Agent Name]
[Agency Name]
[Address]
[City, State, Zip Code]

Dear [Agent Name],

Re: Analysis of Commission Structure vs. Net Profit Margins

I am writing to initiate a reality check regarding the current commission structure in relation to our actual net profit margins. While we value our partnership, a review of recent financial data indicates a significant disparity between gross commission payouts and the remaining bottom-line profitability of the business.

Below is a summary of the current financial reality:

- **Gross Sale Value:** [Amount]
- **Current Commission Rate:** [Percentage]%
- **Total Commission Paid:** [Amount]
- **Operational Costs & Overheads:** [Amount]
- **Actual Net Profit:** [Amount]

Currently, the commission paid represents [Percentage]% of the total gross profit. When factoring in all operational expenses, the commission often exceeds the net profit retained by the company. This model is becoming unsustainable under current market conditions.

We need to align your compensation with the net success of the business rather than just gross volume. I would like to schedule a meeting on [Date] at [Time] to discuss a more balanced structure, such as:

- Tiered commission based on profit thresholds.
- Adjusting the base percentage to better reflect operational overhead.
- Performance bonuses linked to high-margin sales rather than total volume.

Our goal is to ensure that this partnership remains profitable for both parties for the long term. Please confirm if the suggested meeting time works for you.

Sincerely,

[Your Name]
[Your Title]
[Company Name]