

[Date]

[Partner Name]
[Partner Company]
[Partner Address]

Dear [Partner Contact Name],

Subject: Fee Structure and Commission Breakdown

We are pleased to formalize our partnership. This letter outlines the commission structure and payment terms for any successful referrals provided by [Partner Company] to [Your Company Name].

1. Commission Tiers

The commission will be calculated based on the following structure:

- **Tier 1:** [0-X] sales per month - [X]% commission of net revenue.
- **Tier 2:** [X-Y] sales per month - [X]% commission of net revenue.
- **Tier 3:** [Y+] sales per month - [X]% commission of net revenue.

2. Referral Definition

A "Successful Referral" is defined as a lead provided by the Partner that results in a signed contract and full payment of the initial invoice by the client within [Number] days of the referral date.

3. Payment Terms

- **Frequency:** Commissions are calculated on a [Monthly/Quarterly] basis.
- **Payout Date:** Payments will be issued within [Number] days following the end of the calculation period.
- **Method:** Payments will be made via [Bank Transfer/Check/Other].

4. Minimum Threshold

A minimum commission balance of \$[Amount] is required to trigger a payout. If the balance is lower, it will roll over to the next period.

Please sign and return a copy of this letter to acknowledge your agreement with these terms.

Sincerely,

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

Acknowledgment:

I, [Partner Name], agree to the fee structure and terms outlined above.

Signature: _____ Date: _____