

# SALES REPRESENTATIVE AGREEMENT

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This Sales Representative Agreement (this "**Agreement**") is entered into as of [EFFECTIVE DATE] (the "**Effective Date**") by and between:

[COMPANY LEGAL NAME], a [STATE] [ENTITY TYPE, e.g. corporation] with its principal place of business at [COMPANY ADDRESS] (the "**Company**"); and

[REPRESENTATIVE LEGAL NAME], [a [STATE] [ENTITY TYPE] / an individual] with its principal place of business or residence at [REPRESENTATIVE ADDRESS] (the "**Representative**").

The Company and the Representative are each a "**Party**" and together the "**Parties**."

**Recitals.** The Company manufactures or sells [DESCRIBE PRODUCTS OR SERVICES] (the "**Products**") and wishes to appoint the Representative as an outside sales representative to solicit orders for the Products within a defined territory. The Representative has experience selling in that market and wishes to accept the appointment on the terms below. In consideration of the mutual promises below, the Parties agree as follows.

## 1. Appointment and Territory

**1.1 Appointment.** The Company appoints the Representative as its [exclusive / non-exclusive] sales representative for the Products within the Territory (defined in Section 1.2) and to the Accounts (defined in Section 1.3), and the Representative accepts the appointment.

**1.2 Territory.** The "**Territory**" is [DESCRIBE GEOGRAPHIC AREA, e.g. the states of [LIST] / the [COUNTY, STATE] metropolitan area]. The Representative will not solicit Products outside the Territory without the Company's prior written consent.

**1.3 Accounts.** The Representative is responsible for the customer accounts in the Territory, except for the house or national accounts listed in [Schedule A — House Accounts], which the Company reserves to itself.

**1.4 Exclusivity terms.** If the appointment is exclusive, the Company will not appoint another representative for the same Products in the Territory during the Term, except that the Company may continue to sell directly to house accounts and to fulfill orders it receives directly, subject to commission crediting under Section 4.

## 2. Duties of the Representative

**2.1 Promotion and solicitation.** The Representative will use commercially reasonable efforts to promote and solicit orders for the Products, develop and maintain customer relationships, and meet any reasonable performance objectives the Parties agree to in writing.

**2.2 Order submission.** The Representative will promptly transmit all orders to the Company for acceptance. All orders are subject to the Company's acceptance, credit approval, and standard terms. The Representative may not accept orders, collect payments, or bind the Company without express written authorization.

**2.3 Conduct and compliance.** The Representative will represent the Products accurately, comply with applicable laws and the Company's reasonable policies, make no unauthorized warranties or price commitments, and avoid any conduct that could harm the Company's reputation.

**2.4 Reporting.** The Representative will provide the Company with reasonable reports on market conditions, customer feedback, competitive activity, and the status of pending opportunities, on the schedule the Parties agree.

### 3. Duties of the Company

**3.1 Support.** The Company will provide the Representative with reasonable sales materials, samples, price lists, and product information, and will keep the Representative reasonably informed of Product changes, pricing, and availability.

**3.2 Order processing.** The Company will process accepted orders, fulfill and invoice customers, and handle credit, collections, returns, and customer service, except as otherwise agreed.

**3.3 Pricing control.** The Company sets and may change Product prices, terms, and the Products offered, on reasonable notice to the Representative.

### 4. Commissions

**4.1 Commission rate.** The Company will pay the Representative a commission equal to **[PERCENTAGE]**% of the Net Sales (defined in Section 4.2) on Qualifying Orders (defined in Section 4.3) in the Territory.

**4.2 Net Sales.** "Net Sales" means the gross invoiced amount actually collected for accepted orders, less taxes, freight, insurance, discounts, allowances, returns, refunds, and chargebacks.

**4.3 Qualifying Order.** A "Qualifying Order" is an order from the Territory (or an assigned Account) that is accepted by the Company, shipped, and paid for in full and not later returned or charged back.

**4.4 Split commissions.** Where an order involves activity in more than one territory or representative, the Company will allocate commission in good faith based on **[the ship-to location / the originating relationship / a documented split]**, and its good-faith allocation controls absent manifest error.

**4.5 Payment.** The Company will pay earned commissions **[MONTHLY / within [NUMBER] days after the close of the month]** in which they are earned, with a statement showing the underlying sales and calculations. Commissions are earned only on amounts the Company has collected.

**4.6 Chargebacks.** If a sale is later returned, cancelled, or charged back, the Company may offset the related commission against future payments or invoice the Representative for it, subject to applicable law.

### 5. Independent Contractor Status

**5.1 Relationship.** The Representative is an independent contractor, not an employee, agent, partner, or joint venturer of the Company. The Representative controls the manner and means of performing its duties.

**5.2 Taxes and benefits.** The Representative is solely responsible for its own taxes, insurance, licenses, and business expenses, and is not entitled to employee benefits. The Representative will indemnify the Company against any claim arising from the Representative's misclassification of its own personnel.

**5.3 No authority to bind.** The Representative has no authority to bind the Company except as expressly authorized in writing.

## 6. Confidentiality and Restrictive Covenants

**6.1 Confidentiality.** The Representative will hold the Company's non-public information — including customer lists, pricing, and business plans — in confidence, use it only to perform under this Agreement, and return it on termination.

**6.2 Ownership of accounts.** Customer relationships and goodwill associated with the Products belong to the Company. The Representative acquires no ownership of any Account by virtue of this Agreement.

**6.3 Non-solicitation (optional).** [OPTIONAL: To the extent permitted by applicable law, for [NUMBER] months after termination the Representative will not solicit the Company's Accounts for competing products. Post-engagement restraints vary widely by jurisdiction — have counsel confirm enforceability, then keep or delete this clause.]

## 7. Term and Termination

**7.1 Term.** This Agreement begins on the Effective Date and continues for an initial term of [NUMBER] [months / years], then renews for successive [NUMBER]-period terms unless either Party gives notice of non-renewal at least [NUMBER] days before the end of the then-current term.

**7.2 Termination for convenience.** Either Party may terminate on [NUMBER, e.g. 30] days' prior written notice.

**7.3 Termination for cause.** Either Party may terminate immediately on written notice if the other materially breaches and fails to cure within [NUMBER, e.g. 15] days after written notice describing the breach.

**7.4 Post-termination commissions.** The Representative is entitled to commissions on Qualifying Orders solicited before, and accepted within [NUMBER, e.g. 30] days after, the termination date, and collected within [NUMBER, e.g. 90] days, subject to applicable sales-representative commission laws, which in some jurisdictions require prompt payment of earned commissions.

## 8. General Provisions

**8.1 Governing law and venue.** This Agreement is governed by the laws of the State of [STATE], without regard to its conflict-of-laws rules. The Parties submit to the exclusive jurisdiction of the state and federal courts located in [COUNTY, STATE].

**8.2 Assignment.** The Representative may not assign this Agreement without the Company's prior written consent. The Company may assign to a successor in connection with a merger or sale of substantially all assets.

**8.3 Entire agreement; amendment.** This Agreement, with its schedules, is the entire agreement between the Parties on its subject and supersedes prior discussions. It may be amended only by a writing signed by both Parties.

**8.4 Severability and waiver.** If any provision is unenforceable, the rest remains in effect. A Party's failure to enforce a provision is not a waiver.

**8.5 Notices.** Notices must be in writing and sent to the addresses above (or as updated in writing) and are effective on receipt.

**8.6 Force majeure.** Neither Party is liable for delay or failure caused by events beyond its reasonable control, provided it gives prompt notice and uses reasonable efforts to mitigate.

**8.7 Counterparts and electronic signature.** This Agreement may be signed in counterparts and by electronic signature, each of which is an original and all of which together form one agreement.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the Effective Date.

**COMPANY**

**REPRESENTATIVE**

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

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

Printed name: **[NAME]**

Printed name: **[NAME]**

Title: **[TITLE]**

Title: **[TITLE, or N/A]**

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

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

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