

# Sales Commission and Incentive Plan (FY26)

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Department: Sales, Finance

## 1. Objective

To motivate high-performance sales teams by offering a competitive, transparent, and results-driven compensation plan focused on achieving Annual Recurring Revenue (ARR) targets.

## 2. Sales Executive (AE) Compensation Structure

Component	Metric	Calculation	Notes
<b>On-Target Earnings (OTE)</b>	Base Salary + Target Commission	50% Base / 50% Commission (Industry Standard)	
<b>Commission Rate</b>	New ARR Booked (Closed Won)	<b>10%</b> of New ARR	Applied to Year 1 Revenue only.
<b>Quota Accelerator</b>	Performance > 100% of Quarterly Quota	<b>15%</b> Commission Rate	Applies retroactively to all ARR once 100% is hit.
<b>Renewal Commission</b>	Renewal of Existing ARR	<b>3%</b> of Renewed ARR	Paid annually upon contract signature.
<b>Expansion/Upsell</b>	New ARR from existing accounts (first 18 months)	<b>5%</b> of Expansion ARR	Decreases to 3% after 18 months.

## 3. Sales Development Rep (SDR) Incentive Plan

SDR compensation is tied to quantifiable pipeline generation and quality.

- Fixed Bonus:** AED 1,000 for every **SQL (Sales Qualified Lead)** passed to an AE that is

- accepted (does not require AE to close the deal).
- **Performance Bonus:** AED 5,000 bonus for every SQL that progresses to **Stage 3 (Negotiation)** in the CRM.

## 4. Payment Schedule

Commissions are calculated monthly and paid out in the subsequent pay cycle (Net 30). Commission payments are contingent upon the client's initial payment being received by NexaCore Finance.

## 5. Draw and Clawback Policy

- **Draw:** Not applicable. All commission is strictly performance-based.
- **Clawback:** Commissions paid on ARR for contracts that are terminated by the client for convenience or non-payment within **6 months** of the contract start date will be clawed back from the AE's subsequent commission payments.