* Plan name and term
  + Company: New Start Inc.
  + Name: FY2026 New Logo and Expansion Sales Commission Plan (AE/AM)
  + Effective period: 1/1/2026–12/31/2026
  + Participants: Account Executives (AEs), Account Managers (AMs), first-line Sales Managers (override only)
* Covered products and geographies
  + Products: Company’s subscription SaaS offerings and standard professional services
  + Geography: Global, subject to assigned territory in offer letter or territory memo
* Key definitions
  + ACV: Annual contract value at list price less standard discounts, excluding usage overages and taxes
  + TCV: Total contract value over the legally binding term, excluding optional renewals
  + New logo: First-time sale to a legal entity (no active contract in past 24 months)
  + Renewal: Contractually committed continuation of services at or after end of prior term
  + Expansion/Upsell: Increase in ACV during an active term (seats, modules, or price)
  + Booked date: Date the order form is fully executed by customer and Company
  + Collected: Initial invoice is paid by customer
* Commissionable transactions and rates
  + New logo initial term:
    - 1-year term: 10% of first-year ACV
    - 2-year term: 12% of first-year ACV
    - 3+ year term: 14% of first-year ACV
  + Expansion/Upsell during term: 6% of incremental ACV
  + Renewals:
    - Standard renewal at or above prior-year ACV: 2% of renewal ACV
    - Price uplift portion only (if uplift >5%): additional 1% on uplift delta
  + Professional services (standard packages only): 3% of services TCV, capped at $10,000 per deal
  + Manager override: First-line manager receives 2% of AE’s commissionable ACV amounts (mirrors AE’s eligible transactions)
* Quotas, accelerators, and caps
  + Quarterly ACV quota defined in comp letter
  + Accelerators on New logo + Expansion ACV each quarter:
    - 0–99% of quota: base rates
    - 100–119%: add 2 percentage points to the applicable rate
    - 120%+ : add 4 percentage points
  + No overall plan cap; Company may restrict accelerators on discounts >30% (see “Discount guardrails”)
* Earning and payment timing
  + Earning event: Commission is earned upon fully executed, non-cancelable order form and Company acceptance, subject to credit approval
  + Payment timing:
    - 50% paid in the first payroll after initial invoice is collected
    - 50% paid after 90 days of continuous service without customer delinquency (>30 days past due) or termination for convenience
  + Multi-year deals billed annually: Payment schedule follows first annual invoice collection as above; no prepayment for future periods
  + For expansions, the same timing applies based on incremental invoice collection
* Adjustments, clawbacks, and chargebacks
  + Cancellation/termination:
    - If customer cancels for convenience or non-payment within first 12 months, previously paid commission is clawed back pro rata for the unused portion of the 12 months
  + Downsize/credits within 180 days: Commission adjusted based on the revised ACV/TCV; overpayments are clawed back
  + Bad debt: If initial invoice not collected within 120 days of invoice date, commission is reversed
  + Returns for services not rendered are not commissionable
  + Non-standard discounts >30% off list require CFO approval; if not approved, Company may reduce commission rate by 2 percentage points on the affected deal
* Special cases
  + Channel sales: If partner-sourced, apply rates to net ACV to Company after partner margin
  + Split credit: Splits must be pre-approved in CRM; commissions prorated by split %
  + Territory disputes: Sales Ops resolves; Company’s records control payout
  + Change of role/termination: Commissions on signed deals before last working day are honored per normal timing; no commissions for deals signed post-termination
* Compliance and documentation
  + Deals must be entered in CRM with approved pricing, executed order forms, and billing setup completed to be commissionable
  + All payouts subject to tax withholdings and Company policy
* Accounting notes (for testing)
  + Classification under ASC 340-40: Capitalize
  + Rationale:
    - Costs are incremental to obtaining a specific contract (would not be incurred if the contract were not obtained)
    - Expected to be recoverable via the economics of the contracts
  + Amortization period:
    - New logo initial commissions: Amortize over expected period of benefit of 36 months (customer life), because renewal commissions are paid at rates not commensurate with initial rates (2% vs 10–14%)
    - Renewal and expansion commissions: Amortize over the related contractual service period (typically 12 months for renewal; remaining term for in-term expansions)
  + Impairment/adjustments:
    - Reduce the deferred commission asset if clawbacks occur or if impairment indicators suggest uncollectibility/not recoverable
  + Practical expedient: Not elected for this plan (assume capitalization even if some amortization periods could be 12 months)