**VeritasLogic.ai - FY2024 Sales Commission Plan**

**Document Version:** 1.0 **Effective Date:** January 1, 2024 **Applies To:** All full-time Account Executives

**1.0 Purpose**

This Sales Commission Plan ("the Plan") is designed to incentivize and reward Account Executives for their performance in securing new business and driving revenue growth for VeritasLogic.ai ("the Company"). The Plan provides a clear, consistent framework for calculating and paying commissions on new sales.

**2.0 Eligibility**

All full-time Account Executives (AEs) are eligible to participate in this Plan, provided they are employed in good standing with the Company. This Plan does not apply to Sales Development Representatives, Account Managers, or any other role.

**3.0 Commissionable Event**

A commission is considered earned upon the achievement of a "Commissionable Event." A Commissionable Event is defined as a **fully executed customer contract for a new logo (new customer) acquisition**.

This Plan applies only to the initial contract signed with a new customer. Commissions for contract renewals, upsells, or amendments are governed by separate policies and are not included in this Plan.

**4.0 Commission Rate & Calculation**

**4.1 Commission Rate**

The commission for a Commissionable Event is calculated as a flat rate of **5% of the Total Contract Value (TCV)**.

**4.2 Definition of Total Contract Value (TCV)**

For the purposes of this Plan, TCV is defined as the total value of recurring software fees, one-time license fees, and professional services fees contractually committed by the customer for the initial contract term.

TCV expressly excludes:

* All applicable taxes (e.g., sales tax, VAT).
* Any third-party pass-through costs or expenses.
* The value of any hardware sold.

**4.3 Example Calculation**

An AE closes a new customer contract with the following components:

* Annual Recurring Software Fees: $80,000
* One-Time Implementation Fee: $20,000
* Total Contract Value (TCV): $100,000

The commission earned would be calculated as: 100,000(TCV)\\*5100,000(*TCV*)\\*55,000\*\*.

**5.0 Payment Terms**

All commissions earned under this Plan will be processed and paid within **ninety (90) days** following the end of the calendar month in which the Commissionable Event occurred (i.e., the contract was fully executed).

Payment is contingent upon the Account Executive remaining an employee in good standing through the scheduled payment date.

**6.0 General Conditions**

**6.1 Disputes:** Any disputes regarding commission calculations must be submitted in writing to the VP of Sales and the Payroll department within 30 days of the commission payment date.

**6.2 Employment Termination:** If an AE's employment terminates for any reason, they will be paid for all commissions earned up to the effective date of termination, in accordance with the standard payment schedule outlined in Section 5.0.

**6.3 Plan Modification:** The Company reserves the right to modify or terminate this Plan at any time, with or without notice.

**Approved By:**

VP of Sales

Chief Financial Officer