

Missouri

Title XXVI TRADE AND COMMERCE

Chapter 407

407.911. Definitions. — As used in sections 407.911 to 407.915, the following terms mean:

- (1) "**Commission**", compensation accruing to a sales representative for payment by a principal, the rate of which is expressed as a percentage of the dollar amount of orders or sales, or as a specified amount per order or per sale;
- (2) "**Principal**", a person, firm, corporation, partnership or other business entity, whether or not it has a permanent or fixed place of business in this state, and who:
 - (a) Manufactures, produces, imports, provides, or distributes a product or service for sale;
 - (b) Contracts with a sales representative to solicit orders for the product or service; and
 - (c) Compensates the sales representative, in whole or in part, by commission;
- (3) "**Sales representative**", a person, firm, corporation, partnership, or other business entity who contracts with a principal to solicit orders and who is compensated, in whole or in part, by commission, but shall not include a person, firm, corporation, partnership, or other business entity who places orders or purchases for its own account for resale.

(L. 1989 S.B. 192 § 1 subsec. 1, A.L. 2005 S.B. 211)

407.912. Commission to become due, when — termination of employment, all commissions due, when. — 1. When a commission becomes due shall be determined in the following manner:

- (1) The written terms of the contract between the principal and sales representative shall control;
- (2) If there is no written contract, or if the terms of the written contract do not provide when the commission becomes due, or the terms are ambiguous or unclear, the commission shall be paid when the product or service is delivered and accepted by the purchaser or the principal receives satisfaction in full;
- (3) If neither subdivision (1) nor (2) of this subsection can be used to clearly ascertain when the commission becomes due, then the commission shall be due on the date the principal accepts the order and receives satisfaction in full, unless the custom and usage prevalent in this state for the parties' particular industry is different, in which event such custom and usage shall prevail.

2. Nothing in sections 407.911 to 407.915 shall be construed to impair a sales representative from collecting commissions on products or services ordered prior to the termination of the contract between the principal and the sales representative but delivered and accepted by the purchaser after such termination.

3. When the contract between a sales representative and a principal is terminated, all commissions then due shall be paid within thirty days of such termination. Any and all commissions which become due after the date of such termination shall be paid within thirty days of becoming due.

(L. 1989 S.B. 192 § 1 subsecs. 2, 3, 4, A.L. 2005 S.B. 211)

407.913. Failure to pay sales representative commission, liability in civil action for actual damages — additional damages allowed — attorney fees and costs. — Any principal who fails to timely pay the sales representative commissions earned by such sales representative shall be liable to the sales representative in a civil action for the actual damages sustained by the sales representative and an additional amount as if the sales representative were still earning commissions calculated on an annualized pro rata basis from the date of termination to the date of payment. In addition the court may award reasonable attorney's fees and costs to the prevailing party.

(L. 1989 S.B. 192 § 1 subsec. 5, A.L. 2005 S.B. 211)

407.914. Out-of-state principal with sales representative soliciting in this state, Missouri courts to have jurisdiction. — A principal who is not a resident or citizen of this state who contracts with a sales representative to solicit orders in this state is declared to be transacting business in this state for purposes of the exercise of jurisdiction of the courts of this state under section 506.500.

(L. 1989 S.B. 192 § 1 subsec. 6)

407.915. Civil action for all claims against principal may be joined — express or contract waivers of commission laws, invalid. — 1. Nothing in sections 407.911 to 407.915 shall invalidate or restrict any other or additional right or remedy available to a sales representative from seeking to recover in one action on all claims against a principal.

2. A provision in any contract between a sales representative and a principal purporting to waive any provision of sections 407.911 to 407.915, whether by expressed waiver or by a contract subject to the laws of another state, shall be void.

(L. 1989 S.B. 192 § 1 subsecs. 7, 8)

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