

# Franchisee Royalty Payment Procedures

Date: [Insert Date]

To: [Franchisee Name]

Franchise Location: [Franchise Location]

Dear [Franchisee Name],

We hope this message finds you well. This letter serves to outline the procedures for the payment of royalties as per our franchise agreement.

## Royalty Payment Schedule

Royalties are due on a monthly basis, with payments to be submitted no later than the 15th of the following month.

## Calculation of Royalties

Royalties will be calculated as [percentage]% of gross sales for the month. Please ensure that sales reports are accurately submitted along with your payment.

## Payment Methods

Payments can be made via the following methods:

- Electronic Bank Transfer
- Check payable to [Company Name]

## Late Payment Penalties

Any payments received after the due date will incur a late fee of [amount] or [percentage]% of the outstanding royalty payment.

If you have any questions regarding this procedure, please feel free to contact us at [Contact Information].

Thank you for your continued cooperation.

Sincerely,  
[Your Name]

[Your Position]  
[Company Name]