

Performance-Based Billing Framework Agreement

Date: [Insert Date]

To,

[Recipient's Name]
[Company Name]
[Company Address]
[City, State, Zip Code]

Dear [Recipient's Name],

We are pleased to present you with our Performance-Based Billing Framework for software development services. This agreement is intended to align our incentives and establish a transparent measurement of performance, fostering a shared commitment to project success.

Billing Structure

- **Base Fee:** [Description of Base Fee]
- **Performance Metrics:**
 - [Metric 1]
 - [Metric 2]
 - [Metric 3]
- **Incentives:** [Description of Incentives for Exceeding Metrics]
- **Penalties:** [Description of Penalties for Not Meeting Metrics]

Payment Schedule

Payments will be made according to the following schedule:

- **Initial Payment:** [Amount] upon signing the agreement.
- **Subsequent Payments:** [Amount] based on performance reviews every [Time Interval].

Performance Review Process

The performance review will occur at the end of each [Time Interval] with key stakeholders to evaluate project milestones and metrics.

Please review the proposed framework and feel free to reach out for any clarifications or modifications that you might consider necessary.

We look forward to your positive response and to a fruitful partnership.

Best Regards,

[Your Name]

[Your Position]

[Your Company Name]

[Your Contact Information]