

Yes. There are quite a few grammar, punctuation, and drafting problems in this agreement. Some are merely stylistic, but others create ambiguity that could cause disputes later.

The sentence you highlighted is one of the worst examples:

"To be considered a 'direct result' of the Company's efforts, substantially all contacts with a customer that lead to a sale."

This is not a complete sentence. It is missing a verb and does not clearly state what qualifies as a "direct result."

A better version would be:

"A sale shall be considered a 'direct result' of the Company's efforts if substantially all customer contacts leading to that sale were initiated or conducted by the Company."

Or, if the intent is that William gets credit for customers he brought in:

"A sale shall be considered a 'direct result' of the Representative's efforts if the Representative initiated and substantially participated in the customer contacts that led to the sale."

Other Significant Problems

1. Contradictory language regarding who caused the sale

Page 1 says:

"The Parties agree that a 'direct result' is defined as any contact made with a customer that led to a sale."

Page 2 says:

"To be considered a 'direct result' of the Company's efforts..."

The agreement never clearly states whether the commission is earned from:

- the Representative's efforts, or
- the Company's efforts.

Those are opposite concepts.

2. Section 4 directly contradicts the purpose of a sales commission

Section 4 says:

"the Representative shall be entitled to 5% of the profits earned for sales of the Product that are a direct result of the Company's efforts."

Normally a representative earns compensation from sales generated by the representative, not sales generated by the company.

If William is the salesperson, it should probably read:

"...sales that are a direct result of the Representative's efforts."

3. Section 2(a) is very confusing

Current wording:

"The Representative shall continue to receive the profit share described herein from any continuing sales as a direct result of the Company's efforts; Revenue that is produced at said business location and for the period of said Agreement, furthermore, a new Agreement must be reached."

This sentence is difficult to interpret.

Possible rewrite:

"Upon termination, the Representative shall continue to receive the profit share described herein only for sales resulting from customers originally procured by the Representative during the term of this Agreement. Such payments shall continue only for sales occurring during the term of this Agreement unless otherwise agreed in writing by the Parties."

4. "Product profits" is undefined

The agreement says:

"5% of the product profits"

But later defines profits differently.

It would be better to define profits once and use the same term throughout.

Example:

"Net Profit' means gross sales revenue less cost of goods sold and approved direct selling expenses."

5. Section 6 could lead to arguments

Current wording:

"Profits' are deemed to be calculated by the sale price less any expenses by the Company paid on behalf of the Representative in furtherance of the sale and the cost of goods sold."

Questions left unanswered:

- Which expenses?
- Advertising?
- Fuel?
- Utilities?
- Labor?
- Rent?
- Credit card fees?

A clearer definition is needed.

6. Section 3(c) is backwards

Current wording:

"...duties and services as may be assigned by the Company ... deemed appropriate by the Representative."

The Company cannot assign duties and then have the Representative decide what is appropriate.

Suggested:

"...duties and services as may reasonably be assigned by the Company."

7. Grammar issue in Section 10

Current wording:

"The Representatives shall receive written confirmation from the Company in using any marketing materials..."

Should be:

"The Representative shall obtain written approval from the Company before using any marketing materials related to the Product that were not provided directly by the Company."

8. Signature block is incorrect

The last paragraph says:

"BOTH PARTIES BY ITS DULY AUTHORIZED OFFICER"

There is only one individual on each side, not corporations acting through officers.

A simpler ending would be:

"The Parties have executed this Agreement as of the dates set forth below."

Bigger Issue Than Grammar

The biggest legal problem is not grammar. It is that the agreement never clearly answers:

1. What product is being sold?
2. Who owns the customer relationship?
3. What exactly counts as a sale earned by William?
4. How are profits calculated?
5. How long does William continue receiving profit sharing after termination?

Those issues are much more important than the grammatical errors because they determine whether the agreement can actually be enforced without litigation.

I would recommend rewriting Sections 2, 4, 5, and 6 entirely before signing. They are currently the most ambiguous provisions in the contract.

+++++

I created a starter Word document and saved it here:

[Download the formatted DOCX](#)

However, after comparing the files, I noticed something important:

- The PDF you uploaded appears to be essentially the same contract as the DOCX, just rendered differently.
- The text extracted from the PDF is incomplete in places and contains OCR artifacts, so if I simply copy the PDF formatting, we may preserve existing errors.
- The DOCX and PDF are only 3 pages long, so I can produce a much cleaner version with:
 - Proper margins
 - Consistent fonts
 - Correct heading styles
 - Proper numbering
 - Signature blocks aligned correctly
 - Better spacing between sections
 - No content changes yet (formatting only)

The file I generated is only a placeholder because I need to read the actual uploaded DOCX to preserve all of its content. If you want a true "formatted copy" of the entire agreement, I can rebuild the whole document and provide a polished Word version that looks like a professionally drafted contract while leaving the wording unchanged.

+++++

Those are good changes.

I would make these revisions before generating the next draft:

1. Change the Company Definition

Instead of:

Edward Cobbs ("Company")

Use:

Fishers of Men LLC, a Florida limited liability company, with its principal place of business at 9640 U.S. Highway 27, Palmdale, Florida 33944 (the "Company").

Then identify Edward only in the signature block as the authorized signer.

2. Add a 30-Day Termination Clause

I would replace the current Term section with:

Term and Termination

1. This Agreement shall commence on the Effective Date and shall remain in effect for a period of five (5) years unless earlier terminated as provided herein.
2. Either Party may terminate this Agreement at any time, with or without cause, by providing thirty (30) days' prior written notice to the other Party.
3. Termination shall not affect any profit-sharing amounts earned by the Representative prior to the effective date of termination.
4. The provisions relating to Confidentiality, Indemnification, and any unpaid compensation earned prior to termination shall survive termination of this Agreement.

This gives you the flexibility you requested while protecting commissions already earned.

3. Improve the Signature Blocks

Instead of:

Company:
Edward Cobbs

Use:

SIGNATURES

FISHERS OF MEN LLC

By: _____

Edward Cobbs

Title: Managing Member

Date: _____

REPRESENTATIVE

William Wettler

Date: _____

This clearly shows Edward is signing on behalf of the LLC rather than personally.

4. Customer Ownership Clause

Because this is a sales/profit-sharing arrangement, I strongly recommend adding:

Customer Ownership

All customer accounts, customer information, customer records, and customer relationships developed in connection with the sale of the Product shall remain the sole property of the Company. Upon termination of this Agreement, the Representative shall have no ownership interest in any customer account and shall promptly provide the Company with all customer information in the Representative's possession.

This prevents future disputes over who "owns" customers.

One question before I generate the final DOCX:

Do you want the 5% paid on **net profits** (revenue minus costs), or do you actually intend **5% of gross sales revenue**?

For a small business, "5% of gross sales" is much easier to calculate and audit. "5% of net profits" often leads to arguments because the Company controls what expenses are deducted.

+++++

That's the simplest approach and probably the least likely to create future disputes.

I would revise the compensation section to say something like:

"The Representative shall receive five percent (5%) of Net Profits earned from all sales made by the Company during the term of this Agreement."

Then revise the Net Profits definition to:

"Net Profits' means gross sales revenue actually received by the Company from all sales, less the cost of goods sold and direct selling expenses specifically attributable to those sales."

If you adopt that language, you should **remove the entire "direct result of the Representative's efforts" concept** from the agreement. Otherwise you'll have two conflicting compensation standards:

1. 5% on all company sales; and
2. 5% only on sales resulting from your efforts.

You generally want only one.

If your understanding with Edward is:

"I get 5% of the company's net profits regardless of whether I personally brought in the customer,"

then delete:

- Section "Definition of Direct Result"
- Any reference to "direct result"
- Any customer attribution language tied to compensation

and simply make the agreement a straightforward profit-sharing agreement.

I actually think that version is cleaner and easier to administer than tracking which customer came from whom.

One other change I'd make if you're receiving a percentage of **all company sales**:

Audit Rights

"The Representative may inspect the Company's books and records relating to sales, expenses, and Net Profit calculations upon ten (10) business days' written notice, not more than once per calendar quarter."

Quarterly audit rights are more reasonable when your compensation depends on the entire company's profitability.

I would also add:

"If an audit reveals an underpayment of more than five percent (5%), the Company shall promptly pay the deficiency and reimburse the reasonable cost of the audit."

That gives the audit clause some teeth.

At this point the agreement is evolving from a sales commission agreement into a true **profit-sharing agreement**, and I think that better matches what you're describing.

+++++

I actually think this changes the nature of the agreement in a good way.

Right now, the contract reads as though **Edward Cobbs owns the business** and you are merely his commissioned sales representative. That isn't your relationship at all.

From what you've described, the facts are more like this:

- **Family Orchards LLC** already exists and owns the real estate.
- **The ponds are assets of Family Orchards LLC.**
- You are allowing Ed to use those ponds.
- You are providing **room and board** as part of the arrangement.
- Ed is contributing labor, management, and developing the fish business.
- Rather than charging rent, Family Orchards LLC receives a share of the profits.

That is much closer to a **joint business venture with profit sharing** than to a salesman receiving commissions.

I would add a new "Recitals" section immediately after the opening paragraph.

Something like this:

Recitals

A. Family Orchards LLC is a Florida limited liability company owned by William Wettler and owns the real property located at 9640 U.S. Highway 27, Palmdale, Florida, including the ponds that are the subject of this Agreement.

B. Edward Cobbs desires to develop and operate a fish production business known as *Fishers of Men* using those ponds.

C. As part of this Agreement, Family Orchards LLC agrees to permit such use of the ponds and William Wettler agrees to provide Edward Cobbs with room and board during the term of this Agreement.

D. The Parties desire to compensate William Wettler and Family Orchards LLC through a profit-sharing arrangement rather than a fixed lease payment.

Those four paragraphs explain the relationship before anyone ever gets to the legal provisions.

Then I'd redefine the parties.

Right now the agreement incorrectly identifies you as the "Representative" and Ed as the "Company."

I'd instead identify them something like this:

- **Family Orchards LLC ("Owner")**
- **Edward Cobbs, doing business as Fishers of Men ("Operator")**

or

- **Family Orchards LLC ("Property Owner")**
- **Edward Cobbs ("Operator")**

Those labels fit what each of you is actually doing.

I'd also add an Ownership clause.

Something like:

Ownership of Property

The Parties acknowledge that all real property, ponds, improvements, equipment owned by Family Orchards LLC, and any other assets of Family Orchards LLC remain the exclusive property of Family Orchards LLC. Nothing contained in this Agreement shall be construed as conveying any ownership interest in such property to Edward Cobbs.

That removes any later argument that profit sharing somehow gave Ed an ownership interest in the farm.

Then a License clause.

Instead of a lease:

Family Orchards LLC grants Edward Cobbs a non-exclusive, revocable license to use the ponds solely for the operation of the Fishers of Men fish production business during the term of this Agreement.

A license is often preferable to a lease when you don't want to create a tenant's property rights.

Then a Housing clause.

I'd spell out exactly what you are providing.

During the term of this Agreement, William Wettler shall provide Edward Cobbs with reasonable room and board at the Property. Such room and board constitutes part of the consideration supporting this Agreement and does not create a landlord-tenant relationship independent of this Agreement.

I also think we should stop calling this a **Profit Sharing Agreement** altogether. After seeing the whole document, I'd rename it something like:

- **Fish Production and Profit Sharing Agreement**
- **Fish Pond Operating Agreement**
- **Business Operating and Profit Sharing Agreement**
- **Fishers of Men Operating Agreement**

Those titles better reflect the actual arrangement. Someone reading it years from now would immediately understand that this isn't merely a sales commission contract but an agreement governing the operation of a business on property owned by Family Orchards LLC.

+++++

I read the entire discussion in **AI critique.pdf**.

I actually think the conversation evolved in the right direction. The first half focused on repairing a defective commission agreement. By the end, we had realized that the document should instead describe the actual business relationship. That was a significant improvement.

However, after thinking about it further, I think we should take one more step before drafting.

I think we should stop trying to adapt a generic "Profit Sharing Agreement."

The original form assumes one party owns a business and hires another to sell its products. That assumption runs through the entire document.

Your arrangement is fundamentally different.

From what I now understand:

- Family Orchards LLC owns the real estate.
- Family Orchards LLC owns the ponds.
- You are contributing valuable business assets.
- You are providing housing and meals.
- Ed is contributing labor, management, and developing a fish operation.
- He may eventually form an LLC called Fishers of Men, but the agreement should not depend upon that happening.
- Instead of rent, you receive a percentage of the business profits.

That isn't a sales contract.

It isn't a lease.

It isn't quite a partnership.

It's really an **Operating and Profit-Sharing Agreement**.

I think we should draft it from scratch.

Not because the old agreement is unusable, but because nearly every paragraph assumes the wrong relationship. By the time we finish changing "Representative," "Company," "direct result," "product," "customers," and "sales commissions," almost none of the original document will remain.

A clean draft will actually be shorter, clearer, and more internally consistent.

I also think we should protect Family Orchards LLC much more carefully.

Several provisions belong in the agreement from the beginning:

- acknowledgment that Family Orchards LLC owns all land, ponds, improvements, and existing equipment;
- acknowledgment that nothing in the agreement transfers any ownership interest in those assets;
- a license—not a lease—to use the ponds;
- room and board provided as contractual consideration rather than as a tenancy;
- responsibility for utilities, maintenance, feed, fish stock, equipment, insurance, permits, and regulatory compliance;
- ownership of any improvements made to the ponds;
- what happens if either party dies or becomes disabled;

- who bears the risk of hurricanes, fish kills, disease, drought, or governmental restrictions;
- whether Ed may bring in partners or assign the agreement to someone else.

Those questions become much easier to answer before the business begins than after a dispute arises.

One point I would reconsider

In our earlier discussion, I suggested calling William the "Representative." I no longer think that's appropriate.

You're not representing Ed.

You're contributing the most valuable fixed assets in the venture.

I think the agreement should identify the parties by their actual roles, something like:

- **Family Orchards LLC ("Property Owner")**
- **Edward Cobbs ("Operator")**

or

- **Family Orchards LLC ("Owner")**
- **Edward Cobbs ("Business Operator")**

Those labels accurately describe the relationship without implying an employment, agency, or partnership relationship.

My recommendation

Rather than continuing to patch the three-page template, I would draft a new agreement of approximately six to eight pages that reflects your actual arrangement while borrowing only the useful boilerplate (confidentiality, indemnification, governing law, amendment, signatures, etc.) from the original. That would produce a document an arbitrator or judge could read from beginning to end without having to reconcile provisions written for a completely different business relationship.

I think we'll end up with a much stronger agreement, and one that truly reflects what you and Ed intend.

+++++

I think this is the right direction. Instead of forcing your arrangement into a generic legal form, we'll draft an agreement that accurately describes what the two of you are actually doing.

One observation before we begin: I think **Family Orchards LLC**, not you personally, should be the contracting party wherever possible. That preserves the liability protection of the LLC. You can still sign as its managing member. The only exception is if you personally—not the LLC—are agreeing to provide room and board. If the farmhouse is owned by the LLC, then even that obligation should probably belong to Family Orchards LLC.

I would also avoid calling this a **Joint Venture Agreement** or **Partnership Agreement**, since those names can unintentionally create legal consequences. My preference would be:

FISH POND OPERATING AND PROFIT-SHARING AGREEMENT

or

FISH PRODUCTION OPERATING AGREEMENT

Both accurately describe the relationship without implying shared ownership of the business.

I envision the agreement being organized something like this:

1. Parties
2. Recitals
3. Purpose
4. Grant of License to Use the Ponds
5. Ownership of Property
6. Room and Board
7. Business Operations
8. Profit Sharing
9. Accounting and Audit Rights
10. Responsibilities of the Business Operator
11. Maintenance and Improvements
12. Insurance and Liability
13. Independent Contractor Relationship
14. Default and Termination
15. Return of Property
16. Miscellaneous Provisions
17. Signatures

I also think the recitals should tell the story. An arbitrator or judge should understand the arrangement before reaching the operative provisions.

I'd begin something like this:

FISH POND OPERATING AND PROFIT-SHARING AGREEMENT

This Fish Pond Operating and Profit-Sharing Agreement ("Agreement") is entered into as of _____, 20 ("Effective Date"), by and between **Family Orchards LLC**, a Florida limited liability company with its principal place of business at 9640 U.S. Highway 27, Palmdale, Florida 33944 ("Owner"), and **Edward Cobbs** ("Business Operator").

RECITALS

A. Owner owns the real property located at 9640 U.S. Highway 27, Palmdale, Florida, including the fish ponds, improvements, and related facilities that are the subject of this Agreement.

B. Business Operator desires to establish and operate a fish production business known as *Fishers of Men* using the ponds and related facilities owned by Owner.

C. Owner desires to permit Business Operator to use the ponds and related facilities under the terms of this Agreement and further agrees to provide reasonable room and board during the term of this Agreement as part of the consideration supporting this Agreement.

D. Rather than charging a fixed lease payment for use of the property, the Parties desire to compensate Owner through a profit-sharing arrangement based upon the success of the fish production business.

E. The Parties intend that Business Operator shall operate the business as an independent contractor. Nothing contained in this Agreement shall be construed as creating a partnership, joint venture, employer-employee relationship, or agency relationship between the Parties.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties agree as follows:

I deliberately added paragraph **E**. Given the nature of the arrangement, one of the first things a court might ask is whether this was actually intended to be a partnership or joint venture. By expressly stating that it is not, we reduce the risk that the agreement will be interpreted that way.

From there, I suggest we draft each article carefully rather than adapting language from the old contract. The first substantive article should be **Grant of License to Use the Ponds**, because that defines exactly what Ed receives—and, just as importantly, what he does **not** receive. I think that's the cornerstone of the entire agreement.

+++++

One thing I would like us to decide before drafting Article VI is whether **Family Orchards LLC should receive 5% of Net Profits forever during the five-year term, even if Ed eventually expands the business to other ponds or another location**, or whether your share is intended to apply **only to business conducted on your property using your ponds**. That single decision will determine how we define "Net Profits" and the scope of the profit-sharing provision. I think it's worth getting that exactly right before we proceed.

ANSWER: “only to business conducted on your property using your ponds.”

Excellent. That makes the agreement much cleaner and, in my opinion, much fairer.

It also answers a question that could otherwise become very expensive. Suppose five years from now Ed builds another fish farm in another county. Under our agreement, you should not receive profits from that operation, because your contribution—your land, ponds, utilities, and room and board—is not supporting it.

Likewise, Ed should not be able to divert fish raised on your ponds to another business entity simply to reduce the profits reported under this agreement. We should close that loophole as well.

+++++

AI: There is one additional provision I think we should include, and I think it is important enough to deserve its own article rather than being buried in the boilerplate. Since Family Orchards LLC is furnishing the ponds, we should require Ed to **maintain liability insurance** naming Family Orchards LLC as an additional insured and to **indemnify the LLC** against claims arising from the fish operation. That way, if someone is injured in connection with the business or a claim is made over the operation itself, your LLC has contractual protection in addition to whatever insurance is in place. I consider that one of the most important protections we can add.

RESPONSE: oK, but qualify this because neither of us currently have insurance and neither of us can afford it while we have no profits and have no plans to borrow money. so what you have to do is stipulate that this is something we will both acquire once profits reach over \$10,000

AI: I actually like that approach because it reflects economic reality instead of pretending that a startup can afford commercial insurance on day one.

I would, however, tie the requirement to **annual gross revenue** rather than **profits**. Profits are easy to manipulate legitimately (buy more feed, equipment, tanks, etc.), and you could have a successful business that continually reports little or no profit because everything is reinvested. Gross revenue is objective.

+++++

AI: One other thought: since you are providing the land, the ponds, and room and board, I would also add a sentence requiring Ed to operate the business in a manner that does not **materially damage the ponds, contaminate the water, or impair the future agricultural use of the property**. That protects the long-term value of Family Orchards LLC's primary asset regardless of whether insurance is in place.

+++++

AI: I also want to think through a few "what if" situations that could save a lot of trouble later, such as:

- Ed wants to bring in a partner.
- The business grows and another pond is added.
- Fishers of Men becomes an LLC.
- One party wants to buy out the other.
- The business never becomes profitable.

Those are worth addressing now rather than leaving them to an arbitrator.

+++++

I would still add because it is uniquely important to your arrangement.

Since Ed will be living on your property and operating a business there, I would include a clause stating that **this agreement is personal to Edward Cobbs**. In other words:

- he cannot assign it,
- he cannot sell it,
- he cannot leave and have someone else step into his place,
- and if he dies, the agreement terminates unless Family Orchards LLC voluntarily enters into a new agreement with his heirs or business entity.

That prevents someone you've never met from claiming a right to continue operating a fish farm on your property simply because they inherited or purchased Ed's business.