

Bonus Plan Document (Sample)

XYZ Company 2020 Bonus Plan

Critical Number(s):

The Bonus Plan is based on total company profit before tax.

The Bonus Plan also includes a multiplier (Bonus payout increase) based on Diversified Gross Margin Dollars (defined as: xxxxx).

(Insert Bonus Scoreboard)

The Bonus Pool is distributed as follows:

- 100% of the pool is distributed among all Full and Part time employees, distributed proportionately by year-to-date gross wages at the time a Bonus is declared.
- All employees on payroll at the time a Bonus is declared will receive payment, whether or not employed at the company at the time any Bonus is paid.

The Company reserves the right to end the Bonus Plan with the fiscal end of December each year.

The entire Bonus Plan is discretionary and may be canceled by the Board of Directors at any time. (Name) is designated as the Bonus Plan administrator, and is the person authorized to declare a Bonus or resolve questions related to the Bonus Plan. All changes to the Bonus Plan must be published in writing. We also welcome recommendations for changes for future Bonus Plans.