**Bonus Policy - Officer and Management Level Plan**

**Purpose**

The bonus plan for managers and officers of [Company Name] is designed to provide incentive compensation for eligible company officers and management-level employees.

**Eligibility**

Management-level employees are defined as exempt-level employees whose participation in the bonus plan has been approved by the president/CEO. To be eligible for the bonus payment, an officer or a management-level employee must have successfully completed all assigned goals and must be employed as of December 31 of the bonus plan year.

**Procedures**

The amount of the bonus pool is based on year-end company profit.

Each eligible officer’s and manager’s bonus is computed as a percentage of base salary received as of year-end. Bonus payments will generally be made no later than March 31 of the following year. The payment will be taxed at the flat Internal Revenue Service (IRS) rate plus applicable state rates for bonus payments.

Bonus compensation, and any other compensation, may be subject to federal or other regulation that supersedes this bonus plan.

The Bonus Plan is provided at the discretion of [Company Name]. [Company Name] reserves the right to administer, modify or terminate the plan with or without notice.