Sample Discretionary Bonus Policy

At times the business pays a discretionary bonus to employees based on the business's performance. At the end of each month/quarter/year, the business considers whether to pay a bonus. The amount will be determined by the success of the business in achieving its earning goals, as well as by the individual contribution of each employee to business goals, as determined by business management. It is not intended to make up for or add to an employee's regular hourly wage or compensation for meeting the minimum standards of the job position.

It is at the sole and total discretion of management whether there is any bonus, the amount, timing, and whether individual employees are rewarded. It should not be assumed that past payments have established a pattern for future payments. In other words, there is no guarantee of any bonus.

Eligibility for Bonus

Only full-time, regular employees who have satisfactorily completed the 90 day introductory period are eligible to receive a bonus. Individuals on a leave of absence may receive a prorated portion of the bonus, at the sole discretion of the business.

Employees who terminate their employment before the end of the bonus period are not eligible for any portion of the Incentive for that period.

Employees who are, or could be, terminated for not meeting performance standards or violating business policy are not eligible for any portion of the bonus. This includes, but is not as limited to, employees who are, or could be, terminated for poor performance, disclosure of confidential information, violation of the duty of loyalty, violation of business policy, off-duty misconduct that affects the operation of the business, or any other misconduct. Loss of bonus can be part of a termination or disciplinary decision.