

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1		Acme, Inc.			Current Year End	2016									
2		Performance Compensation Plan				Red Cell = Input, not a formula									
3		Funding Formula													
4															
5	I.	ROI Driver Calculation and Reconciliation of Net Worth:													
6		Beginning Equity Per Books at December 31 2015			\$	1,250,000									
7		Less Accrued taxes, related to 2015 but paid in following year				-									
8		Subtotal Recast Equity For (ROI Driver)				1,250,000									
9		Estimated Increase in Equity for 2016 (Net of Tax)				333,002									
10		Projected December 31,2016 Equity (Net Worth)			\$	1,583,002									
11															
12	II.	Calculation of Pre-Incentive Income:													
13		Based on 2016 Forecasted Budgets			\$	800,000									
14		Estimated increase for projected actual (versus budget)				-									
15		Pre Incentive Income			\$	800,000									
16															
17	III.	Calculation of Minimum Amount to Retain in Company :													
18		(Pre Tax As a Percent of Prior Year Equity )													
19		Desired Rate After Tax Minimum Return				12.00%									
20		Tax Rate (Fed 35 %, State 5 %)				40.00%									
21		Total Profits Retained - Pre Tax				20.00%									
22															
23		Percentage of Pre Incentive Income													
24		Subtotal Minimum Profits Retained - 20% of ROI Driver from above			\$	250,000									
25															
26		Subtotal Available After Profits Retained			\$	550,000									
27															
28		Proof: Summary of Profits to be Retained by Company:													
29		After Tax Return (Net Retained) - 60% of Minimum profit to be retained			\$	100,000									
30		Tax Distributions (Federal and State) ***				100,000									
31		Pre Tax Return (Gross Retained)			\$	250,000									
32															
33	IV.	Schedule of Employee Bonus Funding													
34															
35															
36															
37		Increments	\$	100,000	5.00%										
38		Maximum			50%										
39															
40		[Income-----]			Funding %										
41					of Incremental										
42					Income										
43															
44															
45															
46															
47															
48															
49															
50															
51															
52															
53															
54															
55															
56															
57	V.	Subjective Remainder Retention:													
58		Profit remainder after employee bonus funding				305,003									
59		Additional equity retained, after-tax				183,002									
60		Additional equity retained, tax				122,001									
61						\$ 305,003									
62															
63	VI	Summary of Income and Performance Compensation Allocations:				January-00									
64		Pre Incentive Income				\$ 800,000									
65		Performance Bonus Leadership Team				(85,749)									
66		Performance Bonus Middle Management Employees				(97,999)									
67		Performance Bonus Front Line Employees				(61,249)									
68		Remainder Equity Retained (after tax)				(333,002)									
69		Taxes on Remainder equity retained				(222,001)									
70		Net, Proof to Zero				\$ -									
71															
72															
73															
74															
75															
76															
77															
78	VII														
79		Executive Summary:													
80															
81															
82															
83															
84															
85															
86															
87															

Acme, Inc.  
Performance Compensation Plan  
Executive Team Allocations

Leadership

	<u>Budget</u>	<u>Actual</u>						
Performance Bonus	85,749	85,749						
<u>Team / Position</u>	<u>Allocation %</u>	<u>Objective Bonus at Budget</u>	<u>Objective Bonus % at Actual</u>	<u>Actual Objective Bonus</u>	<u>KPI Index Percentage</u>	<u>Final Objective Bonus Allocation</u>	<u>Final Subjective Adjustment + or - 15,349</u>	<u>Final Bonus Allocation</u>
President	30.00%	25,725	100.00%	25,725	90%	23,152	6,000	29,152
Admin Services Manager	15.00%	12,862	100.00%	12,862	85%	10,933	5,000	15,933
Tech Services Manager	30.00%	25,725	100.00%	25,725	75%	19,165	849	20,014
Field Crew Manager	25.00%	21,437	100.00%	21,437	80%	17,150	3,500	20,650
Total	100%	85,749		85,749		70,400	15,349	85,749

## Middle Management

		Budget	Actual									
Performance Bonus		97,999	97,999									
[ ----- OBJECTIVE ALLOCATION ----- ]												
Department	Team / Position	Employee	2008 Annual Earnings Base	Base Percent Of Comp	Objective Bonus at Budget	Objective Bonus % at Actual	Objective Bonus at Actual	KPI Index Percentage	Final Objective Bonus Allocation	KPI Subjective Adjustment 16,917	Final Subjective Adjustment + or -	Final Objective Bonus Pre-Performance Evaluation Adjustment
1	Safety											
	Safety Director	Doe, John	28,635	4.04%	3,959	100.00%	3,959	85%	3,365	1,500		4,865
	Subtotal		28,635	4.04%	3,959		3,959		3,365	1,500	-	4,865
2	Business Development											
		Doe, John	60,217	8.50%	8,325	100.00%	8,325	90%	7,493	2,500		9,993
3		Doe, John	61,573	8.69%	8,513	100.00%	8,513	80%	6,810			6,810
	Subtotal		121,789	17.18%	16,838		16,838		14,303	2,500	-	16,803
4	Service											
		Doe, John	52,337	7.38%	7,236	100.00%	7,236	75%	5,427			5,427
5		Doe, John	48,167	6.80%	6,660	100.00%	6,659	85%	5,661	917		6,578
6		Doe, John	46,951	6.62%	6,491	100.00%	6,491	95%	6,167	3,000		9,167
7		Doe, John	1,977	0.28%	273	100.00%	273	90%	246	2,500		2,746
8		Doe, John	31,773	4.48%	4,393	100.00%	4,393	85%	3,734			3,734
9		Doe, John	32,917	4.64%	4,551	100.00%	4,551	80%	3,641			3,641
10		Doe, John	63,101	8.90%	8,724	100.00%	8,724	75%	6,543			6,543
11		Doe, John	61,606	8.69%	8,518	100.00%	8,518	80%	6,814			6,814
12		Doe, John	50,160	7.08%	6,935	100.00%	6,935	85%	5,895			5,895
	Subtotal		388,990	54.88%	53,781		53,781		44,127	6,417	-	50,544
13	Maintenance											
		Doe, John	61,407	8.66%	8,490	100.00%	8,490	85%	7,216	2,500		9,716
14		Doe, John	34,947	4.93%	4,832	100.00%	4,832	75%	3,624			3,624
	Subtotal		96,354	13.59%	13,322		13,322		10,840	2,500	-	13,340
15	Controller											
		Doe, John	27,891	3.93%	3,856	100.00%	3,856	85%	3,278	1,500		4,778
16		Doe, John	23,459	3.31%	3,243	100.00%	3,243	90%	2,919	2,500		5,419
17		Doe, John	21,697	3.06%	3,000	100.00%	3,000	75%	2,250			2,250
	Subtotal		73,047	10.31%	10,099		10,099		8,447	4,000	-	12,447
Total, All Employees			708,814	100.00%	97,999		97,999		81,082	16,917	-	97,999
(0)												

## Front Line

			[-----] OBJECTIVE ALLOCATION [-----]									Final
			2008 Annual	Base	Objective	Objective	Objective	KPI	Final	KPI	Final	Objective
Department	Team / Position	Employee	Earnings	Percent	Bonus at	Bonus %	Bonus	Index	Bonus	Adjustment	Adjustment	Pre-Performance
			Base	Of Comp	Budget	at Actual	at Actual	Percentage	Allocation	9,187	+ or -	Evaluation Adjustme
	Team											
1	Carp	Doe, John	10,110	1.25%	768	100.00%	768	85%	653	1,000		1,653
2	Carp	Doe, John	30,590	3.80%	2,325	100.00%	2,325	85%	1,976			1,976
3	Carp	Doe, John	3,745	0.46%	285	100.00%	285	85%	242			242
	Subtotal		44,446	5.52%	3,378		3,378		2,871	1,000	-	3,871
	Team											
4	conc	Doe, John	35,524	4.41%	2,700	100.00%	2,700	85%	2,295	2,500		2,295
5	conc	Doe, John	42,097	5.22%	3,200	100.00%	3,200	85%	2,720			5,220
6	conc	Doe, John	19,835	2.46%	1,508	100.00%	1,508	85%	1,281			1,281
7	conc	Doe, John	28,662	3.56%	2,178	100.00%	2,179	85%	1,852			1,852
8	conc	Doe, John	32,718	4.06%	2,487	100.00%	2,487	85%	2,114			2,114
	Subtotal		158,834	19.71%	12,073		12,073		10,262	2,500	-	12,762
	Team											
9	I.M.	Doe, John	45,829	5.69%	3,483	100.00%	3,483	85%	2,961	500		2,961
10	I.M.	Doe, John	56,128	6.97%	4,266	100.00%	4,266	85%	3,626			3,626
11	I.M.	Doe, John	36,455	4.52%	2,771	100.00%	2,771	85%	2,355			2,855
12	I.M.	Doe, John	4,920	0.61%	374	100.00%	374	85%	318			318
13	I.M.	Doe, John	29,338	3.64%	2,230	100.00%	2,230	85%	1,895			1,895
14	I.M.	Doe, John	35,425	4.40%	2,693	100.00%	2,693	85%	2,289			2,289
	Subtotal		208,094	25.82%	15,817		15,817		13,444	500	-	13,944
	Team											
15	Mech	Doe, John	50,790	6.30%	3,860	100.00%	3,860	85%	3,281	250		3,531
	Subtotal		50,790	6.30%	3,860		3,860		3,281	250	-	3,531
	Team:											
16	Fab	Doe, John	34,151	4.24%	2,596	100.00%	2,596	85%	2,206	3,000		5,206
	Subtotal		34,151	4.24%	2,596		2,596		2,206	3,000	-	5,206
	Team:											
17	Site	Doe, John	40,126	4.98%	3,050	100.00%	3,050	85%	2,592	437		3,029
18	Site	Doe, John	11,088	1.38%	843	100.00%	843	85%	716			716
	Subtotal		51,214	6.36%	3,893		3,893		3,309	437	-	3,746
	Team											
19	steel	Doe, John	37,970	4.71%	2,886	100.00%	2,886	85%	2,453	1,500		2,453
20	steel	Doe, John	41,463	5.15%	3,151	100.00%	3,151	85%	2,679			2,679
21	steel	Doe, John	32,478	4.03%	2,469	100.00%	2,469	85%	2,098			2,098
22	steel	Doe, John	31,294	3.88%	2,379	100.00%	2,379	85%	2,022			3,522
23	steel	Doe, John	32,443	4.03%	2,466	100.00%	2,466	85%	2,096			2,096
24	steel	Doe, John	27,784	3.45%	2,112	100.00%	2,112	85%	1,795			1,795
25	steel	Doe, John	21,572	2.68%	1,640	100.00%	1,640	85%	1,394			1,394
26	steel	Doe, John	29,887	3.71%	2,272	100.00%	2,272	85%	1,931			1,931
27	steel	Doe, John	3,412	0.42%	259	100.00%	259	85%	220			220
	Subtotal		258,302	32.05%	19,633		19,633		16,688	1,500	-	18,188
	Total, All Employees		805,831	100.00%	61,249		61,249		52,062	9,187	-	61,249
0												