Compensation Policy

Company

Effective Date

Version

Approved by

Policy Owner

1. Purpose

(“***Company***”) adopts this Compensation Policy to establish a consistent approach to employee compensation. The policy supports fair, competitive, and responsible pay practices while helping the Company attract, retain, recognize, and motivate qualified employees.

This policy is intended to guide compensation decisions. It does not create an employment contract, guarantee any payment, or alter the terms of any employee’s employment. The Company may amend, suspend, or withdraw this policy at any time, subject to applicable law.

2. Scope

This policy applies to all employees of the Company unless a written employment agreement, approved incentive plan, collective agreement, or applicable law provides otherwise. It does not apply to independent contractors, consultants, or temporary agency workers unless the Company expressly states otherwise in writing.

3. Compensation Principles

The Company aims to make compensation decisions based on legitimate business and employment-related factors. These factors may include the employee’s role, scope of responsibility, qualifications, skills, experience, performance, market conditions, internal pay alignment, geographic work location, budget, and the Company’s financial condition.

The Company will administer compensation in accordance with applicable wage, hour, tax, equal-pay, and employment laws. No manager or employee may make compensation commitments outside the authority granted by the Company.

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4. Definitions

For purposes of this policy, "**Base Pay**" means an employee's regular salary or hourly wage before deductions, bonuses, commissions, overtime pay, benefits, or other supplemental compensation.

"**Variable Compensation**" means compensation that is not guaranteed as part of Base Pay, including bonuses, commissions, incentive payments, awards, and other performance-based payments.

"**Total Compensation**" means the combined value of an employee's Base Pay, Variable Compensation, and Company-provided benefits or other approved compensation elements.

5. Compensation Structure

The Company may assign positions to compensation ranges, pay grades, salary bands, hourly-rate ranges, or other compensation structures. These structures may be reviewed and adjusted periodically to reflect business needs, labor-market conditions, organizational changes, and applicable legal requirements.

Placement within a compensation range does not guarantee future increases or continued employment. An employee's pay may differ from that of another employee in the same or similar role based on legitimate factors, including job responsibilities, experience, performance, specialized skills, location, and market conditions.

6. Base Pay

Employees will receive Base Pay at the rate communicated in their written offer letter, employment agreement, compensation notice, or other authorized Company communication.

Salaried employees will receive their Base Pay according to the Company's regular payroll schedule, subject to required deductions and applicable law. Hourly employees will be paid for all approved hours worked in accordance with the Company's payroll practices and applicable law.

Employees must accurately record work time when required by Company policy or law. Employees may not work unrecorded hours or instruct another person to misstate, omit, or alter time records.

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7. Overtime and Additional Pay

Eligible employees will receive overtime pay, premium pay, shift differentials, or other legally required payments in accordance with applicable law and Company procedures.

Employees must obtain advance approval before working overtime when required by Company policy. Failure to obtain approval may result in corrective action, but the Company will pay employees for all compensable work performed as required by law.

8. Pay Reviews and Adjustments

The Company may review employee compensation periodically. A compensation review does not guarantee a salary increase, bonus, promotion, or other adjustment.

Compensation adjustments may result from performance reviews, promotions, changes in job responsibilities, market conditions, internal equity reviews, legal requirements, or other business considerations. Any adjustment must be approved through the Company's designated compensation approval process before it becomes effective.

9. Promotions, Transfers, and Changes in Role

An employee's compensation may be reviewed when the employee is promoted, transferred, assigned substantially different responsibilities, changes work location, or moves between employment classifications.

A change in title, reporting relationship, project assignment, or workload does not by itself entitle an employee to increased compensation. Any compensation change must be communicated by an authorized Company representative.

10. Incentive Compensation

The Company may offer eligible employees Variable Compensation, including bonuses, commissions, sales incentives, recognition awards, or other incentive payments. Eligibility, performance criteria, payment timing, calculation methods, approval requirements, and conditions of payment will be determined by the applicable written plan, offer letter, commission agreement, or approved Company communication.

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Unless an applicable written plan expressly provides otherwise, Variable Compensation is discretionary and is not earned until the Company confirms that all stated conditions have been met and payment has been approved.

The Company may modify, replace, suspend, or discontinue an incentive program at any time, subject to applicable law and any binding written agreement. Employees must not rely on prior awards, prior payment levels, or informal statements as a promise of future incentive compensation.

11. Benefits and Allowances

The Company may provide eligible employees with benefits, allowances, reimbursements, or other non-cash compensation. Eligibility and participation are governed by the applicable plan documents, program rules, and Company procedures.

Benefits, allowances, and reimbursements are not part of Base Pay unless the Company expressly states otherwise in writing. The Company may change or discontinue benefit programs in accordance with their governing terms and applicable law.

12. Expenses and Reimbursements

The Company will reimburse reasonable, necessary, and properly documented business expenses in accordance with its expense reimbursement policy and applicable law. Employees must obtain required approvals and submit expense claims within the required timeframe.

Reimbursements are not compensation for services and must not be used to replace wages, circumvent payroll controls, or provide unauthorized compensation.

13. Payroll Deductions

The Company will make deductions from employee pay only as permitted or required by applicable law, authorized by the employee when authorization is required, or otherwise supported by a valid legal basis.

Employees should promptly report suspected payroll errors to _____. The Company will review reported errors and correct confirmed errors as soon as reasonably practicable.

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14. Pay Equity and Non-Discrimination

The Company prohibits discrimination, retaliation, or unequal compensation based on any characteristic protected by applicable law. Compensation decisions must be based on legitimate, job-related, and business-related considerations.

Employees who believe a compensation decision may be inaccurate, unfair, or inconsistent with this policy may raise the concern with _____. The Company will review concerns in good faith and will not tolerate retaliation against an employee who raises a concern or participates in a review.

15. Compensation Confidentiality and Discussions

Employees must protect confidential Company compensation information that they access as part of their job duties. This includes compensation records, payroll data, incentive calculations, and compensation planning information concerning other employees.

Nothing in this policy is intended to restrict employees from discussing their own wages, benefits, or working conditions, or from exercising any right protected by applicable law.

16. Manager Responsibilities

Managers must make compensation recommendations responsibly and only within their delegated authority. Managers must not promise pay increases, bonuses, commissions, promotions, or other compensation changes before receiving the required approvals.

Managers must maintain the confidentiality of compensation information, apply this policy consistently, document compensation recommendations when required, and consult _____ before communicating material compensation decisions.

17. Employee Responsibilities

Employees must review compensation communications promptly and notify _____ of any suspected error. Employees must provide accurate information relevant to payroll, tax withholding, timekeeping, expenses, and incentive calculations.

Employees must not submit false time records, expense claims, sales information, performance data, or other records used to determine compensation.

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18. Exceptions

Any exception to this policy must be approved in writing by _____ and _____. An approved exception applies only to the specific situation described and does not establish a precedent for future decisions.

19. Policy Administration and Amendments

_____ is responsible for administering this policy and may issue procedures consistent with its purpose. The Company may interpret, amend, suspend, or withdraw this policy at its discretion, subject to applicable law.

If any provision of this policy conflicts with applicable law, the law will control to the extent of the conflict. The remaining provisions will continue to apply to the fullest extent permitted.

20. Acknowledgment

By signing below, the employee acknowledges receipt of this Compensation Policy, confirms that they have reviewed it, and agrees to comply with its requirements. This acknowledgment does not create an employment contract or guarantee any specific compensation, benefit, or continued employment.

Signatures

Company

Name _____

Date _____

Signature _____

Employee

Name _____ _____

Date _____

Signature _____

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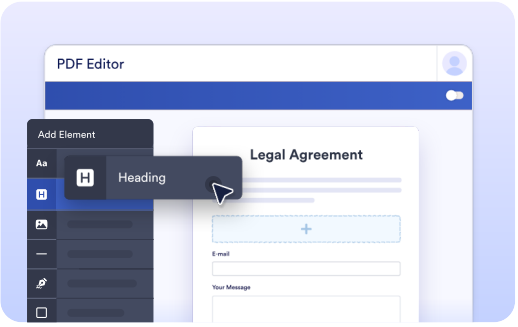
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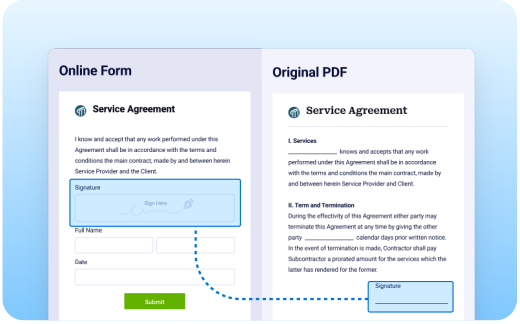
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