REVISED BONUS INCENTIVE PLAN  
EFFECTIVE JULY 1, 2008

**OBJECT:** To tangibly reward all full-time staff members whose activities can positively influence practice revenue.

**ELIGIBILITY:** As above. Eligibility for a new employee begins after initial 90 day start-up period.

**GOAL:** To exceed patient-generated revenue of $375K/qtr. Other nonpatient generated revenue's are excluded. The gross eligible threshold amount represents the total of consultation and surgical fees.

**DISTRIBUTION:** Equal distribution of the gross amount among all eligible staff. Payment made the first pay period after the end of the quarter.

**PLAN:** The threshold for initiation of the bonus is $375K/qtr. Each additional $10K of practice revenue will generate $2K to the bonus “pool”. The contribution to the pool is incremental, i.e. each successive $10K level is rewarded and added to the pool.

### EXAMPLE OF PROJECTED BONUS INCOME

<table>
<thead>
<tr>
<th>Quarterly Income</th>
<th>Practice Increment</th>
<th>Staff Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>$385K</td>
<td>+$10K</td>
<td>$2K</td>
</tr>
<tr>
<td>$395K</td>
<td>+$20K</td>
<td>$4K</td>
</tr>
<tr>
<td>$405K</td>
<td>+$30K</td>
<td>$6K</td>
</tr>
<tr>
<td>$415K</td>
<td>+$40K</td>
<td>$8K</td>
</tr>
<tr>
<td>$425K</td>
<td>+$50K</td>
<td>$10K</td>
</tr>
</tbody>
</table>

Total: $30K divided among staff.

### OTHER BONUS PLANS STILL IN EFFECT

Understand that this plan in no way pre-empt our standard employee referral reward. That $500 bonus for a personal referral that culminates in surgery is still alive and well.

Likewise, the employee Profit Sharing Plan is still in place. A terrific tax-deferred benefit that most companies no longer provide. We are not like United Airlines; ours will always be in place.

As you look at the above, I think you will realize that few practices or businesses offer such opportunity for income growth. However, they all hinge on one’s initiative, energy and cooperation with fellow staff members to maximize our practice's potential.

I always enjoy signing bonus checks because that check represents incremental income for the practice and I am glad to share some of that extra gross income with each of you.

Sample incentive plan provided courtesy of Judy Bee, a practice management consultant with Practice Performance Group in La Jolla, California.