

DEPARTMENT OF INDUSTRIAL RELATIONS

## DIVISION OF LABOR STANDARDS ENFORCEMENT

75 GOLDEN GATE AVENUE  
SAN FRANCISCO, CALIFORNIA 94102

(415) 557-3827

ADDRESS REPLY TO:

P.O. BOX 603

San Francisco, CA 94101

IN REPLY REFER TO:

December 23, 1986

Robert W. Tollen, Esq.  
Attorney at Law  
Bronson, Bronson & McKinnon  
555 California Street  
San Francisco, CA 94104

Dear Mr. Tollen:

This is in reply to your letter of November 17, 1986, requesting a review of your client's "Quality Incentive Bonus Plan" and the application of Labor Code Sections 204 and 210 to the plan.

Payment of the bonus on a quarterly basis would not be violative of Sections 204 and 210 provided that the base salary was paid in accordance with those sections. If the policy indicates that the bonus becomes due quarterly, the bonus must be paid within the parameters of Labor Code Section 204. In other words, it must be paid on the next regular payday after it is calculated.

I hope this answers your question; if not, please let me know.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Lloyd W. Aubry, Jr.", written over a large, stylized flourish that extends to the right.

Lloyd W. Aubry, Jr.  
State Labor Commissioner

LWA:ba