

Managers Entitled to Incentive Bonuses from Ex-Firm



Five management employees claimed they were entitled to phantom share bonus payments for 2008 even though they had left the firm. The company claimed the bonuses were discretionary but the court disagreed. Each manager had a “reasonable expectation” of receiving the bonus for 2008 based on past practice. The bonus had been paid twice before; and the very nature of the bonus program was to give employees a financial stake in the company’s performance without giving them a proprietary interest in the firm through 2008. The managers did their part and were either dismissed in or left after 2008, the court reasoned [*Gilman v. Fieldturf Tarkett Inc.*, [2012] Q.J. No. 3096, April 10, 2012].