Marathon Oil Company
Vacation Plan

Current as of January 1, 2013

Marathon Oil Corporation™

Vacation Plan

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Vacation Plan

I. Eligibility

A. Regular employees working on a “full-time” or “part-time” basis are eligible for vacation with pay, except as excluded in subsection I.B.1. below. For purposes of benefit eligibility, Regular Full-time basis means the employee has a normal work schedule of at least 40 hours per week or at least 80 hours on a bi-weekly basis, **or** a normal work schedule, which has been reduced to 20 or more hours per week to accommodate a bona fide health problem or disability.

Regular Part-time means the employee is a non-supervisory employee who is employed to work on a part-time basis (minimum 20 hours but less than 35 hours per week) and not on a time, special job completion, or call when needed basis.

For purposes of vacation, Regular Part-time employees are eligible for a maximum total number of hours each year based on their Regular Part-time schedule. (See Index for Vacation in Connection with Employment Type Change for determination of vacation hours in first year of employment type change.)

B. Excluded

1. Regular employees working on a full-time or part-time basis who are members of an employee group for which another vacation plan has been established are **not** eligible for this Plan.
2. Casual employees, and any other employees not normally scheduled to work at least 40 hours per week who have not been designated by the Company as Regular employees who work on a full-time or part-time basis are **not** eligible for this Plan.

C. Employees who meet the eligibility requirements of this Section are eligible for vacation benefits in their year of hire and as employment continues with the Company. In the calendar year of hire, employees are eligible for vacation benefits as described in Section II. Starting with the calendar year following hire, employees are eligible for vacation benefits as described in Section III.

II. Vacation Benefits During Calendar Year of Hire, Rehire or Return From Leave

New employees become immediately eligible for new hire vacation benefits in which they are entitled to paid vacation in accordance with the following provisions:

A. Employees become immediately vested in their new hire vacation benefit on their first day of employment, and this vacation can be used any time (with supervisor approval) during the calendar year in which they are hired.

B. Employees who have not taken all their new hire vacation in their calendar year of hire will have up to ten days, or their hourly equivalent, carried into the following calendar year per the carry over provisions of this Plan. Any carry over in excess of ten days, or its hourly equivalent, will be forfeited.

C. Employees who terminate employment in the same calendar year in which they are hired will be paid an amount equivalent to any unused new hire vacation benefit.

D. Rehired employees are eligible for the new hire vacation benefit provided they are not rehired in the same calendar year of termination from an employer within the controlled group to which MOC belongs. An employee who is rehired is not entitled to vacation benefits in the year of rehire if the employee has already received equivalent pay for vacation benefits for that year.

E. The number of days in which a new employee becomes eligible for paid vacation within their calendar year of hire is according to either Schedule A or Schedule B, below.

Schedule A — Applies to new hires who are not eligible for enhanced vacation benefits.

Schedule B — Applies to new hires eligible for enhanced vacation benefits, rehired employees, and employees returning from a leave of absence.

See Appendix B for examples of vacation benefits for employees hired under the above schedules.

Schedule A — New Hire Vacation for New Hires *__Without__* Enhanced Vacation Eligibility*	
New Employee Hired Anytime During the Month of:	**New Hire Vacation Will Be:**
January	100% of three weeks** vacation with pay
February	100% of three weeks** vacation with pay
March	100% of three weeks** vacation with pay
April	90% of three weeks** vacation with pay
May	80% of three weeks** vacation with pay
June	70% of three weeks** vacation with pay
July	60% of three weeks** vacation with pay
August	50% of three weeks** vacation with pay
September	40% of three weeks** vacation with pay
October	30% of three weeks** vacation with pay
November	20% of three weeks** vacation with pay
December	10% of three weeks** vacation with pay

* New Hires who are NOT rehires, not returning from a leave of absence or NOT eligible for Relevant Experience Vacation benefits as described in Appendix A are considered “New Hires Without Enhanced Vacation Eligibility.”

** The total vacation hours available are based on “normal” scheduled hours for the employee’s average work week.

Schedule B — New Hire Vacation for New Hires *With* Enhancements and Rehired Employees*	
Employee Hired Anytime During the Month of:	**New Hire Vacation Will Be:**
January	100% of Vacation Maximum as defined below**
February	100% of Vacation Maximum as defined below**
March	100% of Vacation Maximum as defined below**
April	90% of Vacation Maximum as defined below**
May	80% of Vacation Maximum as defined below**
June	70% of Vacation Maximum as defined below**
July	60% of Vacation Maximum as defined below**
August	50% of Vacation Maximum as defined below**
September	40% of Vacation Maximum as defined below**
October	30% of Vacation Maximum as defined below**
November	20% of Vacation Maximum as defined below**
December	10% of Vacation Maximum as defined below**

* New Hires who are rehires, returning from a Family Leave in Excess of 12 workweeks, a Personal Leave or Educational Leave that is 30 days or longer (“Rehired Leave Employee”) in a calendar year other than the calendar year of the commencement of leave, or eligible for Relevant Experience Vacation benefits as described in Appendix A are considered “New Hires With Enhancements and Rehired Employees.”

** **Vacation Maximum:**

- New Hires with Relevant Experience, as defined in Appendix A — For purposes of determining the Vacation Maximum, prior relevant work experience (as determined by the hiring organization) is recognized as Completed Service and applied to the Normal Vacation Benefit Schedule in Section III without regard to any service from the hire date to the December 31 of the calendar year of hire.
- Rehired and Rehired Leave Employees — For purposes of determining Vacation Maximum, total accredited service prior to rehire is recognized and applied to the Normal Vacation Benefit Schedule in Section III without regard to any service from the rehire date to December 31 of the calendar year of rehire.

F. See Appendix B for examples of vacation benefits for employees hired under the above schedules.

III. Vacation Benefit Beginning January 1 Following the Calendar Year of Hire, Rehire or Return From Leave and for Each Calendar Year of Employment Thereafter

A. Employees become eligible for their full vacation entitlement under the Normal Vacation Benefit Schedule below on January 1 of each calendar year based on the amount of service that will be completed in that calendar year as described in III (B).

Normal Vacation Benefit Schedule	
Starting With the Calendar Year in Which an Employee Completes:	**Annual Vacation Available on January 1 Will Be:**
1 year service	3 weeks with pay
10 years service	4 weeks with pay
20 years service	5 weeks with pay
30 years service	6 weeks with pay

B. Completed Service

1. Except as adjusted pursuant to subsection III.B.2. below, Completed Service is based on what will be the employee's credited service in a given calendar year under the Employee Service Plan.

2. Completed Service is adjusted for use in the Normal Vacation Benefits Schedule as follows:

   a. Employees eligible for enhanced vacation due to Relevant Experience as defined in Appendix A will have prior relevant work experience recognized as credited service solely for vacation purposes. Actual accredited service under the Employee Service Plan is not adjusted to reflect such Relevant Experience.

   b. Employees who have original hire dates on the "first working day" in January as described in Appendix C will be deemed to complete their years of service on December 31 of each calendar year following their calendar year of original hire. (This provision does not apply to employees hired or rehired on or after January 1, 2006.)

IV. General Provisions

A. Normal Scheduled Hours

All Regular Full-time and Part-time employees are assigned "normal scheduled hours (weekly)" and these are recorded in the Employee Data Base. Vacation for any calendar year will be based on these normal scheduled hours, as of the December 31, prior to that calendar year.

For example, a Regular Part-time employee working a 20-hour per week schedule as of December 31, with 15 years' service will be eligible for a total of 80 hours vacation (four weeks x 20 hours per week schedule) in the following calendar year.

1. Flexible 9/80 Work Locations

   Any changes in work schedule, for reasons other than health, without a change in full-time status (i.e., employee must be Regular Full-time employee immediately prior to and after the work schedule change) will result in an immediate adjustment to the vacation quota balance hours for remaining unused vacation time based on the new work schedule. Further, Regular Full-time employees whose transfer of employment results in a change in work location to or from the Flexible 9/80 Schedule will have their remaining vacation days adjusted at the time of employment transfer based on the work schedule at the new location.

B. Vested Right to Vacation

An employee who is an active employee on the last day of a calendar year acquires a vested right to vacation for the next calendar year. This includes an employee who:

1. Continues employment into the next calendar year.
2. Terminates employment or dies on their last scheduled working day in a calendar year, or between that day and the end of the calendar year.
3. Retires effective January 1.
4. Is within the first six months of their Sick Leave, with or without pay, on the last scheduled working day in a calendar year.

C. Scheduling Vacations

1. **An employee may not waive vacation and draw double pay.**
2. Vacations may be scheduled at any time during the calendar year unless stated otherwise in this Plan.
3. An employee may express preference as to vacation period and this preference will be recognized where practicable by the supervisor scheduling vacations.
4. With supervisor approval, vacation may be taken and reported to Payroll in one- hour increments.

D. Vacation Carry Over

1. Employees may carry vacation from one year to the next, but shall not exceed ten days, or its hourly equivalent in a regular work week. Per the vacation schedules in this Plan, ten days equals two weeks. Any carry over in excess of ten days, or its hourly equivalent, shall be forfeited. In any given calendar year an employee’s total vacation eligibility shall not exceed the otherwise eligible vacation time for the year in question plus up to ten carry over days or its hourly equivalent. See Appendix D for examples.
2. If an employee transfers from Regular Full-time to Regular Part-time or Regular Part-time to Regular Full-time employment, carry over days transfer to the following calendar year under the same terms and conditions as vacation time “vested” on December 31, immediately prior to the year in which the carry over days will be used.

3. Employees who have terminated employment for reasons including retirement, resignation and death are entitled to a payout of the carry over amount that has not been used as of the last date of employment. Employees in Grades 19 and above, who retire effective January 1, will not be paid for any carry over vacation to which they were entitled and did not take prior to December 31.

4. Employees on military leave, sick leave or family leave of 12 workweeks or less will have unused vacation at year-end carried into the next calendar, not to exceed ten days, or its hourly equivalent.

5. Employees on educational leaves, personal leaves and family leaves in excess of 12 workweeks are not permitted to carry vacation into the next calendar year.

E. Pay Treatment

1. Vacation pay is computed at the employee's base rate or rates, regardless of whether paid on an hourly or monthly basis.

2. Vacation pay shall include contributions to the Thrift Plan's Pre-Tax account, contributions made under the Contribution Conversion Plan ("CCP"), and contributions to the Health Care Spending Account ("HCSA") and the Dependent Care Spending Account ("DCSA").

3. Vacation pay does not include any premium pay such as shift differential, overtime, 7th day pay or call-in/call-out pay.

4. Vacation pay **can** include certain allowances to which the employee is entitled such as temporary hardship, overseas premium and cost-of-living.

F. Holiday

When an observed holiday falls on the regularly scheduled working day of an employee on vacation, the employee's vacation will be extended one day. However, when a holiday falls during vacation **and it is not practicable to extend the vacation period**, vacation allowance is paid and other work allowance is paid in lieu of the holiday allowance.

G. Disability Compensation Offset

Vacation pay is reduced by any Temporary Total Disability Workers' Compensation payments or Social Security Disability payments when the vacation pay is paid **in lieu of sick pay**.

H. Illness During Vacation

If sickness occurs when an employee is on vacation, the employee will be paid as though the sickness began on the day scheduled to return to work.

V. Vacation in Connection With Transfer From the Controlled Group to Which Marathon Oil Company Belongs

A. Employees transferred to the Company from an employer of the controlled group to which Marathon Oil Company belongs receive service with the controlled group employer for vacation purposes. During the calendar year in which the transfer occurs, the length of the employee's vacation for that year will be based on the vacation schedule of the controlled group employer in coordination with any enhanced vacation benefits for transferred employees in Appendix A, item D.

Note: An employee who is transferred to the Company on January 1 from an employer of the controlled group to which Marathon Oil Company belongs is eligible for vacation benefits under this Plan based on service with the employer of the controlled group and as if the employee had been on the Company's payroll on December 31 of the previous year.

VI. Vacation in Connection With Employment Type Change

A. From Casual to Regular

After an employment type changes from Casual to Regular, employees incurring such a change are immediately eligible for vacation, as shown in the New Hire Vacation Schedule A or B, based on service as determined under the Marathon Oil Company Service Plan. Employees become eligible for Normal Vacation Benefits based on total service as determined under the Marathon Oil Company Service Plan on January 1, immediately following their employment change from Casual to Regular.

B. From Regular to Casual

Unused vested vacation for a given calendar year is paid to employees who change employment type from Regular to Casual.

C. From Regular Full-time to Regular Part-time/Regular Part-time to Regular Full-time

Vested vacation benefits, are not adjusted in the calendar year of the change in schedule from Regular Full-time to Regular Part-time. If the employee had five remaining days at eight hours per day, they would still be eligible for 40 hours of vacation. This treatment of vested vacation also applies in the calendar year of the change in schedule from Regular Part-time to Regular Full-time. If in the above example, the employee had five days remaining at four hours per day (based on their Regular Part-time schedule), they will be eligible for 20 hours of vacation in the calendar year of the change from Regular Part-time to Regular Full-time.

VII. Vacation in Connection With Overseas Assignments

A. U.S. Expatriates

1. In the calendar year of transfer, a U.S. expatriate continues to be eligible for any domestic vacation not already taken.
2. Effective the **first** January 1 that U.S. expatriate is overseas, they are eligible for vacation in accordance with the Overseas Vacation Plan.

3. Overseas vacation is:
   - Less than ten years' service: four weeks vacation
   - Ten or more years' service: the U.S. domestic vacation schedule
4. In the calendar year of reassignment back to the United States, the U.S. expatriate employee shall continue to be eligible for any overseas vacation not already taken.

B. Reclassified Employees

Following the year of reclassification to the U.S. payroll, these employees are eligible for this Plan, based on total service as determined under the Marathon Oil Company Service Plan so it matches the other references to accredited service.

C. Temporary Overseas Assignment

An employee on temporary assignment overseas will continue to be provided the vacation benefits of this Plan.

Any vacation for which the employee is eligible should be scheduled prior to the assignment or subsequent to the completion of assignment. However, if it is impossible to schedule the vacation prior to departure to the new assignment or subsequent to the completion of the assignment, an employee scheduled for a long-term assignment may, subject to the approval of the local manager, take vacation during the period of assignment.

D. Rotational Overseas Assignment

1. Upon commencement of a Rotational Overseas Assignment ("ROA") on or after January 1, 2005, employees will not receive payment in lieu of unused vacation and thereby remain participants in this Plan.
2. Employees on a Rotational Overseas Assignment at the end of any calendar year following January 1, 2005, who have unused vacation remaining, will have up to ten days, or their hourly equivalent, carried into the next calendar year per the carry over provisions of this Plan. Any carry over days in excess of ten days, or its hourly equivalent, will be forfeited.
3. Employees who conclude a Rotational Overseas Assignment (which includes an employee who retires or terminates employment) in a year other than the year the ROA commenced will have prorated vacation benefits (including carry over vacation) as described for a rehire in Schedule B of this Plan.
4. Employees who commence and conclude a Rotational Overseas Assignment within the same calendar year will not have vacation benefits adjusted (no pro-ration will occur).

VIII. Vacation in Connection With Absence

A. Coordination With Other Leaves

Refer to the appropriate leave policy to determine the eligibility of an employee on leave for vacation.

B. Long Term Disability (LTD)

An employee on LTD has no right to vacation, or equivalent pay for vacation, for any year following the calendar year in which LTD benefit payments commence unless they return to active employment for one full day.

IX. Termination of Employment

A. Termination at Year-End

An employee whose employment terminates for reasons other than retirement on the last scheduled working day in a calendar year, or between that day and the end of the calendar year, will be paid an amount equivalent to the vacation to which they were entitled and did not take prior to December 31. In addition, the employee has a vested right to vacation for the next calendar year and will receive the equivalent pay, which shall be computed at the base rate in effect on the last working day. An employee who is rehired is not entitled to vacation benefits in the year of rehire if the employee has already received equivalent pay for vacation benefits for that year.

B. Retirement at Year-End

1. An employee in Compensation Grade 19 and above, who retires effective January 1, will not be paid for any vacation (including carry over vacation) to which they were entitled and did not take prior to December 31.
2. All other employees who retire effective January 1, will be paid an amount equivalent to the vacation to which they were entitled and did not take prior to December 31. In addition, these employees (including Compensation Grade 19 and above employees) have a vested right to vacation for the next calendar year and will receive the equivalent pay, which shall be computed at the base rate in effect on the last working day. An employee who is rehired is not entitled to vacation benefits in the year of rehire if the employee has already received equivalent pay for vacation benefits for that year.

C. Retirement or Termination Prior to Year-End

An employee whose employment terminates or retirement becomes effective prior to the last scheduled working day in a calendar year will be paid an amount equivalent to any vacation to which the employee was entitled and did not take in that calendar year.

D. Effective Date of Discharge, Termination, Layoff and Resignation

The effective date of separation for Discharge, Termination, Layoff and Resignation is normally the last day the employee has responsibilities pertinent to the employee's occupation. Under no circumstances should this date be moved forward to include unused vacation days or holidays. (This does not include terminations for Retirement purposes.)

X. Participation by Associated Companies and Organizations

Upon specific authorization and subject to such terms and conditions as it may establish, Marathon Oil Company may permit subsidiaries and affiliated organizations to participate in this Plan. Currently, these participating companies include Marathon Oil Company, Marathon Oil Corporation, Marathon Service Company, and Marathon Oil Sands, USA, Inc.

The term “Company” and other similar words shall include Marathon Oil Company and such affiliated organizations. The term “employee” and other similar words shall include any eligible employee of these companies.

XI. VP Human Resources Approval for Minor Amendments

In addition to the other methods of amending Marathon Oil Company’s employee benefit plans, practices, and policies (the “MOC Employee Benefit Plans”) which have been authorized, or may in the future be authorized, by the Marathon Oil Corporation Board of Directors, the Company’s Vice President of Human Resources may approve the following types of amendments to MOC Employee Benefit Plans:

i. With the opinion of counsel, technical amendments required by applicable laws and regulations;

ii. With the opinion of counsel, amendments that are clarifications of plan provisions;

iii. Amendments in connection with a signed definitive agreement governing a merger, acquisition or divestiture such that, for MOC Employee Benefit Plans, needed changes are specifically described in the definitive agreement, or if not specifically described in the definitive agreement, the needed changes are in keeping with the intent of the definitive agreement;

iv. Amendments in connection with changes that have a minimal cost impact (as defined below) to the Company; and

v. With the opinion of counsel, amendments in connection with changes resulting from state or federal legislative actions that have a minimal cost impact (as defined below) to the Company.

For purposes of the above, “minimal cost impact” is defined as an annual cost impact to the Company per MOC Employee Benefit Plan case that does not exceed the greater of:

i. An amount that is less than one-half of the one percent of its documented total cost (including administrative costs) for the previous year; or

ii. $500,000.

XII. Modification and Termination

While Marathon Oil Company hopes that this Plan may be continued indefinitely, conditions may change. Marathon Oil Company, therefore, reserves the right to modify or terminate this Plan, in whole or in part, in such manner as it shall determine, either alone or in conjunction with other plans of Marathon Oil Company under the Internal Revenue Code or to comply with applicable state or federal regulations. Such modification or termination can be applied, at the sole discretion of Marathon Oil Company, to any or all members.

XIII. Further Information

Payroll coordinates the administration of the Plan throughout the company.

Appendix A

Relevant Experience Vacation Enhancement

New, rehired, and transferred employees will have such prior relevant industry/job-related work experience recognized as credited service under the Vacation Plan for purposes of vacation benefit entitlement as follows:

A. New Hires

Regular Full-time exempt employees with relevant industry/job-related work experience who are hired by the Company will have such relevant industry/job-related work experience recognized as credited service under the Vacation Plan for purposes of vacation benefit entitlement.

B. Rehires

Regular Full-time exempt employees with relevant industry/job-related work experience who are rehired by the Company will have such relevant industry/job-related work experience recognized as credited service under the Vacation Plan for purposes of vacation benefit entitlement in addition to recognizing total accredited service prior to rehire.

C. Part-time to Full-time

Employees whose employment status changes from Regular Part-time to Regular Full-time exempt and have not had vacation service previously adjusted to recognize such prior Relevant Experience, will have such relevant industry/job-related work experience recognized as credited service under the Vacation Plan for purposes of vacation benefit entitlement.

Vested vacation benefits prior to the employment change will be maintained for the remainder of the calendar year of the change with any adjusted amount of vacation benefits applied to the new employment schedule. On the January 1 immediately following the change from Regular Part-time to Regular Full-time exempt employment, employees are eligible for vacation benefits based on their normal scheduled hours as of the December 31 of the year of the change. Employees will maintain the adjusted Vacation Service Date even if the employee returns to Part-time employment.

D. Transferred Employees

Relevant experience will not apply to any employee whose employment by the Company was the result of a transfer from an employer in the controlled group of Marathon Oil Company. A transfer to the Company is not considered a “hire” or “rehire.” However, for hired or rehired Regular Full-time employees who are otherwise eligible for vacation adjustments, their vacation service date adjustments will remain in effect should they transfer to an employer in the controlled group of Marathon Oil Company.

E. Definitions

“Relevant industry/job-related work experience” is defined as work experience that is deemed to be directly relevant, as determined by the Company, while:

1. employed as a Regular, Full-time exempt employee after receipt of a relevant degree from an accredited college or university; or while
2. employed as a non-degreed candidate whose experience is directly relevant to the hired position; or while
3. employed by the Company but whose service was not previously recognized for vacation purposes.

F. Individuals must be made aware, prior to employment that they are eligible for the Relevant Experience vacation enhancement. Generally, this information should be communicated at the time a job offer is extended.

G. A one-time adjustment to Vacation Service Dates has been made for Regular Full-time exempt employees hired or rehired by the Company during the period from January 1, 1998 through December 31, 2005. This one-time adjustment affected employees who satisfied the conditions established in paragraph D of this Appendix A and who did not have vacation benefits previously adjusted based on “Critical Skill” status.

Appendix B

Examples of Vacation Benefits

A. Employees Hired Under Schedule A — New Hire Vacation for New Hires Without Enhancements.

1. An Administrative Assistant is hired on April 1. The New Hire Vacation Benefit in which the employee becomes immediately vested is three weeks, pro-rated at 90%, or 13.5 days. This employee becomes eligible for a vacation benefit of three weeks, or 15 days, under the Normal Vacation Benefit Schedule on January 1, of the calendar year immediately following the year of hire.

2. A college graduate with no experience is hired as an Accountant on September 8. The New Hire Vacation Benefit in which the employee becomes immediately vested is three weeks, pro-rated at 40%, or 6 days. This employee becomes immediately eligible for a vacation benefit of three weeks, or 15 days, under the Normal Vacation Benefit Schedule on January 1, of the calendar year immediately following the year of hire.

B. Employees Hired Under Schedule B — New Hire Vacation For New Hires With Enhancements and Rehired Employees.

1. An employee is hired on January 5 into a Regular Full-time exempt position. The employee has nine years prior relevant work experience. The New Hire Vacation Benefit in which the employee becomes immediately vested is three weeks, pro-rated at 100%, or 15 days. This employee becomes eligible for a vacation benefit of four weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of hire.

2. An employee is rehired on June 23, following a Personal Leave of eighteen months. The employee has 14 years of accredited service. The New Hire Vacation Benefit in which the employee becomes immediately vested is four weeks, pro-rated at 70%, or 14 days. This employee becomes eligible for a vacation benefit of four weeks, or 20 days, under the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of rehire.

3. An employee is rehired on November 1, following an Educational Leave of seven months. When the leave commenced, the employee was paid for unused vacation. Since the employee was rehired in the same year the leave commenced, the employee is not entitled to a vacation benefit for the remainder of the calendar year of rehire. This employee becomes eligible for a vacation benefit based on the Normal Vacation Benefit Schedule on January 1 of the calendar year immediately following the year of rehire.

Appendix C

Employees Hired on the First Working Day in January

For employees hired or rehired effective on or after January 1, 2006, "first work day" provisions under the Plan are not available. For any employee who had a "First Work Day" designation prior to January 1, 2006, that designation and the following provisions will continue:

A. Employees hired on the "first working day" in January will move to each higher level of Annual Vacation eligibility in the Normal Vacation Schedule one calendar year in advance of others with similar vacation eligible service since for this group service for vacation purposes is deemed to be completed on December 31, rather than the calendar year of the anniversary date. (Employees are not eligible for "first working day" benefits in their year of hire.)

B. Normally, the first working day in January is the working day following the New Year's Day holiday. However, certain shift schedules may not begin until a few days later in January.

   "First working day" is defined as the first possible working day based on the normal hours and shift schedule of the position being filled. In order to accommodate all possible shift schedules, the latest date to be considered will be January 14.

C. Non-Shift Workers

   The first working day for non-shift employees is January 2.

D. Shift Workers

   Shift schedules may be such that the first working day of the year for some shift employees was later than January 2. If so, the later date is the first possible working day.

Appendix D

Examples of Vacation Carry Over

"Ten days, or its equivalent," equates to the total number of "normal scheduled hours" that a Regular employee is assigned on a weekly basis in the company's system of record. In effect, the value of one day of vacation vested on December 31, of each year, is translated into the hourly equivalent for determining the value of the ten days that can be carried over to the next calendar year. For each day of vacation taken, however, the number of hours scheduled for the day of vacation is deducted from total eligible vacation hours. For example:

- Employee A has 40 "normal scheduled hours" in a week and works five days during the week at eight hours per day. Therefore, each day of vacation has eight hours charged against total eligible vacation hours. "A" is entitled to carry up to the equivalent of 80 hours, into the next calendar year.
- Employee B has 48 "normal scheduled hours" in a week and works four days during the week at 12 hours per day. Therefore, each day of vacation has 12 hours charged against total eligible vacation hours. "B" is entitled to carry up to the equivalent of 96 hours, into the next calendar year.
- Employee C has 30 "normal scheduled hours" in a week and works four days during the week at 7.5 hours per day. Therefore, each day of vacation has 7.5 hours charged against total eligible vacation hours. "C" is entitled to carry up to the equivalent of 60 hours, into the next calendar year.
- Employee D has 28 "normal scheduled hours" in a week and during the week works three days at eight hours per day and one day at four hours per day. Therefore, each day of vacation has the hours scheduled for that day charged against vacation. "D" is entitled to carry up to the equivalent of 56 hours into the next calendar year.