

## **Usui International Corporation Vacation Policy | Revision: July 1, 2024**

### **01.Purpose:**

- a. It is the intent of the company to provide eligible employees with paid vacation time to enable them to take time away from work for specified periods of time to promote a positive work life balance.

### **02.Scope:**

- a. This policy applies to all Full-time regular Usui International Corporation (UIC) employees in the US.
- b. Part-time, Co-op employees are not eligible to receive vacation pay.
- c. Temporary/Contract employees are eligible according to the applicable vacation accrual schedule or as specified by policy.

### **03.Statement of Policy:**

- a. Vacation must be scheduled and approved in advance to suit UIC's business needs. With due consideration of the work requirements, employees' supervisors will try to accommodate their request, however, the Company reserves the right to rearrange vacation schedules at any time as circumstances may prescribe.
- b. Generally, vacations should be scheduled well in advance of the time off. However, in extenuating circumstances or an emergency, notification of at least 24 hours prior to commencement is preferred.
- c. Vacation requests during periods of high request volumes will be granted on first-come, first-served basis.
- d. In the event that a paid holiday falls during an employee's vacation period, the day is counted as holiday pay and not counted as a vacation pay.

### **04.Guidelines:**

- a. Administration: General
  - i. Vacation should be taken within the anniversary year. A maximum of five (5) days/forty (40) hours vacation may be carried over into the next immediate anniversary.
  - ii. In those cases where UIC has found it necessary to delay or cancel an employee's approved vacation schedule, the Company reserves the right to optionally pay the employee for the vacation earned and not used at the employee's regular hourly straight-time rate. If an employee chooses not to take their vacation time, and he/she is within thirty (30) days of their anniversary date and will be in jeopardy of losing the time due to carry over, he/she may accept the payment and not take the time off. A written request must be submitted to the proper supervisor and approved by a UIC Officer.
  - iii. An employee cannot take more than one week's vacation at a time unless this time is applied toward approved leave or with the approval of the proper supervisor. A written request must be submitted to the proper supervisor for approval of all vacation time and a minimum of thirty (30) days' notice prior to taking your scheduled vacation is required. Management reserves the right to designate when some or all vacations should be taken.
- b. Administration: Salary Employees
- c. Administration: Hourly Employees

### **05.Vacation Eligibility and Accrual Schedule:**

- a. The company grants paid vacation to eligible employees based on their anniversary date and length of service.
- b. Each anniversary year of service represents one completed full twelve (12) months period of continuous employment.

- c. Vacation will be awarded each year on the employees' anniversary date. Leave of absences may affect vacation award schedules, see Vacation Accrual During Leaves for additional information.

<b>Vacation Accrual Schedule</b>	
Applies to: UIC Full-time regular employees	
<b>Length of Service</b>	<b>Annual Vacation Benefit</b>
6 months > 12 months	3 days (24 hours)
1 year > 4 years	10 days (80 hours)
5 years > 9 years	15 days (120 hours)
10 years > 19 years	20 days (160 hours)
20 years > 29 years	25 days (200 hours)
30 years > 39 years	30 days (240 hours)
Over 40 years	35 days (280 hours)

<b>Vacation Accrual Schedule</b>	
Applies to: UIC Temporary/Contract Employees	
<b>Length of Service</b>	<b>Vacation Benefit</b>
3 months > UIC hire date	1 day (8 hours)
UIC hire date	3 days (24 hours)

**06. Partial Calendar Year:**

- a. Vacation will be award according to the Vacation Eligibility Schedule unless stated otherwise in writing.

**07. New Hires:**

- a. A newly hired employee will receive the vacation benefit based on his/her month of hire after completion of 6 months of continuous employment.
- b. If an employee has more vacation time upon hire than the established accrual schedule, the employee will remain at that level until the next qualifying year of service increase, according to the accrual schedule. An employee will not be retroactively awarded vacation due to accrual schedule advance agreements.**

**08. Vacation Accrual During Leaves:**

- a. Any FMLA leave of absence (continuous or intermittent) will require the use of any unpaid accrued vacation time until the unused vacation balance is exhausted. This time will also be counted against the amount of FMLA leave you have available to use in the applicable 12-month FMLA period.
- b. For an approved General Leave of absence, all unpaid accrued vacation time will be paid on the next payroll following the employee's last day of work prior to the start of their scheduled leave.
- c. Vacation accruals will not be awarded during an active leave of absence. If the employee returns to work within the approved leave of absence dates, the employee will be considered eligible to resume vacation accruals. Applicable vacation accruals will be award based on the established accrual schedule after the employee returns to work. The employee will be deemed to have returned to work after completing their first scheduled shift after their leave of absence has ended. Any employee that exceeds or does not return within their approved leave of absence dates will be subject to the company rehire policy to determine vacation eligibility.

**09. Vacation Pay:**

- a. Non-exempt employees' paid vacation(s) will be considered hours worked for purposes of performing overtime calculations

**10. Termination/Resignation:**

- a. Generally, employees who terminate their employment (voluntary/involuntary) will receive pay for unused vacation. "Unused vacation" refers to the amount of vacation earned less any vacation taken through the date of termination. An employee who terminates before becoming eligible for vacation will not receive vacation pay. Partial anniversary service will not be considered, nor prorated, for vacation allowance.
- b. Unused vacation cannot be used to fulfill any notice period of voluntary termination.**
- c. If a newly hired employee terminates employment for any reason prior to 6 months continuous service, they will not be eligible for any vacation benefit.**

**ADDENDUM: (UIC Vacation Policy | REV20220401) | Addendum Revision: April 1, 2022**

**Vacation Policy Variation/Calculation Guidance:**

- a. The company reserves the right to deviate from this policy for reasons it deems necessary including but not limited to retention, recruiting, employee appreciation, etc.
- b. Variation from this policy will require the approval of Human Resources.
- c. Variation from this policy may be considered for positions designated by UIC as above entry-level.
  - i. This will include but will not be limited to, positions of high technical/mechanical, high specialization, professional education/experience, or management/executive experience.
  - ii. Justification should be evidenced by but not limited to education and/or experience.
- d. Assignment and Calculation Method Guidance:
  - i. For candidates that are early in their careers for one of the groups the company will consider early advances for critical positions or offer competitiveness.
  - ii. The company will award credit for previous employment service for companies other than UIC for position(s) of similar or equivalent responsibility for future or existing employees in accordance with the revision of this policy.
- e. For current employees or advanced experience candidates, credit for service will be calculated as follows:
  - i. Previous employment responsibility for positions listed in (clause c. i.) above:
    - 50% of verified service.
  - ii. Credited service will be used to advance their position on UIC's vacation accrual schedule.

**ADDENDUM: (UIC Vacation Policy | REV20240701) | Addendum Revision: July 1, 2024**

**Vacation Policy Variation/Calculation Guidance:**

- f. The vacation accrual schedule is being changed as noted in the Usui International Corporation Vacation Policy | Revision: July 1, 2024 document.
  - iii. Vacation accrual schedule changes:
    - The span of 10 years > 24 years has been shortened to 10 years > 19 years;
    - The following additional tiers have been added:
      - 20 years > 29 years
      - 30 years > 39 years
      - Over 40 years
  - iv. Vacation accrual allowance computation and who it may affect:
    - Vacation accrual allowances are computed based on the defined policies in the Paycor Accruals platform. The following three (3) scenarios define the vacation accrual balance changes that may result from this policy update and who they may affect.
      - i. Employee has not reached the next accrual schedule span.
        1. Employee will not receive an adjustment
      - ii. Employee has reached an accrual schedule span that has a modified accrual amount.
        1. Employee will see an adjustment to their available balance that will reflect the new allowance for the accrual schedule span.
      - iii. Employee has not reached the next accrual schedule span or is not in an accrual schedule span that has been modified.
        1. Employee will NOT see any change until the employee reaches an anniversary (or accrual) date that moves them to the next accrual schedule span.