

NEW VONS VACATION PAYOUT POLICY

Effective January 1, 2008, Vons will pay all employees their vacation pay at the time they take their vacation subject to the following:

- Subject to the employee's maximum vacation accrual, employees who take vacation weeks **before** their anniversary date will receive pay for those weeks **on their next anniversary date.**
- Employees who take vacation weeks **after** their anniversary date will receive pay for those weeks **at the time they take their vacation.**
- Vacation pay will be paid the week preceding the vacation, unless the employee requests to receive pay the week of the vacation or the employee is on direct deposit.
- Employer will encourage all employees to take all their vacations. Employees will not lose any vacation pay.

Examples:

1. Employee has 16 years with Vons (4 weeks vacation). Anniversary Date is July 1, 2008. Employee takes 2 weeks of vacation in June 2008 and 2 weeks of vacation in August 2008. Employee was previously paid Vacation pay on anniversary date in June of 2007 therefore employee will not receive vacation pay prior to taking vacation in June 2008. Employee will receive pay for the August 2008 vacation on the week immediately preceding the August 2008 vacation.
2. Employee has 16 years with Vons (4 weeks vacation). Anniversary Date is March 1, 2008. Employee takes 2 weeks of vacation in June 2008 and 2 weeks of vacation in August 2008. Employee will receive pay for the June vacation on the week immediately preceding the June 2008 vacation and pay for the August 2008 vacation will be on the week immediately preceding the August 2008 vacation.
3. If an employee's anniversary is in March 2008 they will have vacation hours banked **AFTER** their March anniversary date. If an employee takes their vacation week in January or February of 2008 they will **NOT** receive vacation pay then. If the employee takes their vacation week in April and they have vacation hours banked, the employee will receive vacation pay the week before their April Vacation.
4. Once the employee has reached their 2008 anniversary date, vacation pay will be received on the Friday before taking the actual week(s) of vacation. The amount of pay will be determined by the total annual weeks entitled and the vacation hours banked. Employees' week(s) off must be approved by the Store Manager before taking vacation(s).

If you have any questions regarding the information above, please contact your Union Representative.