Vacation Policy

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Purpose
The Beach Shops provides their employees paid vacation time according to the following guidelines to take
time away from work to rest, relax, and pursue personal interest.

Scope
This policy applies to all full-time Beach Shops employees.

Guidelines

1. Paid Vacation Days Eligibility
   1.1. Vacation days are available to full-time employees in accordance with the Beach
        Shops vacation accrual schedule.
   1.2. Full-time employees become eligible for this benefit upon hire or upon becoming a
        full-time employee.
   1.3. Part-time employees are not eligible for this benefit. Part-time employees include
        part-time temporary, part-time regular, and students.

2. Accrual
   2.1. Based on Length of Service: Vacation time for eligible employees accrues each pay period at
        the following estimated rates:
<table>
<thead>
<tr>
<th>Years of Service</th>
<th>Amount Earned per Month/Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-3 years</td>
<td>6.67 hours (10 days)</td>
</tr>
<tr>
<td>4-6 years</td>
<td>10.00 hours (15 days)</td>
</tr>
<tr>
<td>7-10 years</td>
<td>11.33 hours (17 days)</td>
</tr>
<tr>
<td>11-15 years</td>
<td>12.67 hours (19 days)</td>
</tr>
<tr>
<td>16-20 years</td>
<td>14.00 hours (21 days)</td>
</tr>
<tr>
<td>21-25 years</td>
<td>15.33 hours (23 days)</td>
</tr>
<tr>
<td>Over 25 years</td>
<td>16.00 hours (24 days)</td>
</tr>
</tbody>
</table>

2.2. Employees will not accrue vacation hours while out on a leave of absence.

2.3. Other considerations
   2.3.1. Associate Executive Directors and Division Directors are eligible for an estimated 16.00 hours of vacation accrual per month upon hire.
   2.3.2. Exceptions to the above accrual rates require the approval of the Executive Director.

3. Use of Benefits
   3.1. All vacation time must be requested in ADP by the employee in advance, and approved by a manager. Consideration for department workloads must be taken into consideration by the requesting employee and approving manager.
   3.2. Employees may not borrow vacation days against those anticipated to be accrued in the future.
   3.3. Employees required to work on a scheduled vacation day will be allowed to reschedule the use of that vacation day.
   3.4. Employees may accrue earned vacation hours up to a maximum of 440 hours (55 days).
      3.4.1. Consecutive years of service begins when the employee is classified as a full-time, benefited employee.
      3.4.2. Vacation accruals are calculated and updated each pay period.
      3.4.3. Once employees have reached the accrual maximum of 440 hours, vacation hours will stop accruing. Employees will begin accruing vacation hours again once they drop below the maximum accrual threshold.
   3.5. An exempt employee is required to use accrued vacation time or take a deduction in salary when absent from work for a full eight-hour day for approved time off. An exempt employee wishing to work a partial day for approved time off will be required to use accrued vacation time if working less than a four-hour period.
      3.5.1. Example: Partial Days worked or Partial Absence
      An exempt employee that works at least a four-hour day and takes the remaining day off for approved time off, will be paid for the entire day without being required to use accrued vacation time.
An exempt employee that works less than a four-hour day and takes the remaining day off for approved time off, will be required to use the appropriate amount of accrued vacation time to cover the full eight-hour day.

3.5.2. Example: Whole Day Absence
An exempt employee that takes a full day off for approved time off will be required to use accrued vacation time to cover the full eight-hour day. Salary deductions may be made for a full day absence when an exempt employee is absent for approved time off and the employee has yet to qualify for vacation accrual or has exhausted their vacation allowance.

4. Unused Accrued Days
4.1. All unused vacation hours will be paid out to the employee at the time of separation. Pay will be calculated using their regular hourly rate.

5. Holidays During Vacation
A company holiday that occurs during a scheduled vacation will not be counted as a vacation day. In such situations, an employee will be given an alternate day off which may be added to the present vacation period, or, with Management’s approval, taken at a later date.

Version Information

<table>
<thead>
<tr>
<th>Version</th>
<th>Author</th>
<th>Revision date</th>
<th>Notes</th>
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<tbody>
<tr>
<td>2.0</td>
<td>Nancy Green</td>
<td>07/11/2007</td>
<td>An updated policy that includes limits; Distribution: in manual, by email</td>
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<td>2.1</td>
<td>Robert de Wit</td>
<td>06/30/08</td>
<td>An update to 203.26: accrual carryover &amp; payouts; Distribution: 49er Policy Drive.</td>
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<td>2.2</td>
<td>Rosa Hernandez</td>
<td>05/16/2012</td>
<td>An update 203.26: capped vacation accruals; Distribution: 49er Policy Drive, location posting, email.</td>
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<td>2.3</td>
<td>Rosa Hernandez</td>
<td>05/23/2012</td>
<td>Revised language to include definition of consecutive years; Distribution: 49er Policy Drive, location posting, email.</td>
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<td>2.4</td>
<td>Rosa Hernandez</td>
<td>6/3/2015</td>
<td>Revised language under Use of Benefits for exempt employees; Distribution: 49er Policy Drive, location posting, email.</td>
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<td>Revised language under Accrual 2.1, Use of Benefits 3.1, for full-time employees, 3.5, 3.5.1, and 3.5.2 for exempt employees; Distribution: 49er Policy Drive, email.</td>
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<td>2.5</td>
<td>Michelle Connole</td>
<td>2/24/2017</td>
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<td>2.6</td>
<td>Rosa Hernandez</td>
<td>3/14/2023</td>
<td>Revised language when referencing Executive Director and Associate Executive Director roles; Distribution: 49er Policy Drive, email.</td>
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<td>2.7</td>
<td>Sandra Ramirez</td>
<td>01/01/2024</td>
<td>Added language for accruals during leaves of absences; Distribution: 49er Policy Drive, email.</td>
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