5.06 Carry-Over Vacation.

All employees are encouraged to take all of their vacation time during the vacation year. However, a maximum of one (1) week of vacation may be carried over into the next vacation year. A vacation week that is carried over must be taken by April 30th.

The Company may at its discretion place employees on vacation and require them to take vacation at a specified time. The number of weeks management may place employees on vacation is limited to not more than one (1) week in a vacation year. Should the need to place employees on vacation occur, the Company will provide thirty (30) days notice to the affected employees.

5.07 Vacation Selection.

Employees may select their vacation in full weeks and on a dayat-a-time basis during the vacation selection process. Vacations shall be selected in a work group as determined by the Company, based on seniority. The Company shall determine periods available for selection and the number of employees allowed off on vacation.

5.08 Payment in Lieu of Vacation.

An employee who leaves the service without completing 6 months of service or any employee who is dismissed for misconduct as distinguished from inability or unadaptability to perform properly the duties of the job is not entitled to vacation pay. An employee who leaves the service without completing 12 months of service is not entitled to vacation pay for the second week of vacation but shall receive pay in lieu based on the appropriate accrual schedule below.

If an employee retires or is laid off before his/her vacation is completed, payment in lieu of unused vacation as if he/she had worked the entire calendar year shall be made to the employee. In case of death, this payment will be made to the deceased