



your life

# vacation cap example

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Tom has been a Chevron employee for six years and is eligible for **120 hours of annual vacation**. He can have up to **80 hours more** than his annual entitlement, or **200 hours**, in his vacation balance. To show how the vacation cap works, let's look at the next two years of Tom's vacation earnings and use.

## Year 1

Tom only takes **20 hours** of his **120 hours** of earned vacation, leaving him with an unused balance of **100 hours**.

## Year 2

Tom's **100 hours of unused vacation** remain in his balance and he continues to earn vacation as long as his balance is below the cap. Tom doesn't plan to take any vacation time until December, when he'll use **80 hours**. But his balance will reach the cap (200 hours) in **October**. That means he'll stop earning vacation from the time he reaches the cap in October until he takes vacation in December, when he'll reduce his balance to **120 hours** (200 – 80). This will reduce his vacation balance below the cap and then he'll start earning vacation again. But, he won't retroactively earn vacation for the time period that he was at the cap between October and December.

Years of vacation service: 6  
Annual vacation: 120 hours  
Vacation cap: 200 hours (120 + 80)

Earning Vacation

Not Earning Vacation

