Each year, TYE employees earn credit towards their subsequent year vacation time. This credit is called 'inflated days and each employee needs 240 inflated days in the calendar year to have vacation that next calendar year. All miles that are paid on each trip, with the exception of non-taxable amounts, lump sum payments and frozen miles are used in these inflated days calculation.

Working trips are calculated based on the type of work performed:

If working in yard service - 150 (starts) qualifying days @ 1.6 inflated factor = 240 inflated days.

If working in road service - 180 (starts) qualifying days @ 1.335 inflated factor = 240.3 inflated days.

Example; a yard start is a 100 mile basic day, the yard inflation factor is 1.6. So, for every yard start 1.6 inflated days towards vacation is earned. [100 miles x 1.6 (yard inflated factor) = 1.6 inflated days]

In road service the basic day is 130 (there are some locals and road switchers that are 100).

To calculate the number, divide the miles run by 130, then multiply the number times the road inflation factor of 1.335.

Example; a thru freight pool turn runs 220 miles one way. 220 miles \* 2 (round trip) = 440 divided by 130 (basic day) =  $3.38 \times 1.335$  (road inflated factor) = 4.5 inflated days for the round trip.

ALD/PLD days that are observed count as an additional day towards qualification. Employees can also earn up to 90 days of vacation qualification credit for being marked up to the extra board.