

Your Benefit  
Summary



# DuPont Vacation Buying Program



**About this Summary**

*This summary provides a concise description of the Company's Vacation Buying Program. This summary is intended to help you understand your benefits, how the program operates, how to file claims, and your rights and responsibilities as a participant. While this summary contains detailed and important information about your benefits, we've tried to make it clear and easy to understand. To receive benefits, you will need to satisfy the requirements that are described in this summary.*

*While the Company intends to continue the benefits described in this summary, the Company reserves the right to change, modify, or discontinue the program at its discretion at any time.*

*This summary does not constitute a contract of employment or guarantee any particular benefit.*

*YOUR BENEFIT SUMMARY*

# Vacation Buying Program

REVISED JULY 2020

This Vacation Buying Program will be offered through the DuPont Flexible Benefits Plan, a “cafeteria plan,” and will enable you to pay for additional vacation time (“Purchased Vacation”) with pre-tax dollars. When you take Purchased Vacation (or receive a cash-out of unused Purchased Vacation), the amount paid to you may be taxable income, so you should consult with your tax advisor.



Sometimes the amount of earned vacation time is just not enough for that special trip or event you may be planning. To supplement your earned vacation time, the Company will offer this Vacation Buying Program beginning in 2020 so you can purchase up to one week (maximum of 40 hours) of Purchased Vacation and use it after you have exhausted all of your other paid vacation time and Additional Paid Time Off, if applicable. Any unused Purchased Vacation must be cashed out or it will be forfeited at the end of the year in which it is purchased.

Vacation Buying may be the right choice for you if, for example:

- You are a new employee with limited vacation time;
- You need extra time off for a special reason;
- Your spouse or domestic partner has more vacation time than you; and/or
- You just want some extra time off.

You pay for the cost of Purchased Vacation in per pay installments over the calendar year. You then receive payment after you take the Purchased Vacation. Simply schedule your Purchased Vacation time in advance just like regular vacation time but, as explained below, Purchased Vacation is used last, after you have used all other paid vacation time and Additional Paid Time Off.

The Vacation Buying Program is available to U.S. DuPont employees and employees of U.S. DuPont subsidiary companies that have adopted it. Employees in Puerto Rico are not eligible for the Vacation Buying Program.

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# Eligibility

## Eligible Employees

You are eligible for this Vacation Buying Program if you are a Regular Employee of DuPont de Nemours, Inc. or a subsidiary thereof ("Company") that has adopted this Program. However, if you are an employee in a bargaining unit represented by a union for collective bargaining, you will not be eligible for the Vacation Buying Program unless and until the site manager has authorized the benefit, collective bargaining on the subject has taken place, and any requisite obligations thereunder have been finalized.

# Enrollment

## Enrolling in the Plan

You can enroll in the Program for 2020 during Annual Enrollment in 2019. For subsequent Plan Years, you can enroll during the applicable Annual Enrollment periods (or during the initial enrollment period when you first become eligible).

If you enroll for a given Plan Year, your election will remain in effect for the entire Plan Year, January 1 through December 31. Your election to participate will not carry over to the subsequent Plan Year.

Employees who become newly eligible before November 1 can still enroll for 2020 (or, if a later year, November 1<sup>st</sup> of that later year). Newly eligible employees must make Vacation Buying Program elections within 30 days of the date they become eligible. If you do not enroll timely, you will not have any Purchased Vacation for the Plan Year. Any employee who becomes initially eligible on or after November 1<sup>st</sup> of a given year must wait for the next Annual Enrollment to enroll in this Vacation Buying Program.

## When Participation Begins

If you elect to participate in this Vacation Buying Program during Annual Enrollment in 2020, your participation will begin January 1, 2021. If you are eligible but do not elect to participate for 2020 and thereafter enroll during a subsequent Annual Enrollment period, your participation will begin as of January 1<sup>st</sup> of the Plan Year with respect to which you enroll.

For a newly eligible employee, participation (if timely elected) will become effective the first of the month following the election.

### *No Election Changes During the Year*

You may not change your Vacation Buying Program election during the Plan Year.

### *Changes During Annual Enrollment*

You may change your Vacation Buying Program election once each year, for the following Plan Year, during Annual Enrollment for that Plan Year. You will need to decide whether to participate and, if so, how much Purchased Vacation time you want to buy (up to 40 hours or, if less, the number of hours you are regularly scheduled to work).

# Benefit

## How Vacation Buying Works

You may buy Purchased Vacation with pre-tax salary reduction contributions from your paycheck. Purchase up to one week (a maximum of 40 hours) for the year. Purchase any number of whole hours up to 40. If your normal work week is less than 40 hours, you can purchase up to the total number of hours in your scheduled work week determined as of October 1<sup>st</sup> of the year preceding the year with respect to which you are buying (and plan to use) Purchased Vacation.

## Basic Rules

The full amount of Purchased Vacation time is available for you to take at the beginning of the Plan Year. However, you must use all of your earned and banked vacation days, as well as Additional Paid Time Off and 2019 Excess Vacation, if applicable, before you can use Purchased Vacation (as defined in the Vacation Policy). Specifically, you must use your paid vacation time in the following order:

1. Exception Carry Forward Vacation;
2. Carry Forward Vacation from the prior year;
3. Current Annual Vacation under the Company's vacation policy;
4. 2014 Banked Vacation;
5. Additional Paid Time Off;
6. 2019 Excess Vacation (applicable for heritage Dow employees in MA and CA only);
7. Purchased Vacation.

You must use, or cash-out, your Purchased Vacation hours by the end of the Plan Year; otherwise, they value of your unused hours will be automatically refunded to you in your final pay in December. If you believe that you are not going to be able to use all of your Purchased Vacation, you can process a cash-out (taxable cash reimbursement) of your remaining Purchased Vacation by **entering the number of unused hours along with the Sell Purchased Vacation code directly into eTime no later than November 15<sup>th</sup>**. If you miss the November 15<sup>th</sup> deadline to request your cash-out through eTime, call the HR Direct Service Center at 1-844-387-6684 **no later than November 30<sup>th</sup>** to request your cash-out. The November 15th deadline for entering your cash-out election into eTime could change each year. If you take no action, you will receive an automatic cash-out of remaining Purchased Vacation in your final pay in December.

*Generally, Purchased Vacation cash-out requests be made must be made **no later than November 30<sup>th</sup>** in order to receive the reimbursement in December.*

Once you elect a vacation cash-out, your election cannot be changed.

If you elect to cash out your unused Purchased Vacation, your Vacation Buying Program deductions still will continue for the rest of the Plan Year, but the value of the unused Purchased Vacation will be included in your last paycheck in December.

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**If you are in a non-forfeiture state (CA, CO, MT, and NE)** and intend to use your Purchased Vacation at the end of the year, **you must enter your planned Purchased Vacation hours in eTime no later than December 20, 2020, to avoid an automatic cash-out.** The December 20th deadline for entering your planned Purchased Vacation hours in eTime could change each year.

You cannot carry over Purchased Vacation to the next year.

If you terminate employment during the year and:

- have **not used any** Purchased Vacation, you will receive a taxable reimbursement in your final pay for the amount you paid during the year for your Purchased Vacation.
- have **used all** of your purchased hours, the remaining annual cost will be deducted from your final pay.
  - have **used some, but not all**, of your purchased hours, your final pay will be subject to the following:
    - If you paid more for your Purchased Vacation than the value of the hours used, you will receive a taxable reimbursement in your final pay for the difference.
    - If the value of the hours used exceeds what you paid for your Purchased Vacation, the difference will be withheld from your final pay.

*Generally, if you do not arrange for reimbursement on or before November 30<sup>th</sup>, and do not enter your planned use of purchased hours in eTime by December 20, 2020, you will receive an automatic cash-out of your remaining Purchased Vacation in your final pay in December.*

## Buying Extra Vacation

The price of Purchased Vacation hours for a given Plan Year is based on your pay and average scheduled weekly hours as of October 1<sup>st</sup> the preceding year, when monthly prices are established in connection with Annual Enrollment, and the number of Purchased Vacation hours you want to buy. "Pay" for this purpose, means your regular annualized rate of base pay plus regularly scheduled overtime and shift differential paid in the prior twelve months without considering occasional or temporary variations from normal working hours, awards under special compensation plans or payments for relocation, severance, or any other special payments.

The following examples illustrate how your monthly price per hour is determined:

### Example 1

**Full time employee who is scheduled to work 40 hours per week (2,080 hours per year) with \$62,400 in annual pay as of October 1<sup>st</sup>**

<b>Annual Price per Hour</b>	\$30.00 ( $\$62,400 \div 2,080$ )
<b>Monthly Price per Hour</b>	\$2.50 ( $30 \div 12$ )

### Example 2

**Full time employee who has shift differential and/or scheduled overtime who is scheduled to work a rotating shift (average of 42 hours per week, 2,184 per year) and has \$50,000 in base pay**

<b>Base pay as of October 1<sup>st</sup></b>	\$50,000
<b>Scheduled overtime and shift differential paid in the 12 months prior to October 1<sup>st</sup></b>	\$6,250
	\$56,250 Annual Pay
<b>Annualized Price per Hour</b>	\$25.76 ( $\$56,250 \div 2,184$ )
<b>Monthly Price per Hour</b>	\$2.15 ( $\$25.76 \div 12$ )

## BENEFIT

### Example 3

Part time employee who is scheduled to work 20 hours per week (1,040 hours per year)	
Annual Pay as of October 1 <sup>st</sup>	\$24,960
Annual Price per Hour	\$24.00 (\$24,960 ÷ 1,040)
Monthly Price per Hour	\$2.00 (\$24.00 ÷ 12)

Below under "[How to Use Your Purchased Vacation](#)" are examples applying the monthly price per hour to specific amounts of Purchased Vacation.

	Monthly Price Per Hour		Number of Extra Vacation Hours Wanted		Monthly Price
Example 1	\$2.50	×	40	=	\$100.00
Example 2	\$2.15	×	20	=	\$43.00
Example 3	\$2.00	×	10	=	\$20.00

If the employee in Example 1 wanted to buy 40 hours of Purchased Vacation for the upcoming year, he or she would pay \$100 per month for that Purchased Vacation during each month of the upcoming year. Assume the employee in Example 2, wanted to buy only 20 hours of Purchased Vacation for the year; he or she would pay \$43.00 per month. Finally, assume the part-time employee in Example 3 wanted to buy 10 hours of Purchased Vacation for the year; he or she would pay \$20 per month.

Each fall, during Annual Enrollment, you will receive your personal monthly price per hour for any vacation you want to buy for the upcoming year. Just multiply this number by the number of extra vacation hours you want to buy and that is your *monthly* price for that amount of Purchased Vacation. Keep in mind that the figures above are only examples and have been rounded for simplicity. Your actual monthly price may be more or less, depending on your pay rate. When you buy Purchased Vacation hours through deductions from your paycheck, the monthly price is deducted in equal amounts throughout the Plan Year. This amount does not change during the year, even if you receive a pay raise, your pay decreases, or your average scheduled weekly hours change.

## How to Use Your Purchased Vacation

When you use (or cash out) Purchased Vacation, the rate of pay that was used when you elected to purchase vacation will be used, which may be different than your actual rate of pay at the time that you use (or cash out) Purchased Vacation.

### Example 1

Current Rate of Pay is higher than rate when you elected to purchase vacation	
Your Monthly Price per Hour when you elected to purchase vacation	\$2.50
Your Current Monthly Price per Hour when you use purchased vacation	\$2.75
Rate of pay applied when you use purchased vacation	\$2.50

## BENEFIT

### Example 2

#### Current Rate of Pay is lower than rate when you elected to purchase vacation

<b>Your Monthly Price per Hour when you elected to purchase vacation</b>	\$2.25
<b>Your Current Monthly Price per Hour when you use purchased vacation</b>	\$2.15
<b>Rate of pay applied when you use purchased vacation</b>	\$2.25

To use your Purchased Vacation, you must schedule time off in advance and in accordance with the vacation scheduling practices of your work group. In addition, you must schedule time off in increments that are consistent with how your work group takes vacation time; for example, in hours or in days. You must schedule and use (or cash out) the Purchased Vacation hours in the same Plan Year you bought them; otherwise, you will forfeit the benefit and the money you paid for it.

## If You Leave the Company

Your participation in the Program ends when your employment terminates or you are no longer employed as an active Regular Employee.

If you cease to be eligible to participate during the Plan Year and:

- have **not used any** Purchased Vacation, you will receive a taxable reimbursement in your final pay as an eligible employee for the amount you paid during the year for your Purchased Vacation.
- have **used all** of your purchased hours, the remaining annual cost will be deducted from your final pay as an eligible employee.
- have **used some, but not all**, of your purchased hours, your final pay as an eligible employee will be subject to the following:
  - If you paid more for your Purchased Vacation than the value of the hours used, you will receive a taxable reimbursement in your final pay as an eligible employee for the difference.
  - If the value of the hours used exceeds what you paid for your Purchased Vacation, the difference will be withheld from your final pay as an eligible employee.

## Participation When You Are Not Working

You may use Purchased Vacation only for periods of otherwise scheduled work.

If you are on an unpaid leave of absence of more than two weeks, your Purchased Vacation deductions will stop and will resume upon your return. Upon return, your deductions will be re-amortized in order to ensure that you pay the full amount of your Purchased Vacation during a Plan Year. If you find that you are not able to use all your Purchased Vacation hours due to your leave of absence, contact the HR Direct Service Center on or before November 30th to arrange for a cash-out (taxable cash reimbursement) in December.

## Overpayments and Other Errors

If a benefit is paid that is larger than the amount under the Vacation Buying Program, the Company has a right to recover the excess amount from the person or agency who received it. Erroneous statements will not change the rights or obligations under the Vacation Buying Program and will not operate to grant additional benefits or coverage.



## **Contacts**

### **For Questions Regarding Eligibility, Enrollment, or How to Cash-Out Unused Purchased Vacation Hours**

Contact the HR Direct Service Center.

### **For Questions Regarding a Claim for Purchased Vacation**

DuPont Connection  
Benefits Determination Review Team  
P.O. Box 1407  
Lincolnshire, IL 60069-1407

### **For All Other Questions**

Contact your HR representative

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