



UPDATED VACATION POLICY FOR 2009

I would like to start by thanking you for your hard work and dedication throughout 2008. Even in a down year for Michigan and the automotive industry, Delta Staffing more than doubled in size. As the President and Founder, I fully understand the company only exists because of you doing good work for our clients, and we look forward to an even better year in 2009.

Clearly one issue that needs to be addressed is our vacation and tracking system. I know that very few if any of you had a correct number of vacation hours listed on your paystub, and that is unacceptable. To that end, I've made a couple significant changes.

First, we have changed our payroll company. This change won't affect you much, other than a different name on the top of the paycheck. However, we anticipate less issues with incorrect hours being paid and most importantly, accurate number of vacation hours available! Benefits remain unchanged, and you will receive 2 separate W2 forms for 2009.

Second, the accounting system for vacation hours will change. You will still have 2 weeks per year of vacation, but it won't accrue on your paycheck. Instead, there will be 40 hours deposited in the first payroll with the new payroll company (February 12 paydate), and another 40 deposited mid-year (July 2 paydate). You'll know exactly how many hours you have at all times. This means there will be no more negative vacation hours, it starts at the top and works down to zero. In the rare case that you wish to take 2 continuous weeks off for vacation in the next 6 months, you can use the 40 hours in the bank and will then take the second week unpaid, catching up at the mid-year mark.

To implement this system, we cleared out all vacation hours outstanding. If you had time coming, you will be paid out. If you're in the negative, it will be deducted from the new amount. That way we all start fresh for the year.

It is also expected that you will *use* your vacation time this year. While many other companies are forcing employees to take unpaid vacation, we're forcing you to take *paid* vacation (not a bad deal I think). That said, any vacation hours left at the end of 2009 are gone, use it or lose it.

Along with this letter you received a Vacation Policy that needs to be signed and returned. You can fax it with your timecard, so please get that to us promptly.

Here's to a happy and prosperous 2009!

Brad McKouen
President
Delta Staffing



VACATION POLICY

I understand that as an employee of Delta Staffing LLC I am entitled to 2 weeks paid vacation per calendar year.

I understand that all vacation time is earned through time of service, and that even though my vacation hour account may be "ahead", if I voluntarily terminate employment (or am dismissed for cause) during the year that the appropriate adjustment will be made to my final paycheck to reflect actual time of service. In the event of layoff or successful contract completion, no recapture will be made. The basis for calculations will be 1.6 hours per week (80 hours/50 weeks)

Vacation hours will be allotted twice per year, at the beginning and middle of the calendar year. At those times 40 hours of vacation time will be put into my account.

Depending on my start date, a prorated amount of vacation will be allotted to my account. For instance if you are hired at the end of March, 20 hours will be allotted (1/2 of the first 40 hours) at hire and then another 40 at mid-year.

I understand that vacation hours are "use it or lose it", and that vacation hours reset to zero each calendar year.

I understand that all vacation hours are paid at straight time rate, and that vacation hours do not count toward qualification for overtime pay.

I understand that when vacation hours are used up, any further hours off will be unpaid. There are no advances for vacation time.

AGREED AND UNDERSTOOD

Employee Name

Employee Signature and Date