VACATION

California Only

Effective Date: January 1, 2014

<u>Purpose</u> To provide qualifying employees with periods of rest and recreation, in recognition of services performed. This policy is applicable to all Saia California employees only and replaces the vacation policy contained in the Saia Employee Manual.

Eligibility

Salaried and full time hourly/line haul employees are eligible to begin accruing vacation on January 1st of the year following their hire date.

Eligible employees will accrue vacation time weekly based on the following schedule:

Years of Service	Accrual Rate	Annual Maximum
Beginning January 1 st of the calendar year following date of employment:	up to 40 hours	40 hours
After completing 1 full calendar year:	up to 80 hours	80 hours
After completing 7 full calendar years:	up to 120 hours	120 hours
After completing 18 full calendar years:	up to 160 hours	160 hours

The calendar year is defined as the 12-month period commencing on January 1st and ending December 31st.

Employees who are classified as part time will accrue vacation at one half of the rates listed above.

Accrual eligibility for former Robart, Clark Salaried, Action, and Westex employees will remain in place.

How the vacation benefit is accrued

Hourly employees accrue a proportionate number of vacation hours for each week worked. Salaried employees accrue a proportionate number of vacation hours for each semi-monthly pay period worked. Vacation benefits do not accrue during leaves of absence or other periods away from work unless covered by vacation or sick/personal time off policy.

Salaried employees will cease accruing vacation time once a cap of 200 accrued vacation hours is reached. Once the employee takes vacation and reduces their accrued vacation time below 200 hours, vacation will once again begin to accrue. Employees will not be credited with a vacation accrual during the period that a cap is in place.

How to use vacation

Vacation hours eligible for accrual during a calendar year may be taken prior to such accrual. For example an employee who is eligible to accrue 40 hours of vacation time may take such unaccrued time in January if they wish, even though they will not have accrued that much time as of January.

The amount of vacation time taken during a calendar year cannot exceed the vacation hours the employee is eligible to accrue for that year, unless the employee chooses to use any available carryover vacation. In this case, the vacation time will be deducted from the employee's available carryover vacation.

<u>Vacation carryover</u>

Hourly/line haul employees may carry over their accrued but not taken vacation to the following year of employment.

Salaried employees' vacation has an accrual cap of 200 hours.

Vacation pay

Vacation pay for regular full time hourly employees is based on eight hours per day at the employee's regular rate of pay. Vacation pay for employees classified as part time is based on four hours per day at the employee's regular rate.

Vacation pay for line haul drivers will be based on the employee's average weekly prior year earnings.

For those employees whose classification has changed from part time to full time or full time to part time, vacation pay will be on a proportionate basis for the time worked as a full time employee, and for the time worked as a part time employee during the calendar year.

If a Saia approved holiday (see Human Resource policy titled "Holiday and Pay" for approved holidays) is observed during an employee's vacation period, the holiday will not be considered vacation time.

An employee will not be compensated for additional vacation time off, due to illness or disability occurring while on vacation.

No hours paid under this policy will be considered time worked for the purpose of calculating over time hours.

Vacation paychecks will be paid on the normal payday for the employee.

If an employee leaves the Company for any reason, the employee will be paid for all accrued unused vacation time. Vacation time paid in excess of accrual is owed back to the Company.

Employees who retire from Saia with 15 or more years of service and are at least age 55 will be paid out any unused vacation to include eligible vacation that would have accrued for the current year and any remaining carryover vacation.

Vacation scheduling

Vacations should normally be taken in units of one week. An employee may, however, take one week of his/her vacation in separate days, subject to supervisory approval.

All vacation requests will be submitted via the "Employee Calendar and Time Off Request" link on the Employee Information Center.