

## **MEMORANDUM OF AGREEMENT**

### **YRC Freight 2021 Combined Rail/PT Percentage**

YRC Inc. (d/b/a YRC Freight) (the “Company”) and the Teamsters National Freight Industry Negotiating Committee (“TNFINC”) enter into this Memorandum of Agreement concerning the Company’s use of purchased transportation service under Article 29, Section 6 of the Yellow National Master Freight Agreement. In connection with TNFINC’s ongoing monitoring and review of the Company’s use of purchased transportation, it was determined that the Company has exceeded the 29% maximum allowed road and rail purchased transportation for 2021.

The Company exceeded the 29% limitation largely as a result of the COVID-19 pandemic and the related shortage of employees in driving positions. This was confirmed through a detailed analysis of purchased transportation usage and vacant driver positions at the Company both during and prior to the COVID-19 pandemic, as well as the Company’s ongoing recruitment and retention efforts. It also was determined that the overage in 2021 was due to an increased use of rail service when compared to prior years, rather than the use of road purchased transportation.

If the COVID-19 pandemic had not occurred or if the Company had decided to embargo or otherwise decline to service freight, the amount by which the Company would have exceeded the 29% maximum would have been substantially less – if any at all. Given this, and the fact that Article 29, Section 6 specifically contemplates adjustments based on Acts of God or other extraordinary circumstances, the parties agree as follows:

1. The Company shall pay \$1,250 to eligible road drivers for having exceeded the 29% maximum in Article 29, Section 6 for 2021. Payments shall be subject to applicable taxes and withholdings.
2. A road driver shall be eligible for payment under this Agreement if he or she (a) ran at least fifteen (15) trips during 2021; and (b) is on the seniority list as of December 31, 2021.
3. The Company and TNFINC shall work together to develop a list of those road drivers who are eligible for payment and a reasonable timeline for payment in the first quarter of 2022.
4. This Agreement is a full and final resolution of all issues related to the Company having exceeded the 29% limitation in Article 29, Section 6 for 2021.

FOR YRC FREIGHT

Mitchell Lilly

12/10/21  
Date

FOR TNFINC

Ernie Soell

John A. Murphy

Keaton Graham

W. J. E.

Robert Smith

12/10/2021  
Date