
From: Office of Bill Zollars
Sent: Tuesday, April 14, 2009 5:29 PM
To: '[YRC Worldwide Directors and Above@yrcw.com](mailto:YRC_Worldwide_Directors_and_Above@yrcw.com)'
Subject: Updated: YRCW funding for Teamsters pension plans

Message corrected April 14 – please delete previous version

To: YRC Worldwide directors and above

Consistent with ongoing efforts to keep you informed about key financial actions – this is to update you on pension plan funding for our Teamsters employees.

As you know, we are committed to meeting our contractual obligations to fund the pension plans for our nearly 40,000 Teamsters employees. At the same time, we continue to evaluate opportunities to reduce costs and maintain cash to run our business during this economic recession. To accomplish both of these goals, we are working to finalize discussions with the International Brotherhood of Teamsters (IBT), the independent trustees for the funds and our banking group to temporarily provide real estate as collateral in lieu of making payments to the pension funds.

The collateral approach is a strategic use of our valuable real estate assets and is beneficial for all. In addition to meeting the pension funding requirements, YRCW would retain \$34 million to \$45 million per month in cash (dependent on freight volumes and employment levels), and the pension funds will receive reassurances through real estate assets that can appreciate significantly when the market rebounds.

Although discussions between YRC Worldwide and various pension funds have not been concluded, this approach would have no impact on pension benefits for employees. All union Health and Welfare payments will continue to be made as scheduled.

Please share this message with your managers and employees who are covered under these pension plans. We will keep you updated as this is finalized.

Sincerely,

Bill Zollars

Chairman, President and CEO

YRC Worldwide

BillZ@yrcw.com