

FACT SHEET

Executive Pay

- Controlled and dictated by the Compensation Committee of the Board of Directors for Arkansas Best Corporation
- Committee utilizes a comparison of similar peer entities to determine levels
- **Historically targeted base salaries to be in the 25th to 50th percentile**
- Used annual cash incentives to deliver total cash compensation to meet or exceed 50th percentile only when company performs well
- This approach results in payment of some meaningful cash incentives relative to base salary
- However, it also automatically scales executive pay downward dramatically when difficult economic periods are encountered
- Annual Cash Incentive Plan historically based solely on ROCE (Return on Capital Employed)
- ROCE calculated by dividing net income by average debt plus average equity for the period
- Cash flow added as performance measure for 2010 due to the importance of improving our cash position
- **Due to the performance of the company, there were no cash incentives earned during 2008 or 2009**
- **Executives have seen a significant reduction in their pay from 2007 levels (typically 30% reductions)**
- There are other longer term plans reported in SEC filings
- These include long-term cash incentives, equity awards, and retirement benefits
- These plans provide incentive for the company's performance over a longer period of time, align management's interest with shareholders, and help to retain top talent throughout their working career
- **All ABF incentive plans are tied to specific performance metrics**
- **There are no discretionary bonus plans in place**

ABF Aviation

- ABF Aviation allows executives and other employees to visit hundreds of locations throughout the year that help improve the performance of the company
- **The flexibility inherent with being able to control travel routes and schedule is extremely important**
- **Importance of this flexibility is intensified due to the limited commercial air options available in Fort Smith, Arkansas**
- **Arthur Andersen LLP Study indicated that S&P 500 companies utilizing corporate aircraft earned 141% more in cumulative returns than companies that did not**
- Increased productivity due to resource deployment, process improvement, and knowledge sharing/integration was one of the primary reasons for the growth according to the study
- Our Risk Management group utilizes the planes to mitigate ABF's exposure in the event of a personal injury accident
- When notified of an accident where ABF is at fault or fault is at question, ABF representatives can immediately mobilize to the accident scene.
- **Reduction or elimination of ABF's liability in just one lawsuit can result in millions of dollars of benefit to the company**
- In order to lower the overall costs, we also charter our aircraft out to users in the open market
- We maintain and operate two airplanes to help strike a balance between having aircraft available for charter and maximizing utilization for business needs
- **We expect close to 40% of the aircraft flight hours will be attributable to revenue producing charters during 2010**
- This revenue provides a meaningful reduction in the costs of ownership for these aircraft
- **Long-standing policy is the company executives are not allowed to use corporate aircraft for personal trips**
- When appropriate for business purposes, spouses are permitted to accompany executives when space is available
- IRS rules require the value of the trip to either be a non-deductible cost or stated as income to executives whose spouses accompany them

NASCAR

- ABF does not own a stock car or NASCAR team as some have alleged
- We lease advertising space on cars during the NASCAR season through a bartering agreement
- In exchange for sponsorship, we discount freight charges to customers from whom we get business as a result of this relationship
- For the 2010 season, ABF was scheduled to be primary sponsor of the #10 car in the Nationwide Series seven times and associate sponsor on the #38 car in the Nationwide Series for the entire year
- By structuring our involvement with NASCAR through a bartering agreement, it does not pose any drain on our cash resources
- On the contrary, it adds profitable business that supports many jobs of many of our Teamster-represented employees
- The bartering agreement has produced a sizable amount of business that moves through the ABF network
- One individual shipper that ABF handles solely due to our NASCAR relationship has produced over \$3.5 million of profitable business since the start of the sponsorship (which much of this revenue ends up in the paychecks of ABF's Teamster represented employees)
- If we terminate the NASCAR relationship, it would definitely cost ABF profitable business and jobs
- NASCAR fans are very loyal and our involvement has created additional opportunities for ABF to grow our business without increasing our advertising budget
- Earlier this year, NASCAR involvement created business opportunities with three companies that have a combined annual LTL spend of close to \$100 million
- NASCAR sponsorship also provides ABF with marketing/advertising/branding opportunity to promote ABF to the general population
- While difficult to quantify the magnitude of the branding impact, it certainly sets the stage for greater business opportunities

U-Pack

- ABF has served the self-move consumer market via its U-Pack service for a number of years
- Homeowners or renters pack their household goods and load them on ABF trailers or ReloCubes spotted by ABF city drivers
- Once loaded, these units are picked up by ABF city drivers and moved over the road by ABF road drivers
- At destination, the units are spotted by ABF city drivers to be unloaded and unpacked by the consumer
- ABF is not licensed as a household goods (HHG) mover
- The reason ABF can offer U-Pack to the HHG sector is the fact that ABF employees do not load and/or unload the U-Pack trailers and ReloCubes
- It has been apparent for some time that growth opportunities were available in the full service moving market, in addition to our U-Pack self-move market
- A new subsidiary of Arkansas Best Corporation called Moving Solutions Inc was formed to target the full service moving market
- Moving Solutions Inc uses trade names such as MoveBuilder
- Moving Solutions is licensed as a household goods freight forwarder and has the legal authority to bundle services from other sources with ABF's transportation services to provide consumers with a comparable option to a full-service move
- When Moving Solutions secures business from this arrangement, it will use U-Pack to provide the underlying transportation portion of the service
- **We expect this new arrangement to increase ABF's U-Pack business, and for the first quarter of 2010, ABF's U-Pack revenue is 32% higher than it was during the same period in 2009**

Local Union

Date