

MEMORANDUM OF UNDERSTANDING

MARKET-BASED NEW HIRE PROGRESSION RATES AND DOCK ONLY CASUAL RATES

YRC Inc. (d/b/a/ YRC Freight), USF Holland LLC, and New Penn Motor Express LLC (the "Companies") and the Teamsters National Freight Industry Negotiating Committee ("TNFINC") enter into this Memorandum of Understanding concerning new hire wage progression rates and wage rates for dock only casual employees. The parties recognize that the recruitment and retention of qualified employees in certain areas of the country continues to be challenging. As a result, the Companies at certain locations continually are attempting to fill vacancies and, in some instances, have had to use a cartage provider to service freight.

In an effort to support employee recruitment and retention efforts, the parties have reviewed hiring trends, market data, and cartage usage at locations across the Companies' respective terminal networks. Based on that review, the parties have agreed as follows:

1. The locations eligible for market-based adjustments are listed on the attached Exhibits. Upon fourteen (14) days' written notice to TNFINC and with written agreement of the applicable Local Union, the following adjustments shall apply at those locations identified:
 - a. The new hire wage progression for CDL-qualified regular, full-time employees and mechanics shall be eliminated and these employees shall start at 100% of the applicable wage rate, subject to the MOUs in place. CDL-qualified employees and mechanics who currently are in progression also shall be moved to 100% of the applicable wage rate, subject to the MOUs in place.
 - b. Regular, full-time non-CDL dock employees shall start at a rate of \$16.00 per hour and shall progress to \$17.00 per hour effective first day plus one (1) year and \$18.00 per hour effective first day plus two (2) years, consistent with the progression outlined in the Extension Agreement. Non-CDL dock employees who currently are in progression at a rate less than \$16.00 per hour shall be moved up to \$16.00 per hour. The \$16.00 per hour shall not be subject to the 15% reduction provided for in the MOUs.
 - c. Current and future dock only casual employees shall be paid at a rate of \$16.00 per hour, subject to the 15% reduction (for a starting rate of \$13.60 per hour) and the following progression:
 - Six (6) months and one (1) day: \$14.40 per hour
 - Twelve (12) months and one (1) day: \$15.20 per hour
 - Eighteen (18) months and one (1) day: \$16.00 per hour

The \$13.60, \$14.40, \$15.20, and \$16.00 per hour rates listed above are not subject to the 15% reduction provided for in the MOUs. Current dock only casual employees will start moving through the progression as of the date of this MOU is signed below by his or her Local Union at the request of the applicable Company.

2. Each Company may apply the market-based adjustments in phases and is not obligated to make adjustments at any particular location, unless it has provided notice to TNFINC and reached agreement with the applicable Local Union. A Company must, however, treat its locations within a particular market equally. Consistent with the above, written agreement of the applicable Local Union is required prior to the terms of this MOU going into effect at a given location.
3. The terminal locations listed on the attached Exhibits may be reviewed and updated periodically, with mutual agreement of the parties. Once put into effect at a location, the market-based adjustments set forth in Paragraph 1 may not be eliminated.

FOR YRC FREIGHT:

Mitch Lilly

4/10/2017
Date

FOR USF HOLLAND:

Samuel N. Peltier

4/10/2017
Date

FOR NEW PENN MOTOR EXPRESS:

D. Schmidt

4/10/2017
Date

FOR TNFINC:

James Jones 4-4-2017

Jim A. Murphy - East

Mary Olson - Central

Bob Applegate west

John Graham - SOUTH

4-4-2017
Date

FOR THE LOCAL UNION:

*Bill Wedek

Local Union Number: 100

4/18/17
Date

Effective May 7, 2017 for YRC Freight at the following locations: 347- St. Paul, MN

*Bill Wedek

Local 100 4/18/17

Steve Parker 4/17/17

YRC Freight

EXHIBIT A - YRC FREIGHT

Market	Location	Location Code
Boston	Boston	100
Boston	Albany, NY	104
Boston	Providence, RI	108
Boston	Manchester, NH	140
Boston	Middletown, CT	145
Boston	Worcester, MA	186
Chicago	Chicago North	303
Chicago	Chicago	309
Columbus	Columbus	857
Denver	Denver	890
Detroit	Pontiac, MI	223
Detroit	Detroit	261
Harrisburg	Harrisburg	135
Indianapolis	Indianapolis	324
Minneapolis	St. Paul	347
New York City	Kearny, NJ	111
New York City	South Plainfield, NJ	122
New York City	Maybrook, NY	123
New York City	Carlstadt, NJ	126
New York City	Long Island	132
New York City	Mount Vernon, NJ	150
New York City	Brooklyn, NY	187
New York City	Trenton	112
NoCal	Santa Rosa	805
NoCal	Sacramento	809
NoCal	San Francisco	811
NoCal	Hayward	889
Orlando	Orlando	423
Portland	Portland	875
Seattle	Seattle	842
Seattle	Bellingham, WA	898
SoCal Basin	Sun Valley	661
SoCal Basin	Pico	783
SoCal Basin	Adelanto	820
SoCal Basin	Bloomington	830
SoCal Basin	Pomona	833
SoCal Basin	Gardena	847
SoCal Basin	Orange	896
Washington, DC	Manassas, VA	149
Washington, DC	Baltimore	155
Washington, DC	Washington, DC	183