

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

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MEMORANDUM

To: Yellow Corp. Local Unions (including YRC Freight, Holland, New Penn and Reddaway)

From: John A. Murphy, National Freight Director and Co-Chair, TNFINC

Date: December 16, 2025

Re: Yellow Corporation Bankruptcy Update

TO ALL LOCAL UNIONS HAVING MEMBERS EMPLOYED OR FORMERLY EMPLOYED BY YELLOW CORPORATION AFFILIATES

This Memorandum is an important update to the Yellow Bankruptcy proceedings. Included below is a summary of the Yellow Bankruptcy Proceedings to date and information about what to expect moving forward. Please review this memo carefully.

I. YELLOW CORPORATION BANKRUPTCY SUMMARY

Yellow Corporation and its operating companies ("Yellow") filed for bankruptcy in the District of Delaware Bankruptcy Court on August 6, 2023. The International Union and TNFINC (the "Teamsters" or "Union") entered an appearance in the case on behalf of Local Teamster Unions whose members hold claims against Yellow's operating companies—YRC Inc., USF Holland, LLC, New Penn Motor Express, LLC, and USF Reddaway, Inc. Claims filed by the Union include contract claims for vacation pay, sick pay, and other paid time, as well as grievance pay. Health and Welfare and Pension Funds have entered their own appearances in the case and represent claims for unpaid pension, health and welfare fund contributions.

II. PLAN AND SETTLEMENT UPDATES

On July 29, 2025, Yellow filed a Plan ("Fourth Amended Plan") of Reorganization which contemplates a waterfall structure, meaning claims are satisfied according to their statutory priority level. Under the Fourth Amended Plan, all undistributed proceeds will vest in a liquidating trust controlled by a Liquidating Trustee, to be designated by the Unsecured Creditors' Committee, of which the Teamsters are a member. On November 12, 2025, the Judge heard arguments in favor of confirming Yellow's Fourth Amended Plan. The Judge also heard arguments against confirmation made by MFN Partners Management, LP, ("MFN") an investment management firm

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which holds a majority equity stake in Yellow Corporation. The Judge issued a decision on November 17, 2025, confirming the Plan, and rejecting MFN's arguments. The Judge's ruling is a significant milestone moving these Chapter 11 cases forward.

On November 26, 2025, Yellow moved¹ the Court for authority to settle ongoing litigation with several Multi-Employer Pension Plans ("MEPP(s)") and the Pension Benefit Guaranty Corporation ("PBGC"). The settlement contemplates the withdrawal and dismissal of all pending litigation relating to pension withdrawal liability. MFN sought written discovery and deposition testimony from Yellow regarding the settlement. To accommodate MFN's discovery and deposition requests, the Judge extended the schedule relating to the MEPP settlement until January 21, 2025 at 9:30 AM EST. Due to the extended timeline in the MEPP settlement and the necessity of Yellow's participation in MFN's discovery requests, the Teamsters believe it is unlikely the Plan will go effective before January 21, 2025.

Additionally, while the Teamsters and Yellow have been working diligently to settle the contract-based payments owed to former employees, the Teamsters do not yet have a finalized settlement to bring to the Court. As stated in previous updates, the two pre-requisites to the release of payments to employees are 1) a settlement of contract-based claims approved by the Judge, and 2) the Plan going effective. Due to the delay on both prerequisite issues, it is the Teamsters' belief that employee payments will not be made in 2025. While these delays are unfortunate, the Union is continuing to push Yellow to finalize a settlement so that all contract-based claims may be paid. Even so, the Teamsters cannot control the actions of MFN, which have disrupted the Yellow bankruptcy throughout the proceeding. The Union understands the importance of closing out these matters to its members, who have patiently waited for over two years for their claims to be paid by Yellow. The Union will not rest until all employees are paid.

III. IMPORTANT CONTACT INFORMATION UPDATE

It is the Teamsters hope that when payments are made from Yellow to employees, that Yellow can transfer payments directly into employee bank accounts through a direct-deposit system. If you are someone who has closed their bank account associated with Yellow or one of its operating companies, it is likely you would receive payment through paper check. Please make sure you are paying attention to any direct deposits received, and opening all mail which could contain a message from Yellow or its claim's processing agent, Epiq.

All bargaining unit members should keep their addresses updated with their current or former local union. The Teamsters will work with Yellow to locate bargaining unit members, but the Union's accuracy of records depends entirely on bargaining unit members self-reporting any address change. We thank you for your help.

¹ *In re Yellow Corporation et al.*, Case No. 23-11069-CTG; Docket Index No. 8296 (Filed on November 26, 2025). Document available at <<https://dm.epiq11.com/case/yellowcorporation/dockets>>.