



March 19, 2021

On January 25, 2021 UPS entered into a definitive agreement to sell UPS Freight to TFI International Inc., a publicly traded North American transport and logistics company based in Montreal, Quebec. This acquisition is scheduled to be completed during the second quarter of 2021, at which time UPS Freight will become a wholly-owned subsidiary of TFI International Inc.

Below is a list of frequently asked questions from employees represented by the International Brotherhood of Teamsters.

The sale of UPS Freight to TFI does not impact any terms or conditions covered under the Collective Bargain Agreement.

1. Does this impact the Teamsters unions?

No. The unions continue to represent the same employees and the labor agreements remain in place.

2. What happens with my hourly rate, vacations, pension, etc.?

For union-represented UPS Freight employees, all terms and conditions such as pay, healthcare, and retirement will stay the same.

3. Will my union pension plan benefits change?

All terms and conditions such as pay, healthcare benefits, and retirement will remain the same per the collective bargaining agreement. You will cease to accrue benefits in the UPS Pension Plan as of the transaction close date. TFI International will establish a new plan consistent with the terms of the collective bargaining agreement effective as of the transaction closing date.

4. What happens to UPS Freight Union employees who are not vested in the UPS Pension Plan at the close of the sale? Do they lose that portion of their pension or will the time vest when they hit five years of service with the new company?

Post-Closing, TFI will provide the UPS Pension Plan with hours worked in covered employment with TFI. This will allow participants who were not vested in the UPS Pension Plan as of the closing date to potentially become vested in the benefit accrued prior to the closing. Additionally, vesting service earned before the closing will be used by TFI's new plan to calculate vesting in that plan.

5. Who will manage the pension plan for unionized employees under the UPS Freight plan? TFI plan?

UPS will continue to manage the UPS Pension Plan and administer any benefits accrued with UPS Freight as of the transaction close date. TFI International will sponsor a new plan consistent with the terms of the collective bargaining agreement effective as of the transaction closing date.

6. Can union employees retire from UPS Freight and continue working for the new company and retain the same seniority, wages and benefits?

No, unionized employees can retire from UPS Freight and may be eligible for rehire. However, if rehired, they would start over as a new employee in terms of seniority, wages and benefits.

Duane Williams

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