

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF YRC FREIGHT CANADA COMPANY, YRC LOGISTICS
INC., USF HOLLAND INTERNATIONAL SALES CORPORATION AND 1105481
ONTARIO INC.**

**APPLICATION OF YELLOW CORPORATION UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS
AMENDED**

**EIGHTH REPORT OF THE INFORMATION OFFICER
ALVAREZ & MARSAL CANADA INC.**

APRIL 25, 2025

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1.0 INTRODUCTION

- 1.1 On August 6, 2023 (the “**Petition Date**”), Yellow Corporation (“**Yellow Parent**”) and certain of its subsidiaries and affiliates (each a “**Debtor**”, collectively, the “**Debtors**”) commenced cases in the United States Bankruptcy Court for the District of Delaware (the “**U.S. Bankruptcy Court**”) by filing voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Chapter 11 Cases**”).
- 1.2 The purpose of the Chapter 11 Cases is to facilitate an orderly wind-down of the Debtors’ operations and a sale process for their assets, including the assets of their Canadian subsidiaries, YRC Freight Canada Company (“**YRC Freight Canada**”), YRC Logistics Inc., USF Holland International Sales Corporation, and 1105481 Ontario Inc. (collectively, the “**Canadian Debtors**”), to be followed by the solicitation and confirmation of a liquidating Chapter 11 plan. Each of the Canadian Debtors is also a Debtor in the Chapter 11 Cases.
- 1.3 On August 8, 2023, upon the application of the Yellow Parent in its capacity as the proposed foreign representative in the Chapter 11 Cases (the “**Foreign Representative**”), the Ontario Superior Court of Justice (Commercial List) (this “**Court**”) granted an order pursuant to Part IV of the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) and Section 106 of the *Courts of Justice Act*, providing for an interim stay of proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada.

- 1.4 The proceedings commenced by the Yellow Parent under the CCAA (the “**CCAA Recognition Proceedings**”) together with the Chapter 11 Cases, are referred to herein as the “**Restructuring Proceedings**”.
- 1.5 On August 9, 2023, the U.S. Bankruptcy Court granted certain orders (the “**First Day Orders**”), including the Foreign Representative Order authorizing Yellow Parent to act as the Foreign Representative of the Debtors. Following the hearing on the first day motions, the U.S. Bankruptcy Court also granted certain additional interim orders.¹
- 1.6 On August 29, 2023, this Court made two orders (the “**Initial Recognition Order**” and the “**Supplemental Order**”) that, among other things: (a) recognized the Chapter 11 Cases as a “foreign main proceeding” under the CCAA; (b) recognized Yellow Parent as the “foreign representative” of the Canadian Debtors; (c) stayed all proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada; (d) appointed Alvarez & Marsal Canada Inc. (“**A&M Canada**”) as the information officer (the “**Information Officer**”); (e) recognized and gave effect in Canada to certain of the First Day Orders and additional orders issued by the U.S. Bankruptcy Court; and (f) granted the Administration Charge, the D&O Charge, and the DIP Charge (each as defined in the Supplemental Order).
- 1.7 On September 29, 2023, this Court granted an order (the “**Second Supplemental Order**”) that, among other things: (a) recognized and gave effect in Canada to certain final First

¹ Copies of orders granted in the Chapter 11 Cases and other documents related to such proceedings are available at the website maintained by Epiq: <https://dm.epiq11.com/case/yellowcorporation>.

Day Orders including the Final DIP Order (as defined in the Fourth Report); and (b) recognized and gave effect in Canada to certain additional orders such as the Bidding Procedures Order, the Omnibus Rejection Order, the Bar Date Order, and the Real Estate Stalking Horse APA Order (each as defined in the Second Supplemental Order).

- 1.8 On November 8, 2023, this Court granted an order (the “**Third Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Rolling Stock Sale Order (as defined in the Third Supplemental Order).
- 1.9 On December 5, 2023, this Court granted an order (the “**Fourth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the DIP Amendment Order and the Supplemental Agency Agreement Order (each as defined in the Fourth Supplemental Order).
- 1.10 On December 12, 2023, the U.S. Bankruptcy Court granted an order (the “**Initial Sale Order**”) approving the sale of 128 owned real properties (“**Owned Properties**”) and two leased properties (“**Leased Properties**”, together with the Owned Properties, the “**Real Property Assets**”), including two Canadian Owned Properties.
- 1.11 On December 19, 2023, this Court granted an order (the “**Sale Recognition and Vesting Order**”) that, among other things, recognized and gave effect in Canada to the Initial Sale Order, approved the RGH Transaction and the Allstar Transaction (each as defined in the Initial Sale Order) in respect of the two Canadian Owned Properties subject to the Initial Sale Order, and granted certain related relief.

- 1.12 On February 28, 2024, this Court granted an order (the “**Fifth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Documents Order, the Order to Compel, and the Lease Assumption Order (each as defined in the Fifth Supplemental Order).
- 1.13 On June 19, 2024, this Court granted an order (the “**Sixth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Lienholder Rolling Stock Settlement Order and the Mailbox Destruction Order (each as defined in the Sixth Supplemental Order).
- 1.14 On December 9, 2024, this Court granted an order (the “**Seventh Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Disclosure Statement Order and Additional Foreign Orders (each as defined in the Seventh Supplemental Order).
- 1.15 A&M Canada, in its capacity as Proposed Information Officer, filed with this Court a report dated August 25, 2023 (the “**Pre-Filing Report**”). A&M Canada, also in its capacity as Information Officer, has previously filed with this Court seven reports to this Court (collectively, with the Pre-Filing Report, the “**Prior Reports**”).
- 1.16 The Prior Reports and other materials filed with this Court are available on the Information Officer’s case website at: www.alvarezandmarsal.com/YRCFreightCanada (the “**Case Website**”).

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this report (the “**Eighth Report**”), the Information Officer has relied solely on information and documents provided by the Foreign Representative and other Debtors,

as well as their Canadian legal counsel, their U.S. financial advisors, and publicly available documents filed with the U.S. Bankruptcy Court (collectively, the “**Information**”). Except as otherwise described in this Eighth Report:

- (a) the Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the *Chartered Professional Accountants of Canada Handbook* (the “**Handbook**”) and accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
- (b) some of the information referred to in this Eighth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Handbook, has not been performed.

2.2 Future-oriented financial information referred to in this Eighth Report was prepared based on estimates and assumptions made by the Debtors’ management and financial advisor. Readers are cautioned that, since projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from the projections, and the variations could be significant.

2.3 This Eighth Report should be read in conjunction with the Affidavit of Matthew A. Doheny sworn on April 23, 2025 (the “**Ninth Doheny Affidavit**”). Capitalized terms used but not

defined herein shall have the meanings ascribed to them in the in the Ninth Doheny Affidavit, the Joint Plan, or the Prior Reports, as applicable.

2.4 Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.

3.0 PURPOSE OF THIS REPORT

3.1 The purpose of this Eighth Report is to provide this Court with information concerning, and where applicable the Information Officer's views on, the following matters:

- (a) an update on the Debtors' sale process for the Real Property Assets and Rolling Stock Assets (as defined below);
- (b) an update on the Debtors' claims process pursuant to the Bar Date Order;
- (c) the Foreign Representative's motion for an order (the "**Eighth Supplemental Order**"), among other things:
 - i. recognizing and enforcing in Canada the *Order Approving the Joint Stipulation by and among the Debtors and Certain Lessors Terminating Unexpired Real Property Leases pursuant to that Certain Lease Termination Agreement* (the "**Reimer Lease Termination Approval Order**") entered by the U.S. Bankruptcy Court on April 14, 2025, among other things, authorizing the Debtors' entry into that certain Lease Termination Agreement as of March 28, 2025 (the "**Lease Termination Agreement**"), among YRC Freight Canada, Reimer World Properties Corp. ("**Reimer WPC**") and RWP

Manitoba Ltd. (“**Reimer Manitoba**” and, together with Reimer WPC, “**Reimer**”); and

ii. authorizing YRC Freight Canada to (i) transfer ownership of any furniture, fixtures and equipment (“**FF&E**”) owned by YRC Freight Canada remaining at the leased premises subject to the Lease Termination Agreement after the Termination Date (as defined in the Lease Termination Agreement) to Reimer, (ii) transfer ownership of a restored truck and trailer (the “**Restored Truck and Trailer**”) located at the Winnipeg Premises (as defined below) to Reimer Manitoba, and (iii) transfer and assign a sublease (the “**Sublease**”) between YRC Freight Canada, as sublessor, and Agri-Foods Central Ltd., as sublessee, in respect of the Winnipeg Premises, to Reimer Manitoba, in each case notwithstanding paragraph 5 of the Initial Recognition Order,

(d) a summary of the status of the Chapter 11 Cases;

(e) a summary of the activities of the Information Officer since December 3, 2024 being the date of the Seventh Report of the Information Officer (the “**Seventh Report**”), a copy of which is attached hereto as Appendix “A” without appendices; and

(f) the Information Officer’s conclusions and recommendations with respect to the relief sought by the Foreign Representative.

4.0 UPDATE ON THE REAL PROPERTY AND ROLLING STOCK SALE PROCESS

Real Property Assets

- 4.1 As described in the Prior Reports, prior to the Petition Date, the Debtors had commenced an extensive process to market their assets, including the Debtors' portfolio of Real Property Assets, as well as thousands of trucks, trailers, and other types of operational equipment (the "**Rolling Stock Assets**").
- 4.2 The U.S. Bankruptcy Court has entered several orders in addition to the Initial Sale Order authorizing the Debtors to enter into certain asset purchase agreements in respect of the Real Property Assets (collectively, the "**U.S. Sale Orders**").
- 4.3 Through the asset sales pursuant to the U.S. Sale Orders, the Debtors have entered into agreements for approximately 30 transactions, comprised of over 140 Owned Properties and 50 Leased Properties, for aggregate proceeds of approximately \$2.3 billion.
- 4.4 From the proceeds generated by these sales, the Debtors have paid off all of their pre-petition secured funded debt and all of their post petition debtor-in-possession financing. As of March 31, 2025, the Debtors held cash of approximately \$645 million, and YRC Freight Canada held cash of approximately \$4.0 million, which includes \$2.8 million of sale proceeds controlled by the Information Officer (as discussed below).
- 4.5 The Debtors continue to maximize value for the remaining Real Property Assets. As described in the Seventh Report, on November 18, 2024, the Debtors filed a *Notice of Further Supplemental Dates and Deadlines Regarding Continued Sale Process for*

Debtors' Remaining Properties, Including Bid Deadline, Auction and Sale Hearing (the “**Sale Process Notice**”), which established a bid deadline of January 6, 2025.

- 4.6 Since the date of the Seventh Report, the Debtors, in consultation with the UCC and in accordance with the Bidding Procedures Order, filed certain additional Sale Process Notices on each of January 3, 2025, January 23, 2025, February 3, 2025, February 20, 2025, March 5, 2025, and March 20, 2025, establishing certain revised Sale Dates and Deadline. Specifically, on March 20, 2025, the Debtors, in consultation with the UCC, determined to revise the Sale Dates and Deadlines, including to extend each of them, including the Bid Deadline, to a date and time to be determined [Docket No. 5917].

The Canadian Owned Properties

- 4.7 On August 23, 2024, the U.S. Bankruptcy Court granted the CBRE Retention Order that, among other things, authorized the Debtors to retain CBRE Inc. (“**CBRE**”) as broker and real estate advisor for the ongoing sale process.
- 4.8 The Debtors have sold one Canadian Owned Property to date.
- 4.9 As described in the Prior Reports of the Information Officer, the RGH Transaction was completed on January 23, 2024, for proceeds of approximately \$2.97 million. Pursuant to the terms of the Sale Recognition and Vesting Order, the proceeds from the RGH Transaction form part of the Real Property Holdback (as defined in the Sale Recognition and Vesting Order) and are currently being held by the Information Officer in trust on behalf of the Debtors pending further order of this Court.

4.10 Although a second sale transaction related to a property owned by YRC Freight Canada in Quebec (the “**Allstar Transaction**”) was approved by the U.S. Bankruptcy Court and recognized by this Court, the purchaser failed to close the transaction despite extensive efforts of the Debtors and their advisors. Among other things, the Debtors obtained the Order to Compel and the Contempt Order from the U.S. Bankruptcy Court in an effort to bring the issue to a resolution. The Order to Compel was recognized by this Court pursuant to the Fifth Supplemental Order, and the Contempt Order was recognized by this Court pursuant to the Sixth Supplemental Order. The property in Quebec remains available for sale.

4.11 The other remaining Canadian Owned Property is located at 285 Blair Street, Oshawa, Ontario, which the Debtors, with the assistance of CBRE, are continuing to market in accordance with the timeline and process referenced above.

The Canadian Leased Properties

4.12 The Debtors and their advisors spent significant time evaluating and determining, in their sound business judgement in consultation with the UCC and its advisors, which remaining unexpired leases would be expected to bring future value to their estates. On February 26, 2024, the U.S. Bankruptcy Court granted the Lease Assumption Order, authorizing the Debtors to assume approximately 29 unexpired Leased Properties, including 10 leases in respect of Canadian properties. The Lease Assumption Order was recognized pursuant to the Fifth Supplemental Order.

4.13 As described in the Seventh Report, on October 25, 2024, YRC Freight Canada entered into a lease termination agreement in respect of its Leased Property located at 1725 Chemin

Saint-Francois, Dorval, Quebec (the “**Quebec Lease**”), and obtained the Quebec Lease Termination Approval Order from the U.S. Bankruptcy Court, approving the entry into the agreement and the exchange of mutual releases. The Quebec Lease Termination Approval Order was recognized pursuant to the Seventh Supplemental Order.

- 4.14 As discussed in the below, on March 28, 2025, YRC Freight Canada, in consultation with the UCC, entered into a Lease Termination Agreement with Reimer in respect of five of YRC Freight Canada’s Leased Properties located in Alberta, Saskatchewan and Manitoba (the “**Reimer Leases**”). A copy of the Lease Termination Agreement is attached as “Schedule 2” to the Lease Termination Approval Order attached as “Exhibit B” to the Ninth Doheny Affidavit.
- 4.15 To date, the Debtors have rejected or otherwise terminated 6 Leased Properties (excluding the Reimer Leases) in Canada, including the Quebec Lease.
- 4.16 Following termination of the 5 Reimer Leases, there will be no remaining Leased Properties in Canada.

Disposition of the Remaining Properties

- 4.17 As of the date of this Eighth Report, the Debtors have approximately 35 Owned Properties (including the two Canadian Owned Properties) and approximately 22 Leased Properties, including the 5 Reimer Leases, and 1 non-Canadian Leased Property subject to an extension of the deadline under section 365(d)(4) of the U.S. Bankruptcy Code for the Debtors to assume or reject such Leased Properties.

4.18 The Debtors' efforts to market the remaining Owned Properties and Leased Properties remain ongoing, and the Debtors continue to actively market such remaining Owned Properties and Leased Properties and enter into transactions in respect thereof pursuant to the terms of the Bidding Procedures Order, including by private sale transactions and lease termination agreements, as applicable and in each case authorized by the terms of the Bidding Procedures Order.

Rolling Stock Assets

4.19 On October 27, 2023, the U.S. Bankruptcy Court granted the Rolling Stock Sale Order approving among other things: (a) the Rolling Stock Agency Agreement with Nations Capital LLC, Richie Bros. Auctioneers (America) Inc., IronPlanet Inc., Richie Bros. Auctioneers (Canada) Ltd., and IronPlanet Canada Ltd. (collectively the "**Rolling Stock Agent**") as auctioneer, broker and exclusive marketing agent of the Rolling Stock Assets; and (b) authorizing the sale by the Rolling Stock Agent (on behalf of the Debtors) of the Rolling Stock Assets free and clear of any liens, claims, interests, and encumbrances. On November 8, 2023, this Court granted the Third Supplemental Order that, among other things, recognized and gave effect in Canada to the Rolling Stock Sale Order.

4.20 The Debtors' efforts to market and sell the Debtors' Rolling Stock Assets pursuant to the Rolling Stock Sale Order remain ongoing. The Rolling Stock Agent's engagement was recently modified to provide for the continuation of the engagement through and including July 31, 2025.

4.21 Since the date of the Seventh Report, no additional Canadian Rolling Stock Assets have been sold or continue to be marketed. 17 auctions have been conducted by the Rolling

Stock Agent for Canadian Rolling Stock Assets. Pursuant to the Rolling Stock Sale Order, the Rolling Stock Agent will file with the U.S. Bankruptcy Court, at the end of its engagement, a report setting forth the proceeds generated by the sales of Rolling Stock Assets during the Chapter 11 Cases.

- 4.22 The Debtors do not anticipate additional material rolling stock sales in Canada. There may be some small-scale equipment transactions, but none are expected to have a material impact on the value of the Debtors' estates.

5.0 UPDATE ON CLAIMS PROCESS AND RELATED LITIGATION

- 5.1 On September 13, 2023, the U.S. Bankruptcy Court entered the Bar Date Order. The Bar Date Order, among other things, approved the procedures and deadlines for the submission of claims against the Debtors (including the Canadian Debtors) and the procedures for providing notice of the claims procedure to known and unknown creditors of the Debtors. The Bar Date Order was recognized by this Court pursuant to the Second Supplemental Order.

- 5.2 In total, approximately 13,540 proofs of claim have been filed against the Debtors, asserting over \$10 billion in claims. The Debtors continue to review and reconcile proofs of claim filed in accordance with the Bar Date Order including claims filed against the Canadian Debtors.

- 5.3 To date, the Debtors have filed thirty omnibus objections to claims, which includes claims asserted against the Canadian Debtors, on the basis that certain claims are duplicative,

asserted against the incorrect Debtor entity, or incorrectly asserted administrative priority, amongst other objectionable grounds.

6.0 THE LEASE TERMINATION AGREEMENT AND RECOGNITION OF THE REIMER LEASE TERMINATION APPROVAL ORDER

Background

- 6.1 Since the Seventh Report, the Debtors, with guidance from Ducera and CBRE, continued to market the remaining Leased Properties in order to maximize the value of the leases for the benefit of all stakeholders.
- 6.2 The Reimer Leases were assumed pursuant to the Lease Assumption Order and included in the Debtors' marketing and sale efforts. The Information Officer understands that the Debtors, in consultation with the UCC, determined that the Lease Termination Agreement represents the value-maximizing alternative for the Reimer Leases after thoroughly marketing the Reimer Leases.
- 6.3 The Debtors and their advisors engaged directly with Reimer and were ultimately able to agree on terms for the termination of the Reimer Leases. On March 28, 2025, after consultation with the UCC and its advisors, YRC Freight Canada entered into the Lease Termination Agreement with Reimer.

The Lease Termination Agreement

- 6.4 A list of the Reimer Leases to be terminated through the Lease Termination Agreement is provided in the Ninth Doheny Affidavit.

6.5 Below is a summary of the key terms of the Lease Termination Agreement, which is provided for summary-purposes only and, in the case of any inconsistencies between the below and the Lease Termination Agreement, the Lease Termination Agreement controls:

- (a) Lease Termination and Assignment: (i) the termination of the Reimer Leases, (ii) the transfer and assignment by YRC Freight Canada to Reimer Manitoba of a sublease between YRC Freight Canada, as sublessor, and Agri-Foods Central Ltd., as sublessee, in respect of the Winnipeg Premises, and (iii) the transfer and assignment by YRC Freight Canada to Reimer Manitoba of a restored truck and trailer on an “as-is, where-is basis” without any representations or warranties.

- (b) Termination Fee: CA\$9.8 million (plus applicable tax), payable by YRC Freight Canada to Reimer. The Termination Fee shall be paid by YRC Freight Canada to Goodmans LLP, as Canadian counsel to the Debtors, in trust only to be released in accordance with the terms of the Lease Termination Agreement. The Information Officer understands that the Termination Fee is less than the sum of (x) the calculated administrative expense claim that Reimer would likely be entitled to under the U.S. Bankruptcy Code in the event that the Reimer Leases were rejected (rather than terminated) by the Debtors, and (y) the costs of certain maintenance and repair items at the Premises, which the Information Officer understands could be substantial and are the Debtors’ financial responsibility under the Reimer Leases.

(c) Mutual Releases: The Lease Termination Agreement provides for separate releases between the parties.

(d) Certain Conditions: The conditions precedent to the effectiveness of the Lease Termination Agreement include the following: (i) the U.S. Bankruptcy Court has entered the Reimer Lease Termination Approval Order, among other things, approving the Lease Termination Agreement; (ii) this Court has entered the Eighth Supplemental Order, among other things, recognizing and giving full force and effect to the Reimer Lease Termination Approval Order in all provinces and territories in Canada; (iii) Goodmans LLP shall have received the Termination Fee, in trust to be held in escrow; and (iv) YRC Freight Canada and Reimer shall have executed and delivered the necessary documentation in order to give effect to the various transactions contemplated by the Lease Termination Agreement.

The Reimer Lease Termination Approval Order

6.6 On April 14, 2025, the Debtors filed with the U.S. Bankruptcy Court a certification of counsel, among other things, certifying to the U.S. Bankruptcy Court that the Debtors entered into a joint stipulation with Reimer in respect of the Reimer Leases and the termination thereof pursuant to the Lease Termination Agreement (the “**Joint Stipulation**”), seeking entry of an *Order Approving the Joint Stipulation by and Among the Debtors and Certain Lessors Terminating Unexpired Real Property Leases Pursuant to that Certain Lease Termination Agreement*, among other things, approving the Joint

Stipulation and thereby authorizing the Debtors' entry into the Lease Termination Agreement and granting related relief.

6.7 Also on April 14, 2025, the U.S. Bankruptcy Court granted the Reimer Lease Termination Approval Order without the need for a hearing.

6.8 The Information Officer considered the following in assessing the reasonableness of the Lease Termination Agreement and the Reimer Lease Termination Approval Order:

- (a) the Debtors, in consultation with the UCC, determined the Lease Termination Agreement to represent the value-maximizing transaction for the Reimer Leases following a thorough marketing process undertaken over an extended period of time by the Debtors, with assistance from their advisors, in respect of the Reimer Leases;
- (b) the Termination Fee is less than the sum of (i) the calculated administrative expense claim that Reimer would likely be entitled to under the U.S. Bankruptcy Code in the event that the Reimer Leases were rejected (rather than terminated) by the Debtor, and (ii) the costs of certain maintenance and repair items at the Premises, which the Information Officer understands could be substantial and are the Debtors' financial responsibility under the Reimer Leases;
- (c) the Information Officer is not aware of any objections from Canadian stakeholders;
- (d) the Lease Termination Agreement is a consensual agreement entered into between YRC Freight Canada and Reimer, the affected counterparty; and

(e) the Information Officer does not believe that creditors of the Canadian Debtors would be materially prejudiced by recognition of the Reimer Lease Termination Approval Order.

6.9 Based on the foregoing, the Information Officer believes the Reimer Lease Termination Approval Order is fair and reasonable and recommends that this Court grant the Eighth Supplemental Order.

7.0 UPDATE ON PLAN MATTERS AND RELATED LITIGATION

7.1 On September 2, 2024, the Debtors filed with the U.S. Bankruptcy Court the *Joint Chapter 11 Plan of Yellow Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Debtors’ Plan**”) and the *Disclosure Statement for the Joint Chapter 11 Plan of Yellow Corporation and its Debtors Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Debtors’ Disclosure Statement**”).

7.2 On October 17, 2024, the Debtors filed a motion seeking, among other things, U.S. Bankruptcy Court approval of the Debtors’ Disclosure Statement Order, along with amended versions of the Debtors’ Plan and the Debtors’ Disclosure Statement.

7.3 On November 20, 2024, the Debtors filed with the U.S. Bankruptcy Court the *Second Amended Joint Chapter 11 Plan of Yellow Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the “**Second Amended Plan**”). On November 22, 2024, the Court entered the *Order Approving (I) the Adequacy of the Disclosure Statement, (II) the Solicitation and Voting Procedures, (III) the Forms of Ballot and Notices in*

Connection Therewith, and (IV) Certain Dates with Respect Thereto (the “**Second Amended Disclosure Statement Order**”).

7.4 On November 22, 2024, the U.S. Bankruptcy Court entered the Second Amended Disclosure Statement Order. The Second Amended Disclosure Statement Order, among other things: (a) authorized the Debtors to solicit votes on the Debtors’ Plan; (b) approved the Debtors’ Disclosure Statement as containing “adequate information” pursuant to section 1125 of the U.S. Bankruptcy Code; (c) approved the solicitation materials and documents to be included in the solicitation packages to be sent to claimholders entitled to vote to accept or reject the Debtors’ Plan; (d) approved procedures for soliciting, receiving and tabulating votes on the Debtors’ Plan and for filing objections to the Debtors’ Plan; and (e) established February 4, 2025 as the date for the Confirmation Hearing to consider confirmation of the Debtors’ Plan.

7.5 On December 9, 2024, this Court recognized and gave effect to the Second Amended Disclosure Statement Order entered by the U.S. Bankruptcy Court.

7.6 The Debtors adjourned the Confirmation Hearing several times to enable the Debtors to work with the UCC and certain of the Debtors’ largest creditors to negotiate an amended plan structure that addressed certain disputed issues.

7.7 As described in detail in the Seventh Report, approximately 1,300 proofs of claim filed relate to claims under the Workers’ Adjustment Notification Act (the “**WARN Act**”) or its state level equivalents (the “**WARN Act Claims**”), as well as various claims filed by multiemployer pension plans (the “**MEPPs**”) alleging withdrawal liability (the “**MEPP Claims**”). On September 13, 2024, the U.S. Bankruptcy Court issued a decision rejecting

the Debtors' argument that the MEPP Claims should be disallowed on the basis of the pension plans' prior receipt of federal special financial assistance (the "**Withdrawal Liability Decision**").

7.8 One of the primary issues in dispute in connection with the Debtors' objections to certain of the MEPPs' claims related to whether these MEPPs (the "**SFA MEPPs**"), which had received or will receive, in the aggregate, billions of dollars of funding from the United States government on account of the underfunding of such MEPPs (the "**Special Financial Assistance**"), were required to reduce their claims against the Debtors on account of such funding. In the Withdrawal Liability Decision, the U.S. Bankruptcy Court determined, among other things, that the SFA MEPPs were not required to reduce the amount of their Claims on account of the Special Financial Assistance. MFN Partners, LP and Mobile Street Holdings (together, "**MFN**"), one of the Debtors' significant creditors and equity holders, and the Debtors each filed motions asking the U.S. Bankruptcy Court to reconsider certain aspects of the Withdrawal Liability Decision.

7.9 The U.S. Bankruptcy Court issued an Amended Memorandum of Opinion on November 5, 2024 (the "**Reconsideration Order**") granting the Debtors' motion to reconsider regarding the issue of whether the Debtors had defaulted on their withdrawal liability obligation, which is relevant to calculating withdrawal liability, and a Memorandum Opinion on November 12, 2024 (the "**MFN Reconsideration Order**") denying MFN's motion to reconsider.

7.10 Following these rulings, the U.S. Bankruptcy Court issued an order on its rulings related to the SFA MEPP disputes, as amended and reconsidered in part, in the Order Relating to

SFA MEPP Litigation Motions for Summary Judgment and Motions to Reconsider, dated December 2, 2024 (the “**SFA MEPP Order**”). The SFA MEPP Order is based upon the Reconsideration Order and the MFN Reconsideration Order. The Debtors and MFN filed notices of appeal of the SFA MEPP Order. Such appeal is currently pending before the United States Court of Appeals for the Third Circuit.

- 7.11 Notwithstanding the U.S. Bankruptcy Court’s various determinations in the Withdrawal Liability Decision, certain issues relating to the claims remained to be resolved by the U.S. Bankruptcy Court, including, without limitation, issues related to acceleration, default, and the application of present value discounting to withdrawal liability claims.
- 7.12 On December 13, 2024, the Debtors, the Central States Pension Fund (“**Central States**”), ten other SFA MEPPs (the “**Other SFA MEPPs**”), and MEPPs that did not receive the Special Financial Assistance (the “**Non-SFA MEPPs**”) filed cross motions for summary judgment in connection with the MEPP Disputes. The parties completed briefings on January 21, 2025, and oral argument occurred on January 28, 2025.
- 7.13 At a status conference on March 17, 2025, the Debtors advised the U.S. Bankruptcy Court that, as a result of, among other things, the ongoing litigation, they did not have the requisite votes for the Second Amended Plan. The Debtors further advised the U.S. Bankruptcy Court that on March 14, 2025, they received a settlement proposal from the UCC, which was supported by certain of the Debtors’ creditors holding the largest General Unsecured Claims.
- 7.14 On March 28, 2025, the Debtors and the UCC (collectively, the “**Plan Proponents**”) filed with the U.S. Bankruptcy Court the *Third Amended Joint Chapter 11 Plan of Yellow*

*Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors (the “**Joint Plan**”), and the Third Amended Disclosure Statement for the Third Amended Joint Chapter 11 Plan of Yellow Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code Proposed by the Debtors and the Official Committee of Unsecured Creditors (the “**Joint Disclosure Statement**”), which incorporated the settlement proposal (the “**Plan Settlement**”).*

7.15 The Plan Settlement: (a) resolves claims allowance disputes pending with SFA MEPPs and the Non-SFA MEPPs, as well as a limited number of other claimants, that have asserted their claims against the Debtors on a joint and several basis (collectively, the “**J&S Holders**”); (b) sets Allowed Claim amounts for each such settled Claim; and (c) provides a mechanism whereby the settling Holders agree to share a portion of the recovery that they would otherwise be entitled to in respect of such settled Joint and Several General Unsecured Claims with Holders of General Unsecured Claims that are not entitled to assert their Claims at every Debtor (collectively, the “**Non-J&S Holders**”). Based on the Plan Settlement, the settled Joint and Several General Unsecured Claims of the settling J&S Holders and the Claims of the Non-J&S Holders are expected to receive the same percentage recovery, which is estimated to be between 12% and 16%. By contrast, under the Debtors’ prior plan, Non-J&S Holders would have received substantially smaller distributions than J&S Holders.

7.16 Given that the Plan Settlement proposes to resolve all of the disputes relating to the Debtors’ objection to the claims of Central States and with respect to a majority of the

objections to the claims filed by the Other SFA MEPPs, the Joint Plan proposes that the appeal of the SFA MEPP Order pending in the United States Court of Appeals for the Third Circuit will be dismissed upon the Effective Date as to the electing J&S Holders, and the Liquidating Trustee appointed under the Joint Plan will determine whether to pursue the appeal as to the claims of the Other SFA MEPPs that have not elected to participate in the Plan Settlement.

- 7.17 In the interest of preventing further disruptions and preserving the settlements contemplated by the Plan Settlement, the Plan proponents requested that the U.S. Bankruptcy Court defer releasing its decision on the summary judgement motions in respect of the remaining MEPP disputes. MFN, which has joined the Debtors' claims objections, took the view that it was entitled to a resolution of its claims objections, and thus asked the U.S. Bankruptcy Court to issue its opinion.
- 7.18 Following a status conference held on April 7, 2025, the U.S. Bankruptcy Court determined that the process to seek confirmation of the Joint Plan would be better served if it were to release its views regarding the remaining MEPP disputes in advance of the Confirmation Hearing as it would enable the parties involved to consider such views in seeking to obtain confirmation of the Joint Plan. Accordingly, on April 7, 2025, the U.S. Bankruptcy Court released the Preliminary Observations on Remaining MEPP Disputes, a copy of which is attached to the Ninth Doheny Affidavit at Exhibit "E" thereto.
- 7.19 A summary of the key findings of the Preliminary Observations on Remaining MEPP Disputes is also provided in the Ninth Doheny Affidavit.

7.20 While the Joint Plan contemplated a Confirmation Hearing on May 19, 2025, the Confirmation Hearing has not been scheduled at this time.

8.0 UPDATE ON EMPLOYEE CLAIMS

8.1 In Canada, employee claims largely consist of claims against YRC Freight Canada in respect of accrued and unpaid vacation pay owing prior to the Petition Date. The Information Officer understands that in the lead-up to the Petition Date, all of YRC Freight Canada's unionized employees were placed on lay-off and all but approximately 65 non-unionized employees were terminated, and shortly thereafter, the Debtors paid approximately CAD\$4 million in respect of statutory termination and severance pay amounts to such Canadian employees.

8.2 The Debtors have not been permitted to make payments in respect of accrued paid time off obligations on account of employees terminated prior to the Petition Date. With respect to the Canadian Debtors, the aggregate accrued vacation pay obligations on account of employees terminated or laid off prior to the Petition Date totals approximately CAD\$2.2 million, for 461 unionized and non-unionized employees. The Information Officer understands that these claims would be addressed in the Joint Plan, if confirmed.

8.3 At this time, two non-unionized employees continue to be employed to assist with further remaining wind-down efforts of the Canadian Debtors.

9.0 OTHER UPDATES ON THE CHAPTER 11 CASES

9.1 Other updates regarding the Chapter 11 Cases include:

- (a) De Minimis Assets and Notices of Abandonment: Since the date of the Seventh Report, the Information Officer has not received any further notices of De Minimis Assets sales or notices of abandonment in Canada.
- (b) WARN Settlements: Class action adversary proceeding complaints alleging WARN Act violations were filed on November 13, 2023 (the “**Coughlen Action**”), and on December 26, 2023 (the “**Moore Action**”). On February 28, 2025, the Debtors and the parties to the class action adversary proceeding complaints filed motions to approve settlements in relation to the Moore Action and the Coughlen Action, for \$8.75 million and \$5.36 million, respectively (each a “**WARN Settlement**”).

On March 24, 2025, the U.S. Bankruptcy Court approved the WARN Settlement in relation to the Coughlen Action on a final basis and preliminarily approved the WARN Settlement in relation to the Moore Action.

- (c) WARN Appeal: On March 12, 2025, the U.S. Bankruptcy Court entered its *Order Relating to the Trial on the Merits Held in Connection with the WARN Claims and Proceedings*, holding (1) Yellow Parent was a liquidating fiduciary, rather than an employer, at the time it ordered the termination of its union employees, meaning those terminations do not give rise to WARN Act liability; and (2) alternatively, if Yellow Parent were an employer subject to the WARN Act at the time it ordered the mass layoffs, the circumstances would justify a reduction in damages, under 29 U.S.C. § 2104(a)(4), from the 60 days of back pay and benefits otherwise provided by statute to 14 days of back pay and benefits. The International Brotherhood of

Teamsters, Teamsters National Freight Industry Negotiating Committee, and the International Association of Machinists filed a notice of appeal on that same date, and Debtors filed a notice of cross-appeal on March 26, 2025. The appeal and cross-appeal were consolidated on April 23, 2025.

10.0 ACTIVITIES OF THE INFORMATION OFFICER

10.1 The activities of the Information Officer since the Seventh Report have included:

- (a) updating the Case Website with the orders granted in these CCAA Recognition Proceedings and other relevant motion materials and reports;
- (b) with the assistance of Cassels, monitoring the Epiq website for activity in the Chapter 11 Cases;
- (c) responding to stakeholder inquiries regarding the Restructuring Proceedings;
- (d) discussions with Cassels, Goodmans, and other of the Debtors' advisors, including Alvarez & Marsal North America, LLC ("A&M U.S."), regarding matters relevant to the Chapter 11 Cases;
- (e) liaising with A&M U.S. regarding Canadian claims and the status of the Real Property and Rolling Stock sales processes;
- (f) attending hearings in the Chapter 11 Cases for matters related to these CCAA Recognition Proceedings;

- (g) reviewing decisions released in the Chapter 11 Cases for matters related to these CCAA Recognition Proceedings;
- (h) with the assistance of Cassels, preparing this Eighth Report, and reviewing draft materials of the Foreign Representative in connection with these CCAA Recognition Proceedings; and
- (i) providing other such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request.

11.0 RECOMMENDATIONS

- 11.1 The Information Officer understands that the recognition of the Reimer Lease Termination Approval Order and the other relief sought in the Eighth Supplemental Order are necessary to advance the Restructuring Proceedings.
- 11.2 The Information Officer and its legal counsel have reviewed the Reimer Lease Termination Approval Order and believe that recognition thereof pursuant to the Eighth Supplemental Order is reasonable and appropriate in the circumstances, and in the best interests of the Canadian Debtors and their stakeholders. Based on the foregoing, the Information Officer respectfully recommends that this Court grant the relief requested by the Foreign Representative.

All of which is respectfully submitted to the Court this 25th day of April, 2025.

**ALVAREZ & MARSAL CANADA INC.,
Information Officer of the Canadian Debtors
and not in its personal or corporate capacity**

Per: 

Alan J. Hutchens
Senior Vice-President

Per: 

Josh Nevsky
Senior Vice-President

APPENDIX A

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF YRC FREIGHT CANADA COMPANY, YRC LOGISTICS
INC., USF HOLLAND INTERNATIONAL SALES CORPORATION AND 1105481
ONTARIO INC.**

**APPLICATION OF YELLOW CORPORATION UNDER SECTION 46 OF THE
COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS
AMENDED**

**SEVENTH REPORT OF THE INFORMATION OFFICER
ALVAREZ & MARSAL CANADA INC.**

December 3, 2024

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APPENDICES

Appendix “A” – Sixth Report of the Information Officer (without appendices)

Appendix “B” – Affidavit of Alan J. Hutchens sworn December 3, 2024

Appendix “C” – Affidavit of Ryan Jacobs sworn December 2, 2024

1.0 INTRODUCTION

- 1.1 On August 6, 2023 (the “**Petition Date**”), Yellow Corporation (“**Yellow Parent**”) and certain of its subsidiaries and affiliates (collectively, the “**Debtors**”) commenced cases in the United States Bankruptcy Court for the District of Delaware (the “**U.S. Bankruptcy Court**”) by filing voluntary petitions for relief under Chapter 11 of Title 11 of the United States Code (the “**Chapter 11 Cases**”).
- 1.2 The purpose of the Chapter 11 Cases is to facilitate an orderly wind-down of the Debtors’ operations and a sale process for their assets, including the assets of their Canadian subsidiaries, YRC Freight Canada Company, YRC Logistics Inc., USF Holland International Sales Corporation, and 1105481 Ontario Inc. (collectively, the “**Canadian Debtors**”), to be followed by the solicitation and confirmation of a liquidating Chapter 11 plan. Each of the Canadian Debtors is also a Debtor in the Chapter 11 Cases.
- 1.3 On August 8, 2023, upon the application of the Yellow Parent in its capacity as the proposed foreign representative in the Chapter 11 Cases (the “**Foreign Representative**”), the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order pursuant to Part IV of the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) and Section 106 of the *Courts of Justice Act*, providing for an interim stay of proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada.
- 1.4 The proceedings commenced by the Yellow Parent under the CCAA together with the Chapter 11 Cases, are referred to herein as the “**Restructuring Proceedings**”.

- 1.5 On August 9, 2023, the U.S. Bankruptcy Court granted certain orders (the “**First Day Orders**”), including the Foreign Representative Order authorizing Yellow Parent to act as the Foreign Representative of the Debtors. Following the hearing on the first day motions, the U.S. Bankruptcy Court also granted certain additional interim orders.¹
- 1.6 On August 29, 2023, this Court made two orders (the “**Initial Recognition Order**” and the “**Supplemental Order**”) that, among other things: (a) recognized the Chapter 11 Cases as a “foreign main proceeding” under the CCAA; (b) recognized Yellow Parent as the “foreign representative” of the Canadian Debtors; (c) stayed all proceedings in respect of the Canadian Debtors and the Yellow Parent, and their respective directors and officers, in Canada; (d) appointed Alvarez & Marsal Canada Inc. (“**A&M Canada**”) as the information officer (the “**Information Officer**”); (e) recognized and gave effect in Canada to certain of the First Day Orders and additional orders issued by the U.S. Bankruptcy Court; and (f) granted the Administration Charge, the D&O Charge, and the DIP Charge (each as defined in the Supplemental Order).
- 1.7 On September 29, 2023, this Court granted an order (the “**Second Supplemental Order**”) that, among other things: (a) recognized and gave effect in Canada to certain final First Day Orders including the Final DIP Order (as defined in the Sixth Report); and (b) recognized and gave effect in Canada to certain additional orders such as the Bidding

¹ Copies of orders granted in the Chapter 11 Cases and other documents related to such proceedings are available at the website maintained by Epiq: <https://dm.epiq11.com/case/yellowcorporation>.

Procedures Order, the Omnibus Rejection Order, the Bar Date Order and the Real Estate Stalking Horse APA Order (each as defined in the Second Supplemental Order).

- 1.8 On November 8, 2023, this Court granted an order (the “**Third Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Rolling Stock Sale Order (as defined in the Third Supplemental Order).
- 1.9 On December 5, 2023, this Court granted an order (the “**Fourth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the DIP Amendment Order and the Supplemental Agency Agreement Order (as defined in the Fourth Supplemental Order).
- 1.10 On December 12, 2023, the U.S. Bankruptcy Court granted an order (the “**Initial Sale Order**”) approving the sale of 128 Owned Properties and two Leased Properties (as defined in the Sixth Report of the Information Officer), including two Canadian Owned Properties.
- 1.11 On December 19, 2023, this Court granted an order (the “**Sale Recognition and Vesting Order**”) that, among other things, recognized and gave effect in Canada to the Initial Sale Order approving the RGH Transaction and the Allstar Transaction (each as defined in the Initial Sale Order) and granted certain related relief.
- 1.12 On February 28, 2024, this Court granted an order (the “**Fifth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Documents Order, the Order to Compel and the Lease Assumption Order (as defined in the Fifth Supplemental Order).

1.13 On June 19, 2024, this Court granted an order (the “**Sixth Supplemental Order**”) that, among other things, recognized and gave effect in Canada to the Lienholder Rolling Stock Settlement Order and the Mailbox Destruction Order (as defined in the Sixth Supplemental Order).

1.14 A&M Canada, in its capacity as Information Officer, has previously provided six reports to this Court (collectively, the “**Prior Reports**”). A&M Canada has also, in its capacity as Proposed Information Officer, filed with this Court a report dated August 25, 2023 (the “**Pre-Filing Report**”). The Prior Reports, Pre-Filing Report and other Court-filed documents, orders and notices in these proceedings are available on the Information Officer’s case website at: www.alvarezandmarsal.com/YRCFreightCanada.

2.0 TERMS OF REFERENCE AND DISCLAIMER

2.1 In preparing this report (the “**Seventh Report**”), the Information Officer has relied solely on information and documents provided by the Foreign Representative and other Debtors, as well as their Canadian legal counsel, their U.S. financial advisors, and publicly available documents filed with the U.S. Bankruptcy Court (collectively the “**Information**”). Except as otherwise described in this Seventh Report:

- (a) the Information Officer has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Information Officer has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (“**CAS**”) pursuant to the *Chartered Professional Accountants of Canada Handbook* (the “**Handbook**”) and

accordingly, the Information Officer expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and

- (b) some of the information referred to in this Seventh Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the Handbook, has not been performed.

2.2 This Seventh Report should be read in conjunction with the Affidavit of Matthew A. Doheny sworn on December 2, 2024 (the “**Eighth Doheny Affidavit**”). Capitalized terms used but not defined herein shall have the meanings ascribed to them in the in the Eighth Doheny Affidavit.

2.3 Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars.

3.0 PURPOSE OF THIS REPORT

3.1 The purpose of this Seventh Report is to provide this Court with information concerning, and where applicable the Information Officer’s views on, the following matters:

- (a) an update on the Debtors’ sale process for the Real Property Assets and Rolling Stock Assets (as defined below);
- (b) an update on the Debtors’ claims process pursuant to the Bar Date Order;
- (c) the Foreign Representative’s motion for an order (the “**Seventh Supplemental Order**”), among other things:

- i. recognizing and giving effect in Canada to the Disclosure Statement Order (as defined below);
 - ii. recognizing and giving effect in Canada to the Additional Foreign Orders (as defined below) (together with the Disclosure Statement Order, the “**U.S. Orders**”);
 - iii. approving the fees and disbursements of the Information Officer and its legal counsel, Cassels Brock & Blackwell LLP, details of which are included herein; and
 - iv. approving certain reports issued by the Information Officer in these CCAA recognition proceedings, and the activities of the Information Officer described therein;
- (d) a summary of the status of the Chapter 11 Cases;
- (e) a summary of the activities of the Information Officer since June 17, 2024 being the date of the Sixth Report of the Information Officer (the “**Sixth Report**”) a copy of which is attached hereto as Appendix “A” without appendices; and
- (f) the Information Officer’s conclusions and recommendations with respect to the relief sought by the Foreign Representative.

4.0 UPDATE ON SALE PROCESS

Real Property Assets

- 4.1 As described in the Prior Reports, prior to the Petition Date, the Debtors had commenced an extensive process to market their assets, including the Debtors' portfolio of owned and leased real property (the "**Real Property Assets**"), as well as thousands of trucks, trailers, and other types of operational equipment (the "**Rolling Stock Assets**").
- 4.2 The U.S. Bankruptcy Court entered orders on December 12, 2023 (*i.e.*, the Initial Sale Order, as referenced above), January 12, 2024 and February 22, 2024 (collectively, the "**U.S. Sale Orders**") authorizing the Debtors to enter into certain asset purchase agreements in respect of their Real Property Assets (including the Owned Properties and Leased Properties).
- 4.3 Through the asset sales pursuant to the U.S. Sale Orders, the Debtors have entered into agreements for approximately 21 transactions, comprised of approximately 128 Owned Properties and 35 Leased Properties, for aggregate proceeds of approximately \$1.9 billion.
- 4.4 From the proceeds generated by these sales, the Debtors have paid off all of their pre-petition secured funded debt and all of their post petition debtor-in-possession financing. The Debtors have approximately \$350 million of cash.
- 4.5 The Debtors continue to maximize value for the remaining Real Property Assets. To that end, the Debtors filed a *Notice of Further Supplemental Dates and Deadlines Regarding Continued Sale Process for Debtors' Remaining Properties, Including Bid Deadline,*

Auction and Sale Hearing, establishing the following schedule of continued sale process dates and deadlines, pursuant to the Bidding Procedures:

Date and Time	Event or Deadline
January 6, 2025 at 5:00 p.m. (E.T.)	Bid Deadline
As soon as reasonably practicable following the Bid Deadline	Notification to parties of “Qualified Bidder” status
January 13-14, 2025 at 9:00 a.m. (E.T.)	Auction (if any)
January 17, 2025 (or as soon as practicable thereafter)	Filing of Notice of Winning Bidders and Back-Up Bidders (as applicable)
January 27, 2025 at 4:00 p.m. (E.T.)	Objection Deadline
January 30, 2025 at 10:00 a.m. (E.T.)	Sale Hearing
February 2025 or as soon as practicable	Sale Closings (as applicable)

The Canadian Owned Properties

- 4.6 The Debtors have sold one Canadian Owned Property to date.
- 4.7 As described in the Fifth Report of the Information Officer, the RGH Transaction was completed on January 23, 2024 for proceeds of approximately \$2.97 million. Pursuant to the terms of the Sale Recognition and Vesting Order, the proceeds from the RGH Transaction form part of the Real Property Holdback (as defined in the Sale Recognition and Vesting Order) and are currently being held by the Information Officer in trust on behalf of the Debtors pending further order of this Court.

4.8 Although a second sale transaction related to a property owned by YRC Freight Canada in Quebec (the “**Allstar Transaction**”) was approved by the U.S. Bankruptcy Court and recognized by this Court, the purchaser failed to close the transaction despite extensive efforts of the Debtors and their advisors. Among other things, the Debtors obtained the Order to Compel and the Contempt Order from the U.S. Bankruptcy Court in an effort to bring the issue to a resolution. The Order to Compel was recognized by this Court pursuant to the Fifth Supplemental Order, and the Contempt Order was recognized by this Court pursuant to the Sixth Supplemental Order. The property in Quebec remains available for sale.

4.9 The other remaining Canadian Owned Property is located at 285 Blair Street, Oshawa, Ontario, which the Debtors, with the assistance of CBRE Inc. (“**CBRE**”), are continuing to market in accordance with the timeline and process referenced above.

The Canadian Leased Properties

4.10 The Debtors and their advisors spent significant time determining which remaining unexpired leases are likely to bring future value to their estates. On February 26, 2024, the U.S. Bankruptcy Court granted the Lease Assumption Order, authorizing the Debtors to assume approximately 29 unexpired Leased Properties, including 10 leases in respect of Canadian Properties. The Lease Assumption Order was recognized pursuant to the Fifth Supplemental Order.

4.11 As discussed in detail in the Eighth Doheny Affidavit, on October 25, 2024, YRC Freight Canada entered into a lease termination agreement in respect of its leased property located at 1725 Chemin Saint-Francois, Dorval, Quebec, and obtained the Quebec Lease

Termination Approval Order from the U.S. Bankruptcy Court, approving the entry into the agreement and the exchange of mutual releases. The Foreign Representative is now seeking recognition of the Quebec Lease Termination Approval Order. Following termination of the Quebec lease, there are 9 remaining leases in Canada.

4.12 The Debtors have, to date, rejected four of YRC Freight Canada's Leased Properties and one Canadian lease where YRC Inc. was the tenant.

4.13 As described in the Sixth Report, pursuant to the rejection notice filed pursuant to the Omnibus Rejection Order on April 18, 2024, the Debtors rejected the lease in respect of a Canadian Leased Property located in Mississauga, Ontario (the "**Mississauga Lease**").

4.14 On May 1, 2024, the Debtors filed a tenth rejection notice pursuant to the Omnibus Rejection Order, seeking to reject a sublease agreement between YRC Freight Canada and Transport Morneau Inc. ("**TMI**"), under which TMI subleases from YRC Freight Canada certain property that YRC Freight Canada leased pursuant to the Mississauga Lease (the "**Mississauga Sublease Agreement**"). Following extensive negotiations between the Debtors and TMI, a settlement was reached to terminate the sublease agreement, with TMI agreeing to enter into a new lease agreement with the landlord. The *Order Approving the Joint Stipulation by and among the Debtors and Transport Morneau Inc. Terminating Certain Subleases* was granted by the U.S. Bankruptcy Court on October 24, 2024 (the "**TMI Sublease Termination Order**"). TMI filed a notice withdrawing its opposition to the rejection of the Mississauga Sublease Agreement on October 28, 2024. The Information Officer understands that the Debtors were not required to pay any cure costs in order to facilitate this settlement. The Foreign Representative is seeking recognition of the TMI

Sublease Termination Order for consistency, although termination is consistent with the prior rejection procedure.

Disposition of the Remaining Properties

- 4.15 As of the date of this Seventh Report, the Debtors have approximately 47 Owned Properties (including the two Canadian Owned Properties) and approximately 50 Leased Properties (including 9 Canadian Leased Properties), with an additional 29 non-Canadian Leased Properties subject to extensions of the deadline under section 365(d)(4) of the U.S. Bankruptcy Code for the Debtors to assume or reject such Leased Properties.
- 4.16 The Debtors' efforts to market the remaining Owned Properties and Leased Properties remain ongoing in accordance with the timeline and process referenced above. On August 23, 2024, the U.S. Bankruptcy Court granted an order (the "**CBRE Retention Order**") that, among other things, authorized the Debtors to retain CBRE as broker and real estate advisor for the ongoing sale process.

Rolling Stock Assets

- 4.17 On October 27, 2023, the U.S. Bankruptcy Court granted the Rolling Stock Sale Order approving among other things: (a) the Rolling Stock Agency Agreement with Nations Capital LLC, Richie Bros. Auctioneers (America) Inc., IronPlanet Inc., Richie Bros. Auctioneers (Canada) Ltd., and IronPlanet Canada Ltd. (collectively the "**Rolling Stock Agent**") as auctioneer, broker and exclusive marketing agent of the Rolling Stock Assets; and (b) authorizing the sale by the Rolling Stock Agent (on behalf of the Debtors) of the Rolling Stock Assets free and clear of any liens, claims, interests and encumbrances. On

November 8, 2023, this Court granted the Third Supplemental Order that, among other things, recognized and gave effect in Canada to the Rolling Stock Sale Order.

4.18 The Debtors' efforts to market and sell the Debtors' Rolling Stock Assets pursuant to the Rolling Stock Sale Order are ongoing. The Rolling Stock Agent has held over 30 auctions, to date, with 17 auctions held in Canada that have generated approximately CAD\$2.9 million of gross proceeds. No additional Canadian Rolling Stock Assets continue to be marketed.

5.0 UPDATE ON CLAIMS PROCESS AND RELATED LITIGATION

5.1 On September 13, 2023, the U.S. Bankruptcy Court entered the Bar Date Order. The Bar Date Order, among other things, approved the procedures and deadlines for the submission of claims against the Debtors (including the Canadian Debtors, who are also debtors in the Chapter 11 Cases) and the procedures for providing notice of the claims procedure to known and unknown creditors of the Debtors. The Bar Date Order was recognized by this Court pursuant to the Second Supplemental Order.

5.2 In total, approximately 13,540 proofs of claim have been filed against the Debtors, asserting over \$10 billion in claims. The Debtors continue to review and reconcile proofs of claim filed in accordance with the Bar Date Order including claims filed against the Canadian Debtors.

5.3 To date, the Debtors have filed twenty-two omnibus objections to claims, which includes claims asserted against the Canadian Debtors, on the basis that certain claims are

duplicative, asserted against the incorrect Debtor entity, or incorrectly asserted administrative priority, amongst other objectionable grounds.

- 5.4 Among the claims filed, approximately 1,300 proofs of claim filed relate to claims under the *Workers' Adjustment Notification Act* (the "**WARN Act**") or its state level equivalents (the "**WARN Act Claims**"), as well as various claims filed by multiemployer pension plans (the "**MEPPs**") alleging withdrawal liability (the "**MEPP Claims**").
- 5.5 In particular, with respect to the MEPP Claims, the Central States Pension Fund ("**CSPF**") is a MEPP that filed proofs of claim seeking nearly \$4.8 billion for withdrawal liability (the "**CSPF Withdrawal Liability Claim**") and nearly \$5.8 billion in total.
- 5.6 The Debtors have objected to certain of the MEPP Claims and WARN Act Claims, including the CSPF's claims.
- 5.7 In total, the Debtors have objected to ten other MEPP Claims that seek over \$1.6 billion in withdrawal liability (the "**SFA MEPP Claims**"), not including the CSPF Withdrawal Liability claim (which is also subject to an objection). The Debtors objected to the SFA MEPP Claims on the basis that these MEPPs received more than \$5.32 billion in special financial assistance from the U.S. Treasury as of the Petition Date which should negate any withdrawal liability.
- 5.8 The Debtors and CSPF and certain other SFA MEPPs filed partial summary judgment motions regarding the CSPF Withdrawal Liability Claim. A hearing was held on the summary judgment motions on August 6, 2024. On September 13, 2024, the U.S. Bankruptcy Court issued a decision rejecting the Debtors' argument that the MEPP Claims

(most notably the CSPF Withdrawal Liability Claim) should be fully disallowed on the basis of the pension plans' prior receipt, during the COVID-19 pandemic, of federal special financial assistance (the "**Withdrawal Liability Decision**").

- 5.9 On September 27, 2024, the Debtors and MFN Partners, LP ("**MFN**"), each filed motions asking the U.S. Bankruptcy Court to reconsider certain aspects of the Withdrawal Liability Decision. A hearing on the motions to reconsider was held on October 28, 2024.
- 5.10 On November 5, 2024, the U.S. Bankruptcy Court granted the Debtors' motion to reconsider the issue of whether the Debtors had defaulted on their withdrawal liability obligation, which will impact the quantum of withdrawal liability.
- 5.11 On November 12, 2024, the U.S. Bankruptcy Court denied MFN's motion to reconsider.
- 5.12 There have also been 139 MEPP Claims filed by MEPPs that did not receive special financial assistance, which collectively seek more than \$582 million in withdrawal liability (the "**Non-SFA MEPP Claims**"). The Debtors have objected to the Non-SFA MEPP Claims, and made certain settlement proposals.
- 5.13 A hearing regarding the Non-SFA MEPP Claims on issues regarding interest rate and annual payments, has been scheduled for December 16, 2024, and a hearing regarding the SFA MEPP Claims and Non-SFA MEPP Claims, on issues regarding acceleration, default, discounting to present value, subordination of claims, CSPF's contribution guarantee

claims, and any outstanding issues, has been scheduled for January 28, 2025. A trial on the WARN Act Claims is set for January 21, 2025.²

6.0 PLAN AND DISCLOSURE STATEMENT

6.1 The Debtors commenced the Chapter 11 Cases and these CCAA recognition proceedings to facilitate an orderly wind-down of the Debtors' operations and conduct an orderly and value-maximizing sale of their portfolio of Real Property Assets and Rolling Stock Assets, to be followed by the solicitation and confirmation of a liquidating Chapter 11 plan.

6.2 On September 2, 2024, the Debtors filed with the U.S. Bankruptcy Court the *Joint Chapter 11 Plan of Yellow Corporation and its Debtor Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Plan**") and the *Disclosure Statement for the Joint Chapter 11 Plan of Yellow Corporation and its Debtors Affiliates Pursuant to Chapter 11 of the Bankruptcy Code* (the "**Disclosure Statement**").

6.3 On October 17, 2024, the Debtors filed a motion seeking, among other things, U.S. Bankruptcy Court approval of the Disclosure Statement Order, along with amended versions of the Plan and Disclosure Statement.

6.4 An overview of the development of the Plan is provided in the Eighth Doheny Affidavit.

6.5 As described further in the Eighth Doheny Affidavit, the Plan provides for the continuation of the Debtors' wind-down through the creation of the Liquidating Trust (as defined in the

² Schedules related to the hearings before the U.S. Bankruptcy Court are subject to change.

Plan), which will, among other things, seek to wind down the Debtors' remaining affairs and make distributions to the Debtors' creditors in accordance with the priorities established in the U.S. Bankruptcy Code.

6.6 The U.S. Bankruptcy Court has scheduled a hearing to consider confirmation of the Plan for February 4, 2025 at 2:00 p.m. (E.T.). If the Confirmation Order (as defined below) is granted, the Foreign Representative will return to this Court for recognition of such order.

6.7 The Canadian Debtors, as Debtors in the Chapter 11 Cases, are subject to the proposed Plan. Accordingly, if the Plan receives the requisite creditor approval, is confirmed by the U.S. Bankruptcy Court and implemented, the assets of the Debtors will vest in the Liquidating Trust as of the effective date of the Plan. An order of this Court recognizing and enforcing the Confirmation Order in Canada is a condition precedent to the Effective Date of the Plan solely as it relates to the Canadian Debtors.

6.8 The Plan classifies holders of Claims and Interests into classes for all purposes, including with respect to voting and distributions under the Plan.

6.9 The table below summarizes the classes, treatment of Claims and Interest under each class and the projected recoveries under the Plan:³

³ Capitalized terms not defined in this section, have their meaning in the Plan.

Class	Claim/Interest	Treatment of Claim/Interest	Projected Amount of Claims (in \$mm)	Projected Recovery
1	Secured Tax Claims	(i) Payment in full in Cash of such Holder's Allowed Secured Tax Claim, or (ii) equal semi-annual Cash payments commencing as of the Effective Date or as soon as reasonably practicable thereafter and continuing for five years, in an aggregate amount equal to such Allowed Secured Tax Claim, together with interest at the applicable non-default rate under non-bankruptcy law, subject to the option of the applicable Debtor or Liquidating Trustee to prepay the entire amount of such Allowed Secured Tax Claim during such time period.	<\$1.0	100%
2	Other Secured Claims	(i) Payment in full in Cash of such Holder's Allowed Other Secured Claim; (ii) the collateral securing such Holder's Allowed Other Secured Claim; (iii) Reinstatement of such Holder's Allowed Other Secured Claim; or (iv) such other treatment rendering such Holder's Allowed Other Secured Claim Unimpaired.	\$0.0-\$405.0	100%
3	Other Priority Claims	Either satisfied in full, in Cash, or otherwise receive treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	\$130.0-\$275.0	100%
4A	Employee/PTO/Commission Claims	Either satisfied in full, in Cash, or otherwise receive treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code.	\$75.0-\$100.0	100%
4B	Convenience Class Claims	Either satisfied in full, in Cash, or otherwise receive treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code; provided, that prior to the date of the distribution(s), the Debtors shall give the Holders of Allowed Convenience Class Claims ten (10) days' notice prior to such distribution(s); provided further, that to the extent that a Holder of an Allowed Convenience Claim against a Debtor holds any joint and several liability claims, guaranty claims, or other similar claims against any	\$12.0-\$25.0	100%

Class	Claim/Interest	Treatment of Claim/Interest	Projected Amount of Claims (in \$mm)	Projected Recovery
		other Debtor arising from or relating to the same obligations or liability as such Allowed Convenience Class Claim, such Holder shall only be entitled to a distribution on one Convenience Class Claim against the Debtors in full and final satisfaction of all such Claims. For the avoidance of doubt, Employee PTO/Commission Class 5 GUC Claims shall not be Convenience Class Claims.		
5	General Unsecured Claims	(i) its Pro Rata share of the GUC Liquidating Trust Interests and on the applicable Distribution Date, its Pro Rata share of Distributable Proceeds derived from the Liquidating Trust Assets available for distribution on each such Distribution Date as provided under the Plan and Liquidating Trust Agreement, plus (ii) if and only to the extent Distributable Proceeds are available after all Allowed General Unsecured Claims are paid in full, in Cash, Postpetition Interest from the Petition Date through and including the date of satisfaction of such Allowed General Unsecured Claim in full, in Cash; provided, Allowed Withdrawal Liability Claims may be reduced and/or subordinated to all other General Unsecured Claims in an amount as determined by an order of the Bankruptcy Court or as otherwise agreed to by the Debtors and the applicable claimant, subject to the consent of the Committee, such consent not to be unreasonably withheld. 5 For the avoidance of doubt, the Holders of Allowed General Unsecured Claims shall receive the Postpetition Interest set forth in this Article III.B.6 on a <i>pari pasu</i> basis with Allowed	\$2,300-\$4,700 ⁴	0-24% ⁵
			\$1,300-\$2,700 ²	0-38% ³

⁴ The range in projected amount of claims is based on two scenarios (i) no reduction or subordination of withdrawal liability claims or (ii) 50% reduction/subordination of withdrawal liability claims.

⁵ The projected recoveries on an entity-by-entity basis are provided in the Eighth Doheny Affidavit.

Class	Claim/Interest	Treatment of Claim/Interest	Projected Amount of Claims (in \$mm)	Projected Recovery
		Subordinated Withdrawal Liability Claims, if any.		
6	Intercompany Claims	(a) Reinstated, (b) converted to equity, (c) otherwise set off, settled, distributed, contributed, cancelled, or released, or (d) otherwise addressed at the option of the Liquidating Trustee without any distribution; provided, such election shall not adversely affect the treatment provided to Classes 4A, 4B, and 5.	N/A	N/A
7	Intercompany Interests	(a) Reinstated or (b) set off, settled, addressed, distributed, contributed, merged, cancelled, or released, or (c) otherwise addressed at the option of the Liquidating Trustee without any distribution; provided, however, such election shall not adversely affect the treatment provided to Classes 4A, 4B, and 5.	N/A	N/A
8	Interests in Yellow Corporation	If and only to the extent Distributable Proceeds are available after all Allowed General Unsecured Claims are paid in full, including Postpetition Interest, except to the extent that a Holder of an Interest in Yellow Corporation agrees to less favorable treatment, in exchange for such Interest in Yellow Corporation, shall receive its Pro Rata share of the Equity Liquidating Trust Interests and as a Beneficiary shall receive, on the applicable Distribution Date, their Pro Rata share of Distributable Proceeds derived from the Liquidating Trust Assets available for distribution on each such Distribution Date as provided under the Plan and Liquidating Trust Agreement.	N/A	N/A
9	Section 510(b) Claims	Canceled, released, and extinguished as of the Effective Date, and will be of no further force or effect.	N/A	N/A

6.10 Based on the foregoing, the Debtors are soliciting votes to accept or reject the Plan from holders of General Unsecured Claims (“GUC”) in Class 5, which is the sole voting class. The Debtors are not soliciting votes from holders of Claims or Interests in Classes 1,2,3,4A,4B,6,7,8, and 9.

Employee Claims

6.11 Employee claims, with respect to claims against the Canadian Debtors, largely consist of claims against YRC Freight Canada in respect of accrued and unpaid vacation pay owing prior to the Petition Date. As described in the Eighth Doheny Affidavit, in the lead-up to the Petition Date, all of YRC Freight Canada’s unionized employees were placed on lay-off and all but approximately 65 non-unionized employees were terminated, and shortly thereafter, the Debtors paid approximately CAD\$4 million in respect of statutory termination and severance pay amounts to such Canadian employees.

6.12 The Debtors have not been permitted to make payments in respect of accrued paid time off obligations on account of employees terminated prior to the Petition Date. With respect to the Canadian Debtors, the aggregate accrued vacation pay obligations on account of employees terminated or laid off prior to the Petition Date totals approximately CAD\$2.2 million, for 461 unionized and non-unionized employees. As discussed below, Canadian employee claims for vacation pay are addressed under the proposed Plan.

6.13 Pursuant to the Plan, an “Employee/PTO/Commission Claim” is any Claim on account of outstanding obligations owing to the Debtors’ current and/or former employees for unpaid vacation or paid time off pay, sick pay, or sales commissions and any Canadian Employee Priority Claims, which is defined in the Plan to mean any claim by employees entitled to

priority under applicable Canadian law or for which employees may have claims against the directors or officers of the Canadian Debtors.

- 6.14 Under the Plan, there are three separate classifications for Employee PTO / Commission Claims. First, any Employee PTO / Commission Claim entitled to priority under section 507(a) of the U.S. Bankruptcy Code is treated under the Plan as “Other Priority Claims”, which constitute Class 3 claims and are unimpaired and are presumed to accept the Plan. The Information Officer understands that section 507(a) of the U.S. Bankruptcy Code gives priority to certain claims, including claims for employee salaries, commissions, vacation, severance and sick leave pay, if earned within 180 days before the commencement of the Chapter 11 Cases, up to \$15,150 per employee. Under the Plan, if approved by creditors, confirmed by the U.S. Bankruptcy Court and implemented, each allowed Other Priority Claim will be satisfied in full, in cash, or otherwise receive treatment consistent with the U.S. Bankruptcy Code, and those claimants are presumed to accept the Plan.
- 6.15 Second, any Employee PTO / Commission Claim that is not an Other Priority Claim, up to a cap of \$7,500 (the “**Employee PTO / Commission Full Pay GUC Cap**”), is an “Employee PTO / Commission Full Pay GUC Claim”, which constitutes a Class 4A claim and is unimpaired, and such claimants are presumed to accept the Plan.
- 6.16 Third, any Employee PTO / Commission Claim that is not an Employee PTO / Commission Priority Claim and is in excess of the Employee PTO / Commission Full Pay GUC Cap of \$7,500, is an “Employee PTO / Commission Full Pay Class 5 GUC Claim”. Any such employee claims are treated as General Unsecured Claims under the Plan. General Unsecured Claims constitute Class 5 claims and are the sole voting class.

6.17 With respect to employee liabilities of the Canadian Debtors scheduled in the Debtors' schedules of assets and liabilities, it is expected that, if the Plan is approved by creditors pursuant to the Debtors' ongoing solicitation of the Plan, confirmed by the U.S. Bankruptcy Court and implemented, all such claims will recover in full as Class 3 (Other Priority Claims) and Class 4A (Employee PTO / Commission Full Pay GUC Claims) claims as none of these scheduled claims have non-priority amounts that exceed the Employee PTO / Commission Full Pay GUC Cap. However, there are certain claims asserted by former Canadian employees that are still in the process of being reviewed and reconciled as of the date of this Report and the amounts asserted in such claims exceed the thresholds in the classes set out above.

6.18 As described in the Eighth Doheny Affidavit, pursuant to the Third Supplemental Order and the Sale Recognition and Vesting Order, the Canadian Debtors are required to hold back from net proceeds received from the sale of any Canadian Rolling Stock Assets and the RGH Transaction an amount equal to the aggregate of the Administration Charge and the D&O Charge, the latter of which was calculated taking into account, among other things, the Canadian Debtors' outstanding accrued vacation pay obligations. This holdback amount of CAD\$4.2 million is being held by the Debtors (approximately CAD\$125,000) and the Information Officer (approximately CAD\$4,075,000) and is subject to further order of this court.

Other Canadian Creditors

6.19 In addition to the recoveries for employees with claims against the Canadian Debtors, as described above, the Plan, if approved by creditors pursuant to the Debtors' ongoing

solicitation of the Plan, confirmed by the U.S. Bankruptcy Court and implemented, is expected to provide recoveries for Canadian creditors with claims against the Debtors in the same manner as non-Canadian creditors.

- 6.20 Anticipated recoveries under the Plan for holders of Claims or Interests is provided in the summary table above. As stated in the Disclosure Statement, the projected recoveries are estimates and subject to change. As the Plan constitutes a separate Chapter 11 Plan for each Debtor, recoveries of any particular creditor vary depending on, among other things, the entity at which their claim is ultimately allowed. The projected recoveries on an entity-by-entity basis is provided in the Eighth Doheny Affidavit.
- 6.21 YRC Freight Canada's estimated recovery percentage ranges from 0%-0.9%, while there are no projected recoveries for creditors of YRC Logistics Inc., USF Holland International Sales Corporation and 1105481 Ontario Inc., if any, as those entities do not have any assets or operations. As set out in the Eighth Doheny Affidavit, the recoveries across the Debtors vary in part due to the joint and several claims asserted against each Debtor.
- 6.22 Further detail regarding the projected recoveries is set out in the liquidation analysis filed by the Debtors in the Chapter 11 Cases (the "**Liquidation Analysis**"), and is attached as Exhibit "F" to the Eighth Doheny Affidavit. As reflected in the Liquidation Analysis, the Debtors believe that liquidation of the Debtors' business under Chapter 7 of the U.S. Bankruptcy Code would result in substantial diminution in the value to be realized by holders of Allowed Claims or Interests as compared to distributions contemplated under the Plan.

Plan Releases

- 6.23 The Plan includes certain consensual debtor and third-party releases, an exculpation provision, and an injunction provision. With respect to the releases, in general terms, the Plan contains a release by the Debtors and a release by the Releasing Parties, in each case in favour of the Released Parties.
- 6.24 The Releasing Parties means (each as defined in the Plan), each of, and in each case in its capacity as such: (a) the Debtors; (b) the Liquidating Trustee; (c) all Holders of Claims who vote to accept the Plan and who affirmatively opt in to the releases provided by the Plan; (d) all Holders of Claims who vote to reject the Plan and who affirmatively opt in to the releases provided by the Plan; (e) all Holders of Claims who are deemed to reject the Plan and who affirmatively opt in to the releases provided by the Plan; (f) all Holders of Claims who are presumed to accept the Plan and who affirmatively opt in to the releases provided by the Plan; (g) all Holders of Interests who affirmatively opt in to the releases provided by the Plan; (h) the Committee and its members (including any ex officio member(s)); (i) each current and former Affiliate of each Entity in clause (a) through the following clause (j) for which such Entity is legally entitled to bind such Affiliate to the releases contained in the Plan under applicable non-bankruptcy law; and (j) each Related Party of each Entity in clause (a) through clause (i) for which such Affiliate or Entity is legally entitled to bind such Related Party to the releases contained in the Plan under applicable non-bankruptcy law; provided that each such Entity that elects not to opt into the releases contained in this Plan, such that it is not a Releasing Party in its capacity as a

Holder of a Claim or Interest shall nevertheless be a Releasing Party in each other capacity applicable to such Entity.

6.25 The Released Parties means (each as defined in the Plan), each of, and in each case in its capacity as such: (a) the Debtors; (b) the Liquidating Trustee; (c) all Holders of Claims; (d) all Holders of Interests; (e) the Committee and its members (including any ex-officio member(s)); (f) each Releasing Party; (g) the Information Officer; (h) each current and former Affiliate of each Entity in clause (a) through the following clause (i); and (i) each Related Party of each Entity in clause (a) through clause (h); provided that with respect to any Entity in clause (c) and (d), such Entity shall not be a Released Party if it elects not to opt into the releases described in Article IX of the Plan.

7.0 RECOGNITION SOUGHT OF THE DISCLOSURE STATEMENT ORDER

7.1 The U.S. Bankruptcy Court held a hearing on the Disclosure Statement on November 21, 2024 (the “**Disclosure Statement Hearing**”). The Disclosure Statement Order was entered on an unopposed basis after the Debtors consensually resolved objections from the U.S. Trustee, the UCC, the CSPF, and certain other responding parties, and after the Debtors implemented certain changes to the Disclosure Statement, including requiring creditors to “opt in” to grant the releases under the Plan, in a manner that is distinctly separate from voting affirmatively on the Plan.

7.2 After the Disclosure Statement Hearing, the Debtors filed revised versions of the Disclosure Statement and Plan reflecting amendments agreed to in principle at the Disclosure Statement Hearing, as well as a revised version of the Disclosure Statement Order.

- 7.3 On November 22, 2024, the U.S. Bankruptcy Court granted an order (the “**Disclosure Statement Order**”), among other things: (a) approving the Disclosure Statement as containing “adequate information” pursuant to section 1125 of the U.S. Bankruptcy Code; (b) approving the Solicitation and Voting Procedures (as defined in the Disclosure Statement Order); (c) approving the solicitation materials and documents to be included in the solicitation packages that will be sent to holders of claims entitled to vote to accept or reject the Plan (the “**Solicitation Packages**”); and (d) establishing various dates and deadlines with respect to confirmation of the Plan (described further below).
- 7.4 The Disclosure Statement Order is described in the Eighth Doheny Affidavit and a copy is attached thereto as Exhibit “A”. The timeline and key processes contemplated by the Disclosure Statement are summarized as follows:

Event	Date	Description
Solicitation Mailing Deadline	Ten (10) business days following entry of the Order	The deadline by which the Debtors must distribute (i) Solicitation Packages, including Ballots, to Holders of Claims entitled to vote to accept or reject the Plan; (ii) Notices of Non-Voting Status and Opt-In Forms.
Publication Deadline	Three (3) business days following entry of the Order	The deadline by which the Debtors will submit the Confirmation Hearing Notice in a format modified for publication.
Plan Supplement Filing Deadline	January 14, 2025	The date by which the Debtors shall file the Plan Supplement.
Voting Deadline, Opt-In Deadline	January 21, 2025, at 4:00 p.m., Eastern Time	The deadline by which all Ballots and Opt-In Forms must be properly executed, completed and submitted so that they are received by Epiq as the Claims and Noticing Agent.
Plan Objection Deadline	January 21, 2025, at 4:00 p.m., Eastern Time	The deadline by which parties in interest may file objections to confirmation of the Plan.

Event	Date	Description
Deadline to File Voting Report	January 28, 2025	The date by which the report tabulating the voting on the Plan shall be filed with the U.S. Bankruptcy Court.
Confirmation Brief and Plan Objection Reply Deadline	January 31, 2025	The deadline by which the Debtors shall file their brief in support of confirmation of the Plan and reply to objections to confirmation of the Plan.
Confirmation Hearing Date	February 4, 2025, at 2:00 p.m., Eastern Time	The date of the Confirmation Hearing.

- 7.5 The Disclosure Statement Order does not approve or confirm the Plan, but finds that the Disclosure Statement contains the requisite “adequate information” under the U.S. Bankruptcy Code for creditors to make an informed decision regarding approval of the Plan, and authorizes the Debtors to solicit acceptances to the Plan by distribution of the Disclosure Statement and Solicitation Packages to the Debtors’ creditors entitled to vote on the Plan.
- 7.6 If the Plan receives requisite creditor approvals, the Debtors intend to seek, at the Confirmation Hearing (as defined in the Disclosure Statement Order), an order of the U.S. Bankruptcy Court confirming the Plan pursuant to section 1129 of the U.S. Bankruptcy Code (the proposed “**Confirmation Order**”).
- 7.7 Implementation of the Plan is conditioned on, among other things, the U.S. Bankruptcy Court having entered the Confirmation Order. In addition, solely with regards to the Canadian Debtors, a recognition order is a condition precedent to the effective date.

7.8 The Foreign Representative is seeking recognition by this Court of the Disclosure Statement Order. The Information Officer considered the following in assessing the reasonableness of the Disclosure Statement Order:

- (a) in the Information Officer's view, the contemplated Disclosure Statement provides adequate information that is consistent with information circulars approved by this Court in both Canadian-only and cross-border insolvency proceedings, and has been designed to provide stakeholders with the necessary information regarding the proposed Plan;
- (b) the timelines noted above provide sufficient time to ensure the holders of claims that are entitled to vote can review and assess the reasonableness of the Plan prior to the voting deadline;
- (c) the solicitation and voting process in the Disclosure Statement Order will enable creditors, including Canadian creditors, to receive notice of the Plan; and
- (d) the Information Officer does not believe the creditors of the Canadian Debtors would be materially prejudiced by the Disclosure Statement and there is no material prejudice in allowing creditors to vote pursuant to the Disclosure Statement Order.

7.9 Based on the foregoing, the Information Officer believes the Disclosure Statement Order is fair and reasonable and recommends that this Court recognize the Disclosure Statement Order.

8.0 RECOGNITION SOUGHT OF THE ADDITIONAL FOREIGN ORDERS

8.1 In addition to the Disclosure Statement Order, the Foreign Representative is seeking recognition by this Court of several of the other U.S. Orders including: (a) the Fifth Solicitation Exclusivity Order; (b) the ADR Procedures Order; (c) the De Minimis Claims Settlement Procedures Order; (d) the CBRE Retention Order; (e) the TMI Sublease Termination Approval Order; and (f) the Quebec Lease Termination Approval Order (collectively the “**Additional Foreign Orders**”).

8.2 Each of the Additional Foreign Orders for which recognition of this Court is being sought is defined and further described in the Eighth Doheny Affidavit and copies are attached as exhibits thereto.

8.3 The Information Officer and its legal counsel have reviewed the terms of each of the Additional Foreign Orders that the Foreign Representative is seeking recognition of and supports recognition of such Additional Foreign Orders by this Court.

8.4 The Information Officer notes that the Additional Foreign Orders for which the Foreign Representative is seeking recognition are, for the most part, common in Chapter 11 proceedings and relate to consensual and/ or procedural matters.

9.0 UPDATE ON THE CHAPTER 11 CASES

9.1 Other updates regarding the Chapter 11 Cases include:

- (a) De Minimis Assets: Since the date of the Sixth Report, the Information Officer has not received any further notices of De Minimis Assets sales in Canada. The

Information Officer has received two notices related to the abandonment of certain De Minimis Assets in Canada under the *Order Approving Procedures for De Minimis Asset Transactions and Abandonment of De Minimis Assets* dated September 14, 2023.

- (b) Employees: At this time, two non-unionized employees continue to be employed to assist with further remaining wind-down efforts of the Canadian Debtors. YRC Freight Canada has provided all employees terminated after the Petition Date with working notice or a combination of working notice and pay in lieu thereof in accordance with statutory requirements, as well as all amounts in respect of statutory severance pay.

10.0 REQUEST FOR APPROVAL OF FEES AND DISBURSEMENTS

- 10.1 The Information Officer and its legal counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), have maintained detailed records of their professional time and costs since the Information Officer’s appointment.
- 10.2 Paragraph 17 of the Supplemental Order (dated August 29, 2023) provides that the Information Officer and its legal counsel shall each be paid their reasonable fees and disbursements both before and after the making of the Supplemental Order by the Foreign Representative.
- 10.3 Paragraph 18 of the Supplemental Order further provides that the Information Officer and its legal counsel shall pass their accounts from time to time, and that the accounts of the

Information Officer and its legal counsel are not subject to approval in the Foreign Proceeding (as defined in the Sixth Supplemental Order).

10.4 The total fees of the Information Officer during the period from August 7, 2023 to October 19, 2024 (the “**A&M Application Period**”) are CAD\$557,457.95, comprised of fees of CAD\$478,686.50, disbursements of CAD\$14,639.12 (primarily for publication of notice of the proceedings in The Globe and Mail newspaper), and Harmonized Sales Tax (“**HST**”) of CAD\$64,132.33, (collectively, the “**A&M Accounts**”). The time spent by the Information Officer’s personnel during the A&M Application Period, is provided in the Affidavit of Alan J. Hutchens sworn December 3, 2024 (the “**Hutchens Affidavit**”), sworn in support hereof and attached hereto as Appendix “B”. Exhibit “B” to the Hutchens Affidavit is a summary of the personnel, hours and hourly rates charged by the Information Officer in respect of these CCAA recognition proceedings.

10.5 The total fees of Cassels during the period from July 1, 2023 to September 30, 2024 (the “**Cassels Application Period**”), amount to CAD\$591,328.70, which is comprised of fees of CAD\$509,821.50, HST of CAD\$67,880.25, and disbursements of CAD\$13,626.95 (collectively, the “**Cassels Accounts**”). The time spent by Cassels personnel during the Cassels Application Period, is provided in the Affidavit of Ryan Jacobs sworn December 2, 2024 (the “**Jacobs Affidavit**”), sworn in support hereof and attached hereto as Appendix “C”. Exhibit “B” to the Jacobs Affidavit provides a summary of the personnel, hours, and hourly rates charged by Cassels in respect of these CCAA recognition proceedings.

10.6 The Information Officer respectfully submits that the A&M Accounts and the Cassels Accounts are reasonable in the circumstances and have been validly incurred in accordance with the provision of the Supplemental Order.

11.0 ACTIVITIES OF THE INFORMATION OFFICER

11.1 The activities of the Information Officer since the Sixth Report have included:

- (a) updating the Case Website with the orders granted in these CCAA recognition proceedings and other relevant motion materials and reports;
- (b) with the assistance of Cassels, monitoring the Epiq website for activity in the Chapter 11 Cases;
- (c) responding to stakeholder inquiries regarding the Restructuring Proceedings;
- (d) discussions with the Information Officer's legal counsel and the Debtors' Canadian legal counsel and advisors, including A&M U.S., regarding matters relevant to the Chapter 11 Cases;
- (e) liaising with A&M U.S. regarding Canadian claims;
- (f) attending hearings in the Chapter 11 Cases for matters related to these CCAA recognition proceedings;
- (g) with the assistance of Cassels, preparing this Seventh Report and reviewing draft materials of the Foreign Representative in connection with these CCAA Recognition Proceedings; and

- (h) providing other such assistance to the Foreign Representative in the performance of its duties as the Foreign Representative may reasonably request.

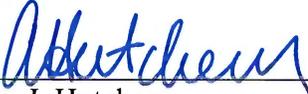
12.0 RECOMMENDATIONS

12.1 The Information Officer understands that the recognition of the U.S. Orders and the other relief sought in the Seventh Supplemental Order are necessary to advance the Restructuring Proceedings.

12.2 The Information Officer and its legal counsel have reviewed the U.S. Orders and believe that the recognition of the U.S. Orders is reasonable and appropriate in the circumstances. Based on the foregoing, the Information Officer respectfully recommends that this Court grant the relief requested by the Foreign Representative.

All of which is respectfully submitted to the Court this 3rd day of December, 2024.

**ALVAREZ & MARSAL CANADA INC.,
Information Officer of the Canadian Debtors
and not in its personal or corporate capacity**

Per: 
Alan J. Hutchens
Senior Vice-President

Per: 
Josh Nevsky
Senior Vice-President

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF YRC FREIGHT CANADA COMPANY, YRC LOGISTICS INC., USF HOLLAND INTERNATIONAL SALES CORPORATION
AND 1105481 ONTARIO INC.
APPLICATION OF YELLOW CORPORATION UNDER SECTION 46 OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36,
AS AMENDED

Court File No. CV-23-00704038-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
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SEVENTH REPORT OF THE INFORMATION OFFICER

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IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF YRC FREIGHT CANADA COMPANY, YRC LOGISTICS INC., USF HOLLAND INTERNATIONAL SALES CORPORATION
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AMENDED

Court File No. CV-23-00704038-00CL

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EIGHTH REPORT OF THE INFORMATION OFFICER

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