

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2018 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>06/29/2018</u>			
A	This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☒ a single-employer plan	☐ a DFE (specify) ____	
B	This return/report is:	☐ the first return/report ☐ an amended return/report ☒ the final return/report ☒ a short plan year return/report (less than 12 months)	
C	If the plan is a collectively-bargained plan, check here. ▶ ☐		
D	Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ special extension (enter description)	☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'</u>	1b	Three-digit plan number (PN) ▶ <u>010</u>
		1c	Effective date of plan <u>01/01/1977</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>XPO CNW, INC.</u> <u>PO BOX 3745</u> <u>PORTLAND, OR 97208-3745</u> <u>2055 NW SAVIER STREET</u> <u>PORTLAND, OR 97209</u>	2b	Employer Identification Number (EIN) <u>94-1444798</u>
		2c	Plan Sponsor's telephone number <u>503-450-4102</u>
		2d	Business code (see instructions) <u>488990</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	04/12/2019	PAULA PAGLIARONI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	04/12/2019	PAULA PAGLIARONI
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 1818
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 0 6a(2) 0 6b 0 6c 0 6d 0 6e 0 6f 0 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1B 1I 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	
9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<div>SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Single-Employer Defined Benefit Plan Actuarial Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).</div> <div>File as an attachment to Form 5500 or 5500-SF.</div>	<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection</div>
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018	
Round off amounts to nearest dollar.	
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'	B Three-digit plan number (PN) 010
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF XPO CNW, INC.	D Employer Identification Number (EIN) 94-1444798
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2018			
2	Assets:			
a	Market value	2a	37540906	
b	Actuarial value	2b	37469421	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment	1173	12390698	12390698
b	For terminated vested participants	645	4568189	4568189
c	For active participants			
d	Total	1818	16958887	16958887
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a	Funding target disregarding prescribed at-risk assumptions	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	5.51%	
6	Target normal cost	6	105000	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		
	Signature of actuary	04/12/2019
BRYAN KOZLAK ASA EA MAA	Date	17-08399
	Type or print name of actuary	Most recent enrollment number
MERCER		203-229-6000
	Firm name	Telephone number (including area code)
501 MERRITT 7 NORWALK, CT 06856-6010		
	Address of the firm	

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	7886302	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	7886302	
10 Interest on line 9 using prior year's actual return of <u>4.51</u> %	355672	
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.71</u> %		
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d - line 12)	8241974	0

Part III Funding Percentages

14 Funding target attainment percentage	14	172.34%
15 Adjusted funding target attainment percentage	15	220.94%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	224.79%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)		18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 3.92%	2nd segment: 5.52%	3rd segment: 6.29%	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	105000	
b Excess assets, if applicable, but not greater than line 31a	31b	105000	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	0		0
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34		
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36		
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37		
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:				
a Schedule elected	☐ 2 plus 7 years	☐ 15 years		
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008	☐ 2009	☐ 2010	☐ 2011

<div>SCHEDULE C</div> <div>(Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div> <div>Pension Benefit Guaranty Corporation</div>	<div>Service Provider Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection.

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018		
A Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'	B Three-digit plan number (PN) ▶	010
C Plan sponsor's name as shown on line 2a of Form 5500 XPO CNW, INC.	D Employer Identification Number (EIN) 94-1444798	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	BRENT R CHUBBS ASA EA MAA, MERCER	b EIN:	94-1444798
c Position:	ENROLLED ACTUARY		
d Address:	1301 SW FIFTH AVENUE, SUITE 1900 SEATTLE, WA 98101-2682	e Telephone:	206-214-3500

Explanation: ENROLLED ACTUARY CHANGED ROLE DUE TO REALLOCATION OF WORK WITHIN THE SAME FIRM.

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

<div>SCHEDULE D (Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2018</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018					
A Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'				B Three-digit plan number (PN) ▶ 010	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 XPO CNW, INC.				D Employer Identification Number (EIN) 94-1444798	
Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)					
a Name of MTIA, CCT, PSA, or 103-12 IE: CON-WAY RETIREMENT MASTER TRUST					
b Name of sponsor of entity listed in (a): XPO CNW, INC.					
c EIN-PN 94-1444798-002		d Entity code M		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)	
a Name of MTIA, CCT, PSA, or 103-12 IE:					
b Name of sponsor of entity listed in (a):					
c EIN-PN		d Entity code		e Dollar value of interest in MTIA, CCT, PSA, or 103-1	

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
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103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110
		2018
		This Form is Open to Public Inspection

For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018	
A Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'	B Three-digit plan number (PN) ► 010
C Plan sponsor's name as shown on line 2a of Form 5500 XPO CNW, INC.	D Employer Identification Number (EIN) 94-1444798

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	37540906	0
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	37540906	0

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	37540906	0
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		-833739
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		-833739

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	699445	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		699445
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)	56850	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		56850
j Total expenses. Add all expense amounts in column (b) and enter total	2j		756295

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-1590034
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		35950872

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: KBF CPAS LLP

(2) EIN: 82-1030164

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

	Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....		X	
4d		X	
e Was this plan covered by a fidelity bond?	X		15000000
4e	X		15000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....		X	
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)		X	
4i		X	
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)		X	
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	X		
4k	X		
l Has the plan failed to provide any benefit when due under the plan?.....		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.		X	
4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)
XPO LOGISTICS PENSION PLAN	94-1444798	005

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4157409. (See instructions.)

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2018 This Form is Open to Public Inspection.
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018

A Name of plan <u>MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'</u>	B Three-digit plan number (PN) ▶ <u>010</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>XPO CNW, INC.</u>	D Employer Identification Number (EIN) <u>94-1444798</u>

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>25-1926855</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	<u>3</u>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2018
v. 171027

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

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(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

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(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year

b The plan year immediately preceding the current plan year

c The second preceding plan year

14a**14b****14c**

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

b The corresponding number for the second preceding plan year

15a**15b**

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16a**16b**

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:

Stock: 19.9% Investment-Grade Debt: 73.8% High-Yield Debt: 5.6% Real Estate: 0.0% Other: 0.7%

- b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

- c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES PENSION PLAN

Financial Statements
June 29, 2018 and December 31, 2017

With Independent Auditor's Report

MENLO WORLDWIDE FORWARDING, INC.

HOURLY EMPLOYEES PENSION PLAN

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Independent Auditor's Report

XPO Logistics, Inc. Administrative Committee
Menlo Worldwide Forwarding, Inc. Hourly Employees Pension Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Menlo Worldwide Forwarding, Inc. Hourly Employees Pension Plan (the "Plan") which comprise the statements of net assets available for benefits as of June 29, 2018 and December 31, 2017, and the related statements of changes in net assets available for benefits for the period from January 1, 2018 to June 29, 2018 and for the year ended December 31, 2017, and the related notes to financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's ("DOL") Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 ("ERISA"), the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6 which was certified by Bank of New York Mellon, N.A., the trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of June 29, 2018 and December 31, 2017 and for the period from January 1, 2018 to June 29, 2018 and for the year ended December 31, 2017, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

KBF CPAs LLP

KBF CPAs LLP
April 11, 2019

Portland, Oregon

MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF JUNE 29, 2018 AND DECEMBER 31, 2017

	<u>2018</u>	<u>2017</u>
Assets:		
Investment in XPO CNW Retirement		
Master Trust, at fair value	<u>\$ -</u>	<u>\$ 37,540,906</u>
Net assets available for benefits	<u><u>\$ -</u></u>	<u><u>\$ 37,540,906</u></u>

See accompanying independent auditor's report and notes to financial statements.

MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE PERIOD FROM JANUARY 1, 2018 TO JUNE 29, 2018 AND THE YEAR ENDED DECEMBER 31, 2017

	<u>2018</u>	<u>2017</u>
Plan's share of XPO CNW Retirement Master		
Trust Investment gain (loss)	<u>\$ (833,739)</u>	<u>\$ 1,554,439</u>
	(833,739)	1,554,439
Deductions:		
Benefits paid to participants	699,445	1,433,401
Administrative expenses	56,850	134,205
Transfers out to XPO Logistics Pension Plan	<u>35,950,872</u>	<u>-</u>
Total deductions	<u>36,707,167</u>	<u>1,567,606</u>
Net decrease	(37,540,906)	(13,167)
Net assets available for benefits:		
Beginning of the year	<u>37,540,906</u>	<u>37,554,073</u>
End of the year	<u><u>\$ -</u></u>	<u><u>\$ 37,540,906</u></u>

See accompanying independent auditor's report and notes to financial statements.

MENLO WORLDWIDE FORWARDING, INC.
HOURLY EMPLOYEES PENSION PLAN

Notes to Financial Statements

June 29, 2018 and December 31, 2017

1. Description of Plan

The following description of the Menlo Worldwide Forwarding, Inc. Hourly Employees Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions. The term "XPO CNW" or "Company" refers to the entity formerly known as Con-way Inc. and its subsidiaries.

General

Effective June 29, 2018, the Plan was merged into the XPO Logistics, Inc. Pension Plan ("XPO Logistics Pension Plan").

The Plan was a defined benefit pension plan sponsored by the Company and was subject to the applicable provisions of ERISA. In April 1989, the Company acquired all of the outstanding shares of Emery Air Freight Corporation. No new noncontractual hourly participants were admitted to the Plan after January 1, 1990. All noncontractual hourly participants were transferred into the XPO Logistics Pension Plan, formerly the XPO CNW Pension Plan. Years of service for noncontractual employees after January 1, 1990 accrue under the XPO Logistics Pension Plan. All former participants of the original plan who remained as hourly employees of the Company had accumulated benefits under the Plan for service prior to January 1, 1990.

Overall responsibility for overseeing the Plan rested with the XPO Logistics, Inc. Administrative Committee (the "Committee"), which is appointed by the Chief Executive Officer of XPO Logistics, Inc. The net assets of the Plan were held in the XPO CNW Retirement Master Trust (the "Trust") along with the assets of the XPO Logistics Pension Plan. The Bank of New York Mellon, N.A. (the "Trustee") was appointed to hold, invest, and disburse plan benefits from the Trust.

In December 2004, the Company completed the sale of Menlo Worldwide Forwarding, Inc. and its subsidiaries and Menlo Worldwide Expedite!, Inc. to United Parcel Service, Inc. The sale resulted in a partial termination of the Plan, and as a result, all active participants became 100% vested. The Plan was ongoing, although no additional benefits accrued.

Eligibility

Employees were eligible to participate in the Plan if they were covered by a collective bargaining agreement that provided for the accrual of benefits under the Plan and if they had completed one year of service.

Retirement Benefits

Participants were entitled to monthly benefit payments as determined by the following formulas:

Normal Retirement Benefit (beginning at age 65) - \$11 per month for each year of credited service. Certain contractual employees received \$20 to \$50 per month for each year of credited service.

Early Retirement Benefit - A participant with 10 years of service could retire early, on or after age 55. Retirement benefits for participants retiring early were subject to a reduction factor as defined by the Plan. Vested participants who terminated employment before their normal retirement date and before achieving eligibility for early retirement could also commence benefits as early as age 55, using a different set of early retirement factors, depending on the terms of their contract.

For benefit payments based on payment dates starting after September 30, 2012, a participant's benefit, determined as of the benefit date, was the greater of: (i) the benefit determined using the Plan's definition of actuarial equivalence in effect for benefit starting dates on September 1, 2012, or (ii) the benefit determined using the Plan's definition of actuarial equivalence in effect for benefit starting dates on October 1, 2012.

The Plan also provided for death benefits as defined by the Plan.

Employees could elect to receive their pension benefits in the form of single life annuities or various forms of joint life annuities. If the actuarial equivalent of the employee's pension benefit did not exceed \$5,000 on the benefit starting date, the only form of benefit was a lump-sum. If the actuarial equivalent of the employee's pension benefit was greater than \$5,000 but not in excess of \$10,000 on the benefit starting date, then the available forms of benefit were a lump-sum, two forms of joint annuity (50% and 75%), or a single life annuity.

2. Summary of Significant Accounting Policies

Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Income Recognition and Valuation of Investments

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

The fair value of the Plan's interest in the Trust is based on the beginning-of-year value of the Plan's interest in the Trust plus actual contributions and allocated investment gain or loss less actual benefit payments to participants and administrative expenses. Investments in the Trust are reported at fair value, as more fully discussed in Note 9, "XPO CNW Retirement Master Trust".

Risks and Uncertainties

The Plan assets were invested in a variety of investment securities that are generally exposed to various risks, such as interest rate, credit and overall market volatility risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities may occur in the near term and that such changes could materially affect the amounts reported in the statements of net assets available for benefits.

The Plan could invest in asset-backed securities, collateralized mortgage obligations, commercial mortgage-backed securities and various derivative instruments. The fair value, liquidity and related income of these securities are sensitive to changes in economic conditions, including real estate values, delinquencies or defaults, or both, and may be adversely affected by shifts in investors' perceptions of the issuers and changes in interest rates.

Plan contributions were made and the actuarial present value of accumulated plan benefits was reported based on certain assumptions pertaining to asset returns, interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements.

Benefit Payments

Benefit payments to participants were recorded upon distribution.

Administrative Expenses

During the six-month period ended June 29, 2018 and the year ended December 31, 2017, all fees related to the Plan were either paid by the Company or the Trust. During the six-month period ended June 29, 2018 and the year ended December 31, 2017, trustee fees, investment management fees, and actuarial fees were paid through the Trust and are included in the Plan's share of the Trust investment gain. At the discretion of the Company, the Plan paid certain other administrative expenses, primarily premiums to the Pension Benefit Guaranty Corporation ("PBGC"). During the six-month period ended June 29, 2018 and the year ended December 31, 2017, direct expenses of \$57,000 and \$134,000, respectively, were paid by the Plan.

Other expenses, including computer services, professional fees, office supplies and payroll expenses of administrative and clerical personnel were provided by the Company without charge to the Plan.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes in those amounts, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Subsequent Events

The Plan's management has performed an evaluation of subsequent events through April 11, 2019, which is the date these financial statements were available to be issued.

3. Funding Policy

Contributions to the Plan, if necessary, were made to meet or exceed the minimum funding standards of ERISA and the

Internal Revenue Code (the "Code"). In determining the amount and timing of its pension contributions, the Company considers both the ERISA and GAAP based measures of funded status as well as the tax deductibility of contributions. For the period from January 1, 2018 to June 29, 2018 and for the year ended December 31, 2017, the Company was not required to make any contributions to the Plan.

4. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to the service rendered by retired and non-retired participants. Accumulated plan benefits include benefits expected to be paid to employees or their beneficiaries upon retirement, termination, or death. The actuarial present value of accumulated plan benefits at December 31, 2017 (beginning-of-the-year presentation) was as follows:

Vested benefits:

Terminated participants currently receiving payments	\$ 14,077,839
Terminated participants entitled to deferred benefits	6,080,602
Total actuarial present value of accumulated plan benefits as of December 31, 2017	<u>\$ 20,158,441</u>

The following table presents the changes in the actuarial present value of accumulated plan benefits:

Actuarial present value of accumulated plan benefits as of December 31, 2016	\$ 23,072,385
Increase (decrease) during the year attributable to:	
Increase in interest due to the decrease in the discount period	523,955
Other actuarial losses	(657,200)
Benefit payments to participants	(1,433,401)
Change in actuarial assumptions	(1,347,298)
Net decrease	<u>(2,913,944)</u>
Actuarial present value of accumulated plan benefits as of December 31, 2017	<u>\$ 20,158,441</u>

The actuarial present value of accumulated plan benefits is determined by Mercer, the Plan's actuary, and is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The following significant assumptions were changed since the year ended December 31, 2016:

- *Discount rate* – changed from 2.35% to 3.00%
- *Mortality projection scale for disabled participants* – updated to MP-2017

Significant actuarial assumptions used in determining the actuarial present value of accumulated plan benefits as of December 31, 2017 were as follows:

- *Actuarial cost method* - Unit credit method
- *Return on investments* – 3.00% compounded annually
- *Mortality* – MRP 2007 Mortality Table with a 100% blue collar adjustment. This is a table that was developed by removing projected mortality improvement after 2007 from the Society of Actuaries' RP-2014 table to facilitate application of an alternative projection of improvement after that date.
- *Future mortality* – MMP-2016 projection scale

The return on investments of 3.00% is net of anticipated administrative expenses associated with providing benefits.

The foregoing actuarial assumptions are based upon the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The actuarial valuation was prepared as of January 1, 2018. Had the valuation been prepared as of December 31, 2017, there would be no material differences.

5. Plan Termination

In the event that the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.
- b. Other vested benefits insured by the PBGC, a U.S. Government agency, up to the applicable limitations discussed below.
- c. All other vested benefits not insured by the PBGC.
- d. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivors' pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees.

Whether all participants receive their benefits under a Plan termination would depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Plan sponsor and the level of benefits guaranteed by the PBGC.

6. Summary of Information Certified by the Trustee

The Plan administrator has elected the method of annual reporting compliance permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. The following information included in the financial statements as of June 29, 2018 and December 31, 2017, and for the period from January 1, 2018 to June 29, 2018 and for the year ended December 31, 2017, was provided and certified by the Trustee as complete and accurate:

- Investment in the Trust
- Plan's share of the Trust investment gain (loss)
- The Trust information in Note 9, "XPO CNW Retirement Master Trust" (excluding the "Fair-Value Measurements" hierarchy)

7. Related-Party Transactions

Certain Plan investments are managed by the Trustee. Therefore, these managed investments and investment transactions qualify as party-in-interest transactions. Additionally, the Plan sponsor, the Company, is a party-in-interest to the Plan; however, there are no transactions with the Plan sponsor other than the funding of contributions to the Plan and payment of certain administrative expenses of the Plan.

8. Income Tax Status

The Internal Revenue Service ("IRS") has determined and informed XPO CNW by a letter dated January 28, 2015 that the Plan and related Trust are designed in accordance with applicable sections of the Code. The Plan has been amended since receiving the determination letter. However, XPO CNW believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Code. Therefore, XPO CNW believes that the Plan was qualified and the related Trust was tax exempt as of the financial statement date.

Assuming it meets certain initial and ongoing requirements, the Plan is generally exempt from federal and state income taxes. However, GAAP requires Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

9. XPO CNW Retirement Master Trust

The Trust held the assets associated with the Company's two defined benefit pension plans and each participating retirement plan has an undivided interest in the Trust. The assets of the Plan were merged into the XPO Logistics Pension Plan in 2018. In the administration of the Plan, the Trustee holds the assets of the Trust and manages investment of funds under the direction of several investment managers and the Plan administrator. All gains and losses of the Trust are prorated monthly based on the ratio of investment in the Trust, at market value, which each plan holds, to the total market value of the Trust.

Interests

The following is a summary of the participating plan interests in the Trust:

	December 31, 2017	
	Market Value	Share
XPO Logistics Pension Plan	\$ 1,726,799,342	97.9%
Menlo Worldwide Forwarding, Inc. Hourly Employees Pension Plan	37,540,906	2.1%
	<u>\$ 1,764,340,248</u>	<u>100.0%</u>

The Plan's interest in the net assets of the Trust is included in the accompanying statements of net assets available for benefits.

Investments

A summary of the net assets of the Trust is as follows:

	December 31, 2017
Investments, at fair value:	
Interest-bearing cash	\$ 17,518,331
U.S. Government securities	332,388,549
Corporate debt instruments	823,840,499
Corporate stocks	201,871,649
Corporate preferred stock	16,802,556
Mutual funds	55,416,056
Common and collective trusts	191,870,257
Registered investment companies	114,203,451
International government securities	38,305,288
Municipal bonds	63,490,133
Interest rate swap agreements	(692,748)
Credit default swap agreements	3,429,887
Futures contracts	551,879
Short sales	(1,500,000)
Other	37,495
	<u>1,857,533,282</u>
Non-interest bearing cash	2,396,349
Receivables:	
Interest	13,321,747
Securities sold	13,052,970
Receivable for forward foreign exchange contracts	97,878,227
Broker receivable	390,916
Dividends	545,389
Other	2,978
	<u>125,192,227</u>
Payables:	
Securities purchased	(120,184,966)
Payable for forward foreign exchange contracts	(98,026,794)
Other	(2,569,850)
	<u>(220,781,610)</u>
Total net assets of the XPO CNW Retirement Master Trust	<u>\$ 1,764,340,248</u>

XPO Logistics Pension Plan:

Assets of the Trust relating to the XPO Logistics Pension Plan are managed pursuant to a long-term allocation strategy that

seeks to mitigate funded status volatility by increasing the Trust's investment in fixed-income investments over time. This strategy was developed by analyzing a variety of diversified asset-class combinations in conjunction with the projected liabilities of the Plan. In 2017, the Plans lowered their percentage of investments in equity securities and increased its percentage of investments in fixed-income securities.

The Trust's investment strategy as of December 31, 2017 is to achieve a mix of approximately 80% in fixed-income securities and 20% of investments in equity securities. Fixed-income securities is comprised of domestic fixed income to match domestic projected liabilities. The target allocations for equity securities include 12% in U.S. companies and 8% in international companies. Investments in equity securities are allocated between growth and value-style investment strategies and are diversified across industries and investment managers. Investments in fixed-income securities consist primarily of high-quality U.S. and global corporate or government debt instruments in a variety of industries. The Trust's investments in fixed-income securities and equity securities consist of individual securities held in managed separate accounts as well as commingled investment funds.

The Trust's investment strategy does not include a meaningful long-term investment allocation to cash and cash equivalents; however, the Trust's cash allocation may rise periodically in response to timing considerations regarding contributions, investments, and the payment of benefits and eligible Trust expenses. Additionally, the level of cash and cash equivalents may reflect the un-invested balance of each manager's allocated portfolio balance. This "un-invested cash" is typically held in a short-term fund that invests in money-market instruments, including commercial paper and other liquid short-term interest-bearing instruments.

The Trust's investment policy does not allow investment managers to use market-timing strategies or financial derivative instruments for speculative purposes. However, financial derivative instruments are used to manage risk and achieve stated investment objectives regarding duration, yield curve, credit and equity exposure. Generally, the investment managers are prohibited from short selling, trading on margin, and trading commodities, warrants or other options, except when acquired as a result of the purchase of another security, or in the case of options, when sold as part of a covered position. The Company's investment policies also restrict the investment managers from accumulating concentrations by issuer, country or industry segment.

The Trust invests in foreign-denominated investment securities. In order to mitigate the risk associated with foreign currency fluctuations on these investments, the Trust purchases and sells forward currency contracts with various maturity dates. These contracts are valued at the forward exchange price obtained from WM Reuters Intra-Day Spot Rates adjusted by a spread, unless unavailable or unreliable at the time the transaction occurs. The final rate may be adjusted by forward points, if applicable. The fair value of the forward currency contracts are included in receivables and payables, respectively, in the summary of the net assets of the Trust.

Menlo Worldwide Forwarding, Inc. Hourly Employees Pension Plan:

Assets of the Trust related to the Plan are managed pursuant to a long-term allocation strategy that seeks to mitigate funded status volatility by matching the duration of the projected liabilities. This strategy was developed by analyzing the projected liabilities, risk tolerance and liquidity needs of the Plan.

The Trust's investment strategy as of December 31, 2017, is to match the duration of the projected liabilities utilizing investment grade credit and U.S. government securities. Surplus assets are invested in short term corporate debt securities. All Trust investments are in investment grade fixed-income securities and consist of individual securities as well as commingled investment funds.

The Trust's investment strategy does not include a meaningful long-term investment allocation to cash and cash equivalents; however, the Trust's cash allocation may rise periodically in response to timing considerations regarding contributions, investments, and the payment of benefits and eligible Trust expenses. Additionally, the level of cash and cash equivalents may reflect the un-invested balance of each manager's allocated portfolio balance. This "un-invested cash" is typically held in a short-term fund that invests in money-market instruments, including commercial paper and other liquid short-term interest-bearing instruments.

The Trust's investment policy does not allow investment managers to use financial derivative instruments, short selling, trading on margin, trading commodities, warrants or other options. The investment policy also restricts managers to investment grade securities with a maximum limit of 15% in BBB rated separate securities. The maximum maturity on all non-U.S. Treasury Strips, separate securities was 37 months for 2017.

Fair-Value Measurements

ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 — inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 — inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 — inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The following tables summarize the valuation of investments within the fair-value hierarchy:

Investments at Fair Value at December 31, 2017				
	Level 1	Level 2	Level 3	Total
Investments at fair value:				
Interest-bearing cash	\$ -	\$ 17,518,331	\$ -	\$ 17,518,331
U.S. Government securities	319,485,398	12,903,151	-	332,388,549
Corporate debt instruments	-	823,840,499	-	823,840,499
Corporate stocks	201,871,649	-	-	201,871,649
Corporate preferred stocks	-	16,802,556	-	16,802,556
Mutual funds	55,416,056	-	-	55,416,056
International government securities	-	38,305,288	-	38,305,288
Municipal bonds	-	63,490,133	-	63,490,133
Interest rate swap agreements	-	(692,748)	-	(692,748)
Credit default swap agreements	-	3,429,887	-	3,429,887
Futures contracts	551,879	-	-	551,879
Short sales	-	(1,500,000)	-	(1,500,000)
Other	-	37,495	-	37,495
Total investments at fair value	\$ 577,324,982	\$ 974,134,592	\$ -	\$ 1,551,459,574
Investments at NAV:				
Common and collective trusts				191,870,257
Registered investment companies				114,203,451
Total investments				\$ 1,857,533,282

The following is a description of the valuation methodologies used for investments measured at fair value. There have been no changes in the methodologies used at December 31, 2017.

Due to the short maturity of interest-bearing cash, its carrying amount approximates fair value. Common and collective trusts and registered investment companies are not publicly traded and do not have readily determinable fair values. Accordingly, they are valued at their NAV per unit based on the value of the underlying investments held by the fund less liabilities. The

NAV is used as a practical expedient to estimate fair value. Common collective trusts and registered investment companies combine the assets of various institutional investors to create a larger, well-diversified portfolio. Each investor owns a participating interest that is calculated in units and represents a portion of the holdings of the fund. The investments in common collective trusts and registered investment companies can generally be redeemed without restriction; however, in certain cases, redemption or purchase may be limited to prevent excess and/or short-term trading. The registered investment companies are private funds used in the long duration portfolio and are made available to certain institutional investors. U.S. Government securities, mutual funds, corporate stocks and exchange traded futures are valued at the closing price reported in the active markets on which the individual securities are traded. Corporate debt instruments, international government securities and municipal bonds are generally valued using observable bid-ask spreads or broker-provided pricing. Investments in corporate debt instruments consist primarily of high-quality U.S. corporate debt instruments in a variety of industries. Other assets consist of investments with market based prices and observable market-based inputs.

The following table provides information regarding redemptions of investment where the NAV practical expedient has been used to measure fair value at December 31, 2017:

	Fair Value	Redemption Frequency	Redemption Notice Period
Common and collective trusts	\$ 191,870,257	Daily	1 – 2 days
Registered investment companies	114,203,451	Daily	1 – 2 days

For those investments that are valued at NAV practical expedient, there were no unfunded commitments at December 31, 2017.

The Trust utilizes derivatives to manage their foreign currency exposure, interest rates and credit risk. The following is a summary of the significant accounting policies associated with the Trust's use of derivatives:

a. Upon entering into a futures contract, the Trust is required to pledge to the broker an amount of cash and/or liquid securities equal to the minimum "initial margin" requirements of the exchange. Pursuant to the futures contract, the Trust agrees to receive from, or pay to, the broker an amount of cash equal to the daily fluctuation in the value of the futures contract. Such receipts or payments are known as "variation margin," which is settled daily. The change in value related to the daily fluctuations in the value of the futures contract is included as unrealized gains (losses) in the changes in Trust net assets. When the futures contract expires, the Trust transfers the unrealized appreciation (depreciation) to a realized gain (loss) equal to the change in the value of the futures contract when it was opened and the value at the time it expired.

b. The Trust may buy or write put and call options through listed exchanges and in the over-the-counter market. When the fund buys or writes an option, an amount equal to the premium paid or received by the fund is recorded as an asset or liability and is subsequently adjusted to the current market value of the option purchased or written. The premiums paid or received from buying or writing options are recorded as realized gains or losses upon the expiration of the options. The difference between the premium and the amount paid or received on affecting a closing purchase or sale transaction is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is recorded as a realized gain or loss if sold or an adjustment to cost if acquired. The Trust, as a writer of an option, may have no control over whether the underlying securities may be sold (call) or purchased (put) and, as a result, bears the market risk of an unfavorable change in the price of the security underlying the written option.

c. The Trust may enter into swap contracts to manage interest rates and credit risks. Swap agreements are utilized to exchange or swap investment cash flows, assets or market-linked returns at specified future intervals with counterparties. Swaps are marked-to-market daily based upon quotations from market makers and the change, if any, is recorded as an unrealized gain or loss in the changes in Trust net assets. Certain investment contracts may require collateral. Cash is either received from, or provided to, the investment contract counterparty depending on the terms of the contract and the market value of the security. Cash received from counterparties can be held or reinvested in other securities and is recorded as a liability of the Trust. Cash provided to counterparties is an asset of the Trust.

Trust net investment gain (loss), excluding administrative expenses, allocated to the participating plans for the six-month period ended June 29, 2018 and for the year ended December 31, 2017 was as follows:

	<u>2018</u>	<u>2017</u>
Net appreciation (depreciation) in fair value of investments	\$ (103,456,772)	\$ 219,936,582
Interest income	25,245,422	47,876,104
Dividend income	<u>3,101,576</u>	<u>10,881,737</u>
Investment gain (loss)	<u>\$ (75,109,774)</u>	<u>\$ 278,694,423</u>

*Schedule SB, Part V — Summary of Plan Provisions***SUMMARY OF MAJOR PLAN PROVISIONS**

Effective date and plan year	Original plan: January 1, 1977 Restated plan: January 1, 2014 Most recent amendment: Amendment #4 Plan year: January 1 to December 31 For 2018, the plan year is January 1 to June 29 as a result of the plan merger with the XPO Logistics Pension Plan.
Status of the plan	There are no employees eligible to participate in this plan.
Significant events that occurred during the year	Effective June 29, 2018, the plan merged into the XPO Logistics Pension Plan.
Sponsoring employees	XPO Logistics Inc.
Type of plan	Flat dollar
DEFINITIONS	
• Eligibility	Employees are eligible to participate in the plan if they are covered by a collective bargaining agreement that provided for accrual of benefit under the plan. Currently, there are no employees eligible to participate in this plan.
• Service considered	<u>Vesting service</u> : 750 hours of service for one year of service, measured from date of hire. <u>Credited service</u> : 1,800 hours of service for one year of credited service; pro rata for partial years.
• Vesting	100% vested after five Years of Service.

Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> Monthly accrued benefit 	<p>Annuity benefit payable for the life of the Participant is a flat dollar per month of service based on location:</p> <ul style="list-style-type: none"> \$50 per month per year of service for members of Southern Conference of Teamsters if the Participant terminates employment on or after December 1, 2002 \$32 per month per year of past and future service for members of Milwaukee Teamsters Local effective July 1, 2004 \$41 per month per year of service for members of Akron Teamsters Local if the Participant terminates employment on or after January 1, 2000 \$20 per month per year of future credited service for members of Atlanta Teamsters Local effective November 1, 1999 \$11 per month per year of service for all other members <p>Different benefit amounts apply for Participants terminated before the effective dates noted above.</p>																								
NORMAL RETIREMENT																									
<ul style="list-style-type: none"> Eligibility 	Age 65 with five years of plan participation.																								
<ul style="list-style-type: none"> Benefit 	Accrued benefit																								
EARLY RETIREMENT																									
<ul style="list-style-type: none"> Eligibility 	Age 55 and 10 years of service.																								
<ul style="list-style-type: none"> Benefit 	<p>Reduced for commencement prior to age 65 according to the following table:</p> <table> <tr> <th><u>Age</u></th><th><u>Rate</u></th></tr> <tr><td>55</td><td>42.71%</td></tr> <tr><td>56</td><td>46.18%</td></tr> <tr><td>57</td><td>50.01%</td></tr> <tr><td>58</td><td>54.22%</td></tr> <tr><td>59</td><td>58.87%</td></tr> <tr><td>60</td><td>64.02%</td></tr> <tr><td>61</td><td>69.73%</td></tr> <tr><td>62</td><td>76.08%</td></tr> <tr><td>63</td><td>83.17%</td></tr> <tr><td>64</td><td>91.10%</td></tr> <tr><td>65</td><td>100.00%</td></tr> </table>	<u>Age</u>	<u>Rate</u>	55	42.71%	56	46.18%	57	50.01%	58	54.22%	59	58.87%	60	64.02%	61	69.73%	62	76.08%	63	83.17%	64	91.10%	65	100.00%
<u>Age</u>	<u>Rate</u>																								
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65	100.00%																								
LATE RETIREMENT																									
<ul style="list-style-type: none"> Benefit 	<p>Greater of:</p> <ol style="list-style-type: none"> Accrued benefit; Actuarial equivalent of accrued benefit based on service prior to January 1, 1999 																								

Schedule SB, Part V — Summary of Plan Provisions

DEFERRED VESTED																									
• Eligibility	Five years of service.																								
• Benefit	Accrued benefit reduced by applicable early retirement factor for each year that the early retirement date precedes age 65.																								
• Applicable early retirement factor	<table> <tr> <th><u>Age</u></th><th><u>Rate</u></th></tr> <tr><td>55</td><td>42.71%</td></tr> <tr><td>56</td><td>46.18%</td></tr> <tr><td>57</td><td>50.01%</td></tr> <tr><td>58</td><td>54.22%</td></tr> <tr><td>59</td><td>58.87%</td></tr> <tr><td>60</td><td>64.02%</td></tr> <tr><td>61</td><td>69.73%</td></tr> <tr><td>62</td><td>76.08%</td></tr> <tr><td>63</td><td>83.17%</td></tr> <tr><td>64</td><td>91.10%</td></tr> <tr><td>65</td><td>100.00%</td></tr> </table>	<u>Age</u>	<u>Rate</u>	55	42.71%	56	46.18%	57	50.01%	58	54.22%	59	58.87%	60	64.02%	61	69.73%	62	76.08%	63	83.17%	64	91.10%	65	100.00%
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62	76.08%																								
63	83.17%																								
64	91.10%																								
65	100.00%																								
DISABILITY																									
• Eligibility	10 years of service and qualify for disability benefits under Social Security Act and become disabled while an active employee. However, since all disabled participants have commenced retirement benefits, and there are no longer any employees eligible to participant in the Plan, no further disability benefits are being paid.																								
• Benefit	Unreduced accrued benefit. Participant continues to earn years of credited service until 7 months after becoming eligible for disability retirement.																								
PRE-RETIREMENT DEATH																									
• Eligibility	Participant is 100% vested.																								
• If not early retirement eligible	A monthly annuity determined as if the Participant had terminated on the day before date of death, survived to earliest retirement age, elected a 50% Joint and Survivor Annuity, and died on the following day.																								
• If early retirement eligible	A monthly annuity determined as if the Participant had commenced receiving a 50% Joint and Survivor Annuity just prior to death.																								
FORM OF BENEFITS																									
• Automatic form for unmarried participants	Single Life Annuity																								
• Automatic form for married participants	50% Joint and Survivor Annuity																								
• Optional forms	Alternatively, the Participant may elect to receive benefits in the form of Single Life Annuity certain (0, 5 or 10 years), Joint and Survivor Annuity (50%, 75% or 100%), or lump sum if \$10,000 or less.																								

Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> Conversion basis 	<p>The optional form conversion factors for five- and 10-year period certain options and joint and survivor annuities are based on the following:</p> <p><u>Participant Mortality</u>: RP 2000 Healthy Annuitant Mortality Table, projected to 2017 using scale AA, blue collar; blended 75% Male/25% Female</p> <p><u>Joint Annuitant Mortality</u>: RP 2000 Healthy Annuitant Mortality Table, projected to 2017 using scale AA, no collar adjustment; blended 25% Male/75% Female</p> <p>Interest: 6%</p>
MISCELLANEOUS	
<ul style="list-style-type: none"> Maximum benefits 	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2018, the limit is \$220,000.
<ul style="list-style-type: none"> Forfeiture of benefits for missing persons 	If the company is unable to locate a participant or beneficiary to whom benefit is payable, the benefit shall be forfeited. The benefit shall be reinstated if a claim for it is made by the participant or the beneficiary.

Benefits Included or Excluded

Unless noted below, all benefits provided by the plan, as restated effective January 1, 2014 and amended through Amendment #4, are included in this valuation.

- Plan amendments excluded:** None.
- Late retirement increases:**
 - Deferred vested participants: Late retirement actuarial increases for current deferred vested participants over age 65 are valued as an approximation of the retroactive payments to age 65.
- Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

*Schedule SB, Part V — Summary of Plan Provisions***Additional Benefits Included or Excluded****• IRC Section 436 benefit restrictions:**

- *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
- *Plan amendments:* See above.
- *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
- *Benefit accruals:* Not applicable.

- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

PLAN PROVISION CHANGES SINCE PRIOR VALUATION

- Maximum benefit amounts under IRS rules were updated from 2017 to 2018.
- The provisions of the plan were updated to incorporate Amendment 4, reflecting the merger of the plan into the XPO Logistics Pension Plan effective June 29, 2018.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

ACTUARIAL ASSUMPTIONS

DISCOUNT RATE SPONSOR ELECTIONS			
------------------------------------	--	--	--

• Segment rates or full yield curve	Segment		
• Look-back months	4		
	<u>Stabilized</u>	<u>Nonstabilized</u>	
• First 5 years	3.92%	1.75%	
• Next 15 years	5.52%	3.76%	
• Over 20 years	6.29%	4.66%	
	<u>Rationale:</u> Prescribed assumptions set by law.		
Mortality sponsor elections			
• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the Society of Actuaries RP-2014 mortality tables, adjusted back to 2006, and mortality improvement using scale MP-2016 in accordance with IRS regulation 1.430(h)(3)-1. <u>Rationale:</u> Prescribed assumption and based on plan sponsor's PPA election.		
Other economic assumptions			
• Salary increases	Not applicable		
• Social Security wage base	Not applicable		
• Inflation	Not applicable		
• Expected investment return	3.29% for 2016 and 3.03% for 2017 <u>Rationale:</u> The expected investment return is based on the median simulated investment return using market assumptions published in Mercer Investment Consulting's Capital Markets Outlook for the plan's current target asset mix as of the start of the plan year, net of an adjustment of 50 basis points for expenses assumed to be paid from plan assets.		

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

<ul style="list-style-type: none">Administrative expenses	An annual amount of \$210,000 added to current year normal cost (prorated amount of \$105,000 for the short plan year). <u>Rationale:</u> Based upon the amount paid from plan assets during the prior plan year, adjusted for the PBGC premium expected to be paid from plan assets during the current plan year.		
DEMOGRAPHIC ASSUMPTIONS			
<ul style="list-style-type: none">Withdrawal	Not applicable		
<ul style="list-style-type: none">Disability incidence	Not applicable		
<ul style="list-style-type: none">Retirement age	Not applicable		
<ul style="list-style-type: none">Benefit commencement age for			
<ul style="list-style-type: none"><ul style="list-style-type: none">Future vested deferred	Not applicable		
<ul style="list-style-type: none"><ul style="list-style-type: none">Current vested deferred	64 <u>Rationale:</u> The benefit commencement ages are based on periodic experience studies performed every 3-5 years (last undertaken in 2015 using data from 2009 to 2014) and the expectation that the future benefit commencement age patterns and circumstances of the employer will not differ significantly from the period studied.		
<ul style="list-style-type: none">Spouse assumptions	<u>Male participants</u>	<u>Female participants</u>	
<ul style="list-style-type: none"><ul style="list-style-type: none">Percentage married	55%	40%	
<ul style="list-style-type: none"><ul style="list-style-type: none">Spouse age difference	2 years younger	0 years older	
	<u>Rationale:</u> The spouse assumptions are based on periodic experience studies performed every 3-5 years (last undertaken in 2015 using data from 2009 to 2014) and the expectation that the future spouse patterns and circumstances of the employer will not differ significantly from the period studied.		
Form of payment	<u>Life Annuity</u>	<u>100% J&S</u>	<u>50% J&S</u>
<ul style="list-style-type: none">Future deaths	0%	0%	100%
<ul style="list-style-type: none">Current vested deferred	55%	45%	0%
	<u>Rationale:</u> The form of payment was validated during a 2015 review of assumptions using data from 2009 to 2014.		
Unpredictable contingent event assumptions	Not applicable		

*Schedule SB, Part V — Statement of Actuarial Assumptions/Methods***ACTUARIAL METHODS****Asset Methods**

The asset valuation method is an average of the adjusted market value for each quarter during the last 24 months preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants. Also, in conjunction with the forfeiture provision for missing persons, we have excluded deferred vested participants over age 70, whose benefits are deemed forfeited by the plan sponsor.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

- The expected investment return changed from 3.29% to 3.03%.
- The expense load has changed from an annual amount of \$220,000 to \$210,000; for the short plan year, the amount is prorated for six months (\$105,000).

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210 - 0110
1210 - 0089**2018****This Form is Open to Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2018 or fiscal plan year beginning **01/01/2018** and ending **06/29/2018**

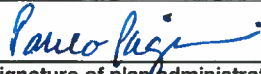
- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instr.)
- ☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☒ the final return/report
- ☐ an amended return/report ☒ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
- ☐ special extension (enter description) _____

Part II Basic Plan Information - enter all requested information

1a Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES'	1b Three-digit plan number (PN) ▶ 010
	1c Effective date of plan 01/01/1977
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) XPO CNW, INC.	2b Employer Identification Number (EIN) 94-1444798
	2c Plan Sponsor's telephone number 503-450-4102
	2d Business code (see instructions) 488990
PO BOX 3745 PORTLAND OR 97208-3745	

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete

SIGN HERE		04/12/2019	PAULA PAGLIARONI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		04/12/2019	PAULA PAGLIARONI
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2018)
v. 171027

3a Plan administrator's name and address ☒ Same as Plan Sponsor**3b** Administrator's EIN**3c** Administrator's telephone number**4** If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report:**a** Sponsor's name**c** Plan Name**4b** EIN**4d** PN**5** Total number of participants at the beginning of the plan year**5**

1818

6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1), 6a(2), 6b, 6c, and 6d).**a (1)** Total number of active participants at the beginning of the plan year**6a(1)**

0

a (2) Total number of active participants at the end of the plan year**6a(2)**

0

b Retired or separated participants receiving benefits**6b**

0

c Other retired or separated participants entitled to future benefits**6c**

0

d Subtotal. Add lines 6a(2), 6b, and 6c**6d**

0

e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits**6e**

0

f Total. Add lines 6d and 6e**6f**

0

g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)**6g****h** Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested**6h**

0

7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)**7****8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1B 1I 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:**9a** Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
 (2) ☐ Code section 412(e)(3) insurance contracts
 (3) ☒ Trust
 (4) ☐ General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
 (2) ☐ Code section 412(e)(3) insurance contracts
 (3) ☒ Trust
 (4) ☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)**a Pension Schedules**

- (1) ☒ **R** (Retirement Plan Information)
 (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
 (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
 (2) ☐ **I** (Financial Information - Small Plan)
 (3) ☐ **A** (Insurance Information)
 (4) ☒ **C** (Service Provider Information)
 (5) ☒ **D** (DFE/Participating Plan Information)
 (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ... ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2018 Form M-1 annual report. If the plan was not required to file the 2018 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2018**This Form is Open to Public
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 06/29/2018▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan MENLO WORLDWIDE FORWARDING, INC. HOURLY EMPLOYEES PENSION PLAN	B Three-digit plan number (PN) ▶ 010
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF XPO CNW Inc.	D Employer Identification Number (EIN) 94-1444798
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>			
2 Assets:			
a Market value.....	2a	37,540,906	
b Actuarial value.....	2b	37,469,421	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	1,173	12,390,698	12,390,698
b For terminated vested participants.....	645	4,568,189	4,568,189
c For active participants.....	0	0	0
d Total.....	1,818	16,958,887	16,958,887
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b		
5 Effective interest rate.....	5	5.51%	
6 Target normal cost.....	6	105,000	

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE***B.K.*

Signature of actuary

Bryan Kozlak, ASA, EA, MAAA

Type or print name of actuary

MERCER

Firm name

501 Merritt 7

Norwalk CT 06856-6010

Address of the firm

02/22/2019

Date

1708399

Most recent enrollment number

203-229-6000

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2018
v. 171027

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	7,886,302	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	7,886,302	0
10 Interest on line 9 using prior year's actual return of <u>4.51%</u>	355,672	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.71%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return.....		
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance.....		
12 Other reductions in balances due to elections or deemed elections.....		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	8,241,974	0

Part III Funding Percentages

14 Funding target attainment percentage	14	172.34%
15 Adjusted funding target attainment percentage.....	15	220.94%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	224.79%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
Totals ▶			18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c 0
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?.....	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 3.92 %	2nd segment: 5.52 %	3rd segment: 6.29 %	☐ N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 65
23 Mortality table(s) (see instructions)	Prior regulation:	☐ Prescribed - combined	☐ Prescribed - separate	☐ Substitute
	Current regulation:	☐ Prescribed - combined	☒ Prescribed - separate	☐ Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6).....	31a	105,000	
b Excess assets, if applicable, but not greater than line 31a	31b	105,000	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment.....	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	0	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	0	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	0	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b		
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011