

Exhibit D

Profit Sharing Settlement Agreement

PROFIT SHARING SETTLEMENT AGREEMENT

This Settlement Agreement (the “Profit Sharing Settlement Agreement”) is made as of December 22, 2021, by and among Navistar, Inc. (*f/k/a* Navistar International Transportation Corp.) and Navistar International Corporation (together, “Navistar”), and The Supplemental Benefit Program Committee of the Navistar, Inc. Retiree Supplemental Benefit Program (the “SBC”) (each a “Party,” and collectively, the “Parties”).

RECITALS

A. On June 8, 1993, the U.S. District Court for the Southern District of Ohio (the “Court”) entered a Consent Decree (as amended by Order of the Court dated August 11, 2021, the “1993 Consent Decree”) in the case captioned *Shy, et al. v. Navistar Inc., et al.*, Case No. C-3-92-33 (the “Shy Action”).

B. Pursuant to the 1993 Consent Decree, Navistar and a class (the “Shy Class”) composed of most of Navistar’s active employees and retirees at the time (and their dependents), the UAW and several other unions, entered into the Shy Settlement Agreement (the “Shy Agreement”).

C. The Shy Agreement created, among other things, the Navistar International Transportation Corp. Retiree Health Benefit and Life Insurance Plan (now known as the Navistar, Inc. Retiree Health Benefit and Life Insurance Plan) (the “Shy Plan”), which provides health and life insurance benefits for certain retirees, including coverage for prescription drugs. Navistar, Inc. is the Administrator and Named Fiduciary of the Health Benefit Program and Life Insurance Program components of the Shy Plan (collectively, the “Base Plan”), subject to the review authority of the Health Benefit Program Committee (the “HBPC”). Base Plan benefits are provided from a trust (the “Health Benefit Trust”), which is funded in part by certain monthly premiums paid by retirees. Each year, Navistar, Inc., in conjunction with the Base Plan’s actuary, calculates the Contributing Participants’ Annual Contribution (as defined in Appendix A-6 of the Shy Plan) (the “Retiree Contribution”) based, in part, on the cost of prescription drugs covered under Medicare Part D.

D. The Shy Agreement established a Supplemental Benefit Trust (the “Supplemental Trust”) administered by the SBC. Among other things, the Supplemental Trust contributes money to “buy down,” or reduce, the Retiree Contribution.

E. The SBC is also the Program Administrator and Named Fiduciary of the Retiree Supplemental Benefit Program component of the Shy Plan (the “Supplemental Benefit Program”) established under the terms of the Shy Agreement.

F. The Supplemental Trust is funded in part through contributions from Navistar, Inc. Pursuant to Section 7.1 of the Supplemental Benefit Program, Navistar is obligated to make certain contributions under the Supplemental Benefit Trust Profit Sharing Plan, attached to the Supplemental Benefit Program as Appendix B-6 (the “Profit Sharing Plan”), consisting of a portion of its Qualifying Profits (as that term is defined in the Profit Sharing Plan).

G. The Profit Sharing Plan terminates on the first day of the Supplemental Benefit Program's Plan Year following the "Profit Sharing Cessation Date" (the "PSCD") as defined in Section 7.2 of the Supplemental Benefit Program.

H. In March 2012, the SBC filed a Motion to Intervene in the Shy Action and then filed a complaint in 2014 with the Court (as amended, the "Complaint"), raising disputes under the Profit Sharing Plan regarding the calculation of Navistar's profit sharing contributions for certain years.

I. In 2015, the United States Court of Appeals for the Sixth Circuit ruled that the disputes raised in the Complaint must be arbitrated under Section 8.4 of the Profit Sharing Plan.

J. CliftonLarsonAllen LLP (the "Arbitrator") was appointed in 2015, and since then the matters raised in the Complaint have been the subject of an arbitration proceeding (the "Profit Sharing Arbitration").

K. In the course of the Profit Sharing Arbitration, the SBC agreed that out of the years at issue (2001 to 2014) it sought an award only with respect to the calculations under the Profit Sharing Plan for the years ending October 31, 2006, 2008, 2009, 2010 and 2011 (the "Challenged Years").

L. The SBC also has raised disputes regarding the profit sharing calculations for the years ending October 31, 2015, 2016, 2017, 2018, 2019 and 2020.

M. On February 5, 2021, the Arbitrator issued an Amended Final Award (the "Arbitration Award") in the Profit Sharing Arbitration, in which the Arbitrator concluded that Navistar Inc.'s calculation of Qualifying Profits for the Challenged Years should be adjusted in certain respects and that Navistar, Inc. owed past due profit sharing contributions and pre-award interest totaling \$239 million. That same day, the SBC filed with the Court a Motion to Confirm Arbitration Award and Assess Interest (the "Motion to Confirm").

N. On February 16, 2021, Navistar filed with the Court a Motion to Vacate and/or Stay Arbitration Award (the "Motion to Vacate"). The Motion to Vacate and Motion to Confirm remain pending with the Court, although both are currently stayed.

O. Additional disagreements have arisen between Navistar and the SBC regarding whether the PSCD has occurred, and if not, whether payment of some or all of the Arbitration Award would cause the PSCD to occur.

P. On October 21, 2016, Mr. Krzysiak (a current member of the SBC and the Shy Class) and Mr. LaCour (a former member of the SBC and a current member of the Shy Class) filed a complaint in the Court against Navistar in a civil action captioned *Krzysiak, et al. v. Navistar International Corporation, et al.*, S.D. Ohio Case No. 3:16-CV-00443-WHR (the "Krzysiak Action"). Plaintiffs in the Krzysiak Action assert that Navistar is improperly failing to account for Medicare Part D subsidies as a reduction in the cost of prescription drugs for purposes of calculating the Retiree Contribution. The SBC, which is not a party to the Krzysiak Action, agrees with Plaintiffs in the Krzysiak Action and has stated, in addition, that Navistar's conduct with regard to the Medicare Part D subsidies has the effect of increasing the Retiree Contribution, which

in turn increases the amount payable by the Supplemental Trust to buy down that cost on behalf of beneficiaries and thereby causes harm to the Supplemental Trust. The Krzysiak Action remains pending before the Court.

Q. On October 22, 2021, Navistar, the SBC, Mr. LaCour, Mr. Krzysiak and the UAW signed a Letter of Intent (the “LOI”) containing certain material terms of their agreement to effect the resolution of their disputes and disagreements and to provide for the amendment of the Supplemental Benefit Program to eliminate Navistar’s obligation to make profit sharing and post-PSCD contributions to the Supplemental Trust in exchange for an immediate cash payment (collectively, the “Settlement”).

R. The Parties agreed to certain modifications to the 1993 Consent Decree to reflect the terms of the Settlement and to seek Court approval of an amendment of the Supplemental Benefit Program (the “Consent Decree Modifications,” as detailed in the Class Settlement Agreement (defined below)).

S. The Consent Decree Modifications include the following agreed addition to the definition of “Total Actual Drug Cost” in Appendix A-6 of the Shy Plan (the “Part D Credit Modification”):

Commencing with the Measurement Year to be used for determining the Contributing Participants’ Annual Contribution for the 2022 Plan Year, “Total Actual Drug Cost” shall equal (i) the sum of paid drug claims and administrative expenses and applicable HMO premiums (including an allocated portion of Plan Expenses based upon the ratio of paid drug claims to all paid drug and medical claims) for Contributing Participants and their Eligible Dependents for such Measurement Year, less (ii) the total amount of any subsidies, manufacturer rebates or similar payments for Medicare Part D Plans that are payable to and received by the Retiree Health Benefit and Life Insurance Plan for Plan Participants and their Eligible Dependents during the Measurement Year, including, but not limited to, the manufacturer discount under 42 CFR 423 Subpart W: Medicare Coverage Gap Discount Program (42 CFR 423.2300 – 42 CFR 423.2345); the federal reinsurance subsidy, the direct subsidy and the low income cost-sharing subsidy under 42 CFR 423 Subpart G: Payments to Part D Plan Sponsors for Qualified Prescription Drug Coverage (42 CFR 423.301 – 42 CFR 423.360); and the low income premium subsidy under 42 CFR 423 Subpart P: Premiums and Cost-Sharing Subsidies for Low-Income Individuals (42 CFR 423.771 – 42 CFR 423.800), less (iii) manufacturer rebates for non-Medicare Part D prescription drug plans that are payable to and received by the Retiree Health Benefit and Life Insurance Plan for Plan Participants and their Eligible Dependents during the Measurement Year.

T. Consistent with the LOI, on October 23, 2021, Navistar paid \$75 million to the Supplemental Trust as a partial prepayment of amounts to be paid under this Profit Sharing Settlement Agreement (the “\$75 Million Prepayment”).

U. Consistent with the LOI, Navistar and the SBC (and others) agreed to the terms of a “Class Settlement Agreement,” to which this Profit Sharing Settlement Agreement will be appended as

an exhibit, and which will be executed by Navistar, the SBC and the other parties thereto contemporaneously with the execution of this Profit Sharing Settlement Agreement.

V. Consistent with the LOI, within one (1) business day of the execution of the Class Settlement Agreement, this Profit Sharing Settlement Agreement, and the Krzysiak Action Settlement Agreement (as defined in the Class Settlement Agreement), Navistar will pay \$25 million to the Supplemental Trust as a further partial prepayment of amounts to be paid under the Profit Sharing Settlement Agreement (the “\$25 Million Prepayment”).

W. The Parties wish to effectuate and finalize the agreement memorialized in the LOI on the terms set forth herein.

Now therefore, intending to be legally bound, Navistar and the SBC agree to the following:

Settlement Payments

1. The “Payment Date” shall be three (3) business days after each of the following is true:
 - a. Final Effectiveness, as defined in the Class Settlement Agreement, has occurred; and
 - b. The Court has entered an Order dismissing the Krzysiak Action with prejudice, and such Order has become a Final Order (as defined in the Class Settlement Agreement).
2. On or before the Payment Date, Navistar will pay or cause to be paid to the Supplemental Trust \$556 million in cash, less certain credits, plus an additional interest amount, as follows:
 - a. The \$75 Million Prepayment and the \$25 Million Prepayment will be credited;
 - b. Any amount paid by Navistar under the Profit Sharing Plan for any plan year after the plan year ending October 31, 2020, will be credited;
 - c. Navistar will pay the difference between \$556 million and the credits identified in subparagraphs (a) and (b); and
 - d. Navistar will pay an additional amount equal to the sum of daily simple interest accruals for the period beginning August 11, 2021, and ending on the day before the Payment Date, where each day’s interest accrual is equal to 0.01369863% (i.e., 5% per annum) of the difference between \$192 million and the amounts that have been paid by Navistar as of such day under the Profit Sharing Plan for any plan year after October 31, 2020.
3. In addition, on or before the Payment Date, Navistar will perform its obligation under the Krzysiak Action Settlement Agreement to pay or cause to be paid \$3 million to the Supplemental Trust, subject to the terms of the Krzysiak Action Settlement Agreement.

4. Within three (3) business days after payment of the amounts set forth in paragraphs 2 and 3, the SBC shall execute the release attached hereto as Exhibit A, to be effective as of the date of such payment.

5. The SBC agrees to amend the Supplemental Benefit Program and seek Court approval for all modifications of the Shy Agreement necessary to eliminate Navistar's obligations to make profit sharing or post-PSCD contributions to the Supplemental Trust.

Other Terms

6. Reset Date. This Profit Sharing Settlement Agreement shall be null and void upon the occurrence of the Reset Date, as defined in the Class Settlement Agreement, and in such case the relevant provisions of that agreement shall apply (notwithstanding any termination of that agreement).

7. Governing Law and Jurisdiction. This Profit Sharing Settlement Agreement shall be governed by the laws of the State of Illinois without regard to its conflict of laws provisions. In the event of any dispute arising out of or in connection with this Profit Sharing Settlement Agreement, the Court shall have exclusive jurisdiction to resolve such dispute(s).

8. Integration / Entire Agreement. This Profit Sharing Settlement Agreement, together with the Settlement Approval and Consent Decree Modification Agreement, form the entire agreement of the Parties regarding the Settlement, and all prior communications, whether oral or written, by or among any of the Parties shall be of no further effect or evidentiary value.

9. Non-reliance. Each Party acknowledges that, in executing this Profit Sharing Settlement Agreement, it has not relied on any representation or statement made by any other Party, except as expressly set forth herein.

10. Modification of Agreement. This Profit Sharing Settlement Agreement may only be amended by written agreement of each of the Parties and in accordance with the Settlement Approval and Consent Decree Modification Agreement.

11. Failure to Enforce. The failure by any Party to enforce any provision of this Profit Sharing Settlement Agreement at any time, or for any period of time, shall not be construed as a waiver of any right of enforcement the Party may have.


12. No Third-party Beneficiaries. The provisions of this Profit Sharing Settlement Agreement are intended solely for the benefit of each Party hereto and their respective successors or permitted assigns, and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person.

13. Interpretation. This Profit Sharing Settlement Agreement has been negotiated and reviewed by the Parties with the advice of counsel, and in the event of an ambiguity its provisions are not to be construed against or in favor of any Party.

14. No Admission. This Profit Sharing Settlement Agreement shall not be construed as an admission as to any Party's liability or the merits of any Party's claims or legal positions regarding the subject matter of this Profit Sharing Settlement Agreement.

[SIGNATURE BLOCKS TO FOLLOW]


Navistar, Inc.

 o/b/o Curt A. Kramer

By: Curt A. Kramer

Its: Senior Vice President and General Counsel

Navistar International Corporation

 o/b/o Curt A. Kramer

By: Curt A. Kramer

Its: Senior Vice President and General Counsel

The Supplemental Benefit Program Committee of the Navistar International Transportation Corp.
Retiree Supplemental Benefit Program

By:

Its:

Navistar, Inc.

By:

Its:

Navistar International Corporation

By:

Its:

The Supplemental Benefit Program Committee of the Navistar International Transportation Corp.
Retiree Supplemental Benefit Program



By: Ted Scallet

Its: Counsel

Exhibit A

Release

IRREVOCABLE RELEASE

On December 22, 2021, Navistar, Inc. (f/k/a Navistar International Transportation Corp.) and Navistar International Corporation (together, “Navistar”), and The Supplemental Benefit Program Committee of the Navistar, Inc. Retiree Supplemental Benefit Program (the “SBC”), executed that certain Profit Sharing Settlement Agreement resolving their various disputes in and related to the civil action captioned *Shy, et al. v. Navistar Inc., et al.*, Case No. C-3-92-33. Navistar agreed to make certain settlement payments under paragraphs 2 and 3 of the Profit Sharing Settlement Agreement (collectively, the “Settlement Consideration”).

As of [date of payments] (the “Release Effective Date”), Navistar has provided the Settlement Consideration.

In exchange for the Settlement Consideration, and effective as of the Release Effective Date, the SBC hereby releases Navistar and its present and former affiliates, directors, officers, employees, service providers and agents (collectively, the “Navistar Released Parties”) of any and all rights, claims and causes of action that the SBC or anyone claiming on behalf of, through or under the SBC by way of subrogation or otherwise, has, had, or may have, or may be entitled to assert, whether known or unknown, suspected or unsuspected, concealed or hidden, arising out of, based upon or otherwise related to:

- a. the receipt or application, prior to and including October 31, 2021, of any of the following Medicare Part D subsidies by the Retiree Health Benefit and Life Insurance Plan and/or Navistar: the manufacturer discount under 42 CFR 423 Subpart W: Medicare Coverage Gap Discount Program (42 CFR 423.2300 – 42 CFR 423.2345); the federal reinsurance subsidy, the direct subsidy and the low income cost-sharing subsidy under 42 CFR 423 Subpart G: Payments to Part D Plan Sponsors for Qualified Prescription Drug Coverage (42 CFR 423.301 – 42 CFR 423.360); and the low income premium subsidy under 42 CFR 423 Subpart P: Premiums and Cost-Sharing Subsidies for Low-Income Individuals (42 CFR 423.771 – 42 CFR 423.800); and
- b. the Profit Sharing Plan, including, without limitation, any obligation of the Navistar Released Parties thereunder or under Section 7.1 of the Supplemental Benefit Program.

Execution date: [_____]

The Supplemental Benefit Committee

By:

Its: