YRC Worldwide Inc.
Form DEF 14A
May 20, 2010

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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No. __)

Filed by the Registrant x Filed by a Party other than the Registrant ¨

Check the appropriate box:

¨ Preliminary Proxy Statement

¨ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to §240.14a-12

YRC Worldwide Inc.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x No fee required.

¨ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which the transaction applies:

(2) Aggregate number of securities to which the transaction applies:

(3) Per unit price or other underlying value of the transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of the transaction:

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¨ Fee paid previously with preliminary materials.

¨ Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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10990 Roe Avenue

Overland Park, Kansas 66211

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO BE HELD JUNE 29, 2010

NOTICE IS HEREBY GIVEN that the 2010 Annual Meeting of Stockholders (the Annual Meeting) of YRC Worldwide Inc. (the Company) will be held at the Company s General Office, 10990 Roe Avenue, Overland Park, Kansas 66211, on Tuesday, June 29, 2010 at 10:00 a.m., Central time, to consider the following matters:

I. The election of directors;

II. The approval of the YRC Worldwide Inc. Second Union Employee Option Plan;

III. The approval of an amendment to the YRC Worldwide Inc. 2004 Long-Term Incentive and Equity Award Plan and re-approval of such plan pursuant to Section 162(m) of the Internal Revenue Code, as amended;

IV. The ratification of the appointment of KPMG LLP as the Company s independent registered public accounting firm for 2010; and

V. The transaction of any other business as may properly come before the Annual Meeting or any reconvened meeting after an adjournment.

The accompanying Proxy Statement contains information regarding the matters that you will be asked to consider and vote on at the Annual Meeting.

The Board of Directors has fixed the close of business on Friday, May 7, 2010 as the record date for the determination of stockholders entitled to notice of, and to vote at, the Annual Meeting or any reconvened meeting after any adjournments of the Annual Meeting.

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING, WE URGE YOU VOTE YOUR SHARES VIA THE TOLL-FREE TELEPHONE NUMBER OR VIA THE INTERNET, AS PROVIDED IN THE ENCLOSED MATERIALS. IF YOU RECEIVED A PROXY CARD BY MAIL, YOU MAY SIGN, DATE AND MAIL THE PROXY CARD IN THE ENVELOPE PROVIDED.

By Order of the Board of Directors:

Overland Park, Kansas

May 20, 2010

DANIEL J. CHURAY, Secretary

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YRC WORLDWIDE INC.

2010 ANNUAL MEETING OF STOCKHOLDERS

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT

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PROXY STATEMENT

2010 Annual Meeting of Stockholders

YRC WORLDWIDE INC.

10990 Roe Avenue

Overland Park, Kansas 66211

INTRODUCTION

We are furnishing this Proxy Statement to you in connection with the solicitation by the Board of Directors (the Board) of YRC Worldwide Inc., a Delaware corporation, of proxies for use at our 2010 Annual Meeting of Stockholders (the Annual Meeting), to be held at the Company s General Office, 10990 Roe Avenue, Overland Park, Kansas, at 10:00 a.m., Central time, on Tuesday, June 29, 2010, and at any and all reconvened meetings after any adjournments of the Annual Meeting. The Company s telephone number is (913) 696-6100, and our mailing address is 10990 Roe Avenue, Overland Park, Kansas 66211. Our website is located at *www.yrcw.com*. Information on our website does not constitute a part of this Proxy Statement. When used in this Proxy Statement, the terms the Company, we, us, our, and similar terms refer to YRC Worldwide Inc.

On or before May 20, 2010, we mailed to our stockholders of record a Notice of Internet Availability of Proxy Materials (the Notice) containing instructions on how to access this Proxy Statement and our 2009 annual report online.

MATTERS TO BE CONSIDERED AT THE ANNUAL MEETING

At the Annual Meeting, you will consider and vote upon:

I. The election of directors;

II. The approval of the YRC Worldwide Inc. Second Union Employee Option Plan (the Second Union Employee Option Plan);

III. The approval of an amendment to the YRC Worldwide Inc. 2004 Long-Term Incentive and Equity Award Plan (the Equity Plan) and re-approval of such plan pursuant to Section 162(m) of the Internal Revenue Code of 1986, as amended (the Code);

IV. The ratification of the appointment of KPMG LLP (KPMG) as the Company s independent registered public accounting firm for 2010; and

V. The transaction of any other business as may properly come before the Annual Meeting or any reconvened meeting after an adjournment.

QUESTIONS AND ANSWERS

Why did I receive a Notice in the mail regarding the Internet availability of proxy materials instead of a full set of printed proxy materials?

Pursuant to the rules adopted by the Securities and Exchange Commission (SEC), the Company is making this Proxy Statement and its 2009 annual report available to stockholders electronically via the Internet. On or before May 20, 2010, we mailed to our stockholders of record as of the record date the Notice. All stockholders will be able to access this Proxy Statement and our 2009 annual report on the website referred to in the Notice or request to receive printed copies of the proxy materials. Instructions on how to access the proxy materials via the Internet or to request a printed copy may be found in the Notice. We believe that this electronic process will expedite your receipt of the proxy materials and reduce the cost and the environmental impact of our Annual Meeting. We also encourage you to have all your accounts registered in the same name and address by contacting our transfer agent, Computershare Trust Company, N.A., at 1-800-884-4225, or at *web.queries@computershare.com.*

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How can I electronically access the proxy materials?

The Notice provides you with instructions on how to view our proxy materials for the Annual Meeting via the Internet. The website on which you will be able to view our proxy materials will also allow you to choose to receive future proxy materials electronically by email, which will save us the cost of printing and mailing documents to you. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

Who is entitled to vote at the Annual Meeting?

Stockholders of record as of the close of business on Friday, May 7, 2010 will be entitled to notice of, and to vote at, the Annual Meeting or any reconvened meetings after any adjournments of the Annual Meeting.

How many shares can vote?

On the record date, Friday, May 7, 2010, we had outstanding 1,054,993,232 shares of common stock, which constitute our only outstanding voting securities. Each stockholder is entitled to one vote for each share of common stock held as of the record date, subject to adjustment if the Reverse Stock Split described below is effected prior to the Annual Meeting date.

If the Company were to effect a reverse stock split, what effect would it have on the matters presented in this Proxy Statement?

At a special stockholders meeting held on February 17, 2010, the Company s stockholders approved amendments to the Company s Certificate of Incorporation to, among other things, effect a reverse stock split of the Company s common stock at a ratio that will be within a range of one-for-five (1:5) and one-for-25 (1:25) (the Reverse Stock Split) and to reduce the number of authorized shares of the Company s common stock by the Reverse Stock Split ratio. While we have not determined when we will effect the Reverse Stock Split, the Reverse Stock Split will reduce the number of our shares of common stock outstanding, and thus the number of shares of common stock held by each of our stockholders, as of the effective date of the Reverse Stock Split in proportion to the Reverse Stock Split ratio. Therefore, if the effective date of the Reverse Stock Split were to occur prior to the date of the Annual Meeting, it will reduce the number of shares entitled to vote at the meeting by the Reverse Stock Split ratio. As a result, stockholders as of the record date will be entitled to one vote for each share (or a fractional vote for each fractional share) measured as of the effective date of the Reverse Stock Split, instead of as of the record date.

As indicated above, the Reverse Stock Split will reduce the number of shares of common stock held by each of our stockholders, including by our executive officers and our directors. It will also reduce the number of shares of common stock issuable upon the exercise of outstanding restricted share units, including those granted to our named executive officers as reported in this Proxy Statement, and the number of shares issuable upon the exercise of options, including those granted pursuant to the Second Union Employee Option Plan and those granted to our named executive officers as reported in this Proxy Statement. The number of shares available for issuance under the Company s Equity Plan will also be proportionately reduced. See *Equity Compensation Plan Information, Proposal II Proposal to Approve the YRC Worldwide Inc. Second Union Employee Option Plan* and *Proposal III Proposal to Approve an Amendment to the YRC Worldwide Inc. 2004 Long-Term Incentive and Equity Award Plan and to Re-Approve Such Plan Pursuant to Section 162(m) of the Code.*

What matters am I voting on?

You are being asked to vote on the following matters:

- the election of directors;
- the approval of the Second Union Employee Option Plan;

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the approval of the amendment to the Equity Plan and re-approval of such plan pursuant to Section 162(m) of the Code; and

the ratification of the appointment of KPMG as the Company s independent registered public accounting firm for 2010.

How does the Board recommend I vote on the proposals?

The Board recommends that you vote FOR the proposed slate of directors, FOR the approval of the Second Union Employee Option Plan, FOR the approval of the amendment to the Equity Plan and re-approval of such plan pursuant to Section 162(m) of the Code, and FOR the ratification of the appointment of KPMG.

What is the difference between holding shares as a stockholder of record and as a beneficial owner of shares held in street name?

Stockholder of Record. If your shares are registered directly in your name with our transfer agent, Computershare Trust Company, N.A., you are considered the stockholder of record with respect to those shares, and the Notice was sent directly to you by the Company.

Beneficial owner of Shares Held in Street Name. If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in street name, and that organization forwarded the Notice to you. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct that organization on how to vote the shares held in your account.

What is the quorum requirement for the Annual Meeting?

A majority of the Company s outstanding shares (exclusive of treasury shares) on the record date must be present at the Annual Meeting to hold the Annual Meeting and conduct business. This is called a quorum. Your shares will be counted for purposes of determining if there is a quorum, whether representing votes for, against, withheld or abstained, or broker non-votes, if you:

are present and vote in person at the Annual Meeting; or

have voted via the Internet, by telephone or by properly submitting a proxy card or voting instruction form by mail.

If I am a stockholder of record of the Company s shares, how do I vote?

If you are a stockholder of record, you may vote in person at the Annual Meeting. We will give you a ballot when you arrive.

If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You can vote by proxy via the Internet at *www.proxyvote.com* or by calling 1-800-690-6903 and following the instructions provided. If you request printed copies of the proxy materials by mail, you can also vote by mail by marking, signing and dating the enclosed proxy card and returning it as soon as possible using the enclosed envelope. If you are voting via the Internet, by telephone, or by returning an executed proxy card, your vote or proxy card must be received by 11:59 p.m. Eastern time (or 10:59 p.m. Central time) on June 28, 2010 in order to be counted.

If I am a beneficial owner of shares held in street name, how do I vote?

If you are a beneficial owner of shares held in street name and you wish to vote in person at the Annual Meeting, you must obtain a valid legal proxy from the organization that holds your shares.

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If you do not wish to vote in person or if you will not be attending the Annual Meeting, you may vote by proxy. You can vote by proxy via the Internet at *www.proxyvote.com* or by calling the number set forth on the voting instruction form and following the instructions provided. If you request printed copies of the proxy materials by mail, you can also vote by mail by marking, signing and dating the enclosed voting instruction form and returning it as soon as possible using the enclosed envelope. If you are voting via the Internet, by telephone, or by returning an executed voting instructing form, your vote or voting instruction form must be received by 11:59 p.m. Eastern time (or 10:59 p.m. Central time) on June 28, 2010 to be counted.

If I own shares through a Company sponsored 401(k) plan, how do I vote?

If you have invested in the Company s common stock through a Company sponsored 401(k) plan, you do not actually own shares of the Company s common stock. The 401(k) plan trustee owns the shares on behalf of the plan s participants. Under the 401(k) plan, however, you have pass-through voting rights based on the amount of money you have invested in the Company s common stock. You may exercise your pass-through voting rights voting via the Internet at *www.proxyvote.com* or by calling 1-800-690-6903 and following the instructions provided. If you request printed copies of the proxy materials by mail, you can also vote by mail by marking, signing and dating the enclosed proxy card and returning it as soon as possible using the enclosed envelope. If you fail to timely give voting instructions to the 401(k) plan trustee, your shares will be voted by the trustee in the same proportion as shares held by the trustee for which voting instructions have been received. Your vote or executed proxy card must be received by 11:59 p.m. Eastern time (or 10:59 p.m. Central time) on June 24, 2010 to be counted.

What happens if I do not give specific voting instructions?

Stockholders of Record. If you are a stockholder of record and you:

indicate when voting via the Internet or by telephone that you wish to vote as recommended by our Board; or

if you sign and return a proxy card without giving specific voting instructions,

then the proxy holders will vote your shares in the manner recommended by our Board on all matters presented in this Proxy Statement and as the proxy holders may determine in their discretion with respect to any other matters properly presented for a vote at the Annual Meeting.

Beneficial Owners of Shares Held in Street Name. If you are a beneficial owner of shares held in street name and do not provide the organization that holds your shares with specific voting instructions, the organization may generally vote on routine matters but cannot vote on non-routine matters. If the organization that holds your shares does not receive instructions from you on how to vote your shares on a non-routine matter, the organization does not have the authority to vote your shares with respect to the non-routine matter. This is generally referred to as a broker non-vote. When our Inspector of Election tabulates the votes for any particular matter, broker non-votes will be counted for purposes of determining whether a quorum is present, but will not be treated as votes cast for or against the matter. We encourage you to provide voting instructions to the organization that holds your shares by carefully following the instructions provided in the Notice.

Which proposals are considered routine or non-routine ?

Proposal IV (ratification of the appointment of KPMG) involves a matter that we believe will be considered routine.

Proposal I (election of directors), Proposal II (approval of the Second Union Employee Option Plan) and Proposal III (approval of the amendment to the Equity Plan and re-approval of such plan pursuant to Section 162(m) of the Code) involve matters that we believe will be considered non-routine.

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How are abstentions treated?

Abstentions are counted for purposes of determining whether a quorum is present. For the purpose of determining whether the stockholders have approved a matter, abstentions are not treated as votes cast for or against the matter and, therefore, have no effect on the outcome of any matter being voted on at the Annual Meeting.

What is the voting requirement to approve each of the proposals?

The following table sets forth the voting requirement with respect to each of the proposals:

Proposal I Election of directors	Each director must be elected by a majority of the votes cast, meaning that the number of shares entitled to vote on the election of directors and represented in person or by proxy at the Annual Meeting casting their vote FOR a director must exceed the number of votes AGAINST that director.
Proposal II Approval of the Second Union Employee Option Plan	To be approved by our stockholders, this proposal must be approved by a majority of the votes cast, meaning that the number of shares entitled to vote on the Second Union Employee Option Plan and represented in person or by proxy at the Annual Meeting casting their vote FOR the Second Union Employee Option Plan must exceed the number of votes AGAINST the Second Union Employee Option Plan.
Proposal III Approval of the amendment to the Equity Plan and re-approval of such plan pursuant to Section 162(m) of the Code	To be approved by our stockholders, this proposal must be approved by a majority of the votes cast, meaning that the number of shares entitled to vote on the approval of the amendment to the Equity Plan and re-approval of such plan pursuant to Section 162(m) of the Code and represented in person or by proxy at the Annual Meeting casting their vote FOR the amendment to and re-approval of the Equity Plan must exceed the number of votes AGAINST the amendment to and re-approval of the Equity Plan.
Proposal IV Ratification of the appointment of KPMG as the Company s independent registered public accounting firm	To be approved by our stockholders, this proposal must be approved by a majority of the votes cast, meaning that the number of shares entitled to vote on the ratification of the appointment of KPMG and represented in person or by proxy at the Annual Meeting casting their vote FOR the ratification of the appointment of KPMG must exceed the number of votes AGAINST the ratification of the appointment of KPMG.

Can I change my vote after I have voted?

You may revoke your proxy and change your vote at any time before the final vote at the Annual Meeting. You may vote again on a later date via the Internet or by telephone (only your latest Internet or telephone proxy

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submitted prior to the Annual Meeting will be counted), or by signing and returning a new proxy card or voting instruction form with a later date, or by attending the Annual Meeting and voting in person. However, your attendance at the Annual Meeting will not automatically revoke your proxy unless you vote again at the Annual Meeting or specifically request in writing that your prior proxy be revoked.

Is my vote confidential?

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within the Company or to third parties, except:

- as necessary to meet applicable legal requirements;
- to allow for the tabulation and certification of votes; and
- to facilitate a successful proxy solicitation.

Occasionally, stockholders provide written comments on their proxy cards, which may be forwarded to management and our Board.

Where can I find the voting results of the Annual Meeting?

The preliminary voting results may be announced at the Annual Meeting. The final voting results will be tallied by the Inspector of Election and published in a Current Report on Form 8-K.

Who is paying for the cost of this proxy solicitation?

The Company is paying the costs of the solicitation of proxies. We have retained Morrow & Co., LLC to assist with the solicitation of proxies for an estimated fee of $1,000 plus reasonable out-of-pocket expenses. We must pay brokerage firms and other persons representing beneficial owners of shares held in street name their reasonable out-of-pocket expenses incurred in connection with forwarding the Notice to beneficial owners, forwarding printed proxy materials by mail to beneficial owners who specifically request them, and obtaining beneficial owners voting instructions.

In addition to soliciting proxies by mail, our Board members, officers and employees may solicit proxies on our behalf, without additional compensation, personally or by telephone. We may also solicit proxies by email from stockholders who are our employees or who previously requested to receive proxy materials electronically.

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STOCKHOLDER PROPOSALS AND COMMUNICATIONS WITH THE BOARD

Stockholder Proposals. SEC rules provide that we must receive stockholders proposals intended to be presented at the 2011 Annual Meeting by January 20, 2011 to be eligible for inclusion in the proxy materials relating to that meeting. Stockholder proposals should be submitted in writing to our Secretary at YRC Worldwide Inc., 10990 Roe Avenue, Overland Park, Kansas 66211. Stockholder proposals that are proposed to be brought before the 2011 Annual Meeting and that we do not receive by the deadline described in the preceding sentence will be considered not properly brought before that meeting, and will be out of order, unless we receive notice of the stockholder proposal not less than 60 days nor more than 90 days prior to the date of the 2011 Annual Meeting, in accordance with our Bylaws. If, however, we give less than 70 days notice of the date of the 2011 Annual Meeting, then, to be timely, we must receive notice of a stockholder proposal by the 10th day following the day that we mail notice of, or publicly disclose, the date of the 2011 Annual Meeting. We may use our discretionary authority to preclude any stockholder proposal received after that time from presentment at the 2011 Annual Meeting.

Stockholder Director Nominee Proposals. Stockholders who wish to recommend qualified candidates to stand for election to our Board may write to our Secretary at YRC Worldwide Inc., 10990 Roe Avenue, Overland Park, Kansas 66211. Each stockholder recommendation must set forth the following information about the candidate:

- name, age, business address and, if known, residence address;
- principal occupation or employment; and
- number of shares of our common stock beneficially owned.

To be considered at the 2011 Annual Meeting, you must mail or deliver a recommendation to us not less than 14 days or more than 50 days prior to the date of the 2011 Annual Meeting. If, however, we give less than 21 days notice of the date of the 2011 Annual Meeting, you must mail or deliver a recommendation by the seventh day following the day that we mail notice of the date of the 2011 Annual Meeting. The Governance Committee of the Board will consider the suggestions. The Governance Committee uses criteria to consider any candidate for director nominees, including nominees that stockholders submit. These criteria are set forth under the caption *Structure and Functioning of the Board* in this Proxy Statement in the subsection that discusses the Governance Committee.

Stockholder Communications with the Board. The Company encourages any stockholder who desires to communicate with the Board with respect to the stockholder s views and concerns to do so by writing to the Secretary of the Company, who shall assure that the Chairman of the Governance Committee receives the correspondence. The address of the Company s Secretary is YRC Worldwide Inc., 10990 Roe Avenue, Overland Park, Kansas 66211.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely on our review of copies of reports that persons required to file reports under Section 16(a) of the Securities Exchange Act of 1934, as amended (the Exchange Act), furnished to us, we believe that, for the year ended December 31, 2009, all filings required to be made by reporting persons with respect to the Company were timely made in accordance with the requirements of the Exchange Act.

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SECURITY OWNERSHIP OF MANAGEMENT AND DIRECTORS

Shares of Company common stock that directors and executive officers of the Company owned as of May 11, 2010 include:

- shares in which they may be deemed to have a beneficial interest;
- shares credited to individual accounts in the Company s 401(k) plan;
- restricted share units subject to the Company s 2004 Long-Term Incentive and Equity Award Plan; and
- shares subject to options that are exercisable on or prior to July 10, 2010.

All of the executive officers and directors have sole voting and dispositive power with respect to the shares of common stock reported below, and none of the shares reported below is pledged as security by any executive officer or director. See footnote (2) below regarding adjusted ownership amounts and percentages due to unvested restricted share units.

Name	Shares of Common Stock Owned as of 5/11/10(1)	Shares that Person has Right to Acquire On or Prior to 7/10/10	Total Beneficial Ownership	Percent of Class	Unvested Share Units(2)	Adjusted Total Beneficial Ownership(2)	Adjusted Percent of Class(2)
Eugene I. Davis	0	0	0	*	0	0	*
Dennis E. Foster	27,344	9,946	37,290	*	17,173	54,463	*
Marnie S. Gordon	0	0	0	*	0	0	*
Beverly K. Goulet	0	0	0	*	0	0	*
Mark E. Holliday	0	0	0	*	0	0	*
John A. Lamar	0	0	0	*	0	0	*
William L. Trubeck	36,611	9,946	46,557	*	17,173	63,730	*
Carl W. Vogt	39,232(3)	9,946	49,178	*	17,173	66,351	*
William D. Zollars	583,451(4)(5)	25,000	608,451	*	133,017	741,468	*
Timothy A. Wicks(6)	0	0	0	*	0	0	*
Sheila K. Taylor	316	1,120	1,436	*	952	2,388	*
Michael J. Smid	97,913(5)	42,200	140,113	*	30,380	170,493	*
Daniel J. Churay	42,356(5)	3,400	45,756	*	17,258	63,014	*
Phil J. Gaines	33,729(5)	4,066	37,795	*	11,947	49,742	*
All directors and executive officers as a group (16 persons)	914,728(5)	110,356	1,025,084	*	251,282	1,276,366	*

* Indicates less than 1% ownership. The percentages in the Percent of Class and Adjusted Percent of Class columns are based on 1,055,429,646 shares of common stock on May 11, 2010.

(1) Direct ownership except for shares held in the YRC Worldwide Inc. 401(k) Plan as follows: Mr. Zollars 641 shares; Mr. Smid 1,294 shares; and Mr. Churay 326 shares.

(2) The Company has granted rights to receive shares of the Company s common stock called restricted share units under its 2004 Long-Term Incentive and Equity Award Plan. The restricted share units are subject to time vesting requirements. See *Compensation Discussion and Analysis Summary of Compensation Components Prior Long-Term Incentive Plan, Outstanding Equity Awards at Fiscal Year End* and *Director Compensation* contained in this Proxy Statement. The unvested restricted share units are not included under the Shares of Common Stock Owned as of 5/11/10 column and, except for restricted share units that vest on or prior to July 10, 2010 and are deemed to be beneficially owned, are not included in the Shares that Person has Right to Acquire On or Prior to 7/10/10, Total Beneficial Ownership or Percent of Class columns. However, to provide complete information regarding each of the Company s directors and

executive officers equity ownership in the Company, the restricted share units that vest after July 10, 2010 are included in the Unvested Share Units, Adjusted Total Beneficial Ownership and Adjusted Percent of Class columns above.

(3) Mr. Vogt has deferred shares pursuant to the Company s Director Compensation Plan until he ceases to be a director of the Company and thus 3,208 deferred shares are not included in the amounts set forth above.

(4) Includes 32,330 shares of restricted stock awarded to Mr. Zollars in January 2006 pursuant to his employment agreement. For a discussion of the provisions of Mr. Zollars employment agreement, see the heading *Executive Agreement William D. Zollars Employment Agreement* of this Proxy Statement.

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(5) Under the Company s 2009 LTIP, participating executive officers, including Messrs. Zollars, Smid, Churay and Gaines have received awards of restricted stock that will vest, in each case, on the third anniversary of the date of grant upon the achievement of performance goals measured by the share price appreciation of the Company s common stock. The restricted stock awards are included in the amounts set forth above and are as follows:

Name of Executive Officer	Number of Restricted Shares
William D. Zollars	231,169
Michael J. Smid	77,798
Daniel J. Churay	34,231
Phil J. Gaines	27,266
Other Executive Officers	48,594

(6) Mr. Wicks resigned from the Company on April 12, 2010 and all of his unvested equity awards were forfeited. We do not track open market transactions of former executives. Therefore, these amounts represent shares reported on the last Form 4 Mr. Wicks filed before his employment terminated reduced by the unvested equity awards that Mr. Wicks forfeited upon his termination.

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I. PROPOSAL TO ELECT DIRECTORS

At the Annual Meeting, our stockholders will elect nine directors to hold office until the 2011 Annual Meeting or until their successors are elected and qualified, or until their earlier resignation, removal or death. If any nominee should be unable or unwilling to stand for election as a director, it is intended that the shares represented by proxies will be voted for the election of a substitute that management may nominate.

The Company s Bylaws state that for a director nominee to be elected, he or she must receive a majority of the votes cast with respect to that director nominee s election at the Annual Meeting (meaning the number of shares voted for the director nominee must exceed the number of votes cast against the director nominee), unless the number of director nominees exceeds the number of directors to be elected, in which case the director nominees will be elected by a plurality of the votes cast at the Annual Meeting. If an incumbent director is not elected by a majority of votes cast (unless the election standard is a plurality), the incumbent director must promptly offer to tender his or her resignation to the Board. The Governance Committee will make a recommendation to the Board as to whether to accept or reject the director s offer to resign, or whether to take other action. The Board must act on the Governance Committee s recommendation and publicly disclose its decision within 90 days from the date of the certification of the election results. If the Board accepts the director s offer to resign, the incumbent director must promptly tender such resignation, and the Board may fill the resulting vacancy pursuant to the Company s Bylaws or decrease the size of the Board pursuant to the Company s Certificate of Incorporation.

The following table sets forth information with respect to each nominee for election as a director of the Company. All nominees have consented to being named in this proxy statement and to serve if elected.

Name	Age	Principal Occupation and Past Service; Directorships
Eugene I. Davis Director since May 11, 2010	55	Chairman and Chief Executive Officer, Pirinate Consulting Group, L.L.C. (consulting firm) (since 1999); Chief Operating Officer, Total-Tel USA Communications, Inc. (telecommunications provider) (1998 1999); Current Director: Atlas Air Worldwide Holdings (aircraft freighters); Knology Broadband (cable TV, Internet and telephony); Rural/Metro (outsourced municipal ambulance and fire department services); Spectrum Brands (batteries, grooming products, pet products and garden products); Ambassadors International (cruise ships); and DEX One (f/k/a RH Donnelly) (telephone directory publishing and services); Former Director: American Commercial Lines (inland river barges); Exide (batteries); IPCS (wireless telephony); Oglebay Norton (mining); Tipperary Corporation (oil and gas); Viskase, Inc. (sausage casings); McLeod Communications (telephony); Granite Broadcasting (television stations); Footstar (shoes); PRG Schultz (payables auditing); Silicon Graphics (supercomputers); SeraCare (blood and plasma products); Foamex (polyurethane foam products); Ion Broadcasting (television stations); Delta Airlines (passenger air carrier); Atari (video games); Solutia (specialty chemicals); Media General (newspapers and television stations); and TerreStar (satellite communications). Mr. Davis experience with crisis and turn-around management and strategic planning advisory services for public and private business entities, including those in the transportation industry, will allow him to provide the Board important insight into strategic issues facing the Company.

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Name	Age	Principal Occupation and Past Service; Directorships
Dennis E. Foster Director since 2000	69	Principal, Foster Thoroughbred Investments (thoroughbred breeding and racing) (since 2000); Vice Chairman, Alltel Corporation (telecommunications) (1998 2000); Chief Executive Officer, 360 Communications, Inc. (wireless communications) (1993 1998); Current Director, NiSource Inc. (natural gas and electric), and current Non-Executive Chairman, Windstream Corporation (telecommunications); Former Director, Alltel Corporation (telecommunications). Mr. Foster s experience in leadership positions with technology companies, combined with his institutional knowledge of the Company and the LTL transportation industry gained from many years of service on our Board, allows him to provide the Board with insight on the opportunities and challenges facing us in deploying technology across our network.
Marnie S. Gordon Director since May 11, 2010	44	Director, Angelo, Gordon & Co. (investment advisor) (1998 2001); Vice President, Goldman, Sachs & Co. (investment banking) (1993 1998); Current Director, Thermadyne Holdings Corporation (cutting and welding products); Former Director, Telewest Global Inc. (cable services provider). Ms. Gordon s experience as a lead investor in financially challenged companies and in working with corporate management regarding operating strategies and financial structure will allow her to provide the Board with important insight into financial structure and operational issues facing the Company.
Beverly K. Goulet Director since May 11, 2010	55	Vice President Corporate Development and Treasurer (since 2002) and Managing Director Corporate Development (1999 2002), AMR Corporation American Airlines, Inc. (passenger airline carrier). For 19 years prior thereto, Ms. Goulet practiced corporate finance and securities law. Ms. Goulet s experience in debt and equity financing and out-of-court restructuring will allow her to provide the Board with important insights into our financial challenges and restructuring plans.
Mark E. Holliday Director since May 11, 2010	42	President, Goshawk Capital Corp. (investment company); Partner, Camden Asset Management, LP (investment company) (since 2003); Portfolio Manager, Deephaven Capital Management, LLC (investment company) (2001 2002); Current Director, Movie Gallery, Inc. (video retailer), FiberTower Corporation (telecommunications) and Clear One Health Plans (health plan provider); Former Director, Reptron Electronics, Inc. (electronics manufacturer). Mr. Holliday s experience in capital restructuring, service on official and ad-hoc creditor committees and other board experience will allow him to provide the Board with important insight into capital restructuring and other financial matters.

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Name	Age	Principal Occupation and Past Service; Directorships
John A. Lamar Director since May 11, 2010	69	Chairman, Premier Trailer Leasing (trailer leasing) (since 2008); Chairman, BeefTek, LLC (integrated beef development) (since 2007); Executive Committee of Board of Directors, SonoMedia, Inc. (cardiovascular devices) (since 2007); Chief Executive Officer, LLT International/Contex Capital Partners (international logistics) (1995 2007). Mr. Lamar s executive experience in international logistics management, including Asia, distribution, transportation and business turnarounds, including in truck and trailer leasing, will allow him to provide the Board important insight into strategic and operational issues facing the Company.
William L. Trubeck Director since 1994	63	Self-employed business and financial consultant (2008 present); Executive Vice President and Chief Financial Officer, H&R Block, Inc. (financial services) (2004 2007); Executive Vice President, Western Group (2003 2004); Executive Vice President, Chief Administrative Officer and Chief Financial Officer (2002 2003) and Senior Vice President and Chief Financial Officer (2000 2002), Waste Management, Inc. (waste disposal and environmental services); Senior Vice President Finance and Chief Financial Officer and President, Latin American Operations, International MultiFoods, Inc. (food manufacturing) (1997 2000); Current Director, Dynegy Inc. (independent power producer); Vice Chairman of the Board of Trustees of Monmouth College; Former Director, Ceridian Corp. (business services); and Federal Home Loan Bank of Des Moines (community banking). Mr. Trubeck s experience as the chief financial officer of several large public companies, combined with his institutional knowledge of the Company and the LTL transportation industry gained from many years of service on our Board, allows him to provide the Board with important knowledge of financial and accounting issues affecting us.
Carl W. Vogt Director since 1996	74	Retired Senior Partner, Fulbright & Jaworski LLP (legal services) (1974 2002); President Emeritus (President interim 1999 2000), Williams College, Williamstown, MA; Chairman, National Transportation Safety Board (1992 1994); Current Director, American Science & Engineering (x-ray bomb and contraband detection); Former Director, Waste Management, Inc. (waste and environmental services); and DWS Scudder Mutual Funds (financial services). Mr. Vogt s background as a lawyer and his prior experience as the Chairman of the National Transportation Safety Board, combined with his institutional knowledge of the Company and the LTL transportation industry gained from many years of service on our Board, allows him to provide the Board with an important perspective of the regulatory environment in which we operate, including on issues related to governance and safety.

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Name	Age	Principal Occupation and Past Service; Directorships
William D. Zollars Director since 1999	62	Chairman of the Board and Chief Executive Officer of YRC Worldwide (since November 1999); President of YRC Worldwide (since April 2010 and November 1999 October 2009); President of Yellow Transportation, Inc. (1996 1999); Senior Vice President of Ryder Integrated Logistics (1994 1996); Current Director, ProLogis Trust (real estate investment trust), Cerner Corporation (computer integrated systems design) and CIGNA Corporation (hospital and medical service plans); Former Director, Butler Manufacturing Company (prefabricated metal buildings and components). Mr. Zollars experience as our chief executive officer for over a decade allows him to provide the Board with important perspective on our opportunities, challenges and operations.

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STRUCTURE AND FUNCTIONING OF THE BOARD

General. All directors are elected annually at the annual stockholders meeting. Directors may serve until age 75, which is the mandatory retirement age pursuant to the Company s Bylaws. The number of directors is nine, as set forth in the Company s Bylaws. A director s term on the Board also may be limited if the director changes employment (other than a promotion or lateral move within the same organization) or if the director fails in any fiscal year to attend at least 66% of the aggregate meetings of the Board and any Board committees on which the director serves. The Company s Bylaws require the director to offer his or her retirement or resignation effective on the annual stockholders meeting following the three-month anniversary of the change in his or her employment or the failure to attend the requisite number of meetings in a fiscal year. The Board may waive this requirement in its discretion. If a director is also concurrently an employee of the Company, he or she is no longer qualified to serve as a director after any diminution in such person s duties or responsibilities as an officer or after he or she leaves the employ of the Company. The chairman of each committee handles the function of lead director for committee matters, serves as the spokesperson for the committee and provides recommendations and guidance to the Board and the Chairman of the Board.

The Board reviews from time to time its procedures and processes, as well as its guidelines on corporate governance. The guidelines on corporate governance are included with the Governance Committee Charter, which is available on the Company s website, *www.yrcw.com.* Each committee of the Board may retain its own legal or other advisors from time to time as the committee believes appropriate, and the committee will be responsible for the terms of the engagement and the amount of compensation of the advisors. The Company is responsible for payment of any compensation to the advisors pursuant to such terms. Under the guidelines on corporate governance, the Board develops procedures for orientation and continuing education of the directors.

Recently Elected Directors. As part of our comprehensive recovery plan to reduce costs, to improve operating results and cash flows from operations, to improve liquidity and to reduce debt, on December 31, 2009, we completed exchange offers (the Exchange Offers) (as described in the prospectus that is part of our Registration Statement on Form S-4, originally filed with the SEC on November 9, 2009 (as amended, supplemented or otherwise modified, the Prospectus)) pursuant to which we exchanged 36,504,043 shares of common stock and 4,345,514 shares of Class A Convertible Preferred Stock (together with the common stock, representing approximately 94% of the common stock on an as-if converted basis) for $470,209,000 in aggregate principal amount of old notes, consisting of (i) our 5.0% Net Share Settled Contingent Convertible Senior Notes and 5.0% Contingent Convertible Senior Notes due 2023, (ii) our 3.375% Net Share Settled Contingent Convertible Senior Notes and 3.375% Contingent Convertible Senior Notes due 2023, and (iii) the 8 1/2% Guaranteed Notes due April 15, 2010 of YRC Regional Transportation, Inc., our wholly-owned subsidiary. On February 17, 2010, our stockholders approved amendments to our Certificate of Incorporation to, among other things, reduce the par value of our common stock and to increase the number of authorized common shares. As a result of the stockholder approval of the amendments, and pursuant to the Certificate of Designations of the preferred stock, all shares of preferred stock have been automatically converted to shares of our common stock and, as of the date of this Proxy Statement, there are no shares of preferred stock outstanding.

The terms of the Exchange Offers required that up to eight of our nine then current directors resign. Seven of our directors resigned, effective May 11, 2010, with an eighth director (Carl W. Vogt) agreeing to resign at a later date in connection with the nomination of a single director by the International Brotherhood of Teamsters (the Teamsters) pursuant to the Amended and Restated Memorandum of Understanding on the Job Security Plan dated July 9, 2009 (the Amended and Restated Job Security Plan) between the Teamsters and certain of our subsidiaries. Accordingly, Michael T. Byrnes, Cassandra C. Carr, Howard M. Dean, Dennis E. Foster, Phillip J. Meek, Mark A. Schulz and William L. Trubeck resigned from the Board effective May 11, 2010. The Board then appointed new directors as continuing directors (as defined in our Certificate of Incorporation) to fill the vacant positions immediately following the resignations on May 11, 2010. Pursuant to the terms of the Exchange Offers, four of the directors appointed on May 11, 2010 were nominated by the Board from a group of six potential nominees put forth by a subcommittee comprised of some of the largest holders of the old notes (the Noteholder Subcommittee). Those four individuals were Marnie S. Gordon, Beverly K. Goulet, Mark E. Holliday and John A. Lamar. Three of the directors appointed on May 11, 2010 were nominated by the Board in consultation with the Noteholder Subcommittee, all of whom were approved by the Noteholder Subcommittee. Those three individuals were Eugene I. Davis, Dennis E. Foster and William L. Trubeck. Each of Messrs. Foster and Trubeck were current directors of the Company at the time they were appointed on May 11, 2010.

Director Independence. The Board has affirmatively determined the independence of each current director and each director who served during 2009 (other than Mr. Zollars), in accordance with applicable law and the NASDAQ Stock Market rules. None of the current independent directors or independent directors who served during 2009 had transactions with related persons, promoters or certain control persons that the Board needed to consider in determining independence.

Meetings of Board and Committees. The Board held 23 meetings during 2009. The Board has four standing committees: the Audit/Ethics Committee; the Compensation Committee; the Governance Committee; and the Finance Committee. The Company policy with respect to attendance of Board and committee meetings is that each director should strive to attend at least 75% of the aggregate of the total number of meetings of the Board and of the committees of the Board on which the director serves. All of the persons who were directors at the time of the 2009 Annual Meeting attended that meeting.

Meetings of Independent Directors. The independent directors of the Company meet in regularly scheduled executive sessions at times and for reasons as they desire and set, with at least one executive session per year.

Audit/Ethics Committee. The Audit/Ethics Committee of the Board met seven times during 2009. Prior to the resignation of seven of our nine directors described above, the Audit/Ethics Committee consisted of William Trubeck (Chairman), Howard Dean and Mark Schulz. The Audit/Ethics Committee currently consists of Mark Holliday (Chairman), Eugene Davis and William Trubeck. The Board has determined that all of the current and former members of the Audit/Ethics Committee are, and in 2009 were, independent directors, as that term is defined in applicable law and the NASDAQ Stock Market rules. The Board has determined that Mark Holliday, Eugene Davis and William Trubeck are audit committee financial experts, as that term is defined under SEC regulations and that Mark Holliday, Eugene Davis and William Trubeck meet the financial sophistication requirement of the NASDAQ Stock Market rules. The Audit/Ethics Committee Charter has a written charter, which is available on the Company s website, *www.yrcw.com.* As described in its charter, the Audit/Ethics Committee s primary functions and purpose include:

- appointing, compensating, retaining and overseeing the work of any public accounting firm that the Company employs for the purpose of preparing or issuing an audit report or related work;
- approving all auditing services and non-audit services that the Company s auditors provide to the Company;
- resolving any disagreements between the Company s management and the auditor regarding financial reporting;
- establishing procedures for the receipt, retention and treatment of complaints that the Company receives regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- assisting the Board in oversight of the following:
  - the integrity of the Company s financial statements;
  - the Company s compliance with legal and regulatory requirements;

the independent auditor s qualifications and independence; and

the performance of the Company s internal and external audit functions;

overseeing the Company s compliance programs, including the Company s Code of Conduct;

- adopting, amending or modifying the Company s Code of Conduct and a code of ethics (which is currently contained in the Company s Code of Conduct) for the Company s chief financial officer, controller, principal accounting officer or persons serving in similar functions (the Company s Code of Conduct is available on the Company s website, *www.yrcw.com*); and

- determining appropriate funding for:

  - compensation to any registered public accounting firm engaged to prepare or issue an audit report or performing other audit, review or attest services for the Company;

  - compensation paid to any advisors employed by the committee to assist it in the conduct of its duties; and

  - ordinary administrative expenses of the committee that are necessary or appropriate in carrying out its duties.

In performing its functions, the Audit/Ethics Committee reviews the independence of the external auditor and the overall scope and focus of the annual audit. The Audit/Ethics Committee conducts discussions with the Company s external auditor concerning relationships or services that may affect auditor objectivity or independence, and if the Audit/Ethics Committee is not satisfied with the auditors assurances of independence, the Audit/Ethics Committee will take, or recommend to the Board, appropriate action to ensure the independence of the external auditor. In addition, the chairman of the Audit/Ethics Committee is expressly authorized to approve the provision of non-audit services to the Company. The latter express authority was established to handle the approval of non-audit services prior to the engagement of the auditor or accountant before the next scheduled Audit/Ethics Committee meeting. The Audit/Ethics Committee approved all audit and audit related fees incurred in 2009.

Compensation Committee. The Compensation Committee of the Board met six times during 2009. Prior to the resignation of seven of our nine directors described above, the Compensation Committee consisted of Dennis Foster (Chairman), Michael Byrnes, Cassandra Carr and Phillip Meek. The Compensation Committee currently consists of Beverly Goulet (Chairwoman), Dennis Foster and Carl Vogt. The Board has determined that all of the current, former and expected members of the Compensation Committee are, and in 2009 were, independent directors, as that term is defined in the NASDAQ Stock Market rules. A copy of the Compensation Committee s charter is available on the Company s website, *www.yrcw.com*. The Compensation Committee s primary functions include:

- setting compensation, benefit and compensation-related policies for the Company and, pursuant to those policies, determining the compensation and benefits of the designated executive officers and other key employees of the Company other than the chief executive officer;

- reviewing and recommending for the full Board s consideration the compensation and benefits of the chief executive officer and directors of the Company;

- appointing health, welfare and retirement benefit plan administrators, trustees and other similarly required positions and monitoring and providing oversight to these plans;

- administering equity and other long-term compensation programs of the Company;

- reviewing and discussing with management the Compensation Discussion and Analysis, or any similar report, prepared by management and recommending to the Board whether such report should be included in the Company s proxy statement or Annual Report on Form 10-K, as applicable; and reviewing and approving the Compensation Committee Report required by applicable SEC rules for inclusion in the Company s proxy statement or Annual Report on Form 10-K, as applicable.

In addition to the foregoing functions, the Company s chief executive officer and the Compensation Committee review management development and succession planning and make an annual report to an executive session of the independent directors.

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The Compensation Committee has primary responsibility for determining the Company s compensatory program for executive officers and directors. In evaluating the level of executive officer and director compensation, the Compensation Committee takes into consideration advice from its independent consultant and recommendations from the Company s senior management. The Compensation Committee has the authority to directly engage consultants. The Compensation Committee engaged Frederic W. Cook & Co. in July 2007 to assist it in assessing the appropriateness of the Company s executive compensatory program and to serve as its ongoing advisor relating to executive compensation matters. See *Director Compensation* and *Compensation Discussion and Analysis* for additional disclosure regarding the process for determining director and executive compensation during 2009.

Governance Committee. The Governance Committee of the Board met once during 2009. The Governance Committee performs the functions of a nominating committee. Prior to the resignation of seven of our nine directors described above, the Governance Committee consisted of Carl Vogt (Chairman), Cassandra Carr and Dennis Foster. The Governance Committee currently consists of John Lamar (Chairman), Dennis Foster and Marnie Gordon. The Board had determined that all of the current, former and expected members of the Governance Committee are, and in 2009 were, independent directors, as that term is defined in the NASDAQ Stock Market rules. The Governance Committee s functions are described in detail in its charter, which is available on the Company s website, *www.yrcw.com*. The Governance Committee s primary functions include:

- administering the guidelines on corporate governance and developing and making recommendations to the Board with respect to those guidelines;
- establishing the criteria for selecting the nominees for election as directors of the Company and reviewing the qualifications of all candidates, including those that stockholders propose, for recommendation to the Board;
- recommending to the Board for approval the standards for determining whether or not a director is independent ;
- recommending to the Board the composition of the committees of the Board;
- reviewing and making recommendations as to the effectiveness of the Board as a whole; and
- making recommendations from time to time as to changes in governance that the Governance Committee finds necessary or otherwise in the best interest of the Company.

In performing its function of identifying candidates for director nominees, the Governance Committee has the sole authority to retain and compensate search firms to assist in the process.

All of the nominee directors included in this Proxy Statement are current directors. The Governance Committee reviewed the qualifications of each of the nominees to the Board and recommended each such person as a nominee for the Board. The Governance Committee accepts stockholder director nominations in accordance with the policy for submitting proposals for director nominations set forth under the caption *Stockholder Proposals and Communications with the Board* in this Proxy Statement. The following criteria guide the Governance Committee in considering candidates for director nominees, including nominees that stockholders submit:

- personal traits and experience (*i.e.*, an individual of the highest character and integrity, with experience at a strategy/policy-setting level or other senior executive level of experience);
- the availability of sufficient time to carry out the responsibilities of a director;

the absence of any conflict of interest that would interfere with the director s independence and the proper performance of his or her responsibilities;

the ability to utilize his or her unique experience and background to represent and act in the best interests of all stockholders as a group and not to represent a particular constituent group or organization; and

the ownership of Company common stock.

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The Company does not have a formal policy with regard to the consideration of diversity when considering candidates for election as directors, but believes that diversity is an important factor in determining the composition of the Board. Consequently, the Governance Committee strives to nominate directors with diverse experience and backgrounds that complement each other so that, as a group, the Board will possess the appropriate talent, skills, and expertise to oversee the Company s business. In considering whether to recommend any candidate for inclusion in the Board s director nominees, including those submitted by stockholders, the Governance Committee will apply the selection criteria set forth in the Company s Governance Guidelines. These criteria include a nominee s ability, judgment, objectivity, character, integrity, time availability, experience, background and ability to act in the best interests of the stockholders as a group.

While the Governance Committee considers all of the factors discussed above, it may or may not give greater weight to one factor or another when making its nomination decisions.

Finance Committee. The Finance Committee of the Board met nine times during 2009. The Finance Committee acts on behalf of the Board with respect to all aspects of corporate finance for the Company and its subsidiaries, including determinations with respect to capital structure, equity and debt financings, credit and cash management activities, divestures of excess or obsolete assets and economic risk management activities. Prior to the resignation of seven of our nine directors, the Finance Committee consisted of Mark Schulz (Chairman), Dennis Foster and William Trubeck. The Finance Committee currently consists of Eugene Davis (Chairman), Marnie Gordon, Beverly Goulet and Mark Holliday. The Board had determined that all of the current and former members of the Finance Committee are, and in 2009 were, independent directors, as that term is defined in the NASDAQ Stock Market rules. The Finance Committee s primary functions include, after consultation with the Company s management, the power and authority to approve all policies and transactions related to the Company s corporate finance activities, including the power and authority to approve the following:

- subject to certain limitations with respect to extraordinary transactions, all transactions relating to the incurrence, or issuance, of any debt or equity by the Company;
- all transactions related to the refinancing, repayment, amendment, renewal, or exchange of debt or equity of the Company;
- the registration of any debt or equity securities of the Company with the SEC or any other applicable regulatory authority and the listing of such securities on any exchange;
- the credit and cash management plans and strategies of the Company;
- all sale lease-back transactions entered into by the Company;
- subject to certain limitations with respect to extraordinary transactions, the terms and conditions of any sale or divesture by the Company of any assets;
- the plans and activities for managing foreign currency exchange exposure and other exposure to economic risks;
- the use and allocation of the proceeds from any financing transaction entered into by the Company;
- the engagement of any arranger or underwriter in connection with any corporate finance transaction; and

any documents or filings necessary to consummate any of the foregoing, and the officers and employees of the Company who have the authority to act on behalf of the Company to implement the foregoing.

Board Leadership Structure. Currently, William D. Zollars serves as both Chairman of the Board and Chief Executive Officer. The Board also has appointed John Lamar as Lead Independent Director to aid and assist the Chairman and the Board in assuring effective corporate governance in managing the affairs of the Board and the Company. The responsibilities of the Lead Independent Director are expected to include: ensuring that the Board has adequate resources, including relevant and timely information to support its decision-making; providing input on Board meeting agendas; chairing Board meetings and acting as the spokesperson for the Company when the Chairman is unavailable; acting as a resource on corporate governance practices and policies; acting as a leader with respect to corporate governance policies and practices if it is inappropriate for the Chairman to do so; chairing all meetings of the independent directors held in executive session; and acting as a communication channel, as appropriate, among the directors and between the directors and the Chairman.

While the Company s Guidelines on Corporate Governance and Governance Committee Charter (the Governance Guidelines) require the Company s Chief Executive Officer to serve as a director of the Company, the Board does not have a policy regarding whether the roles of Chief Executive Officer and Chairman of the Board should be separated or combined or if they are combined whether there should be a Lead Independent Director. The Board believes it is in the best interests of the Company to make that determination from time to time based on the needs of the Company and the membership of the Board. The Board has determined that having Mr. Zollars serve as both the Company s Chairman and Chief Executive Officer at this time is in the best interests of the Company s stockholders because it efficiently and effectively allows the Board to have clear insight into the challenges and opportunities facing the Company, enhances decision-making and fosters accountability of the management to the Board. Further, a single person, acting in the capacities of Chairman and Chief Executive Officer, provides a unified leadership and focus, which has been critical in the development and implementation of our comprehensive recovery plan, and will help with Board transition in connection with the recent appointment of new directors described above. The Board believes that the designation of a Lead Independent Director, the use of regularly scheduled executive sessions, its Guidelines on Corporate Governance regarding Board independence from management, including the requirement that no more than two directors can currently or previously be employed as executive officers of the Company, and the fact that all committees are made up entirely of independent directors, allow it to maintain effective oversight of management.

Board s Role in Risk Oversight. Management is primarily responsible for identifying and managing the risks facing the Company, and the Board oversees these efforts. Annually, the Board reviews management s overall strategic plan, which includes evaluating the risks associated with that plan.

In addition, pursuant to its charter, the Audit/Ethics Committee is responsible for reviewing and discussing the Company s business risk management process, including the adequacy of the Company s overall control environment and controls related to selected areas representing significant financial and business risk. Furthermore, the Audit/Ethics Committee evaluates key financial statement issues and risks, their impact or potential effect on reported financial information and the process used by management to address such matters. At each Audit/Ethics Committee meeting, management briefs the committee on certain business and financial risks facing the Company and the efforts being undertaken to manage these risks. The Audit/Ethics Committee then regularly reports to the full Board regarding those briefings as well as their own analyses and conclusions regarding the Company s risk management process. In addition to the Audit/Ethics Committee, the Compensation Committee oversees risks associated with the Company s compensation policies and practices to ensure that they do not encourage excessive risk-taking that could result in material adverse effects upon the Company. The Board and each committee may also retain independent legal and other advisors to advise and assist the Board in carrying out its oversight responsibilities.

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LEGAL PROCEEDINGS

To the best of our knowledge, there is no material proceeding to which any director, director nominee or executive officer or affiliate of the Company, any owner of record or beneficially of more than 5% of any class of voting securities of the Company, or any associate of such director, nominated director, officer, affiliate of the Company, or security holder is a party adverse to the Company or any of its subsidiaries or has a material interest adverse to the Company or any of its subsidiaries.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2009, Dennis Foster, Michael Byrnes, Cassandra Carr and Phillip Meek served on the Compensation Committee of the Board. Currently our Compensation Committee consists of Beverly Goulet, Dennis Foster and Carl Vogt. No executive officer of the Company serves on the compensation committee or serves as a director of another entity or member of a compensation committee of another entity where an executive officer of that entity also serves on the Compensation Committee or on the Board.

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DIRECTOR COMPENSATION

The table below sets forth compensation information for our outside directors for the fiscal year ended December 31, 2009. As noted under the heading *Structure and Functioning of the Board Recently Elected Directors*, in connection with the Exchange Offers, seven of our directors serving as of December 31, 2009 resigned and the Board appointed new directors to fill the vacant positions created thereby. As required by applicable SEC rules, the disclosure provided by this section is for the period ending December 31, 2009, and has not been updated to reflect the change in directors. This disclosure is also consistent with disclosure under the same heading in the Company s Form 10-K/A filed with the SEC on March 25, 2010 and the Company s Schedule 14F-1 filed with the SEC on April 30, 2010.

Name	Meeting Attendance and Retainer Fees Received in Cash ($)	Retainer Fees Received in Stock ($)(1)	Annual Award of Restricted Share Units ($)(2)	Total ($)
Michael T. Byrnes	67,050	25,875	77,500	170,425
Cassandra C. Carr	16,200	45,000(3)	77,500	138,700
Howard M. Dean	40,050	22,500	77,500	140,050
Dennis E. Foster	52,875	25,875	77,500	156,250
John C. McKelvey(4)	18,000			18,000
Phillip J. Meek	37,350	22,500	77,500	137,350
Mark A. Schulz	54,288	24,750	77,500	156,538
William L. Trubeck	55,350	27,000	77,500	159,850
Carl W. Vogt	35,550	24,750	77,500	137,800

(1) Amounts represent the grant date fair value for the portion of retainer fees paid in 2009 in the form of Company common stock. No assumptions were necessary to determine the grant date fair value. On May 14, 2009, each director was granted a number of shares determined by the dollar value of the director s retainers paid in Company common stock divided by the closing price of the Company s common stock on the grant date. Therefore, grant date fair value was determined by multiplying the number of shares of Company common stock granted by the closing price of the Company s common stock on the grant date.

(2) Amounts represent the grant date fair value of the annual grant of restricted share units. No assumptions were necessary to determine the grant date fair value. On May 14, 2009, each director was granted a number of restricted share units determined by the dollar value of the director s annual award divided by the closing price of the Company s common stock on the grant date. The grant date fair value of each of the awards was determined by multiplying the number of restricted share units granted by the closing price of the Company s common stock on the grant date.

As of December 31, 2009, each of the outside directors held 27,119 restricted share units, except Messrs. Byrnes and Schulz who held 26,944 restricted share units.

(3) Ms. Carr deferred receipt of these shares until she ceased to be a member of the Board. As a result, the Company quarterly reviews this amount and records an expense or an expense reduction based upon the fair value of the grant as of the last day of the quarter.

(4) In 2009, Mr. McKelvey reached the mandatory retirement age contained in our Bylaws. Therefore, he was not nominated for election at our 2009 Annual Meeting of Stockholders and did not receive an award of common stock or restricted share units following the election.

Our Director Compensation Plan sets forth the compensation our outside directors are eligible to receive for their service on the Board. An outside director is a director that is not an employee of the Company. To align the interests of our outside directors with the interests of our stockholders, a portion of the annual retainer fees is required to be paid in Company common stock, a significant portion of the director s total compensation is paid in restricted share units that convert to Company common stock upon vesting, and we have established equity ownership requirements for our outside directors. Pursuant to our Director Compensation Plan, our outside directors are eligible to receive the following annual compensation:

a retainer for Board services of $50,000;

a retainer for service as Governance Committee chairperson of $5,000, as Finance Committee chairperson of $5,000, as Compensation Committee chairperson of $7,500, as Audit/Ethics Committee

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chairperson of $10,000 and as International Committee chairperson of $7,500; other members of committees do not receive retainers for committee service;

an attendance fee of $1,500 for each Board meeting and $1,500 for each committee meeting attended, and in the case of the International Committee, a per diem of $1,500 for each meeting attended of the board of directors (or similar managing body) of any foreign entity, including any international joint venture to which the Company is a party, as designated by the Board;

reimbursement of costs or expenses incurred in relation to Board and committee meetings; and

a grant of restricted share units equivalent in value to $77,500.

In conjunction with the 10% reduction in employee wages and salaries in January 2009, our Board voluntarily reduced by 10% all fees for regular Board and committee meetings attended in 2009 and all retainer fees for 2009, including annual retainers and retainers for service as chairpersons of Board committees. The Board also agreed to waive any fees for telephonic special meetings of the Board and the Audit/Ethics, Compensation and Governance Committees in 2009.

Under the terms of our Director Compensation Plan, a minimum of 50% of the annual and committee chairperson retainer fees are paid in the form of Company common stock, with the stock award determined annually on the date of the Board meeting immediately following our annual meeting of stockholders based on the closing price of our common stock on that date and the then applicable level of Board and committee chairperson retainer fees. The directors have the option of receiving up to 100% of the annual and committee chairperson retainer fees in Company common stock. Directors may elect to defer receipt of all of their retainer fees received in common stock and their meeting attendance fees. Directors that are elected during the year receive all of their pro-rated retainer fees for the year of election in cash.

On the date of the Board meeting immediately following our annual meeting of stockholders, our outside directors receive annual restricted share unit grants of Company common stock equal in value to $77,500 (using the reported closing price on the NASDAQ Stock Market on the date of grant). These restricted share units vest in one-third increments on the anniversary of the grant date. We issue the restricted share units from our Equity Plan.

Our outside directors are subject to an equity ownership requirement. Each of our outside directors is required to own shares of Company common stock or restricted share units equal in value to three times the annual board retainer by the later of July 14, 2008 or within three years of the date the director first becomes a member of the Board. Based on the closing market price of our common stock on July 14, 2008, all of our outside directors satisfied the equity ownership requirement, except for Messrs. Byrnes and Schulz who have until October 2010 to satisfy this requirement. Due to the severe economic recession, the Company s results, and the issuance of almost one billion shares of common stock in connection with our debt-for-equity exchange offer completed in December 2009, the price per share of our common stock has been dramatically lower than when the equity ownership requirement was established. Therefore, the Board has suspended the equity ownership requirement. The Board is committed to the continued alignment of our director compensation practices and our stockholders interests and will review the equity ownership requirement in 2010.

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COMPENSATION DISCUSSION AND ANALYSIS

The disclosure provided by this section is consistent with the disclosure provided under the same heading in the Company s 10-K/A filed with the SEC on March 25, 2010 and the Company s Schedule 14F-1 filed with the SEC on April 30, 2010.

Compensation Philosophy and Objectives

Our Compensation Committee (the Committee) has established an executive compensation philosophy that supports our objectives to:

- attract and retain high caliber executives whose leadership skills can enable us to effectively navigate the economic environment affecting our Company and to effectively compete in our market segments; and
- provide incentives that encourage executives to attain the highest level of organizational performance to maximize stockholder value without encouraging excessive risk taking.

To achieve these objectives, the Committee has adopted an executive compensation program that:

- provides compensation at levels that are reflective of responsible market practices;
- provides a significant portion of total compensation that is aligned with the achievement of annual, long-term and individual performance goals; and
- provides almost all long-term incentive compensation in the form of equity to further align our executives interests with our stockholders.

Overview of 2009 Business Activity Related to Compensation Actions

The economic environment in 2009 had a dramatic effect on our industry and negatively impacted our customers needs to ship and, therefore, negatively impacted the volume of freight we serviced and the price we received for our services. In addition, we believe that certain of our customers diverted business to other carriers due to their concerns regarding our financial stability. As a result, our operating results, cash flows from operations, liquidity and financial condition were negatively impacted.

In 2009, we implemented a comprehensive recovery plan to reduce our cost structure and improve our operating results, cash flows from operations, liquidity and financial condition. As part of our comprehensive recovery plan, we monitored and modified our compensation practices to align our employees compensation (including our named executive officers) with our financial condition and our need to attract and retain high-caliber employees (including our named executive officers) to assist us in navigating through the current economic environment.

During 2009, we significantly reduced our overall workforce and implemented the following actions related to the compensation of our employees:

- in the first quarter, we implemented a 10% wage reduction for substantially all of our employees (both union and non-union), including our named executive officers;
- in the first quarter, we granted stock options to substantially all of our employees (both union and non-union, but excluding participants in our long-term incentive plan including our named executive officers, other than Ms. Taylor, as she was not our

principal financial officer at the time) in connection with the 10% wage reduction;

we deferred the payment of certain contributions to our multi-employer pension funds, mostly in the first half of 2009, pursuant to a Contribution Deferral Agreement;

- we temporarily ceased pension contributions to our multi-employer pension funds starting in July 2009 through December 31, 2010;
- we implemented an additional 5% wage reduction for substantially all of our union employees in August 2009;
- in connection with the August 2009 reduction in union wages and the temporary cessation of pension contributions, we agreed to grant union employees options to purchase an additional 20% of the Company s outstanding common stock, subject to the receipt of certain stockholder approvals (or stock appreciation rights with equivalent value if stockholders did not provide the requisite approvals); the Company adopted plans and awarded these options and rights in March 2010;
- we continued the suspension of Company matching 401(k) contributions for non-union employees; and
- we implemented seasonal wage reductions of approximately 5% in October 2009 and an additional reduction of approximately 18% in December 2009 for substantially all of our non-union employees, including our named executive officers.

In addition, as indicated below under *Director Compensation*, our Board voluntarily reduced their fees and retainers for 2009 and waived special telephonic meeting fees for 2009.

Components of Executive Compensation

For 2009, the compensation for each of our named executive officers listed in the *Summary Compensation Table* was comprised of the following principal elements:

- base salary;
- annual cash incentive opportunity aligned with our 2009 EBITDA;
- long-term incentive opportunity aligned with our 2009 EBITDA and price appreciation of our common stock over a three year period, paid in cash and restricted stock (Ms. Taylor was not eligible for this opportunity in 2009); and
- perquisites and other benefit plans and programs that we sponsor.

Determining Executive Compensation

The Committee has primary responsibility for determining the compensation package for the named executive officers with the assistance of the Company s chief executive officer and the Committee s independent compensation consultant (the Consultant). The Committee does not follow a strict formula in setting each element of compensation and total compensation and does not have an established formula for allocating executive compensation between cash and equity or short-term and long-term compensation. Instead, the Committee has followed market practices relative to each component of compensation while remaining consistent with our executive compensation philosophy and objectives, including the use of performance goals such as EBITDA, which aligns payouts to a goal that is subject to a formal calculation. Prior to 2009, the Committee utilized information that the Consultant provided from various survey groups in determining the appropriate level and form of compensation. Generally, the Committee has aimed to provide base salaries, target annual incentive and long-term incentive opportunities and total compensation for the named executive officers that are near the market median of the applicable survey group for similar positions, with the opportunity for the named executive officers to receive annual incentive and long-term incentive compensation in excess of (or less than) target if we exceed (or fail to achieve) our target performance goals. The Committee also has considered experience, tenure in position, scope of an executive s responsibilities, performance and any other factors that could be relevant at the time when setting salaries and target annual incentive and long-term incentive opportunity levels.

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Due to the economic environment facing the Company in 2009, the Committee did not follow historical practices in determining the 2009 compensation package for the named executive officers. Instead, it decided to maintain base salaries (which were then subject to reductions as discussed elsewhere in this Compensation Discussion and Analysis) and annual and long-term incentive target percentages at 2008 levels and to maintain the 2008 percentage split between base salary and incentive compensation. The Committee then designed incentive compensation to align the named executive officers compensation with the goals of our comprehensive recovery plan. As a result, in 2009 the Committee did not utilize benchmarking or third-party compensation surveys in the same manner as it had in prior years. See *Survey Group* below for a discussion of the Committee s use of surveys in 2009.

The Committee expects to work with the Consultant in 2010 to reevaluate our compensation practices in light of the significant changes that have occurred in our business over the last several years, including comparing such practices to a survey group that is more reflective of our size and the current labor market.

Chief Executive Officer Compensation

In January 2006, the Committee and the full Board (other than Mr. Zollars) determined it was beneficial for us to enter into an employment agreement with Mr. Zollars and established his base salary and annual incentive and long-term incentive opportunities (as set forth in his employment agreement) using a similar method as was used for the other named executive officers, which was targeting each element of compensation and total compensation near the market median of an applicable survey group. See *Executive Agreement William D. Zollars Employment Agreement* for a discussion of the terms of Mr. Zollars employment agreement. Mr. Zollars January 2006 employment agreement requires the Board to annually review his base salary to determine whether it should be increased. Other than special equity opportunities (which have previously been provided) and the supplemental retirement benefits contained in Mr. Zollars employment agreement, the compensation policies for Mr. Zollars are essentially the same as for our other named executive officers. The variation between Mr. Zollars and the other named executive officers compensation reflects the scope and increased level of responsibility of the chief executive officer position compared with our other named executive officers.

In addition, supplemental retirement benefits were provided to Mr. Zollars as part of his new hire package in 1996 and were critical to attract him as a mid-career top executive. These benefits were continued in his 2006 employment agreement and are calculated by reference to the Yellow Corporation Pension Plan (the Yellow Pension Plan). When we froze future benefit accruals under the Yellow Pension Plan in July 2008, the future benefit accruals under Mr. Zollars employment agreement were also frozen.

Mr. Zollars provided a written self-evaluation of his performance for 2008 and met with the Committee to discuss the evaluation. After this discussion, the Committee met without Mr. Zollars to discuss his compensation and then provided a recommendation to the Board. Mr. Zollars, who is presently a member of the Board, recused himself from the Board s deliberations on his compensation, which were held in executive session without him, and abstained from voting on any element of his compensation. The Board, taking into account the recommendation of the Committee, made a final determination as to Mr. Zollars 2009 compensation, which was to maintain his base salary and annual and long-term incentive target percentages at 2008 levels. Mr. Zollars then agreed to reductions in his base salary during 2009 in connection with the implementation of wage reductions for substantially all our non-union employees.

Compensation for Named Executive Officers (other than the Chief Executive Officer)

Each year, the chief executive officer sets performance goals for the other named executive officers. The chief executive officer reviews the performance of each named executive officer (excluding himself) with the Committee and makes recommendations as to the compensation for each executive. Taking into account the chief executive officer s performance review of the named executive officers, the Committee approves the

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compensation for each named executive officer other than the chief executive officer. Prior to 2009, the Committee would compare the chief executive officer s compensation recommendations against market data from an applicable survey group provided by the Consultant. Due to the Committee s decision to maintain base salaries and annual and long-term target percentages for the named executive officers at 2008 levels, the Committee did not utilize market data in this manner for 2009. See *Survey Group* below for a discussion of the Committee s use of surveys in 2009.

Consultant

The Committee s Consultant provides guidance and advice to the Committee regarding executive officer compensation trends, reviews compensation plan design and suggests alternative ways to deliver compensation to align the executive s compensation with Company goals. Frederic W. Cook & Co. has been the Committee s independent consultant since July 2007.

Survey Group

As discussed above, in 2009, the Committee did not undertake an overall evaluation of the named executive officers compensation in light of a comparable survey group. Instead, the Committee requested information from the Consultant in connection with the evaluation of certain of the named executive officers compensation. See *Summary of Compensation Components-Base Salary, Summary of Compensation Components-Annual Incentive Bonus Program* and *Summary of Compensation Components-2009 Long-Term Incentive Plan.* The Committee requested this information to understand the current labor market environment and to recognize the changes the Company has experienced over the last two years. In evaluating compensation, the Consultant provided guidance and advice to the Committee using data derived from the Towers Perrin Compensation Data Bank (CDB) Executive Database (the Database). The Database includes more than 500 companies and presents the compensation levels and practices of companies across a broad section of industries, including aerospace/defense and automotive and transportation, chemicals, computer hardware, software and services, consumer products (excluding food and beverage), electronics and scientific equipment, food and beverages, metals and mining, oil and gas, pharmaceutical, retail and telecommunications. A list of the companies contained in the Database is included in this Proxy Statement as Appendix I.

Summary of Compensation Components

Base Salary

Prior to 2009, base salary for each of the named executive officers was determined based on a number of factors including: the salary level for similar positions in applicable survey groups, the named executive officer s experience, tenure in position, level of responsibility and performance, and internal pay equity among our executive officers. The performance of each named executive officer was also evaluated by reference to individual goals that the named executive officer, together with the chief executive officer (and in the case of the chief executive officer, together with the Board), established each year, including:

- developing and executing our strategies;
- developing personnel within the executive s control or management; and
- participating in and contributing to programs that positively impact our operations and growth.

The Committee departed from past practices and elected to not increase base salaries for any of the named executive officers at the beginning of 2009 in light of the economic environment facing the Company. In January 2009 in connection with a 10% reduction in wages and the elimination of certain cost of living adjustments for union employees, we temporarily reduced the salaries of substantially all non-union employees, including the named executive officers, by 10% through June 30, 2009, at which time the reduction was scheduled to be adjusted to 5% through the end of 2009. This temporary reduction in salary, however, was made permanent in

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July 2009 in connection with the union employees approval of a further modification of their labor agreements providing for an additional 5% incremental wage reduction and an 18-month cessation of union pension fund contributions.

As part of the Company s efforts to reduce costs and improve liquidity, the Company instituted an additional reduction of approximately 5% in the salaries of substantially all non-union employees of the Company, including the named executive officers, in October 2009, and an additional reduction of approximately 18% in the salaries of substantially all non-union employees of the Company, including the named executive officers, for the period from December 15, 2009 through January 15, 2010. While base salary reductions implemented in the fourth quarter of 2009 terminated on January 15, 2010, the 10% reduction is permanent. As a result, the base salary for substantially all non-union employees at the beginning of 2010, including the named executive officers, is generally 10% lower than in 2008. These salary reductions are on top of prior reductions in 2008 of pension and 401(k) plan benefits and an increase in employee costs for Company provided medical and dental benefits.

In October 2009, Mr. Wicks and Ms. Taylor received base salary adjustments to reflect their increased duties and responsibilities in connection with their promotion to our President and Chief Operating Officer, and Executive Vice President and Chief Financial Officer, respectively, and in November 2009, Mr. Churay received a base salary adjustment to align his salary with the market. In establishing these new base salaries, the Consultant provided guidance and advice to the Committee using data derived from the Database.

Option Grant. On January 2, 2009, Ms. Taylor, who, at the time, was not our principal financial officer, received an option to purchase 1,280 shares of our common stock pursuant to the YRC Worldwide Inc. Non-Union Employee Option Plan. See *Grants of Plan-Based Awards.* This grant was part of a company-wide grant of options to substantially all non-union employees (other than employees who participate in our long-term incentive plan) in connection with the 10% wage reduction in January 2009.

Annual Incentive Bonus Program

The named executive officers are eligible to receive cash compensation under our Annual Incentive Bonus Program if certain performance objectives are achieved. Like in previous years, the 2009 annual incentive opportunity for each named executive officer is expressed as a percentage of the named executive officer s actual base salary. As with base salaries, in 2009 the Committee maintained each named executive officer s target percentage at 2008 levels. Using information provided by the Consultant from the Database, the Committee decided to increase Mr. Wicks and Ms. Taylor s target percentage when they assumed additional duties and responsibilities in October 2009. Actual payouts could be higher or lower depending on the achievement of individual performance goals.

In 2009, EBITDA was a key measure the Company utilized in determining whether it had met its cost reduction and liquidity goals. As a result, the Committee utilized 2009 EBITDA (as defined below) in determining each named executive officer s annual incentive opportunity. The Board approved our 2009 financial plan goals, including our 2009 EBITDA goals, and the Committee established threshold, target and maximum 2009 EBITDA plan objectives that aligned each named executive officer s annual incentive opportunity to the financial plan of the Company. The Committee determined the threshold based on the minimum amount of 2009 EBITDA that would be necessary to fund the incentive payments.

While the measurement criteria was different in 2009, the Committee believes that the difficulty of achieving the target was as difficult, or more difficult, to achieve than the targets utilized for prior years due to the economic environment affecting the Company. The following table sets forth the 2009 EBITDA goals for the named executive officers and the percentage of target incentive compensation that could have been paid had the goals been achieved. For named executive officers to earn any incentive compensation, the Company had to achieve greater than 100% of its $200 million 2009 EBITDA goal. To receive the full 100% of their respective

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target incentive compensation, the Company had to achieve $280 million of 2009 EBITDA, or 140% of financial plan goal. In addition, incentive compensation was capped at 125% of target regardless of how well the Company performed.

Operating Measurement	THRESHOLD 100% of EBITDA Goal 0% of Target Incentive Compensation	TARGET 140% of EBITDA Goal 100% of Target Incentive Compensation	MAXIMUM 150% of EBITDA Goal 125% of Target Incentive Compensation	2009 Actual Performance
YRC Worldwide				
2009 EBITDA	$ 200,000,000	$ 280,000,000	$ 300,000,000	$ (589,846,000)

For the purpose of the Annual Incentive Bonus Program, 2009 EBITDA meant Consolidated EBITDA (as defined below) for the 12-month period ending December 31, 2009 (excluding any negative Consolidated EBITDA for the three-month period ending March 31, 2009). Consolidated EBITDA was determined by adding the following amounts to the Company s audited consolidated net income (loss) to the extent they were deducted from the Company s audited consolidated operating revenues in determining net income (loss):

(a) consolidated interest expense;

(b) expense for taxes paid or accrued;

(c) depreciation;

(d) amortization;

(e) extraordinary, non-cash expenses or losses incurred other than in the ordinary course of business;

(f) non-recurring, non-cash expenses or losses incurred other than in the ordinary course of business;

(g) non-cash expenses related to stock based compensation or stock appreciation rights; and

(h) fees and expenses (including legal, accounting and debt issuance costs) incurred in connection with certain waivers of, and amendments to, the Company s credit agreement and its ABS facility and in connection with a certain sale/lease back transactions.

And then subtracting the following amounts to the extent they were included in the Company s audited consolidated net income (loss):

(v) interest income;

(w) income tax credits and refunds (to the extent not netted from tax expense);

(y) any income or gains resulting from the early retirement, redemption, defeasance, repayment or similar actions in respect of indebtedness; and

(z) extraordinary, unusual or non-recurring income or gains realized other than in the ordinary course of business.

(x) any cash payments made during such period in respect of items described in items (e), (f) or (g) above subsequent to the fiscal quarter in which the relevant non-cash expenses or losses were incurred;

All additions and deductions were calculated in accordance with generally accepted accounting principles on a consolidated basis.

Actual achievement of objectives between threshold and target and between target and maximum provide the named executive officers with the opportunity for payouts that are proportionately between the percentages of target incentive bonus for each of those objectives.

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In determining annual incentive payouts for a year, the Committee may reduce payouts if our performance is below our goals, if the Committee determines that it is in the best interest of our stockholders taking into consideration the cyclical nature of our industry and the impact of general economic conditions on our operations in that year or based upon an assessment of the named executive officer s performance versus individual objectives. The Committee generally approves annual incentive compensation payments during the first quarter of the year following the performance year.

For 2009, the performance objectives used to determine annual incentive compensation eligibility were weighted 75% based on 2009 EBITDA and 25% based on the individual performance of the named executive officers. Because we did not achieve our 2009 EBITDA plan goals, the named executive officers did not receive annual incentive compensation for 2009. Therefore, individual performance reviews were not a factor in determining annual incentive compensation payments for 2009.

2009 Long-Term Incentive Plan

Our 2009 long-term incentive plan (2009 LTIP) provides our named executive officers (other than Ms. Taylor) with an opportunity to receive cash and have restricted stock vest if certain performance objectives are achieved. Ms. Taylor was not eligible to participate in our 2009 LTIP because she did not become our Executive Vice President and Chief Financial Officer until October 2009. She will, however, be eligible for a long-term incentive opportunity in 2010. In March 2009, the Committee approved a redesign of our long-term incentive plan to align our named executive officer s compensation with our liquidity goals during the difficult economic environment facing our company and with the price appreciation of our common stock, in each case for the benefit of our stockholders. In connection with the approval of our 2009 LTIP, our prior long-term incentive plan and potential award opportunities under that plan with respect to incomplete performance periods, including the 2007-2009 and 2008-2010 performance periods were cancelled and terminated.

Like in previous years, the 2009 long-term incentive opportunity is expressed as a percentage of the named executive officer s base salary. The Committee based each named executive officer s long-term incentive opportunities on the executive s expected 2009 base salary, which at the beginning of 2009 was anticipated to be 7.5% lower on an annual basis (reflecting an anticipated 10% reduction in base salary from January through June 2009 and an anticipated 5% reduction in base salary from July through December 2009). As with base salaries, in 2009, the Committee maintained each named executive officer s target percentage at 2008 levels. Using information provided by the Consultant from the Database, the Committee decided to increase Mr. Wicks target percentage for 2010, when he assumed additional duties and responsibilities in October 2009.

Under the 2009 LTIP, (i) 20% of our named executive officers 2009 incentive opportunity was based on the achievement of a 2009 EBITDA target (payable one-half in cash and one-half in restricted stock) and (ii) 80% of the 2009 incentive opportunity was based on the price appreciation of our common stock (all of which was payable in restricted stock). For the purpose of the 2009 LTIP, 2009 EBITDA has the same meaning as under our Annual Incentive Bonus Program. See *Annual Incentive Bonus Program* above.

Under the 2009 LTIP, our named executive officers received a restricted stock grant on March 30, 2009. The restricted stock was issued pursuant to our Equity Plan. If our 2009 EBITDA was equal to or greater than $200 million, 11% of the shares of restricted stock would have vested on the third anniversary of the date of grant. Because we did not meet that EBITDA target, these shares did not vest and were forfeited.

Also, under the 2009 LTIP, if the highest Average Share Price (as defined below) of our common stock at any time prior to the third anniversary of the date of grant is:

- equal to $5.00 per share, 22% of the shares of restricted stock will vest; or

- greater than or equal to $15.00 per share, 89% of the shares of restricted stock will vest.

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If the highest Average Share Price is greater than $5.00 but less than $15.00 per share prior to the third anniversary of the date of grant, we will interpolate the additional number of shares to vest by using the highest Average Share Price to determine how many shares of restricted stock vest within the range of 22% to 89% of those shares. Average Share Price means the average closing price per share of the our common stock for any consecutive 20 trading days on the NASDAQ Stock Market during the period from the date of grant until the third anniversary of the date of grant. The number of shares of restricted stock granted under the 2009 LTIP will be decreased and the Average Share Price targets will be increased if our Board effects the Reverse Stock Split.

Any shares of restricted stock that do not vest by the third anniversary of the date of grant will be forfeited.

Finally under the 2009 LTIP, our named executive officers were granted an opportunity to receive a cash award on March 30, 2010 based on our 2009 EBITDA. If our 2009 EBITDA was:

- less than or equal to $200 million, the named executive officer would not receive a cash award;

- greater than or equal to $280 million, the named executive officer would receive 100% of the target cash award.

If 2009 EBITDA was greater than $200 million but less than $280 million, we would have interpolated the amount of the cash award to paid the named executive officer. Because our 2009 EBITDA was less than $200 million our named executive officers did not receive any cash payment under the 2009 LTIP.

Prior Long-Term Incentive Plan

Our prior long-term incentive plan provided participants with the opportunity to receive cash (one-third of award opportunity) and restricted share unit (two-thirds of award opportunity) based on our performance over a three-year performance period. Based solely on application of the plan formula to our performance over the 2006-2008 performance period, the participating named executive officers were eligible to receive up to 21.75% of the target awards under the prior long-term incentive plan. All of the named executive officers other than Mr. Wicks and Ms. Taylor were eligible to receive awards for the 2006-2008 performance period.

The Committee had the discretion to reduce awards under our prior long-term incentive plan prior to the date of grant in consideration of a number of factors such as achievement of individual performance goals. The Committee s historical practice was to approve awards in the first quarter of the year following completion of a three-year performance period. However, the Committee decided during the first quarter of 2009 to delay approving any awards for the 2006-2008 performance period until later in the year. Restricted share units granted under our prior long-term incentive plan were issued pursuant to our Equity Plan.

On November 9, 2009, we launched a debt-for-equity exchange offer that settled on December 31, 2009. In connection with the exchange offer, and to free up additional shares of common stock that could be issued to tendering bond holders in the exchange, the Board unreserved the remaining shares available for issuance under our Equity Plan. In November 2009, the Committee determined to pay participants 21.75% of target awards for the 2006-2008 performance period. Because there were no shares available for issuance under the Equity Plan to grant restricted share units, the Committee determined that the entire amount of the award, including the portion originally designated to be paid in restricted share units, would be payable in cash in January 2010.

Non-Competition, Non-Solicitation, Non-Disparagement and Confidentiality Agreements

During 2008, 2009 and early 2010, we entered into certain non-competition, non-solicitation, non-disparagement and confidentiality agreements (non-competition agreements) with our named executive officers (other than Mr. Zollars). In general, each provides for payments to our named executive officers in exchange for certain non-competition, non-solicitation, non-disparagement and confidentiality agreements. The Committee decided that these non-competition agreements were important to help ensure the retention of key

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executives who were crucial to the implementation of our comprehensive recovery plan and to protect the Company from competition if they did terminate their employment with us. A summary of these non-competition agreements is set forth below.

Timothy A. Wicks Agreement. The Company entered into a non-competition agreement with Timothy A. Wicks, its President and Chief Operating Officer, in January 2010 (the Wicks Agreement). Pursuant to the Wicks Agreement, Mr. Wicks agreed to a one year non-competition and non-solicitation period following any termination of his employment and agreed to certain confidentiality and non-disparagement provisions. In exchange for these agreements and to incent Mr. Wicks to remain employed with the Company, the Company paid Mr. Wicks $400,000 on January 6, 2010. In addition, the Company agreed to pay Mr. Wicks $200,000 on April 1, 2010 if Mr. Wicks is still employed by the Company on that date and the Company achieves certain specified operational and selling, general and administrative operating expense run rate improvements on an annual basis during the measurement period beginning on September 1, 2009 and ending on March 31, 2010, and $200,000 on July 1, 2010 if Mr. Wicks is still employed by the Company on that date and the Company has increased its sales and marketing productivity by a specified percentage during the measurement period beginning on November 1, 2009 and ending on June 30, 2010. In determining if the above objectives are met, the Company will calculate the measures consistent with past practice, and the Committee (or the full Board) will interpret, review and approve whether the objectives have been achieved.

Michael J. Smid Agreement. The Company entered into a non-competition agreement with Michael J. Smid in June 2009 (the Smid Agreement). Pursuant to the Smid Agreement, Mr. Smid agreed to a six-month non-competition and non-solicitation period following any termination of his employment and agreed to certain confidentiality and non-disparagement provisions. In exchange for these agreements and to incent Mr. Smid to remain employed with the Company, the Company agreed that if Mr. Smid remains employed through April 7, 2011 or is terminated without Cause (as defined in the Smid Agreement) prior to April 7, 2011, he will be entitled to 60% of his accrued benefit under the Company s Supplemental Executive Pension Plan (the SEPP) instead of 42%, and if Mr. Smid remains employed through April 7, 2012 or is terminated without Cause on or after April 7, 2011 but prior to April 7, 2013, he will be entitled to 80% of his accrued benefit under the SEPP, instead of 46%. Further, if Mr. Smid dies or becomes disabled while employed prior to April 7, 2013, he will be entitled to 100% of his accrued benefit under the SEPP. If Mr. Smid remains employed through April 7, 2013, the Smid Agreement does not modify the SEPP benefits to which he is currently entitled to receive. Mr. Smid will not receive the benefits under the Smid Agreement if he is terminated for Cause or if he breaches the Smid Agreement.

Sheila K. Taylor and Daniel J. Churay Agreements. The Company entered into a non-competition agreement with each of Sheila K. Taylor and Daniel J. Churay in November 2009 (the Agreements). Pursuant to the Agreements, each executive officer agreed to a three month non-competition and non-solicitation period following any termination of employment and agreed to certain confidentiality and non-disparagement provisions. In exchange for these agreements and to incent the officer to remain employed with the Company, the Company agreed to pay each officer an amount equal to one-third of the officer s base salary (as of the date of the Agreement) on January 2, 2010, if the officer was employed on that date. This payment was made to each officer. If the officer resigns or is terminated with Cause (as defined in the applicable Agreement) before March 31, 2010, the officer is required to return the January 2, 2010 payment.

On each of April 1, 2010 and July 1, 2010, the non-competition and non-solicitation period will be extended to six and nine months, respectively, unless the Board or the officer cancels the extension prior to April 1, 2010 or July 1, 2010, as the case may be. If the officer is still employed and the extension is effected on those dates, the Company will pay the officer an amount equal to one-third of the officer s base salary (as of the date of the Agreement) on each of April 1, 2010 and July 1, 2010. If the officer resigns or is terminated with Cause, before June 30, 2010, the officer is required to return the April 1, 2010 payment, and if the officer resigns or is terminated with Cause before September 30, 2010, the officer is required to return the July 1, 2010 payment. If the officer is terminated without Cause or by reason of the officer s death or permanent and total disability before

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the July 1, 2010 payment is made, the Company will pay to the officer or the officer s estate all unpaid amounts on the date that is six months following the officer s termination by the Company. If the officer has breached the Agreement, the Company will not make and will withhold the remaining payments as damages for any such breach.

In December 2008, the Company had entered into a non-competition and retention agreement with Ms. Taylor. As a result, her Agreement additionally provides that if she has not received aggregate payments of at least $159,024 on or before July 1, 2010, she will receive a payment, equal to the difference between $159,024 and the amounts paid to her on or before July 1, 2010 so long as she remains employed with the Company on July 1, 2010. If she is terminated without Cause or by reason of her death or permanent and total disability before the July 1, 2010 payment is made, the Company will pay to her or her estate any unpaid amounts on the date that is six months following her termination by the Company. If she has breached the Agreement, the Company will not make and will withhold the remaining payments as damages for any such breach. If her employment with the Company ends as a result of her resignation or her termination with Cause before July 1, 2010, the Company will not be required to pay to her any additional amount.

Phil J. Gaines Agreement. The Company entered into a non-competition agreement with Phil J. Gaines in December 2008, which was subsequently amended (the Gaines Agreement). Pursuant to the Gaines Agreement, Mr. Gaines agreed to a six-month non-competition and non-solicitation period following any termination of his employment and agreed to certain confidentiality and non-disparagement provisions. In exchange for these agreements and to incent Mr. Gaines to remain employed with the Company, the Company agreed to pay Mr. Gaines an amount equal to one times Mr. Gaines s base salary (as of the date of the Gaines Agreement) in equal installments in each of January 2010, April 2010 and July 2010 if he is still employed on those dates. Mr. Gaines received the payment due in January 2010. If Mr. Gaines resigns prior to July 1, 2010, Mr. Gaines is required to return all payments he received under the Gaines Agreement, and the Company will not be required to pay to Mr. Gaines any remaining payments under the Gaines Agreement. If the Company terminates Mr. Gaines s employment without Cause prior to July 1, 2010, the Company will pay to Mr. Gaines any unpaid portion of the remaining payments due six months following Mr. Gaines s termination by the Company. If Mr. Gaines has breached the Gaines Agreement, the Company will not make and will withhold the remaining payments as damages for such breach.

Perquisite Program

The named executive officers participate in our executive perquisite program. In 2009, perquisite levels were reduced by approximately 10% from 2008 levels, reflecting the 10% permanent reduction in the named executive officers base salaries. Under this program, in 2009 Mr. Zollars received $135,000; the other named executive officers (other than Ms. Taylor) received approximately $22,500; and Ms. Taylor received approximately $9,500. There is no requirement that a named executive officer spend the perquisite payments on any particular item. Mr. Zollars perquisites included personal use (up to his $135,000 perquisite level) of two aircraft in which the Company owned a very small fractional interest. In 2009, the Company terminated these interests. Perquisites are limited to cash payments. Perquisite payments are subject to local, state and federal income taxation and withholding and are differentiated from base salary because perquisites are not included in compensation when determining annual or long-term incentive payouts. Perquisite payments are included in the All Other Compensation column of the *Summary Compensation Table*.

Benefit Plans

The named executive officers are eligible to participate in our health and welfare plans, including those that provide medical, dental, life insurance and accidental death and dismemberment benefits, generally on the same basis as our other employees, but our named executive officers pay a higher amount for these benefits as the employee portion of the cost for these plans increases as an employee s salary increases. In 2009, the employee portion of the cost under these plans increased from 2008.

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The named executive officers participate in our defined contribution 401(k) plan, which is a tax-qualified retirement savings plan. The Code, limits the contributions the named executive officers can make to the 401(k) plan. In January 2009, in connection with a 10% reduction in wages for our union employees, we suspended through June 30, 2009, Company-matching contributions under the 401(k) plan for our employees, including our named executive officers. In July 2009, in connection with a further modification of our labor agreements with our union employees providing for an additional 5% wage reduction and an 18-month cessation of union pension fund contributions, we suspended indefinitely all Company-matching contributions under the 401(k) plan for our employees.

We sponsor two qualified pension plans for employees of the Company and certain participating subsidiaries that commenced employment prior to January 1, 2004. We froze benefit accruals on and after July 1, 2008 under these plans. Messrs. Zollars, Smid, Churay and Gaines and Ms. Taylor participated in the Yellow Pension Plan. See *Pension Benefits* for a discussion of this qualified pension plan.

Because the Code limits our named executive officers benefit payments from qualified defined benefit plans and contributions to qualified defined contribution plans, we have adopted nonqualified deferred compensation plans, including a supplemental pension plan to restore benefits that these limitations would otherwise take away. We may or may not fund our obligations under these plans in advance of an executive s retirement, and the executive is considered an unsecured, general creditor of the Company with respect to our obligations to make payments under these plans. Messrs. Smid, Churay and Gaines participate in our supplemental pension plan. Mr. Zollars does not participate in the supplemental pension plan. Instead, he will receive supplemental retirement benefits pursuant to the terms of his employment agreement with us. See *Pension Benefits* for a discussion of this supplemental pension plan and Mr. Zollar s employment agreement. In July 2008, the Company froze all employees benefit accruals under the Company s qualified and non-qualified defined benefit plans and Mr. Zollars benefit accruals under his employment agreement.

Severance and Other Termination-of-Employment Benefits

We have entered into executive severance agreements with our named executive officers that provide for payment if an executive is terminated without cause or resigns for good reason within two years after a change of control transaction. We also maintain an executive severance policy that provides for payment if an executive is terminated without cause or as a result of the elimination of the executive s position, a restructuring of the Company or a reduction in work force or if the executive resigns for good reason. To receive payment under this policy, the executive must execute a release of the Company from liabilities and obligations and agree to certain confidentiality, non-competition and non-solicitation provisions. This severance policy does not cover Mr. Zollars, as he is entitled to severance benefits pursuant to the terms of his employment agreement. The severance policy also does not apply if the named executive officer is otherwise entitled to severance payments, including under an executive severance agreement. The Company s severance arrangements for our named executive officers are described in *Potential Payments upon Termination or Change of Control*.

We have implemented change of control arrangements and a severance policy to attract and retain executive officers that we believe will bring the greatest value to our stockholders. The Committee believes these arrangements are crucial to incent named executive officers to remain employed with us during periods of uncertainty, including the one currently facing us, and to obtain the highest value for us when considering any potential change of control transaction. The benefits that may be received under the executive severance arrangements were based on data received from the Consultant in 2008, were consistent with market practices in 2008, and do not affect other elements of compensation for the named executive officers.

Equity Ownership Guidelines

In 2004, the Committee established equity ownership guidelines for our executive officers who actively participate in our long-term incentive plan (or any successor to that plan). These guidelines establish equity ownership targets based on an executive s base salary and salary grade level. The target levels of ownership for

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each executive are phased in over a six-year period beginning with the executive s first year of participation in our long-term incentive plan. If an executive does not achieve the desired target level of equity ownership by the end of the six-year period or does not achieve specified interim target levels, the Committee may award restricted share units in lieu of cash that the executive is entitled to receive under our long-term incentive plan or the Annual Incentive Bonus Program as necessary to bring the executive into or move the executive towards the target levels.

The equity ownership guidelines provide for a target number of shares measured at December 31 of each year of participation in our long-term incentive plan based upon the higher of the (i) average closing market price of a share of our common stock for all trading days during the fourth quarter of the calculation year and (ii) closing market price on the last day in the fourth quarter of the calculation year and as determined under the equity ownership guidelines. The equity ownership guidelines also include provisions prohibiting our executives from entering into transactions involving derivatives where the underlying equity is our common stock used to satisfy the ownership guidelines, or from pledging any of those shares.

The target equity ownership for each of the named executive officers that is currently employed by us is as follows: Mr. Zollars 5x base salary; Mr. Wicks 4x base salary; Mr. Smid 4x base salary; Mr. Churay 3x base salary; and Mr. Gaines 2x base salary. Because Ms. Taylor did not participate in the 2009 LTIP, the ownership guidelines are not yet applicable to her. Due to the severe economic recession, the Company s operating results, and the issuance of almost one billion shares of common stock in connection with our debt-for-equity exchange offer completed in December 2009, the price per share of our common stock has been dramatically lower than when the equity ownership guidelines were established. Therefore, as of December 31, 2009, the named executive officers subject to the ownership guidelines did not satisfy the interim equity ownership guidelines. The Committee exercised its discretion to temporarily suspend the equity ownership guidelines. The Committee is committed to the continued alignment of our executive compensation practices and our stockholders interests and will review the equity ownership guidelines in 2010.

Executive Compensation Recovery Policy

In December 2007, the Committee adopted an executive compensation recovery policy that allows the Committee, in its sole discretion, to recover from our executive officers annual and long-term incentive-based compensation in the event of a restatement of our financial statements as a result of errors, omissions or fraud, regardless of whether the executive officers caused the restatement. The incentive compensation subject to recovery is limited to incentive compensation granted after December 2007 that exceeds the compensation that would otherwise have been granted based on the restated financial results for the restated periods, but only to the extent of unvested or deferred equity award. The Committee will consider the impact of taxes previously paid with respect to the incentive compensation when determining whether and to what extent to recover incentive compensation.

Limitations on Deductibility of Executive Compensation

Section 162(m) of the Code, places a limit of $1 million on the amount of compensation that we may deduct for federal income tax purposes in any year with respect to certain executive officers. Certain performance-based compensation and certain other compensation that our stockholders have approved are not subject to the deduction limit. We have qualified certain compensation paid to executive officers for deductibility under Section 162(m), including compensation expense related to incentive compensation that we grant pursuant to our Equity Plan and compensation that we pay pursuant to our Annual Incentive Bonus Program. We may from time to time pay compensation to our executive officers that may not be deductible for federal income tax purposes.

Effective, January 1, 2006, we adopted the fair value recognition provisions of FASB ASC Topic 718, Stock Compensation, to account for equity awards. A discussion of FASB ASC Topic 718 is contained in the Notes to Consolidated Financial Statements, *Principles of Consolidation and Summary of Accounting Policies Stock Based Compensation*.

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COMPENSATION COMMITTEE REPORT

The Compensation Committee of the Board has reviewed and discussed with management the Compensation Discussion and Analysis, and based on such review and discussion, the Compensation Committee recommended to the Board of the Company that the Compensation Discussion and Analysis be included in this Proxy Statement.

Dennis E. Foster

Michael T. Byrnes*

Cassandra C. Carr*

Phillip J. Meek*

* These individuals were members of the Compensation Committee at the time the Compensation Discussion and Analysis was recommended to the Board of the Company for inclusion in this Proxy Statement, but are no longer members of the Board of the Company.

COMPENSATION RISK ASSESSMENT

The Committee and management, along with assistance from the Consultant with respect to executive management plans, have reviewed our compensation policies and practices, including incentive programs, to ensure they do not encourage excessive risk taking. Based on this review, we believe that our compensation policies and practices are not reasonably likely to have a material adverse effect on us.

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EXECUTIVE COMPENSATION

As required by applicable SEC rules, the disclosure provided by this section and subsequent sections dealing with executive compensation is presented for the period ended December 31, 2009, and where applicable for prior fiscal years. This disclosure is consistent with the disclosure made under the same headings in the Company s Form 10-K/A filed with the SEC on March 25, 2010 and the Company s Schedule 14F-1 filed with the SEC on April 30, 2010.

The table below sets forth compensation in the fiscal years ended December 31, 2007, 2008 and 2009 for our named executive officers.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Stock Awards ($)(2)	Option Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(5)	All Other Compensation ($)(6)	Total ($)
William D. Zollars Chairman of the Board and Chief Executive Officer	2009	928,104	0	843,767	0	0 0	566,000	135,000	2,472,871
	2008	1,040,000	0	1,227,520	247,125	0 0 678,600	1,023,000	171,895	4,388,140
	2007	1,040,000	0	1,856,407	0	678,600 0 631,800 631,800	1,475,000	191,889	5,195,096
Timothy A. Wicks President and Chief Operating Officer	2009	396,695	0	189,307	0	0 0		293,872	879,874
	2008	87,949	100,000(7)	300,000	0	0 0		57,943	545,892
Sheila K. Taylor Executive Vice President and Chief Financial Officer	2009	193,193	0	0	2,637	0	5,000	9,523	210,353
Michael J. Smid Chief Operations Officer and President of YRC Inc.	2009	530,477	0	283,963	0	0 0	178,000	28,450	1,020,890
	2008	605,885(8)	0	330,485	71,172	0 0 217,935	124,000	419,572	1,769,048
	2007	522,792	0	369,415	0	217,935 0 160,915 160,915	210,000	52,676	1,315,798
Daniel J. Churay Executive Vice President, General Counsel and Secretary	2009	349,924	0	124,943	0	0 0	17,000	22,708	514,575

	2008	369,018	0	172,050	33,609	0 0 96,314 96,314	19,000	31,900	721,891
	2007	344,750	0	246,890	0	96,314 0 83,774 83,774	11,000	37,584	723,998
Phil J. Gaines Senior Vice President Finance and Chief Accounting Officer	2009	295,235	0	99,521	0	0 0 0	60,000	22,708	477,464

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(1) See *Compensation Discussion and Analysis Summary of Compensation Components Base Salary* for a discussion of base salary reductions affecting all named executive officers during 2009 and adjustments to the base salaries of Mr. Wicks, Ms. Taylor and Mr. Churay during 2009.

(2) See *Compensation Discussion and Analysis Summary of Compensation Components 2009 Long-Term Incentive Plan* and *Grants of Plan-Based Awards* table for additional information regarding awards in 2009.

For 2009, amounts represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 of the restricted stock granted to our named executive officers (other than Ms. Taylor) under our 2009 LTIP. Based on the Monte Carlo simulation model, the grant date fair value of the restricted stock that could vest based on our three-year share price appreciation was $3.65/share. The Monte Carlo simulation model requires the use of highly subjective and complex assumptions, including the price volatility of the underlying stock. We used the closing price of our common stock on the date of grant of $4.26/share as our starting stock price and assumed a dividend yield of zero. We also assumed a constant volatility of 102.6% based on both recent spot-implied volatility and a three-year historical volatility and a risk-free rate of return of 1.2% based on the three-year U.S. constant maturity treasury rates as of the grant date on a continuous compounding basis. Based on the probability of the awards vesting, the grant date fair value of the restricted stock that could vest based on our 2009 EBITDA was zero.

The value of the restricted stock granted to our named executive officers (other than Ms. Taylor) under our 2009 LTIP at the grant date assuming the highest level of performance conditions would be achieved and a share price of $4.26, which was the closing price of the Company s common stock on the grant date, was as follows: Mr. Zollars, $1,106,492; Mr. Wicks, $248,252; Mr. Smid, $372,379; Mr. Churay, $163,848; and Mr. Gaines, $130,509.

For 2008, the amounts represent the aggregate grant date fair value of restricted share units granted to Messrs. Zollars, Smid and Churay for the 2005-2007 performance period under our previous long-term incentive plan, and a restricted share unit grant to Mr. Wicks upon the commencement of his employment. For 2007, the amounts represent the aggregate grant date fair value of restricted share units granted to Messrs. Zollars, Smid and Churay for the 2004-2006 performance period under our previous long-term incentive plan. For 2008 and 2007, no assumptions were necessary to determine the grant date fair value.

(3) Amounts represent the aggregate grant date fair value computed in accordance with FASB ASC Topic 718 of options awarded to Ms. Taylor in 2009 pursuant to the YRC Worldwide Inc. Non-Union Employee Option Plan and to Messrs. Zollars, Smid and Churay in 2008 in connection with a reduction of the 2008 annual incentive opportunity. See Note 9 to Consolidated Financial Statements, *Stock Compensation Plans*, for a discussion of the assumptions used in calculating the grant date fair value for the 2009 option grant. See Note 8 to Consolidated Financial Statements, *Stock Compensation Plans*, in the Company s Annual Report on Form 10-K for the year ended December 31, 2008 for a discussion of the assumptions used in calculating the grant date fair value for the 2008 option grants.

(4) The amounts in the first line represent payments pursuant to our Annual Incentive Bonus Program and the second line, if applicable, represents the cash portion of awards under our applicable long term incentive plan with a total of these awards. In 2008, Mr. Wicks was not eligible to participate in our long-term incentive plan, and in 2009, Ms. Taylor was not eligible to participate in our 2009 LTIP. Accordingly, those amounts represent payments pursuant to our Annual Incentive Bonus Program. See *Compensation Discussion and Analysis Summary of Compensation Components Prior Long-Term Incentive Plan* regarding the determination of the cash award under our prior long-term incentive plan for the 2006-2008 performance period.

(5) The amounts reported in this column represent the aggregate change in the actuarial present value of the accumulated benefit under all defined benefit and actuarial pension plans. Mr. Wicks is not eligible to participate in our pension plans.

(6) All other compensation for 2009 includes the following:

Name	Flexible Perquisite Allowance ($)(a)	Relocation Expenses ($)(b)	Total ($)

William D. Zollars	135,000	0	135,000
Timothy A. Wicks	22,708	271,164	293,872
Sheila K. Taylor	9,523	0	9,523
Michael J. Smid	22,708	5,742	28,450
Daniel J. Churay	22,708	0	22,708
Phil J. Gaines	22,708	0	22,708

(a) The Company provides each named executive officer with cash payments for perquisites, which are more fully described in *Compensation Discussion and Analysis*.

(b) For Mr. Wicks, the amount represents a $181,305 reimbursement for loss on sale of his home and a tax gross-up on that amount of $89,858. For Mr. Smid, the amount represents reimbursement for relocation expenses.

(7) Represents a one-time payment in connection with the commencement of employment with the Company.

(8) The Company paid Mr. Smid $5,885 representing amounts earned and accrued, but unpaid, for vacation days that Mr. Smid did not take. Pursuant to Company policy, Mr. Smid was required to use this amount to pay his out-of-pocket costs for Company provided benefits.

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EXECUTIVE AGREEMENT

The Company has entered into an employment agreement with Mr. Zollars, which is described below.

William D. Zollars Employment Agreement. On January 25, 2006, the Company entered into an Employment Agreement with Mr. Zollars that contains the following terms and conditions:

- a five-year term commencing January 1, 2006, and ending on December 31, 2010; with automatic extensions for additional one-year periods unless the Company or Mr. Zollars provides specified prior termination notice;

- a base salary that is reviewed annually, with current base salary equal to $936,000 due to Mr. Zollars agreement to participate in the non-union wage reductions described in Compensation Discussion and Analysis;