

YRC Worldwide Inc.
Form SC 14F1
April 30, 2010
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14F-1

INFORMATION STATEMENT PURSUANT TO
SECTION 14(f) OF THE SECURITIES EXCHANGE ACT OF 1934
AND RULE 14f-1 THEREUNDER

Commission File No. 0-12255

YRC Worldwide Inc.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of

incorporation or organization)

10990 Roe Avenue, Overland Park, Kansas
(Address of principal executive offices)

48-0948788
(I.R.S. Employer

Identification No.)

66211
(Zip code)

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Registrant's telephone number, including area code: (913) 696-6100

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10990 Roe Avenue Overland Park, Kansas 66211

**INFORMATION STATEMENT PURSUANT TO SECTION 14(f) OF THE
SECURITIES EXCHANGE ACT OF 1934 AND RULE 14f-1 THEREUNDER
NOTICE OF ANTICIPATED CHANGE IN MAJORITY OF DIRECTORS**

April 30, 2010

This Information Statement is being transmitted on April 30, 2010, to the holders of shares of common stock, par value \$0.01 per share, of YRC Worldwide Inc., a Delaware corporation (the common stock and shares thereof, the common shares), in accordance with the requirements of Section 14(f) of the Securities Exchange Act of 1934, as amended (the Exchange Act), and Rule 14f-1 promulgated thereunder. As used in this Information Statement, the terms we, us, our, the Company and YRCW mean YRC Worldwide Inc.

We are not asking you to take any action in this Information Statement. You are receiving this Information Statement in connection with the appointment of seven individuals to our Board of Directors (the Board) (including the re-appointment of two of our current directors) representing a majority of our Board, pursuant to the terms of the exchange offers (the Exchange Offers) as described in the prospectus that is a part of our Registration Statement on Form S-4, originally filed with the Securities and Exchange Commission (the SEC) on November 9, 2009 (as amended, supplemented or otherwise modified, the Prospectus). Because the nominated directors will initially be elected by our Board, rather than at a meeting of our stockholders, we are required by federal securities law to provide this Information Statement to our stockholders. All directors will be voted upon for election at the 2010 Annual Meeting of the stockholders.

As of April 23, 2010, there were 1,054,074,097 outstanding shares of the Company s common stock and no outstanding shares of the Company s preferred stock. Each common share is entitled to one vote on each matter on which common stock is entitled to vote.

NO VOTE OR OTHER ACTION BY OUR STOCKHOLDERS IS REQUIRED IN RESPONSE TO THIS INFORMATION STATEMENT. NO PROXIES ARE BEING SOLICITED AND YOU ARE NOT BEING REQUESTED TO SEND A PROXY TO THE COMPANY.

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BACKGROUND

You are receiving this Information Statement in connection with the appointment of seven directors to our Board, as more fully described below.

We made the Exchange Offers described in the Prospectus as part of our comprehensive plan to reduce costs, to improve operating results and cash flow from operations, to improve liquidity and to reduce debt. Moreover, certain agreements we have with our lenders, the International Brotherhood of Teamsters (the Teamsters) and multi-employer pension funds required that we complete the Exchange Offers to defer payments to the lenders and multi-employer pension funds and continue to receive the benefits under the Amended and Restated Job Security Plan (as defined below).

The Exchange Offers were settled on December 31, 2009. We exchanged 36,504,043 shares of common stock and 4,345,514 shares of Class A Convertible Preferred Stock (the 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 the 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, the stockholders approved amendments to our certificate of incorporation to reduce the par value of our common stock from \$1.00 per share to \$0.01 per share, to increase the number of authorized common shares to two billion and to effect a reverse stock split within a range of 1:5 to 1:25 and proportionate reduction in authorized common shares at the discretion of our Board. As a result of the stockholder approval of the amendments, and pursuant to the Certificate of Designations of the Preferred Stock, filed as Exhibit 3.1 to Current Report on Form 8-K filed with the SEC on January 7, 2010 (the Certificate of Designations), all shares of Preferred Stock have been automatically converted to shares of our common stock and, as of the date of this Information Statement, there are no shares of Preferred Stock outstanding.

The terms of the Exchange Offers also require that up to eight of our nine current directors resign. Seven of our current directors will resign, effective May 11, 2010, with an eighth director (Carl W. Vogt) to resign at a later date in connection with the Teamsters nomination of a single director 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 will resign from the Board effective May 11, 2010. The Board will appoint the 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, who will serve until the next annual meeting of our stockholders. Pursuant to the terms of the Exchange Offers, four of the new directors have been 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 are Marnie S. Gordon, Beverly K. Goulet, Mark E. Holliday and John A. Lamar. Three of the new directors have been nominated by the Board in consultation with the Noteholder Subcommittee, all of whom have been approved by the Noteholder Subcommittee. Those three individuals are Eugene I. Davis, Dennis E. Foster and William L. Trubeck. Each of Messrs. Foster and Trubeck are current directors of the Company who are being re-elected to the Board.

Table of Contents**SECURITY OWNERSHIP OF MANAGEMENT AND DIRECTORS**

Shares of common stock that directors, director nominees and executive officers of the Company owned as of April 23, 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 June 22, 2010.

All of the executive officers, directors and director nominees 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 4/23/10(1)	Shares that Person has Right to Acquire On or Prior to 6/22/10	Total Beneficial Ownership	Percent of Class	Unvested Shares Units(2)	Adjusted Total Beneficial Ownership	Adjusted Percent of Class
Michael T. Byrnes	11,608	9,273	20,881	*	17,671	38,552	*
Cassandra C. Carr	40,812(3)	9,946	50,758	*	17,173	67,931	*
Eugene I. Davis	0	0	0	*	0	0	*
Howard M. Dean	18,278(3)	9,946	28,224	*	17,173	45,397	*
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	*
Phillip J. Meek	33,237(3)	9,946	43,183	*	17,173	60,356	*
Mark A. Schulz	11,397	9,273	20,670	*	17,671	38,341	*
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	383,434(4)(5)	25,000	408,434	*	133,017	541,451	*
Timothy A. Wicks(6)	0	0	0	*	0	0	*
Sheila K. Taylor	316	1,120	1,436	*	952	2,388	*
Michael J. Smid	97,878(5)	42,200	140,078	*	30,380	170,458	*
Daniel J. Churay	42,347(5)	3,400	45,747	*	17,258	63,005	*
Phil J. Gaines	33,729(5)	4,066	37,795	*	11,947	49,742	*
All directors, nominees and executive officers as a group (22 persons)	829,973(5)	158,740	988,713	*	338,143	1,326,856	*

* Indicates less than 1% ownership. The percentages in the Percent of Class and Adjusted Percent of Class columns are based on 1,054,074,097 outstanding shares of common stock on April 23, 2010.

(1) Direct ownership except for shares held in the YRC Worldwide Inc. 401(k) Plan as follows: Mr. Zollars 624 shares; Mr. Smid 1,259 shares; and Mr. Churay 317 shares.

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- (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 Information Statement. The unvested restricted share units are not

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included under the Shares of Common Stock Owned as of 4/23/10 column and, except for restricted share units that vest on or prior to June 22, 2010 and are deemed to be beneficially owned, are not included in the Shares that Person has Right to Acquire On or Prior to 6/22/10, Total Beneficial Ownership and 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 June 22, 2010 are included in the Unvested Share Units, Adjusted Total Beneficial Ownership and Adjusted Percent of Class columns above.

- (3) Ms. Carr and Messrs. Dean, Meek and Vogt have deferred shares pursuant to the Company's Director Compensation Plan until they cease to be a director of the Company and thus these deferred shares are not included in the amounts set forth above. The deferred shares are as follows:

Name of Director	Number of Deferred Shares
Cassandra C. Carr	28,531
Howard M. Dean	1,217
Phillip J. Meek	2,872
Carl W. Vogt	3,208

- (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 Agreements William D. Zollars Employment Agreement* contained in this Information Statement.

- (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.

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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.

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.

Table of Contents**CURRENT DIRECTORS AND EXECUTIVE OFFICERS****Information about Directors**

Our current directors are as follows:

Name	Age	Principal Occupation and Past Service; Directorships
Michael T. Byrnes* Director since 2007	64	Senior Advisor, Yuan Associates (China governmental affairs consulting) (since January 2006); President, Tyco International China (manufacturing) (2005-2006); Vice President China Operations, Rockwell Automation (manufacturing) (1998-2004); Retired Brigadier General, United States Army.
Mr. Byrnes' significant experience working for major corporations with operations in China and his understanding of the cultural, political and regulatory aspects of operating in China allows him to significantly contribute to the Board's discussions of our Asia operations.		
Cassandra C. Carr* Director since 1997	65	Senior Advisor, Public Strategies, Inc. (strategic communications) (since 2002), Senior Executive Vice President, External Affairs (1998-2002) and Senior Vice President, Human Resources (1994-1998), SBC Communications, Inc. (telecommunications); Current Director, Temple-Inland Inc. (containerboard manufacturer).
As a result of Ms. Carr's professional accomplishments, she has gained knowledge and experience in a number of important areas, including human resources, executive compensation and communications. This experience, combined with her institutional knowledge of the Company and the LTL transportation industry gained from many years of service on our Board, allows her to provide the Board with important insight into operational issues facing the Company.		
Howard M. Dean* Director since 1987	72	Retired Chairman of the Board of Dean Foods Company (processor and distributor of food products); Former Director, Ball Corporation (metal cans).
Mr. Dean's experience as chief executive officer of a large distribution company, 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 unique insights into our challenges, opportunities and operations.		
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,

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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.

Table of Contents**Principal Occupation and Past Service;**

Name	Age	Directorships
Phillip J. Meek* Director since 2003	72	Retired Senior Vice President and President, Publishing Group, Capital Cities/ABC, Inc. (broadcasting, cable, and publishing) (1986-1997); Life Trustee of Ohio Wesleyan University; Director, Guideposts (religious organization).

Mr. Meek's experience as a senior executive of a large public company, combined with his institutional knowledge of the Company and the LTL transportation industry gained from many years of service on our Board and on the Board of Directors of Roadway Corporation, which we acquired in 2003, allows him to provide the Board with important insight on operational matters.

Mark A. Schulz*
Director since 2007

72	Retired Executive Vice President and President International Operations, Ford Motor Company (automotive) (2005-2007) and President Asia Pacific and Ford South America Operations (2003-2005), Ford Motor Company (automotive); Current Director, Dana Holding Corporation (supplier of vehicle parts); Member of the Board of Advisors of The National Bureau of Asian Research (an independent, non-partisan research institution); Member of the Board of Directors of Valparaiso University.
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Mr. Schulz's experience as an executive officer of Ford Motor Company in charge of international operations, including those in Asia, allows him to provide the Board with important insight into operating a company in foreign jurisdictions. In addition, Mr. Schulz's experience at Ford Motor Company, which has complex procurement and distribution operations, allows him to provide the Board with unique insight into the needs of our customers.

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).
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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.

Table of Contents**Principal Occupation and Past Service;**

Name	Age	Directorships
Carl W. Vogt Director since 1996	73	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.

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).
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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.

* Indicates current director who will resign effective May 11, 2010.

** Indicates current director who will resign effective May 11, 2010, but who will be re-elected immediately thereafter on May 11, 2010.

Information about Executive Officers

Our current executive officers are as follows:

Name	Age	Principal Occupation and Past Service
William D. Zollars	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 (1996-1999); Senior Vice President of Ryder Integrated Logistics, Inc. (1994-1996).
Sheila K. Taylor	36	Executive Vice President and Chief Financial Officer of YRC Worldwide (since October 2009); Vice President Investor Relations of YRC Worldwide (January 2008-October 2009); Treasurer of YRC Worldwide (June 2009-October 2009); Vice President Finance of Yellow Transportation (January 2007-August 2008); various director and manager titles in finance, corporate development and investor relations with YRC Worldwide (July 2002-January 2007).

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Name	Age	Principal Occupation and Past Service
Michael J. Smid	54	Chief Operations Officer of YRC Worldwide (since June 2009); President of YRC Inc. (since October 2008); President of YRC Enterprise Services (since 2007); President of YRC National Transportation (2007); President and Chief Executive Officer of Roadway Express (2005-2007); President and Chief Integration Officer of YRC Worldwide Enterprise Services (2004-2005); Executive Vice President and Chief Administrative Officer of Yellow Transportation (2000-2004).
Daniel J. Churay	47	Executive Vice President, General Counsel and Secretary of YRC Worldwide (since September 2002).
Phil J. Gaines	46	Chief Accounting Officer of YRC Worldwide (since October 2009); Senior Vice President Finance of YRC Worldwide (since June 2009); Senior Vice President and Chief Financial Officer of YRC Inc. and YRC Enterprise Services (since January 2009); President of Yellow Transportation (July 2008-February 2009); Senior Vice President and Chief Financial Officer of YRC North American Transportation (January 2008-July 2008); Senior Vice President and Chief Financial Officer of YRC National Transportation (January 2007-December 2007); Senior Vice President Investor Relations, Government Relations and Corporate Development of YRC Worldwide (August 2005-January 2007); Senior Vice President Finance and Administration of Yellow Transportation (December 2003-August 2005).
James G. Kissinger	53	Executive Vice President Human Resources of YRC Worldwide (since January 2008); Senior Vice President Corporate Operations, Aircell (telecommunications) (2006-2007); Senior Vice President Human Resources, Sprint Nextel Corporation (telecommunications) (1984-2006).
Michael J. Naatz	44	President Customer Care Division and Chief Customer Officer of YRC Worldwide; Executive Vice President and Chief Information and Service Officer of YRC Worldwide (June 2009-April 2010); Senior Vice President of YRC Enterprise Services (October 2005-April 2006); President and CEO of YRC Enterprise Services (April 2006-December 2007); Senior Vice President and Chief Integration Officer of YRC Enterprise Services (December 2007-June 2009); Chief Information Officer of YRC Regional Transportation (May 2005-October 2005); Senior Vice President and Chief Information Officer of USF Corporation (June 2004-May 2005).
Richard Williamson	53	Chief Strategy Officer of YRC Worldwide (since August 2009); Managing Director of Alvarez & Marsal (restructuring and performance improvement consulting) (since 2001).

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The Board will appoint the following individuals as directors, effective May 11, 2010. Information about the nominees to our Board follows.

Principal Occupation and Past Service;

Name	Age	Directorships
Eugene I. Davis	55	<p>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); TerreStar (satellite communications).</p> <p>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.</p>
Dennis E. Foster Director since 2000	69	<p>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).</p> <p>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.</p>
Marnie S. Gordon	44	<p>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).</p> <p>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.</p>

Table of Contents**Principal Occupation and Past Service;**

Name	Age	Directorships
Beverly K. Goulet	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	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, Repron 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.
John A. Lamar	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.

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COMPENSATION DISCUSSION AND ANALYSIS

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;

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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;

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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.

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

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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 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.

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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 set forth in Exhibit 99.1 to our Annual Report on Form 10-K/A, filed with the SEC on March 25, 2010.

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 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

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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 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.

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

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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):

- | | |
|--|--|
| <ul style="list-style-type: none"> (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; | <ul style="list-style-type: none"> (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):

- | | |
|---|--|
| <ul style="list-style-type: none"> (v) interest income; (w) income tax credits and refunds (to the extent not netted from tax expense); (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; | <ul style="list-style-type: none"> (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. |
|---|--|

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.

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.

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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 2004 Long-Term Incentive and Equity Award 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.

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 a reverse stock split that was approved by our stockholders on February 17, 2010.

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

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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 2004 Long-Term Incentive and Equity Award 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 2004 Long-Term Incentive and Equity Award 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 2004 Long-Term Incentive and Equity Award 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 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

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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 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

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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.

The named executive officers participate in our defined contribution 401(k) plan, which is a tax-qualified retirement savings plan. The Internal Revenue Code of 1986, as amended (the Tax 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.

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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 Tax 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. Zollars' 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 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

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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 Tax 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 2004 Long-Term Incentive and Equity Award 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 Information Statement.

Dennis E. Foster, Chairman

Michael T. Byrnes

Cassandra C. Carr

Phillip J. Meek

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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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	Change in Pension Value and Nonqualified Deferred Compensation	All Other Compensation	Total (\$)
						Compensation (\$)(4)	Earnings (\$)(5)	(\$)(6)	
William D. Zollars Chairman of the Board and Chief Executive Officer	2009	928,104	0	843,767	0	0	566,000	135,000	2,472,871
						0			
	2008	1,040,000	0	1,227,520	247,125	0	1,023,000	171,895	4,388,140
						678,600			
	2007	1,040,000	0	1,856,407	0	0	1,475,000	191,889	5,195,096
						678,600			
						631,800			
						631,800			
Timothy A. Wicks President and Chief Operating Officer	2009	396,695	0	189,307	0	0		293,872	879,874
						0			
	2008	87,949	100,000(7)	300,000	0	0		57,943	545,892
						0			
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	178,000	28,450	1,020,890
						0			
	2008	605,885(8)	0	330,485	71,172	0	124,000	419,572	1,769,048
						217,935			
	2007	522,792	0	369,415	0	0	210,000	52,676	1,315,798
						160,915			
						160,915			
Daniel J. Churay Executive Vice President, General Counsel and Secretary	2009	349,924	0	124,943	0	0	17,000	22,708	514,575
						0			
	2008	369,018	0	172,050	33,609	0	19,000	31,900	721,891
						96,314			
						96,314			

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	2007	344,750	0	246,890	0	0	11,000	37,584	723,998
						83,774			
						83,774			
Phil J. Gaines	2009	295,235	0	99,521	0	0	60,000	22,708	477,464
Senior Vice President Finance and Chief Accounting Officer						0			
						0			

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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 AGREEMENTS

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;

participation in the Company's Annual Incentive Bonus Program with a current target level of 150% of base salary;

participation in the Company's long-term incentive plan with a target level of 300% of base salary;

a grant on January 26, 2006 of 32,330 restricted shares of the Company's common stock, with full vesting and removal of the restrictions contingent upon the Company having positive net income for the five-year period ending December 31, 2010 and Mr. Zollars not having terminated his employment without "good reason" on or before December 31, 2010;

an additional potential grant between January 1, 2009 and March 31, 2009, having a value of up to \$1.5 million in shares of the Company's common stock, with the number of shares granted determined by comparing the Company's growth in net operating profit after taxes ("NOPAT") and annual return on committed capital ("ROC") for 2006, 2007 and 2008 against the NOPAT growth and annual ROC of the companies in the S&P MidCap 400 Index; the performance measures were weighted 30% on NOPAT growth and 70% on ROC; Mr. Zollars did not receive any shares because the threshold target for the three-year period was not met;

retention of a fully vested, supplemental retirement benefit, payable as a lump sum rather than in installments during retirement, and the lump sum payment equal to the difference between the net present values of the benefits that Mr. Zollars would have received under the Company's pension plan if the benefit would have commenced as of his normal retirement date (as defined under the pension plan) and would have been paid in a single life annuity over the longer of his life or his spouse's life, using his actual years of service (which effective July 1, 2008 was frozen at 11 years) plus 16 years and the benefit Mr. Zollars would have received if the Tax Code did not limit his compensation; and

severance benefits in the event of Mr. Zollars' termination without cause or resignation for "good reason" or following a change of control (as those terms are defined in the agreement, with "change of control" having the same definition as that in Mr. Zollars' executive severance agreement described in *Potential Payments upon Termination or Change of Control*) as follows: a separation payment in the amount of twice (except in the case of a termination of Mr. Zollars' employment after or in connection with a change of control, in which case the amount shall be three times) Mr. Zollars' annual rate of compensation, including target annual incentive, at the time of termination or resignation, plus annual incentive earned for the year of termination based on actual achievement of predetermined criteria and paid at the same time annual incentives are paid to similarly situated employees; payment of vested supplemental retirement benefits; immediate vesting of all outstanding stock options and equity-based awards (except for LTIP awards in a non-change of control termination, which will continue to vest); and health and welfare benefit plan continuation for 24 months.

Table of Contents**GRANTS OF PLAN-BASED AWARDS**

The table below sets forth the following plan-based awards to our named executive officers:

annual incentive opportunity for the fiscal year ended December 31, 2009;

grant of awards under our previous long-term incentive plan for the 2006-2008 performance period;

grant of award under our 2009 LTIP;

grant of an option to Ms. Taylor pursuant to the YRC Worldwide Inc. Non-Union Employee Option Plan.

In the table below, Ann. means annual and Opp. means opportunity.

Name	Award or Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards			Estimated Possible Payouts Under Equity Incentive Plan Awards			All Other Option Awards: Number of Securities Underlying Options or Units (#)	Exercise or Base Price of Option Awards (\$/sh)	Grant Date Fair Value of Equity Award (\$)(1)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)			
William D. Zollars										
2009 Ann. Incentive Opp.(2)		0	1,392,156	1,740,195						
2006-08 LTIP Award (3)		260,000	1,040,000	2,080,000	\$ 520,000	\$ 2,080,000	\$ 4,160,000			
2009 LTIP Award (EBITDA)(4)	3/30/09	0	288,600			28,571				0
2009 LTIP Award (share price)(5)	3/30/09				57,792	144,481	231,169			843,767
Timothy A. Wicks										
2009 Ann. Incentive Opp.(2)		0	297,521	371,902						
2009 LTIP Award (EBITDA)(4)	3/30/09	0	64,750			6,410				0
2009 LTIP Award (share price)(5)	3/30/09				12,966	32,416	51,865			189,307
Sheila K. Taylor										
2009 Ann. Incentive Opp.(2) Option Grant	1/2/09	0	67,618	84,522				1,280	3.34	2,637
Michael J. Smid										
2009 Ann. Incentive Opp.(2)		0	397,858	497,322						
2006-08 LTIP Award (3)		83,500	334,000	668,000	\$ 167,000	\$ 668,000	\$ 1,336,000			
2009 LTIP Award (EBITDA)(4)	3/30/09	0	97,125			9,615				0
2009 LTIP Award (share price)(5)	3/30/09				19,450	48,624	77,798			283,963
Daniel J. Churay										
2009 Ann. Incentive Opp.(2)		0	192,458	240,573						
2006-08 LTIP Award (3)		36,902	147,607	295,214	\$ 73,804	\$ 295,214	\$ 590,428			
2009 LTIP Award (EBITDA)(4)	3/30/09	0	42,735			4,231				0
	3/30/09				8,558	21,394	34,231			124,943

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2009 LTIP Award (share price)(5)							
Phil J. Gaines							
2009 Ann. Incentive Opp.(2)		0	147,618	184,522			
2006-08 LTIP Award (3)		29,214	116,854	233,708	\$ 58,428	\$ 233,708	\$ 467,416
2009 LTIP Award							
(EBITDA)(4)	3/30/09	0	34,040			3,370	0
2009 LTIP Award (share price)(5)	3/30/09				6,817	17,041	27,266
							99,521

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- (1) Amounts represent the aggregate grant date fair value of the restricted stock award or option grant computed in accordance with FASB ASC Topic 718. See footnotes 2 and 3 to the Summary Compensation Table.
- (2) Amounts represent the range of cash payouts under the Company's Annual Incentive Bonus Program in 2009. The Company did not pay any annual incentives to the named executive officers based on 2009 performance. See *Compensation Discussion and Analysis Summary of Compensation Components Annual Incentive Bonus Program*.
- (3) Amounts represent the estimated dollar amount of the cash and restricted share unit awards under the Company's previous long-term incentive plan for the 2006-2008 performance period. The restricted share unit awards are denominated in dollars, but were originally to be paid in restricted share units based on the closing price of the Company's common stock on the grant date. Actual awards for that period were 21.75% of the target amount and all awards, including those originally to be paid in restricted share units, were paid in cash in January 2010. See footnote 4 to the Summary Compensation Table and *Compensation Discussion and Analysis Summary of Compensation Components Prior Long-Term Incentive Plan*.
- (4) Amounts represent the potential cash award and the number of shares of restricted stock that could vest based on our 2009 EBITDA. The Company's EBITDA for 2009 was less than the required level; therefore, these cash awards were not made and the shares of restricted stock were forfeited. See *Compensation Discussion and Analysis Summary of Compensation Components 2009 Long-Term Incentive Plan*.
- (5) Amounts represent the range of the number of shares of restricted stock that could vest if certain share price targets are met under the Company's 2009 LTIP. See *Compensation Discussion and Analysis Summary of Compensation Components 2009 Long-Term Incentive Plan*.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR END

The following table sets forth the outstanding stock options and stock awards for each of our named executive officers as of December 31, 2009.

Name	Option Awards				Stock Awards			
	No. of securities underlying unexercised options (#) exercisable	No. of securities underlying unexercised options (#) unexercisable	Option exercise price (\$)	Option expiration date	No. of shares or units of stock that have not vested (#)(1)	Market value of shares or units that have not vested (\$)(2)	Equity incentive plan awards: Number of unearned shares or other rights that have not yet vested (#)(3)	Equity Incentive plan awards: Market or payout value of unearned shares, units or other rights that have not yet vested (\$)(2)
William D. Zollars								
3/30/2009							86,363	72,545
5/15/2008(4)	12,500	25,000	18.82	5/15/2008				
2/21/2008					76,768	64,485		
3/9/2007					44,348	37,252		
7/20/2006					6,688	5,618		
2/24/2006					16,461	13,827		
1/26/2006					32,330(5)	27,157		
7/14/2005					4,775	4,011		
2/25/2005					23,440	19,690		
7/14/2004					4,885	4,103		
2/27/2004					15,700	13,188		
					225,395	189,332	86,363	72,545
Timothy A. Wicks								
3/30/2009							19,376	16,276
10/15/2008					75,000(6)	63,000		
					75,000	63,000	19,376	16,276
Sheila K. Taylor								
1/2/2009(7)	0	1,280	3.34	1/2/2019				
5/15/2008(4)	400	800	18.82	5/15/2018				

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2/20/2008	952	800
3/9/2007	308	259
	1,260	1,059

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Name	Option Awards				Stock Awards			
	No. of securities underlying unexercised options (#) exercisable	No. of securities underlying unexercised options (#) unexercisable	Option exercise price (\$)	Option expiration date	No. of shares or units of stock that have not vested (#)(1)	Market value of shares or units that have not vested (\$)(2)	Equity incentive plan awards: Number of unearned shares or other rights that have not yet vested (#)(3)	Equity Incentive plan awards: Market or payout value of unearned shares, units or other rights that have not yet vested (\$)(2)
Michael J. Smid								
3/30/2009							29,065	24,415
5/15/2008(4)	3,600	7,200	18.82	5/15/2018				
10/2/2002	35,000	0	16.12	5/19/2010				
2/20/2008					19,660	16,514		
3/9/2007					8,825	7,413		
7/19/2006					1,365	1,147		
2/24/2006					3,350	2,814		
7/14/2005					859	722		
2/25/2005					4,216	3,541		