UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2015

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 0-12255

YRC Worldwide Inc.
(Exact name of registrant as specified in its charter)

Delaware	**48-0948788**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
10990 Roe Avenue, Overland Park, Kansas	**66211**
(Address of principal executive offices)	**(Zip Code)**

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

None
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	o
Non-accelerated filer	o (Do not check if a smaller reporting company)	Smaller reporting company	o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes o No ☒

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at April 24, 2015
Common Stock, $0.01 par value per share	32,752,973 shares

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements

CONSOLIDATED BALANCE SHEETS
YRC Worldwide Inc. and Subsidiaries
(Amounts in millions except share and per share data)

	March 31, 2015	December 31, 2014
	(Unaudited)	
Assets		
Current Assets:		
Cash and cash equivalents	$ 136.4	$ 171.1
Restricted amounts held in escrow	17.9	28.9
Accounts receivable, net	515.5	470.5
Prepaid expenses and other	89.8	81.2
Total current assets	759.6	751.7
Property and Equipment:		
Cost	2,830.5	2,819.6
Less – accumulated depreciation	(1,859.5)	(1,825.4)
Net property and equipment	971.0	994.2
Intangibles, net	54.9	60.3
Restricted amounts held in escrow	60.2	60.2
Deferred income taxes, net	21.2	21.4
Other assets	99.3	97.2
Total Assets	$ 1,966.2	$ 1,985.0
Liabilities and Shareholders' Deficit		
Current Liabilities:		
Accounts payable	$ 204.6	$ 172.2
Wages, vacations and employee benefits	189.0	176.6
Deferred income taxes, net	21.2	21.4
Other current and accrued liabilities	181.9	202.2
Current maturities of long-term debt	14.2	31.1
Total current liabilities	610.9	603.5
Other Liabilities:		
Long-term debt, less current portion	1,074.0	1,078.8
Deferred income taxes, net	1.1	1.5
Pension and postretirement	447.7	460.3
Claims and other liabilities	312.2	315.2
Commitments and contingencies		
Shareholders' Deficit:		
Preferred stock, $1 par value per share	—	—
Common stock, $0.01 par value per share	0.3	0.3
Capital surplus	2,307.7	2,290.9
Accumulated deficit	(2,261.6)	(2,240.0)
Accumulated other comprehensive loss	(433.4)	(432.8)
Treasury stock, at cost (410 shares)	(92.7)	(92.7)
Total shareholders' deficit	(479.7)	(474.3)
Total Liabilities and Shareholders' Deficit	$ 1,966.2	$ 1,985.0

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED COMPREHENSIVE LOSS
YRC Worldwide Inc. and Subsidiaries
For the Three Months Ended March 31
(Amounts in millions except per share data, shares in thousands)
(Unaudited)

	Three Months	
	2015	2014
Operating Revenue	$ 1,186.4	$ 1,210.9
Operating Expenses:		
Salaries, wages and employee benefits	707.3	725.7
Operating expenses and supplies	228.2	283.7
Purchased transportation	133.4	131.9
Depreciation and amortization	41.6	41.0
Other operating expenses	70.9	60.8
Losses on property disposals, net	1.3	0.2
Total operating expenses	1,182.7	1,243.3
Operating Income (Loss)	3.7	(32.4)
Nonoperating Expenses:		
Interest expense	27.6	58.2
(Gain) loss on extinguishment of debt	0.6	(11.2)
Other, net	(4.3)	(5.1)
Nonoperating expenses, net	23.9	41.9
Loss before income taxes	(20.2)	(74.3)
Income tax (benefit) expense	1.4	(4.1)
Net loss	(21.6)	(70.2)
Amortization of beneficial conversion feature on preferred stock	—	(18.1)
Net Loss Attributable to Common Shareholders	(21.6)	(88.3)
Net loss	(21.6)	(70.2)
Other comprehensive income (loss), net of tax	(0.6)	0.9
Comprehensive Loss Attributable to YRC Worldwide Inc.	$ (22.2)	$ (69.3)
Average Common Shares Outstanding – Basic	30,799	22,344
Average Common Shares Outstanding – Diluted	30,799	22,344
Loss Per Share – Basic	$ (0.70)	$ (3.95)
Loss Per Share – Diluted	$ (0.70)	$ (3.95)

The accompanying notes are an integral part of these statements.

STATEMENTS OF CONSOLIDATED CASH FLOWS
YRC Worldwide Inc. and Subsidiaries
For the Three Months Ended March 31
(Amounts in millions)
(Unaudited)

	2015	2014
Operating Activities:		
Net loss	$ (21.6)	$ (70.2)
Noncash items included in net loss:		
Depreciation and amortization	41.6	41.0
Paid-in-kind interest on Series A Notes and Series B Notes	0.4	10.1
Amortization of deferred debt costs	1.6	3.3
Amortization of premiums and discounts on debt	1.0	17.7
Equity based compensation expense	0.5	6.6
Losses on property disposals, net	1.3	0.2
(Gain) loss on extinguishment of debt	0.6	(11.2)
Other noncash items, net	(1.9)	(3.3)
Changes in assets and liabilities, net:		
Accounts receivable	(46.4)	(75.4)
Accounts payable	25.6	37.2
Other operating assets	(7.1)	(16.9)
Other operating liabilities	(21.4)	4.7
Net cash used in operating activities	(25.8)	(56.2)
Investing Activities:		
Acquisition of property and equipment	(21.3)	(11.7)
Proceeds from disposal of property and equipment	5.5	0.6
Restricted escrow receipts	21.0	90.7
Restricted escrow deposits	(10.0)	(171.6)
Other, net	0.4	3.4
Net cash used in investing activities	(4.4)	(88.6)
Financing Activities:		
Issuance of long-term debt	—	693.0
Repayments of long-term debt	(4.5)	(789.5)
Debt issuance costs	—	(27.4)
Equity issuance costs	—	(17.1)
Equity issuance proceeds	—	250.0
Net cash (used in) provided by financing activities	(4.5)	109.0
Net Decrease In Cash and Cash Equivalents	(34.7)	(35.8)
Cash and Cash Equivalents, Beginning of Period	171.1	176.3
Cash and Cash Equivalents, End of Period	$ 136.4	$ 140.5
Supplemental Cash Flow Information:		
Interest paid	$ (25.6)	$ (39.4)
Income tax refund, net	$ 2.2	$ 13.6

The accompanying notes are an integral part of these statements.

STATEMENT OF CONSOLIDATED SHAREHOLDERS' DEFICIT
YRC Worldwide Inc. and Subsidiaries
For the Three Months Ended March 31, 2015
(Amounts in millions)
(Unaudited)

Preferred Stock:		
Beginning and ending balance	$	—
Common Stock:		
Beginning and ending balance	$	0.3
Capital Surplus:		
Beginning balance	$	2,290.9
Share-based compensation		(1.7)
Issuance of equity upon conversion and exchange of Series B Notes		18.5
Ending balance	$	2,307.7
Accumulated Deficit:		
Beginning balance	$	(2,240.0)
Net loss		(21.6)
Ending balance	$	(2,261.6)
Accumulated Other Comprehensive Loss:		
Beginning balance	$	(432.8)
Reclassification of net pension actuarial losses to net loss, net of tax		4.1
Foreign currency translation adjustments		(4.7)
Ending balance	$	(433.4)
Treasury Stock, At Cost:		
Beginning and ending balance	$	(92.7)
Total Shareholders' Deficit	$	(479.7)

The accompanying notes are an integral part of these statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YRC Worldwide Inc. and Subsidiaries
(Unaudited)

Certain of these Notes to Consolidated Financial Statements contain forward-looking statements, as described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations — Cautionary Note Regarding Forward-Looking Statements.”

1. Description of Business

YRC Worldwide Inc. (also referred to as “YRC Worldwide,” the “Company,” “we,” “us” or “our”) is a holding company that, through wholly owned operating subsidiaries and its interest in a Chinese joint venture, offers its customers a wide range of transportation services. We have one of the largest, most comprehensive less-than-truckload (“LTL”) networks in North America with local, regional, national and international capabilities. Through our team of experienced service professionals, we offer expertise in LTL shipments and flexible supply chain solutions, ensuring customers can ship industrial, commercial and retail goods with confidence. Our reporting segments include the following:

- YRC Freight is the reporting segment that focuses on longer haul business opportunities with national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This reporting segment includes our LTL subsidiary YRC Inc. (“YRC Freight”) and Reimer Express (“YRC Reimer”), a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.

- Regional Transportation is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. Regional Transportation is comprised of USF Holland Inc. (“Holland”), New Penn Motor Express, Inc. (“New Penn”) and USF Reddaway Inc. (“Reddaway”). These companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

At March 31, 2015, approximately 78% of our labor force is subject to collective bargaining agreements, which predominantly expire in March 2019.

2. Principles of Consolidation

The accompanying Consolidated Financial Statements include the accounts of YRC Worldwide and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. We report on a calendar year basis. The quarters of the Regional Transportation companies (with the exception of New Penn) consist of thirteen weeks that end on a Saturday either before or after the end of March, June and September, whereas all other operating segment quarters end on the natural calendar quarter end. Our investment in our non-majority owned affiliate is accounted for on the equity method.

We make estimates and assumptions that affect the amounts reported in the Consolidated Financial Statements and notes. Actual results could differ from those estimates. We have prepared the Consolidated Financial Statements, without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (“SEC”). In our opinion, all normal recurring adjustments necessary for a fair statement of the financial position, results of operations and cash flows for the interim periods included in these financial statements herein have been made. Certain information and note disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles (“GAAP”) have been condensed or omitted from these statements pursuant to SEC rules and regulations. Accordingly, the accompanying Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements included in our Annual Report on Form 10-K for the year ended December 31, 2014.

Fair Value of Financial Instruments

The following table summarizes the fair value hierarchy of our financial assets and liabilities carried at fair value on a recurring basis as of March 31, 2015:

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(in millions)	Total Carrying Value	Fair Value Measurement Hierarchy Quoted prices in active market (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Restricted amounts held in escrow-current	$ 17.9	$ 17.9	$ —	$ —
Restricted amounts held in escrow-long term	60.2	60.2	—	—
Total assets at fair value	$ 78.1	$ 78.1	$ —	$ —

Restricted amounts held in escrow are invested in money market accounts and are recorded at fair value based on quoted market prices. The carrying value of cash and cash equivalents, accounts receivable and accounts payable approximates their fair value due to the short-term nature of these instruments.

Reclassifications Out of Accumulated Other Comprehensive Loss

For the three months ended March 31, 2015 and 2014, we reclassified the amortization of our net pension loss totaling $4.1 million and $2.0 million, respectively, net of tax, from accumulated other comprehensive loss to net loss. This reclassification is a component of net periodic pension cost and is discussed in the “Employee Benefits” footnote.

Impact of Recently Issued Accounting Standards

In April 2015, the Financial Accounting Standards Board (“FASB”) issued new authoritative literature, *Interest - Imputation of Interest*, which requires that debt issuance costs related to a recognized debt liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with the accounting treatment for debt discounts. The recognition and measurement guidance of debt issuance costs are not affected by this update. The guidance, which requires retrospective application, is effective for the Company beginning January 1, 2016, but early adoption is allowed. The Company is currently evaluating this newly-issued guidance and the impact it will have on our Consolidated Financial Statements.

3. 2014 Financing Transactions

On January 31, 2014, we issued 14,333,334 shares of our Common Stock and 583,334 shares of our Convertible Preferred Stock pursuant to certain stock purchase agreements, dated as of December 22, 2013 (the “Stock Purchase Agreements”), for an aggregate $250.0 million in cash. We used the proceeds from these transactions to, among other things, (i) repay our 6% Convertible Senior Notes (“6% Notes”) at their maturity on February 15, 2014 and (ii) repurchase $90.9 million of our Series A Convertible Senior Secured Notes (“Series A Notes”). In February 2014, the Company deposited $89.6 million with the trustee to fund the redemption (including accrued interest), and thereby discharged the indenture governing the Series A Notes. The Company used the cash deposited with the trustee to redeem its Series A Notes on August 5, 2014.

Also on January 31, 2014, certain holders of our 10% Series B Convertible Senior Secured Notes (“Series B Notes”) exchanged their outstanding balances at a conversion price of $15.00 per share, while another holder converted its Series B Notes in accordance with their existing terms. We also amended the indenture governing our Series B Notes to eliminate substantially all of the restrictive covenants, certain events of default and other related provisions contained in the indenture and to release and discharge the liens on the collateral securing the Series B Notes.

Effective January 31, 2014, certain of our subsidiaries, various pension funds party thereto, and Wilmington Trust Company, as agent for such pension funds, entered into the Second Amended and Restated Contribution Deferral Agreement (“Second A&R CDA”), which, among other things (i) amended and restated the Amended and Restated Contribution Deferral Agreement (“A&R CDA”), (ii) released the agent’s security interest in third priority collateral on the Collateral Release Date, (iii) limited the value of obligations secured by the collateral to the Secured Obligations and (iv) extended the maturity of deferred pension payments and deferred interest from March 31, 2015 to December 31, 2019.

On February 13, 2014, we replaced our prior credit facilities with a new $450 million asset-based loan (the “ABL Facility”) and a new $700 million term loan facility (“Term Loan”). The ABL Facility supports our outstanding letters of credit commitments.

We refer to transactions described above collectively as the “2014 Financing Transactions.” The table below summarizes the cash flow activity for the 2014 Financing Transactions:

Cash Sources (in millions)			Cash Uses (in millions)		
Term Loan	$	700.0	Extinguish prior ABL facility (includes accrued interest)	$	326.0
Proceeds from sale of common stock		215.0	Extinguish prior term loan (includes accrued interest)		299.7
Proceeds from sale of convertible preferred stock		35.0	Retire 6% Notes		71.5
Cash proceeds from restricted amounts held in escrow - Prior ABL facility		90.0	Repurchase Series A Notes (includes accrued interest)		93.9
ABL Facility		—	Redeem Series A Notes (on August 5, 2014 and includes accrued interest)		89.6
			Fees, expenses and original issuance discount		50.8
			Restricted cash to balance sheet [(a)]		92.0
			Cash to balance sheet		16.5
Total sources	$	1,040.0	**Total uses**	$	1,040.0

(a) Under the terms of the ABL Facility, this amount was classified as "restricted cash" in the consolidated balance sheet at the closing date of the ABL Facility.

The table below summarizes the non-cash activity for the 2014 Financing Transactions:

Non-Cash Sources (in millions)			Non-Cash Uses (in millions)		
Secured Second A&R CDA	$	51.0	A&R CDA	$	124.2
Unsecured Second A&R CDA		73.2	Exchange/conversion of Series B Notes to common stock		50.6
Exchange/conversion of Series B Notes to common stock		50.6			
Total sources	$	174.8	**Total uses**	$	174.8

We accounted for the A&R CDA maturity extension as a debt modification and the remaining transactions as extinguishment of debt and issuance of new debt. We recorded a gain on extinguishment of debt of $11.2 million associated with this transaction during the three months ended March 31, 2014, $16.3 million of which related to the acceleration of net premiums on our old debt, partially offset by $5.1 million of additional expense related to the fair value of the incremental shares provided to those Series B Note holders who exchanged their outstanding balances at a conversion price of $15.00 per share. We recorded, in "interest expense" on the statements of consolidated comprehensive loss, $8.0 million of make-whole interest related to the Series B Notes exchanged during the three months ended March 31, 2014. We paid $43.8 million of fees associated with these transactions of which $26.7 million was recorded as unamortized deferred debt costs in "other assets" in the consolidated balance sheet in the first quarter of 2014 and will be recognized as interest expense over the term of the Term Loan and ABL Facility and $17.1 million offset the equity proceeds of our stock purchase agreements.

On March 14, 2014, the Company held a special meeting of stockholders at which our stockholders approved amending our Certificate of Incorporation to increase the number of authorized shares of Common Stock and to allow an individual investor to own more than 19.99% of outstanding Common Stock. Upon approval of these amendments, each outstanding share of Convertible Preferred Stock automatically converted into four shares of Common Stock and the Company recorded $18.1 million related to the amortization of the beneficial conversion feature on preferred stock on the statements of consolidated comprehensive loss.

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4. Debt and Financing

Our outstanding debt as of March 31, 2015 and December 31, 2014 consisted of the following:

As of March 31, 2015 (in millions)	Par Value	Discount	Book Value	Stated Interest Rate	Average Effective Interest Rate
Term Loan	$ 691.3	$ (5.4)	$ 685.9	8.3%	8.5%
ABL Facility[a]	—	—	—	N/A	N/A
Secured Second A&R CDA	46.2	—	46.2	3.3-18.3%	7.3%
Unsecured Second A&R CDA	73.2	—	73.2	3.3-18.3%	7.3%
Lease financing obligations	282.7	—	282.7	10.0-18.2%	12.0%
Other	0.2	—	0.2		
Total debt	$ 1,093.6	$ (5.4)	$ 1,088.2		
Current maturities of Term Loan	(7.0)	—	(7.0)		
Current maturities of lease financing obligations	(7.0)	—	(7.0)		
Current maturities of other	(0.2)	—	(0.2)		
Long-term debt	$ 1,079.4	$ (5.4)	$ 1,074.0		

(a) As of March 31, 2015, the borrowing base and availability on our ABL Facility were $450.0 million and $84.2 million, respectively. The availability is calculated in accordance with the terms of the ABL Facility and is derived by reducing the borrowing base by our $365.8 million of outstanding letters of credit as of March 31, 2015. The amount which is actually able to be drawn is limited by certain financial covenants in the ABL Facility to $39.2 million.

As of December 31, 2014 (in millions)	Par Value	Premium/ (Discount)	Book Value	Stated Interest Rate	Average Effective Interest Rate
Term Loan	$ 693.0	$ (5.7)	$ 687.3	8.3%	8.5%
ABL Facility[a]	—	—	—	N/A	N/A
Series B Notes	17.7	(0.6)	17.1	10.0%	25.6%
Secured Second A&R CDA	47.0	—	47.0	3.3-18.3%	7.3%
Unsecured Second A&R CDA	73.2	—	73.2	3.3-18.3%	7.3%
Lease financing obligations	285.1	—	285.1	10.0-18.2%	12.0%
Other	0.2	—	0.2		
Total debt	$ 1,116.2	$ (6.3)	$ 1,109.9		
Current maturities of Term Loan	(7.0)	—	(7.0)		
Current maturities of Series B Notes	(17.7)	0.6	(17.1)		
Current maturities of lease financing obligations	(6.8)	—	(6.8)		
Current maturities of other	(0.2)	—	(0.2)		
Long-term debt	$ 1,084.5	$ (5.7)	$ 1,078.8		

(a) As of December 31, 2014, the borrowing base and availability on our ABL Facility were $445.5 million and $71.2 million, respectively. The availability is calculated in accordance with the terms of the ABL Facility and is derived by reducing the borrowing base by our $374.3 million of outstanding letters of credit as of December 31, 2014. The amount which is actually able to be drawn is limited by certain financial covenants in the ABL Facility to $27.1 million.

Series B Exchange

Our Series B Notes, which matured on March 31, 2015, were convertible into our common stock, at the conversion price per share of approximately $18.5334 and a conversion rate of 53.9567 common shares per $1,000 of the Series B Notes (such conversion price and conversion rate applying also to the Series B Notes make whole premium).

On March 25, 2015, we entered into an exchange agreement with certain holders of our Series B Notes to exchange their outstanding principal and accrued interest balances totaling $17.9 million at conversion price of $18.00 per share for an aggregate 994,689 shares of Common Stock. During the three months ended March 31, 2015, we recorded $0.6 million of additional expense related to the fair value of the incremental shares provided to those holders who exchanged their outstanding balances. At maturity on March 31, 2015, we repaid the holders of the remaining outstanding Series B Notes approximately $0.3 million of cash.

As discussed in the “2014 Financing Transactions” footnote, on January 31, 2014, certain holders of our Series B Notes exchanged their outstanding notes as part of an exchange agreement. Outside of these exchange agreements, during the three months ended March 31, 2014, $1.2 million of aggregate principal amount of Series B Notes were converted into 75,900 shares of our common stock, which includes the make whole premium. Upon conversion, during the three months ended March 31, 2014, we recorded $0.4 million of additional interest expense representing the $0.2 million make whole premium and $0.2 million of accelerated amortization of the discount on converted Series B Notes.

Fair Value Measurement

The carrying amounts and estimated fair values of our long-term debt, including current maturities and other financial instruments, are summarized as follows:

	March 31, 2015		December 31, 2014	
(in millions)	Carrying amount	Fair Value	Carrying amount	Fair Value
Term Loan	$ 685.9	$ 681.6	$ 687.3	$ 685.4
Series B Notes	—	—	17.1	17.7
Lease financing obligations	282.7	282.7	285.1	282.2
Other	119.6	117.9	120.4	119.1
Total debt	$ 1,088.2	$ 1,082.2	$ 1,109.9	$ 1,104.4

The fair values of the Term Loan, ABL Facility, Series B Notes and the Secured and Unsecured A&R CDA (included in “Other” above) were estimated based on observable prices (level two inputs for fair value measurements). The fair value of the lease financing obligations is estimated using a publicly traded secured loan with similar characteristics (level three input for fair value measurement).

5. Liquidity

For a description of our outstanding debt as of March 31, 2015, please refer to the “Debt and Financing” footnote in our Consolidated Financial Statements.

Credit Facility Covenants

Our Term Loan credit agreement has certain financial covenants that, among other things, restricts certain capital expenditures and requires us to maintain a maximum total leverage ratio (defined as Consolidated Total Debt divided by Consolidated Adjusted EBITDA as defined below). On September 25, 2014, the Company entered into Amendment No. 1 to its Credit Agreement (the “Credit Agreement Amendment”), which amended the Term Loan to, among other things, adjust the maximum permitted total leverage ratio through December 31, 2016 and increase the applicable interest rate over the same period.

Our Credit Agreement Amendment total maximum leverage ratio covenants are as follows:

Four Consecutive Fiscal Quarters Ending	Maximum Total Leverage Ratio	Four Consecutive Fiscal Quarters Ending	Maximum Total Leverage Ratio
March 31, 2015	5.00 to 1.00	September 30, 2016	3.75 to 1.00
June 30, 2015	4.75 to 1.00	December 31, 2016	3.50 to 1.00
September 30, 2015	4.50 to 1.00	March 31, 2017	3.25 to 1.00
December 31, 2015	4.25 to 1.00	June 30, 2017	3.25 to 1.00
March 31, 2016	4.00 to 1.00	September 30, 2017	3.25 to 1.00
June 30, 2016	3.75 to 1.00	December 31, 2017 and thereafter	3.00 to 1.00

Consolidated Adjusted EBITDA, defined in our Credit Agreement Amendment as "Consolidated EBITDA," is a measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and is further adjusted for, among other things, letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including restructuring professional fees, nonrecurring consulting fees, expenses associated with certain lump sum payments to our International Brotherhood of Teamsters ("IBT") employees and the results of permitted dispositions and discontinued operations. Consolidated Total Debt, as defined in our Credit Agreement Amendment, is the aggregate principal amount of indebtedness outstanding. Our total leverage ratio for the four consecutive fiscal quarters ended March 31, 2015 was 3.90 to 1.00.

We believe that our results of operations will be sufficient to allow us to comply with the covenants in the Credit Agreement Amendment, fund our operations, increase working capital as necessary to support our planned revenue growth and fund capital expenditures for at least the next twelve months. In order for us to maintain compliance with the maximum total leverage ratio over the tenor of the Term Loan, we must achieve operating results which reflect continuing improvement over our recent results.

Our ability to satisfy our liquidity needs and meet future stepped-up covenant requirements is primarily dependent on improving our profitability. Improvements to our profitability include continued successful implementation and realization of productivity and efficiency initiatives as well as increased volume and pricing improvements, some of which are outside of our control.

In the event our operating results indicate we will not meet our maximum total leverage ratio, we will take action to improve our maximum total leverage ratio which may include paying down our outstanding indebtedness with either cash on hand or from cash proceeds from equity issuances. The issuance of equity is outside of our control and there can be no assurance that we will be able to issue additional equity at terms that are agreeable to us or that we would have sufficient cash on hand to pay down debt in order to meet the maximum total leverage ratio.

Risks and Uncertainties Regarding Future Liquidity

Our principal sources of liquidity are cash and cash equivalents, available borrowings under our ABL Facility and any prospective net operating cash flows from operations. The unused line of credit that may actually be drawn is limited by certain financial covenants. As of March 31, 2015, the amount that actually may be drawn on the ABL Facility was $39.2 million. As of March 31, 2015, we had cash and cash equivalents of $136.4 million, and cash and cash equivalents and amounts able to be drawn on our ABL Facility totaling $175.6 million. For the three months ended March 31, 2015, we used net cash of $25.8 million for our operating activities.

Our principal uses of cash are to fund our operations, including making contributions to our single-employer pension plans and various multi-employer pension funds, and to meet our other cash obligations including, but not limited to, paying cash interest and principal on our funded debt, payments on our equipment leases and funding capital expenditures.

Our ABL Facility credit agreement, among other things, restricts certain capital expenditures and requires that the Company, in effect, maintain availability of at least 10% of the lesser of the aggregate amount of commitments from all lenders or the borrowing base.

We have a considerable amount of indebtedness. As of March 31, 2015, we had $1,093.6 million in aggregate par value of outstanding indebtedness, the majority of which matures in 2019. We also have considerable future funding obligations for our single-employer pension plans and various multi-employer pension funds. We expect our funding obligations for the remainder of 2015 for our single-employer pension plans and multi-employer pension funds will be $47.0 million and $66.1 million, respectively. In addition, we have, and will continue to have, substantial operating lease obligations. As of March 31, 2015, our minimum rental expense under operating leases for the remainder of the year is $48.7 million. As of March 31, 2015, our operating lease obligations through 2025 totaled $206.4 million and is expected to increase as we lease additional revenue equipment.

Our capital expenditures for the three months ended March 31, 2015 and 2014 were $21.3 million and $11.7 million, respectively. These amounts were primarily for purchases of used tractors and trailers and refurbished engines for our revenue fleet. Additionally, for the three months ended March 31, 2015, we entered into new operating leases for revenue equipment for $47.6 million, payable over the average lease term of four years.

6. Employee Benefits

The following table presents the components of our company-sponsored pension costs for the three months ended March 31:

	Three Months	
(in millions)	**2015**	**2014**
Service cost	$ 1.2	$ 1.0
Interest cost	14.3	15.2
Expected return on plan assets	(15.0)	(13.4)
Amortization of net pension loss	4.0	3.2
Total periodic pension cost	$ 4.5	$ 6.0

We expect to contribute $60.3 million to our company-sponsored pension plans in 2015 of which we have contributed $13.3 million through March 31, 2015.

7. Income Taxes

Our effective tax rate for the three months ended March 31, 2015 was (6.9)%, compared to 5.5% for the three months ended March 31, 2014 . The significant items impacting the 2015 rate include a net state and foreign tax provision, certain permanent items, and a change in the valuation allowance established for the net deferred tax asset balance projected for December 31, 2015. We recognize valuation allowances on deferred tax assets if, based on the weight of the evidence, we determine it is more likely than not such assets will not be realized. Changes in valuation allowances are included in our tax provision in the period of change. In determining whether a valuation allowance is warranted, we evaluate factors such as prior years' earnings history, expected future earnings, loss carry-back and carry-forward periods, reversals of existing deferred tax liabilities and tax planning strategies that potentially enhance the likelihood of the realization of a deferred tax asset. At March 31, 2015 and December 31, 2014, substantially all of our net deferred tax assets were subject to a valuation allowance.

Customarily, a loss before income taxes would generate income tax benefit. Our income tax expense reported for the three months ended March 31, 2015, notwithstanding the corresponding loss before income taxes, results from foreign and certain state taxable income; no net U.S. federal benefit is recognizable after the required valuation allowance for an expected federal loss carryforward.

Concurrent with the financing transactions of January 31, 2014 described in the "2014 Financing Transactions" footnote, the Company experienced a change of ownership as described in Section 382 of the Internal Revenue Code. The impact of the 2014 ownership change on the Company's ability to utilize its Net Operating Loss carryforwards and other tax attributes is not material as most of the carryforwards to which this ownership change applies already have been significantly limited by previous ownership changes occurring in 2011 and 2013.

8. Shareholders' Deficit

The following reflects the activity in the shares of our common stock for the three months ended March 31, 2015:

(shares in thousands)	**2015**
Beginning balance	30,667
Issuance of equity awards	260
Issuance of common stock upon conversion or exchange of Series B Notes	995
Ending balance	31,922

9. Stock Compensation Plans

Performance Based Awards

On March 9, 2015, the Company granted performance stock unit awards ("2015 Performance Awards") to employees. The awards provide a target number of shares that vest equally over three years, with the first vesting occurring on February 23, 2016. In addition to meeting service conditions, the number of performance stock units to be received depends on the attainment of defined Company-wide performance goals for 2015 based on adjusted return on invested capital over a one year performance period. The number of performance stock units ultimately earned will range between zero to 200% of the target award.

A summary of performance based unvested stock unit activity at target is as follows:

(stock units in thousands)	Target Number of Units[(a)]		Weighted Average Fair Value
Unvested performance stock unit awards, at December 31, 2014	—		—
2015 Performance Awards granted	203	$	18.23
2015 Performance Awards forfeited	—		—
Unvested performance stock unit awards, at March 31, 2015	203	$	18.23

[(a)] For the 2015 Performance Awards, participants in the aggregate can earn up to a maximum of 406 thousand performance stock units.

The Company expenses the grant date fair value of the awards which are probable of being earned over their performance period. Compensation cost on performance based awards was $0.3 million for the three months ended March 31, 2015. As of March 31, 2015, at target performance, $3.5 million of unrecognized compensation cost related to performance based awards is expected to be recognized over a weighted-average period of 2.9 years.

10. Earnings (Loss) Per Share

Given our net loss position for the three months ended March 31, 2015 and March 31, 2014, there were no dilutive securities for these periods. Our anti-dilutive securities for the three months ended March 31 are as follows:

(shares, options and stock units in thousands)	2015	2014
Anti-dilutive shares, options, and stock units	1,154	714
Anti-dilutive Series A Notes	—	2,675
Anti-dilutive Series B Notes	—	982

11. Business Segments

We report financial and descriptive information about our reporting segments on a basis consistent with that used internally for evaluating segment performance and allocating resources to segments. We evaluate segment performance primarily on external revenue and operating income (loss).

We have the following reportable segments, which are strategic business units that offer complementary transportation services to our customers:

- **YRC Freight** is the reporting segment for our transportation service providers focused on business opportunities in national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This unit includes our LTL subsidiary YRC Freight and YRC Reimer, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.
- **Regional Transportation** is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. The Regional Transportation companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

We charge management fees and other corporate service fees to our reportable segments based on the direct benefits received or an overhead allocation basis. Corporate and other operating losses represent residual operating expenses of the holding company. Corporate identifiable assets primarily consist of cash, cash equivalents, an investment in an equity method affiliate and deferred debt issuance costs. Intersegment revenue primarily relates to transportation services between our segments.

The following table summarizes our operations by business segment:

(in millions)	YRC Freight	Regional Transportation	Corporate/ Eliminations	Consolidated
As of March 31, 2015				
Identifiable assets	$ 1,483.0	$ 783.5	$ (300.3)	$ 1,966.2
As of December 31, 2014				
Identifiable assets	$ 1,462.1	$ 685.7	$ (162.8)	$ 1,985.0
Three Months Ended March 31, 2015				
External revenue	$ 737.6	$ 448.8	$ —	$ 1,186.4
Operating income (loss)	$ 0.2	$ 4.6	$ (1.1)	$ 3.7
Three Months Ended March 31, 2014				
External revenue	$ 756.8	$ 454.1	$ —	$ 1,210.9
Operating income (loss)	$ (32.5)	$ 7.9	$ (7.8)	$ (32.4)

12. Commitments, Contingencies and Uncertainties

Bryant Holdings Securities Litigation

On February 7, 2011, a putative class action was filed by Bryant Holdings LLC in the U.S. District Court for the District of Kansas on behalf of purchasers of our common stock between April 24, 2008 and November 2, 2009, inclusive (the “Class Period”), seeking damages under the federal securities laws for statements and/or omissions allegedly made by us and the individual defendants during the Class Period which plaintiffs claimed to be false and misleading.

The individual defendants are former officers of our Company. No current officers or directors are named in the lawsuit. The parties participated in voluntary mediation between March 11, 2013 and April 15, 2013. The mediation resulted in the execution of a mutually acceptable settlement agreement by the parties. Substantially all of the payments contemplated by the settlement would be covered by our liability insurance. The self-insured retention on this matter has been accrued.

The settlement agreement required court approval. On August 19, 2013, November 18, 2013, and February 11, 2015, the district court denied Plaintiffs’ motions for preliminary approval of the settlement. On March 4, 2015, the district court set the case for trial beginning June 6, 2016. On March 20, 2015, Plaintiffs filed a Petition for Writ of Mandamus in the United States Court of Appeals for the Tenth Circuit, seeking an order requiring the district court to vacate the trial setting and to give further consideration to the settlement agreement. On April 28, 2015, the Court of Appeals denied plaintiffs’ petition for mandamus.

Other Legal Matters

We are involved in other litigation or proceedings that arise in ordinary business activities. When possible, we insure against these risks to the extent we deem prudent, but no assurance can be given that the nature or amount of such insurance will be sufficient to fully indemnify us against liabilities arising out of pending and future legal proceedings. Many of these insurance policies contain self-insured retentions in amounts we deem prudent. Based on our current assessment of information available as of the date of these financial statements, we believe that our financial statements include adequate provisions for estimated costs and losses that may be incurred within the litigation and proceedings to which we are a party.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

Cautionary Note Regarding Forward-Looking Statements

Management’s Discussion and Analysis of Financial Condition and Results of Operations (“MD&A”) should be read in conjunction with the Consolidated Financial Statements and the Notes to Consolidated Financial Statements included elsewhere in this report. MD&A and certain Notes to the Consolidated Financial Statements include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (“Exchange Act”). Forward-looking statements include those preceded by, followed by or characterized by words such as “will,” “expect,” “intend,” “anticipate,” “believe,” “project,” “forecast,” “propose,” “plan,” “designed,” “estimate,” “enable” and similar expressions. Forward-looking statements are inherently uncertain and are subject to significant business, economic, competitive, regulatory and other risks, uncertainties and contingencies, known and unknown, many of which are beyond our control. Readers are cautioned not to place undue reliance on any forward-looking statements. Our future financial condition and results could differ materially from those predicted in such forward-looking statements because of a number of factors, including (without limitation):

- our ability to generate sufficient liquidity to satisfy our cash needs and future cash commitments, including (without limitation) our obligations related to our indebtedness and lease and pension funding requirements, and our ability to achieve increased cash flows through improvement in operations;
- the pace of recovery in the overall economy, including (without limitation) customer demand in the retail and manufacturing sectors;
- the success of our management team in implementing its strategic plan and operational and productivity improvements, including (without limitation) our continued ability to meet high on-time and quality delivery performance standards and our ability to increase volume and yield, and the impact of those improvements on our future liquidity and profitability;
- our ability to comply with scheduled increases in financial performance-related debt covenants;
- our ability to finance the maintenance, acquisition and replacement of revenue equipment and other necessary capital expenditures;
- our dependence on our information technology systems in our network operations and the production of accurate information, and the risk of system failure, inadequacy or security breach;
- changes in equity and debt markets;
- inclement weather;
- price of fuel;
- sudden changes in the cost of fuel or the index upon which we base our fuel surcharge and the effectiveness of our fuel surcharge program in protecting us against fuel price volatility;
- competition and competitive pressure on pricing;
- expense volatility, including (without limitation) volatility due to changes in purchased transportation service or pricing for purchased transportation;
- our ability to comply and the cost of compliance with federal, state, local and foreign laws and regulations, including (without limitation) laws and regulations for the protection of employee safety and health (including new hours-of-service regulations) and the environment;
- terrorist attack;
- labor relations, including (without limitation) our ability to attract and retain qualified drivers, the continued support of our union employees for our strategic plan, the impact of work rules, work stoppages, strikes or other disruptions, our obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction;
- the impact of claims and litigation to which we are or may become exposed; and
- other risks and contingencies, including (without limitation) the risk factors that are included in our reports filed with the SEC, including those described under “Risk Factors” in our annual report on Form 10-K and quarterly reports on Form 10-Q, including this quarterly report.

Overview

MD&A includes the following sections:

Our Business — a brief description of our business and a discussion of how we assess our operating results.

Consolidated Results of Operations — an analysis of our consolidated results of operations for the three months ended March 31, 2015 and 2014.

Reporting Segment Results of Operations — an analysis of our results of operations for the three months ended March 31, 2015 and 2014 for our YRC Freight and Regional Transportation reporting segments.

Certain Non-GAAP Financial Measures — an analysis of selected non-GAAP financial measures for the three months ended March 31, 2015 and 2014.

Financial Condition/Liquidity and Capital Resources — a discussion of our major sources and uses of cash and an analysis of our cash flows and aggregate contractual obligations and commercial commitments.

The "first quarter" of the years discussed below refer to the three months ended March 31, respectively.

Our Business

We are a holding company that, through wholly owned operating subsidiaries and our interest in a Chinese joint venture, offers our customers a wide range of transportation services. We have one of the largest, most comprehensive less-than-truckload ("LTL") networks in North America with local, regional, national and international capabilities. Through our team of experienced service professionals, we offer industry-leading expertise in LTL shipments and flexible supply chain solutions, ensuring customers can ship industrial, commercial and retail goods with confidence.

We measure the performance of our business on both a consolidated basis and a reporting segment basis. We use several performance metrics, but rely primarily upon (without limitation) operating revenue, operating income (loss), and operating ratio. We also use certain non-GAAP financial measures as secondary measures to assess our operating performance.

- **Operating Revenue:** Our operating revenue has two primary components: volume (commonly evaluated using number of shipments and weight per shipment) and yield or price (commonly evaluated on a dollar per hundred weight basis and a dollar per shipment basis). Yield includes fuel surcharge revenue, which is common in the trucking industry and represents an amount charged to customers that adjusts with changing fuel prices. We base our fuel surcharges on a published national index and adjust them weekly. Rapid material changes in the index or our cost of fuel can positively or negatively impact our revenue and operating income versus prior periods, as there is a lag in our adjustment of base rates in response to changes in fuel surcharge. We believe that fuel surcharge is an accepted and important component of the overall pricing of our services to our customers. Without an industry accepted fuel surcharge program, our base pricing for our transportation services would require numerous changes. We believe the distinction between base rates and fuel surcharge has blurred over time, and it is impractical to clearly separate all the different factors that influence the price that our customers are willing to pay. In general, under our present fuel surcharge program, we believe rising fuel costs are beneficial to us and falling fuel costs are detrimental to us in the short term.

- **Operating Income (Loss):** Operating income (loss) is our operating revenue less operating expenses. Our consolidated operating income (loss) includes certain corporate charges that are not allocated to our YRC Freight and Regional Transportation reporting segments.

- **Operating Ratio:** Operating ratio is a common operating performance metric used in the trucking industry. It is calculated as (i) 100 percent (ii) minus the result of dividing operating income by operating revenue or (iii) plus the result of dividing operating loss by operating revenue, and expressed as a percentage.

- **Non-GAAP Financial Measures:** We use certain non-GAAP financial measures to assess our performance. These include (without limitation) EBITDA and adjusted EBITDA:

    - *EBITDA:* a non-GAAP measure that reflects our earnings before interest, taxes, depreciation, and amortization expense. EBITDA is used for internal management purposes as a financial measure that reflects our core operating performance.

- *Adjusted EBITDA:* a non-GAAP measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and further adjusts for letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including restructuring professional fees, nonrecurring consulting fees, expenses associated with certain lump sum payments to our IBT employees and the results of permitted dispositions, discontinued operations, among other items, as defined in our credit facilities. Adjusted EBITDA is used for internal management purposes as a financial measure that reflects our core operating performance and to measure compliance with financial covenants in our credit facilities.

Our non-GAAP financial measures have the following limitations:

- EBITDA does not reflect the interest expense or the cash requirements necessary to service interest or fund principal payments on our outstanding debt;
- Adjusted EBITDA does not reflect the interest expense or the cash requirements necessary to fund restructuring professional fees, nonrecurring consulting fees, letter of credit fees, service interest, principal payments on our outstanding debt or lump sum payments to our IBT employees required under the modified labor agreement;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and EBITDA and adjusted EBITDA do not reflect any cash requirements for such replacements;
- Equity-based compensation is an element of our long-term incentive compensation package, although adjusted EBITDA excludes employee equity-based compensation expense when presenting our ongoing operating performance for a particular period;
- Other companies in our industry may calculate adjusted EBITDA differently than we do, potentially limiting their usefulness as comparative measures.

Because of these limitations, our non-GAAP measures should not be considered a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and use our non-GAAP measures as secondary measures.

Consolidated Results of Operations

Our consolidated results include the consolidated results of our YRC Freight and Regional Transportation reporting segments as well as any unallocated corporate charges. A more detailed discussion of the operating results of our segments is presented in the “Reporting Segment Results of Operations” section below.

The table below provides summary consolidated financial information for the first quarter of 2015 and 2014:

	First Quarter		
(in millions)	**2015**	**2014**	**Percent Change**
Operating revenue	$ 1,186.4	$ 1,210.9	(2.0)%
Operating income (loss)	$ 3.7	$ (32.4)	111.4 %
Nonoperating expenses, net	$ 23.9	$ 41.9	43.0 %
Net loss	$ (21.6)	$ (70.2)	69.2 %

First Quarter of 2015 Compared to the First Quarter of 2014

Our consolidated operating revenue decreased 2.0% during the first quarter of 2015 compared to the same period in 2014. The decrease in revenue is primarily attributed to strategic declines in volumes at YRC Freight, as our focus has been on yield improvement over tonnage growth and a reduction in our fuel surcharge revenue. Offsetting this decrease was increased yield over the comparable prior year period, which was largely driven by our commitment to maintain and grow yield and a stronger pricing environment.

Operating expenses for the first quarter of 2015 decreased $60.6 million, or 4.9%, compared to the same period in 2014. The decrease in operating expenses was driven by a $55.5 million, or 19.6%, decrease in operating expenses and supplies and an $18.4 million, or 2.5%, decrease in salaries, wages and employee benefits, partially offset by a $10.1 million, or 16.6%, increase in other operating expenses.

- The $55.5 million, or 19.6%, decrease in operating expenses and supplies in the first quarter of 2015 was primarily the result of a $60.9 million decrease in fuel expense compared to the first quarter of 2014. This decrease was largely driven by lower fuel prices on a per gallon basis, as well as fewer miles driven. This decrease in fuel prices also decreased our revenue as discussed above.
- The $18.4 million, or 2.5%, decrease in salaries, wages and employee benefits was largely driven by lower total shipments in 2015 compared to 2014, which required less employee hours to process freight.
- The $10.1 million, or 16.6%, increase in other operating expenses was primarily driven by an $8.4 million increase in our bodily injury and property damage claim expense as a result of unfavorable development of our outstanding claims.

Nonoperating expenses decreased $18.0 million in the first quarter of 2015 compared to the first quarter of 2014. In the first quarter of 2014, we incurred additional interest expense that was driven by the acceleration of the amortization of the deferred debt costs on our then-existing Term Loan and then-existing ABL Facility when they were extinguished in the first quarter of 2014. The increase in interest expense was partially offset by the gain we recorded on the extinguishment of debt of $11.2 million in the first quarter of 2014, $16.3 million of which related to the acceleration of net premiums on our old debt, partially offset by $5.1 million of additional expense related to the fair value of the incremental shares provided to those Series B Note holders who exchanged their outstanding balances at a conversion price of $15.00 per share.

Our effective tax rate for the first quarter of 2015 and 2014 was (6.9)% and 5.5%, respectively. Significant items impacting the first quarter of 2015 rate include a net state and foreign tax provision, certain permanent items, and a change in the valuation allowance established for the net deferred tax asset balance projected for December 31, 2015. We recognize valuation allowances on deferred tax assets if, based on the weight of the evidence, we determine it is more likely than not that such assets will not be realized. Changes in valuation allowances are included in our tax provision in the period of change. In determining whether a valuation allowance is warranted, we evaluate factors such as prior years' earnings history, expected future earnings, loss carry-back and carry-forward periods, reversals of existing deferred tax liabilities and tax planning strategies that potentially enhance the likelihood of the realization of a deferred tax asset. At March 31, 2015 and December 31, 2014, substantially all of our net deferred tax assets are subject to a valuation allowance.

Reporting Segment Results of Operations

We evaluate our operating performance using our YRC Freight and Regional Transportation reporting segments:

- **YRC Freight** is the reporting segment for our transportation service providers focused on business opportunities in national, regional and international services. YRC Freight provides for the movement of industrial, commercial and retail goods, primarily through centralized management and customer facing organizations. This unit includes our LTL subsidiary YRC Freight and YRC Reimer, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States and Canada, YRC Freight also serves parts of Mexico, Puerto Rico and Guam.
- **Regional Transportation** is the reporting segment for our transportation service providers focused on business opportunities in the regional and next-day delivery markets. The Regional Transportation companies each provide regional, next-day ground services in their respective regions through a network of facilities located across the United States, Canada, Mexico and Puerto Rico.

YRC Freight Results

YRC Freight represented 62% of consolidated operating revenue for both the first quarter of 2015 and 2014. The table below provides summary financial information for YRC Freight for the first quarter of 2015 and 2014:

	First Quarter		
(in millions)	**2015**	**2014**	**Percent Change**
Operating revenue	$ 737.6	$ 756.8	(2.5)%
Operating income (loss)	$ 0.2	$ (32.5)	100.6 %
Operating ratio[a]	100.0%	104.3%	4.3pp

(a) pp represents the change in percentage points

First Quarter of 2015 Compared to the First Quarter of 2014

YRC Freight reported operating revenue of $737.6 million in the first quarter of 2015, a decrease of $19.2 million, or 2.5%, compared to the same period in 2014. The table below summarizes the key revenue metrics for the YRC Freight reporting segment for the first quarter of 2015 compared to the first quarter of 2014:

	First Quarter		
	2015	**2014**	**Percent Change[b]**
Workdays	62.5	63.0	
Total picked up revenue (in millions) [a]	$ 737.4	$ 755.9	(2.5)%
Total tonnage (in thousands)	1,566	1,646	(4.9)%
Total tonnage per day (in thousands)	25.05	26.13	(4.1)%
Total shipments (in thousands)	2,604	2,772	(6.1)%
Total shipments per day (in thousands)	41.66	44.00	(5.3)%
Total picked up revenue per hundred weight	$ 23.55	$ 22.96	2.6 %
Total picked up revenue per hundred weight (excluding fuel surcharge)	$ 20.66	$ 19.09	8.2 %
Total picked up revenue per shipment	$ 283	$ 273	3.8 %
Total picked up revenue per shipment (excluding fuel surcharge)	$ 249	$ 227	9.6 %
Total weight per shipment (in pounds)	1,203	1,188	1.3 %

	First Quarter	
(in millions)	**2015**	**2014**
[a] Reconciliation of operating revenue to total picked up revenue:		
Operating revenue	$ 737.6	$ 756.8
Change in revenue deferral and other	(0.2)	(0.9)
Total picked up revenue	$ 737.4	$ 755.9

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change based on unrounded figures and not the rounded figures presented.

The increases in yield are primarily attributable to our commitment to maintain and grow yield and a stronger overall pricing environment. The decrease in volumes were primarily driven by a strategic decision to prioritize yield improvements over tonnage growth.

Operating income for YRC Freight was $0.2 million in the first quarter of 2015 compared to an operating loss of $32.5 million in the same period in 2014. Operating revenue in the first quarter of 2015 was lower by $19.2 million while total operating expenses decreased by $51.9 million, or 6.6%. The decrease in operating expense consisted primarily of a $36.2 million, or 20.6%, decrease in operating expenses and supplies and a $14.2 million, or 3.2%, decrease in salaries, wages and employees' benefits.

- The $36.2 million, or 20.6%, decrease in operating expenses and supplies in the first quarter of 2015 was primarily the result of a $36.8 million decrease in fuel expense compared to the first quarter of 2014. This decrease was largely driven by lower fuel prices on a per gallon basis and fewer miles driven. This decrease in fuel prices also decreased the revenue we recognized as a result of our fuel surcharge program and, therefore, this expense decrease was offset. Additionally, we received a $4.1 million legal settlement in the first quarter of 2015 that contributed to this decrease, which was partially offset by an increase in professional services largely driven by a $2.9 million nonrecurring consulting fee.
- The $14.2 million, or 3.2%, decrease in salaries, wages and employee benefits was largely driven by lower total shipments in 2015 compared to 2014, which required less employee hours to process freight.

Regional Transportation Results

Regional Transportation represented 38% of consolidated revenue in the both the first quarter of 2015 and 2014. The table below provides summary financial information for Regional Transportation for the first quarter of 2015 and 2014:

	First Quarter		
(in millions)	**2015**	**2014**	**Percent Change**
Operating revenue	$ 448.8	$ 454.1	(1.2)%
Operating income	$ 4.6	$ 7.9	(41.8)%
Operating ratio [a]	99.0%	98.3%	(0.7pp)

(a) pp represents the change in percentage points

First Quarter of 2015 Compared to the First Quarter of 2014

Regional Transportation reported operating revenue of $448.8 million for the first quarter of 2015, a decrease of $5.3 million, or 1.2%, from the first quarter of 2014. The table below summarizes the key revenue metrics for the Regional Transportation reporting segment for the first quarter of 2015 compared to the first quarter of 2014:

	First Quarter		
	2015	**2014**	**Percent Change[b]**
Workdays	64.5	67.0	
Total picked up revenue (in millions)[a]	$ 449.1	$ 454.4	(1.2)%
Total tonnage (in thousands)	1,976	2,015	(1.9)%
Total tonnage per day (in thousands)	30.64	30.08	1.9 %
Total shipments (in thousands)	2,617	2,706	(3.3)%
Total shipments per day (in thousands)	40.58	40.38	0.5 %
Total picked up revenue per hundred weight	$ 11.36	$ 11.28	0.8 %
Total picked up revenue per hundred weight (excluding fuel surcharge)	$ 10.03	$ 9.48	5.8 %
Total picked up revenue per shipment	$ 172	$ 168	2.1 %
Total picked up revenue per shipment (excluding fuel surcharge)	$ 151	$ 141	7.3 %
Total weight per shipment (in pounds)	1,510	1,490	1.4 %

	First Quarter	
(in millions)	**2015**	**2014**
[a] Reconciliation of operating revenue to total picked up revenue:		
Operating revenue	$ 448.8	$ 454.1
Change in revenue deferral and other	0.3	0.3
Total picked up revenue	$ 449.1	$ 454.4

(a) Does not equal financial statement revenue due to revenue recognition adjustments between accounting periods.
(b) Percent change based on unrounded figures and not the rounded figures presented.

The increases in yield are primarily attributable to our disciplined focus to grow yield during the quarter and a stronger overall pricing environment.

Operating income for Regional Transportation was $4.6 million for the first quarter of 2015, a decrease of $3.3 million from the same period in 2014. Operating revenue in the first quarter of 2015 was lower by $5.3 million, while total operating expenses decreased by $2.0 million, or 0.4%. The decrease in total operating expenses was primarily driven by a $19.4 million, or 16.9%, decrease in operating expenses and supplies, partially offset by a $5.4 million, or 21.4%, increase in other operating expenses, a

$5.3 million, or 21.7%, increase in purchased transportation, and a $4.2 million, or 1.6%, increase in salaries, wages and employee benefits.

- The $19.4 million, or 16.9%, decrease in operating expenses and supplies in the first quarter of 2015 was primarily driven by a $24.1 million decrease in fuel expense compared to the first quarter of 2014. This decrease was largely driven by lower fuel prices on a per gallon basis. This decrease in fuel prices also decreased the revenue we recognized as a result of our fuel surcharge program and, therefore, this expense decrease was offset. The lower fuel costs were partially offset by a $3.7 million increase in vehicle maintenance primarily used to support our aging fleet.
- The $5.4 million, or 21.4%, increase in other operating expense in the first quarter of 2015 was primarily the result of a $5.7 million increase in our prior year bodily injury and property damage claim expense, as a result of unfavorable claim development on prior year claims.
- The $5.3 million, or 21.7%, increase in purchased transportation was primarily driven by a $5.4 million increase in vehicle rent expense as our percentage of leased units has increased from prior year due to our strategy of using operating leases to acquire new revenue equipment.
- The $4.2 million, or 1.6%, increase in in the first quarter of 2015 was primarily the result of a $2.0 million increase in workers' compensation expense, which was caused, in large part, by unfavorable claim development on prior year claims.

Certain Non-GAAP Financial Measures

As discussed in the "Our Business" section, we use certain non-GAAP financial measures to assess performance. These measures should be considered in addition to the results prepared in accordance with GAAP, but should not be considered a substitute for, or superior to, our GAAP financial measures. For segment adjusted EBITDA, we present the reconciliation from operating income (loss) to EBITDA and EBITDA to adjusted EBITDA as it is consistent with how we measure performance.

Consolidated Adjusted EBITDA

The reconciliation of net loss to EBITDA and EBITDA to Adjusted EBITDA (defined in our Term Loan credit agreement as "Consolidated EBITDA") for the first quarter of 2015 and 2014, and the trailing twelve months ended March 31, 2015, is as follows:

	First Quarter		Four Consecutive Quarters Ending
(in millions)	**2015**	**2014**	**March 31, 2015**
Reconciliation of net loss to adjusted EBITDA:			
Net loss	$ (21.6)	$ (70.2)	$ (19.1)
Interest expense, net	27.4	58.1	118.7
Income tax expense (benefit)	1.4	(4.1)	(10.6)
Depreciation and amortization	41.6	41.0	164.2
EBITDA	48.8	24.8	253.2
Adjustments for debt covenants:			
(Gains) losses on property disposals, net	1.3	0.2	(10.8)
Letter of credit expense	2.2	5.2	9.1
Restructuring professional fees	—	1.1	3.1
Nonrecurring consulting fees	2.9	—	2.9
Permitted dispositions and other	0.2	0.1	1.8
Equity based compensation expense	0.5	6.6	8.2
Amortization of ratification bonus	5.2	—	20.8
(Gain) loss on extinguishment of debt	0.6	(11.2)	0.6
Other, net[(a)]	(2.9)	(3.9)	(8.5)
Adjusted EBITDA	$ 58.8	$ 22.9	$ 280.4

[(a)] As required under our Term Loan Agreement, other, net, shown above consists of the impact of certain items to be included in Adjusted EBITDA under our Term Loan Agreement.

Segment Adjusted EBITDA

The following represents Adjusted EBITDA by segment for the first quarter of 2015 and 2014:

	First Quarter	
(in millions)	**2015**	**2014**
Adjusted EBITDA by segment:		
YRC Freight	$ 32.1	$ (3.7)
Regional Transportation	26.2	25.9
Corporate and other	0.5	0.7
Adjusted EBITDA	$ 58.8	$ 22.9

The reconciliation of operating income (loss), by segment, to EBITDA and EBITDA to Adjusted EBITDA for the first quarter of 2015 and 2014 is as follows:

	First Quarter	
YRC Freight segment (in millions)	**2015**	**2014**
Reconciliation of operating income (loss) to adjusted EBITDA:		
Operating income (loss)	$ 0.2	$ (32.5)
Depreciation and amortization	23.9	24.7
EBITDA	24.1	(7.8)
Adjustments for debt covenants:		
Gains on property disposals, net	(0.2)	(0.2)
Letter of credit expense	1.5	3.6
Nonrecurring consulting fees	2.9	—
Amortization of ratification bonus	3.3	—
Other nonoperating expenses, net[a]	0.5	0.7
Adjusted EBITDA	$ 32.1	$ (3.7)

[a] As required under our Term Loan, other nonoperating, net, shown above does not include the impact of non-cash foreign currency gains or losses.

	First Quarter	
Regional Transportation segment (in millions)	**2015**	**2014**
Reconciliation of operating income to adjusted EBITDA:		
Operating income	$ 4.6	$ 7.9
Depreciation and amortization	17.7	16.4
EBITDA	22.3	24.3
Adjustments for debt covenants:		
Losses on property disposals, net	1.5	0.4
Letter of credit expense	0.5	1.2
Amortization of ratification bonus	1.9	—
Adjusted EBITDA	$ 26.2	$ 25.9

Corporate and other segment (in millions)	First Quarter 2015	First Quarter 2014
Reconciliation of operating loss to adjusted EBITDA:		
Operating loss	$ (1.1)	$ (7.8)
Depreciation and amortization	—	(0.1)
EBITDA	(1.1)	(7.9)
Adjustments for debt covenants:		
Letter of credit expense	0.2	0.4
Restructuring professional fees	—	1.1
Permitted dispositions and other	0.2	0.1
Equity based compensation expense	0.5	6.6
Other nonoperating income, net[a]	0.7	0.4
Adjusted EBITDA	$ 0.5	$ 0.7

[a] As required under our Term Loan, other nonoperating, net, shown above does not include the impact of earnings of our equity method investment as well as non-cash foreign currency gains or losses.

Financial Condition/Liquidity and Capital Resources

Our principal sources of liquidity are cash and cash equivalents, available borrowings under our ABL Facility and any prospective net operating cash flows from operations. The unused line of credit that may actually be drawn is limited by certain financial covenants. As of March 31, 2015, the amount that actually may be drawn on the ABL Facility was $39.2 million. As of March 31, 2015, we had cash and cash equivalents of $136.4 million, and cash and cash equivalents and amounts able to be drawn on our ABL Facility totaling $175.6 million. For the three months ended March 31, 2015 we used net cash of $25.8 million for our operating activities.

Our principal uses of cash are to fund our operations, including making contributions to our single-employer pension plans and various multi-employer pension funds, and to meet our other cash obligations including, but not limited to, paying cash interest and principal on our funded debt, payments on our equipment leases and funding capital expenditures.

Our ABL Facility credit agreement, among other things, restricts certain capital expenditures and requires that the Company, in effect, maintain availability of at least 10% of the lesser of the aggregate amount of commitments from all lenders or the borrowing base.

We have a considerable amount of indebtedness. As of March 31, 2015, we had $1,093.6 million in aggregate par value of outstanding indebtedness, the majority of which matures in 2019. We also have considerable future funding obligations for our single-employer pension plans and various multi-employer pension funds. We expect our funding obligations for the remainder of 2015 for our single-employer pension plans and multi-employer pension funds will be $47.0 million and $66.1 million, respectively. In addition, we have, and will continue to have, substantial operating lease obligations. As of March 31, 2015, our minimum rental expense under operating leases for the remainder of the year is $48.7 million. As of March 31, 2015, our operating lease obligations through 2025 totaled $206.4 million and is expected to increase as we lease additional revenue equipment. As of March 31, 2015, our Standard & Poor’s Corporate Family Rating was “CCC+” and Moody’s Investor Service Corporate Family Rating was “B3”.

Our capital expenditures for the first quarter of 2015 and 2014 were $21.3 million and $11.7 million, respectively. These amounts were principally used to fund replacement trailers and refurbished engines for our revenue fleet. Additionally, for the first quarter of 2015, we entered into new operating leases for revenue equipment for $47.6 million, payable over the average lease term of four years.

Credit Facility Covenants

Our Term Loan credit agreement has certain financial covenants that, among other things, restricts certain capital expenditures and requires us to maintain a maximum total leverage ratio (defined as Consolidated Total Debt divided by Consolidated Adjusted EBITDA as defined below). On September 25, 2014, the Company entered into the Credit Agreement Amendment, which amended the Term Loan to, among other things, adjust the maximum permitted total leverage ratio through December 31, 2016 and increase the applicable interest rate over the same period.

Our Credit Agreement Amendment total maximum leverage ratio covenants is as follows:

Four Consecutive Fiscal Quarters Ending	Maximum Total Leverage Ratio	Four Consecutive Fiscal Quarters Ending	Maximum Total Leverage Ratio
March 31, 2015	5.00 to 1.00	September 30, 2016	3.75 to 1.00
June 30, 2015	4.75 to 1.00	December 31, 2016	3.50 to 1.00
September 30, 2015	4.50 to 1.00	March 31, 2017	3.25 to 1.00
December 31, 2015	4.25 to 1.00	June 30, 2017	3.25 to 1.00
March 31, 2016	4.00 to 1.00	September 30, 2017	3.25 to 1.00
June 30, 2016	3.75 to 1.00	December 31, 2017 and thereafter	3.00 to 1.00

Consolidated Adjusted EBITDA, defined in the Credit Agreement Amendment as “Consolidated EBITDA,” is a measure that reflects our earnings before interest, taxes, depreciation, and amortization expense, and is further adjusted for, among other things, letter of credit fees, equity-based compensation expense, net gains or losses on property disposals and certain other items, including restructuring professional fees, nonrecurring consulting fees, expenses associated with certain lump sum payments to our IBT employees and the results of permitted dispositions and discontinued operations. Consolidated Total Debt, as defined in our Credit Agreement Amendment, is the aggregate principal amount of indebtedness outstanding. Our total leverage ratio for the four consecutive fiscal quarters ending March 31, 2015 was 3.90 to 1.00.

We believe that our results of operations will be sufficient to allow us to comply with the covenants in the Credit Agreement Amendment, fund our operations, increase working capital as necessary to support our planned revenue growth and fund capital expenditures for at least the next twelve months. In order for us to maintain compliance with the maximum total leverage ratio over the tenor of the Term Loan, we must achieve operating results which reflect continuing improvement over our recent results.

Our ability to satisfy our liquidity needs and meet future stepped-up covenant requirements is primarily dependent on improving our profitability. Improvements to our profitability include continued successful implementation and realization of productivity and efficiency initiatives as well as increased volume and pricing improvements, some of which are outside of our control.

In the event our operating results indicate we will not meet our maximum total leverage ratio, we may take action to improve our maximum total leverage ratio which will include paying down our outstanding indebtedness with either cash on hand or from cash proceeds from equity issuances. The issuance of equity is outside of our control and there can be no assurance that we will be able to issue additional equity at terms that are agreeable to us or that we would have sufficient cash on hand to pay down debt in order to meet the maximum total leverage ratio.

Cash Flows

Operating Cash Flow

Net cash used in operating activities was $25.8 million in the first quarter of 2015 compared to $56.2 million in the first quarter of 2014. This decrease in cash utilization is primarily attributable to a $48.6 million year-over-year decrease in net loss driven by decreased operating expenses.

Investing Cash Flow

Investing cash flows increased by $84.2 million during the first quarter of 2015 compared to the same period in 2014, largely driven by a net receipt of $11.0 million in restricted escrow refunds in 2015 compared to a net deposit of $80.9 million in 2014. The 2014 restricted escrow deposits consist mostly of $82.0 million for the ABL Facility and $89.6 million for the Series A Notes redemption, offset by the reduction of the $90.0 million receipt for the Prior ABL Facility. In addition, there was a $9.6 million increase in the acquisition of property and equipment primarily due to increased purchases of used tractors and trailers and refurbished engines for our revenue fleet.

Financing Cash Flow

Net cash used in financing activities for the first quarter of 2015 was $4.5 million compared to net cash provided by financing activities of $109.0 million in the first quarter of 2014. The cash used in the first quarter of 2015 consists solely of repayments of our long-term debt. The cash provided during the first quarter of 2014 was driven by the issuance of $693.0 million in long-term debt for the Term Loan and $250.0 million equity issuance proceeds. These were offset by $789.5 million of repayments on our long-term debt. The repayments primarily consisted of $298.1 million for the prior term loan, $324.9 million for the prior ABL facility, $93.9 million for the redemption of Series A Notes and $69.4 million for the 6% Notes. We also had $27.4 million in debt issuance costs and $17.1 million in equity issuance costs related to our new debt and equity issued in 2014.

Contractual Obligations and Other Commercial Commitments

The following sections provide aggregated information regarding our contractual cash obligations and other commercial commitments as of March 31, 2015.

Contractual Cash Obligations

The following table reflects our cash outflows that we are contractually obligated to make as of March 31, 2015:

	Payments Due by Period				
(in millions)	**Less than 1 year**	**1-3 years**	**3-5 years**	**After 5 years**	**Total**
Balance sheet obligations:[a]					
ABL borrowings, including interest and unused line fees	$ 0.3	$ 0.6	$ 0.3	$ —	$ 1.2
Long-term debt, including interest	64.9	128.0	719.1	—	912.0
Lease financing obligations	41.0	82.7	54.1	32.9	210.7 [b]
Multi-employer pension deferral obligations, including interest	8.7	17.4	134.7	—	160.8
Workers' compensation, property damage and liability claims obligations	115.0	129.6	60.4	109.1	414.1 [c]
Off balance sheet obligations:					
Operating leases	64.9	88.7	37.1	15.7	206.4
Letter of credit fees	8.8	17.6	7.7	—	34.1
Future service obligations [d]	9.0	—	—	—	9.0
Capital expenditures	9.0	—	—	—	9.0
Total contractual obligations	$ 321.6	$ 464.6	$ 1,013.4	$ 157.7	$ 1,957.3

(a) Total liabilities for uncertain income tax positions as of March 31, 2015 were $10.4 million and are classified on our consolidated balance sheet within "Claims and Other Liabilities" and are excluded from the table above.
(b) The $210.7 million of lease financing obligation payments represent interest payments of $149.8 million and principal payments of $60.9 million. The remaining principle obligation is offset by the estimated book value of leased property at the expiration date of each lease agreement.
(c) The workers' compensation, property damage and liability claims obligations represent our undiscounted estimate of future payments for these obligations, not all of which are contractually required.
(d) Future service obligations consist primarily of hardware and software maintenance contracts.

During the three months ended March 31, 2015, we entered into new operating leases for revenue equipment of $47.6 million. This total consists of approximately 225 tractors and 600 trailers with a total capital value of $35.1 million, with the remaining amount related to recurring leases for sleeper units.

Other Commercial Commitments

The following table reflects other commercial commitments or potential cash outflows that may result from a contingent event, such as a need to borrow short-term funds due to insufficient free cash flow.

(in millions)	Amount of Commitment Expiration Per Period: Less than 1 year	1-3 years	3-5 years	After 5 years	Total
Unused line of credit					
ABL Facility[a]	$ —	$ —	$ 84.2 [b]	$ —	$ 84.2
Letters of credit	—	—	365.8	—	365.8
Surety bonds	115.6	0.1	0.1	—	115.8
Total commercial commitments	$ 115.6	$ 0.1	$ 450.1	$ —	$ 565.8

(a) At March 31, 2015, we held $78.1 million in restricted escrow, which represents cash collateral on our ABL Facility.
(b) The unused line of credit that may actually be drawn is limited by certain financial covenants in the ABL Facility. As of March 31, 2015, the amount that actually may be drawn on the ABL Facility was $39.2 million.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are primarily exposed to the market risk associated with unfavorable movements in interest rates, foreign currencies, and fuel price volatility. The risk inherent in our market risk sensitive instruments and positions is the potential loss or increased expense arising from adverse changes in those factors. There have been no material changes to our market risk policies or our market risk sensitive instruments and positions as described in our annual report on Form 10-K for the year ended December 31, 2014.

Item 4. Controls and Procedures

As required by the Exchange Act, we maintain disclosure controls and procedures designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms. Our disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information we are required to disclose in reports that we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Our management, with the participation of our principal executive and financial officers, has evaluated our disclosure controls and procedures as of March 31, 2015 and have concluded that our disclosure controls and procedures were effective as of March 31, 2015.

There were no changes in our internal control over financial reporting that occurred during the fiscal quarter ended March 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

We discuss legal proceedings in the "Commitments, Contingencies and Uncertainties" note to our consolidated financial statements included with this quarterly report on Form 10-Q.

Item 1A. Risk Factors

There were no material changes during the quarter to the Risk Factors disclosed in Part I, Item 1A - "Risk Factors" in our annual report on Form 10-K for the year ended December 31, 2014.

Item 5. Other Information

Annual Meeting Results

We are providing the following disclosure in lieu of providing this information in a current report on Form 8-K pursuant to Item 5.07, "Submission of Matters to a Vote of Security Holders."

The holders of our outstanding common stock, Series A Voting Preferred Stock, and Series B Notes voted together as a single class on all proposals at the Annual Meeting.

Each share of common stock and Series A Voting Preferred Stock was entitled to one vote.

Pursuant to our Amended and Restated Certificate of Incorporation, as amended ("Certificate"), and the indenture governing the Series B Notes, each holder of Series B Notes was entitled, on an as-converted-to-common stock basis, to 53.9567 shares of Common Stock per $1,000 principal amount of Series B Notes held on the record date, which included shares issuable as a Make Whole Premium (as defined in the Series B Notes indenture). However, as described in our Certificate and the Series B Notes indenture, in order to comply with NASDAQ Listing Rule 5640, each holder of Series B Notes was limited to 0.0594 votes for each share of Common Stock on an as-converted-to-common stock basis. On the record date, the holders of Series B Notes collectively held 55,508 votes.

At the Annual Meeting, holders of our common stock, Series A Voting Preferred Stock, and Series B Notes voted on the following proposals:

Proposal 1

Each nominee under Proposal 1 was elected to the Board of Directors.

Director Nominees	Number of Votes For	Number of Votes Withheld	Broker Non-Votes
Raymond J. Bromark	23,579,551	427,669	3,827,254
Matthew A. Doheny	22,865,681	1,141,539	3,827,254
Robert L. Friedman	23,536,482	470,738	3,827,254
James E. Hoffman	22,866,237	1,140,983	3,827,254
Michael J. Kneeland	22,866,613	1,140,607	3,827,254
James L. Welch	23,515,526	491,694	3,827,254
James F. Winestock	23,606,458	400,762	3,827,254

Proposal 2

The advisory vote on named executive officer compensation was approved.

Number of Votes For	Number of Votes Against	Number of Votes Abstaining	Broker Non-Votes
17,540,118	6,196,505	270,597	3,827,254

Proposal 3

The appointment of KPMG LLP as our independent registered public accounting firm for 2015 was ratified.

Number of Votes For	Number of Votes Against	Number of Votes Abstaining
27,341,060	282,786	210,628

Proposal 4

Each nominee under Proposal 4 was elected to the Board of Directors.

Director Nominee	Number of Votes For	Number of Votes Withheld	Broker Non-Votes
Patricia M. Nazemetz	23,115,509	891,711	3,827,254

Item 6. Exhibits

(10) Material Contracts

10.1	Form of Restricted Stock Agreement (incorporated by reference to Exhibit 10.1 to Current Report on Form 8-K, filed on March 13, 2015, File No. 000-12255).
10.2	Form of Performance Stock Unit Agreement (incorporated by reference to Exhibit 10.2 to Current Report on Form 8-K, filed on March 13, 2015, File No. 000-12255).
10.3*	Exchange Agreement, dated March 25, 2015, among the Company and certain holders of 10% Series B Convertible Senior Secured Notes due 2015.
31.1*	Certification of James L. Welch filed pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Jamie G. Pierson filed pursuant to Exchange Act Rules 13a-14 and 15d-14, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification of James L. Welch furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2*	Certification of Jamie G. Pierson furnished pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase
101.DEF*	XBRL Taxonomy Extension Definition Linkbase
101.LAB*	XBRL Taxonomy Extension Label Linkbase
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase

* Indicates documents filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

YRC WORLDWIDE INC.

Date: April 30, 2015	/s/ James L. Welch
	James L. Welch Chief Executive Officer
Date: April 30, 2015	/s/ Jamie G. Pierson
	Jamie G. Pierson Executive Vice President and Chief Financial Officer

EXHIBIT 10.3

EXCHANGE AGREEMENT

This EXCHANGE AGREEMENT (this "Agreement"), dated as of March 25, 2015, is by and among YRC Worldwide Inc. (the "Company") and each entity or account listed on Appendix A hereto (a "Holder" and, solely for ease of reference, collectively, the "Holders"). The Company and the Holders are sometimes referred to herein collectively as the "Parties" and each of them, individually, as a "Party."

W h e r e a s:

A. Each Holder owns 10% Series B Convertible Senior Secured Notes due 2015 of the Company, in the aggregate principal amount(s) listed on Appendix A (the "Series B Notes").

B. Each Holder, on the one hand, and the Company, on the other hand, wish to exchange the Series B Notes held by such Holder plus accrued and unpaid interest through March 31, 2015 (the "Series B Notes Total") for such number of shares (the "Shares") of the Company's common stock, par value $0.01 per share ("Common Stock"), listed opposite such Holder's name on Appendix A hereto under the heading "Common Stock."

C. This Agreement sets forth the agreement between the Company and each Holder regarding the terms upon which the Company and the Holders will exchange the Series B Notes Total for the Shares. Notwithstanding any collective reference to Holders, each Holder is acting separately in the exercise of its rights hereunder and all of its commitments and liabilities are undertaken on a several and not joint and several basis.

NOW, THEREFORE, in connection with this exchange, the Company and each Holder hereby agree as follows:

1. EXCHANGE; CLOSING

(a) Subject to satisfaction (or waiver) of the conditions set forth in Sections 4 and 5, on the Closing Date (as defined below):

(i) each Holder shall surrender, transfer and deliver to the Company through the Deposit/Withdrawal at Custodian procedures of The Depository Trust Company ("DTC"), all right, title and interest in and to its Series B Notes, and all claims in respect of or arising or having arisen as a result of such Holder's status as a holder of Series B Notes; and

(ii) the Company shall deliver or cause to be delivered to such Holder (or its custodian or prime broker, as directed) at the offices of the then-acting registrar and transfer agent of the Common Stock or, if there is no then-acting registrar and transfer agent of the Common Stock, at the principal executive offices of the Company, the number of Shares deliverable upon the Closing Date, registered in the name of the relevant Holder (or its designee, as directed). To the extent the Common Stock is settled through the facilities of DTC, the Company will upon the written instruction of a Holder, use its commercially reasonable efforts to deliver the Shares deliverable to such Holder, through the facilities of DTC, to the account of the participant of DTC designated by such Holder.

(b) For purposes of this Agreement, the term "Closing Date" shall mean the second (2nd) business day after the Holders have confirmed that all of the conditions set forth in Section 5, and the Company has confirmed that all of the conditions set forth in Section 4, have been satisfied (or waived, as provided herein), or on such other date or at such other time and place as is mutually agreed to by the Company and each Holder, but in no event later than March 31, 2015.

2. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF THE HOLDERS. Each Holder, solely on behalf of itself, hereby represents and warrants to the Company and agrees with the Company as follows:

(a) Title. Such Holder is the legal and beneficial owner of the Series B Notes listed opposite its name on Appendix A hereto under the heading "Series B Notes." Upon delivery to the Company of such Series B Notes, and upon such Holder's receipt of its Shares, in each case, pursuant to this Agreement, good and valid title to such Series B Notes will pass to the Company, free and clear of any liens free and clear of any liens, claims, encumbrances, security interests, options, charges and restrictions of any kind (collectively, "Liens"). Such Series B Notes constitute all of the Company's Series B Notes beneficially owned by such Holder.

(b) Organization and Qualification. Such Holder is or has been duly organized or registered and is validly existing and in good standing under the laws of the jurisdiction in which it was formed, and has the requisite corporate, limited liability company, or partnership, as applicable, power and authority to own its properties and to carry on its business as now being conducted.

(c) No Public Sale or Distribution. Such Holder is acquiring the Shares for its own account and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act, and such Holder does not have a present arrangement or agreement to effect any distribution of the Shares to or through any person or entity; provided, however, that by making the representations herein, such Holder does not agree, or make any representation or warranty, to hold any of the Shares for any minimum period of time or other specific term and reserves the right to dispose of the Shares at any time in accordance with or pursuant to a registration statement filed pursuant to or an exemption under the Securities Act of 1933, as amended (the "Securities Act").

(d) Accredited Investor; Affiliate Status. Such Holder is an "accredited investor" as that term is defined in Rule 501(a) of Regulation D ("Regulation D") as promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act. Neither the Holder nor any of its Affiliates (as that term is defined in Rule 144(a)(1) as promulgated under the Securities Act ("Rule 144")) is as of the date this Agreement, and has not been during the preceding three months, an officer, director, or more than 10% shareholder of the Company or in any other way an Affiliate of the Company (as that term is defined in Rule 144).

(e) Reliance on Exemptions. Such Holder understands that the Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and such Holder's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Holder set forth herein in order to determine the availability of such exemptions and the eligibility of such Holder to acquire the Shares.

(f) Information. Such Holder acknowledges that neither the Company nor any person representing the Company has made any representation to it with respect to the Company or the exchange of the Series B Notes for the Shares, other than the representations and warranties of the Company contained in Section 3 hereof. Such Holder and its advisors, if any, have been furnished with all materials relating to the business, finances and operations of the Company and its Subsidiaries (as defined below) and materials relating to the offer and sale of the Shares hereunder which have been requested by such Holder. Such Holder and its advisors, if any, have been afforded the opportunity to ask questions of the Company. Neither such inquiries nor any other due diligence investigations conducted by such Holder or its advisors, if any, or its representatives, shall modify, amend or affect such Holder's right to rely on the Company's representations and warranties contained herein. Such Holder understands that its investment in the Shares hereunder involves a high degree of risk and that it is able to afford a complete loss of such investment and confirms that it has independently evaluated the merits of its decision to acquire the Shares hereunder. Such Holder understands that nothing in this Agreement or any other materials presented by or on behalf of the Company or its Subsidiaries to the Holder in connection with the acquisition of the Shares hereunder constitutes legal, tax or investment advice. Such Holder has sought such accounting, legal and tax advice as it has considered necessary to make an informed investment decision with respect to its acquisition of the Shares hereunder. As of the date hereof, such Holder is not aware of any conditions or circumstances that would cause any of the Company's representations in Section 3 hereof not to be true and correct in all material respects.

(g) No Governmental Review. Such Holder understands that no United States federal or state agency or any other government or governmental agency has passed on or made any recommendation or endorsement of the Shares or the fairness or suitability of the investment in the Shares, nor have such authorities passed upon or endorsed the merits of the offering of the Shares.

(h) Transfer or Resale of the Shares. Such Holder understands that the Shares have not been and are not being registered under the Securities Act or any state securities laws, and may not be offered for sale, sold, assigned or transferred unless subsequently registered thereunder or in compliance with an exemption from registration under the Securities Act or the rules and regulations of the SEC thereunder.

(i) Authorization; Enforcement; Validity. This Agreement has been duly and validly authorized, executed and delivered on behalf of such Holder and constitutes a legal, valid and binding obligation of such Holder, enforceable against such Holder in accordance with its terms, except as such enforceability may be limited by general principles of equity or to applicable bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(j) No Conflicts. The execution, delivery and performance by such Holder of this Agreement and the consummation by such Holder of the transactions contemplated hereby will not (i) result in a violation of the organizational documents of such Holder or (ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which such Holder is a party, or (iii) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws) applicable to such Holder, except in the case of clauses (ii) and (iii) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, reasonably be expected to have a material adverse effect on the ability of such Holder to perform its obligations hereunder.

(k) Consents. The Holder is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court, governmental agency or any regulatory or self-regulatory agency or any other person in order for it to execute, deliver or perform any of its obligations under or contemplated by this Agreement in accordance with the terms hereof.

(l) Residency. Such Holder is a resident of the jurisdiction listed opposite such Holder's name on Appendix A hereto under the heading "Address."

(m) Accuracy of Representations. Such Holder acknowledges that the Company is relying upon the truth and accuracy of the foregoing representations, warranties and agreements.

3. REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF THE COMPANY.
The Company hereby represents and warrants to each Holder and agrees as follows:

(a) Organization and Qualification. Each of the Company and its "Subsidiaries" (which, for purposes of this Agreement, shall mean any entity in which the Company, directly or indirectly, owns capital stock or holds an equity or similar interest such that such entity is consolidated with the Company's results of operations for accounting purposes) are corporations or other legal entities duly organized and validly existing in good standing under the laws of the jurisdiction in which they are incorporated or formed, and have the requisite corporate or other organizational power and authorization to own their properties and to carry on their business as now being conducted, except to the extent that such Subsidiary's failure to be in good standing would not reasonably be expected to have a Material Adverse Effect. Each of the Company and its Subsidiaries is duly qualified as a foreign entity to do business and is in good standing in every jurisdiction in which its ownership of property or the nature of the business conducted by it makes such qualification necessary, except to the extent that the failure to be so qualified or be in good standing would not reasonably be expected to have a Material Adverse Effect. As used in this Agreement, "Material Adverse Effect" means any material adverse change or effect on the business, properties, assets, operations, results of operations, condition (financial or otherwise) or prospects of the Company and its Subsidiaries, taken as a whole or on the transactions contemplated by this Agreement or by the agreements and instruments to be entered into in connection herewith, or on the authority or ability of the Company to perform its obligations under this Agreement.

(b) Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to enter into and perform its obligations under this Agreement and to issue the Shares in accordance with the terms hereof and thereof. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby, including, without limitation, the issuance of the Shares have been duly authorized by the Company's board of directors ("Board"), and no further consent or authorization is required by the Company, its Board or its stockholders. This Agreement has been duly executed and delivered by the Company, and constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, except as such enforceability may be limited by general principles of equity or applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws relating to, or affecting generally, the enforcement of applicable creditors' rights and remedies.

(c) No Conflicts. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company of the transactions contemplated hereby (including, without limitation, the issuance of the Shares) does not and will not (i) result in a violation of the Company's certificate of incorporation or bylaws, (ii) result in a violation of any certificate of incorporation, certificate of formation, certificate of designation, bylaw or other constituent document of any of the Company's Subsidiaries, (iii) conflict with, or constitute a default (or an event which with notice or lapse of time, or both, would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any agreement, indenture or instrument to which the Company or any of its Subsidiaries is a party, or (iv) result in a violation of any law, rule, regulation, order, judgment or decree (including federal and state securities laws and regulations and the rules and regulations of The NASDAQ Stock Market (the "Principal Market")) applicable to the Company or any of its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected, except in the case of clauses (iii) and (iv) above, as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(d) Consents. The Company is not required to obtain any consent, authorization or order of, or make any filing or registration with, any court, governmental agency or any regulatory or self-regulatory agency or any other person in order for it to execute, deliver or perform any of its obligations under or contemplated by this Agreement in accordance with the terms hereof, other than (i) filings required by applicable state securities laws, (ii) the filing of any requisite notices and/or application(s) to the Principal Market for the issuance and sale of the Common Stock and the listing of the Common Stock for trading or quotation, as the case may be, thereon in the time and manner required thereby, (iii) those that have been made or obtained prior to the date of this Agreement, (iv) filings required under the Securities Act or the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All consents, authorizations, orders, filings and registrations which the Company is required to obtain pursuant to the preceding sentence have been obtained or effected or will be obtained or effected on or prior to, and will be in full force and effect on, the Closing Date. The issuance by the Company of the Shares shall not have the effect of delisting or suspending the Common Stock from the Principal Market.

(e) Issuance of Shares. The issuance of the Shares has been duly authorized and, upon issuance in accordance with the terms of this Agreement, the Shares will be validly issued, fully paid and nonassessable and free from all Liens with respect to the issue thereof, with the holders of the Common Stock being entitled to all rights accorded to a holder of Common Stock.

(f) No Placement Agents and Financial Advisors. The Company has not engaged any placement agent or financial advisor in connection with the sale of the Shares. No person is or will be entitled to a broker's, finder's, investment banker's, financial advisor's or similar fee from the Company, or any of its Subsidiaries or controlled Affiliates in connection with this Agreement or any of the transactions contemplated hereby. "Affiliate" shall mean, with respect to a person, any other person that, directly or indirectly, Controls, is Controlled by or is under common Control with such person. The term "Affiliated" has the meaning correlative to the foregoing. "Control," "Controlled," or "under common Control with" with respect to any person, means having the ability to direct the management and affairs of such person, whether through the ownership of voting securities or otherwise, and such ability shall be deemed to exist when a person holds a majority of the outstanding voting securities of such person.

(g) Certain Securities Law Matters. Assuming the truth and accuracy of, and such Holder's compliance with, the representations, warranties, agreements, acknowledgements and understandings of the Holder set forth herein in Section 2(c) through (e): (i) the Shares may be issued to the Holder pursuant to this Agreement without registration under the Securities Act pursuant to the exemption from registration provided by Section 3(a)(9) thereof; (ii) the Shares will assume the character of the Series B Notes (i.e., restricted or non-restricted) for purposes of their ability to be resold by the Holder; (iii) that, with respect to Series B Notes that are "restricted securities" under Rule 144, the Holder will be entitled to tack the holding period of its Series B Notes to the holding period of the Shares issued to such Holder in exchange for such Series B Notes for purposes of Rule 144 promulgated under the Securities Act; and (iv) the Shares will be issued without a restrictive legend.

(h) No Integrated Offering. None of the Company, its Subsidiaries, any of their controlled Affiliates, and any person acting on their behalf has, directly or indirectly, made, or will contemporaneously make, any offers or sales of any security or solicited or will contemporaneously solicit any offers to buy any security, under circumstances that would require registration of any of the Shares under the Securities Act or cause this offering of the Shares to be integrated with prior or contemporaneous offerings by the Company for purposes of the Securities Act or any applicable stockholder approval provisions, including, without limitation, under the rules and regulations of the Principal Market. None of the Company, its Subsidiaries, their controlled Affiliates and any person acting on their behalf will take any action or steps referred to in the preceding sentence that would (i) require registration of any of the Shares under the Securities Act, (ii) cause the offering of the Shares to be integrated with other offerings in violation of the Securities Act or (iii) cause the sale and issuance of the Shares to be subject to any stockholder approval requirement, including, without limitation, under the rules and regulations of the Principal Market.

(i) SEC Documents; Financial Statements. Since January 1, 2014, the Company has timely filed all reports, schedules, forms, statements and other documents required to be filed by it with the SEC pursuant to the reporting requirements of the Exchange Act (all of the foregoing filed prior to the date hereof or prior to the date of the Closing, and all exhibits included therein and financial statements and schedules thereto and documents incorporated by reference therein, as amended and supplemented to the date hereof, are hereinafter collectively referred to as the "SEC Documents"). As of their respective dates, the SEC Documents complied in all material respects with the requirements of the Exchange Act and the rules and regulations of the SEC promulgated thereunder applicable to the SEC Documents, and none of the SEC Documents, at the time they were filed with the SEC, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading and there has been no material adverse change since the filing. As of their respective dates, the financial statements of the Company included in the SEC Documents complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. Such financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America, consistently applied, during the periods involved (except (i) as may be otherwise indicated in such financial statements or the notes thereto, or (ii) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed or summary statements), and fairly present in all material respects the financial position of the Company as of the dates thereof and the results of its operations and cash flows for the periods then ended (subject, in the case of unaudited statements, to normal year-end audit adjustments).

(j) Equity Capitalization. As of March 23, 2015, the authorized capital stock of the Company consists of (i): 95,000,000 shares of Common Stock, of which, as of the date hereof, 31,957,996 shares are issued and outstanding, 3,062,623 shares are reserved for issuance pursuant to for future equity-based awards under the Company's employee equity incentive compensation plans and 1,014,568 shares are reserved for issuance pursuant to issued and outstanding securities that are exercisable or exchangeable for, or convertible into, shares of Common Stock (including the Series B Notes), and (ii) 5,000,000 shares of preferred stock, par value $1.00 per share, of which, as of the date hereof, one share is issued and outstanding and designated as Series A Voting Preferred Stock. Except as disclosed or described in the SEC Documents, there are no outstanding options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares of capital stock of the Company, or contracts, commitments, understandings or arrangements by which the Company or any of its Subsidiaries is or may become bound to issue additional shares of capital stock of the Company (except for agreements entered into on or after the date hereof to issue Common Stock in exchange for Series B Notes) or options, warrants, scrip, rights to subscribe to, calls or commitments of any character whatsoever relating to, or securities or rights convertible into, or exercisable or exchangeable for, any shares of capital stock of the Company.

4. <u>CONDITIONS TO THE OBLIGATIONS OF THE COMPANY HEREUNDER.</u>
The obligations of the Company hereunder are subject to the satisfaction of each of the following conditions; provided, that the failure of a condition to be met as a result of the Company's failure to satisfy its covenants in Section 4 hereof shall be deemed to be a waiver of such condition by such the Company:

(a) The representations and warranties of the Holders shall be true and correct in all material respects as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specified date), and the Holders shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by such Holders at or prior to the Closing Date.

(b) All required governmental, regulatory (including, if applicable, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended) and third party consents and approvals, if any, necessary for the consummation of the transactions contemplated by this Agreement (the "<u>Transactions</u>"), including, without limitation, the sale of the Shares, shall have been obtained.

(c) There shall not have been instituted or be pending any action, proceeding or investigation (whether formal or informal), and there shall not have been any material adverse development to any action or proceeding currently instituted or pending, before or by any court, governmental, regulatory or administrative agency or instrumentality in connection with the transactions contemplated by this Agreement that (a) is, or is reasonably likely to be, materially adverse to the Company's business, operations, properties, condition (financial or otherwise), income, assets, liabilities or prospects, (b) would prohibit, prevent or restrict consummation of the Transactions or (c) would materially impair the contemplated benefits to the Company or the Holder of the Transactions.

(d) No order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that either (a) would prohibit, prevent or restrict consummation of the transactions contemplated by this Agreement or (b) is, or is reasonably likely to be, materially adverse to the Company's business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects.

(e) The trustee (or persons performing a similar function) under the indenture relating to the Series B Notes shall not have objected in any respect to or taken action that could, in the Company's sole judgment, adversely affect the consummation of the Transactions and shall not have taken any action that challenges the validity or effectiveness of the procedures used by the Company in connection with the Transactions.

5. <u>CONDITIONS TO THE OBLIGATIONS OF THE HOLDERS HEREUNDER.</u>
The obligations of the Holders hereunder are subject to the satisfaction of each of the following conditions; provided, that the failure of a condition to be met as a result of Holder's failure to satisfy its covenants in Section 4 hereof shall be deemed to be a waiver of such condition by such Holder:

(a) The representations and warranties of the Company shall be true and correct in all material respects (except for any representations or warranties already qualified by materiality or Material Adverse Effect, in which case such representations and warranties shall be true and correct in all respects) as of the date when made and as of the Closing Date as though made at that time (except for representations and warranties that speak as of a specific date which shall be true and correct as of such specified date) and the Company shall have performed, satisfied and complied in all material respects with the covenants, agreements and conditions required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Closing Date.

(b) The issuance and sale of the Shares by the Company pursuant to this Agreement shall be exempt from registration under the Securities Act, assuming the truth and accuracy of, and such Holder's compliance with, the representations, warranties, agreements, acknowledgments and understandings of such Holder set forth herein in Section 2(c) through (e).

(c) There shall not have been instituted or be pending any action, proceeding or investigation (whether formal or informal), and there shall not have been any material adverse development to any action or proceeding currently instituted or pending, before or by any court, governmental, regulatory or administrative agency or instrumentality in connection with the transactions contemplated by this Agreement that (a) is, or is reasonably likely to be, materially adverse to the Company's business, operations, properties, condition (financial or otherwise), income, assets, liabilities or prospects, (b) would prohibit, prevent or restrict consummation of the Transactions or (c) would materially impair the contemplated benefits to the Company or the Holder of the transactions contemplated by this Agreement.

(d) No order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that either (a) would prohibit, prevent or restrict consummation of Transactions or (b) is, or is reasonably likely to be, materially adverse to the Company's business, operations, properties, condition (financial or otherwise), assets, liabilities or prospects.

6. <u>NOTICES.</u>

Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) one (1) business day after deposit with an overnight courier service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

To the Company:

YRC Worldwide Inc.
10990 Roe Avenue
Overland Park, Kansas 66211
Telephone: (913) 696-6100
Facsimile: (913) 696-6116
Attention: Corporate Secretary

With a copy to (for information purposes only):

Kirkland & Ellis LLP

300 North LaSalle Street
Chicago, Illinois 60654
Telephone: (312) 862-2232
Facsimile: (312) 862-2200
Attention: Dennis M. Myers, P.C.

If to the Holders:

To the address set forth on Appendix A hereto for each Holder, with copies to such Holder's representatives as set forth on Appendix A.

or to such other address, facsimile number and/or email address to the attention of such other person as the recipient party has specified by written notice given to each other party five (5) days prior to the effectiveness of such change. Written confirmation of receipt (A) given by the recipient of such notice, consent, waiver or other communication, (B) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission or (C) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (i), (ii) or (iii) above, respectively.

7. AMENDMENT.

Neither this Agreement nor any of the terms hereof may be amended, supplemented, waived or modified except by an instrument in writing signed by each of the parties hereto or, in the case of a waiver, the party against which the enforcement of such waiver is sought.

8. GOVERNING LAW; JURY TRIAL.

This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE, AND AGREES NOT TO REQUEST, A JURY TRIAL FOR THE ADJUDICATION OF ANY DISPUTE HEREUNDER OR IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

9. COUNTERPARTS.

This Agreement may be executed in one or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a signature provided through facsimile, e-mail or other electronic transmission (including any signature contained in a .PDF or .TIF file) shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original.

10. HEADINGS.

The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

11. SEVERABILITY.

If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.

12. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement, and supersede all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

13. SUCESSOR AND ASSIGNS.

This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. No purchaser of Shares from any Holder shall be deemed to be a successor merely by reason of such purchase. No party hereto shall assign this Agreement or any of its rights or obligations hereunder without the prior written consent of the other parties hereto.

14. NO THIRD PARTY BENEFICIARIES.

Except as specifically provided herein, this Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

15. SURVIVAL.

The representations and warranties of the Company and the Holders contained herein, and the agreements and covenants set forth herein, shall survive the consummation of the transactions hereunder.

16. FURTHER ASSURANCES.

Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

17. NO STRICT CONSTRUCTION.

The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

18. SEVERAL OBLIGATIONS.

Notwithstanding anything in this Agreement to the contrary, each of the representations, warranties, agreements and obligations of any Holder under this Agreement, whether made individually by any such Holder or collectively as one of the Holders, shall be the several representation, warranty, agreement or obligation of each such Holder.

19. TERMINATION.

(a) Each Holder may (but shall not be required to) terminate this Agreement in the event that the Closing Date shall not have occurred on or before the earliest of (i) the date that is five (5) business days after the conditions to the obligations of the Company and the Holders set forth in Sections 4 and 5 above, respectively, have been satisfied (or any unsatisfied conditions set forth in such Sections have been waived, as provided herein) and (ii) March 25, 2015.

(b) In the event of the termination of this Agreement pursuant to Section 19, this Agreement shall forthwith become void, and there shall be no liability on the part of any Party or their respective officers, directors, stockholders, or affiliates; provided, that, such termination shall not relieve any party from liability for breach of its representations or warranties or covenants hereunder.

[Remainder of page is intentionally blank.]

IN WITNESS WHEREOF, the Company and each Holder has caused its respective signature page to this Exchange Agreement to be duly executed as of the date first written above.

COMPANY:

YRC WORLDWIDE, INC.

By: /s/ Jamie G. Pierson

Name: Jamie G. Pierson

Title: Executive Vice President and
Chief Financial Officer

IN WITNESS WHEREOF, the Company and each Holder has caused its respective signature page to this Exchange Agreement to be duly executed as of the date first written above.

HOLDER:

[______________________________]

By: [ ]
Name: [_________________________]
Title: [___________________________]

EXHIBIT 31.1

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13A-14 AND 15D-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James L. Welch, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of YRC Worldwide Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2015	/s/ James L. Welch
	James L. Welch
	Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO
EXCHANGE ACT RULES 13A-14 AND 15D-14,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jamie G. Pierson, certify that:

(1) I have reviewed this quarterly report on Form 10-Q of YRC Worldwide Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and we have:

a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2015

/s/ Jamie G. Pierson

Jamie G. Pierson
Executive Vice President and Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of YRC Worldwide Inc. on Form 10-Q for the period ended September 30, 2014, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, James L. Welch, Chief Executive Officer of YRC Worldwide Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of YRC Worldwide Inc.

Date: April 30, 2015

/s/ James L. Welch

James L. Welch
Chief Executive Officer

EXHIBIT 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the quarterly report of YRC Worldwide Inc. on Form 10-Q for the period ended September 30, 2014, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jamie G. Pierson, Chief Financial Officer of YRC Worldwide Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of YRC Worldwide Inc.

Date: April 30, 2015	/s/ Jamie G. Pierson
	Jamie G. Pierson
	Chief Financial Officer