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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): April 29, 2011**

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**YRC Worldwide Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**0-12255**  
(Commission  
File Number)

**48-0948788**  
(IRS Employer  
Identification No.)

**10990 Roe Avenue, Overland Park, Kansas 66211**  
(Address of principal executive offices) (Zip Code)

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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## Item 1.01 Entry into a Material Definitive Agreement.

As previously disclosed in its Current Report on Form 8-K/A that YRC Worldwide Inc. (the “Company”) filed with the Securities and Exchange Commission (the “SEC”) on March 1, 2011, the Company and certain other parties reached a non-binding agreement in principle in the form of a term sheet entitled “Summary of Principal Terms of Proposed Restructuring” (the “Term Sheet”) setting forth the material terms of the potential restructuring of the Company and its subsidiaries (the “Restructuring”), thereby satisfying an important condition under the Company’s Credit Agreement (as defined below), Contribution Deferral Agreement (as defined below), ABS Facility (as defined below) and agreement with the Teamsters National Freight Industry Negotiating Committee (“TNFINC”) on behalf of the International Brotherhood of Teamsters (the “IBT”) regarding a restructuring. The Restructuring is intended to improve the Company’s balance sheet and its liquidity with which to operate and grow its business and to position the Company to achieve long-term success for the benefit of its customers, employees, creditors and stockholders.

### *Lender Support Agreement*

On April 29, 2011, the Company entered into a support agreement (the “Support Agreement”) with certain lenders (the “participating lenders”) holding claims in outstanding borrowings, deferred interest and fees and letters of credit (“credit agreement claims”) under the Company’s credit agreement, dated as of August 17, 2007 (as amended, the “Credit Agreement”), among the Company, certain of its subsidiaries, JPMorgan Chase Bank, National Association, as agent (the “Agent”), and the other lenders that are parties thereto (the “Lenders”) pursuant to which such participating lenders have agreed, among other things, to support the Restructuring by tendering their credit agreement claims in the Exchange Offer (as defined below). Each such lender has also agreed not to transfer any beneficial ownership in its credit agreement claims, *provided* that transfers to other persons who are participating lenders or are “accredited investors” and who execute a joinder to become bound by the Support Agreement are permitted. Any transfer of credit agreement claims must also satisfy the transfer requirements under the Credit Agreement. The participating lenders hold more than 95% of the principal amount of outstanding credit agreement claims.

Under the Support Agreement, among other things, the Company must use its commercially reasonable efforts to support and complete the Restructuring, negotiate related definitive transaction documents, take certain actions related to the Merger (as described below) and file a registration statement related to the Exchange Offer (as defined below) and related transactions with the SEC.

### **The Restructuring**

Pursuant to the Support Agreement, the Restructuring contemplates an exchange offer for certain credit agreement claims and related interdependent transactions that will be simultaneously completed at the closing of the exchange offer. The Restructuring contemplates:

- with respect to credit agreement claims,
  - i. an exchange offer (the “Exchange Offer”), whereby the Lenders under the Credit Agreement would receive in respect of a portion of such claims (a) newly issued Series B Convertible Preferred Stock (the “Series B Preferred Stock”) convertible into approximately 72.5% (subject to dilution as described below) of the restructured Company’s outstanding common stock (the “New Common Stock”) and (b) \$140.0 million in aggregate principal amount of the Company’s new 10% Series A Convertible Senior Secured Notes due 2015 that are convertible into additional shares of New Common Stock (the “Restructured Convertible Secured Notes”),
  - ii. the letters of credit facility under the Credit Agreement and outstanding letters of credit would remain in place, and
  - iii. the Company and its subsidiaries would enter into an amended term loan facility with the Lenders for a portion of remaining borrowing claims under the Credit Agreement not satisfied in (i) above;

- additionally, the Lenders would purchase and the Company would sell for cash pursuant to subscription rights issued in connection with the Exchange Offer an aggregate principal amount of \$100.0 million of the Company's newly issued 10% Series B Convertible Senior Secured Notes due 2015 (the "New Money Convertible Secured Notes" and together with the Restructured Convertible Secured Notes, the "New Convertible Secured Notes"), the proceeds of which would be retained by the Company for use in its business;
- the ABS Facility (as defined below) would be refinanced in full with an asset-based lending facility (the "ABL facility"), which is expected to provide additional liquidity through a higher advance rate than the receivable purchase rate under the ABS Facility;
- the note securing the Company's deferred multi-employer pension contributions (the "Pension Note") would be amended to (i) extend the maturity until March 31, 2015, (ii) defer any accrued interest and fees until maturity, (iii) provide for contract rate cash interest payments and (iv) eliminate any mandatory amortization payments (other than in connection with permitted sales of certain collateral);
- in consideration for consent to the Restructuring by TNFINC on behalf of employees represented by the IBT, shares of newly issued Series B Preferred Stock convertible into approximately 25% (subject to dilution as described below) of the Company's New Common Stock would be issued to a trust or a deferred tax qualified plan (the "Plan") and allocated among certain eligible employees represented by the IBT; and
- the Company's board of directors would consist of six members nominated by the Steering Group (as defined below), two members nominated by TNFINC and one member that will be the chief executive officer-director (the "New Board");

"Steering Group" means the informal group of unaffiliated Lenders and Participants (as defined in the Credit Agreement) represented by Akin Gump Strauss Hauer & Feld LLP and Houlihan Lokey Howard & Zukin Capital, Inc.; *provided*, that the Lenders that make up the Steering Group may change from time to time as and when such changes are identified to the Agent and the Company.

"Steering Group Majority" means the Lenders of the Steering Group representing more than 50% of the Steering Group's exposure under the Credit Agreement (including participations).

The Series B Preferred Stock (and the New Common Stock into which it may be converted) issued in connection with the Exchange Offer to the Lenders and to the Plan would be subject to dilution by a management equity incentive plan to be implemented by the New Board as soon as reasonably practicable after the closing of the Exchange Offer (the "Management Incentive Plan") and by common stock issued upon conversion of the New Convertible Secured Notes.

Following the closing of the Exchange Offer, the Company will file a proxy statement with the SEC for the solicitation of votes to approve a merger (the "Merger") pursuant to which a wholly owned subsidiary of the Company would merge into the Company, with the Company the surviving corporation and having an amended and restated certificate of incorporation permitting the automatic conversion of the Series B Preferred Stock into New Common Stock and providing for sufficient authorized shares of New Common Stock to permit the conversion of the New Convertible Secured Notes into New Common Stock. The Series B Preferred Stock will be permitted to vote on the Merger on an as-converted basis along with the holders of the Company's then outstanding common stock, as a single class. The New Convertible Secured Notes would be permitted to vote on an as-converted basis with the Company's common stock after the Merger is completed.

In the event the Exchange Offer and related interdependent transactions as contemplated by the Support Agreement are completed, the Company anticipates that the current stockholders of the Company will hold approximately 2.5% of the Company's common stock as of the closing of the Exchange Offer, subject to further dilution by the Management Incentive Plan and the New Convertible Secured Notes.

## Obligations of Company and Participating Lenders to Complete the Exchange Offer

The obligations of the Company and the participating lenders to consummate the Exchange Offer are conditioned upon the following to occur:

- the registration statement for the Exchange Offer and related transactions shall have been declared effective by the SEC and shall remain effective, and on or before the closing of the Exchange Offer, the Company shall have made public any then material nonpublic information theretofore disclosed by it or its representatives to the participating lenders who had agreed to receive private information from the Company;
- the initial funding under the ABL facility shall have occurred (or shall occur substantially concurrently with completion of the Exchange Offer) and be in form and substance acceptable to the Agent, the Steering Group Majority and the Company, each in their sole discretion;
- the offering of the New Money Convertible Secured Notes, with aggregate net proceeds to the Company of not less than \$100.0 million, shall have closed (or will close simultaneously with completion of the Exchange Offer);
- each of the approved definitive transaction documents, which by their terms are to be effective at or prior to completion of the Exchange Offer, shall have become effective and be in full force and effect;
- certain agreements related to multi-employer pension funds shall be in full force and effect;
- the Plan, in form and substance acceptable to the Company, the Agent and the Steering Group Majority, shall have been established by the Company and be in full force and effect;
- the New Board, other than the IBT director designees, shall have been elected or designated by the existing members of the board of directors as “continuing directors” (*provided* that the director candidates were selected by the Agent and Steering Group Majority at least ten (10) days prior to the closing of the exchange offer) and a new chief executive officer and chief financial officer shall have commenced employment with the Company, in each case unless otherwise waived by the Agent and Steering Group Majority; and
- 100% of the participating lenders shall have agreed to the Exchange Offer and validly and timely tendered, delivered and not withdrawn their tender into the Exchange Offer and not changed, revoked or withdrawn such agreement or tender.

## Termination

The support agreement will terminate under certain circumstances, including, but not limited to (each, a “support termination event”):

- by the mutual written consent of the Company and 66 <sup>2</sup>/<sub>3</sub>% of the aggregate amount of outstanding credit agreement claims of the participating lenders;
- at 5:00 p.m. prevailing Eastern Time on July 22, 2011, as to each participating lender who has not agreed to extend such date;
  - upon the occurrence of any of the following, unless waived or extended by the Agent and the Steering Group Majority:
  - at 5:00 p.m. prevailing Eastern Time on May 17, 2011 if the Company has not filed with the SEC one or more registration statements and/or other appropriate documents for the Exchange Offer;

- at 5:00 p.m. prevailing Eastern Time on June 15, 2011 if the Company has not delivered to the Agent and the Steering Group Majority binding commitments with respect to the ABL facility in an aggregate amount not less than \$300 million in form and substance acceptable to the Company, the Agent and the Steering Group Majority;
  - at 5:00 p.m. prevailing Eastern Time on June 22, 2011 unless the Company has commenced the Exchange Offer (the “solicitation commencement date”); or
  - if the Exchange Offer has not been consummated within 15 business days after the solicitation commencement date.
- certain events of bankruptcy or dissolution including an involuntary proceeding against the Company;
  - three (3) business days after the Company furnishes the participating lenders with written notice of its intent, in the exercise of its fiduciary duties and based, at least in part, upon the advice of its outside legal counsel to the board of directors of the Company, to take any action that is prohibited under the Support Agreement or to refrain from taking any action that is required under the Support Agreement,
  - certain events of non-cured material breach by the parties;
  - a default or event of default under the Credit Agreement that is not waived or cured as provided in the Credit Agreement;
  - IBT terminating, or threatening in writing to terminate, its memorandum of understanding with respect to the restructuring plan or upon the occurrence of any termination event under TNFINC Support Agreement (as defined below);
  - upon the occurrence of a material adverse effect (as defined in the Support Agreement); and
  - on June 30, 2011, unless certain agreements relating to contributions to the Company’s multi-employer pension funds are reached in writing, or any such agreement is terminated, amended or modified in a manner adverse to the Company or the participating lenders, or otherwise ceases to be in full force and effect.

A support termination event may be waived only upon the written approval of 75% of the aggregate amount of outstanding credit agreement claims of the participating lenders.

#### **Amendment**

Approved definitive transactional documents may be amended, modified or supplemented to the extent that such amendments are not materially inconsistent with the Term Sheet with the written approval of (i) the Company, (ii) the Agent and (iii) the Steering Group Majority; *provided* that such amendment, modification or other supplement does not impose less favorable treatment of any participating lender’s credit agreement claims, or any group of participating lenders’ credit agreement claims, or its rights and obligations under the Support Agreement and under the approved definitive transaction documents compared to those of the participating lenders generally, without such participating lender’s, or such group of participating lenders’, express written consent.

The Support Agreement may be amended (to the extent such amendment is consistent with the approved definitive transaction documents) only upon the written approval of (i) the Company and (ii) 75% of the aggregate amount of outstanding credit agreement claims of the participating lenders. Any other amendment to the Support Agreement will require the written approval of (x) the Company and (y) each participating lender.

A copy of the Support Agreement and the Term Sheet are attached hereto as Exhibits 99.1 and 99.2, respectively, and are incorporated by reference herein. The description of the material terms of the Support Agreement and the Restructuring is qualified in its entirety by reference thereto.

### ***TNFINC Support Agreement***

On April 29, 2011, the Company entered into a support agreement (the “TNFINC Support Agreement”) with TNFINC pursuant to which TNFINC has agreed, among other things, to support the Restructuring. The conditions to TNFINC’s obligations under the TNFINC Support Agreement are substantially similar to those under the Support Agreement except that, with respect to the ABL facility, the TNFINC Support Agreement requires, among other things, \$350 million in lending capacity and \$80 million of availability under the ABL facility.

The TNFINC Support Agreement will terminate under certain circumstances, including, but not limited to (i) upon the occurrence of a material adverse effect; (ii) certain events of bankruptcy or dissolution including an involuntary proceeding against the Company; or (iii) on June 1, 2011, unless certain agreements relating to contributions to the Company’s multi-employer pension funds are reached in writing, or any such agreement is terminated, amended or modified in a manner adverse to the Company or the participating lenders, or otherwise ceases to be in full force and effect.

A copy of the TNFINC Support Agreement is attached as Exhibit 99.3 hereto and is incorporated by reference herein. The description of the material terms of the TNFINC Support Agreement is qualified in its entirety by reference thereto.

### ***Credit Agreement Amendment***

On April 29, 2011, the Company and certain of its subsidiaries entered into Amendment No. 21 (the “Credit Agreement Amendment”) to the Credit Agreement. The Credit Agreement Amendment:

- amends the Documentation Condition described in the Company’s Current Report on Form 8-K filed with the SEC on December 21, 2010, as updated by the Company’s Current Report on Form 8-K/A filed with the SEC on March 1, 2011, so that the Lender Support Agreement, the TNFINC Support Agreement and the CDA Amendment 10 (as defined below) collectively satisfy the Documentation Condition;
- extends the deadline by which the Consolidated EBITDA (as defined in the Credit Agreement) covenant levels must be set by the Company, the Agent and the Required Lenders to July 22, 2011;
- amends the definition of Deferral Suspension Event (as defined in the Credit Agreement) to permit payments to employee benefit pension plans (including multi-employer plans) at the times and in the amounts required by the labor agreement previously reached with the IBT described under the caption “Tentative Labor Agreement” in Item 8.01 of the Company’s Current Report on Form 8-K filed with the SEC on September 29, 2010; and
- amends the definition of Deferral Termination Date (as defined in the Credit Agreement) to permit the reimbursement of fees and expenses pursuant to the terms of the Contribution Deferral Agreement, as amended by CDA Amendment 10 (as defined below).

### ***Asset-Backed Securitization Amendment***

On April 29, 2011, the Company as Performance Guarantor, Yellow Roadway Receivables Funding Corporation (“YRRFC”), as Seller and the Co-Agents party thereto entered into an amendment (the “ABS Amendment”) to the Third Amended and Restated Receivables Purchase Agreement, dated as of April 18, 2008 (as amended, the “ABS Facility”), among the Seller, Falcon Asset Securitization Company LLC, Three Pillars Funding LLC and Amsterdam Funding Corporation, as Conduits; the financial institutions party thereto, as Committed Purchasers; Wells Fargo Bank, N.A. (successor to Wachovia Bank, National Association), as Wells Fargo Agent and LC Issuer, SunTrust Robinson Humphrey, Inc., as Three Pillars Agent; The Royal Bank of Scotland plc (successor to ABN AMRO Bank N.V.), as Amsterdam Agent; and JPMorgan Chase Bank, N.A., as Falcon Agent and Administrative Agent.

Similar to the Credit Agreement Amendment, the ABS Amendment extends the deadline by which the Consolidated EBITDA (as defined in the Credit Agreement) covenant levels must be set by the Company and the Required Co-Agents (as defined in the ABS Facility) to July 22, 2011.

In connection with the ABS Amendment, the Co-Agents consented to the Credit Agreement Amendment, confirmed that the Documentation Condition (as defined in the Credit Agreement) has been satisfied and agreed to extend the deferral of the \$5.0 million commitment fee due on May 2, 2011 to the fifth day following July 22, 2011 (or if such fifth day is not a business day, the next succeeding business day); *provided* that those amounts may become due earlier upon the occurrence of the events described in the Company's Current Report on Form 8-K filed with the SEC on December 21, 2010, as updated by the Company's Current Report on Form 8-K/A filed with the Securities and Exchange Commission on March 1, 2011. In addition, pursuant to the terms of the ABS Amendment, if a support termination event (as defined in the Support Agreement) occurs under the Support Agreement and any party to the Credit Agreement demands payment of any amount in the nature of fees or interest that have been deferred, suspended or otherwise not paid when due, all deferred interest and fees under the ABS Facility will become due and payable. If the ABS Facility is refinanced on or before the date the deferred interest and commitment fees are due, then YRRFC will not have to pay the deferred commitment fees.

#### **Contribution Deferral Agreement**

On April 29, 2011, YRC Inc., USF Holland Inc., New Penn Motor Express Inc., USF Reddaway Inc. and each of the guarantors party thereto (each a subsidiary of the Company), Wilmington Trust Company, as agent, and Majority Funds (as defined in the Contribution Deferral Agreement) entered into Amendment No. 9 to the Contribution Deferral Agreement (the "CDA Amendment 9").

Pursuant to the CDA Amendment 9, the Documentation Condition in connection with the Restructuring was amended so that (i) an amendment to the Contribution Deferral Agreement in respect of the Restructuring, signed by all of the funds party to the Contribution Deferral Agreement, (ii) an agreement to support the Restructuring with respect to the Credit Agreement, signed by at least 90% of the lenders party thereto, and (iii) the TNFINC Support Agreement collectively satisfied the Documentation Condition.

On April 29, 2011, YRC Inc., USF Holland Inc., New Penn Motor Express Inc., USF Reddaway Inc. and each of the guarantors party thereto (each a subsidiary of the Company), the pension funds party to the Contribution Deferral Agreement and Wilmington Trust Company, as agent, entered into Amendment No. 10 to the Contribution Deferral Agreement (the "CDA Amendment 10").

As of the date of the CDA Amendment 10, the Supermajority Funds (as defined in the Contribution Deferral Agreement) approved the extension of the termination date of the deferral of monthly amortization payments and monthly interest payments is extended to July 22, 2011 (or such later date as may be agreed by the Supermajority Funds), and, with all Funds' (as defined in the Contribution Deferral Agreement) approval, effective upon satisfaction of the conditions precedent therein, including closing of the Exchange Offer, the Contribution Deferral Agreement, including schedules and exhibits thereto will be amended and restated to effect changes to certain provisions in connection with the Restructuring.

The Company cannot provide you with any assurances that any restructuring can be completed out-of-court or whether the Company will be required to implement the Restructuring under the supervision of a bankruptcy court, in which event, the Company cannot provide you with any assurances that the terms of any such restructuring will not be substantially and materially different from any description in this Current Report on Form 8-K or that an effort to implement an in-court restructuring would be successful.

#### **IMPORTANT INFORMATION ABOUT THE RESTRUCTURING**

*This Current Report on Form 8-K is filed to report the material terms of material definitive agreements as required by Item 1.01 of Current Report on Form 8-K, and this Current Report on Form 8-K, the news release attached hereto and the description of the potential Restructuring set forth herein do not constitute an offer to sell or buy, nor the solicitation of an offer to sell or buy, any of the securities referred to herein or therein and shall not*

constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful. Any offer and sale of the securities referred to herein or therein has not been registered under the Securities Act of 1933, as amended, and, unless so registered, may not be offered or sold in the United States absent an applicable exemption from registration requirements.

### Forward-Looking Statements

This Current Report on Form 8-K and the news release attached hereto contain 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. The words “will,” “would,” “anticipate,” “expect,” “believe,” “intend” and similar expressions are intended to identify forward-looking statements. It is important to note that any restructuring will be subject to a number of significant conditions, including, among other things, the satisfaction or waiver of the conditions contained in the definitive agreements related to the restructuring and the lack of unexpected or adverse litigation results. The Company cannot provide you with any assurances that the conditions contained in the definitive agreements related to the restructuring will be satisfied or that the restructuring can be completed in the timeframes required under the Company’s various agreements with its stakeholders. The Company cannot provide you with any assurances that any restructuring can be completed out-of-court or whether the Company will be required to implement the restructuring under the supervision of a bankruptcy court, in which event, the Company cannot provide you with any assurances that the terms of any such restructuring will not be substantially and materially different from the Term Sheet or any description in this Current Report on Form 8-K or that an effort to implement an in-court restructuring would be successful. In addition, even if a restructuring is completed, the Company’s future results could differ materially from any results projected in such forward-looking statements because of a number of factors, including (among others), the effect of any restructuring, whether out-of-court or in-court, may have on the Company’s customers’ willingness to ship their products on the Company’s transportation network, the Company’s ability to generate sufficient cash flows and liquidity to fund operations, which raises substantial doubt about the Company’s ability to continue as a going concern, inflation, inclement weather, price and availability of fuel, sudden changes in the cost of fuel or the index upon which the Company bases its fuel surcharge, competitor pricing activity, expense volatility, including (without limitation) expense volatility due to changes in rail service or pricing for rail service, ability to capture cost reductions, changes in equity and debt markets, a downturn in general or regional economic activity, effects of a terrorist attack, labor relations, including (without limitation), the impact of work rules, work stoppages, strikes or other disruptions, any obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction, and the risk factors that are from time to time included in the Company’s reports filed with the SEC, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2010.

### Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Support Agreement, dated April 29, 2011, by and among the Company and certain lenders under its Credit Agreement.
99.2	Summary of Principal Terms of Proposed Restructuring, dated as of April 21, 2011.
99.3	Support Agreement, dated as of April 29, 2011, by and among the Company and TNFINC,
99.4	News Release dated April 29, 2011.



**SIGNATURE**

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

YRC WORLDWIDE INC.

Date: April 29, 2011

By: /s/ William D. Zollars  
William D. Zollars  
Chairman of Board Directors,  
President and Chief Executive Officer

**EXHIBIT INDEX**

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99.3	Support Agreement, dated as of April 29, 2011, by and among the Company and TNFINC,
99.4	News Release dated April 29, 2011.

To the Holders of Credit Agreement  
Claims Referred to Below

Ladies and Gentlemen:

This letter agreement (this "**Agreement**") sets forth certain terms and conditions pursuant to which YRC Worldwide Inc. ("**YRCW**") and all of its direct and indirect subsidiaries (collectively, the "**Company**" or "**Companies**") proposes a restructuring (the "**Restructuring**") of the Company's outstanding obligations under the Existing Credit Agreement, the ABS Facility and the Contribution Deferral Agreement (each as defined below) by way of an out-of-court transaction (a "**Transaction**") on the terms and subject to the conditions set forth in the Transaction Documents (as defined below), with the support of the undersigned Persons signatory hereto in such party's capacity as party to that certain Credit Agreement (the "**Existing Credit Agreement**") dated August 17, 2007, as amended, modified or supplemented from time to time, by and among YRCW as borrower, the lenders from time to time party thereto as lenders (the "**Participating Lenders**" and each Lender under the Existing Credit Agreement is generally referred to as a "**Lender**"), certain of YRCW's Subsidiaries listed as a guarantor on the signature pages thereto as guarantors and JPMorgan Chase Bank, National Association, as collateral and administrative agent (the "**Agent**"). The Company, each Participating Lender and each other Person that becomes a party hereto in accordance with the terms hereof are collectively referred to as the "**Parties**" and individually as a "**Party**."

For the purposes of this Agreement, "**Participating Lenders**" shall not include (A) a holder of Credit Agreement Claims (as defined below) signatory hereto in its capacity as a broker, dealer or market maker of Credit Agreement Claims or any other claim against or security in the Company whether such signatory is acting as a "Riskless Principal," "Principal" or "Agent" (each as defined by the Loan Syndications and Trading Association in its Standard Terms and Conditions for Distressed Trade Confirmations), (B) any subsidiary or affiliate of a holder of Credit Agreement Claims signatory hereto (x) over which the holder of Credit Agreement Claims does not have corporate authority or control or (y) whose credit decisions, including credit decisions to be bound by agreements such as this Agreement, under the internal policies or rules of such subsidiary or holder, are not subject to control by such signatory holder or (C) any party or holder of Credit Agreement Claims in its capacity as an advisor to the Company or other Person. Capitalized terms not defined herein shall have the meaning ascribed to such terms in the Existing Credit Agreement.

The Parties hereto hereby agree as follows:

1. Proposed Restructuring.

(a) The principal terms of the Restructuring are set forth in the term sheet and its annexes in the form attached hereto as Exhibit A (which term sheet is expressly incorporated by reference herein and made a part of this Agreement as if fully set forth herein, the "**Restructuring Term Sheet**").

(b) The Company intends to implement the Restructuring on a consensual basis in the Transaction, which will, consistent with the Restructuring Term Sheet, provide for, among other things:

(i) an exchange offer (the “**Exchange Offer**”), in which the Company intends to exchange for a combination of (A) shares of new preferred stock of YRCW (the “**Series B Convertible Preferred Stock**”), which Series B Convertible Preferred Stock shall, immediately following consummation of the Merger, automatically convert into shares of common stock of YRCW, par value \$0.01 per share (the “**Common Stock**”), equal to 72.5% of the Common Stock outstanding immediately following consummation of the Merger, subject to dilution on account of the Management Incentive Plan (as defined in the Restructuring Term Sheet) and the Convertible Secured Notes (as defined below), (B) newly issued 10% Series A Convertible Senior Secured Notes due 2015 (the “**Series A Notes**”) in the aggregate principal amount of \$140.0 million under an indenture substantially in the form attached hereto as Exhibit B (including the annexes, schedules and exhibits thereto, the “**Series A Indenture**”), (C) the right to subscribe to purchase for cash newly issued 10% Series B Convertible Senior Secured Notes due 2015 (the “**Series B Notes**”) and together with the Series A Notes, the “**Convertible Secured Notes**”) in the aggregate principal amount of \$100.0 million under an indenture substantially in the form attached hereto as Exhibit C (including the annexes, schedules and exhibits thereto, the “**Series B Indenture**”) and (D) term loans under the New Credit Agreement (as defined below) in an aggregate initial principal amount of the Non-LC Credit Agreement Claims (as defined below) minus \$305 million (the “**New Term Loan Amount**”):

(1) Claims with respect to the aggregate LC Exposure as of the date the Restructuring is consummated (which LC Exposure estimated as of June 30, 2011 is approximately \$483 million) (the “**LC Claims**”)<sup>1</sup>;

(2) Claims with respect to the outstanding principal amount of the Term Loans as of the date the Restructuring is consummated (the aggregate outstanding principal amount of the Term Loans estimated as of June 30, 2011 is approximately \$247 million) (the “**Term Loan Claims**”)<sup>2</sup>;

(3) Claims with respect to the outstanding principal amount of the Revolving Loans (including any Swingline Loans) as of the date the Restructuring is consummated (the aggregate outstanding principal amount of the Revolving Loans estimated as of June 30, 2011 is approximately \$134 million) (the “**Revolving Credit Claims**”) and together with the Term Loan Claims and the

<sup>1</sup> The claim amounts for the Credit Agreement Claims set forth above assume cash pay downs prior to June 30, 2011 resulting from asset sales projected by the Company to occur prior to June 30, 2011. The claim amounts set forth above will change depending on the actual pay downs that occur.

<sup>2</sup> See footnote 1.

Deferred Interest and Fee Claims (as defined below), the “**Non-LC Credit Agreement Claims**”<sup>3</sup>; and

(4) Claims with respect to all deferred interest and fees (including commitment fees and participation fees in respect of LC Exposure), accrued and unpaid under the Existing Credit Agreement as of the date the Restructuring is consummated (the aggregate outstanding amount of such deferred interest and fees estimated as of June 30, 2011 is approximately \$166 million) (the “**Deferred Interest and Fees Claims**” and together with the LC Claims, the Term Loan Claims and the Revolving Credit Claims, the “**Credit Agreement Claims**”)<sup>4</sup>;

(ii) the Company amending and restating the Existing Credit Agreement on the terms and subject to the conditions set forth in the amended and restated credit agreement substantially in the form attached hereto as Exhibit D (including the annexes, schedules and exhibits thereto, as of its execution date, the “**New Credit Agreement**”);

(iii) the Company obtaining a new asset based loan facility with initial aggregate commitments of not less than \$300 million and minimum excess availability on the Closing Date of not less than \$40 million (net of refinancing of the ABS Facility (as defined below) and any reserves), on market terms and conditions acceptable to the Company, the Agent and the Steering Group Majority, each in their sole discretion (including the annexes, schedules and exhibits thereto, the “**New ABL Facility**”), a portion of the proceeds of which shall be used to refinance all outstanding claims under that certain Third Amended and Restated Receivables Purchase Agreement, dated as of April 18, 2008 (as amended, supplemented or otherwise modified from time to time, the “**ABS Facility**”);

(iv) in connection with and as an integral part of the exchange set forth in Section 1(b)(i)(B) above, YRCW issuing \$140 million aggregate principal amount of Series A Notes under the Series A Indenture on a ratable basis in accordance with the Restructuring Term Sheet to the holders of Non-LC Credit Agreement Claims guaranteed by all of its domestic Subsidiaries guaranteeing the obligations under the New Credit Agreement and entering into a Registration Rights Agreement, by and between YRCW and certain holders of Series A Notes party thereto, substantially in the form attached hereto as Exhibit E (including the annexes, schedules and exhibits thereto, the “**Series A Registration Rights Agreement**”);

(v) in connection with and as an integral part of the exchange set forth in Section 1(b)(i)(C), above, YRCW issuing \$100 million aggregate principal amount of Series B Notes under the Series B Indenture guaranteed by all of its domestic Subsidiaries guaranteeing the obligations under the New Credit Agreement in exchange

<sup>3</sup> See footnote 1.

<sup>4</sup> See footnote 1.

for cash to the holders of Credit Agreement Claims who subscribe for such Series B Notes on a ratable basis (subject to oversubscription rights for such Series B Notes) in accordance with the Restructuring Term Sheet and entering into that certain Registration Rights Agreement, by and between YRCW and certain holders of Series B Notes party thereto, substantially in the form attached hereto as Exhibit E (including the annexes, schedules and exhibits thereto, the “**Series B Notes Registration Rights Agreement**”);

(vi) in connection with and as an integral part of the exchange set forth in Section 1(b)(i)(A), above, YRCW issuing the Series B Convertible Preferred Stock on a ratable basis in accordance with the Restructuring Term Sheet to the holders of Credit Agreement Claims, on the terms and subject to the conditions set forth in the Certificate of Designations of Series B Convertible Preferred Stock substantially in the form of Exhibit G hereto (the “**Series B Certificate of Designations**”) and entering into a Registration Rights Agreement, by and between YRCW and certain holders of Series B Convertible Preferred Stock, substantially in the form attached hereto as Exhibit H (including the annexes, schedules and exhibits thereto, the “**Equity Registration Rights Agreement**”);

(vii) the Company, all of the various pension funds who are parties to that certain Contribution Deferral Agreement, dated as of June 17, 2009, as amended, supplemented or otherwise modified from time to time (the “**Contribution Deferral Agreement**”) and the agent thereunder, as applicable, entering into (A) the tenth amendment to the Contribution Deferral Agreement (the “**Tenth Amendment**”) substantially in the form attached hereto as Exhibit I-1, which amends and restates the Contribution Deferral Agreement substantially in the form attached hereto as Exhibit I-2 (including the annexes, schedules and exhibits thereto, the “**Amended and Restated Contribution Deferral Agreement**”) and (B) a reaffirmation agreement substantially in the form attached hereto as Exhibit I-3;

(viii) YRCW issuing the share of Series A Voting Preferred Stock to the International Brotherhood of Teamsters (“**IBT**”) on the terms and subject to the conditions set forth in the Certificate of Designations of Series A Voting Preferred Stock of YRCW substantially in the form attached hereto as Exhibit J (the “**Series A Certificate of Designations**”);

(ix) the IBT executing a document that provides for all of the necessary consents by the IBT to the Restructuring (as defined in the Agreement for the Restructuring of the YRC Worldwide, Inc. Operating Companies (the “**MOU**”)), which consents shall be unqualified and non-contingent and shall include, contingent only upon consummation of the Restructuring, a waiver of any termination, modification or similar rights under the MOU such that the collective bargaining agreement shall be fully binding on the parties thereto for its specified term in the form attached hereto as Exhibit K (the “**IBT Consent Agreement**”); and

(x) YRCW issuing Series B Convertible Preferred Stock, which Series B Convertible Preferred Stock shall, immediately following consummation of the Merger, automatically convert into shares of Common Stock equal to 25% of the

Common Stock outstanding immediately following consummation of the Merger, subject to dilution on account of the Management Incentive Plan and the Convertible Secured Notes, to a new IBT Employee Stock Trust, including the Company entering into a new IBT Employee Stock Plan (the “**IBT Employee Plan**”), in each case in form and substance materially consistent with the Restructuring Term Sheet and acceptable to the Company, the Agent and the Steering Group Majority.

(c) Such Restructuring will be implemented pursuant to various agreements and related documentation (collectively, the “**Transaction Documents**”), including, but not limited to: (i) each of the agreements and related documentation referred to in Section 1(b), above, (ii) one or more Registration Statements on Form S-1 with the U.S. Securities and Exchange Commission (the “**SEC**”) containing the prospectus and other definitive documentation related to the Exchange Offer and any amendments thereto (each, a “**Registration Statement**”), (iii) definitive documentation relating to the aforementioned financing as is necessary to consummate the Restructuring (including, without limitation, (A) an intercreditor agreement, (B) the Foreign Pledges, (C) an amended and restated pledge and security agreement, (D) the collateral trust agreement, (E) the pledge and security agreement and (F) the various mortgage documentation), (iv) any required post-Effective Date organizational and governance documents, including, without limitation, the Amended and Restated Certificate of Incorporation of YRCW substantially in the form attached hereto as Exhibit L (the “**New Certificate of Incorporation**”), the Amended and Restated Bylaws of YRCW substantially in the form attached hereto as Exhibit M, the Series A Certificate of Designations and the Series B Certificate of Designations, (v) the materials related to the solicitation of stockholder votes (the “**Merger Proxy Solicitation**”) to approve the Merger and increase the amount of authorized Common Stock sufficient to permit the automatic conversion of the Series B Convertible Preferred Stock into Common Stock, including, without limitation, an agreement and plan of merger (the “**Merger Agreement**”) and (vi) such other definitive documentation as is necessary to consummate the Restructuring, all on substantially the same economic terms and otherwise materially consistent with the Restructuring Term Sheet and in form and substance acceptable to the Company, the Agent and the Steering Group Majority, each in their sole discretion. Each of the Transaction Documents shall (x) be materially consistent with the applicable form attached hereto and acceptable to the Company, the Agent and the Steering Group Majority, each in their sole discretion, or (y) if no applicable form exists, be in form and substance materially consistent with the Restructuring Term Sheet and acceptable to the Company, the Agent and the Steering Group Majority, each in their sole discretion (the Transaction Documents in the foregoing forms and with the foregoing required approvals are collectively referred to herein as the “**Approved Transaction Documents**” and the Restructuring contemplated by the Approved Transaction Documents is referred to herein as the “**Qualified Transaction**” and the Exchange Offer contemplated in the Qualified Transaction being the “**Qualified Exchange Offer**”).

(d) The obligations of the Company and the Participating Lenders to consummate the Exchange Offer are conditioned upon the following to occur:

(i) the Registration Statement shall have been declared effective by the SEC and shall remain effective, and on or before the closing of the Qualified Exchange Offer, the Company shall have disclosed, in a Report on Form 8-K, by press release or by other public disclosure any then material

nonpublic information theretofore disclosed by the Company or its representatives to the Lenders who had agreed to receive private information from the Company;

(ii) the initial funding under the New ABL Facility shall have occurred (or shall occur substantially concurrently with consummation of the Exchange Offer) and be in form and substance acceptable to the Agent, the Steering Group Majority and the Company, each in their sole discretion;

(iii) the offering of the Series B Notes, with aggregate net proceeds to YRCW of not less than \$100.0 million, shall have closed (or will close simultaneously with consummation of the Exchange Offer);

(iv) each of the Approved Transaction Documents, which by their terms are to be effective at or prior to consummation of the Exchange Offer, shall be in full force and effect;

(v) each of the agreements set forth in Section 5(q) hereof shall be in full force and effect;

(vi) a new IBT Employee Stock Trust (including a new IBT Employee Stock Plan), in form and substance materially consistent with the Restructuring Term Sheet and acceptable to the Company, the Agent and the Steering Group Majority, shall have been established by the Company and be in full force and effect;

(vii) the New Board (as defined in the Restructuring Term Sheet), other than the IBT director designees, shall have been elected or designated by the existing members of the board of directors as "continuing directors" (provided that the director candidates were selected by the Agent and Steering Group Majority at least ten (10) days prior to the closing of the Exchange Offer) and the New Candidates (as defined in the Restructuring Term Sheet) shall have commenced employment with the Company, in each case unless otherwise waived by the Agent and Steering Group Majority; and

(viii) by the Closing Date, 100% of the Participating Lenders shall have (x) agreed to the Qualified Exchange Offer and validly and timely tendered, delivered and not withdrawn the requisite tender of (when solicited to do so and by the applicable deadline for doing so) such Credit Agreement Claims in the Qualified Exchange Offer and (y) not changed, revoked or withdrawn such agreement or tender.

2. Representations of the Parties.

Each Party hereby represents and warrants to the other Parties that the following statements are true, correct and complete in all material respects as of the date hereof:

(a) It has all requisite corporate, partnership, limited liability company or similar authority to execute this Agreement and carry out the transactions contemplated



hereby (except for the stockholder approval required for consummation of the Merger and the ownership of any securities as defined in the Securities and Exchange Act of 1934 issued in connection with the transactions contemplated hereby which ultimately may be held by an affiliate or nominee of the Participating Lender) and perform its obligations contemplated hereunder; and the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized by all necessary corporate, partnership, limited liability company or other similar action on its part. It being understood that the New Board, as well as the existing board of directors, shall approve the Merger.

(b) Except as set forth on Schedule 2(b) hereto, the execution, delivery and performance by such Party of this Agreement does not and shall not (i) violate (A) any provision of law, rule or regulation applicable to it or (B) its charter, bylaws or other similar governing documents (as such charter, bylaws or similar governing documents may be amended or modified pursuant to the transactions contemplated hereunder) or (ii) conflict with, result in a breach of or constitute (with due notice or lapse of time or both) a default under any material contractual obligation to which it is a party.

(c) This Agreement is the legally valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(d) If such Party is the Company, the execution, delivery and performance by it of this Agreement does not and shall not require any material registration or material filing with, material consent or material approval of, or material notice to, or other material action to, with or by, any federal, state or other governmental authority or regulatory body, except (i) filings required by applicable state securities laws, (ii) the filing with the SEC of (x) one or more Registration Statements and the issuance of effectiveness orders with respect thereto in accordance with the requirements of the Exchange Offer and (y) proxy materials and related documents to effect the Merger Proxy Solicitation, (iii) the filing of any requisite notices, exceptions, waivers and/or application(s) to the NASDAQ Stock Market in connection with the Restructuring, (iv) filings required under the Securities Act of 1933, as amended (the "**Securities Act**") or the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and in the case of YRCW, (A) filings of the Series A Certificate of Designations, the Series B Certificate of Designations, the New Certificate of Incorporation, the Merger Agreement and other filings related to the Merger with the Secretary of the State of Delaware and (B) other registrations, filings, consents, approvals, notices or other actions that are reasonably necessary to maintain permits, licenses, qualifications and governmental approvals to carry on the business of the Company, (v) filings to release existing Liens and to perfect Liens contemplated by this Agreement and (vi) other consents, approvals or actions which have been obtained on or prior to the date hereof.

(e) If such Party is a Participating Lender, such Participating Lender (i) either (A) is the sole legal and beneficial owner of the Credit Agreement Claims set forth below its name on the signature page hereof or (B) has investment discretion with respect to such Credit Agreement Claims in respect to matters relating to the Exchange Offer contemplated by this Agreement and (ii) has

full power and authority to act on behalf of, vote and consent to matters concerning such Credit Agreement Claims in respect to matters relating to the Exchange Offer contemplated by this Agreement and dispose of, exchange, assign and transfer such Credit Agreement Claims subject to the terms and conditions of the Credit Agreement. Furthermore, such Participating Lender has made no prior assignment, sale, participation, grant, conveyance, or other transfer of, and has not entered into any other agreement to assign, sell, participate, grant, convey or otherwise transfer, in whole or in part, any portion of its right, title, or interests in such Credit Agreement Claims that are subject to this Agreement, the terms of which agreement are, as of the date hereof, inconsistent with the representations and warranties of such Participating Lender herein or would render such Participating Lender otherwise unable to comply with this Agreement and perform its obligations hereunder.

(f) If such Party is a Participating Lender, such Participating Lender (i) has such knowledge and experience in financial and business matters of this type that it is capable of evaluating the merits and risks of entering into this Agreement and of making an informed investment decision, and has conducted an independent review and analysis of the business and affairs of the Company that it considers sufficient and reasonable for purposes of entering into this Agreement and (ii) is an "accredited investor" (as defined by Rule 501 of the Securities Act of 1933, as amended).

(g) If such Party is YRCW, (i) each of the representations and warranties set forth in the Loan Documents are true and correct in all material respects as of the date of this Agreement, except to the extent any such representation or warranty is stated to relate solely to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects on and as of such earlier date and (ii) no Default has occurred and is continuing.

For the avoidance of doubt, each Party acknowledges and agrees that this Agreement does not constitute a commitment to, nor shall it obligate any of the Parties to, provide any new incremental financing or credit support.

3. Agreements of the Participating Lenders.

(a) Subject to the terms and conditions hereof and for so long as no Support Termination Event (as defined in Section 5 below) shall have occurred, and except as the Company and all Participating Lenders may expressly release any Participating Lender in writing from any of the following obligations, and subject to Section 23 below, each Participating Lender (solely on behalf of itself and not on behalf of any affiliate) shall (i) agree to any Qualified Exchange Offer and to validly and timely tender (including by any early tender deadline set forth in any documentation with respect to the Qualified Exchange Offer), deliver and not withdraw the requisite tender of (when solicited to do so and by the applicable deadline for doing so) such Credit Agreement Claims in the Qualified Exchange Offer and (ii) not change, revoke or withdraw such agreement or tender (or cause or direct such agreement or tender to be changed, revoked or withdrawn); provided that such agreement and tender may be revoked or withdrawn immediately upon occurrence of a Support Termination Event (as defined in Section 5 below).

(b) Each Participating Lender agrees that, as long as this Agreement has not been terminated in accordance with its terms, it shall not sell, transfer, assign or otherwise dispose of any Credit Agreement Claims, or any option thereon or any right or interest (voting or otherwise) in any or all of its Credit Agreement Claims (including, without limitation, any participation therein), unless, in addition to the requirements set forth in the Existing Credit Agreement, (i) the transferee, participant or other party (A) is a Participating Lender or (B) is an “accredited investor” (as defined by Rule 501 of the Securities Act of 1933, as amended) and agrees in writing to assume and be bound by all of the terms of this Agreement with respect to all Credit Agreement Claims such transferee, participant or other party currently holds, is acquiring or shall acquire in the future by executing the Joinder attached hereto as Exhibit N (such transferee, participant or other party, if any, to also be a “**Participating Lender**” hereunder), and (ii) the transferor complies with any applicable transfer restrictions and/or conditions to transfer set forth herein and in the Existing Credit Agreement. If a transferee of any of the Credit Agreement Claims is not a Participating Lender or does not execute a Joinder in substantially the form attached hereto as Exhibit N prior to the completion of such transfer, participation or other grant or otherwise agree to be bound by all of the terms of this Agreement, then such sale, transfer, assignment or other disposition of the Credit Agreement Claims or related option, right or interest therein shall be deemed void *ab initio*. This Agreement shall in no way be construed to preclude any Participating Lender from acquiring additional Credit Agreement Claims; provided, however, that any such additional holdings shall automatically be deemed to be subject to all of the terms of this Agreement and the Existing Credit Agreement and each such Participating Lender agrees that such additional Credit Agreement Claims shall be subject to this Agreement and the Existing Credit Agreement and that it shall tender any such additional Credit Agreement Claims (to the extent still held by it or on its behalf at the time such tender is permitted) in a manner consistent with this Section 3. Subject to the terms and conditions of the Existing Credit Agreement, each Participating Lender agrees to provide to counsel for the Company and the Agent (i) a copy of any Joinder and (ii) a notice of the acquisition of any additional Credit Agreement Claims, in each case within three (3) business days of the consummation of the transaction disposing of, or acquiring, Credit Agreement Claims. Notwithstanding the foregoing, this Section 3(b) shall not apply to any transferee that specifies in the documentation executed in connection with the transfer of Credit Agreement Claims that it is

acting as a “**Riskless Principal**,” as such term is defined by the Loan Syndications and Trading Association in its Standard Terms and Conditions for Distressed Trade Confirmations; provided, further, that any subsequent transferee of such Riskless Principal shall be required to execute the Joinder annexed hereto as Exhibit N.

(c) Notwithstanding any provision hereof to the contrary, it is understood and agreed that the provisions of this Section 3 shall not in any manner constitute any agreement, arrangement or understanding as to the ownership, transfer or voting of any equity interest in the Company or the surviving corporation in the Merger.

4. Agreements of the Company.

(a) Except as approved in writing by the Agent and Steering Group Majority, as long as a Support Termination Event (as defined in Section 5 below) has not occurred:

(i) the Company hereby agrees (A) to prepare or cause the preparation of the Transaction Documents and (B) provide draft copies of the Transaction Documents to Akin Gump Strauss Hauer & Feld LLP (“**Akin Gump**”), counsel for the informal group of unaffiliated Lenders, and to Sidley Austin LLP (“**Sidley**”) and Stroock & Stroock & Lavan LLP (“**Stroock**”), counsel to the Agent, within a reasonable amount of time prior to the launch of the Exchange Offer, Merger Proxy Solicitation or execution of any such documents, as might be applicable.

(ii) the Company agrees to use commercially reasonable efforts to (A) support and complete the Restructuring and all other actions contemplated in connection therewith and under the Transaction Documents, (B) take any and all necessary and appropriate actions in furtherance of the Restructuring and the other actions contemplated under the Transaction Documents, (C) obtain any and all required regulatory approvals and third-party approvals for the Restructuring (including, without limitation, approval of the Merger), and (D) not take any actions inconsistent with this Agreement or the Approved Transaction Documents.

(iii) YRCW shall cause each of its subsidiaries and controlled affiliates to use its commercially reasonable efforts (A) support and complete the Restructuring and all other actions contemplated in connection therewith and under the Transaction Documents, (B) take any and all necessary and appropriate actions in furtherance of the Restructuring and the other actions contemplated under the Transaction Documents, (C) obtain any and all required regulatory approvals and third-party approvals for the Restructuring, and (D) not take any actions inconsistent with this Agreement or the Approved Transaction Documents.

(iv) the Company shall not, directly or indirectly, seek, solicit, negotiate, support or engage in any discussions relating to, or enter into any agreements relating to, any alternative proposal other than the Qualified Transaction, nor shall the Company solicit or direct any Person or entity, including, without limitation, any member

of the Company's board of directors or any holder of equity in the Company, to undertake any of the foregoing.

(b) In accordance with the terms of (i) the Existing Credit Agreement with respect to Sidley, Stroock and Compass Lexecon, and (ii) the existing engagement letters with Akin Gump and Houlihan Lokey Howard & Zuckin, the Company shall pay all fees and expenses of such professionals on a regular basis and on the terms set forth in such agreements (as applicable).

(c) Promptly following completion of the Exchange Offer, the Company shall cause a meeting of its stockholders (the "**Company Stockholder Meeting**") to be duly called and held as soon as reasonably practicable for the purpose of voting on a merger (the "**Merger**") of a wholly owned subsidiary of YRCW with and into YRCW with YRCW as the surviving entity, in accordance with the terms of the Merger Agreement. YRCW's board of directors shall recommend approval of the Merger to its stockholders in the Merger Proxy Statement (as defined below). Following the completion of the Exchange Offer, YRCW shall (i) promptly prepare and file with the SEC, use its commercially reasonable efforts to have cleared by the SEC and thereafter mail to its stockholders as promptly as reasonably practicable a proxy statement relating to the Merger (the "**Merger Proxy Statement**") and all other proxy materials for such meeting, (ii) use its commercially reasonable efforts to obtain the required affirmative vote of its stockholders to approve the Merger and adopt each of (x) the New Certificate of Incorporation and (y) the Merger Agreement, and (iii) otherwise comply with all legal requirements applicable to the Company Stockholder Meeting. The Merger Proxy Statement and any amendments or supplements thereto, when filed, shall comply as to form in all material respects with the applicable requirements of the Exchange Act. In connection with the Merger, the Company shall promptly file with the Secretary of the State of Delaware (A) the New Certificate of Incorporation, (B) the Merger Agreement and (C) such other filings as reasonably necessary to consummate the Merger.

(d) The Company shall cause the filing of any requisite exceptions, notices and/or application(s) to NASDAQ Stock Market in connection with the Restructuring, including, without limitation, for the issuance of the Common Stock to the holders of Credit Agreement Claims issuable in respect of the Convertible Secured Notes and the Series B Convertible Preferred Stock, and use commercially reasonable efforts to cause the listing of such Common Stock for trading thereon in the time and manner required thereby.

(e) As promptly as reasonably practicable following the date hereof, and subject to compliance with all applicable law, the Company shall prepare and file with the SEC and use its commercially reasonable efforts to have declared effective by the SEC, the Registration Statement.

5. Termination of Obligations.

This Agreement shall terminate and, except as otherwise provided herein, all obligations of the Parties shall immediately terminate and be of no further force and effect as follows (each, a "**Support Termination Event**"):

(a) upon termination of this Agreement by the mutual written consent of the Company and 66 2/3% of the aggregate amount of outstanding Credit Agreement Claims of the Participating Lenders; provided, however, that notice of such termination is provided within one (1) business day to the Persons and entities listed on Schedule 1 annexed hereto, in accordance with Section 14 hereof;

(b) at 5:00 P.M. prevailing Eastern Time on July 22, 2011, as to each Participating Lender who has not agreed to extend such date;

(c) upon the occurrence of any of the following, unless waived or extended by the Agent and the Steering Group Majority:

(i) at 5:00 P.M. prevailing Eastern Time on May 17, 2011 unless the Company has filed with the SEC one or more Registration Statements and/or other appropriate documents for the Exchange Offer;

(ii) at 5:00 P.M. prevailing Eastern Time on June 15, 2011 if the Company has not delivered to the Agent and the Steering Group Majority binding commitments with respect to the New ABL Facility in an aggregate amount not less than \$300 million in form and substance acceptable to the Company, the Agent and the Steering Group Majority;

(iii) at 5:00 P.M. prevailing Eastern Time on June 22, 2011 unless the Company has commenced the Exchange Offer (the "**Solicitation Commencement Date**"); or

(iv) if the Exchange Offer has not been consummated within 15 business days after the Solicitation Commencement Date (the "**Solicitation Termination Date**").

(d) if an involuntary proceeding against any of the Companies is commenced or an involuntary petition is filed seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief in respect of any of the Companies or their debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership or similar law now or hereafter in effect, provided that such involuntary proceeding continues undismissed for a period of thirty (30) days after the filing thereof or if any court order grants the relief sought in such involuntary proceeding;

(e) if any of the Companies (i) voluntarily commences any proceeding or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described in Section 5(d) hereof, (iii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of its assets, (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding,

(v) makes a general assignment or arrangement for the benefit of creditors or (vi) takes any corporate action for the purpose of authorizing any of the foregoing;

(f) three (3) business days after the Company furnishes the Participating Lenders with written notice (in accordance with Section 14 hereof) of its intent, in the exercise of its fiduciary duties (set forth in Section 25 below) and based, at least in part, upon the advice of its outside legal counsel to the board of directors of the Company, to take any action that is prohibited hereunder or to refrain from taking any action that is required hereunder, which notice shall set forth (A) the acts that the Company intends to take or refrain from taking and (B) the specific dut(y)/(ies) that the Company believes it would breach as a result of such action or inaction;

(g) upon the material breach by the Company of any of the undertakings, representations, warranties or covenants of the Company set forth in this Agreement, including the Company's obligations under Section 4, which breach remains uncured for a period of three (3) business days after the receipt of written notice of such breach from 66 2/3% of the aggregate amount of outstanding Credit Agreement Claims of the Participating Lenders;

(h) upon the material breach by any of the Participating Lenders of any of the undertakings, representations, warranties or covenants of such Participating Lender(s) set forth in this Agreement that would have a material adverse effect on the Company or the consummation of the Restructuring, which breach remains uncured for a period of three (3) business days after the receipt by the Participating Lender(s) of notice of such breach from the Company; provided, however, that the foregoing shall constitute a Support Termination Event in favor of the Company only, and shall not constitute a Support Termination Event in favor of any of the Participating Lenders (including the breaching Participating Lender); provided, further, that any termination pursuant to the foregoing shall be effective only with respect to the breaching Participating Lender(s) and this Agreement shall otherwise remain in full force and effect with respect to all other Participating Lenders and the Company unless the aggregate amount of Credit Agreement Claims held by the non-breaching Participating Lenders as of any date of determination is less than 90% of all Credit Agreement Claims as of such date of determination, in which case, a Support Termination Event shall apply to all Participating Lenders;

(i) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any ruling or order enjoining the consummation of a material portion of the Restructuring;

(j) the entry of an order by any court of competent jurisdiction invalidating, disallowing, subordinating, or limiting, in any respect, as applicable, the enforceability, priority, or validity of the Credit Agreement Claims or Liens securing them;

(k) ten (10) days after the Company obtains knowledge of (A) the occurrence of any Default or (B) the occurrence of an Event of Default, in each case that is not waived or cured pursuant to the terms of the Existing Credit Agreement; provided, however that

none of the Exchange Offer or the Qualified Transaction shall constitute a Default or Event of Default under the Existing Credit Agreement;

(l) IBT terminating, or threatening in writing to terminate, the MOU;

(m) upon the occurrence of any Material Adverse Effect. For purposes hereof, "**Material Adverse Effect**" shall mean any material adverse change, circumstance, effect, event, occurrence, state of facts or development (each, a "**material adverse change**") since December 31, 2010 that, either alone or in combination, has had or is reasonably likely to have a short term or long term material adverse effect on (i) the financial condition, business, results of operations, assets or liabilities of the Company, whether or not arising from transactions in the ordinary course or (ii) the ability of the Company to perform its obligations under the Restructuring Term Sheet, Approved Transaction Documents, the Qualified Transaction and/or this Agreement, in each case as determined in writing by 66 2/3% of the aggregate amount of outstanding Credit Agreement Claims of the Participating Lenders; provided, however, that a Material Adverse Effect shall not be deemed to have occurred hereunder if such material adverse change was disclosed by the Company in any public filing prior to April 21, 2011.

(n) upon the occurrence of any termination event under the IBT Consent Agreement;

(o) on June 30, 2011, unless each Employer (as defined in the MOU) shall have reached an agreement in writing with the applicable trustees of each of the Teamster Pension Funds covered by the 2008-2013 National Master Freight Agreement and its applicable supplemental agreements, as same have been amended by the MOU and extended through March 31, 2015 (as such may be amended or modified from time to time) (each a "**Fund**") in form and substance acceptable to the Company, the Agent and the Steering Group Majority, including the terms and conditions set forth below, to either: (A) reenter the Fund as a contributing employer and contribute to the Fund in accordance with the terms of the MOU (the "**MOU Contributions**") or (B) if making the MOU Contributions is prohibited by applicable law, then pending the earlier to occur of the adoption of legislation or regulatory approval which would permit the Fund to accept the MOU Contributions or such time as the MOU Contributions are no longer prohibited, each Employer shall deposit the MOU Contributions so prohibited (the "**Prohibited Amounts**") into an escrow account, the terms of which are acceptable to the Employer and the Fund (the "**Escrow Account**") or, to the extent applicable, the Prohibited Amounts shall be first applied to pay any obligations owed to the Fund by the applicable Employer under the Contribution Deferral Agreement (as defined herein below) and thereafter shall be deposited into the Escrow Account, or (C) solely in the event that agreements pursuant to (A) or (B) above cannot be consummated under applicable law or fund documentation, on such other terms acceptable to the Employer and the applicable Fund. Each such agreement shall provide that, under no circumstances, shall the Fund determine that the implementation of clause (A), (B) or (C) above: (1) constitutes with respect to any Employer or any of their ERISA Affiliates (as defined in the Contribution Deferral Agreement): (x) a complete withdrawal with respect to any Fund under section 4203 of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and/or any other applicable law with similar effect ("**Similar Law**") or (y) a partial withdrawal with respect to any Fund under section 4205 of ERISA and/or any other Similar Law or (2) otherwise subject any of the Employers or any of their ERISA Affiliates to Withdrawal Liability (as defined in the Contribution Deferral Agreement). Each such agreement shall also provide that, so long as the Employer complies with the terms of its agreement with the applicable Fund, including its



obligations to make the MOU Contributions, the trustees of the Fund shall not bring any action against the Employer or any of its ERISA Affiliates to claim a withdrawal from the Fund or to demand the payment of, assess, quantify, enforce or collect Withdrawal Liability; and

(p) if, for any reason, any agreement referred to in Section 5(o) above is terminated, amended or modified in a manner adverse to the Company or the Participating Lenders, or otherwise ceases to be in full force and effect.

Upon the occurrence of a Support Termination Event, this Agreement shall forthwith become void and of no further force or effect, each Party hereto shall be released from its commitments, undertakings and agreements under or related to this Agreement and any of the Approved Transaction Documents, and there shall be no liability or obligation on the part of any Party hereto; provided, however, that in no event shall any such termination relieve a Party hereto from (i) liability for its breach or nonperformance of its obligations hereunder prior to the date of such termination and (ii) obligations under this Agreement which by their terms expressly survive any such termination; provided, further, that, notwithstanding anything to the contrary herein, any Support Termination Event may be waived in accordance with the procedures established by Section 9 hereof, in which case the Support Termination Event so waived shall be deemed not to have occurred, this Agreement shall be deemed to continue in full force and effect, and the rights and obligations of the Parties hereto shall be restored, subject to any modification set forth in such waiver. Upon termination of this Agreement, any and all tenders that may have been delivered after the commencement of the Exchange Offer by a Participating Lender (it being understood that the Company cannot solicit, nor can any Participating Lender actually tender, any claims prior to the filing of the Registration Statement) shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Company, and the Exchange Offer documentation shall provide as such. Upon termination of this Agreement, no Party shall have any continuing liability or obligation to any other Party relating to this Agreement. Upon the occurrence of the Support Termination Event under this Agreement, the fees and expense reimbursements required by Section 4(b) hereof shall be payable within two (2) business days for work incurred through the termination date and billed to the Company within two (2) business days following such termination date (it being understood that this provision shall not affect the Company's continuing obligations under the Existing Credit Agreement or any existing engagement letters to pay fees and expenses on an on-going and regular basis).

6. Further Assurances.

YRCW shall cause each of its subsidiaries and controlled affiliates to, take such action (including executing and delivering any other agreements and making and filing any required regulatory filings) as may be reasonably necessary to carry out the purposes and intent of this Agreement.

7. Remedies.

All remedies that are available at law or in equity, including specific performance and injunctive or other equitable relief, to any Party for a breach of this Agreement by another Party shall be available to the non-breaching Party; provided, however, that if there is a breach of

the Agreement by a Participating Lender, money damages shall be an insufficient remedy to the other Participating Lenders and any Participating Lender can seek specific performance as against another Participating Lender; provided, further that in connection with any remedy asserted in connection with this Agreement, each Party agrees to waive any requirement for the securing or posting of a bond in connection with any remedy. All rights, powers and remedies provided under this Agreement or otherwise available in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power or remedy thereof by any Party shall not preclude the simultaneous or later exercise of any other such right, power or remedy by such Party or any other Party.

8. Prior Negotiations.

This Agreement supersedes all prior negotiations, and documents reflecting such prior negotiations, between and among the Company and the Participating Lenders (and their respective advisors) with respect to the subject matter hereof.

9. Amendments.

(a) The Approved Transaction Documents may be amended, modified or supplemented to the extent that such amendments are not materially inconsistent with the Restructuring Term Sheet with the written approval of (i) the Company, (ii) the Agent and (iii) the Steering Group Majority; provided, however, that no amendment, modification or other supplement to the Approved Transaction Documents may impose less favorable treatment of any Participating Lender's Credit Agreement Claims, or any group of Participating Lenders' Credit Agreement Claims, or its rights and obligations hereunder and under the Approved Transaction Documents compared to those of the Participating Lenders generally, without such Participating Lender's, or such group of Participating Lenders', express written consent.

(b) A Support Termination Event may be waived only upon the written approval of 75% of the aggregate amount of outstanding Credit Agreement Claims of the Participating Lenders.

(c) This Agreement may be amended (to the extent such amendment is consistent with the Approved Transaction Documents (as such Approved Transaction Documents may be amended in accordance with Section 9(a) hereof)) only upon the written approval of (i) the Company and (ii) 75% of the aggregate amount of outstanding Credit Agreement Claims of the Participating Lenders. Any other amendment to this Agreement shall require the written approval of (x) the Company and (y) each Participating Lender.

10. Independent Analysis.

Each Participating Lender hereby confirms that it has made its own decision to execute this Agreement based upon its own independent assessment of documents and information available to it, as it has deemed appropriate.

11. Representation by Counsel.

Each Party acknowledges that it has had the opportunity to be represented by counsel in connection with this Agreement and the transactions contemplated by this Agreement. Accordingly, any rule of law or any legal decision that would provide any Party with a defense to the enforcement of the terms of this Agreement against such Party based upon lack of legal counsel, shall have no application and is expressly waived.

12. Governing Law.

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York, without giving effect to the principles of conflict of laws that would require the application of the law of any other jurisdiction. By its execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit or proceeding against it with respect to any matter under or arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit or proceeding, may be brought in either a state or federal court of competent jurisdiction in the State and County of New York. By execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably accepts and submits itself to the nonexclusive jurisdiction of each such court, generally and unconditionally, with respect to any such action, suit or proceeding. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO ABOVE.

13. Effective Date.

This Agreement shall become effective, and each Party shall be bound to the terms of this Agreement, upon (i) delivery to the Agent or its counsel of its duly executed counterpart signature page, (ii) payment of all outstanding and unpaid reasonable fees and expenses in accordance with Section 4(b) hereof, (iii) delivery by the Teamsters National Freight Industry Negotiating Committee or its counsel of its duly executed counterpart signature page to the IBT Consent Agreement, and (iv) delivery by each of the Funds who are signatories to the Contribution Deferral Agreement of duly executed counterpart signature pages to the Tenth Amendment and the Amended and Restated Contribution Deferral Agreement, each in form and substance acceptable to the Company, the Agent and the Steering Group Majority, agreeing to the Restructuring on the terms set forth in the Restructuring Term Sheet (the latest date on which each of the conditions set forth in clauses (i), (ii), (iii) and (iv) is satisfied, the "**Effective Date**"); provided, that, the Agent has received signature pages to this Agreement from the Company and Lenders holding more than 90% in principal amount of the Credit Agreement Claims.

14. Notices.

All demands, notices, requests, consents and other communications under this Agreement shall be in writing, sent contemporaneously to all of the Parties, and deemed given when delivered, if delivered by hand, or upon confirmation of transmission, if delivered by email or facsimile, during standard business hours (from 8:00 A.M. to 6:00 P.M. at the place of receipt) at the addresses and facsimile numbers set forth on Schedule 1 hereto.

15. Reservation of Rights.

Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair or restrict the ability of each Party to protect and preserve its rights, remedies and interests, including the Credit Agreement Claims and any other claims against the Company or other parties, or its full participation in any bankruptcy proceeding. Without limiting the foregoing sentence in any way, after a Support Termination Event, the Parties hereto each fully reserve any and all of their respective rights, remedies and interests, subject to Section 5, in the case of any claim for breach of this Agreement. Furthermore, nothing in this Agreement shall be construed to prohibit any Party from appearing as a party-in-interest in any matter to be adjudicated in any bankruptcy proceeding.

16. Survival.

Notwithstanding (i) any sale of the Credit Agreement Claims in accordance with Section 3(b) and the Existing Credit Agreement or (ii) the termination of this Agreement in accordance with its terms, the agreements and obligations of the Parties in Sections 4(b) (solely to the extent of fees and expenses accrued before termination), 15, 16, 24 and 25 and the last sentence of Section 5 shall survive such sale and/or termination and shall continue in full force and effect for the benefit of the Participating Lenders in accordance with the terms hereof.

17. Successors and Assigns; Severability; Several Obligations.

This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, estates, administrators and representatives. The invalidity or unenforceability at any time of any provision hereof in any jurisdiction shall not affect or diminish in any way the continuing validity and enforceability of the remaining provisions hereof or the continuing validity and enforceability of such provision in any other jurisdiction. The agreements, representations and obligations of the Participating Lenders under this Agreement are, in all respects, several and not joint.

18. Third-Party Beneficiary.

This Agreement is intended for the benefit of the Parties hereto and no other Person or entity shall be a third party beneficiary hereof or have any rights hereunder.

19. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed to be an original, and all of which together shall be deemed to be one and the same agreement. Execution copies of this Agreement may be delivered by facsimile, electronic mail or otherwise, each of which shall be deemed to be an original for the purposes of this paragraph.

20. Entire Agreement.

This Agreement constitutes the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior agreements (oral and written) and all other prior negotiations but shall not supersede the Approved Transaction Documents; provided, however, that the Parties acknowledge and agree that any confidentiality agreements heretofore executed between the Company and any Participating Lender shall continue in full force and effect.

21. Headings.

The section headings of this Agreement are for convenience of reference only and shall not, for any purpose, be deemed a part of this Agreement and shall not affect the interpretation of this Agreement.

22. Acknowledgment.

This Agreement shall not be deemed an offer or sale with respect to the Series A Notes, the Series B Notes, the Series B Convertible Preferred Stock, the Common Stock issuable in the Transaction, or the Common Stock issuable upon conversion of any of the foregoing or any other security, which shall only be offered and sold pursuant to the Registration Statement. This Agreement is not and shall not be deemed to be a solicitation of proxies with respect to the Merger Proxy Solicitation, which shall only be solicited pursuant to the proxy materials.

23. Settlement Discussions.

This Agreement is part of a proposed settlement of matters that could otherwise be the subject of litigation among the parties hereto. Nothing herein shall be deemed an admission of any kind. Pursuant to Federal Rule of Evidence 408, any applicable state rules of evidence and any other applicable law, foreign or domestic, this Agreement and all negotiations relating thereto shall not be admissible into evidence in any proceeding other than to prove the existence of this Agreement or in a proceeding to enforce the terms of this Agreement.

24. Publicity.

The Company shall not (a) use the name of any Participating Lender in any press release without such Participating Lender's prior written consent or (b) disclose to any Person, other than legal, accounting, financial and other advisors to the Company, the principal amount or percentage of Credit Agreement Claims held by any Participating Lender or any of its respective subsidiaries; provided, however, that the Company shall be permitted to disclose at any time the aggregate principal amount of, and aggregate percentage of, any class of Credit Agreement Claims held by the Participating Lenders as a group. Notwithstanding the foregoing, the Participating Lenders hereby consent to the disclosure by the Company in the Approved Transaction Documents or as otherwise required by law or regulation, of the execution, terms and contents of this Agreement and the aggregate principal amount of, and aggregate percentage of, any class of Credit Agreement Claims held by the Participating Lenders as a group. Notwithstanding the foregoing, the Company will use commercially reasonable efforts to submit to Akin Gump, Sidley and Stroock all press releases, public filings, public announcements or other communications with any news media relating to this Agreement or the transactions contemplated hereby and any amendments thereof for review and potential suggestions on the same basis as in Section 4(a)(i) hereof.

25. Fiduciary Duties.

Notwithstanding anything to the contrary herein, nothing in this Agreement shall require the Company or its affiliated entities or any directors or officers of the Company or its affiliated entities, in such Person's capacity as a director or officer of the Company or its

affiliated entities, to take any action, or to refrain from taking any action, to the extent required to comply with its or their fiduciary obligations under applicable law. None of the Agent, the Informal Group (including the Steering Group) or any Participating Lender shall have any fiduciary or other duties or responsibilities to the Company. To the fullest extent permitted by law, the Company hereby waives and releases any claims that it may have against each of the Agent, the Informal Group (including the Steering Group) and each Participating Lender with respect to any claim in connection with any aspect of any transaction contemplated hereby (including the negotiation of such transaction).

26. Loan Document.

This Agreement shall constitute a Loan Document under (and as defined in) the Existing Credit Agreement.

27. Actions by the Agent.

Actions taken by the Agent hereunder shall be performed consistent with the terms and conditions of the Existing Credit Agreement.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed and delivered by their respective duly authorized officers, solely in their respective capacity as officers of the undersigned and not in any other capacity, as of the date first set forth above.

**YRC WORLDWIDE INC.**  
**(On behalf of itself and all of its direct and indirect subsidiaries)**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Dated: \_\_\_\_\_, 2011

The identity of the Participating Lender below and the amount of the Participating Lender's holdings are strictly confidential in accordance with the Existing Credit Agreement and this Agreement. This signature page references only the Credit Agreement Claims in the amounts set forth on this signature page that are subject to and controlled by the signatory on this signature page (the "**Signatory**") as a Lender under the Existing Credit Agreement. It does not bind nor act as a consent by any affiliate, parent, joint venture of the Signatory or any trading or market making area of the Signatory holding Credit Agreement Claims under the Existing Credit Agreement or any other obligations of the Company or its controlled affiliates to the terms and conditions contained in this Agreement to which this signature page is affixed.

**PARTICIPATING LENDER**

Name of Institution: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_

Facsimile: \_\_\_\_\_

**LC Claims**

\$ \_\_\_\_\_

**Term Loan Claims**

\$ \_\_\_\_\_

**Revolving Credit Claims**

\$ \_\_\_\_\_

**Deferred Interest and Fees Claims**

\$ \_\_\_\_\_



**SCHEDULE 1**

**Notice Addresses**

If to the Company:

YRC Worldwide Inc.  
10990 Roe Avenue  
Overland Park, Kansas 66211  
Attn: Jeff P. Bennett  
Vice President - Legal and Interim General Counsel  
JeffP.Bennett@yrcw.com

with a copy to:

Kirkland & Ellis LLP  
300 North LaSalle  
Chicago, IL 60654  
Attn: Dennis M. Myers, P.C.  
Dennis.Myers@kirkland.com

If to the Agent:

JPMorgan Chase Bank, N.A.  
383 Madison Avenue, 23rd Floor  
New York, NY 10179  
Attn: Bruce Borden  
bruce.s.borden@jpmorgan.com

with a copy to:

Sidley Austin LLP  
1 South Dearborn Street  
Chicago, IL 60603  
Attn: Robert J. Lewis  
rlewis@sidley.com

and

Stroock & Stroock & Lavan LLP  
180 Maiden Lane  
New York, NY 10038  
Attn: Lewis Kruger  
lkruger@stroock.com

Andrew DeNatale

adenatale@stroock.com

If to any Participating Lender:

To the Agent for distribution to such Participating Lender in accordance with the Existing Credit Agreement.

with a copy to:

Akin Gump Strauss Hauer & Feld LLP  
One Bryant Park  
New York, NY 10036

Attn: Michael S. Stamer  
mstamer@akingump.com

James Savin  
jsavin@akingump.com

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**SCHEDULE 2(b)**

**Conflicts**

Any failure to meet the requirements of or to receive a grant of waiver to certain NASDAQ listing rules (including, without limitation, those listing rules related to stockholder approvals, voting rights and change of control) as a result of the transactions contemplated hereunder.

## EXHIBITS

- Exhibit A – Restructuring Term Sheet
- Exhibit B – Series A Indenture
- Exhibit C – Series B Indenture
- Exhibit D – New Credit Agreement
- Exhibit E – Series A Registration Rights Agreement
- Exhibit F – Series B Registration Rights Agreement
- Exhibit G – Series B Certificate of Designations
- Exhibit H – Equity Registration Rights Agreement
- Exhibit I-1 – Tenth Amendment
- Exhibit I-2 – Amended and Restated Contribution Deferral Agreement
- Exhibit I-3 – Reaffirmation Agreement
- Exhibit J – Series A Certificate of Designations
- Exhibit K – IBT Consent Agreement
- Exhibit L – New Certificate of Incorporation
- Exhibit M – Amended and Restated Bylaws
- Exhibit N – Joinder

## YRC WORLDWIDE INC.

## SUMMARY OF PRINCIPAL TERMS OF PROPOSED RESTRUCTURING

April 21, 2011

This following Summary of Principal Terms (the “**Term Sheet**”) provides an outline of the non-binding agreement in principle that has been reached with respect to the proposed restructuring of YRC Worldwide Inc. and its subsidiaries (“**YRC**” or the “**Company**”) pursuant to an out-of-court restructuring transaction (the “**Restructuring**”). The parties do not intend to be bound to any of the terms contained herein unless and until they enter into definitive documentation regarding the subject matter of such items as summarized in this Term Sheet. This Term Sheet does not constitute (nor will it be construed as) an offer with respect to any securities, it being understood that such an offering, if any, only will be made in compliance with applicable provisions of securities and/or other applicable laws. This Term Sheet represents settlement discussions and is subject to FRE 408 and other applicable rules of evidence.

- Overview**
- The purpose of the Restructuring is to deleverage the Company’s balance sheet, provide the Company with ample liquidity with which to operate and grow its businesses and position the Company to achieve long-term success for the benefit of its customers, employees, creditors and shareholders. The Restructuring will be implemented through certain transactions (the “**Transactions**”) described herein, including, among other things: (i) an amendment and restatement of that certain Credit Agreement, dated as of August 17, 2007, by and among YRC Worldwide Inc., as borrower, the other borrowers thereto, JPMorgan Chase Bank, National Association, as administrative agent (the “**Agent**”) and the lenders (the “**Lenders**”) party thereto (as amended, supplemented or otherwise modified from time to time, the “**Credit Agreement**”); (ii) replacing that certain Third Amended and Restated Receivables Purchase Agreement, dated as of April 18, 2008, with certain domestic subsidiaries of YRC Worldwide Inc. and YRC Worldwide Inc. as guarantor (as amended, supplemented or otherwise modified from time to time, the “**ABS Facility**”) with a new asset based loan facility (the “**ABL Facility**”); (iii) an amendment of that certain Contribution Deferral Agreement, dated as of June 17, 2009, as amended, supplemented or otherwise modified from time to time (the “**Pension Note**”) and (iv) conversion of approximately \$165 million of the Company’s debt ultimately into the new common stock of the reorganized Company (the “**New Common Stock**”).
- Creditors of YRC**
- **Credit Agreement Claims** ((i) – (iv) below collectively being the “**Credit Agreement Claims**” and (ii) – (iv) below collectively being the “**Non-LC Credit Agreement Claims**”) estimated as of June 30, 2011:<sup>1</sup>
    - (i) **Letters of Credit Claims:** Claims with respect to approximately \$483 million of outstanding letters of credit (the “**LCs**”) issued under the revolving credit facility under the Credit Agreement (the “**LC Claims**”)

<sup>1</sup> The claim amounts for the Credit Agreement Claims set forth above assume cash pay downs prior to June 30, 2011 resulting from asset sales projected by the Company to occur prior to June 30, 2011. The claim amounts set forth above will change depending on the actual pay downs that occur.

and the underlying facility, the “**LC Facility**”).

- (ii) **Term Loan Claims:** Approximately \$247 million in principal amount of outstanding term loans issued under the Credit Agreement.
  - (iii) **Revolving Credit Claims:** Approximately \$134 million in principal amount of outstanding loans issued under the revolving credit facility under the Credit Agreement.
  - (iv) **Deferred Interest and Fees Claims:** Approximately \$166 million of deferred interest and fees due and outstanding under the Credit Agreement, including with respect to the LC Facility.
- **ABS Facility Claims:** Approximately \$235 million in principal amount of loans and commitments, including obligations with respect to issued letters of credit, outstanding under the ABS Facility estimated as of June 30, 2011 (the “**ABS Facility Claims**”).
  - **6% Convertible Notes Claims:** Approximately \$70 million in principal amount of notes outstanding issued pursuant to that certain note purchase agreement, dated as of February 11, 2010, as amended, supplemented or otherwise modified from time to time (the “**6% Convertible Notes Claims**”).
  - **3.375% Contingent Convertible Senior Note Claims:** Approximately \$1.6 million in principal amount of notes outstanding issued pursuant to that certain indenture, dated December 31, 2004, among the Company, the guarantors named therein and Deutsche Bank Trust Company Americas, as trustee, as amended, supplemented or otherwise modified from time to time (the “**3.375% Convertible Notes Claims**”).
  - **5.0% Contingent Convertible Notes Claims:** Approximately \$269,000 in principal amount of notes outstanding issued pursuant to that certain indenture, dated as of December 31, 2004, among the Company, the guarantors named therein and Deutsche Bank Trust Company Americas, as trustee, as amended, supplemented or otherwise modified from time to time (the “**5.0% Convertible Notes Claims**” and, collectively, with the 6% Convertible Notes Claims and the 3.375% Convertible Notes Claims, the “**Convertible Notes Claims**”).
  - **Pension Note:** As of June 30, 2011, approximately \$152 million in principal amount and interest relating to the Pension Note, which is secured by certain owned real estate collateral.

**Structure of Transaction**

- **Lender Treatment:**
  - (a) **LC Facility:** On the Closing Date (defined below), the LC Facility and outstanding letters of credit will remain in place on their current terms as part of the Amended Term Loan (as defined below); provided, however, the LC Facility shall have an interest rate of 7.5% per annum payable in cash.<sup>2</sup> All obligations with respect to the LC Facility will remain unaffected and all LCs will remain outstanding according to their current

<sup>2</sup> Any amounts funded on account of the LCs shall become loans under the Amended Term Loan.

terms and the Company will be able to renew, continue or extend such LCs in accordance with the terms of the LC Facility. No new LCs may be issued under the LC Facility other than any LC issued substantially concurrently with the termination or cancellation of any existing LC and so long as the aggregate drawable amount of all LCs shall not increase after giving effect to the issuance of such new LC.

- (b) **Credit Agreement Claims:** On the Closing Date, in exchange (the “*Exchange Offer*”) for the Credit Agreement Claims, Lenders will receive: (i) 72.5% of the New Common Stock,<sup>3</sup> subject to dilution on account of the Management Incentive Plan (as defined below) and the New Convertible Secured Notes (as defined below), (ii) \$140 million of Restructured Convertible Secured Notes,<sup>4</sup> and (iii) loans under the Amended Term Loan, which loans will be in the initial principal amount of the Non-LC Credit Agreement Claims minus \$305 million (approximately \$242 million using estimated June 30, 2011 amounts (including projected pay downs from asset sales)) (the “*New Term Loan Amount*”).<sup>5</sup>
- **Treatment of ABS Facility Claims:** On the Closing Date, the Company will satisfy in full in cash all ABS Facility Claims with the proceeds of the ABL Facility.
  - **Treatment of Convertible Notes Claims:** To remain outstanding.
  - **Treatment of Pension Note:** On the Closing Date, the Pension Note will be amended to (i) extend the maturity until March 31, 2015, (ii) defer any accrued interest and fees as of the Closing Date until maturity, (iii) provide for contract rate cash interest<sup>6</sup> (including on deferred amounts) beginning on the Closing Date and (iv) eliminate any mandatory amortization payments (other than in connection with permitted sales of the collateral securing the Pension Note, pursuant to which the Pension Fund Entities (as defined in the Credit Agreement) shall have a first lien). The Pension Note will retain a first lien on the assets that constitute its current first lien collateral and a third lien on the assets that constitute its current second lien collateral. The above-described treatment of the Pension Note shall be documented and executed pursuant to an agreement between the Company and all the Pension Fund Entities (the “*Pension Note Extension Agreement*”).
  - **Treatment of Old Equity:** After giving effect to the Restructuring, holders of Old Equity will own 2.5% of the New Common Stock, subject to dilution on

<sup>3</sup> The New Common Stock will be initially issued as New Convertible Preferred Stock, allocated among the holders of Credit Agreement Claims on a pro rata basis, which will automatically convert into New Common Stock upon consummation of the Merger (as defined below).

<sup>4</sup> The Restructured Convertible Secured Notes shall be allocated among the holders of Non-LC Credit Agreement Claims on a pro rata basis.

<sup>5</sup> The Amended Term Loan shall be allocated among the holders of Non-LC Credit Agreement Claims on a pro rata basis.

<sup>6</sup> The interest rate will be consistent with applicable fund documentation in effect on February 28, 2011.

account of the Management Incentive Plan and the New Convertible Secured Notes.

- **Employee Distribution:** On the Closing Date, the Company will issue New Convertible Preferred Stock convertible into 25% of the New Common Stock, subject to dilution on account of the Management Incentive Plan and the New Convertible Secured Notes, to a new International Brotherhood of Teamsters (“**IBT**”) Employee Stock Trust, and the Company will enter into a new stock plan (the “**IBT Employee Plan**”) with respect to such New Common Stock for IBT employees.<sup>7</sup>

**Restructured  
Convertible  
Secured Notes**

- \$140 million in aggregate principal amount of new convertible secured notes (the “**Restructured Convertible Secured Notes**”) will be issued under an indenture (the “**Restructured Convertible Secured Notes Indenture**”), pursuant to a registration statement, which includes the following terms, among others: (i) convertible at the holder’s option on and after the second anniversary of the Closing Date into New Common Stock at a conversion price based on a pre-conversion \$400 million equity valuation; (ii) a lien on substantially all collateral securing the Amended Term Loan/LC Facility which liens shall be junior only to the liens securing the Amended Term Loan/LC Facility (except that the liens securing the Restructured Convertible Secured Notes shall also be junior to (a) the first liens securing the Pension Note solely with respect to the collateral securing the Pension Note, (b) the liens securing the ABL Facility solely with respect to the collateral securing the ABL Facility and (c) other permitted liens (to be mutually agreed) and equal and ratable only with the liens securing the New Money Convertible Secured Notes (as defined below); (iii) maturity date of March 31, 2015; (iv) an interest rate of 10% per annum, which shall be paid in kind on a semi-annual basis; (v) callable at par plus accrued interest; (vi) registration rights; (vii) votes as equity on an as converted basis; and (viii) other market terms.

**Amended Term  
Loan**

- The existing term loan under the Credit Agreement shall be amended (the “**Amended Term Loan**”). Initially, the Amended Term Loan will be in the aggregate principal amount of the New Term Loan Amount. The Amended Term Loan will include the LC Facility.
- The Amended Term Loan will contain the following terms, among others: (i) a first priority lien on all collateral currently securing the Credit Agreement (except that the liens securing the Amended Term Loan shall be junior to (a) the first liens securing the Pension Note solely with respect to the collateral securing the Pension Note, (b) the liens securing the ABL Facility solely with respect to the collateral securing the ABL Facility and (c) other permitted liens to be mutually agreed) and *pari passu* with no other liens except the liens securing the LC Facility; (ii) an interest rate of 10% per annum payable in cash on a monthly basis; (iii) maturity date of March 31, 2015; (iv) 75% of asset sale net cash proceeds received by the Loan Parties (as defined in the Credit Agreement) shall be used to pay down the Amended Term Loan and collateralize the LCs on a pro

<sup>7</sup> The New Convertible Preferred Stock will automatically convert into New Common Stock upon consummation of the Merger.



rata basis (subject to certain exceptions to be mutually agreed); and (v) other terms similar to term loans issued under the Credit Agreement.

- Pursuant to the Credit Agreement Amendment, the revolving credit facility under the Credit Agreement will be terminated as of the Closing Date.

**New Money  
Convertible  
Secured Notes**

- The Company will offer (the “**New Money Convertible Secured Notes Offering**”) to eligible holders of Credit Agreement Claims, pursuant to a registration statement, \$100 million in aggregate principal amount of new convertible secured notes (the “**New Money Convertible Secured Notes**”) and together with the Restructured Convertible Secured Notes, the “**New Convertible Secured Notes**”) under an indenture (the “**New Money Convertible Secured Notes Indenture**”) that includes the following terms, among others: (i) convertible at the holder’s option at any time into New Common Stock at a conversion price based on a pre-conversion \$118 million equity valuation; (ii) a lien on substantially all collateral securing the Amended Term Loan/LC Facility which liens shall be junior only to the liens securing the Amended Term Loan/LC Facility (except that the liens securing the New Money Convertible Secured Notes shall also be junior to (a) the first liens securing the Pension Note solely with respect to the collateral securing the Pension Note, (b) the liens securing the ABL Facility solely with respect to the collateral securing the ABL Facility and (c) other permitted liens to be mutually agreed) and equal and ratable only with the liens securing the Restructured Convertible Secured Notes; (iii) maturity date of March 31, 2015; (iv) an interest rate of 10% per annum, which shall be paid in kind on a semi-annual basis; (v) registration rights; (vi) non-callable through maturity; (vii) votes as equity on an as converted basis; and (viii) other market terms.
- All holders of Credit Agreement Claims will have the opportunity to purchase the New Money Convertible Secured Notes on a pro rata basis.

**ABL Facility**

- The Company will refinance the ABS Facility with the ABL Facility, which shall be secured by a first lien on the accounts receivables, which would have been subject to sale under the ABS Facility and related assets.

**Merger**

- Promptly following the closing of the Exchange Offer, the Company shall file a proxy statement with the SEC for the solicitation of votes to approve a merger (the “**Merger**”), pursuant to which a wholly owned subsidiary of YRC shall merge into YRC, with YRC being the surviving corporation and having an amended and restated certificate of incorporation with sufficient authorized shares of New Common Stock to permit conversion of the New Convertible Preferred Stock and the New Convertible Secured Notes into shares of New Common Stock, and further permitting the New Convertible Secured Notes to vote on an “as converted” basis with the Common Stock to the fullest extent permitted by law. The New Convertible Preferred Stock shall be permitted to vote on the Merger together with the existing Common Stock, voting together as one class.

**New Preferred  
and Common  
Stock**

- The New Convertible Preferred Stock and the New Common Stock shall be issued pursuant to a registration statement and the Company will use commercially reasonable efforts to cause the listing of the New Common Stock

on at least one of the New York Stock Exchange, American Stock Exchange or Nasdaq National Market System as soon as practicable after the Closing Date. Registration rights will be available to holders of securities that are, or are convertible into, 10% or more of the New Common Stock. The New Convertible Preferred Stock will vote on an “as converted” basis with the Common Stock to the fullest extent permitted by law.

- Operational and Liquidity Review** • Beginning on March 1, 2011, Teamsters National Freight Industry Negotiating Committee of the IBT (“**TNFINC**”) and advisors for the Joint Labor Management Committee, the Informal Lender Group (defined below) and the Agent shall have all reasonably necessary access to the Company’s senior management team, Alvarez & Marsal, Rothschild and its other non-legal advisors and personnel, and to information necessary to conduct a detailed operational and liquidity review of the Company.
- Pension Plans** • All pension plans that the Company sponsors or contributes to shall remain unaffected with the exception of the Pension Note Extension Agreement.
- Senior Management Support** • The Company shall expand the role of Alvarez & Marsal, the Company’s current advisor, and/or other specific individuals, in each case, to supplement the Company’s current senior management team in a manner that is satisfactory to the Steering Group (defined below), TNFINC and the Agent, each in their sole discretion.
- Management Incentive Plan** • A new management equity incentive plan (the “**Management Incentive Plan**”) will be implemented as soon as reasonably practicable after the Closing Date to provide designated members of post-Restructuring management with New Common Stock and/or stock option awards, exercisable for New Common Stock. The Management Incentive Plan will contain terms and conditions that shall be determined by the board of directors of reorganized YRC Worldwide Inc. (the “**New Board**”).
- CEO and CFO Search Process** • A five (5) person committee was formed to identify candidates to be the chief executive officer and chief financial officer of reorganized YRC Worldwide Inc. (“**New Candidates**”), which committee consists of three (3) representatives of the Steering Group, a representative of TNFINC, and a representative of the Agent. The Company has retained and is compensating a professional search firm selected by the committee to assist the committee. The Company will continue to provide the committee and New Candidates reasonable access to information and members of senior management.
- New Board of Directors** • The New Board shall consist of nine (9) members, initially to be elected or designated by the present members of the Board of Directors as “continuing directors”: six (6) members of the New Board shall be nominated by the Steering Group and the Agent, two (2) members shall be nominated by TNFINC and one (1) member shall be the post-Restructuring Chief Executive Officer of YRC Worldwide Inc. Both members nominated by TNFINC shall be “Independent Directors” (defined as a person (i) other than a former or current officer, director, employee or member of IBT and (ii) who has been determined by the Board to be an “Independent Director” as defined in Nasdaq Listing Rule 5605(a)(2) and to meet the independence requirements of Rule 10A-3(b)(1) under the Securities

Exchange Act of 1934, as amended). The corporate governance documents of reorganized YRC Worldwide Inc. shall determine election/appointment of successor members of the board of directors.

- TNFINC shall be issued one share of new Series A Preferred Stock entitling it to elect its two (2) nominees as directors.
- One of the two members elected by TNFINC shall serve on each of the governance, audit, finance and compensation committees of the New Board. Subject to applicable stock exchange or regulatory requirements where the committee is required to make decisions, decisions of any committee that are material to the business or operations of the Company, taken as a whole, are subject to ratification by the full New Board other than with respect to ministerial functions such as pricing of securities offerings.
- The chairman of the New Board will be a director other than the post-Restructuring chief executive officer.

**Tax Structure**

- The Company shall consult with the Parties on tax issues and matters of tax structure related to the Restructuring and all tax-related decisions in the Restructuring shall be acceptable to each of the Consenting Parties in their sole discretion. For purposes of this Term Sheet, the “**Consenting Parties**” are: (i) YRC, (ii) the TNFINC, (iii) to the extent a “Consenting Party” under the Credit Agreement, the steering group (the “**Steering Group**”) of the Informal Group of Unaffiliated Lenders represented by Akin Gump Strauss Hauer & Feld LLP and Houlihan Lokey Capital, Inc. (the “**Informal Lender Group**”) and (iv) the Agent.

**Indemnification**

- The Company will jointly and severally indemnify and hold harmless TNFINC, the Informal Lender Group (including the Steering Group) and its members, the Agent, and their affiliates and the officers, directors, employees, representatives, successors, permitted assigns, attorneys, advisors and agents of any of the foregoing (the “**Indemnitees**”) from and against any claims, demands, judgments, actions or causes of action, liabilities, obligations, damages, losses, deficiencies, assessments, costs, fines, penalties, interest and expenditures (including the reasonable fees and out-of-pocket expenses of counsel) suffered or incurred by any Indemnitee arising out of, based upon, attributable to or resulting from: (i) any breach or inaccuracy of any representation or warranty made by the Company in the Restructuring or any certificate delivered pursuant to the Restructuring; (ii) any breach or failure by the Company to perform any of their respective covenants or obligations contained in the restructuring; or (iii) any legal proceedings relating to or arising out of the Restructuring or the Transactions contemplated therein, in each case, except to the extent of the gross negligence or willful misconduct of an Indemnitee (as finally determined by a court of competent jurisdiction).

**Fees of the Parties**

- On or before the Closing Date and in accordance with the respective engagement letters or the Credit Agreement, YRC will have paid, or caused to be paid, all invoiced costs and expenses incurred by the Parties, including, but not limited to, the fees and expenses of (i) Akin Gump Strauss Hauer & Feld LLP, Robert Hall and Houlihan Lokey Capital, Inc. in connection with their representation of the

Informal Lender Group, (ii) all reasonable out-of-pocket expenses of the Informal Lender Group, (iii) Stroock & Stroock & Lavan LLP, Sidley Austin LLP and Compass Lexecon in connection with their representation of the Agent, (iv) Willkie Farr & Gallagher LLP and MAEVA Advisors, LLC in connection with their representation of the Joint Management and Labor Committee, and (v) Kirkland & Ellis LLP, Alvarez & Marsal, and Rothschild in connection with their representation of the Company.

- Definitive Documents**
- This Term Sheet is non-binding and indicative. Any final agreement will be subject to definitive agreements, offering memoranda and other documents necessary to effectuate the Restructuring, including, but not limited to, the Pension Note Extension Agreement, ABL Facility, Restructured Convertible Secured Notes Indenture, Exchange Offer, New Money Convertible Secured Notes Offering, New Money Convertible Secured Notes Indenture, Amended Term Loan, the Restructuring Support Agreement, any intercreditor agreement and the corporate governance documents of reorganized YRC Worldwide Inc. (collectively, the “**Definitive Documents**”), each consistent with the terms of this Term Sheet and otherwise in form and substance acceptable to the Consenting Parties, each in their sole discretion. The Definitive Documents will contain terms, conditions, representations, warranties, and covenants, each customary for the transactions described herein, including, without limitation, a material adverse change clause consistent with the terms of this Term Sheet.
- Other Terms**
- This Term Sheet is subject to the following:
    - (i) The Definitive Documents annexed to the Restructuring Support Agreement shall be in substantially final form on or before April 22, 2011, which date may be extended upon the approval of each of the Company, the Agent and the Steering Group, each in their sole discretion, and which Definitive Documents shall be in form and substance and with such changes acceptable to the Consenting Parties, each in their sole discretion;
    - (ii) An agreement to support the Restructuring shall be signed by Lenders holding at least 90% in principal amount of loans and commitments outstanding under the Credit Agreement on or before April 29, 2011, which support agreement shall be in form and substance acceptable to the Consenting Parties, each in their sole discretion;
    - (iii) On or before April 29, 2011, TNFINC shall (a) provide all necessary consents to the Restructuring required by the Agreement for the Restructuring of the YRC Worldwide, Inc. Operating Companies (the “**MOU**”), which consents shall be unqualified and non-contingent, and (b) contingent only upon the occurrence of the Closing Date, waive any termination, modification or similar rights under the MOU such that the collective bargaining agreement shall be fully binding on the parties thereto for its specified term;
    - (iv) On or before April 29, 2011, each of the Pension Fund Entities (as defined in the Pension Note) shall have consented to the Pension Note Extension Agreement;

- (v) The Exchange Offer and New Money Convertible Secured Notes Offering being consummated on or before July 22, 2011 (the "**Closing Date**"); and
- (vi) No Material Adverse Effect shall have occurred. "**Material Adverse Effect**" shall mean any material adverse change, circumstance, effect, event, occurrence, state of facts or development (each, a "**material adverse change**") since December 31, 2010 that, either alone or in combination, has had or is reasonably likely to have a short term or long term material adverse effect on (i) the financial condition, business, results of operations, assets or liabilities of the Company, whether or not arising from transactions in the ordinary course or (ii) the ability of the Company to perform its obligations under this Term Sheet and/or any of the Definitive Documents, in each case as determined in writing by 66 2/3% of the aggregate amount of outstanding Credit Agreement Claims of the Lenders who have executed the Restructuring Support Agreement; provided, however, that a Material Adverse Effect shall not be deemed to have occurred if such material adverse change was disclosed by the Company in any public filing prior to April 21, 2011.

**SUPPORT AGREEMENT**

This Support Agreement (this “Agreement”) is made and entered into as of April 29, 2011 by and among YRC Worldwide Inc. (“YRC”) and all of its direct and indirect domestic subsidiaries (collectively, the “Company” or “Companies”) and the Teamsters National Freight Industry Negotiating Committee (“TNFINC”) of the International Brotherhood of Teamsters (the “IBT”). The Company and TNFINC are collectively referred to herein as the “Parties” and individually as a “Party.”

**RECITALS**

**WHEREAS**, YRC Inc., USF Holland, Inc. and New Penn Motor Express, Inc. and TNFINC are parties to that certain Memorandum of Understanding on the Wage-Reduction – Job Security Plan, dated as of November 25, 2008 (the “2008 MOU”);

**WHEREAS**, YRC Inc., USF Holland, Inc. and New Penn Motor Express, Inc. and TNFINC are parties to that certain Amended and Restated Memorandum of Understanding of the Job Security Plan, dated as of July 9, 2009 (the “2009 MOU”);

**WHEREAS**, YRC Inc., USF Holland, Inc. and New Penn Motor Express, Inc. and TNFINC are parties to that certain Agreement for the Restructuring of the YRC Worldwide, Inc. Operating Companies, dated as of September 24, 2010 (as amended, the “2010 MOU”), which is annexed hereto as Exhibit A;

**WHEREAS**, employees of the Company who were active bargaining unit members of the IBT (the “Participating Employees”) during the 2008 MOU, 2009 MOU and 2010 MOU (the “Concession Period”), agreed to accept various wage, work rule and other concessions (the “Concessions”) to enable the Company to complete a financial restructuring and provide job security for the Participating Employees;

**WHEREAS**, the Company, TNFINC, the steering group of the Informal Group of Unaffiliated Lenders, and JPMorgan Chase Bank, National Association, as administrative agent, are parties to that certain YRC Worldwide Inc. Summary of Principal Terms of Proposed Restructuring, dated February 22, 2011 (the “Term Sheet”), which sets forth the material terms for the restructuring of the Company and is annexed hereto as Exhibit B;

**WHEREAS**, the Company, TNFINC, the steering group of the Informal Group of Unaffiliated Lenders, and JPMorgan Chase Bank, National Association, as administrative agent (the “Agent”), are parties to that certain amended YRC Worldwide Inc. Summary of Principal Terms of Proposed Restructuring, dated April 21, 2011 (the “Amended and Restated Term Sheet”), which sets forth the material terms for the restructuring of the Company and is annexed hereto as Exhibit C; and

**WHEREAS**, the parties to the Amended and Restated Term Sheet have agreed upon the form of certain documents which are attached to the Lender Support Agreement (as defined below) (the “Definitive Documents”) and are necessary to effectuate the Company’s restructuring on the terms set forth in the Amended and Restated Term Sheet (the “Restructuring”); and

**NOW, THEREFORE**, in consideration of the mutual agreements herein contained, and of other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

## AGREEMENT

**1. Incorporation by Reference.** The 2010 MOU and Amended and Restated Term Sheet annexed hereto are incorporated herein by reference. In the event the terms and conditions set forth in the 2010 MOU and Amended and Restated Term Sheet are inconsistent with the terms and conditions set forth in this Agreement, the terms and conditions set forth in the 2010 MOU and the Amended and Restated Term Sheet shall govern.

**2. Definitions.** Each capitalized term used in this Agreement that is not defined herein shall have the meaning given to it in the CDA.

“Agent” means JPMorgan Chase Bank, National Association, as collateral and administrative agent under the Existing Credit Agreement.

“CBA” means that certain 2008-2013 National Master Freight Agreement and its applicable supplemental agreements, as the same have been amended by the 2010 MOU and extended through March 31, 2015 and may be amended from time to time.

“CDA” means that certain Amended and Restated Contribution Deferral Agreement dated as of the date of consummation of the Restructuring, by and among the Company, USF Holland, Inc., New Penn Motor Express, Inc., USF Reddaway Inc., the Trustees for the Central States, Southeast and Southwest Areas Pension Fund, the other Funds (as defined therein) and Wilmington Trust Company as agent.

“Credit Agreement Claims” means the Deferred Interest and Fees Claims, the LC Claims, the Term Loan Claims and the Revolving Credit Claims.

“Deferred Interest and Fees Claims” means claims with respect to all deferred interest and fees accrued and unpaid under the Existing Credit Agreement as of the date the Restructuring is consummated.

“Existing Credit Agreement” means that certain Credit Agreement, dated August 17, 2007, as amended, modified or supplemented from time to time, by and among the Company as borrower, the lenders from time to time party thereto as lenders, certain of the Company’s subsidiaries listed as a guarantor on the signature pages thereto as guarantors and JPMorgan Chase Bank, National Association, as collateral and administrative agent.

“LC Claims” means claims with respect to the aggregate LC Exposure (as defined in the Existing Credit Agreement) as of the date the Restructuring is consummated.

“Lender Support Agreement” means that certain letter agreement, dated as of April 29, 2011, from the Company to the Holders of Credit Agreement Claims referred to therein.

“**Material Adverse Effect**” means (a) a material adverse change, circumstance, effect, event, occurrence, state of facts or development (each, a “**material adverse change**”) that, either alone or in combination, has had or is reasonably likely to have a short term or long term material adverse effect on (i) the financial condition, business, results of operations, assets or liabilities of the Company, whether or not arising from transactions in the ordinary course or (ii) the ability of the Company to perform any of its obligations under the Amended and Restated Term Sheet, the Approved Transaction Documents (as defined in the Lender Support Agreement), the Qualified Transaction (as defined in the Lender Support Agreement), the Lender Support Agreement and/or this Agreement.

“**Merger**” means the merger of a wholly owned subsidiary of YRC with and into YRC with YRC as the surviving entity, in accordance with the terms of an agreement and plan of merger in form and substance satisfactory to TNFINC.

“**Non-LC Credit Agreement Claims**” means the Revolving Credit Claims, Term Loan Claims and the Deferred Interest and Fee Claims.

“**Revolving Credit Claims**” means claims with respect to the outstanding principal amount of the Revolving Loans (as defined in the Existing Credit Agreement) as of the date the Restructuring is consummated.

“**Term Loan Claims**” means claims with respect to the outstanding principal amount of the Term Loans (as defined in the Existing Credit Agreement) as of the date the Restructuring is consummated).

**3. TNFINC’s Support of the Restructuring.** TNFINC agrees that, for so long as the Restructuring embodies and is consistent with the terms and conditions set forth in the Amended and Restated Term Sheet and the Definitive Documents (collectively, the “**Restructuring Documents**”), TNFINC shall consent to, and shall support, the terms and conditions of the Restructuring. Specifically, TNFINC agrees that (a) the New Convertible Preferred Stock as described in the Employee Distribution section of the Amended and Restated Term Sheet satisfies the requirements set forth in the 2010 MOU for profit sharing and equity ownership, including, but not limited to, sections 2 and 4(c) and the section of the Term Sheet/Proposal entitled “Equity Ownership of the Company”, (b) the Restructuring satisfies the requirements set forth in the 2010 MOU for a financial restructuring of the Company, including, but not limited to, section 2 and the sections of the Term Sheet/Proposal entitled “ABS Credit Facility”, “Concessions”, “Revolving Credit and Term Loan Facilities”, “Capital Event” and “Timing” and (c) the Restructuring in accordance with the terms of the Restructuring Documents satisfies the board composition and corporate governance requirements set forth in the 2010 MOU, including but not limited to, the section of the Term Sheet/Proposal entitled “Board Composition and Representation.”

**4. TNFINC’s Waiver of Termination Rights under the MOU.** Upon the consummation of the Restructuring in accordance with the terms and conditions set forth in the Restructuring Documents, TNFINC waives its right to terminate, and agrees not to further modify, the 2010 MOU such that the collective bargaining agreement shall be fully binding on the parties thereto for its specified term.



**5. The Company's Undertakings.** The Company hereby agrees (i) to take all actions reasonably necessary to effectuate and consummate the transactions contemplated by the Restructuring Documents, and (ii) not to take any actions inconsistent with the transactions contemplated by this Agreement and the Restructuring Documents.

**6. Conditions.** The obligations of TNFINC set forth in this Agreement are conditioned upon the following to occur:

(a) the Company shall conduct an exchange offer in which the Company exchanges for a combination of (A) shares of new preferred stock of YRC (the "Series B Convertible Preferred Stock"), which Series B Convertible Preferred Stock shall, immediately following consummation of the Merger, automatically convert into shares of common stock of the Company, par value \$0.01 per share (the "Common Stock") equal to 72.5% of the Common Stock outstanding immediately following consummation of the Merger, subject to dilution on account of the Management Incentive Plan (as defined in the Amended and Restated Term Sheet) and the Convertible Secured Notes (as defined below), (B) newly issued 10% Series A Convertible Senior Secured Notes due 2015 (the "Series A Notes") in the aggregate principal amount of \$140.0 million under an indenture (including the annexes, schedules and exhibits thereto, the "Series A Indenture"), (C) the right to subscribe to purchase for cash newly issued 10% Series B Convertible Senior Secured Notes due 2015 (the "Series B Notes" and together with the Series A Notes, the "Convertible Secured Notes") in the aggregate principal amount of \$100.0 million under an indenture substantially in the form attached to the Lender Support Agreement (including the annexes, schedules and exhibits thereto, the "Series B Indenture") and (D) term loans under the New Credit Agreement (as defined below) in an aggregate initial principal amount of the Non-LC Credit Agreement Claims minus \$305 million;

(b) the Company shall amend and restate the Existing Credit Agreement on terms and subject to conditions substantially in the form attached to the Lender Support Agreement (such amended and restated credit agreement, including the annexes, schedules and exhibits thereto, as of its execution date, the "New Credit Agreement");

(c) the Company shall obtain a new asset based loan facility with an aggregate facility size of at least \$350 million, an advance rate on eligible receivables of at least 85% and an effective advance rate on all receivables of at least 61%, on terms and subject to conditions satisfactory to TNFINC, the proceeds of which shall be used (i) to refinance all outstanding claims under that certain Third Amended and Restated Receivables Purchase Agreement, dated as of April 18, 2008 and (ii) to provide incremental liquidity of at least \$80 million (such facility, as amended, supplemented or otherwise modified from time to time, the "ABL Facility");

(d) YRC shall issue \$140 million aggregate principal amount of Series A Notes under the Series A Indenture on a ratable basis in accordance with the Amended and Restated Term Sheet to the holders of Non-LC Credit Agreement Claims guaranteed by all of its domestic subsidiaries guaranteeing the obligations under the New Credit Agreement and shall enter into a Registration Rights Agreement, by and between YRC and certain holders of Series A Notes party thereto substantially in the form attached to the Lender Support Agreement;

(e) YRC shall issue \$100 million aggregate principal amount of Series B Notes under the Series B Indenture guaranteed by all of its domestic subsidiaries guaranteeing the obligations under the New Credit Agreement in exchange for cash to the holders of Credit Agreement Claims who subscribe for such Series B Notes on a ratable basis (subject to oversubscription rights for such Series B Notes) in accordance with the Amended and Restated Term Sheet and shall enter into that certain Registration Rights Agreement, by and between YRC and certain holders of Series B Notes party thereto substantially in the form attached to the Lender Support Agreement;

(f) YRC shall issue the Series B Convertible Preferred Stock on a ratable basis in accordance with the Amended and Restated Term Sheet to the holders of Credit Agreement Claims, on the terms and subject to the conditions set forth in the Certificate of Designations of Series B Convertible Preferred Stock and shall enter into a Registration Rights Agreement, by and between YRC and certain holders of Series B Convertible Preferred Stock substantially in the form attached to the Lender Support Agreement;

(g) the Company, all of the various pension funds who are parties to that certain Contribution Deferral Agreement, dated as of June 17, 2009, as amended, supplemented or otherwise modified from time to time (the "Contribution Deferral Agreement") and the agent thereunder, as applicable, shall enter into (A) the tenth amendment to the Contribution Deferral Agreement, which amends and restates the Contribution Deferral Agreement, in form and substance satisfactory to TNFINC, (B) the CDA in form and substance satisfactory to TNFINC and (C) a reaffirmation agreement in form and substance satisfactory to TNFINC;

(h) YRC shall issue the share of Series A Voting Preferred Stock to the IBT on the terms and subject to the conditions set forth in the Certificate of Designations of Series A Voting Preferred Stock of YRC in the form attached to the Lender Support Agreement (and any amendments or modifications thereto must be acceptable to TNFINC);

(i) YRC shall issue Series B Convertible Preferred Stock, which Series B Convertible Preferred Stock shall, immediately following consummation of the Merger, automatically convert into shares of Common Stock equal to 25% of the Common Stock outstanding immediately following consummation of the Merger, subject to dilution on account of the Management Incentive Plan and the Convertible Secured Notes, to a deferred tax qualified plan, and the Company shall enter into a new Employee Stock Plan in each case in form and substance materially consistent with the Amended and Restated Term Sheet and acceptable to the Company, the Agent, the Steering Group Majority (as defined in the Existing Credit Agreement) and TNFINC;

(j) TNFINC hereby acknowledges that each of Amendment No. 21 to the Existing Credit Agreement, dated as of April 29, 2011, Amendment No. 23 to the Third Amended and Restated Purchase Agreement, dated as of April 29, 2011, Amendment No. 9 to the Contribution Deferral Agreement, dated as of April 29, 2011 and Amendment No. 10 to the Contribution

Deferral Agreement, dated as of April 29, 2011, and the CDA, each as in effect today are satisfactory; and

(k) the representations and warranties set forth herein shall be true and correct in all material respects on and as of (a) the date hereof and (b) the date of consummation of the Restructuring except to the extent such representations and warranties expressly relate solely to an earlier date, in which case the representations and warranties shall be true and correct in all material respects as of such earlier date (provided, however, in each case, if any representation or warranty shall be subject to a qualification as to "materiality" or "material adverse effect," such qualified representation or warranty shall be true and correct in all respects as of such date), and no Default or Event of Default shall have occurred and be continuing or would result from the consummation of the Restructuring. The Company shall have delivered, or shall deliver, on each of the date hereof and the date of the Restructuring, a certificate in form and substance satisfactory to TNFINC, certifying the foregoing.

**7. Mutual Representations, Warranties, and Covenants.** Each Party makes the following representations, warranties and covenants to each of the other Parties, each of which are continuing representations, warranties and covenants:

**7.1 Enforceability.** This Agreement is the legally valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, receivership, moratorium or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

**7.2 No Consent or Approval.** The execution, delivery and performance by each Party to this Agreement does not and shall not require any material registration or material filing with, material consent or material approval of, or material notice to, or other material action to, with or by, any federal, state or other governmental authority or regulatory body, except (i) filings required by applicable state securities laws, (ii) the filing with the SEC of (x) one or more Registration Statements and the issuance of effectiveness orders with respect thereto in accordance with the requirements of the Exchange Offer and (y) proxy materials and related documents to effect the Merger Proxy Solicitation, (iii) the filing of any requisite notices, exceptions, waivers and/or application(s) to the NASDAQ Stock Market in connection with the Restructuring, (iv) filings required under the Securities Act of 1933, as amended (the "Securities Act") or the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in the case of YRC, (A) filings of the Series A Certificate of Designations, the Series B Certificate of Designations, the New Certificate of Incorporation, the Merger Agreement and other filings related to the Merger with the Secretary of the State of Delaware and (B) other registrations, filings, consents, approvals, notices or other actions that are reasonably necessary to maintain permits, licenses, qualifications and governmental approvals to carry on the business of the Company, (v) filings to release existing Liens and to perfect Liens contemplated by this Agreement and (vi) other consents, approvals or actions which have been obtained on or prior to the date hereof.

**7.3 Power and Authority.** Each Party has all requisite corporate, partnership, limited liability company or similar authority to enter into this Agreement and to carry out the transactions contemplated by, and perform its respective obligations under, this Agreement.

**7.4 Authorization.** The execution and delivery of this Agreement and the performance of its obligations hereunder have been duly authorized by all necessary corporate, partnership, limited liability company or similar authority action on its part.

**8. Representations, Warranties, and Covenants of the Company.** The Company makes the following representations, warranties and covenants to TNFINC, each of which are continuing representations, warranties and covenants through the date of consummation of the Restructuring unless otherwise specified:

**8.1 No Material Adverse Effect.** Since December 31, 2010 there has been no change in the condition (financial or otherwise) of the Company except those which individually or in the aggregate would not reasonably be expected to have a Material Adverse Effect; provided, however, that a Material Adverse Effect shall not be deemed to have occurred hereunder if such material adverse change was disclosed by the Company in any public filing prior to April 21, 2011.

**8.2 Full Disclosure.** To the knowledge of the Company, the written statements and information furnished to TNFINC and its representatives and the Funds about the Company (when taken as a whole and excluding projections, estimates, budgets, and forward looking statements), including, without limitation, do not as of the date thereof or date furnished contain any untrue statements of a material fact or omit a material fact necessary to make the material statements contained herein or therein not materially misleading in light of the circumstances under which made.

**8.3 Approvals.** On the date the Restructuring is consummated, no authorization, consent, license or exemption from, or filing or registration with, any court or governmental department, agency or instrumentality, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by the Company of the CDA or any of the Collateral Documents (as defined in the CDA), except for such approvals, consents, authorizations, licenses, exceptions, filings or registrations which have been obtained or made prior to the date of this CDA and remain in full force and effect, and except, in the case of any approval or consent under any covenant, indenture or agreement, where the failure to obtain the same would not reasonably be expected to have a Material Adverse Effect.

**8.4 Compliance with Laws.** The Company is in compliance with the requirements of all federal, state and local laws, rules and regulations applicable to or pertaining to their property or business operations, except where any such noncompliance, individually or in the aggregate, would not reasonably be expected to have a Material Adverse Effect.

**8.5 Lender Support Agreement.** On or before April 29, 2011, the Lenders (as defined in the Existing Credit Agreement) having Revolving Credit Exposures (as defined in the Existing Credit Agreement), outstanding principal amount of Term Loans (as defined in the Existing Credit Agreement) and unused Commitments (as defined in the Existing Credit

Agreement) representing at least 90% of the sum of the total Revolving Credit Exposures, the aggregate principal amount of Term Loans and the unused Commitments at such time have executed the Lender Support Agreement.

**8.6 Litigation.**

(a) Other than described on Schedule 8.6 hereto, which may be amended at any time on or prior to the consummation of the Restructuring, there are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Company, threatened against or affecting any Company (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve the CDA or the Transactions (as defined in the CDA).

(b) Except with respect to any matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, the Company (i) has not failed to comply with any Environmental Law (as defined in the Existing Credit Agreement) or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

**8.7 Status as Investment Company.** Neither the Company nor any of its subsidiaries is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

**8.8 Taxes.** The Company has timely filed or caused to be filed all Tax (as defined in the Existing Credit Agreement) returns and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Company has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

**8.9 ERISA.** No ERISA Event (as defined in the Existing Credit Agreement) has occurred, and no ERISA Event with respect to any Plan is reasonably expected to occur, that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect.

**8.10 Solvency.** Immediately after the consummation of the Transactions to occur on the Effective Date, the Company and its subsidiaries, taken as a whole, are and will be solvent.

**9. Reservation of Rights.** Except as expressly provided in this Agreement, nothing herein is intended to, or does, in any manner waive, limit, impair, or restrict the ability of TNFINC to protect and preserve its rights, remedies and interests, including without limitation, any claims it has against the Company or its full participation in any bankruptcy case. If the Restructuring is not consummated, or if this Agreement is terminated for any reason prior to the

consummation of the Restructuring, the Parties fully reserve any and all of their rights, remedies, claims and causes of action.

**10. Termination.** TNFINC may terminate this Agreement at any time after the date hereof:

(a) upon the occurrence of any Material Adverse Effect;

(b) if an involuntary proceeding against any of the Companies is commenced or an involuntary petition is filed seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief in respect of any of the Companies or their debts, or of a substantial part of its assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership or similar law now or hereafter in effect, provided that such involuntary proceeding continues undismissed for a period of thirty (30) days after the filing thereof or if any court order grants the relief sought in such involuntary proceeding;

(c) if any of the Companies (i) voluntarily commences any proceeding or files any petition seeking bankruptcy, winding up, dissolution, liquidation, administration, moratorium, reorganization or other relief under any federal, state or foreign bankruptcy, insolvency, administrative receivership or similar law now or hereafter in effect, (ii) consents to the institution of, or fails to contest in a timely and appropriate manner, any involuntary proceeding or petition described in Section 10(b) hereof, (iii) applies for or consents to the appointment of a receiver, administrator, administrative receiver, trustee, custodian, sequestrator, conservator or similar official for the Company or for a substantial part of its assets, (iv) files an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) makes a general assignment or arrangement for the benefit of creditors or (vi) takes any corporate action for the purpose of authorizing any of the foregoing;

(d) the issuance by any governmental authority, including any regulatory authority or court of competent jurisdiction, of any ruling or order enjoining the consummation of a material portion of the Restructuring; and

(e) on June 1, 2011, unless each Employer (as defined in the 2010 MOU) shall have reached an agreement in writing with the applicable trustees of each of the Teamster Pension Funds covered by the CBA (each a "Fund") to either: (A) reenter the Fund as a contributing employer and contribute to the Fund in accordance with the terms of the 2010 MOU (the "MOU Contributions"); or (B) if making the MOU Contributions to certain of the Funds is prohibited by applicable law, then pending the earlier to occur of the adoption of legislation or regulatory approval which would permit the applicable Fund to accept the MOU Contributions or such time as the MOU Contributions are no longer prohibited with respect to such Fund, each Employer shall have reached an agreement with such Fund: (x) to allow payments in amounts equal to the MOU Contributions (the "Prohibited Amounts") to be deposited into an escrow account for the benefit of the Fund on terms acceptable to the Employer and the Fund (each, an "Escrow Account"); (y) to first apply Prohibited Amounts to pay any obligations owed to the Fund by the Employer under the Contribution Deferral Agreement and thereafter deposit remaining Prohibited Amounts into an Escrow Account; or (z) solely in the event that agreements pursuant to (x) and (y) above can not be consummated under applicable law or fund

documentation, on other terms acceptable to the Employer and the applicable Fund. Each such agreement shall provide that, under no circumstances, shall the Fund determine that the implementation of either clause (A) or (B) above: (1) constitutes with respect to any Employer or any of their ERISA Affiliates (as defined in the Contribution Deferral Agreement): (x) a complete withdrawal with respect to any Fund under section 4203 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and/or any other applicable law with similar effect ("Similar Law") or (y) a partial withdrawal with respect to any Fund under section 4205 of ERISA and/or any other Similar Law, or (2) otherwise subject any of the Employers or any of their ERISA Affiliates to Withdrawal Liability (as defined in the Contribution Deferral Agreement). Notwithstanding any action by the Fund prior to February 28, 2011, each such agreement shall also provide that, so long as the Employer complies with the terms of its agreement with the applicable Fund, including its obligations to make the MOU Contributions, the trustees of the Fund shall not bring any action against the Employer or any of its ERISA Affiliates to claim a withdrawal from the Fund or to demand the payment of, assess, quantify, enforce or collect Withdrawal Liability. For the avoidance of doubt, each agreement referred to in this Section 10(e) must be in form and substance acceptable to the Company, TNFINC and the Steering Group Majority.

#### **11. Miscellaneous Terms.**

**11.1 Further Assurances.** The Parties agree to execute and deliver such other instruments and perform such acts, in addition to the matters herein specified, as may be reasonably appropriate or necessary, from time to time, to effectuate the agreements and understandings of the Parties.

**11.2 Fiduciary Duties.** Notwithstanding anything to the contrary herein, nothing in this Agreement shall require the Company or its affiliated entities or any directors or officers of the Company or its affiliated entities, in such Person's capacity as a director or officer of the Company or its affiliated entities, to take any action, or to refrain from taking any action, to the extent required to comply with its or their fiduciary obligations under applicable law. TNFINC shall not have any fiduciary or other duties or responsibilities to the Company. To the fullest extent permitted by law, the Company hereby waives and releases any claims that it may have against TNFINC with respect to any claim in connection with any aspect of any transaction contemplated hereby (including the negotiation of such transaction).

**11.3 Fees.** In accordance with the terms of (i) the existing engagement letters with Willkie, Farr & Gallagher LLP and MAEVA Advisors, LLC, and (ii) any other agreements with professionals or advisors of the Joint Management and Labor Committee of the Company of which TNFINC is a member, the Company shall pay all fees and expenses of such professionals and advisors on a regular basis and on the terms set forth in such agreements (as applicable).

**11.4 Complete Agreement.** This Agreement (together with the Restructuring Documents) and the 2010 MOU constitutes the entire agreement between the Parties with respect to the Restructuring and supersedes all prior agreements, oral or written, between the Parties with respect thereto.

**11.5 Parties.** This Agreement shall be binding upon, and inure to the benefit of, the Parties. No rights or obligations of any Party under this Agreement may be assigned or transferred to any other person or entity. Nothing in this Agreement, express or implied, shall give to any person or entity, other than the Parties, any benefit or any legal or equitable right, remedy or claim under this Agreement.

**11.6 Modification.** This Agreement may only be modified, altered, amended or supplemented by an agreement in writing signed by the Company and TNFINC.

**11.7 Governing Law.** THIS AGREEMENT IS TO BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK APPLICABLE TO CONTRACTS MADE AND TO BE PERFORMED IN SUCH STATE, WITHOUT GIVING EFFECT TO THE CHOICE OF LAWS PRINCIPLES THEREOF.

**11.8 Execution of this Agreement; Headings.** This Agreement may be executed and delivered (by facsimile or otherwise) in any number of counterparts, each of which, when executed and delivered, shall be deemed an original, and all of which together shall constitute the same agreement. Except as expressly provided in this Agreement, each individual executing this Agreement on behalf of a Party has been duly authorized and empowered to execute and deliver this Agreement on behalf of said Party. The headings of all sections of this Agreement are inserted solely for the convenience of reference and are not a part of and are not intended to govern, limit or aid in the construction or interpretation of any term or provision hereof.

**11.9 Interpretation.** Any Party enforcing or interpreting this Agreement shall interpret it in a neutral manner. There shall be no presumption concerning whether to interpret this Agreement for or against any Party by reason of that Party having drafted this Agreement, or any portion thereof, or caused it or any portion thereof to be drafted.

[Remainder of page intentionally left blank.]



IN WITNESS WHEREOF, the parties have entered into this Agreement on the day and year first above written.

**YRC WORLDWIDE, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**TEAMSTERS NATIONAL FREIGHT  
INDUSTRY NEGOTIATING COMMITTEE**

By: \_\_\_\_\_  
Name:  
Title:

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**Exhibit A**

**2010 MOU**

[attached]

**Exhibit B**

**Term Sheet**

[attached]

**Exhibit C**

**Amended and Restated Term Sheet**

[attached]

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**Schedule 8.6**

**Material Litigation**

*ABF Freight System, Inc. v International Brotherhood of Teamsters, et al.*, Case No. No. 2:10-CV-2165 JLH (W.D. Ark)

Any other litigation disclosed as part of the Company's filings pursuant to the Securities Act or the Exchange Act or similar securities laws.

10990 Roe Avenue  
 Overland Park, KS 66211  
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## News Release



### YRC WORLDWIDE ACHIEVES MILESTONE, REACHING DEFINITIVE AGREEMENTS TO SUPPORT THE COMPANY'S RESTRUCTURING PLAN

— YRCW and stakeholders finalize terms announced in February's agreement in principle

Overland Park, KAN, April 29, 2011 — YRC Worldwide Inc. (Nasdaq: YRCW) announced today it has entered into definitive agreements with key stakeholders providing for their support of a comprehensive restructuring plan. The company reported that more than 95 percent of the senior secured lenders have now approved the restructuring documentation, as have 100 percent of the company's multi-employer pension funds, along with the International Brotherhood of Teamsters, and 100 percent of the lenders under the company's asset-backed securitization (ABS) facility, in each case subject to the terms and conditions contained in the agreements.

"When we announced the non-binding agreement in principle in February, we noted that our primary objective was to achieve a comprehensive restructuring with a solid foundation for long-term success," said John Lamar, chief restructuring officer and lead director of YRC Worldwide. "With these agreements, we believe that foundation is now in place, and we remain on target to close the restructuring in July."

The restructuring plan set out in the definitive agreements signed today anticipates an infusion of \$100 million in new capital, as well as increased liquidity from a new asset-based loan (ABL) facility, replacing the current ABS facility. In addition, the restructuring plan contemplates that a portion of the company's existing loans and other obligations will be exchanged for new securities, including the exchange of some obligations for equity. This is expected to be accomplished by a series of transactions to be completed in July, and would result in the company's existing shareholders holding approximately 2.5% of the company's outstanding common stock, subject to further dilution by a management incentive plan and the conversion of certain new securities. Important additional information can be found in the Current Report on Form 8-K to be filed today with the Securities and Exchange Commission.

"We sincerely appreciate the support given to YRC Worldwide from our lenders, the pension funds and the Teamsters," added Lamar. "With our stakeholders having shown their confidence in the company by executing these definitive agreements we look forward to completing the restructuring as we have previously announced."

#### **First Quarter Earnings Call**

YRC Worldwide will hold a conference call for the investment community on Friday, May 6, 2011, beginning at 9:30am ET, 8:30am CT. First quarter earnings will be released the same day, Friday, May 6, 2011, prior to the opening of the market. The call will be open to listeners live and by recorded playback via the YRC Worldwide Internet site [yrcw.com](http://yrcw.com).

## **Important Information about the Restructuring**

This news release is for informational purposes only and does not constitute an offer to sell or buy, nor the solicitation of an offer to sell or buy, any securities referred to herein and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offering, solicitation or sale would be unlawful. Any offer and sale of securities referred to herein has not been registered under the Securities Act of 1933, as amended, and, unless so registered, may not be offered or sold in the United States absent an applicable exemption from registration requirements.

**Forward-Looking Statements:** This news release and the Current Report on Form 8-K referenced herein contain 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. The words “will,” “would,” “anticipate,” “expect,” “believe,” “intend” and similar expressions are intended to identify forward-looking statements. It is important to note that any restructuring will be subject to a number of significant conditions, including, among other things, the satisfaction or waiver of the conditions contained in definitive agreements related to the restructuring and the lack of unexpected or adverse litigation results. The Company cannot provide you with any assurances that the conditions contained in definitive agreements related to the restructuring will be satisfied or that the restructuring can be completed in the timeframes required under the Company’s various agreements with its stakeholders. The Company cannot provide you with any assurances that any restructuring can be completed out-of-court or whether the Company will be required to implement the restructuring under the supervision of a bankruptcy court, in which event, the Company cannot provide you with any assurances that the terms of any such restructuring will not be substantially and materially different from that described in this news release or any description in the Current Report on Form 8-K referenced herein or that an effort to implement an in-court restructuring would be successful. In addition, even if a restructuring is completed, the Company’s future results could differ materially from any results projected in such forward-looking statements because of a number of factors, including (among others), the effect of any restructuring, whether out-of-court or in-court, may have on the Company’s customers’ willingness to ship their products on the Company’s transportation network, the Company’s ability to generate sufficient cash flows and liquidity to fund operations, which raises substantial doubt about the Company’s ability to continue as a going concern, inflation, inclement weather, price and availability of fuel, sudden changes in the cost of fuel or the index upon which the Company bases its fuel surcharge, competitor pricing activity, expense volatility, including (without limitation) expense volatility due to changes in rail service or pricing for rail service, ability to capture cost reductions, changes in equity and debt markets, a downturn in general or regional economic activity, effects of a terrorist attack, labor relations, including (without limitation), the impact of work rules, work stoppages, strikes or other disruptions, any obligations to multi-employer health, welfare and pension plans, wage requirements and employee satisfaction, and the risk factors that are from time to time included in the Company’s reports filed with the SEC, including the Company’s Annual Report on Form 10-K for the year ended December 31, 2010 .

## **About YRC Worldwide**

YRC Worldwide Inc., a Fortune 500 company headquartered in Overland Park, Kan., is a leading provider of transportation and global logistics services. It is the holding company for a portfolio of successful brands including YRC, YRC Reimer, YRC Glen Moore, Reddaway, Holland and New Penn, and provides China-based services through its Jiayu and JHJ joint ventures. YRC Worldwide has the largest, most comprehensive less-than-truckload (LTL) network in North America with local, regional, national and international capabilities. Through its team of experienced service professionals, YRC Worldwide offers industry-leading expertise in heavyweight shipments and flexible supply chain solutions, ensuring customers can ship industrial, commercial and retail goods with confidence. Please visit [www.yrcw.com](http://www.yrcw.com) for more information.

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