USF BESTWAY INC
Form S-1/A
July 08, 2011
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As filed with the Securities and Exchange Commission on July 8, 2011

Registration No. 333-174277

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 2

TO

FORM S-1

REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

YRC Worldwide Inc.

(Exact name of registrant as specified in its charter)

Delaware	**4213**	**48-0948788**
(State or other jurisdiction of incorporation or organization)	*(Primary Standard Industrial Classification Code Number)*	*(I.R.S. Employer Identification No.)*

10990 Roe Avenue

Overland Park, Kansas 66211

(913) 696-6100

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Jeff P. Bennett

Vice President Legal, Interim General Counsel and Secretary

10990 Roe Avenue

Overland Park, Kansas 66211

(913) 696-6100

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

Dennis M. Myers, P.C.

Paul D. Zier

Kirkland & Ellis LLP

300 North LaSalle

Chicago, IL 60654

(312) 862-2000

Approximate date of commencement of proposed sale to public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ¨

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨

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

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

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CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Security(2)	Proposed Maximum Aggregate Offering Price(3)	Amount of Registration Fee(4)
10% Series A Convertible Senior Secured Notes due 2015	$140,000,000	$ 1.00	$140,000,000	$16,254
10% Series A Convertible Senior Secured Notes due 2015 Paid-in-Kind	$ 61,918,911	$ 1.00	$ 61,918,911	$ 7,189
10% Series B Convertible Senior Secured Notes due 2015	$100,000,000	$ 1.00	$100,000,000	$11,610
10% Series B Convertible Senior Secured Notes due 2015 Paid-in-Kind	$ 44,227,794	$ 1.00	$ 44,227,794	$ 5,135
Series B Convertible Preferred Stock, par value $1.00 per share	4,999,999	$44.38	$221,896,566	$25,763
Common Stock, par value $0.01 per share	5,981,137,729			$ (5)
Guarantees of 10% Series A Convertible Senior Secured Notes due 2015				
Guarantees of 10% Series B Convertible Senior Secured Notes due 2015				

(1) This Registration Statement registers (i) (A) the maximum aggregate principal amount of 10% Series A Convertible Senior Secured Notes due 2015 (the Series A Notes) issuable in exchange for claims under the Company s existing credit agreement (credit agreement claims) and (B) the maximum aggregate principal amount of Series A Notes paid-in-kind in respect of interest to be paid on the Series A Notes, (ii) (A) the maximum aggregate principal amount of 10% Series B Convertible Senior Secured Notes due 2015 (the Series B Notes) that will be issued and sold for cash to the holders of credit agreement claims pursuant to subscription rights issued in exchange for credit agreement claims and (B) the maximum aggregate principal amount of Series B Notes paid-in-kind in respect of interest or make whole premium to be paid on the Series B Notes, (iii) the maximum number of shares of new Series B Convertible Preferred Stock, par value $1.00 per share (the new preferred stock), comprised of approximately (A) 3,717,948 shares issuable in connection with the exchange offer for credit agreement claims and (B) 1,282,051 shares issuable to the Teamster-National 401(k) Savings Plan in connection with the transaction and (iv) the sum of (A) an estimate of the maximum number of shares of the registrant s common stock, par value $0.01 per share (the common stock), issuable in respect of principal and paid-in-kind interest of the Series A Notes (1,782,174,560 shares), (B) an estimate of the maximum number of shares of common stock issuable in respect of principal, paid-in-kind interest and make whole premium of the Series B Notes (2,335,746,476 shares), (C) an estimate of the number of shares of common stock issuable upon conversion of the new preferred stock being registered hereunder (1,863,216,693 shares) and (D) such currently indeterminate number of shares of common stock as may be required for issuance in respect of the new preferred stock, the Series A Notes and the Series B Notes as a result of anti-dilution provisions thereof or any liquidation preference associated therewith.

(2) Calculated by dividing the Proposed Maximum Aggregate Offering Price by the maximum number of shares of new preferred stock or the maximum aggregate principal amount of the Series A Notes and Series B Notes, as applicable, that may be issued in connection with the exchange offer.

(3) Estimated solely for purpose of calculating the registration fee pursuant to Rule 457(f) under the Securities Act of 1933.

(4) The registration fee has been calculated pursuant to Rule 457(f) of the Securities Act of 1933. These amounts were previously paid in connection with the initial filing of this registration statement with the Securities and Exchange Commission on May 17, 2011.

(5) No additional consideration will be received for the common stock issuable upon conversion of the new preferred stock, the Series A Notes and the Series B Notes, therefore no registration fee is required pursuant to Rule 457(i) of the Securities Act of 1933 with respect to such shares.

The registrants hereby amend this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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TABLE OF ADDITIONAL REGISTRANTS

Exact Name of Co-Registrant as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification No.
YRC Inc.	Delaware	34-0492670
Roadway LLC	Delaware	20-0453812
Roadway Next Day Corporation	Pennsylvania	23-2200465
YRC Enterprise Services, Inc.	Delaware	20-0780375
YRC Regional Transportation, Inc.	Delaware	36-3790696
USF Sales Corporation	Delaware	36-3799036
USF Holland Inc.	Michigan	38-0655940
USF Reddaway Inc.	Oregon	93-0262830
USF Glen Moore Inc.	Pennsylvania	23-2443760
YRC Logistics Services, Inc.	Illinois	36-3783345
IMUA Handling Corporation	Hawaii	36-4305355
YRC Association Solutions, Inc.	Delaware	20-3720424
Express Lane Service, Inc.	Delaware	20-1557186
YRC International Investments, Inc.	Delaware	20-0890711
USF RedStar LLC	Delaware	N/A
USF Dugan Inc.	Kansas	48-0760565
USF Technology Services Inc.	Illinois	36-4485376
YRC Mortgages, LLC	Delaware	20-1619478
New Penn Motor Express, Inc.	Pennsylvania	23-2209533
Roadway Express International, Inc.	Delaware	34-1504752
Roadway Reverse Logistics, Inc.	Ohio	34-1738381
USF Bestway Inc.	Arizona	86-0104184
USF Canada Inc.	Delaware	20-0211560
USF Mexico Inc.	Delaware	20-0215717
USFreightways Corporation	Delaware	N/A

The address, including zip code and telephone number, including area code, of each additional registrant s principal executive offices is as shown on the cover page of this Registration Statement on Form S-1, except the address, including zip code and telephone number, including area code for the principal executive offices of (i) New Penn Motor Express, Inc. is 625 South Fifth Ave., Lebanon, PA 17042, (800) 285-5000, (ii) USF Glen Moore Inc. is 1711 Shearer Drive, Carlisle, PA 17013-9970, (717) 245-0788, (iii) USF Holland Inc. is 750 East 40 St., Holland, MI 49423, (616) 395-5000 and (iv) USF Reddaway Inc. is 16277 SE 130 Ave., Clackamas, OR 97015, (503) 650-1286. The name, address, including zip code, of the agent for service for each of the additional registrants is Jeff P. Bennett, Vice President Legal, Interim General Counsel and Secretary, YRC Worldwide Inc., 10990 Roe Avenue, Overland Park, Kansas 66211.

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The information in this prospectus may change. We may not complete the exchange offer and issue these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state or other jurisdiction where the offer or sale is not permitted.

SUBJECT TO AMENDMENT, DATED JULY 8, 2011

PRELIMINARY PROSPECTUS

YRC Worldwide Inc.

OFFER TO EXCHANGE

Credit Agreement Claims

for

3,717,948 Shares of Series B Convertible Preferred Stock

$140.0 million in aggregate principal amount of 10% Series A Convertible Senior Secured Notes due 2015

and

Rights to Purchase $100.0 million in aggregate principal amount of 10% Series B Convertible Senior Secured Notes due 2015

AND

Issuance of 1,282,051 Shares of Series B Convertible Preferred Stock to a 401(k) Plan

THE EXCHANGE OFFER AND SUBSCRIPTION RIGHTS (AS EACH IS DEFINED BELOW) WILL EXPIRE AT 5:00 P.M., NEW YORK CITY TIME, ON JULY 15, 2011, UNLESS EXTENDED OR EARLIER TERMINATED BY US (SUCH DATE AND TIME, THE EXPIRATION DATE). AS OF THE DATE OF THIS PROSPECTUS, WE HAVE NO INTENTION OF EXTENDING SUCH DATE.

We are proposing a financial restructuring that is intended to improve our balance sheet and the liquidity available to us to operate our business. We have substantial debt and, as a result, significant debt service obligations. We have been deferring payment of interest and fees to our lenders under our existing credit agreement since October 2009, interest and facility fees to purchasers of our accounts receivable pursuant to our asset-backed securitization facility, interest and principal to certain multi-employer pension funds under our contribution deferral agreement, and we have been receiving the benefit of wage reductions and other concessions under modified national labor and other agreements with our employees. If we do not complete the financial restructuring, it is very unlikely we will be able to generate cash sufficient to pay the principal of, interest on and other amounts due in respect of our indebtedness and other obligations when due and we would likely need to seek protection under the U.S. Bankruptcy Code (the Bankruptcy Code). If we commence such a bankruptcy filing, we expect that holders of credit agreement claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims.

We are proposing to effect the financial restructuring through the restructuring plan set forth below. We refer to claims under the Company s existing credit agreement (i) with respect to outstanding letters of credit issued under the revolving credit facility (LC claims), (ii) with respect to the outstanding principal amount of term loans (term loan claims), (iii) with respect to the outstanding principal amount of loans issued under the revolving credit facility (revolving credit claims) and (iv) with respect to deferred interest and fees due and outstanding (deferred interest and fees claims), collectively, as credit agreement claims. We refer to non-LC credit agreement claims as the term loan claims, the revolving credit

claims and the deferred interest and fees claims, collectively. The restructuring plan consists of the following related transactions (among others):

the refinancing of credit agreement claims, pursuant to which we will (i) exchange, for credit agreement claims, a combination of (A) approximately 3,717,948 shares of our new Series B Convertible Preferred Stock, par value $1.00 (the new preferred stock), which new preferred stock shall, immediately following consummation of the Charter Amendment Merger (as defined below), automatically convert into shares of common stock, par value $0.01 per share (the common stock), of YRC Worldwide Inc. equal to approximately 72.5% of the common stock outstanding immediately

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following the consummation of the Charter Amendment Merger, subject to dilution as set forth herein, to be allocated among all holders of credit agreement claims on a pro rata basis, and (B) $140.0 million in aggregate principal amount of our new 10% Series A Convertible Senior Secured Notes due 2015 (the Series A Notes), to be allocated among all holders of all non- LC credit agreement claims on a pro rata basis, (ii) amend and restate our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer (the new term loan), to be initially held by all holders of non-LC credit agreement claims on a pro rata basis and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer, and (iii) issue subscription rights to all eligible holders of credit agreement claims to purchase for cash on a pro rata basis (subject to oversubscription rights) up to $100.0 million in aggregate principal amount of our new 10% Series B Convertible Senior Secured Notes due 2015 (the Series B Notes and together with the Series A Notes, the new convertible notes);

the ABL financing, pursuant to which we, through a special purpose, bankruptcy remote subsidiary of ours, will enter into an agreement for a new asset-based loan facility (the ABL facility) with initial aggregate commitments of $400.0 million and minimum excess availability on the closing of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility (as defined below) and any reserves), the proceeds of which will be used, in part, to refinance our current asset-backed securitization facility (the ABS facility);

an amendment and restatement of the contribution deferral agreement we have with certain multi-employer pension funds (the Contribution Deferral Agreement);

the issuance of approximately 1,282,051 shares of our new preferred stock to the Teamster-National 401(k) Savings Plan (the IBT 401(k)) for the benefit of our International Brotherhood of Teamsters (IBT) employees;

the amendment of the note securing our deferred multi-employer pension contributions (the pension note) 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); and

the restructuring of our board of directors to consist of six members initially nominated by the administrative agent under our existing credit agreement (the Agent) and the steering committee of an informal group of unaffiliated Lenders and Participants (as defined in our existing credit agreement) (the Steering Group), two members nominated by the IBT and one member that will be the chief executive officer-director. A new chief executive officer and chief financial officer will begin employment at the Company following the close of the exchange offer. A single share of our new Series A Voting Preferred Stock, par value $1.00 per share (the Series A Voting Preferred Stock), will be issued to the IBT to confer board representation.

We refer to the financial restructuring as the restructuring. We refer to our offer to exchange credit agreement claims for shares of our new preferred stock, the Series A Notes and subscription rights to purchase Series B Notes as the exchange offer. For a description of the exchange offer and the procedures for exchanging credit agreement claims, see The Exchange Offer.

In connection with and as an integral part of the exchange offer for credit agreement claims, holders of credit agreement claims who participate in the exchange offer will receive as part of their exchange consideration the right to subscribe to purchase an aggregate of $100.0 million in principal amount of our Series B Notes at an offering price of 100.0%. Holders of credit agreement claims may elect to subscribe to purchase up to the amount equal to their pro rata portion of the principal amount of credit agreement claims (the basic subscription right). In addition, such electing holders may subscribe to purchase additional Series B Notes in excess of their pro rata portion to the extent that other holders of credit agreement claims do not subscribe to purchase their respective pro rata portions (the oversubscription right and together with the basic subscription right, the subscription

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rights). The amount of Series B Notes that an electing holder subscribes to purchase is its subscription amount. Each electing holder s oversubscription right will be adjusted pro rata based on the amount of its credit agreement claims to the extent of any oversubscription for the Series B Notes, and the Subscription Agent (as defined below) will refund promptly the amount of any excess oversubscription to each electing holder after giving effect to any such adjustments.

The closing of the exchange offer is conditioned, among other things, on the satisfaction or waiver of a minimum exchange condition, which requires that 100% of the credit agreement claims are validly submitted for exchange and not withdrawn in the exchange offer (the Minimum Exchange Condition), the purchase and sale to holders of credit agreement claims of $100.0 million in aggregate principal amount of the Series B Notes in connection with the subscription rights, and other significant conditions. For a description of these and other significant conditions, see The Exchange Offer Conditions to the Exchange Offer.

Subject to applicable law and the terms of the lender support agreement and the Teamsters National Freight Industry Negotiating Committee (TNFINC) support agreement, we reserve the right to amend or modify the exchange offer at any time if our board of directors determines doing so would be in our best interests.

On April 29, 2011, we entered into a support agreement (the lender support agreement) with certain lenders holding credit agreement claims (the participating lenders) pursuant to which such participating lenders have agreed, among other things, to support the restructuring by submitting their credit agreement claims for exchange in the exchange offer, subject to certain conditions set forth in the lender support agreement and provided that no support termination event (as defined in such lender support agreement) occurs. The participating lenders hold approximately 97.5% of the principal amount of outstanding credit agreement claims. Also on April 29, 2011, we entered into a support agreement (the TNFINC support agreement) with TNFINC pursuant to which TNFINC has agreed, among other things, to the terms of the restructuring and to support the restructuring. See The Support Agreements.

Our common stock is currently listed on the NASDAQ Global Select Market under the symbol YRCW, however, if we complete the exchange offer, our common stock will be subject to delisting from the NASDAQ Global Select Market. There is no market for our new preferred stock, and we do not intend to list the new preferred stock, the Series A Notes or the Series B Notes on NASDAQ or any national or regional securities exchange.

We urge you to carefully read the Risk Factors section beginning on page 36 before you make any decision regarding the exchange offer.

NONE OF THE EXCHANGE OFFER, THE SUBSCRIPTION RIGHTS OR ANY OF THE SECURITIES OFFERED HEREBY HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (SEC) OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SEC OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY, COMPLETENESS OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

You must make your own decision whether to exchange your credit agreement claims or subscribe to purchase Series B Notes pursuant to the exchange offer, and, if you wish to subscribe to purchase Series B Notes, the principal amount of Series B Notes to purchase. None of YRC Worldwide Inc., its subsidiaries, their respective boards of directors, U.S. Bank National Association (the Subscription Agent) or U.S. Bank National Association (the Information and Exchange Agent) has made any recommendation as to whether or not holders should submit their credit agreement claims for exchange pursuant to the exchange offer or subscribe to purchase Series B Notes.

The date of this prospectus is , 2011

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Summary Offering Tables

For purposes of this prospectus, the term exchange consideration refers to the securities and the subscription rights being offered to the holders of credit agreement claims. For the purposes of this prospectus, the term holders in reference to credit agreement claims refers to holders of record of such credit agreement claims on the record date, which date is the expiration date.

The summary offering tables indicate for illustrative purposes the exchange consideration per $1,000 of credit agreement claims to be offered in the exchange offer for credit agreement claims validly submitted for exchange and not withdrawn, based on outstanding credit agreement claims as of June 30, 2011. The aggregate amounts outstanding under the existing credit agreement and the aggregate amount of our common stock outstanding may change up to and including the closing date of the exchange offer, which will cause their respective exchange consideration per $1,000 of claims and the conversion rate of the new preferred stock into our common stock to change but, in any event, the amount of new preferred stock, Series A Notes and the subscription rights to purchase for cash the Series B Notes offered as exchange consideration will be fixed at approximately 3,717,948 shares of new preferred stock, $140.0 million in aggregate principal amount of Series A Notes and subscription rights to purchase $100.0 million in aggregate principal amount of Series B Notes.

As part of the exchange consideration, based on outstanding credit agreement claims as of June 30, 2011, each $1,000 of credit agreement claims exchanged would have received shares of our new preferred stock and basic subscription rights (subject to oversubscription rights) to purchase for cash the Series B Notes as set forth immediately below:

		Consideration per $1,000 Amount of Credit Agreement Claims Exchanged (as of June 30, 2011)	
Type of Credit Agreement Claims	Aggregate Amount Outstanding (1)	Number of Shares of New Preferred Stock (2)	Basic Subscription Right to Pro Rata Portion of Series B Notes (3)(4)
Credit agreement claims	$ 1,038,477,160.73	3.5802	$ 96.2948

In addition to the exchange consideration described immediately above, based on outstanding credit agreement claims as of June 30, 2011, each $1,000 of non-LC credit agreement claims also would have received the principal amount of Series A Notes as set forth immediately below:

		Consideration per $1,000 Amount of Non-LC Credit Agreement Claims Exchanged (as of June 30, 2011)
Type of Credit Agreement Claims	Aggregate Principal Amount Outstanding (1)	Principal Amount of Series A Notes (4)(5)
Non-LC credit agreement claims	$ 590,693,031.57	$ 237.0097

(1) Reflects the aggregate amount outstanding at June 30, 2011.

(2) Represents the number of shares of new preferred stock exchanged per $1,000 amount of credit agreement claims. If the exchange offer is completed, immediately following its completion, approximately 3,717,948 shares of new preferred stock will be issued on a pro rata basis in respect of all outstanding credit agreement claims with a liquidation preference per share of approximately $44.38 and an aggregate liquidation preference of approximately $165.0 million. Such shares of new preferred stock will be convertible into approximately 1,384,832,389 shares of our common stock, subject to certain adjustments, and will represent approximately 72.5% of the aggregate voting power on an as-converted basis of our capital stock generally entitled to vote on matters presented to our stockholders immediately after giving effect to the exchange offer (subject to certain limitations). See Description of the New Preferred Stock. If the exchange offer is completed, immediately following its completion, approximately 1,282,051 shares of new preferred stock will be issued to the IBT 401(k) with an aggregate liquidation preference of approximately $56.9 million, which shares will be convertible into approximately 477,528,410 shares of our common stock, subject to certain adjustments, and will represent approximately 25.0% of the aggregate voting power on an as-converted basis of our capital stock generally entitled to vote on matters presented to our stockholders immediately after giving effect to

the exchange offer (subject to certain limitations).

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(3) Subject to oversubscription rights, as described in Subscription Rights.

(4) The debt instruments governing each of the Series A Notes and the Series B Notes are the:

(a) Indenture, among YRC Worldwide Inc., the guarantors party thereto and U.S. Bank National Association, as trustee (the Series A Indenture), a description of which is contained in Description of Series A Notes ; and

(b) Indenture, among YRC Worldwide Inc., the guarantors party thereto and U.S. Bank National Association, as trustee (the Series B Indenture), a description of which is contained in Description of Series B Notes.

(5) Represents the aggregate principal amount of Series A Notes exchanged per $1,000 amount of non-LC credit agreement claims. If the exchange offer is completed, $140.0 million in aggregate principal amount of Series A Notes will be issued on a pro rata basis in respect of all non-LC credit agreement claims.

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NONE OF YRC WORLDWIDE INC., ITS SUBSIDIARIES, THEIR RESPECTIVE BOARDS OF DIRECTORS, THE SUBSCRIPTION AGENT, OR THE INFORMATION AND EXCHANGE AGENT HAS MADE ANY RECOMMENDATION AS TO WHETHER OR NOT HOLDERS SHOULD SUBMIT THEIR CREDIT AGREEMENT CLAIMS FOR EXCHANGE PURSUANT TO THE EXCHANGE OFFER. YOU MUST MAKE YOUR OWN DECISIONS WHETHER TO EXCHANGE YOUR CREDIT AGREEMENT CLAIMS PURSUANT TO THE EXCHANGE OFFER AND WHETHER YOU WISH TO SUBSCRIBE TO PURCHASE SERIES B NOTES.

This prospectus does not constitute an offer to participate in the exchange offer to any person in any jurisdiction where it is unlawful to make such an offer or solicitation. The exchange offer is being made on the basis of this prospectus and is subject to the terms described herein and those that may be set forth in any amendment or supplement thereto or incorporated by reference herein. Any decision to participate in the exchange offer should be based on the information contained in this prospectus or any amendment or supplement thereto or specifically incorporated by reference herein. In making an investment decision or decisions, prospective investors must rely on their own examination of us and the terms of the exchange offer and the securities being offered, including the merits and risks involved. Prospective investors should not construe anything in this prospectus as legal, business or tax advice. Each prospective investor should consult its advisors as needed to make its investment decision and to determine whether it is legally permitted to participate in the exchange offer under applicable legal investment or similar laws or regulations.

Each prospective investor must comply with all applicable laws and regulations in force in any jurisdiction in which it participates in the exchange offer or possesses or distributes this prospectus and must obtain any consent, approval or permission required by it for participation in the exchange offer under the laws and regulations in force in any jurisdiction to which it is subject, and neither we, the Subscription Agent, the Information and Exchange Agent nor any of our or their respective representatives shall have any responsibility therefor.

No action with respect to the offer of exchange consideration has been or will be taken in any jurisdiction (except the United States) that would permit a public offering of the offered securities, or the possession, circulation or distribution of this prospectus or any material relating to the Company or the offered securities where action for that purpose is required. Accordingly, the offered securities may not be offered, sold or exchanged, directly or indirectly, and neither this prospectus nor any other offering material or advertisement in connection with the exchange offer may be distributed or published, in or from any such jurisdiction, except in compliance with any applicable rules or regulations of any such country or jurisdiction. A holder outside the United States may participate in the exchange offer but should refer to the disclosure under Non-U.S. Offer Restrictions.

This prospectus contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All of those summaries are qualified in their entirety by this reference. Copies of documents referred to herein will be made available to prospective investors upon request to us at the address and telephone number set forth in Incorporation of Certain Documents by Reference.

This prospectus, including the documents incorporated by reference herein, and the related letter of exchange contain important information that should be read before any decision is made with respect to participating in the exchange offer.

The delivery of this prospectus shall not under any circumstances create any implication that the information contained herein is correct as of any time subsequent to the date hereof or that there has been no change in the information set forth herein or in any attachments hereto or in the affairs of YRC Worldwide Inc. or any of its subsidiaries or affiliates since the date hereof.

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No one has been authorized to give any information or to make any representations with respect to the matters described in this prospectus and the related letter of exchange, other than those contained in this prospectus and the related letter of exchange. If given or made, such information or representation may not be relied upon as having been authorized by us, the Subscription Agent or the Information and Exchange Agent.

In this prospectus, we , us , our and the Company refers to YRC Worldwide Inc. and its subsidiaries, unless otherwise stated or the context otherwise requires. YRCW refers expressly to YRC Worldwide Inc. and not its subsidiaries.

WHERE YOU CAN FIND MORE INFORMATION

This prospectus is a part of a registration statement on Form S-1 under the Securities Act of 1933, as amended (the Securities Act), with respect to the securities to be offered in exchange for the credit agreement claims in the exchange offer, which we have filed with the SEC. This prospectus does not contain all of the information in the registration statement and its related exhibits and schedules. For further information regarding us and our securities, please see the registration statement and our other filings with the SEC, including our annual, quarterly and current reports and proxy statements, which you may read and copy at the Public Reference Room maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. You may obtain information about the Public Reference Room by calling the SEC at 1-800-SEC-0330.

Our common stock is currently traded on the NASDAQ Global Select Market under the symbol YRCW. If we complete the exchange offer, our common stock will be subject to delisting from the NASDAQ Global Select Market.

Our SEC filings are also available to the public on the SEC s internet website at http://www.sec.gov and on our website at http://www.yrcw.com. Information contained on our internet website is not a part of this prospectus.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference the information we have filed with the SEC, which means that we can disclose important information to you without actually including the specific information in this prospectus by referring you to those documents. The information incorporated by reference is considered part of this prospectus. We incorporate by reference the documents listed below:

Our Annual Reports on Form 10-K and Form 10-K/A for the fiscal year ended December 31, 2010, except for the consolidated financial statements and schedule of the Company as of December 31, 2010 and 2009, and for each of the years in the three-year period ended December 31, 2010, and the report thereon of KPMG LLP, independent registered public accounting firm, included in Part II, Item 8, Financial Statements and Supplementary Data of such Annual Report;

Our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2011 (except for the consolidated financial statements of the Company as of March 31, 2011, included in Item 1 Financial Statements of such Quarterly Report); and

Our Current Reports on Form 8-K filed with the SEC in 2011 on the following dates: January 3; February 11 and 28; March 1 and 10; April 1 and 29; May 17 (which report includes the consolidated financial statements and schedule of the Company as of December 31, 2010 and 2009, and for each of the years in the three-year period ended December 31, 2010, and the report thereon of KPMG LLP, independent registered public accounting firm, and the consolidated financial statements of the Company as of March 31, 2011 (each of which financial statements and schedule were prepared assuming we would continue as a going concern; however, our significant declines in operations, cash flows and liquidity raise substantial doubt about our ability to continue as a going concern), which have been reissued to provide condensed consolidating financial information required by Rule 3-10 of Regulation S-X) and July 8.

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We will provide, without charge, to each person to whom a copy of this prospectus has been delivered, upon written or oral request of such person, a copy of any or all of the documents incorporated by reference herein (other than certain exhibits to such documents not specifically incorporated by reference). Requests for such copies should be directed to:

Jeff P. Bennett

Corporate Secretary

YRC Worldwide Inc.

10990 Roe Avenue

Overland Park, Kansas 66211

(913) 696-6100

To ensure timely delivery of documents, holders must request this information no later than three business days before the date they must make their investment decisions. Accordingly, any request for documents should be made by July 12, 2011, to ensure timely delivery of the documents prior to the expiration date.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. Any statements about our expectations, beliefs, plans, objectives, assumptions, future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as anticipate, estimate, plans, projects, continuing, ongoing, expects, management believes, we believe, similar words or phrases. Accordingly, these statements involve estimates, assumptions and uncertainties that could cause actual results to differ materially from those expressed in them. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of several factors more fully described under the caption Risk Factors and elsewhere in this prospectus, including the exhibits hereto and those incorporated by reference herein. All forward-looking statements are necessarily only estimates of future results and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on such statements. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this prospectus.

Forward-looking statements regarding future events and our future performance, including the expected completion and timing of the restructuring and other information relating thereto, involve risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include, without limitation, the following items:

- failure to consummate the restructuring, at which time we would likely expect to seek protection under the Bankruptcy Code;
- our recurring losses from operations and negative operating cash flows raise substantial doubt as to our ability to continue as a going concern;
- the volatility of our stock price and our common stock being subject to delisting from the NASDAQ Global Select Market;
- income tax liability as a result of the exchange offer;
- increases in pension expense and funding obligations, including obligations to pay surcharges;

economic downturn, downturns in our customers business cycles and changes in their business practices;

competitor pricing activity;

the effect of any deterioration in our relationship with our employees;

self-insurance and claims expenses exceeding historical levels;

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adverse changes in equity and debt markets and our ability to raise capital;

adverse changes in the regulatory environment;

effects of anti-terrorism measures on our business;

adverse legal proceeding or Internal Revenue Service audit outcomes;

failure to obtain projected benefits and cost savings from operational and performance initiatives;

covenants and other restrictions in our credit and other financing arrangements; and

the other risk factors that are from time to time included in our reports filed with the SEC.

Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Our operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct.

Many of the factors set forth above are described in greater detail in our filings with the SEC. All forward-looking statements included in this prospectus are expressly qualified in their entirety by the foregoing cautionary statements. All future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the previous statements. Except as may be required by law, we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement was made or to reflect the occurrence of unanticipated events.

IMPORTANT INFORMATION

Credit agreement claims submitted for exchange and not validly withdrawn prior to the withdrawal deadline may not be withdrawn at any time after the withdrawal deadline, which is 5:00 p.m., New York City time, on the expiration date.

Credit agreement claims submitted for exchange, along with letters of exchange and any other required documents should be directed to the Information and Exchange Agent. Any request for assistance in connection with the exchange offer or for additional copies of this prospectus or related materials should be directed to the Information and Exchange Agent. Contact information for the Information and Exchange Agent is set forth on the back cover of this prospectus. None of YRC Worldwide Inc., its subsidiaries, their respective boards of directors, the Subscription Agent or the Information and Exchange Agent has made any recommendation as to whether or not holders should submit their credit agreement claims for exchange pursuant to the exchange offer.

U.S. Bank National Association is acting as both the information agent and the exchange agent for the exchange offer.

Subject to the terms and conditions set forth in the exchange offer, the exchange consideration to which an exchanging holder is entitled pursuant to the exchange offer will be paid on the settlement date, which is the date promptly following the expiration date of the exchange offer, subject to satisfaction or waiver (to the extent permitted) of all conditions precedent to the exchange offer (the settlement date). Under no circumstances will any interest be payable because of any delay in the transmission of the exchange consideration to holders by the Information and Exchange Agent.

Notwithstanding any other provision of the exchange offer, our obligation to pay the exchange consideration for credit agreement claims validly submitted for exchange and not validly withdrawn pursuant to the exchange offer is subject to, and conditioned upon, the satisfaction or waiver of the conditions described below under The Exchange Offer Conditions to the Exchange Offer.

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Subject to applicable securities laws and the terms of the support agreements, we reserve the right:

- to waive any and all conditions to the exchange offer that may be waived by us;
- to extend the exchange offer;
- to terminate the exchange offer as set forth in The Exchange Offer Conditions to the Exchange Offer; or
- otherwise to amend the exchange offer in any respect in compliance with applicable securities laws.

In accordance with applicable securities and other laws, if a material change occurs in the information published, sent or given to holders, we will promptly disclose the change in a manner reasonably calculated to inform holders of the change.

If the exchange offer is withdrawn or otherwise not completed, the exchange consideration will not be paid or become payable to holders of the credit agreement claims who have validly submitted their credit agreement claims for exchange in connection with the exchange offer.

This prospectus, the letter of exchange and the subscription certificate contain important information that should be read before any decision is made with respect to an exchange of credit agreement claims or a subscription to purchase the Series B Notes.

No one has been authorized to give any information or to make any representations with respect to the matters described in this prospectus and the related letter of exchange and subscription certificate, other than those contained in this prospectus, the letter of exchange and the subscription certificate. If given or made, such information or representation may not be relied upon as having been authorized by us.

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QUESTIONS AND ANSWERS ABOUT THE RESTRUCTURING

The following are some questions and answers regarding the restructuring. These do not contain all of the information that may be important to you. You should carefully read this prospectus and the related letter of exchange, including the information incorporated by reference into this prospectus, to understand fully the terms of the restructuring, as well as the other considerations that are important to you in making your investment decision. You should pay special attention to the Risk Factors and Cautionary Note Regarding Forward-Looking Statements found elsewhere in this prospectus.

The Restructuring

Q: What is the purpose of the restructuring?

A: The purpose of the financial restructuring is to improve our balance sheet and the liquidity available to us to operate our business. We have substantial debt and, as a result, significant debt service obligations. We have been deferring payment of (i) interest and fees to our lenders under our existing credit facility, (ii) interest and facility fees to purchasers of our accounts receivable pursuant to our asset-backed securitization facility, and (iii) interest and principal to certain of our multi-employer pension funds under our Contribution Deferral Agreement, and we have been receiving the benefit of wage reductions and other concessions under modified national labor agreements with our employees. If we do not complete the financial restructuring, it is very unlikely we will be able to generate cash sufficient to pay the principal of, interest on and other amounts due in respect of our indebtedness and other obligations when due and we would likely need to seek protection under the Bankruptcy Code. If we commence such a bankruptcy filing, we expect that holders of credit agreement claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims.

The restructuring consists of the following related transactions (among others):

the refinancing of credit agreement claims, pursuant to which we will (i) exchange, for credit agreement claims, a combination of (A) approximately 3,717,948 shares of our new preferred stock, which is automatically convertible into shares of common stock equal to approximately 72.5% of the common stock outstanding immediately following the consummation of the Charter Amendment Merger, subject to dilution, to be allocated among all holders of credit agreement claims on a pro rata basis, and (B) $140.0 million in aggregate principal amount of the Series A Notes, to be allocated among all holders of all non- LC credit agreement claims on a pro rata basis, (ii) amend and restate our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a new term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer, to be initially held by all holders of non-LC credit agreement claims on a pro rata basis and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer, and (iii) issue subscription rights to all eligible holders of credit agreement claims to purchase for cash on a pro rata basis (subject to oversubscription rights) up to $100.0 million in aggregate principal amount of the Series B Notes;

the ABL financing, pursuant to which we, through a special purpose, bankruptcy remote subsidiary of ours, will enter into an agreement for a new ABL facility with initial aggregate commitments of $400.0 million and minimum excess availability on the closing of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves), the proceeds of which will be used, in part, to refinance the ABS facility;

an amendment and restatement of the Contribution Deferral Agreement and pension notes; and

the issuance of approximately 1,282,051 shares of our new preferred stock to the IBT 401(k), which new preferred stock is automatically convertible into shares of common stock equal to 25.0% of the common stock outstanding immediately following the consummation of the Charter Amendment Merger, subject to dilution.

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Our board of directors will also be restructured to consist of six members initially nominated by the Agent and the Steering Group, two members nominated by the IBT and one member that will be the chief executive officer-director. All new members of our board of directors will be designated or elected as continuing directors by our existing board of directors. A new chief executive officer and chief financial officer will begin employment at the Company following the close of the exchange offer. For more information on the IBT s right to nominate two members to the board of directors, see Description of Series A Voting Preferred Stock.

If the conditions to completion of the exchange offer are not satisfied or waived, we would likely seek protection under the Bankruptcy Code.

The closing of the exchange offer is conditioned on, among other things, the satisfaction or waiver of the Minimum Exchange Condition and the purchase and sale of $100.0 million in aggregate principal amount of the Series B Notes by holders of credit agreement claims.

For a more detailed description of the exchange offer, see The Exchange Offer.

Q: Why are we pursuing an out of court restructuring rather than an in court restructuring?

A: An out of court restructuring through the exchange offer or an in court restructuring pursuant to the Bankruptcy Code provide two separate means of restructuring our liabilities and seeking to achieve the survival and long-term viability of our business. We believe that there are advantages to restructuring the Company out of court. We believe that the successful consummation of the exchange offer out of court would, among other things:

- enable us to continue operating our business without the negative impact that a bankruptcy could have on our relationships with our customers, employees, suppliers, and others;
- reduce the risk of a potentially precipitous decline in our revenues in a bankruptcy; and
- allow us to complete our restructuring in less time, with less risk and at lower cost than any bankruptcy alternatives.

If we have to resort to seeking bankruptcy relief, we expect that holders of credit agreement claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims.

Q: What is the restructuring plan?

A: Under the restructuring plan, we would complete the exchange offer and enter into agreements to amend and restate our existing credit agreement and the Contribution Deferral Agreement, enter (through a special purpose, bankruptcy remote subsidiary of ours) into the new ABL facility and issue shares of our new preferred stock to the IBT 401(k). Following the completion of the exchange offer, we plan to seek stockholder approval to a merger with a wholly-owned subsidiary of YRCW, with YRCW as the surviving corporation, as described below in the question The Exchange Offer What stockholder approval is necessary for the consummation of the exchange offer? Each of the transactions would be completed out-of-court. The closing of the exchange offer is conditioned, among other things, on the satisfaction or waiver of the Minimum Exchange Condition, the purchase and sale of $100.0 million in aggregate principal amount of the Series B Notes by holders of credit agreement claims pursuant to their subscription rights and other significant conditions.

See The Restructuring and The Exchange Offer.

Q: What is the expected impact of the restructuring?

A: We believe that the completion of the restructuring is critical to our continuing viability. The restructuring, if successful, will increase our capital and liquidity levels. Specifically, upon the completion of the

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restructuring, we expect the aggregate principal amount of our indebtedness and related deferred interest and fees to be approximately $1.3 billion as of March 31, 2011 and at the closing of the restructuring ($1.1 billion excluding the paid-in-kind interest bearing, convertible Series A Notes and Series B Notes), consisting principally of $271.5 million in aggregate principal amount of term loans under the amended and restated credit agreement, $140.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series A Notes, $100.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series B Notes, approximately $69.4 million in aggregate principal amount of 6% Convertible Senior Notes due 2014 (the 6% Notes), $339.2 million in aggregate principal amount under our lease financing obligations, $149.4 million outstanding in aggregate principal amount under our contribution deferral agreement and $255.0 million outstanding in aggregate principal amount under our ABL facility. See Capitalization and Source and Use of Proceeds.

The ABL facility contemplated by the restructuring will provide us, through a special purpose, bankruptcy remote subsidiary of ours, with an aggregate facility size of $400.0 million, subject to borrowing base availability. The ABL facility is expected to provide the Company with additional liquidity through a higher advance rate than the receivable purchase rate under our existing ABS facility. The Series B Notes will provide us net proceeds of $100.0 million for working capital and other general corporate purposes, including the refinancing of outstanding indebtedness.

Notwithstanding the restructuring, our balance sheet would remain significantly leveraged, a significant portion of our debt would mature prior to or during 2015 and we would continue to face potentially significant future funding obligations for our single and multi-employer pension funds. Assuming we are able to complete the restructuring, we expect that cash generated from operations, together with the proceeds of the ABL facility and the Series B Notes, will be sufficient to allow us to fund our operations, to increase working capital as necessary to support our strategy and to fund planned expenditures for the foreseeable future.

Q: What are the support agreements?

A: On April 29, 2011, we entered into the lender support agreement with certain participating lenders, pursuant to which such participating lenders have agreed, among other things, to support the restructuring by submitting their credit agreement claims for exchange in the exchange offer, subject to certain conditions set forth in the lender support agreement being satisfied and provided that no support termination event has occurred. The participating lenders hold approximately 97.5% of the principal amount of outstanding credit agreement claims. Also on April 29, 2011, we entered into the TNFINC support agreement pursuant to which TNFINC has agreed, among other things, to support a restructuring consistent with the terms and conditions set forth in the lender support agreement and the annexed term sheet. See The Support Agreements.

Q: Why is it important that I exchange my claims under the existing credit agreement?

A: If we do not complete the restructuring because the conditions to the exchange offer have not been satisfied or waived, including the Minimum Exchange Condition, which requires that all credit agreement claims are submitted for exchange in the exchange offer and not withdrawn, we expect we will face an immediate liquidity crisis because we expect that the lenders under our existing credit agreement will declare an event of default under our existing credit agreement and all amounts outstanding under the existing credit agreement, including deferred interest and fees, would become immediately due and payable. Such failure to complete the restructuring and event of default under our existing credit agreement would cause cross-defaults under, among other things, our ABS facility, the Contribution Deferral Agreement and the indenture governing the 6% Notes and the wage and other concessions of the IBT under its national labor agreement with us would become null and void.

In the event that we experience a liquidity crisis as described above, it would likely result in our filing for bankruptcy protection pursuant to the Bankruptcy Code on terms other than may be contemplated by the restructuring plan. If we commence such a bankruptcy filing, we expect that holders of credit agreement

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claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims. See Risk Factors Risks Relating to Not Accepting the Exchange Offer for more information on the possible consequences if the restructuring is not successfully completed.

The exchange offer is subject to certain conditions. In particular, the exchange offer is subject to the satisfaction or waiver of the Minimum Exchange Condition. See The Exchange Offer Conditions to the Exchange Offer.

The Exchange Offer

Q: Who is making the exchange offer?

A: YRC Worldwide Inc., on behalf of itself and all of its direct and indirect subsidiaries, is offering to pay the exchange consideration to holders of record of credit agreement claims who agree to exchange their credit agreement claims in accordance with the terms of the exchange offer.

Q: What claims are the subject of the exchange offer?

A: Claims of the lenders under our existing credit agreement in respect of outstanding borrowings, including LC claims, term loan claims, revolving credit claims and deferred interest and fees claims, which we refer to herein as credit agreement claims, are the subject of the exchange offer. As of June 30, 2011, there was approximately $1,038,477,160.73 in amount of credit agreement claims outstanding.

Q: How long will the exchange offer be open?

A: The exchange offer is currently scheduled to expire at 5:00 p.m., New York City time, on July 15, 2011, unless extended by us.

Q: What will I receive if I exchange my credit agreement claims pursuant to the exchange offer and they are accepted?

A: For illustrative purposes, the exchange consideration per $1,000 of principal amount of credit agreement claims accepted for exchange will be the number of shares of our new preferred stock, the principal amount of Series A Notes and the basic subscription right (subject to oversubscription rights) to purchase the principal amount of Series B Notes as is set forth in the summary offering tables on the inside front cover of this prospectus.

Assuming the exchange offer is consummated, holders of record of credit agreement claims will receive, in the aggregate, approximately 3,717,948 shares of the new preferred stock (which on an as-converted basis will represent approximately 72.5% of the voting power immediately after giving effect to the exchange offer), $140.0 million in aggregate principal amount of Series A Notes and such holders will, subject to subscription rights, collectively purchase $100.0 million in aggregate principal amount of Series B Notes. We will also amend and restate our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a new term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer, to be initially held by all holders of non-LC credit agreement claims on a pro rata basis and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer.

Q: What stockholder approval is necessary for the consummation of the exchange offer?

A: No stockholder approval will be necessary to consummate the exchange offer. Following the completion of the exchange offer, we plan to file with the SEC a preliminary proxy statement relating to the special meeting of our common stockholders and new preferred stockholders to be called as soon as practicable following the consummation of the exchange offer. We will seek stockholder approval (the Stockholder

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Approval) to a merger of a wholly owned subsidiary with and into YRCW with YRCW as the surviving entity (the Charter Amendment Merger). In connection with the Charter Amendment Merger, we will amend and restate YRCW s certificate of incorporation to increase the amount of authorized shares of common stock to a sufficient number to (i) permit the automatic conversion of all the shares of new preferred stock issued in the exchange offer into shares of our common stock and (ii) allow for conversion of the Series A Notes and the Series B Notes. Following the completion of the Charter Amendment Merger and the amendment of YRCW s charter, we will have a number of authorized shares of common stock that equals the aggregate amount necessary to provide for:

- the conversion of the new preferred stock into common stock, including the new preferred stock issued to holders of credit agreement claims and to the IBT 401(k);
- the issuance of shares of common stock in respect of the Series A Notes and the Series B Notes; and
- additional shares for the management incentive plan and for future equity issuances.

Q: Will the exchange consideration I receive upon exchange of the credit agreement claims be freely tradable in the U.S.?

A: The shares of new preferred stock, the Series A Notes and the Series B Notes, as well as the shares of common stock issuable upon conversion of the new preferred stock or in respect of the Series A Notes and the Series B Notes will be freely tradable in the U.S., unless you are an affiliate of the Company, as that term is defined in the Securities Act. Our common stock is currently listed on the NASDAQ Global Select Market under the symbol YRCW. However, because NASDAQ did not grant us an exception to the NASDAQ listing rule requiring shareholder approval prior to the issuance of our new preferred stock, Series A Notes and Series B Notes, our common stock will be subject to delisting if we consummate the exchange offer. Our common stock may also be delisted if it does not maintain a minimum trading price of $1.00 per share over a consecutive 30-day trading period. We have agreed to use commercially reasonable efforts to cause the listing of our common stock on at least one of the New York Stock Exchange, American Stock Exchange or NASDAQ as soon as practicable following consummation of the exchange offer, however, we may not be successful in our listing application or substantial time may pass before our common stock is listed. In addition, as part of the restructuring, we have agreed to provide registration rights to those holders who own securities that are, or are convertible into, 10% or more of our common stock or who otherwise may be deemed our affiliates upon closing of the exchange offer.

We do not intend to list the new preferred stock, Series A Notes or Series B Notes on NASDAQ or any national or regional securities exchange, and therefore no trading market for the new preferred stock, Series A Notes or Series B Notes will exist upon consummation of the exchange offer, and none is likely to develop. However, if Stockholder Approval is obtained and the Charter Amendment Merger is completed, the new preferred stock will be automatically converted into shares of our common stock. In addition, the Series A Notes and Series B Notes may be converted into our common stock upon the terms and subject to the conditions set forth in their respective indentures, and the Series A Notes and Series B Notes will vote on an As-Converted-to-Common-Stock-Basis (subject to certain limitations as set forth in the indentures).

Q: What are the terms of the new preferred stock?

A: Each share of new preferred stock is automatically convertible into shares of our common stock upon the receipt of Stockholder Approval of the Charter Amendment Merger and the filing of an amended and restated certificate of incorporation increasing the amount of authorized shares of our common stock with the State of Delaware. In the event of any voluntary or involuntary liquidation, dissolution or winding up, the holders of the then outstanding shares of new preferred stock are entitled to receive approximately $44.38 for each outstanding share of new preferred stock, subject to adjustment for the addition of any compounding dividends or accruals. If we do not obtain the Stockholder Approval of the Charter Amendment Merger at the first meeting at which such matter is presented (or, if earlier, upon the date that is

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60 days following the consummation of the exchange offer), the new preferred stock will accrue additional liquidation preference at a rate of 20.0% per annum, compounding quarterly, until the Charter Amendment Merger becomes effective. If our assets and funds are insufficient to permit the payment to the holders of our new preferred stock of their full preferential amounts, then the entire assets and funds legally available for distribution shall be distributed ratably among the holders of our new preferred stock and any other class or series ranking on liquidation in parity with our new preferred stock. Upon completion of the exchange offer and prior to any conversion of the new preferred stock, the holders of our new preferred stock have the right to vote on all matters presented to stockholders on an As-Converted-to-Common-Stock-Basis (subject to certain limitations). See Description of the New Preferred Stock.

Q: May I exchange only a portion of the credit agreement claims that I hold?

A: If you participate in the exchange offer, you must submit for exchange all of your credit agreement claims in the exchange offer.

Q: When will I receive the exchange consideration for exchanging my credit agreement claims pursuant to the exchange offer?

A: Subject to the terms and conditions set forth in the exchange offer, the exchange consideration that an exchanging holder is entitled to receive pursuant to the exchange offer will be paid on the settlement date. If the exchange offer is not consummated, no such exchange will occur, and no delivery of exchange consideration will be made. Under no circumstances will any interest be payable because of any delay in the transmission of the exchange consideration to holders by the Information and Exchange Agent.

Q: How do I participate in the restructuring?

A: To participate in the exchange offer, you must validly submit your credit agreement claims for exchange to the Information and Exchange Agent. It is your responsibility to validly exchange your credit agreement claims. Only a holder of record of credit agreement claims as of the record date may exchange the credit agreement claims in the exchange offer. The record date will be the expiration date of the exchange offer. For Participants (as defined in the existing credit agreement) to participate in the exchange offer, such Participant should instruct the holder of record of its participated credit agreement claims to participate in the exchange offer and take such actions as necessary to participate on such Participant s behalf. To exchange in the exchange offer, a record holder must complete, sign and date the letter of exchange, or a copy thereof, and fax, mail or otherwise deliver the letter of exchange or copy to the Information and Exchange Agent prior to the expiration date. To be exchanged effectively, the letter of exchange and other required documents must be received by the Information and Exchange Agent at the address set forth on the back cover page of this prospectus prior to the expiration date. The exchange by a holder prior to the expiration date shall constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth herein and in the letter of exchange. If you elect to exercise any subscription rights received in the exchange offer, you must also validly submit to the Subscription Agent all required documents from you or your nominee at or before the expiration date and all payments at or before the deadline specified in such documents. See Subscription Rights for more information. If you have questions or need assistance in connection with the exchange offer or require additional letters of exchange and any other required documents, you may contact U.S. Bank National Association, the Information and Exchange Agent, at the address and telephone numbers set forth on the back cover of this prospectus.

See The Exchange Offer Procedures for Exchanging Credit Agreement Claims for more information.

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Q: What are the conditions to the exchange offer?

A: Consummation of the exchange offer is conditioned upon the satisfaction or waiver (to the extent permitted) of the conditions described under The Exchange Offer Conditions to the Exchange Offer, which include, among other things, the Minimum Exchange Condition, the conditions to the purchase and sale of the Series B Notes and the conditions to enter into our amended and restated credit agreement, the ABL facility, the amended and restated Contribution Deferral Agreement, and related agreements and documents.

Q: How did you establish the terms of the exchange offer?

A: As previously disclosed in Current Reports on Form 8-K that we filed with the SEC on December 21, 2010 and on January 3, 2011, the continued deferral of interest, fees and other obligations under our credit agreement was conditioned upon our entering into an agreement-in-principle with TNFINC, lenders holding at least 51% of exposure as defined in our existing credit agreement, the Agent and the Steering Group Majority (as defined herein) (collectively, the Consenting Parties) on or before February 28, 2011 setting forth the material terms of our restructuring (the AIP Condition). The continued deferral of interest, fees and other obligations under our ABS facility and our Contribution Deferral Agreement with multi-employer pension funds and the continued benefit of the wage reduction and other concessions of the IBT under its national labor agreement with us were also conditioned on satisfying the AIP Condition. On February 28, 2011, we and the other Consenting 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 our proposed restructuring, of which the exchange offer forms a part, thereby satisfying the AIP Condition in our existing credit agreement. Steering Group Majority means the lenders of the Steering Group representing more than 50% of the Steering Group s exposure under the existing credit agreement (including participations).

Between February 28, 2011 and April 29, 2011, we negotiated several definitive agreements to the restructuring with the Consenting Parties and other constituents to the restructuring, including the multi-employer pension funds under our Contribution Deferral Agreement. The advisors to those parties engaged in numerous discussions with our management, legal and financial advisors regarding our restructuring and reviewed, commented and approved the definitive documents relating to the restructuring.

Q: What risks should I consider in deciding whether or not to exchange my credit agreement claims pursuant to the exchange offer?

A: In deciding whether to participate in the exchange offer, you should carefully consider the discussion of risks and uncertainties described under Risk Factors herein and described under the caption Risk Factors located in certain of the documents incorporated by reference into this prospectus.

Q: Is the Company making a recommendation regarding whether I should exchange my credit agreement claims in the exchange offer?

A: None of YRCW, its subsidiaries or their respective boards of directors has made, nor will they make, a recommendation to any holder as to whether such holder should exchange its credit agreement claims in the exchange offer. You must make your own investment decision with regard to the exchange offer. We urge you to carefully read this prospectus and the related letter of exchange in its entirety, including the information set forth in the section entitled Risk Factors.

Q: What are the U.S. federal income tax consequences of the exchange offer?

A:

While not free from doubt, we intend to take the position that the exchange of credit agreement claims pursuant to the exchange offer is expected to constitute a fully taxable exchange. For a summary of material U.S. federal income tax consequences of the exchange offer, see Material United States Federal Income Tax Considerations.

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Q: If I am a holder outside of the U.S., can I participate in the exchange offer?

A: For a description of certain offer restrictions applicable to holders outside the U.S., see Non-U.S. Offer Restrictions. This prospectus does not constitute an offer to participate in the exchange offer to any person in any jurisdiction where it is unlawful to make such an offer or solicitation.

Q: Can I revoke the exchange of my credit agreement claims at any time?

A: You may withdraw credit agreement claims at any time prior to 5:00 p.m., New York City time, on the expiration date, or as permitted under applicable law. You must send a written withdrawal notice to the exchange agent. If you change your mind, you may re-exchange your credit agreement claims by again following the exchange procedures at any time prior to 5:00 p.m., New York City time, on the expiration date. See The Exchange Offer Withdrawal of Exchanges. Notwithstanding the foregoing, lenders holding approximately 97.5% of the outstanding credit agreement claims have agreed, subject to certain conditions set forth in the lender support agreement, and provided that no support termination event has occurred, to timely exchange and not withdraw their credit agreement claims in the exchange offer. See The Support Agreements.

Q: What amendment to our certificate of incorporation is being made?

A: The number of shares of our common stock that may be issued upon conversion of the new preferred stock and in respect of the Series A Notes and the Series B Notes issued in the exchange offer exceeds the number of shares of common stock currently authorized under YRCW s current certificate of incorporation. Consequently, following the consummation of the exchange offer, we will seek Stockholder Approval of the Charter Amendment Merger in connection with which we will amend and restate our certificate of incorporation to increase the number of authorized shares of our common stock.

On the date the certificate of merger is filed with the Delaware Secretary of State, the new preferred stock will automatically convert into common stock at an initial conversion rate of approximately 372.4722 shares of common stock for each share of new preferred stock, subject to certain adjustments.

See Description of the New Preferred Stock.

Q: Will fractional shares be issued in the exchange offer?

A: Fractional shares of new preferred stock will be issued in connection with the exchange offer. However, no fractional shares of common stock will be issued upon conversion of the new preferred stock into shares of common stock. Upon such conversion, to the extent that a holder of new preferred stock would be entitled to receive a fractional share of common stock, the number of shares of common stock to be received by such holder will be rounded down to the nearest whole number, and no cash or other consideration will be delivered to such holder in lieu of such fractional share. The principal amount of Series A Notes and the principal amount of Series B Notes purchased in respect of subscription rights will be rounded down to the nearest $1.00, with no cash or other consideration delivered in respect of such rounding down.

Q: Are there dissenters rights in connection with the exchange offer?

A: Holders of credit agreement claims do not have dissenters rights of appraisal in connection with the exchange offer.

Q: Who do I call if I have any questions on how to exchange my credit agreement claims or any other questions relating to the exchange offer?

A: Questions and requests for assistance, and all correspondence in connection with the exchange offer, or requests for additional letters of exchange and any other required documents, may be directed to U.S. Bank National Association, the Information and Exchange Agent, at the address and telephone numbers set forth on the back cover of this prospectus.

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The Subscription Rights

Q: What are the subscription rights?

A: In connection with and as an integral part of the exchange offer for credit agreement claims, holders of credit agreement claims who participate in the exchange offer will receive as part of their exchange consideration the right to subscribe to purchase an aggregate of $100.0 million in principal amount of our Series B Notes at an offering price of 100.0%. There is a basic subscription right and an oversubscription right.

Q: What is the basic subscription right?

A: Holders of credit agreement claims may elect to subscribe to purchase up to the amount equal to their pro rata portion of the principal amount of credit agreement claims, which we refer to as the basic subscription right. The amount per $1,000 in credit agreement claims that may be subscribed for under the basic subscription right is set forth in the summary offering tables on the inside front cover of this prospectus.

Q: What is the oversubscription right?

A: In addition to the basic subscription right, such electing holders may subscribe to purchase additional Series B Notes in excess of their pro rata portion to the extent that other holders of credit agreement claims do not subscribe to purchase their respective pro rata portions, which we refer to as the oversubscription right and together with the basic subscription right, the subscription rights . The amount of Series B Notes that an electing holder subscribes to purchase is its subscription amount. Each electing holder s oversubscription right will be adjusted pro rata to the extent of any oversubscription for the Series B Notes, and the Subscription Agent will refund promptly the amount of an excess oversubscription to each electing holder after giving effect to any such adjustments.

Q: Will fractional Series B Notes be issued?

A: No. Fractional Series B Notes will not be issued. Principal amounts of Series B Notes will be rounded down to the nearest $1.00, with no cash or other consideration in respect of such rounding down.

Q: What if there is an insufficient amount of Series B Notes to satisfy the oversubscription requests?

A: If there is an insufficient amount of Series B Notes to fully satisfy the oversubscription requests of electing holders, electing holders who exercised their oversubscription right will receive their pro rata portion of the aggregate principal amount of unsubscribed Series B Notes in proportion to the amount of such holders credit agreement claims as a percentage of the total amount of credit agreement claims of all holders of credit agreement claims that have exercised their oversubscription rights. To the extent that your oversubscription rights are cut back, the Subscription Agent will return such cut back portion of your oversubscription amount promptly upon expiration of the exchange offer. Interest will not be paid on any amounts oversubscribed and returned pursuant to the cut back provisions described in this prospectus.

Q: Am I required to exercise any or all of the subscription rights I receive in exchange for my credit agreement claims?

A: No. You may choose to exercise any number of your subscription rights, or you may choose not to exercise any subscription rights. If you do not exercise any subscription rights prior to the expiration date they will expire without value. However, your percentage ownership interest in us will be diluted to the extent that other holders of credit agreement claims exercise their subscription rights and subsequently convert their Series B Notes into shares of common stock.

Q: How soon must I act to exercise my subscription rights?

A: The subscription rights must be exercised prior to the expiration date. If you elect to exercise any rights, the Subscription Agent must actually receive all required documents from you or your nominee at or before the expiration date and all payments at or before the deadline specified in such documents. Although we have the option of extending the expiration date of the subscription rights, we currently do not intend to do so.

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Q: How do I make payment?

A: In order to have validly paid for the Series B Notes pursuant to your subscription rights, your payment must be made in U.S. dollars for the full subscription amount of Series B Notes subscribed for (including any oversubscription amounts) by wire transfer of immediately available funds to the account maintained by the Subscription Agent for the purpose of the subscription to the Series B Notes. Your payment will be considered received by the Subscription Agent only upon receipt by wire transfer of collected funds in the Subscription Agent s account. See the accompanying subscription certificate for more information on how to exercise your subscription rights and make payment thereunder.

Q: May I transfer my subscription rights?

A: The subscription rights represent part of the exchange consideration paid to holders of credit agreement claims. Subscription rights are not transferable rights.

Q: Can we cancel, terminate, amend or extend the subscription rights?

A: Yes. Subject to applicable law and the terms of the lender support agreement, we may decide to cancel or terminate the exchange offer (including the subscription rights) at any time before the expiration of the exchange offer. Further, the lender support agreement sets forth a number of conditions that must be satisfied or waived for the exchange offer to be consummated. If the exchange offer is cancelled or terminated, all affected subscription rights will expire without value and all subscription payments received by the Subscription Agent will be returned promptly, without interest or deduction.

Subject to the terms of the support agreements, we may amend the terms of the exchange offer or the subscription rights or extend the expiration date of the exchange offer and subscription rights. The period for exercising your subscription rights may be extended by us, although we do not presently intend to do so.

Q: Is the Company making a recommendation regarding whether I should exchange my credit agreement claims in the exchange offer and exercise my subscription rights?

A: None of YRCW, its subsidiaries or their respective boards of directors has made, nor will they make, a recommendation to any holder as to whether such holder should exchange its credit agreement claims in the exchange offer and exercise the subscription rights such holder would receive as part of the exchange consideration. You must make your own investment decision with regard to the exchange offer including any exercise of subscription rights. We urge you to carefully read this prospectus and the related letter of exchange in its entirety, including the information set forth in the section entitled Risk Factors.

Q: Will I have withdrawal rights?

A: Yes. You may revoke, withdraw or otherwise cancel your previously exercised subscription rights at any time prior to the expiration date. To do so, please deliver a written notice of withdrawal to the Subscription Agent stating:

the name of the holder of record of credit agreement claims;

the subscription amount previously subscribed to; and

a statement that the holder is withdrawing its election to exercise its subscription rights.

If you do not indicate the subscription amount being withdrawn then you will be deemed to have withdrawn all of your subscription amount. Your notice of withdrawal must be received by the Subscription Agent no later than the expiration date. All subscription payments for withdrawn subscriptions will be returned promptly without interest or deduction.

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Q: What if I do not exercise my subscription rights prior to the expiration date?

A: If you do not exercise your subscription rights prior to the expiration date, your unexercised subscription rights will be null and void and will have no value.

Q: Can I exercise my subscription rights if I do not participate in the exchange offer?

A: If you do not participate in the exchange offer, your unexercised subscription rights will be null and void and will have no value at the expiration date.

Q: How do I exercise my subscription rights? What forms and payment are required to purchase the Notes?

A: If you wish to participate in the rights offering, you must take the following steps:

deliver payment to the Subscription Agent using the methods outlined in this prospectus within the deadlines specified in the subscription certificate; and

deliver a properly completed subscription certificate to the Subscription Agent before the expiration date.

If you do not indicate the number of basic subscription rights being exercised or oversubscription rights being exercised, or do not forward full payment of the aggregate subscription price payment for full subscription amount that you indicate as being subscribed for, then you will be deemed to have exercised the maximum number of subscription rights that may be exercised with the aggregate subscription price payment you made to the Subscription Agent. If your aggregate subscription price payment is greater than your subscription amount you owe for your subscription, we or the Subscription Agent will return the excess amount to you by wire transfer, without interest or deduction, as soon as practicable after the expiration date.

Q: When will I receive my Series B Notes?

A: If you exercise your subscription rights and purchase Series B Notes pursuant to the exchange offer, we will deliver your Series B Notes to you upon completion of the exchange offer.

Q: Are there risks in exercising my subscription rights?

A: Yes. The exercise of your subscription rights involves risks. Exercising your subscription rights means you will buy our Series B Notes, and should be considered as carefully as you would consider any other convertible debt investment.

You should carefully read the section entitled Risk Factors in this prospectus, the risk factors included under the caption Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated by reference herein and all of the other information incorporated by reference in this prospectus in their entirety before you decide whether to exercise your rights.

Q: If the exchange offer is not completed, will my subscription payment be refunded to me?

A: Yes. The Subscription Agent will hold all funds it receives in a separate bank account until completion of the exchange offer. If the exchange offer is not completed, all subscription payments received by the Subscription Agent will be returned promptly, without interest or deduction.

Q: If I decide to exercise subscription rights received as part of the exchange consideration, will I have to pay any fees or commissions in connection with the exchange offer?

A: We will pay all fees and expenses of the Subscription Agent and the Information and Exchange Agent in connection with the exchange offer. Holders who subscribe to purchase the Series B Notes will not be obligated to pay brokerage fees or commissions to the Subscription Agent, the Information and Exchange Agent or us.

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SUMMARY

This summary highlights information contained elsewhere in, or incorporated by reference into, this prospectus. Because this is only a summary, it does not contain all of the information that may be important to you. For a more complete understanding of the exchange offer, we encourage you to read this entire prospectus, including the section entitled Risk Factors, the documents referred to under the heading Where You Can Find More Information and the documents incorporated by reference under the heading Incorporation of Certain Documents by Reference.

Our Company

YRC Worldwide Inc., one of the largest transportation service providers in the world, is a holding company that through wholly owned operating subsidiaries and its interest in certain joint ventures offers its customers a wide range of transportation services. These services include global, national and regional transportation. Our operating subsidiaries include the following:

YRC National Transportation (National Transportation) is the reporting unit for our transportation service providers focused on business opportunities in regional, national and international services. National Transportation provides for the movement of industrial, commercial and retail goods, primarily through regionalized and centralized management and customer facing organizations. This unit includes our less-than-truckload (LTL) subsidiary YRC Inc. (YRC), and YRC Reimer, a subsidiary located in Canada that specializes in shipments into, across and out of Canada. In addition to the United States (U.S.) and Canada, National Transportation also serves parts of Mexico, Puerto Rico and Guam.

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

YRC Truckload reflects the results of Glen Moore, a provider of truckload services throughout the U.S.
On August 13, 2010, we completed the initial closing of the sale of the majority of our YRC Logistics business to a third party.

At March 31, 2011, approximately 77% of our labor force was subject to collective bargaining agreements, which predominantly expire in 2015.

YRC Worldwide Inc. was incorporated in Delaware in 1983 and is headquartered in Overland Park, Kansas. We employed approximately 32,000 people as of March 31, 2011. The mailing address of our headquarters is 10990 Roe Avenue, Overland Park, Kansas 66211, and our telephone number is (913) 696-6100. Our website is www.yrcw.com. Through the SEC Filings link on our website, we make available the following filings as soon as reasonably practicable after they are electronically filed with or furnished to the SEC: our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and any amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act. All of these filings may be viewed or printed from our website free of charge.

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Summary of the Restructuring Plan

Background

The economic environment beginning in 2008, where market conditions were especially weak, and continuing in 2009 has had a dramatic effect on our industry and on our Company. The weak economic environment negatively impacted our customers needs to ship and, therefore, negatively impacted the volume of freight we serviced and the price we received for our services. In addition, we believe that many of our then-existing customers reduced their business with us due to their concerns regarding our financial condition. In 2010, and continuing into 2011, market conditions started to rebound and our customer base stabilized and as a result our volumes stabilized in the first quarter of 2010 and began to grow sequentially, seasonally adjusted, throughout the remainder of 2010 and into 2011. Pricing conditions in the industry, however, remain competitive and we believe that we will continue to face competition stemming from excess capacity in the market in the near term. As a result, we continue to experience lower year-over-year revenue (primarily a function of declining volume), operating losses and net losses.

In light of the past and current economic environment, and the resulting challenging business conditions, we have executed on a number of significant initiatives beginning in 2008 through 2011 to improve liquidity, which are described more fully in Management s Discussion and Analysis of Financial Condition and Results of Operations Financial Condition Liquidity in our Annual Report on Form 10-K for the year ended December 31, 2010 and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2011, which are incorporated by reference herein.

Liquidity

We are proposing a financial restructuring that is intended to improve our balance sheet and the liquidity available to us to operate our business. We have substantial debt and, as a result, significant debt service obligations. We have been deferring payment of interest and fees to our lenders under our existing credit facility since October 2009, interest and facility fees to purchasers of our accounts receivable pursuant to our asset-backed securitization facility, interest and principal to certain multi-employer pension funds under our Contribution Deferral Agreement, and we have been receiving the benefit of wage reductions and other concessions under modified national labor and other agreements with our employees.

We believe that the completion of the restructuring is critical to our continuing viability. The restructuring, if successful, will decrease our shareholders deficit and increase our liquidity levels. Specifically, upon the completion of the restructuring, we expect the aggregate principal amount of our indebtedness and related deferred interest and fees to be approximately $1.3 billion as of March 31, 2011 and at the closing of the restructuring ($1.1 billion excluding the paid-in-kind interest bearing, convertible Series A Notes and Series B Notes), consisting principally of $271.5 million in aggregate principal amount of term loans under the amended and restated credit agreement, $140.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series A Notes, $100.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series B Notes, approximately $69.4 million in aggregate principal amount of 6% Notes, $339.2 million in aggregate principal amount under our lease financing obligations, $149.4 million outstanding in aggregate principal amount under our contribution deferral agreement and $255.0 million outstanding in aggregate principal amount under our ABL facility. See Capitalization and Source and Use of Proceeds.

The Series B Notes would provide us with net proceeds of $100.0 million for working capital and general business purposes.

The ABL facility contemplated by the restructuring would provide us, through a special purpose, bankruptcy remote subsidiary of ours, with $400.0 million in liquidity, subject to availability under a borrowing base, for working capital purposes and other general corporate purposes.

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We have entered into a commitment letter (the Morgan Stanley Commitment Letter) with Morgan Stanley Senior Funding, Inc. (Morgan Stanley) in which it committed $50.0 million of such facility and to use best efforts to arrange a syndicate of banks, financial institutions and other institutional lenders to participate in the remaining $350.0 million of the ABL facility in each case subject to satisfaction (or waiver) of certain conditions precedent. On July 7, 2011, we terminated the Morgan Stanley Commitment Letter. On the same day, we entered into a commitment and engagement letter with JPMorgan Chase Bank, N.A. (JPMCB), JPMorgan Securities LLC (JPMorgan), The Catalyst Capital Group Inc. (on behalf of funds managed by it) (Catalyst), Cyrus Capital Partners, L.P. (Cyrus) and Owl Creek Investments I, LLC (Owl Creek , and together with Catalyst and Cyrus, collectively, the Steering Group Commitment Parties) pursuant to which (i) JPMorgan agreed to structure and arrange the ABL facility (as defined below) and use commercially reasonable efforts to syndicate the ABL last out term loan facility (as defined below), (ii) JPMCB agreed to act as administrative agent for the ABL facility and (iii) each Steering Group Commitment Party committed to provide (x) $75.0 million of a $225.0 million asset based last out term loan facility, which will be syndicated by JPMCB (the ABL last out term loan facility) and (y) approximately $58.3 million of a $175.0 million asset based first out term loan facility (the ABL first out term loan facility and collectively with the ABL last out term loan facility, the ABL facility), in each case to a special purpose, bankruptcy remote subsidiary of the Company and subject to satisfaction (or waiver) of certain conditions.

Notwithstanding the restructuring, our balance sheet would remain significantly leveraged, a significant portion of our debt would mature prior to or during 2015 and we would continue to face potentially significant future funding obligations for our single and multi-employer pension funds. Assuming we are able to complete the restructuring, we expect that cash generated from operations, together with the proceeds of the ABL facility and the Series B Notes, will be sufficient to allow us to fund our operations, to increase working capital as necessary to support our strategy and to fund planned expenditures for the foreseeable future.

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The Restructuring

The Restructuring

The restructuring consists of the exchange offer and related transactions:

the refinancing of credit agreement claims, pursuant to which we will:

(i) exchange, for the credit agreement claims, a combination of:

(A) approximately 3,717,948 shares of our new preferred stock, which shall, immediately following consummation of the Charter Amendment Merger, automatically convert into shares of common stock, equal to approximately 72.5% of the common stock outstanding immediately following the consummation of the Charter Amendment Merger, subject to certain dilution on account of the management incentive plan and the new convertible notes, allocated among all holders of credit agreement claims on a pro rata basis; and

(B) $140.0 million in aggregate principal amount of our Series A Notes, allocated among all holders of non- LC credit agreement claims on a pro rata basis;

(ii) amend and restate our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a new term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer, to be initially held by all holders of non-LC credit agreement claims on a pro rata basis ($271.5 million as of March 31, 2011) and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer; and

(iii) issue subscription rights to all eligible holders of credit agreement claims to purchase for cash on a pro rata basis (subject to oversubscription rights) up to $100.0 million in aggregate principal amount of our Series B Notes;

through a special purpose, bankruptcy remote subsidiary of ours, entry into an ABL facility with initial aggregate commitments of $400.0 million and minimum excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves);

amendment and restatement of the Contribution Deferral Agreement and pension notes; and

issuance of approximately 1,282,051 shares of our new preferred stock to the IBT 401(k), which new preferred stock will automatically convert into shares of common stock, equal to 25.0% of the common stock outstanding immediately following the consummation of the Charter Amendment Merger, subject to certain dilution on account of the management incentive plan and the new convertible notes.

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Pro Forma Capital Stock

Assuming that we complete the restructuring and all outstanding credit agreement claims are exchanged through the exchange offer and related transactions, at the closing of, and after giving effect to, the exchange offer:

- holders of credit agreement claims will hold approximately 72.5% of our voting power, subject to certain limitations and subject to dilution by the management incentive plan and the new convertible notes;
- the IBT 401(k) will hold approximately 25.0% of our voting power, subject to certain limitations and subject to dilution by the management incentive plan and the new convertible notes; and
- our current stockholders would continue to hold the number of shares of our common stock outstanding immediately prior to giving effect to the exchange offer, or approximately 2.5% of our voting power, subject to certain limitations and subject to dilution by the management incentive plan and the new convertible notes.

Support Agreements

We have entered into the lender support agreement with participating lenders holding approximately 97.5% of the credit agreement claims pursuant to which such participating lenders have agreed, subject to certain conditions set forth in the lender support agreement and provided that no support termination event has occurred, to support the restructuring by submitting their credit agreement claims for exchange in the exchange offer. We have also entered into the TNFINC support agreement pursuant to which TNFINC has agreed, among other things, to the terms of the restructuring and to support the restructuring. See The Support Agreements.

Amended and Restated Credit Agreement

As part of the restructuring, we expect to enter into an amendment and restatement of our existing credit agreement providing for, among other things, (x) the conversion of non-LC credit agreement claims into a new term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer, to be initially held by all holders of non-LC credit agreement claims on a pro rata basis ($271.5 million as of March 31, 2011) and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer. See Description of Certain Other Indebtedness Bank Group Credit Agreement.

ABL Facility

As a part of the restructuring, we, through a special purpose, bankruptcy remote subsidiary of ours, expect to enter into the ABL financing, with initial aggregate commitments of $400.0 million and minimum excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves).

Corporate Governance

Following the close of the exchange offer, our new board of directors will consist of six members nominated by the Agent and the Steering

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	Group, two members nominated by the IBT and one member that will be the chief executive officer-director. All new members of our board of directors will be designated or elected as continuing directors by our existing board of directors. A new chief executive officer and chief financial officer will begin employment at the Company following the close of the exchange offer. For more information on the IBT s right to nominate two members to the board of directors, see Description of Series A Voting Preferred Stock.
Management Incentive Plan	A new management equity incentive plan (the management incentive plan) will be implemented as soon as reasonably practicable after the completion of the exchange offer to provide designated members of post-restructuring management with shares of our common stock and/or stock option awards, exercisable for our common stock. The management incentive plan will contain terms and conditions that shall be determined by our new board of directors.
Merger; Charter Amendment	We will hold a stockholder vote after the completion of the exchange offer and seek Stockholder Approval of the Charter Amendment Merger. If we obtain the Stockholder Approval, a certificate of merger, along with the amended and restated certificate of incorporation, will be filed with the Secretary of State of Delaware which, among other things, will increase the number of authorized shares of our common stock. Upon the effectiveness of the amended and restated certificate of incorporation, the new preferred stock will automatically convert into common stock at a conversion rate of approximately 372.4722 shares of common stock for each share of new preferred stock, with no fractional shares of common stock issued upon such conversion, subject to adjustment for the addition of any compounding dividends or accruals (if any), and the Series A Notes and Series B Notes may convert into common stock at an initial conversion price of approximately $0.1134 (following the second anniversary of the issue date) and $0.0618 (following the Charter Amendment Merger), respectively, and may vote on an as-converted basis with holders of our common stock (subject to certain limitations set forth in the indentures).
	If we do not obtain the Stockholder Approval of the Charter Amendment Merger at the first meeting at which such matter is presented (or, if earlier, upon the date that is 60 days following the consummation of the exchange offer), the new preferred stock will accrue additional liquidation preference until the Charter Amendment Merger becomes effective at a rate of 20.0% per annum, compounding quarterly.
	Upon completion of the exchange offer and prior to any conversion of the new preferred stock, the holders of our new preferred stock have the right to vote on all matters presented to stockholders on an As-Converted-to-Common-Stock-Basis, subject to certain limitations. See Description of the New Preferred Stock.
Risk Factors	You should carefully consider the matters described in this prospectus under Risk Factors, and the risk factors described in the documents incorporated by reference into this prospectus.

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The Exchange Offer

The following is a summary of the restructuring transactions and the terms of the exchange offer. For a more complete description, see The Exchange Offer.

Offeror	YRC Worldwide Inc.
Claims Subject to Exchange Offer	Credit agreement claims held by the lenders of record under our existing credit agreement. Participants in loans under the existing credit agreement will not be eligible to participate in the exchange offer except through lenders of record.
The Exchange Offer	Upon the terms and subject to the conditions set forth in this prospectus and the related letter of exchange, we are offering to exchange credit agreement claims for 3,717,948 shares of our new preferred stock on a pro rata basis, issue subscription rights to holders of credit agreement claims to purchase for cash on a pro rata basis (subject to oversubscription rights) up to $100.0 million in aggregate principal amount of our new Series B Notes, and exchange non-LC credit agreement claims for $140.0 million in aggregate principal amount of our new Series A Notes on a pro rata basis. The new preferred stock will be fully paid and nonassessable upon issuance at the consummation of the exchange offer. In addition, simultaneously with closing of the exchange offer, we will amend and restate our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a new term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer, to be initially held by all holders of non-LC credit agreement claims on a pro rata basis and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer. See The Exchange Offer Terms of the Exchange Offer for more information.
Expiration Date	The exchange offer will expire at 5:00 p.m., New York City time, on July 15, 2011, unless extended by us (such date and time, as the same may be extended, the expiration date). We, in our absolute discretion, may extend the expiration date for the exchange offer for any purpose, including to permit the satisfaction or waiver of any or all conditions to the exchange offer.
Withdrawal of Exchanges	You may withdraw credit agreement claims submitted for exchange at any time prior to the expiration date, or as permitted under applicable law. We, in our absolute discretion, may extend the withdrawal deadline for the exchange offer for any purpose. You must send a written withdrawal notice to the exchange agent. If you change your mind, you may resubmit your credit agreement claims for exchange by again following the exchange procedures at any time prior to 5:00 p.m., New York City time, on the expiration date. Any credit

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agreement claims validly submitted for exchange prior to the withdrawal deadline that are not validly withdrawn prior to the withdrawal deadline may not be withdrawn on or after the withdrawal deadline, and credit agreement claims validly submitted for exchange on or after the withdrawal deadline may not be withdrawn, in each case subject to limited circumstances described in The Exchange Offer Withdrawal of Exchanges.

Notwithstanding the foregoing, lenders holding approximately 97.5% of the outstanding credit agreement claims have agreed, subject to the conditions set forth in the lender support agreement and provided that no support termination event occurs, to timely exchange and not withdraw their credit agreement claims in the exchange offer. See The Support Agreements.

Settlement Date

The settlement date of the exchange offer will be promptly following the expiration date, subject to satisfaction or waiver (to the extent permitted) of all conditions precedent to the exchange offer.

Conditions to the Exchange Offer

Consummation of the exchange offer is conditioned upon the satisfaction or waiver (to the extent permitted) of the conditions described under The Exchange Offer Conditions to the Exchange Offer.

Among other things, the exchange offer is subject to the following conditions precedent:

- satisfaction of the Minimum Exchange Condition, which requires that all credit agreement claims are validly submitted for exchange and not withdrawn;
- on or before the closing of the exchange offer, we shall have made public any then material nonpublic information theretofore disclosed by us or our representatives to the participating lenders who had agreed to receive private information from the Company;
- the initial funding under the ABL facility, with a minimum of $350.0 million in initial aggregate commitments and excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves), shall have occurred (or shall occur substantially concurrently with completion of the exchange offer) and be in form and substance acceptable to the Agent, TNFINC, the Majority Funds (at least a majority of the exposure as defined in the Contribution Deferral Agreement), the Steering Group Majority and the Company, each in their sole discretion;
- the offering of the Series B Notes, with aggregate net proceeds to us of not less than $100.0 million, shall have closed simultaneously with completion of the exchange offer;

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certain documents as described in the lender support agreement as the approved transaction documents, which by their terms are to be effective at or prior to completion of the exchange offer, shall be in full force and effect;

certain agreements relating to contributions to our multi-employer pension funds shall be in full force and effect;

the IBT 401(k), 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;

our 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), in each case unless otherwise waived by the Agent and Steering Group Majority;

the registration statement on Form S-1, of which this prospectus is a part, shall have been declared effective under the Securities Act and shall not be subject to any stop order suspending its effectiveness or any proceedings seeking a stop order;

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, including the exchange offer; and

the board of the Company has not been advised by its outside legal counsel that consummation of the exchange offer would result in a breach of the board s or the Company s affiliated entities boards fiduciary obligations under applicable law.

Termination

We, and the participating lenders under the lender support agreement, each have the right to terminate or withdraw the exchange offer if certain conditions to the exchange offer are not met or waived by the expiration date. We expressly reserve the right, subject to applicable law and the terms of the lender support agreement, to (a) waive any and all of the conditions to the exchange offer (to the extent permitted) on or prior to the expiration date and (b) amend the terms of the exchange offer. See The Exchange Offer Conditions to the Exchange Offer.

In addition, the participating lenders have the right to terminate the lender support agreement, including terminating their agreement to tender (or not withdraw) their credit agreement claims, if a material adverse effect occurs.

If the exchange offer is terminated, withdrawn or otherwise not consummated prior to the expiration date, no consideration will be

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	paid or become payable to holders who have properly submitted for exchange their credit agreement claims pursuant to the exchange offer. See The Exchange Offer Expiration Date; Withdrawal Deadline; Extensions; Amendments; Termination.
Procedures for Exchanging	For a description of the procedures for exchanging credit agreement claims in the exchange offer, see The Exchange Offer. For further information, contact the Information and Exchange Agent.
Consequences of Failure to Exchange	The closing of the exchange offer is conditioned, among other things, on 100% of the credit agreement claims being validly submitted for exchange and not withdrawn in the exchange offer. If you fail to validly submit your credit agreement claims (or withdraw such credit agreement claims), the exchange offer may not close. For a description of the consequences of failing to exchange your credit agreement claims, see The Exchange Offer Consequences of Failure to Consummate Exchange Offer and Risk Factors Risks Relating to Not Accepting the Exchange Offer If we are not able to consummate the exchange offer, our stakeholders may declare an event of default under our existing agreements with them and we would need to seek protection under the Bankruptcy Code on terms other than as contemplated by the restructuring.
Consequences of Failure to Consummate Exchange Offer	If we are unable to complete the exchange offer and the restructuring plan, we would then expect to seek relief under the Bankruptcy Code. This relief may include: (i) seeking bankruptcy court approval for the sale or sales of some, most or substantially all of our assets pursuant to Section 363(b) of the Bankruptcy Code and a subsequent liquidation of the remaining assets in the bankruptcy case; (ii) pursuing a plan of reorganization (where votes for the plan may be solicited from certain classes of creditors prior to a bankruptcy filing) that we would seek to confirm (or cram down) despite any classes of creditors who reject or are deemed to have rejected such plan; or (iii) seeking another form of bankruptcy relief, all of which involve uncertainties, potential delays and litigation risks. If we commence such a bankruptcy filing, we expect that holders of credit agreement claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims. See Bankruptcy Relief. For a more complete description of the risks relating to our failure to consummate the exchange offer, see Risk Factors Risks Relating to Not Accepting the Exchange Offer If we are not able to consummate the exchange offer, our stakeholders may declare an event of default under our existing agreements with them and we would need to seek protection under the Bankruptcy Code on terms other than as contemplated by the restructuring.

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Holders Outside the U.S. Eligible to Participate in the Exchange Offer	For a description of certain offer restrictions applicable to holders outside the U.S., see Non-U.S. Offer Restrictions. This prospectus does not constitute an offer to participate in the exchange offer to any person in any jurisdiction where it is unlawful to make such an offer.
Information and Exchange Agent	U.S. Bank National Association is the Information and Exchange Agent for the exchange offer. Its address and telephone number are listed on the back cover page of this prospectus.
Material United States Federal Income Tax Considerations	For a discussion of material U.S. federal income tax considerations relating to the exchange offer, see Material United States Federal Income Tax Considerations.

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Summary of the New Preferred Stock

The following is a summary of the terms of the new preferred stock. See also Description of Our Capital Stock.

Offering Amount	4,999,999 shares of new preferred stock with an initial liquidation preference of approximately $221.9 million.
Liquidation Preference	Approximately $44.38 per share, as may be increased as set forth in the Dividends section below (the Liquidation Preference).
Conversion	The new preferred stock will not be convertible into common stock until the Charter Amendment Merger is consummated. Upon closing of the Charter Amendment Merger, based on the number of shares of common stock outstanding as of March 31, 2011, each share of preferred stock will automatically convert into shares of common stock, at a rate equal to approximately 372.4722 shares of common stock per $44.38 of Liquidation Preference of the new preferred stock (the conversion price, subject to specified anti-dilution adjustments, the Conversion Price). The number of shares of common stock to be received will be rounded down to the nearest whole number to the extent that a holder of new preferred stock would be entitled to receive a fractional share of common stock. Such common stock will be fully paid and nonassessable when issued.
Dividends	The new preferred stock will not accrue dividends until and unless the date on which our stockholders vote to reject the proposal to approve the Charter Amendment Merger at the first meeting of stockholders upon which such matter is submitted for a vote or otherwise on the 60th day following the closing of the exchange offer if Stockholder Approval has not been obtained by such date (the Dividend Accrual Date). Beginning on and following such Dividend Accrual Date and ending on the date upon which we complete the Charter Amendment Merger, the preferred stock shall accrue cumulative dividends on its Liquidation Preference at an annual rate of 20%, which shall be added to the Liquidation Preference of such preferred stock on a quarterly basis.
Voting Rights	Upon completion of the exchange offer and prior to any conversion of the new preferred stock, the holders of our new preferred stock have the right to vote on all matters presented to stockholders on an As-Converted-to-Common-Stock-Basis, subject to certain limitations.
Participation	The new preferred stock will include the following participation features: (i) if a cash dividend is declared on the common stock, the holders of the new preferred stock will participate on As-Converted-to-Common-Stock-Basis; and

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(ii) in the event of a liquidation, each holder of new preferred stock shall be entitled to receive the greater of:

(a) the aggregate Liquidation Preference of its shares of new preferred stock plus any accrued but unpaid dividends thereon; and

(b) the amount such holder would receive as a holder of common stock assuming the prior conversion of each of its shares of preferred stock.

Maturity	The new preferred stock does not have any maturity date, and we are not required to redeem the new preferred stock.
Registration Rights	At the completion of the exchange offer, we will enter into a registration rights agreement with certain holders of the new preferred stock under which we will agree to prepare and file with the SEC a registration statement covering the resale of the shares of our common stock underlying the new preferred stock, on or prior to the fifth business day after the consummation of the Charter Amendment Merger. We will also use our commercially reasonable efforts to cause the SEC to declare the registration statement effective within the timeframes set forth in the registration rights agreement and to maintain such effectiveness. See Registration Rights.
Listing	We do not intend to list the new preferred stock on any national or regional securities exchange.
Use of Proceeds	We will not receive any proceeds from issuance of shares of new preferred stock.

An investment in the new preferred stock or any shares of common stock issuable upon conversion or otherwise on account of the new preferred stock involves risks. You should carefully consider the information set forth in the section of this prospectus entitled Risk Factors, as well as other information included in or incorporated by reference into this prospectus before deciding whether to invest in the new preferred stock or our common stock.

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Description of Series A Notes

The summary below describes the principal terms of the Series A Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Series A Notes section of this prospectus contains a more detailed description of the terms and conditions of the Series A Notes. The Description of Our Capital Stock section of this prospectus contains a more detailed description of our common stock.

Issuer	YRC Worldwide Inc.
Securities Offered	Up to $140.0 million in aggregate principal amount of Series A Notes and the underlying shares of our common stock into which the Series A Notes will be convertible after the Charter Amendment Merger.
Maturity	March 31, 2015.
Interest Rate and Payment Dates	10% per year. Interest will be payable on a semiannual basis in arrears on March 31 and September 30 of each year commencing on September 30, 2011. Interest on the Series A Notes will be paid only in-kind through the issuance of additional Series A Notes. See Description of Series A Notes Principal, Maturity and Interest.
Ranking	The Series A Notes and the guarantees of the Series A Notes will be senior secured obligations of the issuer and the guarantors and will: rank senior in right of payment to all of the issuer s and the guarantors future indebtedness and other obligations that expressly provide for their subordination to the Series A Notes and the guarantees thereof; be effectively senior to all of the issuer s and the guarantors existing and future unsecured indebtedness to the extent of the value of the collateral securing the Series A Notes, after giving effect to first-priority liens on the collateral and certain other permitted liens; be effectively junior to the issuer s and the guarantors indebtedness and other obligations that are either (i) secured by liens on the collateral that are senior or prior to the liens securing the Series A Notes, including indebtedness under the Contribution Deferral Agreement and the amended and restated credit agreement in each case, to the extent of the value of such senior priority lien collateral or (ii) secured by assets that are not part of the collateral that is securing the Series A Notes, in each case, to the extent of the value of the collateral; be *pari passu* in right of payment and security with the Series B Notes;

be structurally subordinated to all of the existing and future liabilities, including trade payables, of the issuer s subsidiaries that do not guarantee the Series A Notes.

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Guarantees	The Series A Notes will be initially guaranteed by all of our domestic subsidiaries that will guarantee obligations under the amended and restated credit agreement. In the event any of our existing or future domestic subsidiaries guarantees any indebtedness valued in excess of $5.0 million, then such subsidiary will also guarantee our indebtedness under the Series A Notes. In the event of a sale of all or substantially all of the capital stock or assets of any guarantor, the guarantee of such guarantor will be released. See Description of Series A Notes Guarantees.
Collateral	Junior priority liens on substantially the same collateral securing the amended and restated credit agreement (other than any leasehold interests and equity interests of subsidiaries to the extent such pledge of equity interests would require increased financial statement reporting obligations pursuant to Rule 3-16 of Regulation S-X). See Description of Series A Notes Security for the Series A Notes.
Conversion Rights	The Series A Notes will not be convertible into common stock until after the Charter Amendment Merger is consummated and the second anniversary of the issue date of the Series A Notes. After such time, at any time after the second anniversary of the issue date of the Series A Notes, subject to certain limitations on conversion and issuance of shares, holders may convert any outstanding Series A Notes into shares of our common stock at the initial conversion price per share of approximately $0.1134. This represents a conversion rate of approximately 8,822 shares of common stock per $1,000 principal amount of Series A Notes. The conversion price may be adjusted for certain anti-dilution adjustments. See Description of Series A Notes Conversion Rights Conversion Rate Adjustments.
Voting Rights	After the Charter Amendment Merger, the Series A Notes will entitle the holders thereof to vote with the common stock on As-Converted-to-Common-Stock-Basis, subject to certain limitations. See Description of Series A Notes Equity Voting Rights.
Optional Redemption	The Series A Notes may be redeemed, in whole or in part, at any time at a redemption price equal to 100% of the principal amount thereof plus accrued and unpaid interest to the redemption Date. See Description of Series A Notes Optional Redemption.
Certain Covenants	The indenture governing the Series A Notes will contain covenants limiting, among other things, the issuer s and its restricted subsidiaries ability to (i) create liens on assets and (ii) merge, consolidate, or sell all or substantially all of the issuer s and the guarantors assets. These covenants are subject to important exceptions and qualifications. See Description of Series A Notes Certain Covenants.
Registration Rights	At the completion of the Exchange Offer, we and our guarantor subsidiaries will enter into a registration rights agreement with certain holders of the Series A Notes under which we will agree to prepare and file with the SEC a registration statement covering the resale of such Series A Notes and the shares of our common stock such

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	securities are convertible into, on or prior to the fifth business day after the consummation of the Charter Amendment Merger. We will also use our commercially reasonable efforts to cause the SEC to declare the registration statement effective within the timeframes set forth in the registration rights agreement and to maintain such effectiveness. If we do not fulfill certain of our obligations under the registration rights agreement, we will be required to pay additional amounts in partial liquidated damages in the form of additional Series A Notes. See Registration Rights.
Use of Proceeds	We will not receive any cash proceeds from the issuance of Series A Notes.
Trading	We do not intend to list the notes on any national securities exchange or automated quotation system.
Trustee and Collateral Trustee	U.S. Bank National Association.

An investment in the Series A Notes or any shares of common stock issuable upon conversion or otherwise on account of the notes involves risks. You should carefully consider the information set forth in the section of this prospectus entitled Risk Factors, as well as other information included in or incorporated by reference into this prospectus before deciding whether to invest in the Series A Notes or our common stock.

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Summary of Subscription Rights

The following is a summary of the terms of the Subscription Rights. For a more complete description, see Subscription Rights.

The Subscription Rights	In connection with and as an integral part of the exchange offer, holders of credit agreement claims who participate in the exchange offer will receive the right to subscribe to purchase an aggregate of $100.0 million in principal amount of our Series B Notes at an offering price of 100.0%. Holders of credit agreement claims who participate in the exchange offer may elect to subscribe to purchase up to the amount equal to their pro rata portion of the principal amount of credit agreement claims, which we refer to as the basic subscription right. In addition, such electing holders may subscribe to purchase additional Series B Notes in excess of their pro rata portion to the extent that other holders of credit agreement claims do not subscribe to purchase their respective pro rata portions, which we refer to as the oversubscription right and together with the basic subscription right, the subscription rights . The amount of Series B Notes that an electing holder subscribes to purchase is its subscription amount. Each electing holder s oversubscription right will be adjusted pro rata to the extent of any oversubscription for the Series B Notes, and the Subscription Agent will refund promptly the amount of any excess oversubscription to each electing holder after giving effect to any such adjustments. **Only holders of record of credit agreement claims that exchange credit agreement claims in the exchange offer will have the right to purchase the Series B Notes. Participants (as defined in the existing credit agreement) who would like to subscribe to purchase Series B Notes should instruct the holder of record of its participated credit agreement claims to participate in the subscription rights in the manner set forth in the subscription documents.**
Expiration Date; Extensions	The subscription rights will expire at the expiration date. We, in our absolute discretion, may extend the expiration date for the exchange offer and subscription rights for any purpose, including to permit the satisfaction or waiver of any or all conditions to the exchange offer.
Method of Subscription	You may subscribe to purchase Series B Notes by delivering to the Subscription Agent (i) your properly completed and executed subscription certificate (the subscription certificate) with any required supplemental documentation and (ii) payment by wire transfer in immediately available funds for your full subscription amount, in accordance with the instructions accompanying the subscription certificate, in each case, for actual receipt prior to the subscription rights expiration date.

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	By returning its payment of its subscription amount and a subscription certificate, each electing holder at the completion of the exchange offer will be bound by the subscription certificate to purchase its subscription amount, subject to any adjustment by the Company in the event of an oversubscription for the Series B Notes, unless such subscription certificate was properly withdrawn prior to the expiration date in accordance with the terms described in this prospectus and the subscription certificate. See Subscription Rights for more information on how to exercise your subscription rights hereunder.
Subscription Agent	The Subscription Agent for the subscription rights is U.S. Bank National Association. The address for delivery to U.S. Bank National Association is: Two Liberty Place, 50 S. 16th Street, Suite 2000, Mail Station: EX-PA-WBSP, Philadelphia, PA 19102, Attention: George Rayzis.
United States Federal Income Tax Considerations	For a detailed discussion of the material United States federal income tax consequences of receiving or exercising the subscription rights, see Material United States Federal Income Tax Consequences.

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Description of Series B Notes

The summary below describes the principal terms of the Series B Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Series B Notes section of this prospectus contains a more detailed description of the terms and conditions of the Series B Notes. The Description of Our Capital Stock section of this prospectus contains a more detailed description of our common stock.

Issuer	YRC Worldwide Inc.
Securities Offered	Up to $100.0 million in aggregate principal amount of Series B Notes, and the underlying shares of our common stock into which the Series B Notes will be convertible after the Charter Amendment Merger, including shares issued in respect of a make whole premium.
Maturity	March 31, 2015.
Interest Rate and Payment Dates	10% per year. Interest will be payable on a semiannual basis in arrears on March 31 and September 30 of each year commencing on September 30, 2011. Interest on the Series B Notes will be paid only in-kind through the issuance of additional Series B Notes. See Description of Series B Notes Principal, Maturity and Interest.
Ranking	The Series B Notes and the guarantees of the Series B Notes will be senior secured obligations of the issuer and the guarantors and will: rank senior in right of payment to all of the issuer s and the guarantors future indebtedness and other obligations that expressly provide for their subordination to the Series B Notes and the guarantees thereof; be effectively senior to all of the issuer s and the guarantors existing and future unsecured indebtedness to the extent of the value of the collateral securing the Series B Notes, after giving effect to first-priority liens on the collateral and certain other permitted liens; be effectively junior to the issuer s and the guarantors indebtedness and other obligations that are either (i) secured by liens on the collateral that are senior or prior to the liens securing the Series B Notes, including indebtedness under the Contribution Deferral Agreement and the amended and restated credit agreement, in each case to the extent of the value of such senior priority lien collateral or (ii) secured by assets that are not part of the collateral that is securing the Series B Notes, in each case, to the extent of the value of the collateral; be *pari passu* in right of payment and security with the Series A Notes; and

be structurally subordinated to all of the existing and future liabilities, including trade payables, of the issuer s subsidiaries that do not guarantee the Series B Notes.

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Guarantees	The Series B Notes will be initially guaranteed by all of our domestic subsidiaries that will guarantee obligations under the amended and restated credit agreement. In the event any of our existing or future domestic subsidiaries guarantees any indebtedness valued in excess of $5.0 million, then such subsidiary will also guarantee our indebtedness under the Series B Notes. In the event of a sale of all or substantially all of the capital stock or assets of any guarantor, the guarantee of such guarantor will be released. See Description of Series B Notes Guarantees.
Collateral	Junior priority liens on substantially the same collateral securing the amended and restated credit agreement (other than any leasehold interests and equity interests of subsidiaries to the extent such pledge of equity interests would require increased financial statement reporting obligations pursuant to Rule 3-16 of Regulation S-X). See Description of Series B Notes Security for the Series B Notes.
Conversion Rights	The Series B Notes will not be convertible into common stock until the Charter Amendment Merger is consummated. After such time, holders may convert any outstanding Series B Notes into shares of our common stock at the initial conversion price per share of approximately $0.0618. This represents a conversion rate of approximately 16,187 shares of common stock per $1,000 principal amount of Series B Notes. The conversion price may be adjusted for certain anti-dilution adjustments. See Description of Series B Notes Conversion Rights Conversion Rate Adjustments. Upon conversion, holders of Series B Notes will not receive any cash payment representing accrued and unpaid interest, however, such holders will receive a make whole premium paid in shares of our common stock for the Series B Notes that were converted. See Description of Series B Notes Conversion Rights Make Whole Premium.
Voting Rights	After the Charter Amendment Merger, the Series B Notes will entitle the holders thereof to vote with the common stock on an As-Converted-to-Common-Stock-Basis, subject to certain limitations. See Description of Series B Notes Equity Voting Rights.
Change of Control	If a change of control of the issuer occurs, we must give holders of the Series B Notes the opportunity to sell us their Series B Notes at 101% of their face amount, plus accrued and unpaid interest to the repurchase date. See Description of Series B Notes Change of Control.

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Certain Covenants

The indenture governing the Series B Notes will contain covenants limiting, among other things, the issuer s and its restricted subsidiaries ability to:

- pay dividends or make certain other restricted payments or investments;
- incur additional indebtedness and issue disqualified stock or subsidiary preferred stock;
- create liens on assets;
- sell assets;
- merge, consolidate, or sell all or substantially all of the issuer s or the guarantors assets;
- enter into certain transactions with affiliates; and
- create restrictions on dividends or other payments by the issuer s restricted subsidiaries.

These covenants are subject to important exceptions and qualifications. See Description of Series B Notes Certain Covenants.

Registration Rights

At the completion of the Exchange Offer, we and our guarantor subsidiaries will enter into a registration rights agreement with certain holders of the Series B Notes under which we will agree to prepare and file with the SEC a registration statement covering the resale of such Series B Notes and the shares of our common stock such securities are convertible into, on or prior to the fifth business day after the consummation of the Charter Amendment Merger. We will also use our commercially reasonable efforts to cause the SEC to declare the registration statement effective within the timeframes set forth in the registration rights agreement and to maintain such effectiveness.

If we do not fulfill certain of our obligations under the registration rights agreement, we will be required to pay additional amounts in partial liquidated damages in the form of additional Series B Notes. See Registration Rights.

Use of Proceeds

We will use the net cash proceeds of the Series B Notes for working capital and general business purposes, including the refinancing of indebtedness.

Trading

We do not intend to list the Series B Notes on any national securities exchange or automated quotation system.

Trustee and Collateral Trustee	U.S. Bank National Association.

An investment in the Series B Notes or any shares of common stock issuable upon conversion or otherwise on account of the Series B Notes involves risks. You should carefully consider the information set forth in the section of this prospectus entitled Risk Factors, as well as other information included in or incorporated by reference into this prospectus before deciding whether to invest in the Series B Notes or our common stock.

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Summary Consolidated Historical Financial Data

The following table sets forth summary consolidated historical financial data. Our summary consolidated historical financial data as of and for the three months ended March 31, 2011 and 2010, and as of and for the years ended December 31, 2010, 2009, 2008, 2007, and 2006, have been derived from the consolidated financial statements for such periods either incorporated by reference in this prospectus or not included herein.

The summary consolidated historical financial data presented herein should be read in conjunction with Management s Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements, including the notes thereto, incorporated by reference in this prospectus.

	Three Months Ended March 31,		Year Ended December 31,				
(in thousands except per share and other data)	**2011**	**2010**	**2010**	**2009**	**2008**	**2007**	**2006**
For the Year							
Operating revenue	$ 1,122,886	$ 987,144	$ 4,334,640	$ 4,871,025	$ 8,318,674	$ 8,998,108	$ 9,308,948
Operating income (loss)	(67,974)	(233,180)	(230,560)	(890,374)	(931,745)	(579,300)	525,888
Net income (loss) from continuing operations	(102,269)	(270,135)	(301,113)	(634,254)	(825,664)	(648,537)	263,591
Net income (loss) from discontinued operations, net of tax		(4,004)	(23,084)	12,235	(150,709)	8,175	11,060
Net income (loss)	(102,269)	(274,139)	(324,197)	(622,019)	(976,373)	(640,362)	274,651
Less: Net loss attributable to non-controlling interest	(489)		(1,963)				
Net income (loss) attributable to YRC Worldwide Inc.	(101,780)	(274,139)	(322,234)	(622,019)	(976,373)	(640,362)	274,651
Net capital (proceeds) expenditures	1,515	3,906	(66,109)	(95,769)	34,686	338,424	303,057
Net cash provided by (used in) operating activities	(46,254)	18,290	1,097	(378,297)	219,820	392,598	532,304
Net cash provided by (used in) investing activities	1,354	3,906	105,622	134,080	(86,934)	(341,087)	(328,971)
Net cash provided by (used in) financing activities	58,568	10,279	(61,490)	16,656	134,230	(69,669)	(209,303)
At Year-End							
Total assets	2,624,343	2,592,933	2,592,933	3,032,074	3,966,113	5,062,623	5,851,759
Total debt	1,115,525	1,060,135	1,060,135	1,132,909	1,349,736	1,219,895	1,266,296
Total YRC Worldwide Inc. stockholders equity (deficit)	(285,250)	(188,123)	(188,123)	167,190	481,451	1,621,342	2,203,567
Non-controlling interest	(2,396)	(1,894)	(1,894)				
Total stockholders equity (deficit)	(287,646)	(190,017)	(190,017)	167,190	481,451	1,621,342	2,203,567
Measurements							
Basic per share data:							
Net income (loss) from continuing operations attributable to YRC Worldwide Inc.	(2.14)	(12.96)	(7.55)	(266.13)	(358.47)	(283.68)	114.88
Net income (loss) from discontinued operations		(0.19)	(0.58)	5.13	(65.43)	3.58	4.82
Net income (loss)	(2.14)	(13.15)	(8.13)	(261.00)	(423.90)	(280.10)	119.70
Average common shares outstanding basic	47,638	20,849	39,601	2,383	2,303	2,286	2,294
Diluted per share data:							
Net income (loss) from continuing operations attributable to YRC Worldwide Inc.	(2.14)	(12.96)	(7.55)	(266.13)	(358.47)	(283.68)	112.96
Net income (loss) from discontinued operations		(0.19)	(0.58)	5.13	(65.43)	3.58	4.74
Net income (loss)	(2.14)	(13.15)	(8.13)	(261.00)	(423.90)	(280.10)	117.70
Average common shares outstanding diluted	47,638	20,849	39,601	2,383	2,303	2,286	2,334
Other Data							
Number of employees	32,000	32,000	32,000	36,000	55,000	63,000	66,000
Operating ratio: (a)							
National Transportation	107.0%	127.9%	106.9%	121.3%	111.9%	97.6%	93.8%
Regional Transportation	100.3%	112.8%	100.3%	109.6%	107.5%	130.7%	94.3%
Truckload	115.3%	111.4%	109.6%	107.7%	109.7%	105.2%	93.6%

(a) Operating ratio is calculated as (i) 100 percent (ii) minus the result of dividing operating income by operating revenue or plus the result of dividing operating loss by operating revenue and expressed as a percentage.

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Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer

The following table sets forth unaudited pro forma condensed consolidated financial information for the exchange offer as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010. The data set forth in the table below has been derived by applying the pro forma adjustments described under Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer, included elsewhere in this prospectus, to our historical consolidated financial statements as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010, which are incorporated into this prospectus by reference from our Current Report on Form 8-K filed with the SEC on May 17, 2011.

The unaudited pro forma condensed consolidated financial information for the exchange offer assumes that each of the adjustments below that are directly attributable to the exchange offer and factually supportable had occurred as of March 31, 2011 for the unaudited pro forma condensed consolidated balance sheet, and as of the beginning of the respective periods for the unaudited pro forma condensed consolidated statements of operations:

- consummation of the transactions contemplated by the exchange offer, including the payment of related fees and expenses;
- amendment and restatement of our existing credit agreement;
- entry, through a special purpose, bankruptcy remote subsidiary of ours, into the ABL facility;
- amendment and restatement of the Contribution Deferral Agreement and pension notes;
- issuance of shares of our new preferred stock to the IBT 401(k); and
- conversion of the new preferred stock into common stock.

The exchange offer will result in very significant dilution to our current common shareholders.

The unaudited pro forma condensed consolidated financial data for the exchange offer is based on assumptions that we believe are reasonable and should be read in conjunction with Capitalization, Accounting Treatment of the Exchange Offer, and Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer, included elsewhere in this prospectus, and to our historical consolidated financial statements as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010, which are incorporated into this prospectus by reference from our Current Report on Form 8-K filed with the SEC on May 17, 2011.

The unaudited pro forma condensed consolidated financial data for the exchange offer assumes, among other things, (A) the satisfaction of the Minimum Exchange Condition, which requires that 100% of all credit agreement claims be submitted for exchange, (B) the purchase and sale of $100.0 million in aggregate principal amount of Series B Notes pursuant to the subscription rights and (C) that we obtain Stockholder Approval of the Charter Amendment Merger which will permit us to amend our certificate of incorporation and to issue common stock in the recapitalization. As consideration for their credit agreement claims, the exchanging holders will receive the number of new securities and the basic subscription right (subject to oversubscription rights) to the amount of Series B Notes for each $1,000 of principal amount of credit agreement claims as is set forth in the summary offering tables on the inside front cover of this prospectus.

The unaudited pro forma condensed consolidated financial data for the exchange offer is presented for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have actually been reported had the exchange offer and other pro forma events been consummated as of March 31, 2011 for purposes of our balance sheet data or as of the beginning of the respective periods for purposes of our statements of operations data for the three months ended March 31, 2011 and for the year ended December 31, 2010, nor is it necessarily indicative of our future financial position or results of operations.

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The actual effects of the exchange offer and other pro forma events on our financial position or results of operations may be different than what we have assumed or estimated, and these differences may be material.

	Pro Forma (unaudited)	
	Three Months Ended March 31, 2011	Year Ended December 31, 2010
	(In thousands)	
Statements of Operations Data:		
Operating revenue	$ 1,122,886	$ 4,334,640
Net loss from continuing operations	(108,266)	(315,146)

	Pro Forma (unaudited) As of March 31, 2011 (In thousands)
Balance Sheet Data:	
Total assets	$ 2,751,206
Total debt	1,193,534
Total liabilities	2,810,865
Shareholders deficit	(59,659)

The assumptions we used to estimate the value of our common stock given to exchanging holders as part of the exchange consideration are described further under Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer, included elsewhere in this prospectus.

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RISK FACTORS

Before you participate in the exchange offer, you should carefully consider the risks described below. You should also consider the other information included or incorporated by reference in this prospectus before deciding whether to participate in the exchange offer. There are additional risks attendant to being an investor in our securities that you should review whether or not you elect to participate in the exchange offer. You should review all the risks attendant to being an investor in our equity and debt securities prior to making an investment decision.

Risks Relating to Not Accepting the Exchange Offer

If we are not able to consummate the exchange offer, our stakeholders may declare an event of default under our existing agreements with them and we would need to seek protection under the Bankruptcy Code on terms other than as contemplated by the restructuring.

We have entered into recent amendments to our existing credit agreement, our ABS facility, our Contribution Deferral Agreement and the term sheet to our modified NMFA with the IBT that require that certain conditions and cross-conditions regarding our proposed restructuring be met. We cannot provide any assurance that such conditions will be met or otherwise extended, nor can we provide any assurance that, in such an event, our indebtedness, including all deferred amounts, will not be accelerated by our lenders. In the event any such conditions are not satisfied, waived or amended under any of our existing credit agreement, the ABS facility, the Contribution Deferral Agreement or the term sheet to the modified NMFA, we would likely be required to seek protection under the Bankruptcy Code.

For example, the agreement in principle condition required that the terms of our proposed restructuring be approved by certain of our multi-employer pension funds. At the required date, certain of the multi-employer pension funds had not approved the terms of our restructuring (although all multi-employer pension funds have agreed to support the restructuring as of the date of this prospectus), and, as a result, the lenders have the right, but not the obligation, to declare an event of default under our existing credit agreement. Such right has not been waived by the lenders. We cannot provide any assurance that the lenders will not declare an event of default under our existing credit agreement. If the lenders declare an event of default under our existing credit agreement, we anticipate that we would likely seek protection under the Bankruptcy Code.

Additionally, if the restructuring does not close by the applicable required date, the deferral of interest and fees under our existing credit agreement will end on the fifth day (or if the fifth day is not a business day, the immediately following business day) following such failure and the lenders may declare an event of default under our existing credit agreement.

Similarly, the recent amendments to our ABS facility, Contribution Deferral Agreement and the term sheet to the modified NMFA contain significant conditions with respect to the continued (i) deferral of amounts under the ABS facility and the Contribution Deferral Agreement and (ii) concessions in the modified NMFA. We do not expect that we will have sufficient liquidity to pay deferred amounts under our existing credit agreement, ABS facility and Contribution Deferral Agreement, make contributions to multi-employer pension funds in amounts greater than set forth in the modified NMFA or lose wage, benefit and work rule concessions set forth in the NMFA in 2011 if such conditions are not met or extended and such deferral, contributions and concessions do not continue.

If we are unable to consummate the exchange offer, the Company will face an immediate liquidity crisis that could likely result in the Company filing for bankruptcy protection on terms other than as contemplated by the restructuring, which could materially adversely affect the relationships between us and our existing and potential customers, employees, partners and other stakeholders.

The exchange offer is subject to various conditions including, among others, that holders of 100% of the credit agreement claims submit their credit agreement claims for exchange and that we receive subscriptions for

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at least $100.0 million of Series B Notes. If the conditions to the exchange offer are not satisfied or we are otherwise unable to consummate the exchange offer, we will face an immediate liquidity crisis that could likely result in our filing for bankruptcy protection on terms other than as contemplated by the restructuring.

We believe that seeking relief under the Bankruptcy Code by filing for bankruptcy protection could materially adversely affect the relationships between us and our existing and potential customers, employees, partners and other stakeholders. For example:

- our customers would likely cease or substantially reduce their use of our services to avoid the possibility of stranded freight in our network in the event we cease to operate or substantially reduce our operations;
- our suppliers may attempt to cancel our contracts or restrict ordinary credit terms, require financial assurances of performance or refrain entirely from providing goods or services to us;
- our insurance companies and parties who govern or oversee our self insurance programs may attempt to cancel or adversely modify such relationships or fail to renew insurance policies or self insurance arrangements or demand additional collateral or increase premiums or payments;
- our employees may become distracted from performance of their duties or more easily attracted to other career opportunities;
- the coordination of a bankruptcy filing and operation under protection of the bankruptcy court would involve significant costs, including expenses of legal counsel and other professional advisors;
- we may have difficulty continuing to obtain and maintain contracts necessary to continue our operations and at affordable rates with competitive terms;
- we may have difficulty maintaining existing and building new relationships;
- transactions outside the ordinary course of business would be subject to the prior approval of the bankruptcy court, which may limit our ability to respond timely to certain events or take advantage of certain opportunities;
- we may not be able to obtain court approval or such approval may be delayed with respect to motions made in the bankruptcy proceedings;
- we may be unable to retain and motivate key executives and employees through the process of a Chapter 11 reorganization, and we may have difficulty attracting new employees;
- there can be no assurance as to our ability to maintain or obtain sufficient financing sources for operations or to fund any reorganization plan and meet future obligations;

there can be no assurance that we will be able to successfully develop, confirm and consummate one or more plans of reorganization that are acceptable to the bankruptcy court and our creditors, and other parties in interest;

there can be no assurance that we may not be required to convert a Chapter 11 reorganization into a Chapter 7 liquidation; and

the value of our common stock could be affected as a result of a bankruptcy filing.

In addition, any distributions that you may receive in respect of your credit agreement claims under a liquidation or under a protracted reorganization case or cases under the Bankruptcy Code other than in connection with a successful prepackaged plan would likely be substantially delayed and the value of any potential recovery likely would be adversely impacted by such delay.

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Risks Relating to the Exchange Offer

The completion of the exchange offer is subject to a number of significant conditions and we cannot assure you all such conditions will be satisfied.

We are not obligated to complete the exchange offer under certain circumstances and unless and until the conditions to the completion of the exchange offer, including the Minimum Exchange Condition, are satisfied or waived, including:

- the initial funding under the ABL facility, with a minimum of $350.0 million in initial aggregate commitments and excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves), shall have occurred (or shall occur substantially concurrently with completion of the exchange offer) and be in form and substance acceptable to the Agent, TNFINC, the Majority Funds, the Steering Group Majority and the Company, each in their sole discretion;

- the offering of the Series B Notes, with aggregate net proceeds to us of not less than $100.0 million (before deducting any expenses relating to the exchange offer or subscription offer) shall have closed simultaneously with completion of the exchange offer;

- certain documents as described in the lender support agreement as the approved transaction documents, which by their terms are to be effective at or prior to completion of the exchange offer, shall be in full force and effect;

- certain agreements relating to contributions to our multi-employer pension funds are in full force and effect; and

- certain other significant conditions.

On July 7, 2011, we terminated the Morgan Stanley Commitment Letter. On the same day, we entered into a commitment and engagement letter with JPMCB, JPMorgan and the Steering Group Commitment Parties pursuant to which (i) JPMorgan agreed to structure and arrange the ABL facility and use commercially reasonable efforts to syndicate the ABL last out term loan facility, (ii) JPMCB agreed to act as administrative agent for the ABL facility and (iii) each Steering Group Commitment Party committed to provide (x) $75.0 million of a $225.0 million ABL last out term loan facility, which will be syndicated by JPMCB, and (y) approximately $58.3 million of a $175.0 million ABL first out term loan facility, in each case to a special purpose, bankruptcy remote subsidiary of the Company and subject to satisfaction (or waiver) of certain conditions. We will not be able to complete the exchange offer unless we reach agreement with such lenders on the terms of the definitive documents that relate to the ABL facility. We cannot assure you that (i) we will satisfy or obtain a waiver of the conditions precedent or (ii) we will otherwise reach agreement on the terms of the ABL facility. We are also required by the conditions of the exchange offer to simultaneously complete the exchange offer and the related transactions as of the closing of the exchange offer. We cannot assure you that we will be able to satisfy all conditions to such transactions simultaneously, and therefore we cannot assure you that we will be able to complete the exchange offer and the restructuring.

None of the Company, our board of directors, any officer or other affiliate of the Company, the Subscription Agent or the Information and Exchange Agent makes any recommendation as to whether a holder of the credit agreement claims should exchange or refrain from exchanging its credit agreement claims in the exchange offer or to subscribe to purchase Series B Notes.

The restructuring has been approved by our board of directors. However, none of the Company, our board of directors, any officer or other affiliate of the Company, the Subscription Agent or the Information and Exchange Agent makes any recommendation as to whether a holder of credit agreement claims should exchange or refrain from exchanging its credit agreement claims in the exchange offer or to subscribe to purchase Series B Notes and none of the Company, our board of directors, any officer or other affiliate of the Company, the Subscription Agent or the Information and Exchange Agent has authorized any person to make such a recommendation.

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Holders of credit agreement claims are urged to evaluate carefully all information included or incorporated by reference into this prospectus, consult with their own investment, legal, business and tax advisors and make their own decision whether to participate in the exchange offer or subscribe to purchase Series B Notes. In addition, we have not retained and do not intend to retain any unaffiliated representative to act solely on behalf of the holders of the credit agreement claims for purposes of preparing a report concerning the fairness of the exchange offer or the restructuring. The future value of the exchange consideration received by an exchanging holder may not equal or exceed the value of the credit agreement claims exchanged. Our board of directors has made no determination that the consideration to be received in the exchange offer represents a fair valuation of the outstanding credit agreement claims. We have not obtained a fairness opinion from any financial advisor about the fairness to us or to you of the consideration to be received by holders of credit agreement claims.

Risks Relating to Accepting the Exchange Offer

The exchange ratios for the exchange offer do not reflect any independent valuation of the credit agreement claims or exchange consideration.

We have not obtained or requested, and do not intend to obtain or request, a fairness opinion from any banking or other firm as to the fairness of the exchange ratios or the relative values of credit agreement claims and exchange consideration therefor. If you exchange your credit agreement claims and the exchange offer is consummated, you may or may not receive more than or as much value as you would if you choose to keep your credit agreement claims (whether the exchange offer is or is not consummated) and in the event of any subsequent foreclosure, dissolution, winding-up, liquidation or reorganization, or other bankruptcy proceeding other than in connection with a successful prepackaged plan, you may have a smaller claim than if you had retained your credit agreement claims and you may recover less than you would have had you retained your credit agreement claims.

To the extent a trading market for these securities develops after consummation of the offering, the securities could trade at prices well below the prices ascribed to them in the exchange offer or, in the case of the Series B Notes, the subscription offer price. Each holder of credit agreement claims must make its own investment decision regarding the securities offered.

To the extent holders of credit agreement claims receive shares of our preferred stock in the exchange offer they will lose their contractual rights as creditors.

Shares of our new preferred stock received as exchange consideration for credit agreement claims in the exchange offer will not include the contractual rights that benefit the holders of credit agreement claims. For example, in a liquidation or insolvency proceeding, a holder of new preferred stock will be paid, if at all, only after claims of holders of debt are satisfied, including the repayment of principal and accrued interest on any outstanding convertible notes. Consequently, exchanging holders of credit agreement claims who become holders of new preferred stock after consummation of the exchange offer, may suffer more from future adverse developments relating to our financial condition, performance, results of operations or prospects than they would as holders of our indebtedness. In addition, unlike indebtedness, where principal and interest are payable on specified due dates, in the case of the new preferred stock, dividends are payable only to the extent dividends are declared by our board of directors, if at all.

We expect to issue a substantial number of shares of our new preferred stock convertible into our common stock in connection with the exchange offer, and we cannot predict the price at which our common stock will trade following the exchange offer.

Assuming all credit agreement claims are exchanged and the other conditions to the exchange offer are waived or satisfied, we would issue to holders of credit agreement claims approximately 3,717,948 shares of our new preferred stock which would represent approximately 1,384,832,389 shares or 72.5% of the pro forma common equity of the Company on an As Converted-to-Common-Stock-Basis immediately after giving effect to the exchange offer (based on the number of shares of our common stock outstanding as of March 31, 2011). We

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would also issue $140.0 million in aggregate principal amount of Series A Notes and $100.0 million in aggregate principal amount of Series B Notes, which, together with additional Series A Notes and Series B Notes issuable as payment-in-kind interest or make whole premium, would be convertible under certain conditions into approximately 1,781,355,894 and 2,334,673,518 shares of our common stock, respectively (based on the number of shares of our common stock outstanding as of March 31, 2011). We will also issue approximately 1,282,051 shares of our new preferred stock to the IBT 401(k), which would represent approximately 477,528,410 shares or 25.0% of the pro forma common equity of the Company on an As-Converted-to-Common-Stock-Basis immediately after giving effect to the exchange offer (based on the number of shares of our common stock outstanding as of March 31, 2011).

We cannot predict what the demand for our new preferred stock or common stock will be following the exchange offer, how many shares of our new preferred stock and common stock will be offered for sale or be sold following the exchange offer or the price at which our new preferred stock or common stock will trade following the exchange offer. Some of the holders of credit agreement claims may be investors that cannot or are unwilling to hold equity securities and may therefore seek to sell the new preferred stock they receive in the exchange offer, or the shares of common stock they receive upon conversion of the preferred stock or new convertible notes they receive in the exchange offer. There are no agreements or other restrictions that prevent the sale of a large number of our shares of new preferred stock or common stock immediately following the exchange offer. The issuance of the shares of the new preferred stock, Series A Notes and Series B Notes offered pursuant to this prospectus in exchange for credit agreement claims have been registered with the SEC. As a consequence, those securities and the common stock into which they are convertible will, in general, be freely tradable. Sales of a large number of such securities or shares of common stock after the exchange offer could materially depress the trading price of such securities or our common stock.

The price of our common stock, and therefore of the new convertible notes and new preferred stock, may fluctuate significantly, and this may make it difficult for you to resell the new convertible notes, the new preferred stock or any shares of our common stock (including those issuable upon conversion of the new convertible notes or new preferred stock) when you want or at prices you find attractive.

The price of our common stock on the NASDAQ Global Select Market constantly changes. We expect that the market price of our common stock will continue to fluctuate. In addition, because the new convertible notes and the new preferred stock are convertible into shares of our common stock, volatility or depressed prices for our common stock could have a similar effect on the trading price of the notes.

In addition, the stock markets from time to time experience price and volume fluctuations that may be unrelated or disproportionate to the operating performance of companies and that may be extreme. These fluctuations may adversely affect the trading price of our common stock, regardless of our actual operating performance.

We are subject to restrictions on paying dividends on our common stock and we do not intend to pay dividends on our common stock in the foreseeable future.

We do not anticipate that we will be able to pay any dividends on the new preferred stock or shares of our common stock in the foreseeable future. We intend to retain any future earnings to fund operations, debt service requirements and other corporate needs. In addition, our existing credit agreement restricts, and our amended and restated credit agreement will restrict, the payment of dividends on our common stock and preferred stock other than in additional shares of our common stock.

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Our common stock currently listed on the NASDAQ will be subject to delisting if we consummate the exchange offer.

NASDAQ Listing Rule 5635(d) provides that, in other than a public offering, shareholder approval is required prior to the issuance of common stock, or securities convertible into or exercisable for common stock, if the securities being issued are equal to or in excess of 20% of the voting power or number of shares of common stock outstanding immediately before the issuance for less than the greater of book value or market value of the stock. If we consummate the exchange offer, we will be required to issue shares of new preferred stock and Series A Notes and Series B Notes convertible into substantially in excess of the 20% threshold provided under Rule 5635(d) for a price that is likely less than the greater of book value or market value of our common stock. In addition, holders of our new preferred stock will also be able to vote their new preferred stock on an As-Converted-to-Common-Stock-Basis (subject to certain limitations), and the conversion rate for this purpose may be below the market price of our common stock on the date of issuance of the new preferred stock, which would also violate NASDAQ listing rules. While we submitted a formal request to NASDAQ for a waiver from the shareholder approval requirement pursuant to the financial viability exception contained in NASDAQ Listing Rule 5635(f), NASDAQ has determined not to grant the exception. Our common stock is therefore subject to delisting by the NASDAQ if we complete the exchange offer.

In addition, NASDAQ s continued listing requirements provide, among other requirements, that the minimum trading price of our common stock not fall below $1.00 per share over a consecutive 30 day trading period. Upon receipt from NASDAQ of notice of non-compliance, we would have a period of 180 days to regain compliance with this requirement. The price per share of our common stock may fall below the $1.00 per share minimum trading price. There can be no assurance that we will regain compliance within the requisite time period following completion of the proposed restructuring, or at all.

Delisting of our common stock would have an adverse effect on the market liquidity of our common stock and, as a result, the market price for our common stock could become more volatile. Further, delisting also could make it more difficult for us to raise additional capital.

There may be a delay or difficulty in our being able to relist our common stock on an exchange.

As discussed above, the NASDAQ did not grant our request for a financial viability exemption, and our common stock will be subject to delisting by the NASDAQ if we complete the exchange offer. If such delisting were to occur, it may take some time before we are able to relist our common stock on NASDAQ or to list our common stock on another national stock exchange. In such circumstances, it is possible that we will not be able to list our common stock on NASDAQ or another national stock exchange within the first year after the exchange offer. If our common stock is not listed on NASDAQ or another national stock exchange, there may be an adverse effect on the market liquidity of our common stock and, as a result, the market price for our common stock could become more volatile.

If an active trading market does not develop for the new convertible notes, you may not be able to resell such notes.

The new convertible notes are new issues of securities for which there is currently no public market. We have not listed, and we have no plans to list, the new convertible notes on any national securities exchange or to include these notes in any automated quotation system upon their registration. This may limit the trading market for the new convertible notes. The lack of a trading market could adversely affect your ability to sell such notes and the price at which you may be able to sell such notes. The new convertible notes may trade at a discount from their initial offering price and the liquidity of the trading market, if any, and future trading prices of the new

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convertible notes will depend on many factors, including, among other things, the market price of our common stock, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. Historically, the market for convertible debt has been subject to disruptions that have caused volatility in prices. It is possible that any market for the new convertible notes which develops will be subject to disruptions which may have a negative effect on you, regardless of our operating results, financial performance or prospects.

No trading market for the new preferred stock exists, and none is likely to develop, and holders of new preferred stock may not be able to convert their new preferred stock into common stock.

The shares of new preferred stock have not been and will not be listed on NASDAQ or any other national or regional securities exchange, and we are not likely to list the shares of new preferred stock in the future. Additionally, the shares of new preferred stock will be issued in certificated form and will not be DTC-eligible. We do not anticipate that shares of the new preferred stock will become DTC-eligible in the future. Settlement of any transfers of the new preferred stock may take an extended period of time. As a result, no trading market for the new preferred stock will exist upon consummation of the exchange offer, and none is likely to develop. In addition, we must obtain the approval of our stockholders to amend our certificate of incorporation to increase our amount of authorized common stock before the new preferred stock may be converted into common stock. If we are not able to obtain this stockholder approval in connection with the Charter Amendment Merger, the new preferred stock may not be converted. The holders of new preferred stock do not have any redemption rights, other than upon a liquidation. These factors will likely limit the liquidity of the new preferred stock.

Future sales of our common stock or equity-related securities in the public market, including sales of our common stock in short sales transactions by purchasers of the new convertible notes, could adversely affect the trading price of our common stock and the value of the new convertible notes and our ability to raise funds in new stock offerings.

In the future, we may sell additional shares of our common stock to raise capital. In addition, shares of our common stock are reserved for issuance on the exercise of stock options and on conversion of the new convertible notes. We cannot predict the size of future issuances or the effect, if any, that such issuances may have on the market price for our common stock. Sales of significant amounts of our common stock or equity-related securities in the public market, or the perception that such sales may occur, could adversely affect prevailing trading prices of our common stock and the value of the new convertible notes and could impair our ability to raise capital through future offerings of equity or equity-related securities. Further sales of shares of our common stock or the availability of shares of our common stock for future sale, including sales of our common stock by investors who view the new convertible notes as a more attractive means of equity participation in our company or in connection with hedging and arbitrage activity that may develop with respect to our common stock, could adversely affect the trading price of our common stock or the value of the new convertible notes.

The conversion rates of the new preferred stock and new convertible notes may not be adjusted for all dilutive events that may adversely affect the price of the new preferred stock, the new convertible notes or the common stock issuable upon conversion of the new preferred stock or new convertible notes.

The conversion rates of the new preferred stock and new convertible notes are subject to adjustment upon certain events (see Description of the New Preferred Stock Anti-Dilution Adjustments, Description of Series A Notes Conversion Rights Conversion Rate Adjustments and Description of Series B Notes Conversion Rights Conversion Rate Adjustments). We will not adjust the conversion rate for other events, including offerings of common stock for cash by us or in connection with acquisitions. There can be no assurance that an event that adversely affects the value of the new preferred stock or new convertible notes, but does not result in an adjustment to the conversion rate, will not occur. Further, if any of these other events adversely

affects the market price of our common stock, it may also adversely affect the market price of the new preferred stock and new convertible notes. We are generally not restricted from offering common stock in the future or engaging in other transactions that could dilute our common stock.

Our substantial indebtedness and lease obligations could adversely affect our financial flexibility and our competitive position.

We have, and upon consummation of the exchange offer and the application of the net proceeds therefrom, we will continue to have a significant amount of indebtedness. As of March 31, 2011, on an as adjusted basis after giving effect to the restructuring, we would have had approximately $1.2 billion of outstanding indebtedness. Our substantial level of indebtedness increases the risk that we may be unable to generate cash sufficient to pay amounts due in respect of our indebtedness. We also have, and will continue to have, significant lease obligations. As of March 31, 2011, our minimum rental expense under operating leases for the remainder of 2011 and full year 2012 was $60.6 million and $51.5 million, respectively. As of March 31, 2011, our total operating lease obligations totaled $147.6 million. Our substantial indebtedness and lease obligations could have other important consequences to you and significant effects on our business. For example, it could:

- increase our vulnerability to adverse changes in general economic, industry and competitive conditions;
- require us to dedicate a substantial portion of our cash flow from operations to make payments on our indebtedness and leases, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- restrict us from taking advantage of business opportunities;
- make it more difficult to satisfy our financial obligations;
- place us at a competitive disadvantage compared to our competitors that have less debt and lease obligations; and
- limit our ability to borrow additional funds for working capital, capital expenditures, acquisitions, debt service requirements, execution of our business strategy or other general corporate purposes on satisfactory terms or at all.

In addition, the indenture governing our Series B Notes will contain, and the agreements evidencing or governing our existing or future indebtedness may contain, restrictive covenants that will limit our ability to engage in activities that may be in our long-term best interests. Our failure to comply with those covenants could result in an event of default which, if not cured or waived, could result in the acceleration of all of our indebtedness.

Despite current indebtedness levels, we and our subsidiaries may still be able to incur substantially more debt. This could increase the risks associated with our substantial leverage.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future. Although covenants under the indenture governing the Series B Notes, our amended and restated credit agreement and other agreements will limit our ability and the ability of our present and future subsidiaries to incur additional indebtedness, the terms of the indenture governing the Series B Notes, our amended and restated credit agreement and other agreements will permit us to incur significant additional indebtedness. In addition, the indentures governing our new convertible notes will not prohibit us from incurring obligations that do not constitute indebtedness as defined therein. To the extent that we incur additional indebtedness or such other obligations, the risks associated with our substantial indebtedness described above, including our possible inability to service our debt, will increase.

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To service our indebtedness, we will require a significant amount of cash. Our ability to generate cash depends on many factors beyond our control, and any failure to meet our debt service obligations could harm our business, financial condition and results of operations.

Our ability to make payments on and to refinance our indebtedness and to fund working capital needs and planned capital expenditures will depend on our ability to generate cash in the future. This, to a certain extent, is subject to general economic, financial, competitive, business, legislative, regulatory and other factors that are beyond our control.

If our business does not generate sufficient cash flow from operations or if future borrowings are not available to us in an amount sufficient to enable us to pay our indebtedness or to fund our other liquidity needs, we may need to refinance all or a portion of our indebtedness on or before the maturity thereof, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on our operations. In addition, we may not be able to effect any of these actions, if necessary, on commercially reasonable terms or at all. Our ability to restructure or refinance our indebtedness will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments, including the indentures governing the new convertible notes offered hereby, may limit or prevent us from taking any of these actions. In addition, any failure to make scheduled payments of interest and principal on our outstanding indebtedness would likely result in a reduction of our credit rating, which could harm our ability to incur additional indebtedness on commercially reasonable terms or at all. Our inability to generate sufficient cash flow to satisfy our debt service obligations, or to refinance or restructure our obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on our business, financial condition and results of operations, as well as on our ability to satisfy our obligations in respect of the notes.

In addition, if we are unable to meet our debt service obligations under our existing and future indebtedness, the holders of such indebtedness would have the right, following any applicable cure period, to cause the entire principal amount thereof to become immediately due and payable. If our outstanding indebtedness was accelerated, we cannot assure you that our assets would be sufficient to repay in full the money owed, including holders of the new convertible notes.

Restrictive covenants in the documents governing our existing and future indebtedness may limit our current and future operations, particularly our ability to respond to changes in our business or to pursue our business strategies.

The documents governing our existing indebtedness contain and the documents governing any of our future indebtedness will likely contain, a number of restrictive covenants that impose significant operating and financial restrictions, including restrictions on our ability to take actions that we believe may be in our interest. The documents governing our existing indebtedness, among other things, limit our ability to:

- incur additional indebtedness and guarantee indebtedness;
- pay dividends on or make distributions in respect of capital stock or make certain other restricted payments or investments;
- enter into agreements that restrict distributions from restricted subsidiaries;
- sell or otherwise dispose of assets, including capital stock of restricted subsidiaries;
- enter into transactions with affiliates;
- create or incur liens;
- enter into sale/leaseback transactions;

merge, consolidate or sell substantially all of our assets;

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make investments and acquire assets; and

make certain payments on indebtedness;

The restrictions could adversely affect our ability to:

finance our operations;

make needed capital expenditures;

make strategic acquisitions or investments or enter into alliances;

withstand a future downturn in our business or the economy in general;

engage in business activities, including future opportunities, that may be in our interest; and

plan for or react to market conditions or otherwise execute our business strategies.

Our ability to obtain future financing or to sell assets could be adversely affected because a very large majority of our assets have been secured as collateral for the benefit of the holders of our indebtedness.

Not all of our subsidiaries are guarantors of our obligations under the new convertible notes and therefore the notes will be structurally subordinated in right of payment to the indebtedness and other liabilities of our existing and future subsidiaries that do not guarantee the notes. Your right to receive payments on the new convertible notes could be adversely affected if any of these non-guarantor subsidiaries declare bankruptcy, liquidate or reorganize.

The guarantors will include only our existing and future domestic subsidiaries that guarantee any indebtedness of the Company or any of its subsidiaries in an aggregate amount of $5.0 million or more. Upon the closing of the exchange offer, the borrower under the ABL facility will not be a guarantor under the new convertible notes or the amended and restated credit agreement. In addition, any subsidiary that we properly designate as an unrestricted subsidiary under the indentures governing the Series B Notes, will not provide guarantees of the Series B Notes. None of our foreign subsidiaries will guarantee the new convertible notes.

The new convertible notes and guarantees thereof will be structurally subordinated to all of the liabilities of any of our subsidiaries that do not guarantee the notes including our foreign subsidiaries and such liabilities will be required to be paid before the holders of the notes have a claim, if any, against those subsidiaries and their assets. Therefore, if there were a dissolution, bankruptcy, liquidation or reorganization of any such subsidiary, the holders of the new convertible notes would not receive any amounts with respect to the notes from the assets of such subsidiary until after the payment in full of the claims of creditors, including trade creditors and preferred stockholders, of any such subsidiary.

Our non-guarantor subsidiaries accounted for approximately $214.6 million or 5%, of our total revenues for the year ended December 31, 2010.

The pledge of the capital stock or other securities of the issuer s subsidiaries that secure the new convertible notes will automatically be released from the lien on them and no longer constitute collateral for so long as the pledge of such capital stock or such other securities would require the filing of separate financial statements with the SEC for that subsidiary.

The new convertible notes and the guarantees will be secured by a second-priority security interest in the stock of our domestic subsidiaries (including the guarantors and the borrower under the ABL facility) and 65% of the voting capital stock (and 100% of the non-voting capital stock) of our first-tier foreign subsidiary directly owned by the Company or any domestic guarantor. Under the SEC regulations in effect as of the issue date of the new convertible notes, if the par value, book value as carried by us or market value (whichever is greatest) of the capital

stock or other securities of a subsidiary pledged as part of the collateral is greater than or equal to 20% of the aggregate principal amount of the new convertible notes then outstanding, such a subsidiary would be

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required to provide separate financial statements to the SEC. Under the indentures governing the new convertible notes and the collateral documents, the capital stock and other securities of any subsidiary of the issuer that have been pledged as collateral to secure the new convertible notes or the guarantees would be excluded from the collateral securing the new convertible notes to the extent liens thereon would trigger the requirement to file separate financial statements of that subsidiary with the SEC under Rule 3-16 of Regulation S-X (as in effect from time to time). As of December 31, 2010, the common stock of our largest operating companies, such as YRC Inc., USF Holland Inc., New Penn Motor Express, Inc. and USF Reddaway Inc., would be excluded as collateral under these kick-out provisions.

As a result, holders of the new convertible notes could lose a portion or all of their security interest in the capital stock or other securities of those subsidiaries during such period. It may be more difficult, costly and time-consuming for holders of the new convertible notes to foreclose on the assets of a subsidiary than to foreclose on its capital stock or other securities, so the proceeds realized upon any such foreclosure could be significantly less than those that would have been received upon any sale of the capital stock or other securities of such subsidiary. See Description of Series A Notes Security for the Series A Notes and Description of Series B Notes Security for the Series B Notes.

Other secured indebtedness and obligations, including under our amended and restated credit agreement, will be effectively senior to the new convertible notes to the extent of the value of senior priority collateral securing such indebtedness and obligations. If there is a default, the value of such collateral may not be sufficient to repay both the first-priority creditors and the holders of the new convertible notes.

The new convertible notes will be secured on a second-priority basis by the same collateral (subject to certain limitations) securing, on a first-priority basis, our amended and restated credit agreement, certain of our hedging obligations and certain of our cash management obligations. The new convertible notes will also be secured on a third-priority basis by the same collateral (subject to certain limitations), securing, on a first-priority basis, our Contribution Deferral Agreement. In addition, under the terms of the indentures governing the new convertible notes, we will be permitted in the future to incur additional indebtedness and other obligations that may share in the second-priority liens on the collateral securing the new convertible notes and, in certain circumstances, in the first-priority liens on the collateral. The first-priority liens on the collateral securing our amended and restated credit agreement, our Contribution Deferral Agreement, certain of our hedging obligations and certain of our cash management obligations and any such future indebtedness and obligations will be higher in priority as to such collateral than the security interests securing the new convertible notes and the guarantees.

The holders of obligations secured by the first-priority liens on the collateral will be entitled to receive proceeds from any realization of such senior priority collateral to repay their obligations in full before the holders of the new convertible notes and other obligations secured by second-priority or third-priority liens, as applicable, will be entitled to any recovery from such collateral. As a result, the new convertible notes will be effectively junior in right of payment to indebtedness under our amended and restated credit agreement, our Contribution Deferral Agreement, certain of our hedging obligations and certain of our cash management obligations and any other indebtedness and obligations collateralized by a higher priority lien on the collateral, to the extent of the realizable value of such collateral. We cannot assure you that, in the event of a foreclosure, the proceeds from the sale of all of such collateral would be sufficient to satisfy the amounts outstanding under the new convertible notes and other obligations secured by the second-priority or third-priority liens, as applicable, if any, after payment in full of all obligations secured by the first-priority or second-priority liens, as applicable, on the collateral. If such proceeds were not sufficient to repay amounts outstanding under the new convertible notes, then holders of the new convertible notes, to the extent not repaid from the proceeds of the sale of the collateral, would only have an unsecured claim against our remaining assets, which claim will rank equal in priority with the unsecured claims with respect to any unsatisfied portion of the obligations secured by the first-priority and second-priority liens, as applicable, and our other unsecured senior indebtedness.

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Under the indentures governing the new convertible notes, we could also incur additional indebtedness and obligations secured by first-priority liens and second-priority liens on our assets so long as such first- and second-priority liens are securing indebtedness and obligations permitted to be incurred by the covenants described under Description of Series A Notes and Description of Series B Notes and certain other conditions are met. The value of the lien on the secured subordinated intercompany notes owed to certain restricted subsidiaries by the borrower under the ABL facility, which will be collateral for the amended and restated credit agreement and the new convertible notes, shall be directly affected by the incurrence of additional indebtedness under the ABL facility as permitted by the covenants described under Description of Series A Notes and Description of Series B Notes.

Our ability to designate future indebtedness as either first-priority secured or second-priority secured and, in either event, to enable the holders thereof to share in the collateral on either a priority basis or a pari passu basis with holders of the new convertible notes and our obligations secured by first-priority and second-priority liens, as applicable, may have the effect of diluting the ratio of the value of such collateral to the aggregate amount of the obligations secured by the collateral.

There are certain categories of property that are excluded from the collateral.

Certain assets are excluded from the collateral securing the new convertible notes and the guarantees. Excluded assets are summarized as follows: (i) leasehold interests, (ii) any property to the extent any grant of a security interest therein (a) is prohibited by applicable law or governmental authority or (b) is prohibited by or constitutes a breach or default under or results in the termination of, or requires any consent not obtained under any applicable shareholder or similar agreement, (iii) any lease, license, contract, property right or agreement to which any grantor is a party or any of its rights or interests thereunder if, and only for so long as, the grant of a security interest shall constitute or result in a breach, termination or default under any such lease, license, contract, property right or agreement, other than in the case of each of clause (ii) and (iii), to the extent that any such term would be rendered ineffective pursuant to applicable specified provisions of Article 9 of the UCC of any relevant jurisdiction, (iv) certain de minimis motor vehicles (other than tractor trailers and other rolling stock and equipment), (v) deposit accounts for the sole purpose of funding payroll obligations, tax obligations or holding funds owned by persons other than the Company, (vi) intent-to-use trademark applications to the extent that, and solely during the period in which, the grant of a security interest therein would impair the validity or enforceability of such intent-to-use trademark applications under applicable law, (vii) equity interests of subsidiaries which would require separate financial statements if pledged and (viii) accounts receivable and related assets sold pursuant to a Qualified Receivables Financing, including the ABL facility. See Description of Series A Notes Security for the Series A Notes and Description of Series B Notes Security for the Series B Notes. If an event of default occurs and the new convertible notes are accelerated, the new convertible notes and the guarantees will rank equally in right with the holders of other unsubordinated and unsecured indebtedness of the relevant entity with respect to such excluded property. As of March 31, 2011, $495.4 million of accounts receivable were subject to our existing ABS facility.

It may be difficult to realize the value of the collateral securing the new convertible notes.

The collateral securing the new convertible notes will be subject to any and all exceptions, defects, encumbrances, liens and other imperfections as may be accepted by the administrative agent for our amended and restated credit agreement and any other creditors that also have the benefit of first liens on the collateral securing the new convertible notes from time to time, whether on or after the date the new convertible notes are issued. We have neither analyzed the effect of, nor participated in any negotiations relating to, such exceptions, defects, encumbrances, liens and other imperfections. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the collateral securing the new convertible notes as well as the ability of the administrative agent for our amended and restated credit agreement, or the holders of the new convertible notes, to realize or foreclose on such collateral.

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No appraisals of any collateral have been prepared in connection with this offering. The value of the collateral at any time will depend on market and other economic conditions, including the availability of suitable buyers. By their nature, some or all of the pledged assets may be illiquid and may have no readily ascertainable market value. We cannot assure you that the fair market value of the collateral as of the date of this prospectus exceeds the principal amount of the debt secured thereby. The value of the assets pledged as collateral for the new convertible notes could be impaired in the future as a result of changing economic conditions, our failure to implement our business strategy, competition and other future trends. Any claim for the difference between the amount, if any, realized by holders of the new convertible notes from the sale of the collateral securing the new convertible notes and the obligations under the new convertible notes will rank equally in right of payment with all of our other unsecured unsubordinated indebtedness and other obligations, including trade payables. Additionally, in the event that a bankruptcy case is commenced by or against us, if the value of the collateral is less than the amount of principal and accrued and unpaid interest on the new convertible notes and all other senior secured obligations, interest may cease to accrue on the new convertible notes from and after the date the bankruptcy petition is filed.

In connection with this exchange offer, we are not required to provide new surveys with respect to our owned real properties intended to constitute collateral for the new convertible notes. To the extent accurate, we will, however, be required to give affidavits stating that there have been no changes made to the properties for which surveys were prepared when we last encumbered such properties in 2009 for the benefit of some of our lenders. As to real properties for which there were no surveys so provided in 2009 or with respect to which affidavits cannot be provided because changes have been made to such properties, there is no independent assurance that, among other things, (i) the real property encumbered by each mortgage includes all of the property owned by us or the subsidiary guarantors that was intended to be mortgaged, or (ii) no encroachments, adverse possession claims, zoning or other restrictions exist with respect to such real properties which could result in a material adverse effect on the value of such real properties.

In addition, because a portion of the collateral will consist of pledges of voting capital stock and non-voting capital stock of certain of the issuer s foreign subsidiaries, the validity of those pledges under local law, if applicable, and the ability of the holders of the new convertible notes to realize upon that collateral under local law, to the extent applicable, may be limited by such local law, which limitations may or may not affect the liens securing the new convertible notes.

To the extent that third parties enjoy prior liens, such third parties may have rights and remedies with respect to the property subject to such liens that, if exercised, could adversely affect the value of the collateral. The indentures governing the new convertible notes will not require that we maintain the current level of collateral or maintain a specific ratio of indebtedness to asset value. Releases of collateral from the liens securing the indenture governing the new convertible notes will be permitted under some circumstances (as discussed below).

In the future, the obligation to grant additional security over assets, or a particular type or class of assets, whether as a result of the acquisition or creation of future assets or subsidiaries, the designation of a previously unrestricted subsidiary or otherwise, is subject to the provisions of the indentures, collateral documents and an intercreditor agreement. The collateral documents and intercreditor agreement set out certain limitations on the rights of the holders of the new convertible notes offered hereby to require security or perfection of such security in certain circumstances, which may result in, among other things, the amount recoverable under any security provided by any subsidiary being limited and/or security not being granted over a particular type or class of assets. Accordingly, this may affect the value of the security provided by us. Furthermore, upon enforcement against any collateral or in insolvency, under the terms of the intercreditor agreement, the claims of the holders of the new convertible notes offered hereby to the proceeds of such enforcement will rank behind claims of the holders of obligations under our amended and restated credit agreement and the Contribution Deferral Agreement, each of which are secured by first-priority liens with respect to certain shared collateral, and holders of additional indebtedness and obligations secured by senior liens (in each case, to the extent such liens are permitted liens and limited to the value of the collateral subject to the senior lien).

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The security interest of the collateral trustee for the new convertible notes will be subject to practical problems generally associated with the realization of security interests in collateral. For example, the collateral trustee may need to obtain the consent of a third party to obtain or enforce a security interest in a contract. We cannot assure you that the collateral trustee for the new convertible notes will be able to obtain any such consent. We also cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the collateral trustee for the new convertible notes may not have the ability to foreclose upon those assets and the value of the collateral may significantly decrease. Further, in the event of a foreclosure, liquidation, bankruptcy or similar proceeding, the collateral may not be sold in a timely or orderly manner.

Holders of the new convertible notes will not control decisions regarding collateral.

The lenders under our amended and restated credit agreement and multi-employer pension funds under the Contribution Deferral Agreement, as holders of first-priority lien obligations, will control substantially all matters related to the collateral subject to such first-priority liens pursuant to the terms of the intercreditor agreement. The holders of the first-priority lien obligations may cause the collateral trustee thereunder, which we refer to as the first lien agent, to dispose of, release, or foreclose on, or take other actions with respect to, the first-priority lien collateral (including certain amendments of and waivers under the collateral documents) with which holders of the new convertible notes may disagree or that may be contrary to the interests of holders of the new convertible notes, even after a default under the new convertible notes. The collateral documents governing the second-priority liens may not be amended in any manner inconsistent with or in violation of the intercreditor agreement absent the consent of the first lien agent.

Furthermore, until the first-priority lien obligations are paid in full, the holders of the second-priority lien obligations and the collateral trustee for the new convertible notes, which we refer to as the second lien agent, will not be permitted to enforce the second lien security interests in the collateral even if an event of default under the indenture has occurred and the new convertible notes have been accelerated, except: (i) to file a proof of claim or statement of interest with respect to the new convertible notes in any insolvency or liquidation proceeding; (ii) as necessary to take any action in order to create, prove, perfect, preserve or protect (but not enforce) its rights in, and the perfection and priority of its lien on, the collateral securing the second-priority liens (to the extent not adverse to the first-priority liens or the rights of the first lien agent to exercise remedies in respect of such liens); or (iii) if, after the passage of a period of 180 days following the date the second lien agent delivers written notice to the first lien agent of acceleration of the obligations under either of the indentures governing the new convertible notes, neither the first lien agent nor or any holder of the first-priority lien obligations has commenced and is diligently exercising the rights of the holders of the first-priority lien obligations in the collateral.

We cannot assure you that in the event of a foreclosure by the holders of the first-priority lien obligations and, as applicable, the second priority lien obligations, the proceeds from the sale of collateral will be sufficient to satisfy all or any of the amounts outstanding under the new convertible notes after payment in full of the obligations secured by first-priority liens and, if applicable, second-priority liens, on the collateral.

We will in most cases have control over the collateral unless and until there is an event of default, and the sale of particular assets by us could reduce the pool of assets securing the new convertible notes and the guarantees.

The collateral documents generally allow us to remain in possession of, retain exclusive control over, freely operate, and collect, invest and dispose of any income from, the collateral securing the new convertible notes and the guarantees unless and until there is an event of default. Subject to the limitations in the indentures governing the new convertible notes and our amended and restated credit agreement and the Contribution Deferral Agreement, we may sell or dispose of certain of our assets, which could decrease the value of the collateral securing the new convertible notes.

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Your rights in the collateral may be adversely affected by the failure to perfect security interests in collateral.

Applicable law provides that a security interest in certain tangible and intangible assets can be properly perfected and its priority retained only through certain actions undertaken by the secured party. The liens in the collateral securing the new convertible notes may not be perfected with respect to the claims of the new convertible notes if the actions necessary to perfect any of these liens are not taken on or prior to the date of the indentures governing the new convertible notes. There can be no assurance that the collateral agent on behalf of the lenders under our amended and restated credit agreement or the multi-employer pensions funds under the Contribution Deferral Agreement has taken all actions necessary to create properly perfected security interests in the collateral securing the indebtedness under the amended and restated credit agreement or Contribution Deferral Agreement, which, as a result of the intercreditor agreement, may result in the loss of the priority of the security interest in favor of the noteholders to which they would have been entitled. In addition, applicable law provides that certain property and rights acquired after the grant of a general security interest can only be perfected at the time such property and rights are acquired and identified. The issuer and the guarantors have limited obligations to perfect the noteholders security interest in specified collateral. There can be no assurance that the collateral trustee for the new convertible notes will monitor, or that we will inform such agent of, the future acquisition of property and rights that constitute collateral, and that the necessary action will be taken to properly perfect the security interest in such after-acquired collateral. The collateral trustee for the new convertible notes has no obligation to monitor the acquisition of additional property or rights that constitute collateral or the perfection of any security interest. Such failure may result in the loss of the security interest in the collateral or the priority of the security interest in favor of the new convertible notes against third parties.

Additionally, the indentures and the collateral documents entered into in connection with the issuance of the new convertible notes will not require us to take certain actions that might improve the perfection or priority of the liens of the collateral trustee in the collateral. The actions being required will include (i) the filing of UCC-1 financing statements in the jurisdictions of incorporation of the issuer and the subsidiary guarantors, (ii) the filing in the applicable federal office of U.S. intellectual property security agreements at closing (with periodic supplements thereafter) with respect to U.S. registered intellectual property included in the collateral, (iii) the granting of mortgages over owned real properties (iv) the recordation and notation of a second lien on rolling stock (including tractor trailers) certificates of title (including through a security and collateral agency agreement with the first lien agent in certain states not permitting recordation of a second lien on certificates of title), (v) the entering into of deposit account control agreements and securities account control agreements (if applicable) with the collateral trustee for the new convertible notes as a party thereto, (vi) the holding by the first lien agents of certain physical collateral as agent for the collateral trustee for the new convertible notes for the purposes of perfection, (vii) at any time when such items are not required to be taken in favor of the collateral agent under our amended and restated credit agreement, the delivery of stock certificates and certain other physical collateral to the collateral trustee for the new convertible notes and (viii) other actions required pursuant to the collateral documents, including actions required on a post closing basis with respect to existing and after-acquired collateral. As a result of these limitations, the security interest of the collateral trustee for the new convertible notes in a portion of the collateral may not be perfected or enforceable (or may be subject to other liens) under applicable U.S. law or foreign law.

Security interests over certain collateral will not be in place upon the date of issuance of the new convertible notes or will not be perfected on such date.

Certain security interests will not be in place on the date of issuance of the new convertible notes or will not be perfected on such date. We will be required to file or cause to be filed financing statements under the Uniform Commercial Code to perfect the security interests that can be perfected by such filings. In particular, the security interests relating to our rolling stock (including tractor trailers) will not and the security interests relating to our owned real property may not be perfected on the date of issuance of the new convertible notes.

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In the case of rolling stock (including tractor trailers), we will have up to 6 months after the date of issuance of the new convertible notes to perfect the security interest. Any issues that we are unable to resolve in connection with the perfection of such security interests may negatively impact the value of the collateral. Any issues that we are unable to resolve in connection with the perfection of such security interests may negatively impact the value of the collateral. To the extent a security interest in certain collateral is perfected following the date of issuance of the new convertible notes, it might be avoidable in bankruptcy.

In addition, we will be required to record the mortgages on the closing date, provided that if, for reasons beyond our reasonable control, we are unable to record any mortgage on the closing date, so long as we are continuously and diligently pursuing the recordation of any such mortgage, we are entitled to not more than an additional 45 day period after the closing date to record the same. One or more of these mortgages may constitute a significant portion of the value of the collateral securing the new convertible notes and the guarantees. In addition, we may not have title insurance policies on our properties in place at the time of issuance of the new convertible notes to insure, among other things, (i) loss resulting from the entity represented by us to be the owner thereof not holding fee title or a valid leasehold interest in the properties and such interest being encumbered by unpermitted liens and (ii) the validity and second-lien priority of the mortgages granted to the collateral trustee for the new convertible notes.

We have agreed to obtain standard American Land Title Company commitments for the issuance of mortgagee title insurance policies in the amounts of the fair market values of the properties on the closing date, with title policies to be provided as soon as practicable after the closing date but in all events not later than 45 days after closing.

If the issuer or any guarantor were to become subject to a bankruptcy proceeding after the issue date of the new convertible notes, any mortgage delivered after the issue date of the new convertible notes would face a greater risk of being invalidated than if we had delivered it at the issue date. If a mortgage is delivered after the issue date, it will be treated under bankruptcy law as if it were delivered to secure previously existing debt, which is materially more likely to be avoided as a preference by the bankruptcy court than if the mortgage were delivered and promptly recorded at the time of the issue date of the new convertible notes. To the extent that the grant of any such mortgage is avoided as a preference, you would lose the benefit of the security interest in the real property that the mortgage was intended to provide.

There are circumstances, other than repayment or discharge of the new convertible notes, under which the collateral securing the new convertible notes and guarantees will be released, without your consent, the consent of the trustee or the consent of the collateral trustee for the new convertible notes.

Under various circumstances, all or a portion of the collateral may be released, including:

- in whole, upon satisfaction and discharge of the indentures governing the new convertible notes, as described below under Description of Series A Notes Satisfaction and Discharge and Description of Series B Notes Satisfaction and Discharge ;

- in part, as to any property that (a) is sold, transferred or otherwise disposed of by us or any guarantor, other than to us or another guarantor, in a transaction permitted or otherwise not prohibited by the indenture at the time of such sale, transfer or other disposition or (b) is owned or at any time acquired by a guarantor that has been released from its guarantee in accordance with the indenture, concurrently with the release of such guarantee;

- automatically upon release by (i) the lenders under our amended and restated credit agreement of their first-priority security interest in such collateral (other than as a result of the discharge of such first lien obligations) or (ii) the multi-employer pension funds under the Contribution Deferral Agreement of their first-priority security interest in such collateral (other than as a result of the discharge of such first lien obligations), in each case pursuant to the intercreditor agreement;

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in part, in accordance with the applicable provisions of the collateral documents; and

as otherwise set forth in the intercreditor agreement and collateral trust agreement.

In addition, the guarantee of a guarantor will be released in connection with a sale or merger of such guarantor in a transaction permitted or not prohibited by the applicable indentures. The indenture governing the Series B Notes will also permit the issuer to designate one or more of its restricted subsidiaries that is a guarantor of the Series B Notes as an unrestricted subsidiary. If we designate a guarantor as an unrestricted subsidiary, all of the liens on any collateral owned by such subsidiary or any of its subsidiaries and any guarantees of the Series B Notes by such subsidiary or any of its subsidiaries will be released under the indenture governing the Series B Notes. Designation of an unrestricted subsidiary will reduce the aggregate value of the collateral securing the Series B Notes to the extent that liens on the assets of the unrestricted subsidiary and its subsidiaries are released. In addition, the creditors of the unrestricted subsidiary and its subsidiaries will have a senior claim on the assets of such unrestricted subsidiary and its subsidiaries. See Description of Series B Notes Certain Covenants Future Guarantors.

The collateral is subject to casualty risks.

Although we maintain insurance policies to insure against losses, there are certain losses that may be either uninsurable or not economically insurable, in whole or in part. As a result, it is possible that the insurance proceeds will not compensate us fully for our losses in the event of a catastrophic loss. We cannot assure you that any insurance proceeds received by us upon the total or partial loss of the pledged collateral will be sufficient to satisfy all of our secured obligations, including the new convertible notes.

In the event of a total or partial loss to any of the mortgaged facilities, certain items of equipment and inventory may not be easily replaced. Accordingly, even though there may be insurance coverage, the extended period needed to manufacture replacement units or inventory could cause significant delays.

State law may limit the ability of the second lien agent to foreclose on the real property and improvements included in the collateral.

The new convertible notes will be secured by, among other things, liens on owned real property and improvements located in the states of Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New York, New Mexico, Nevada, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wisconsin. The laws of those states may limit the ability of the second lien agent and the holders of the new convertible notes to foreclose on the improved real property collateral located in those states. Laws of those states govern the perfection, enforceability and foreclosure of mortgage liens against real property interests which secure debt obligations such as the new convertible notes. These laws may impose procedural requirements for foreclosure different from and necessitating a longer time period for completion than the requirements for foreclosure of security interests in personal property. Debtors may have the right to reinstate defaulted debt (even if it has been accelerated) before the foreclosure date by paying the past due amounts and a right of redemption after foreclosure. Governing laws may also impose security first and one form of action rules which can affect the ability to foreclose or the timing of foreclosure on real and personal property collateral regardless of the location of the collateral and may limit the right to recover a deficiency following a foreclosure.

The holders of the new convertible notes, the trustee and the collateral trustee for the new convertible notes also may be limited in their ability to enforce a breach of the no liens covenant in the indenture governing the new convertible notes. Some decisions of state courts have placed limits on a lenders ability to accelerate debt secured by real property upon breach of covenants prohibiting the creation of certain junior liens or leasehold

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estates, and the holders of the new convertible notes, the trustee and the second lien agent may need to demonstrate that enforcement is reasonably necessary to protect against impairment of their security or to protect against an increased risk of default. Although these court decisions may have been preempted, at least in part, by certain federal laws, the scope of such preemption, if any, is uncertain. Accordingly, a court could prevent the trustee, the second lien agent and the holders of the new convertible notes from declaring a default and accelerating the new convertible notes by reason of a breach of the no liens covenant, which could have a material adverse effect on the ability of holders to enforce the covenant.

Lien searches may not reveal all liens on the collateral.

We cannot guarantee that the lien searches on the collateral that will secure the new convertible notes will reveal any or all existing liens on such collateral. Any such existing lien, including undiscovered liens, could be significant, could be prior in ranking to the liens securing the new convertible notes and could have an adverse effect on the ability of the second lien agent to realize or foreclose upon the collateral securing the new convertible notes.

Any future pledge of collateral might be avoidable in bankruptcy.

Any future pledge of collateral in favor of the collateral trustee for the new convertible notes, including pursuant to collateral documents delivered after the respective dates of the indentures governing the new convertible notes, might be avoidable by the pledgor (as debtor-in-possession) or by its trustee in bankruptcy if certain events or circumstances exist or occur, including, among others, if the pledgor is insolvent at the time of the pledge, the pledge permits the holders of the new convertible notes to receive a greater recovery than if the pledge had not been given and a bankruptcy proceeding in respect of the pledgor is commenced within 90 days following the pledge or, in certain circumstances, a longer period. As more fully described above, certain of the assets securing the new convertible notes will not be subject to a valid and perfected security interest on the date of issuance of the new convertible notes. We have agreed to use commercially reasonable efforts to obtain a valid and perfected security interest on such assets to secure the new convertible notes.

In the event of our bankruptcy, the ability of the holders of the new convertible notes to realize upon the collateral will be subject to certain bankruptcy law limitations.

The ability of holders of the new convertible notes to realize upon the collateral will be subject to certain bankruptcy law limitations in the event of our bankruptcy. Under applicable U.S. federal bankruptcy laws, secured creditors are prohibited from, among other things, repossessing their security from a debtor in a bankruptcy case without bankruptcy court approval and may be prohibited from retaining security repossessed by such creditor without bankruptcy court approval. Moreover, applicable U.S. federal bankruptcy laws generally permit the debtor to continue to retain collateral, including cash collateral, even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given adequate protection.

The secured creditor is entitled to adequate protection to protect the value of the secured creditor s interest in the collateral as of the commencement of the bankruptcy case but the adequate protection actually provided to a secured creditor may vary according to the circumstances. Adequate protection may include cash payments or the granting of additional security if and at such times as the court, in its discretion and at the request of such creditor, determines after notice and a hearing that the collateral has diminished in value as a result of the imposition of the automatic stay of repossession of such collateral or the debtor s use, sale or lease of such collateral during the pendency of the bankruptcy case. In view of the lack of a precise definition of the term adequate protection and the broad discretionary powers of a U.S. bankruptcy court, we cannot predict:

how long payments under the new convertible notes could be delayed following commencement of a bankruptcy case;

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whether or when the collateral trustee for the new convertible notes could repossess or dispose of the collateral;

the value of the collateral at the time of the bankruptcy petition; or

whether or to what extent holders of the new convertible notes would be compensated for any delay in payment or loss of value of the collateral through the requirement of adequate protection.

In addition, the intercreditor agreement provides that, in the event of a bankruptcy, the second lien agent may not object to a number of important matters with respect to the first-priority collateral of the lenders under our amended and restated credit agreement or the multi-employer pension funds under the Contribution Deferral Agreement, as applicable, following the filing of a bankruptcy petition so long as any first-priority lien obligations are outstanding. After such a filing, the value of such collateral securing the new convertible notes could materially deteriorate and you would be unable to raise an objection. The right of the holders of obligations secured by first-priority liens on the collateral to foreclose upon and sell the collateral upon the occurrence of an event of default also would be subject to limitations under applicable bankruptcy laws if we or any of our subsidiaries become subject to a bankruptcy proceeding.

Moreover, the second lien agent may need to evaluate the impact of the potential liabilities before determining to foreclose on collateral consisting of real property, if any, because secured creditors that hold a security interest in real property may be held liable under environmental laws for the costs of remediating or preventing the release or threatened releases of hazardous substances at such real property. Consequently, the second lien agent may decline to foreclose on such collateral or exercise remedies available in respect thereof if it does not receive indemnification to its satisfaction from the holders of the new convertible notes.

In the event of a bankruptcy of the issuer or any of the guarantors, holders of the new convertible notes may be deemed to have an unsecured claim to the extent that our obligations in respect of the new convertible notes exceed the fair market value of the collateral securing the new convertible notes.

In any bankruptcy proceeding with respect to the issuer or any of the guarantors, it is possible that the bankruptcy trustee, the debtor-in-possession or competing creditors will assert that the fair market value of the collateral with respect to the new convertible notes on the date of the bankruptcy filing was less than the then-current principal amount of the new convertible notes. Upon a finding by the bankruptcy court that the new convertible notes are under collateralized, the claims in the bankruptcy proceeding with respect to the new convertible notes would be bifurcated between a secured claim in an amount equal to the value of the collateral and an unsecured claim with respect to the remainder of its claim which would not be entitled to the benefits of security in the collateral. Other consequences of a finding of under collateralization would be, among other things, a lack of entitlement on the part of the new convertible notes to receive post-petition interest and a lack of entitlement on the part of the unsecured portion of the new convertible notes to receive adequate protection under U.S. federal bankruptcy laws. In addition, if any payments of post-petition interest had been made at any time prior to such a finding of under collateralization, those payments would be recharacterized by the bankruptcy court as a reduction of the principal amount of the secured claim with respect to the new convertible notes.

The value of the collateral securing the new convertible notes may not be sufficient to secure post-petition interest.

In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding by or against us, holders of the new convertible notes will only be entitled to post-petition interest under applicable U.S. federal bankruptcy laws to the extent that the value of their security interest in the collateral is greater than their pre-bankruptcy claim. Holders of the new convertible notes that have a security interest in collateral with a value equal to or less than their pre-bankruptcy claim will not be entitled to post-petition interest under applicable U.S. federal bankruptcy laws. No appraisal of the fair market value of the collateral has been prepared in

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connection with this offering and therefore the value of the noteholders interest in the collateral may not equal or exceed the sum of the first-lien obligations and the principal amount of the new convertible notes.

Fraudulent conveyance laws allow courts, under certain circumstances, to avoid or subordinate guarantees and require noteholders to return payments received from guarantors.

The new convertible notes will be guaranteed by certain of the issuer s subsidiaries. If a guarantor becomes the subject of a bankruptcy case or a lawsuit filed by unpaid creditors, the guarantee of the new convertible notes by such guarantor may be reviewed under U.S. federal bankruptcy laws and comparable provisions of state fraudulent transfer laws. Under these laws, a guarantee of the new convertible notes could be avoided, or claims in respect of such guarantee could be subordinated to other obligations of the guarantor, if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee, incurred such guarantee with the intent of hindering, delaying or defrauding its creditors or:

- received less than reasonably equivalent value or fair consideration for entering into such guarantee; and
- either:
  - was insolvent by reason of entering into such guarantee;
  - was engaged in a business or transaction for which such guarantor s remaining assets constituted unreasonably small capital; or
  - intended to incur, or believed that it would incur, debts or contingent liabilities beyond its ability to pay such debts or contingent liabilities as they become due.

The measure of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of its assets;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts or contingent liabilities as they become due.

There can be no assurance as to what standard a court would apply to determine whether or not a guarantor was solvent at the relevant time or, regardless of the standard used, that its guarantees would not be subordinated to such guarantor s other debt.

A subsidiary s guarantee of the new convertible notes could be subject to the claim that, since the subsidiary incurred its guarantee for the benefit of its parent (the issuer of the new convertible notes), and only indirectly for the benefit of the subsidiary, its obligations under its guarantee were incurred for less than reasonably equivalent value or fair consideration. If a court held that the guarantee should be avoided as a fraudulent conveyance, the court could avoid, or hold unenforceable, the guarantee, which would mean that noteholders would not receive any payments under such guarantee, and the court could direct holders of the new convertible notes to return any amounts that they have already received from the applicable guarantor. Furthermore, the holders of the new convertible notes would cease to have any direct claim against the guarantor. Consequently, the guarantor s assets would be applied first to satisfy its other liabilities, before any portion of its assets might be available (directly or indirectly) to pay the new convertible notes. Sufficient funds to repay the new convertible notes may not be available from other

sources, including the remaining guarantors, if any. Moreover, the avoidance of a guarantee could result in acceleration of the new convertible notes (if not otherwise accelerated due to the issuer s or the guarantor s insolvency or bankruptcy filing).

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Each guarantee will contain a provision intended to limit the guarantor s liability to the maximum amount that it could incur without causing its guarantee to be a fraudulent transfer. However, this provision may automatically reduce the guarantor s obligations to an amount that effectively makes the guarantee worthless and, in any case, this provision may not be effective to protect a guarantee from being avoided under fraudulent transfer laws. For example, in a recent Florida bankruptcy case, a similar provision was found to be ineffective to protect similar guarantees.

Because each guarantor s liability under its guarantee may be reduced to zero, avoided or released under certain circumstances, you may not receive any payments from some or all of the guarantors.

Holders of the new convertible notes have the benefit of the guarantees of the guarantors. However, the guarantees by the guarantors are limited to the maximum amount that the guarantors are permitted to guarantee under applicable law. As a result, a guarantor s liability under its guarantee could be reduced to zero, depending upon the amount of other obligations of such guarantor. Further, under the circumstances discussed more fully above, a court under federal or state fraudulent conveyance and transfer statutes could avoid the obligations under a guarantee or further subordinate it to all other obligations of the guarantor. In addition, you will lose the benefit of a particular guarantee if it is released under certain circumstances described under. See Description of Series A Notes Guarantees, and Description of Series B Notes-Guarantees.

The new preferred stock ranks junior to all of our and our subsidiaries liabilities.

The new preferred stock are equity interests in YRCW and do not constitute indebtedness. As such, the new preferred stock ranks junior to all of our indebtedness and other non-equity claims of YRCW such as under our credit facilities, the Series A Notes, the Series B Notes and the 6% Notes, including in a liquidation of YRCW. In addition, the new preferred stock ranks junior in right of payment to all obligations of our subsidiaries. In the event of bankruptcy, liquidation or winding up, our assets will be available to pay obligations on the securities only after all of our liabilities have been paid. The rights of holders of the new preferred stock to participate in the assets of our subsidiaries upon any liquidation, reorganization, receivership, or conservatorship of any subsidiary will rank junior to the prior claims of that subsidiary s creditors and equity holders. In the event of bankruptcy, liquidation, or winding up, there may not be sufficient assets remaining, after paying our and our subsidiaries liabilities, to pay amounts due on any or all of the common stock or the new preferred stock then outstanding. Further, the new preferred stock places no restrictions on our business or operations or on our ability to incur indebtedness. Also, the new preferred stock places no restrictions on our ability engage in any transactions, subject only to the limited voting rights referred to under Description of the New Preferred Stock Voting Rights.

Any adverse rating of the new convertible notes may cause their trading price to fall.

If Moody s Investors Service, Standard & Poor s or another rating service rates the new convertible notes and if any of such rating services lowers its rating on the new convertible notes below the rating initially assigned to the new convertible notes, announces its intention to put the new convertible notes on credit watch or withdraws its rating of the new convertible notes, the trading price of the new convertible notes could decline.

Our credit ratings may not reflect all risks of an investment in the new convertible notes.

Our credit ratings may not reflect the potential impact of all risks related to the market values of the new convertible notes. However, real or anticipated changes in our credit ratings will generally affect the market values of the new convertible notes.

We may not be able to repurchase the Series B Notes when required.

Upon the occurrence of a change of control, holders of the Series B Notes may require us to repurchase their Series B Notes for cash. We may not have sufficient funds at the time of any such events to make the required

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repurchases or our ability to make such repurchases may be restricted by the terms of our other then outstanding debt. The source of funds for any repurchase required as a result of any such events will be our available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by a new controlling entity. We cannot assure you, however, that sufficient funds will be available or that the terms of our other then outstanding debt will permit us at the time of any such events to make any required repurchases of the Series B Notes tendered. Furthermore, the use of available cash to fund the repurchase of the Series B Notes may impair our ability to obtain additional financing in the future.

Conversion of the new convertible notes may dilute the ownership interest of existing shareholders, including holders who have previously converted their new convertible notes, depress the price of our common stock, and in some cases, cause holders to become affiliates of the Company.

The conversion of some or all of the new convertible notes may dilute the ownership interests of existing shareholders. Any sales in the public market of any common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the anticipated conversion of the new convertible notes into shares of our common stock could depress the price of our common stock. Furthermore, holders of a sufficient aggregate principal amount of our new convertible notes may become affiliates of the Company upon issuance of our common stock to those holders on account of such a mandatory conversion. An affiliate of the Company is subject to the reporting requirements of Section 16 of the Exchange Act and may be subject to the purchase and sale provisions thereof with respect to their common stock. Further, the holder s common stock could only be sold pursuant to Rule 144 of the Securities Act or pursuant to an effective registration statement covering its shares of common stock.

You may have to return the exchange consideration received in the exchange offer or face additional adverse consequences if a court deems the issuance of the shares of our common stock and new preferred stock and the Series A Notes and the Series B Notes to be a fraudulent conveyance.

In a bankruptcy case, a trustee, debtor in possession or some other party acting on behalf of the bankruptcy estate may seek to recover transfers made or void obligations incurred prior to the bankruptcy case on the basis that such transfers or obligations constituted fraudulent conveyances. Fraudulent conveyances are generally defined to include either transfers made or obligations incurred for less than reasonably equivalent value or fair consideration when the debtor was insolvent, inadequately capitalized or in similar financial distress or that rendered the debtor insolvent, inadequately capitalized or unable to pay its debts as they become due, or transfers made or obligations incurred with the actual intent of hindering, delaying or defrauding current or future creditors. The measures of insolvency for purposes of these fraudulent conveyance laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent conveyance has occurred. Generally, however, a debtor would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than all of its assets at fair valuation;
- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they become absolute and mature; or
- it could not pay its debts as they become due.

If a court were to find that we paid the exchange consideration under circumstances constituting a fraudulent conveyance, the value of any consideration holders of credit agreement claims or convertible notes received with respect to exchange consideration could also be recovered from such holders and possibly from subsequent transferees, or holders might be returned to the same position they held as holders of the credit agreement claims. A trustee or such other parties may recover such transfers and avoid such obligations made within two years prior to the commencement of a bankruptcy case. Furthermore, under certain circumstances, creditors may generally recover transfers or void obligations outside of bankruptcy court under applicable fraudulent conveyance laws, within the applicable limitation period, which are typically longer than two years, and a trustee, in a bankruptcy case, may also use such state fraudulent conveyance laws.

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Therefore, if a court determined that such transfers were deemed to be fraudulent conveyances, it could void the securities issued as part of the exchange consideration, subordinate the claims to any or all of our other debts, require you to return any payments received from us or impose other forms of damages.

You may be required to repay or restore the exchange consideration if a bankruptcy court concludes that the payment of the exchange consideration is a voidable preference.

If we or any of our subsidiaries becomes a debtor under the Bankruptcy Code within 90 days after we consummate the exchange offer (or, with respect to any insiders specified in bankruptcy law, within one year after consummation of the exchange offer), and a bankruptcy court determines that we were insolvent at the time of the exchange offer (under the preference laws, we would be presumed to have been insolvent on and during the 90 days immediately preceding the date of filing of any bankruptcy petition) and that no applicable defenses or exceptions exist, the court could find that the delivery of the exchange consideration involved a preferential transfer. If a bankruptcy court were to reach such a conclusion, you may be required to repay or restore, in whole or in part, the exchange consideration.

The issuance of preferred stock to the holders of credit agreement claims and to the IBT 401(k) in connection with the restructuring in the amounts currently contemplated may constitute a change in control under certain agreements to which we are a party.

Immediately following the consummation of the exchange offer, assuming 100% of the credit agreement claims are exchanged, holders of credit agreement claims will hold approximately 72.5% of our capital stock and the IBT 401(k) will hold approximately 25% of our capital stock. Also, over a majority of the members of our board of directors will be replaced. Therefore, the consummation of the exchange offer may constitute a change in control under certain agreements to which we are a party, including contracts with customers. A change in control may give the counterparties the right to terminate the contracts, accelerate the amounts due under the contracts or demand payment, or materially change the terms of the contracts. In such a case, our business or liquidity may be adversely affected. In addition, this transaction may require us to pay amounts owed to our previous financial and other advisors under engagement contracts, and any such amounts may be material.

Tax Risk Factor

We may incur income tax liability as a result of the exchange offer.

We may realize cancellation of indebtedness income (COD income) as a result of the exchange offer. For a summary of the material U.S. federal income tax consequences of the exchange offer, See Material United States Federal Income Tax Considerations.

Other Risks Relating to Our Business

In addition to the risks and uncertainties contained elsewhere in this prospectus or in our other SEC filings, the following risk factors should be carefully considered in evaluating us. These risks could have a material adverse effect on our business, financial condition and results of operations.

We are a holding company, and we are dependent on the ability of our subsidiaries to distribute funds to us.

We are a holding company and our subsidiaries conduct substantially all of our consolidated operations and own substantially all of our consolidated assets. Consequently, our cash flow and our ability to make payments on our indebtedness, including the new term loans, substantially depends upon our subsidiaries cash flow and payments of funds to us by our subsidiaries. Our subsidiaries ability to make any advances, distributions or other payments to us may be restricted by, among other things, debt instruments, tax considerations and legal

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restrictions. If we are unable to obtain funds from our subsidiaries as a result of these restrictions, we may not be able to pay principal of, or interest on, the new term loans when due, and we cannot assure you that we will be able to obtain the necessary funds from other sources.

Our significant declines in operations, cash flows, and liquidity and need to generate adequate positive cash flow from operations or obtain adequate funding to fund our business raise substantial doubt as to our ability to continue as a going concern.

Our consolidated financial statements have been prepared assuming that we will continue as a going concern, which implies that we will continue to meet our obligations and continue our operations for at least the next 12 months. However, our significant declines in operations, cash flows, and liquidity raise substantial doubt about our ability to continue as a going concern. Realization values may be substantially different from carrying values as shown, and our consolidated financial statements do not include any adjustments relating to the recoverability or classification of recorded asset amounts or the amount and classification of liabilities that might be necessary as a result of this uncertainty.

We are subject to general economic factors that are largely out of our control, any of which could have a material adverse effect on our business, financial condition and results of operations.

Our business is subject to a number of general economic factors that may adversely affect our business, financial condition and results of operations, many of which are largely out of our control. These factors include recessionary economic cycles and downturns in customers business cycles and changes in their business practices, particularly in market segments and industries, such as retail and manufacturing, where we have a significant concentration of customers. Economic conditions may adversely affect our customers business levels, the amount of transportation services they need and their ability to pay for our services. Due to our high fixed-cost structure, in the short-term it is difficult for us to adjust expenses proportionally with fluctuations in volume levels. Customers encountering adverse economic conditions represent a greater potential for loss, and we may be required to increase our reserve for bad-debt losses.

We are subject to business risks and increasing costs associated with the transportation industry that are largely out of our control, any of which could have a material adverse effect on our business, financial condition and results of operations.

We are subject to business risks and increasing costs associated with the transportation industry that are largely out of our control, any of which could adversely affect our business, financial condition and results of operations. The factors contributing to these risks and costs include weather, excess capacity in the transportation industry, interest rates, fuel prices and taxes, fuel surcharge collection, impact on liquidity from the lag between higher payments for fuel and the collection of higher fuel surcharges in a rising fuel cost environment, terrorist attacks, license and registration fees, insurance premiums and self-insurance levels, difficulty in recruiting and retaining qualified drivers, the risk of outbreak of epidemical illnesses, the risk of widespread disruption of our technology systems, and increasing equipment and operational costs. Our results of operations may also be affected by seasonal factors.

We operate in a highly competitive industry, and our business will suffer if we are unable to adequately address potential downward pricing pressures and other factors that could have a material adverse effect on our business, financial condition and results of operations.

Numerous competitive factors could adversely affect our business, financial condition and results of operations. These factors include the following:

- We compete with many other transportation service providers of varying sizes, some of which have a lower cost structure, more equipment and greater capital resources than we do or have other competitive advantages.

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Some of our competitors periodically reduce their prices to gain business, especially during times of reduced growth rates in the economy, which limits our ability to maintain or increase prices or maintain or grow our business.

Our customers may negotiate rates or contracts that minimize or eliminate our ability to offset fuel price increases through a fuel surcharge on our customers.

Many customers reduce the number of carriers they use by selecting so-called core carriers as approved transportation service providers, and in some instances, we may not be selected.

Many customers periodically accept bids from multiple carriers for their shipping needs, and this process may depress prices or result in the loss of some business to competitors.

The trend towards consolidation in the ground transportation industry may create other large carriers with greater financial resources and other competitive advantages relating to their size.

Advances in technology require increased investments to remain competitive, and our customers may not be willing to accept higher prices to cover the cost of these investments.

Competition from non-asset-based logistics and freight brokerage companies may adversely affect our customer relationships and prices.

If our relationship with our employees were to deteriorate, we may be faced with labor disruptions or stoppages, which could have a material adverse effect on our business, financial condition and results of operations and place us at a disadvantage relative to non-union competitors.

Virtually all of our operating subsidiaries have employees who are represented by the IBT. These employees represent approximately 77% of our workforce at March 31, 2011.

Each of our YRC, New Penn, and Holland subsidiaries employ most of their unionized employees under the terms of a common national master freight agreement with the IBT, as supplemented by additional regional supplements and local agreements. The IBT ratified a five-year agreement that took effect on April 1, 2008, and will expire on March 31, 2015, as modified by the IBT Agreement. The IBT also represents a number of employees at Reddaway, and Reimer under more localized agreements, which have wages, benefit contributions and other terms and conditions that better fit the cost structure and operating models of these business units.

Certain of our subsidiaries are regularly subject to grievances, arbitration proceedings and other claims concerning alleged past and current non-compliance with applicable labor law and collective bargaining agreements.

Neither we nor any of our subsidiaries can predict the outcome of any of the matters discussed above. These matters, if resolved in a manner unfavorable to us, could have a material adverse effect on our business, financial condition and results of operations.

Our pension expense and funding obligations could increase significantly and have a material adverse effect on our business, financial condition and results of operations.

Our future funding obligations for our U.S. single-employer defined benefit pension plans qualified with the Internal Revenue Service depend upon their funded status, the future performance of assets set aside in trusts for these plans, the level of interest rates used to determine funding levels and actuarial experience and any changes in government laws and regulations.

Pursuant to the terms of the IBT Agreement, the ability of the Company s subsidiaries to begin making contributions to the multi-employer pension funds (the Funds) on June 1, 2011 at the rate of 25% of the contribution rate in effect on July 1, 2009 is subject to the approval of the

Funds. Legislative changes to current law or other satisfactory action or arrangements are required to enable certain of the Funds (based on their funded

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status) to accept contributions at a reduced rate. Absent such legislative changes or other satisfactory action, the IBT Agreement provides that a Fund that cannot allow the Company s subsidiaries to begin to make contributions at a reduced rate to the Fund by June 1, 2011 may elect to either (i) apply the amount of the contributions toward paying down previously deferred contributions under our Contribution Deferral Agreement, (ii) have the amount of the contributions placed in escrow until such time when the Fund is able to accept re-entry at the reduced rate, or (iii) if options (i) or (ii) are not available under applicable law or fund documentation, agree on other terms acceptable to the Company s subsidiaries and the applicable Fund.

If the funding of the Funds does not reach certain goals (including those required not to enter endangered or critical status or those required by a Fund s funding improvement or rehabilitation plan), our pension expenses and required cash contributions could further increase upon the expiration of our collective bargaining agreements and, as a result, could materially adversely affect our business, financial condition and results of operations. Decreases in investment returns that are not offset by contributions could also increase our obligations under such plans.

The Pension Protection Act provides that certain plans with a funded percentage of less than 65%, or that fail other tests, will be deemed to be in critical status. Plans in critical status must create a rehabilitation plan to exit critical status within periods that the Pension Protection Act prescribes. We believe that based on information obtained from public filings and from plan administrators and trustees, many of the multi-employer pension funds, including The Central States Southeast and Southwest Areas Pension Plan, which is our largest multi-employer fund, are in critical status.

We believe that based on information obtained from public filings and from plan administrators and trustees, our portion of the contingent liability in the case of a full withdrawal or termination from all of the multi-employer pension plans would be an estimated $8 billion on a pre-tax basis before taking into consideration the recent market recovery. If the Company were subject to withdrawal liability with respect to a plan, ERISA provides that a withdrawing employer can pay the obligation in a lump sum or over time based upon an annual payment that is the product of the highest contribution rate to the relevant plan multiplied by the average of the three highest consecutive years measured in contribution base units, which, in some cases, could be up to 20 years. Even so, our applicable subsidiaries have no current intention of taking any action that would subject us to payment of material withdrawal obligations, however we cannot provide any assurance that such obligations will not arise in the future which would have a material adverse effect on our business, financial condition and results of operations.

Ongoing self-insurance and claims expenses could have a material adverse effect on our business, financial condition and results of operations.

Our future insurance and claims expenses might exceed historical levels. We currently self-insure for a majority of our claims exposure resulting from cargo loss, personal injury, property damage and workers compensation. If the number or severity of claims for which we are self-insured increases, our business, financial condition and results of operations could be adversely affected, and we may have to post additional letters of credit to state workers compensation authorities or insurers to support our insurance policies. If we lose our ability to self insure, our insurance costs could materially increase, and we may find it difficult to obtain adequate levels of insurance coverage.

We have significant ongoing capital requirements that could have a material adverse effect on our business, financial condition and results of operations if we are unable to generate sufficient cash from operations.

Our business is capital intensive. If we are unable to generate sufficient cash from operations to fund our capital requirements, we may have to limit our growth, utilize our existing capital, or enter into additional financing arrangements, including leasing arrangements, or operate our revenue equipment (including tractors

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and trailers) for longer periods resulting in increased maintenance costs, any of which could reduce our income. If our cash from operations and existing financing arrangements are not sufficient to fund our capital requirements, we may not be able to obtain additional financing at all or on terms acceptable to us. In addition, our credit facilities contain provisions that limit our level of capital expenditures.

We operate in an industry subject to extensive government regulations, and costs of compliance with, or liability for violation of, existing or future regulations could significantly increase our costs of doing business.

The U.S. Departments of Transportation and Homeland Security and various federal, state, local and foreign agencies exercise broad powers over our business, generally governing such activities as authorization to engage in motor carrier operations, safety and permits to conduct transportation business. We may also become subject to new or more restrictive regulations that the Departments of Transportation and Homeland Security, the Occupational Safety and Health Administration, the Environmental Protection Agency or other authorities impose, including regulations relating to engine exhaust emissions, the hours of service that our drivers may provide in any one time period, security and other matters. Compliance with these regulations could substantially impair equipment productivity and increase our costs.

We are subject to various environmental laws and regulations, and costs of compliance with, or liabilities for violations of, existing or future laws and regulations could significantly increase our costs of doing business.

Our operations are subject to environmental laws and regulations dealing with, among other things, the handling of hazardous materials, underground fuel storage tanks and discharge and retention of storm water. We operate in industrial areas, where truck terminals and other industrial activities are located, and where groundwater or other forms of environmental contamination may have occurred. Our operations involve the risks of fuel spillage or seepage, environmental damage and hazardous waste disposal, among others. If we are involved in a spill or other accident involving hazardous substances, or if we are found to be in violation of applicable environmental laws or regulations, it could significantly increase our cost of doing business. Under specific environmental laws and regulations, we could be held responsible for all of the costs relating to any contamination at our past or present terminals and at third-party waste disposal sites. If we fail to comply with applicable environmental laws and regulations, we could be subject to substantial fines or penalties and to civil and criminal liability.

In addition, as climate change initiatives become more prevalent, federal, state and local governments and our customers are beginning to promulgate solutions for these issues. This increased focus on greenhouse gas emission reductions and corporate environmental sustainability may result in new regulations and customer requirements that could negatively affect us. This could cause us to incur additional direct costs or to make changes to our operations in order to comply with any new regulations and customer requirements, as well as increased indirect costs or loss of revenue resulting from, among other things, our customers incurring additional compliance costs that affect our costs and revenues. We could also lose revenue if our customers divert business from us because we haven t complied with their sustainability requirements. These costs, changes and loss of revenue could have a material adverse affect on our business, financial condition and results of operations.

Our management team is an important part of our business and loss of key personnel could impair our success.

We benefit from the leadership and experience of our senior management team and key personnel and depend on their continued services to successfully implement our business strategy. Our CEO has announced his intention to retire upon successful completion of our restructuring. In addition, effective March 31, 2011, the Company appointed an interim CFO to replace our former CFO. The loss of senior management or key personnel and any difficulty in recruiting and retaining appropriately qualified replacements, including appropriately qualified replacements for our CEO and interim CFO, could have a material adverse effect on our business, financial condition and results of operations.

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A closing condition of the exchange offer is that a new chief executive officer and chief financial officer will have been selected to begin employment at the Company following completion of the exchange offer. A five person committee has been formed to identify candidates to be the chief executive officer and chief financial officer of the Company, which committee consists of three representatives of the Steering Group, a representative of TNFINC, and a representative of the Agent. We have also retained and are compensating a professional search firm selected by the committee to assist the committee. There is no guarantee that the committee will be able to recruit and retain appropriately qualified replacements for our CEO and interim CFO within the timeframe required to complete the restructuring. In such event, the exchange offer may not be completed unless waived by the Agent and Steering Group Majority under the lender support agreement.

Our business may be harmed by anti-terrorism measures.

In the aftermath of the terrorist attacks on the United States, federal, state and municipal authorities have implemented and are implementing various security measures, including checkpoints and travel restrictions on large trucks. Although many companies will be adversely affected by any slowdown in the availability of freight transportation, the negative impact could affect our business disproportionately. For example, we offer specialized services that guarantee on-time delivery. If the security measures disrupt or impede the timing of our deliveries, we may fail to meet the needs of our customers, or may incur increased expenses to do so. We cannot assure you that these measures will not significantly increase our costs and reduce our operating margins and income.

The outcome of legal proceedings and IRS audits to which the Company and its subsidiaries are a party could have a material adverse effect on our businesses, financial condition and results of operations.

The Company and its subsidiaries are a party to various legal proceedings, including claims related to personal injury, property damage, cargo loss, workers compensation, employment discrimination, breach of contract, multi-employer pension plan withdrawal liability, class actions and antitrust violations. See Note 16 Commitments, Contingencies and Uncertainties to our consolidated financial statements incorporated by reference herein. The IRS may issue adverse tax determinations in connection with its audit of our 2010 prior year tax returns or the returns of a consolidated group that we acquired in 2005. See Note 12 Income Taxes to our 2010 consolidated financial statements incorporated by reference herein. We may incur significant expenses defending these legal proceedings and IRS audits. In addition, we may be required to pay significant awards, settlements or taxes, or lose the benefits under existing agreements, in connection with these proceedings and audits, which could have a material adverse effect on our businesses, financial condition and results of operations. The restructuring is also subject to the lack of unexpected or adverse litigation results.

We may not obtain further benefits and cost savings from operational changes and performance improvement initiatives.

In response to our business environment, we initiated operational changes and process improvements to reduce costs and improve financial performance. The changes and initiatives included integrating our Yellow Transportation and Roadway networks, reorganizing our management, reducing overhead costs, closing redundant facilities and eliminating unnecessary activities. There is no assurance that these changes and improvements will be successful or that we will not have to initiate additional changes and improvements in order to achieve the projected benefits and cost savings.

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RATIO OF EARNINGS TO COMBINED FIXED CHARGES AND PREFERENCE DIVIDENDS

We have computed the ratio of earnings to fixed charges for each of the following periods on a consolidated basis. You should read the following ratios in conjunction with our consolidated financial statements and the notes to those financial statements that are incorporated by reference in this prospectus. There are no preference securities outstanding as of the date of this prospectus. While there were preference securities outstanding during a portion of the fiscal year ended 2010, such preference securities did not accrue or otherwise pay any dividends. Therefore, the ratios of earnings to combined fixed charges and preference dividends are identical to the ratios of earnings to fixed charges.

	Pro Forma		Historical					
	Three Months Ended March 31, 2011 (3)	Fiscal Year Ended December 31, 2010 (3)	Three Months Ended March 31, 2011 (2)	Fiscal Year Ended December 31, 2010 (2)	2009 (2)	2008 (2)	2007 (2)	2006
Ratio of Earnings to Fixed Charges (1)	(1.5x)	(1.3x)	(1.6x)	(1.3x)	(4.0x)	(9.7x)	(5.4x)	5.2x

(1) The ratio of earnings to fixed charges is computed by dividing the sum of earnings before provision for taxes on income, income or loss from equity investees and fixed charges by fixed charges. Fixed charges represent interest expense, amortization of debt premium, discount, and capitalized expenses, and an appropriate interest factor for operating leases.

(2) The deficiency in earnings necessary to achieve a 1.0x ratio was $669.7 million for the year ended December 31, 2007, $1,004.0 million for the year ended December 31, 2008, $863.1 million for the year ended December 31, 2009, $391.0 million for the year ended December 31, 2010 and $107.4 million for the three months ended March 31, 2011.

(3) The deficiency in pro forma earnings to achieve a 1.0x pro forma ratio was $405.0 million for the year ended December 31, 2010, and $113.4 million for the three months ended March 31, 2011.

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SOURCE AND USE OF PROCEEDS

Assuming the restructuring was completed as of March 31, 2011, the following table summarizes the estimated sources and uses of the consideration in connection with the restructuring. The table below assumes that 100% in aggregate principal amount of the credit agreement claims are exchanged by us in the exchange offer and related transactions and 100% of the subscription rights are exercised for the Series B Notes. Actual amounts may differ from these estimates.

Sources of Funds		**Uses of Funds**	
	(Dollars in millions)		
Company cash and cash equivalents	$ 156.7		
New preferred stock and new convertible notes offered hereby:		Restructuring of credit agreement claims (1)	$ 576.5
New preferred stock	$ 165.0	ABS Facility:	
Series A Notes	140.0	Retirement of ABS borrowings	147.2
Series B Notes	100.0	ABL facility:	
		Collateralization of letters-of-credit	64.7
		Estimated fees, expenses and original issue discount of restructuring	43.6
		Restricted cash deposited in escrow	90.0
		Pro forma Company cash and cash equivalents	166.2
ABL facility:		**Total uses of funds**	$ 1,088.2
Borrowings on the ABL facility	255.0		
Amended and restated credit facility:			
Revolving facility			
New term loan	271.5		
Total sources of funds	$ 1,088.2		

(1) Includes amounts for term loan claims, revolving credit claims and deferred interest and fees claims under the existing credit agreement. Does not include amounts for the LC claims under the existing credit agreement in the amount of approximately $457 million.

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PRICE RANGE OF COMMON STOCK AND DIVIDEND POLICY

Our common stock is currently listed on the NASDAQ Global Select Market under the symbol YRCW. The following table contains, for the periods indicated, the high and low sale prices per share of our common stock. The presentation below has been retroactively adjusted for a 1-for-25 reverse stock split of our common stock, which became effective on NASDAQ on October 1, 2010.

	High	Low
2009		
First Quarter	$ 136.25	$ 37.00
Second Quarter	$ 148.50	$ 38.00
Third Quarter	$ 154.50	$ 22.25
Fourth Quarter	$ 120.75	$ 20.00
2010		
First Quarter	$ 29.50	$ 8.75
Second Quarter	$ 20.00	$ 3.75
Third Quarter	$ 11.00	$ 2.50
Fourth Quarter	$ 6.54	$ 3.10
2011		
First Quarter	$ 5.28	$ 1.19
Second Quarter	$ 2.21	$ 0.55
Third Quarter (through July 7, 2011)	$ 1.32	$ 1.13

There were 4,650 holders of record of our common stock as of July 7, 2011.

As of July 7, 2011, the last reported sale price of our common stock on the NASDAQ Global Select Market was $1.16. We did not declare any cash dividends on our common stock in each of 2006 through 2010 and through 2011 (year-to-date).

We were not able to obtain a financial viability exception from NASDAQ to grant us a waiver of certain NASDAQ listing rules that may be violated by certain terms of the new preferred stock, Series A Notes and Series B Notes being issued in the exchange offer, and our common stock will be subject to delisting by the NASDAQ if we complete the exchange offer. See Risk Factors Risks Relating to Accepting the Exchange Offer Our common stock currently listed on the NASDAQ will be subject to delisting if we consummate the exchange offer.

We do not intend to list the new preferred stock, the Series A Notes or the Series B Notes on any national securities exchange or automated quotation system.

Our payment of dividends in the future will be determined by our board of directors and will depend on business conditions, our financial condition, our earnings, restrictions and limitations imposed under our various debt instruments or credit agreements, and other factors.

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CAPITALIZATION

The following table sets forth our cash and cash equivalents and capitalization as of March 31, 2011 on an historical basis and on an as adjusted basis to give effect to the consummation of the restructuring. The table below assumes 100% of the credit agreement claims outstanding as of March 31, 2011 are validly submitted for exchange and not withdrawn prior to the expiration date and exchanged by us in the exchange offer and related transactions and 100% of the subscription rights are exercised for the Series B Notes. The financial information included below has been derived by applying certain pro forma adjustments described under Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer to our historical unaudited consolidated financial statements included in our Current Report on Form 8-K filed with the SEC on May 17, 2011, which has been incorporated by reference into this prospectus. See Where You Can Find More Information. Debt amounts are shown below at face values. No adjustments have been made to reflect normal course operation by us or other developments with our business after March 31, 2011, and thus the pro forma information provided below is not indicative of our actual cash position or capitalization at any date.

	As of March 31, 2011	
	Historical	**As Adjusted**
	(dollars in thousands at face values (2) except per share data) (unaudited)	
Cash and cash equivalents	$ 156,685	$ 166,218
Debt (1):		
Credit agreement:		
Revolving credit facility	$ 175,982	$
Term loan	254,210	
ABS facility	147,237	
Lease financing obligations	339,227	339,227
Pension contribution deferral agreement	138,498	149,403
6% Notes	69,410	69,410
Contingent convertible notes	1,870	1,870
Other	1,122	1,122
Amended credit facility:		
New term loan		271,511
ABL facility		255,000
New convertible notes:		
Series A Notes		140,000
Series B Notes		100,000
Total debt	$ 1,127,556	$ 1,327,543
Common stock, $0.01 par value per share	479	19,102
Preferred stock, $1 par value per share		1
Capital surplus	1,644,290	1,797,380
Accumulated deficit	(1,601,294)	(1,545,021)
Accumulated other comprehensive loss	(235,988)	(235,988)
Treasury stock, at cost (123 shares)	(92,737)	(92,737)
Total YRC Worldwide shareholders deficit	(285,250)	(57,263)
Non-controlling interest	(2,396)	(2,396)
Total shareholders deficit	(287,646)	(59,659)
Total capitalization (3)	$ 839,910	$ 1,267,884

(1) Our outstanding indebtedness as of March 31, 2011 does not include: (i) outstanding letters of credit of $521,735, of which $457,055 were issued under the revolving credit facility and $64,680 were issued under the ABS facility or (ii) deferred interest and fees of $178,165, of which $146,319 relates to the credit agreement, $20,941 relates to the ABS facility and $10,905 relates to the pension contribution deferral agreement.
(2) The face value presented herein may differ from the carrying value in our consolidated financial statements and pro forma financial information.
(3) On a pro forma basis our total capitalization at March 31, 2011 was $1,133,875.

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THE RESTRUCTURING

Background

The economic environment beginning in 2008, where market conditions were especially weak, and continuing in 2009 has had a dramatic effect on our industry and on our Company. The weak economic environment negatively impacted our customers needs to ship and, therefore, negatively impacted the volume of freight we serviced and the price we received for our services. In addition, we believe that many of our then-existing customers reduced their business with us due to their concerns regarding our financial condition. In 2010 and continuing into 2011, market conditions started to rebound and our customer base stabilized and as a result our volumes stabilized in the first quarter of 2010 and began to grow sequentially, seasonally adjusted, throughout the remainder of 2010 and into 2011. Pricing conditions in the industry, however, remain competitive and we believe that we will continue to face competition stemming from excess capacity in the market in the near term. As a result, we continue to experience lower year-over-year revenue (primarily a function of declining volume), operating losses and net losses.

In light of the past and current economic environment, and the resulting challenging business conditions, we have executed on a number of significant initiatives beginning in 2009 and continuing in 2011 to improve liquidity, which are described more fully in Management s Discussion and Analysis of Financial Condition and Results of Operations Financial Condition Liquidity in our Annual Report on Form 10-K for the year ended December 31, 2010 and in our Quarterly Report on Form 10-Q for the three months ended March 31, 2011, which are incorporated by reference herein.

Restructuring

We are proposing a financial restructuring that is intended to improve our balance sheet and the liquidity available to operate our business. We have substantial debt and, as a result, significant debt service obligations. We have been deferring payment of interest and fees to our lenders under our existing credit agreement since October 2009, interest and facility fees to purchasers of our accounts receivable pursuant to our ABS facility, interest and principal to certain multi-employer pension funds under our Contribution Deferral Agreement, and we have been receiving the benefit of wage reductions and other concessions under modified national labor and other agreements with our employees.

We believe that the completion of the restructuring is critical to our continuing viability. The restructuring, if successful, will decrease our shareholders deficit and increase our liquidity levels. Specifically, upon the completion of the restructuring, we expect the aggregate principal amount of our indebtedness and related deferred interest and fees to be approximately $1.3 billion as of March 31, 2011 and at the closing of the restructuring ($1.1 billion excluding the paid-in-kind interest bearing, convertible Series A Notes and Series B Notes), consisting principally of $271.5 million in aggregate principal amount of term loans under the amended and restated credit agreement, $140.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series A Notes, $100.0 million in aggregate principal amount of paid-in-kind interest bearing, convertible Series B Notes, approximately $69.4 million in aggregate principal amount of 6% Notes, $339.2 million in aggregate principal amount under our lease financing obligations, $149.4 million outstanding in aggregate principal amount under our contribution deferral agreement and $255.0 million outstanding in aggregate principal amount under our ABL facility. See Capitalization and Source and Use of Proceeds.

The Series B Notes would provide us with net proceeds of $100.0 million for working capital and general business purposes, including the refinancing of indebtedness.

The ABL facility contemplated by the restructuring would provide us, through a special purpose, bankruptcy remote subsidiary of ours, with an aggregate facility size of $400.0 million, subject to availability under a borrowing base, for working capital purposes and other general corporate purposes.

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Notwithstanding the restructuring, our balance sheet would remain significantly leveraged, a significant portion of our debt would mature prior to or during 2015 and we would continue to face potentially significant future funding obligations for our single and multi-employer pension funds. Assuming we are able to complete the restructuring, we expect that cash generated from operations, together with the proceeds of the ABL facility and the Series B Notes, will be sufficient to allow us to fund our operations, to increase working capital as necessary to support our strategy and to fund planned expenditures for the foreseeable future.

Current Liquidity

The following table provides details of the outstanding components and unused available capacity under our existing credit agreement and ABS facility at March 31, 2011 and December 31, 2010:

(in millions)	March 31, 2011	December 31, 2010
Capacity:		
Revolving loan	$ 706.4	$ 713.7
ABS facility	325.0	325.0
Total capacity	1,031.4	1,038.7
Amounts outstanding:		
Revolving loan	(176.0)	(142.9)
Letters of credit (3/31/11: $457.0 revolver; $64.7 ABS facility)	(521.7)	(515.7)
ABS facility borrowings	(147.2)	(122.8)
Total outstanding	(844.9)	(781.4)
ABS borrowing base restrictions	(107.5)	(135.7)
Restricted revolver reserves	(70.9)	(70.9)
Total restricted capacity	(178.4)	(206.6)
Unrestricted unused capacity (3/31/11: $2.5 revolver; $5.6 ABS facility)	$ 8.1	$ 50.7

During the quarter ended June 30, 2011, net availability on our revolver increased by $5.3 million as a result of asset sales, and unused available capacity at June 30, 2011 was $7.8 million. Additionally, the ABS facility borrowing base has increased by $20.9 million during the quarter ended June 30, 2011, we have drawn down and utilized letters of credit of $17 million and as of June 30, 2011 our unrestricted unused available capacity was $9.5 million.

Comprehensive Recovery Plan

As a part of our comprehensive recovery plan, we have executed on a number of significant initiatives beginning in 2009 and continuing in 2011 to improve liquidity, which are described more fully in Management s Discussion and Analysis of Financial Condition and Results of Operations Financial Condition Liquidity in our Annual Report on Form 10-K for the year ended December 31, 2010 and our Current Report on Form 10-Q for the three months ended March 31, 2011.

Certain of these actions in 2011 are further described below. The final execution of our comprehensive recovery plan has a number of risks that are not within our control that may adversely impact our liquidity and compliance with the financial covenants in our credit facilities. Notwithstanding our entering into the lender support agreement and the TNFINC support agreement, we anticipate that we will continue to face risks and uncertainties regarding our short and medium-term liquidity. There is no assurance that we will be successful in completing our comprehensive recovery plan. See Risks and Uncertainties Regarding Future Liquidity below.

The Restructuring

On February 28, 2011, we, TNFINC, the Required Lenders (at least 51% of exposure as defined in the existing credit agreement), the Agent and the Steering Group Majority (collectively referred to as the Consenting Parties)

reached a non-binding agreement in principle in the form of a term sheet entitled Summary of Principal Terms of Proposed Restructuring or Term Sheet setting forth the material terms of our proposed restructuring.

On April 29, 2011, we entered into the lender support agreement with the participating lenders under our existing credit agreement, pursuant to which such participating lenders agreed, subject to certain conditions set forth in the lender support agreement and provided that no support termination event has occurred, to support the restructuring by exchanging credit agreement claims in the exchange offer for the exchange consideration. The Term Sheet was also amended. The participating lenders hold approximately 97.5% of the principal amount of outstanding credit agreement claims.

Under the lender support agreement, among other things, we must use our commercially reasonable efforts to support and complete the restructuring, negotiate related definitive transaction documents, take certain actions related to the Charter Amendment Merger (as described below) and file a registration statement related to the exchange offer and related transactions with the SEC.

Pursuant to the lender 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) the exchange offer of credit agreement claims for our new preferred stock, convertible into approximately 72.5% (subject to dilution as described below) of our outstanding common stock and for $140.0 million in aggregate principal amount of our new Series A Notes that are convertible into additional shares of our common stock,

(ii) the letter of credit facility under the existing credit agreement and outstanding letters of credit will be continued under the amended and restated credit agreement, provided that the letter of credit facility will be amended to reflect a revised interest rate payable in cash, and

(iii) we will convert a portion of remaining claims under the existing credit agreement not satisfied in (i) above into a new term loan under the amended and restated credit agreement;

additionally, the lenders would purchase and we would sell for cash pursuant to subscription rights issued in connection with the exchange offer an aggregate principal amount of $100.0 million of our newly issued Series B Notes, the proceeds of which would be retained by us for use in our business, including for the refinancing of indebtedness;

the ABS facility would be refinanced in full and replaced with the ABL facility, which is expected to provide additional liquidity through a higher advance rate than the receivable purchase rate under the ABS facility. Pursuant to the TNFINC support agreement, as supplemented, the ABL facility is required to provide for, among other things, a minimum $350.0 million aggregate facility size;

the Contribution Deferral Agreement would be amended and restated 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 new preferred stock convertible into approximately 25% (subject to dilution as described below) of our common stock would be issued to the IBT 401(k) and allocated among certain eligible employees represented by the IBT; and

our new board of directors would consist of six members initially nominated by the Agent and the Steering Group, two members nominated by the IBT and one member that will be the chief executive officer-director;

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The new preferred stock (and the common stock into which it may be converted) issued in connection with the exchange offer to the Lenders and to the IBT 401(k) 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 and by common stock issued upon conversion of the new convertible notes.

Following the closing of the exchange offer, we will file a proxy statement with the SEC for the solicitation of votes to approve the Charter Amendment Merger, pursuant to which a wholly owned subsidiary of YRCW would merge into YRCW, with YRCW as the surviving corporation and having an amended and restated certificate of incorporation permitting the automatic conversion of the new preferred stock into common stock and providing for sufficient authorized shares of common stock to permit the conversion of the new convertible notes into common stock. The new preferred stock will be permitted to vote on the Charter Amendment Merger on As-Converted-to-Common-Stock-Basis along with the holders of our then outstanding common stock (subject to certain limitations). The new convertible notes would be permitted to vote on an As-Converted-to-Common-Stock-Basis with our common stock after the Charter Amendment Merger is completed.

Our common stock is currently listed on NASDAQ and is subject to the NASDAQ listing rules. Because NASDAQ will not grant an exception to the NASDAQ listing rule requiring stockholder approval prior to the issuance our new preferred stock and new convertible notes, our common stock will be subject to delisting if we consummate the exchange offer. In the lender support agreement, we have agreed to use commercially reasonable efforts to cause the listing of our common stock on at least one of the New York Stock Exchange, American Stock Exchange or NASDAQ as soon as practicable following consummation of the exchange offer.

In the event the exchange offer and related transactions as contemplated by the lender support agreement are completed, we anticipate that our current stockholders will hold approximately 2.5% of the restructured Company s outstanding common stock as of the closing of the exchange offer, subject to further dilution by the management incentive plan and common stock issuable upon conversion of the new convertible notes.

Under the lender support agreement, the obligations of the Company and the participating lenders to consummate the exchange offer are subject to significant conditions. The lender support agreement will terminate under certain circumstances. Approved definitive transactional documents relating to the restructuring may be amended, modified or supplemented only to the extent permitted by the lender support agreement. See The Support Agreements.

Credit Facilities

We have two primary liquidity vehicles:

- our existing credit agreement, dated as of August 17, 2007 (as amended, the Credit Agreement), among YRCW, certain of its subsidiaries, JPMorgan Chase Bank, National Association, as agent (the Agent), and the other lenders that are parties thereto (the Lenders), and
- our ABS facility, whereby we receive financing through the sale of certain of our accounts receivable.

The Credit Agreement and the ABS facility are collectively referred to herein as the credit facilities.

Credit Agreement

On February 28, 2011 and April 29, 2011, the Company entered into amendments to the Credit Agreement relating to, among other things, the restructuring.

Credit Agreement Amendment No. 20

On February 28, 2011, we and certain of our subsidiaries entered into Amendment No. 20 (Credit Agreement Amendment 20) to the Credit Agreement.

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Milestones

Pursuant to the terms of Credit Agreement Amendment 20, the Required Lenders (at least 51% of exposure as defined in the Credit Agreement), the Agent and the Steering Group Majority acknowledged that the Term Sheet satisfied the milestone requiring an agreement in principle among the Consenting Parties setting forth the material terms of our restructuring (the AIP Condition).

In addition, Credit Agreement Amendment 20 amended certain milestones and added a milestone as follows:

Credit Agreement Amendment 20 extended the deadline for each document required to effectuate the restructuring of the Company and its subsidiaries contemplated by the AIP to be in final form and acceptable to the Consenting Parties (the Documentation Condition) from March 15, 2011 to April 29, 2011 (or such later date approved by the Supermajority Lenders (as defined in the Credit Agreement) but not later than December 31, 2011). Credit Agreement Amendment 20 also amended the Documentation Condition to add the following additional requirements (i) lenders representing at least 90% of exposure (as defined in the Credit Agreement) must sign an agreement supporting the restructuring, (ii) subject to satisfaction of the Closing Condition (as defined below), TNFINC must consent to the restructuring and waive any termination, modification similar rights under the restructuring plan such that the restructuring plan shall be fully binding on the parties thereto, (iii) subject to satisfaction of the Closing Condition, the Specified Pension Fund Deferral Transaction Documents (as defined in the Credit Agreement) must be amended to reflect the terms of the restructuring and (iv) subject to satisfaction of the Closing Condition and to the extent deemed reasonably necessary, the ABS facility must be amended to reflect the terms of the restructuring. The Documentation Condition was satisfied on April 29, 2011 pursuant to Credit Agreement Amendment 21 (as defined below).

Credit Agreement Amendment 20 extended the deadline for the restructuring to be effectuated and closed (the Closing Condition) from May 13, 2011 to July 22, 2011 (or such later date approved by the Supermajority Lenders but not later than December 31, 2011); provided, that the Closing Condition deadline will be May 31, 2011 if the Pension Fund Amendment Condition is not satisfied on or before that date (the Restructuring Closing Date).

Credit Agreement Amendment 20 added a milestone that required the Company to obtain, by March 10, 2011, the nonbinding agreement (on terms and conditions acceptable to Company, the Agent, the Steering Group Majority and TNFINC) of the Majority Funds (at least a majority of exposure as defined in the Contribution Deferral Agreement) to the terms of the Term Sheet (subject to the conditions included in the Term Sheet as applied to the Funds (the Pension Fund Condition)).

Pension Fund Amendment Condition means that the Specified Pension Fund Deferral Transaction Documents have been amended to extend the deferral of interest and amortization payments from May 31, 2011 to July 22, 2011, subject to earlier termination if the Documentation Condition or the Closing Condition is not satisfied by the applicable required date. The Pension Fund Amendment Condition was satisfied on April 29, 2011 pursuant to CDA Amendment 10 (as defined below).

If the Closing Condition is not satisfied by the applicable required date, then (i) the deferral of interest and fees under the Credit Agreement will end on the fifth day (or if the fifth day is not a business day, the immediately following business day) following such failure and (ii) the Required Lenders may declare an event of default under the Credit Agreement. Because the Pension Fund Condition was not satisfied by the applicable required date, resulting in a Milestone Failure, the Required Lenders may, but are not required to, declare an event of default under the Credit Agreement. As a result of the Milestone Failure, we have classified our debt under the Credit Agreement as current maturities of long-term debt. We have also classified the 6% Notes and pension contribution deferral obligations as current maturities of long-term debt due to cross-default provisions within the respective lending agreements.

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Minimum Consolidated EBITDA Covenant

Credit Agreement Amendment 20 removed the minimum Consolidated EBITDA (as defined in the Credit Agreement) covenant in respect of the period ending March 31, 2011 and reset the minimum EBITDA covenant for each fiscal quarter thereafter in an amount to be agreed to by the Company, the Agent and the Required Lenders on or prior to April 29, 2011.

Annual Financial Statements

Credit Agreement Amendment 20 modified the affirmative covenant that requires financial statements of the Company for the fiscal year ended 2010 with an audit opinion that does not include a going concern qualification to permit an audit opinion with a going concern qualification in connection with such financial statements.

Credit Agreement Amendment No. 21

On April 29, 2011, we and certain of our subsidiaries entered into Amendment No. 21 (Credit Agreement Amendment 21) to the Credit Agreement. Credit Agreement Amendment 21:

- amended the Documentation Condition so that the lender support agreement, the TNFINC support agreement and the CDA Amendment 10 (as defined below) collectively satisfied the Documentation Condition;
- extended 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;
- amended 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; and
- amended 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.

ABS Amendments

ABS Amendment No. 22

On February 28, 2011, we, as Performance Guarantor, and the parties to the Third Amended and Restated Receivables Purchase Agreement, dated as of April 18, 2008 (as amended, the ABS facility), entered into Amendment No. 22 to the ABS facility (ABS Amendment 22).

Similar to the Credit Agreement Amendment 20, ABS Amendment 22 removed the minimum Consolidated EBITDA (as defined in the Credit Agreement) covenant in respect of the period ending March 31, 2011 and reset the minimum EBITDA covenant for each fiscal quarter thereafter in an amount to be agreed to by the Company, the Administrative Agent and the Required Co-Agents on or prior to April 29, 2011. The Co-Agents consented to Credit Agreement Amendment 20 and agreed to extend the deferral of interest and fees to the fifth day following July 22, 2011 (or if such fifth day is not a business day, the next succeeding business day) (as such date may be extended pursuant to the definition of Deferred Payment Termination Date below) so long as the Amortization Date (as defined in the ABS facility) or the Deferred Payment Termination Date does not occur prior to that date. If the ABS facility is refinanced on or before the deferred interest and fees are due, then YRRFC will not have to pay the deferred interest and fees.

ABS Amendment 22 added the Pension Fund Condition milestone that is described above. Because the Pension Fund Condition was not satisfied by the required date, $5 million of deferred commitment fees under the ABS facility that were due after the required date became payable on May 2, 2011. These fees were deferred until the fifth day following July 22, 2011 pursuant to ABS Amendment 23 (as defined below).

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The date that deferred interest and fees are due in the event of a Deferral Suspension Event (as defined in the Credit Agreement) was also extended to the earlier of the Amortization Date (as defined in the ABS facility) or the Deferred Payment Termination Date.

Required Co-Agents means the Administrative Agent and the Co-Agents (other than the Falcon Agent) for two of the Banks Groups (as defined in the ABS facility).

Deferred Payment Termination Date means the earliest of the occurrence of (i) the earliest to occur of (a) the fifth day following February 28, 2011 (or if such fifth day is not a business day, the next succeeding business day) (as such date may be extended pursuant to the terms of this definition) unless the AIP Condition (as defined in the Credit Agreement) has been satisfied on or prior to February 28, 2011 (or such extended date), (b) the fifth day following April 29, 2011 (or if such fifth day is not a business day, the next succeeding business day) (as such date may be extended pursuant to the terms of this definition) unless the Documentation Condition has been satisfied in a manner acceptable to the Agents on or prior to April 29, 2011 (or such extended date) and (c) the fifth day following the Restructuring Closing Date (or if such fifth day is not a business day, the next succeeding business day) (or, in the case of each of the foregoing clauses (a), (b) and (c), such later date as may be agreed to by the Required Co-Agents and YRRFC, but in no event to be later than December 31, 2011) and (ii) any Deferral Termination Event (as defined in the Credit Agreement). Pursuant to the terms of the ABS Amendment 22, the Co-Agents have acknowledged that the Term Sheet satisfied the AIP Condition. The Documentation Condition was satisfied on April 29, 2011 pursuant to ABS Amendment 23 (as defined below).

In connection with ABS Amendment 22, a covenant under the ABS facility was modified to permit an audit opinion with respect to the Company s financial statements for the fiscal year ended 2010 to contain a going concern qualification.

ABS Amendment No. 23

On April 29, 2011, we, as Performance Guarantor, and the parties to the ABS facility, entered into Amendment No. 23 to the ABS facility (ABS Amendment 23).

Similar to Credit Agreement Amendment 21, ABS Amendment 23 extended 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 ABS Amendment 23, the Co-Agents consented to Credit Agreement Amendment 21, confirmed that the Documentation Condition (as defined in the Credit Agreement) had been satisfied and agreed to extend the deferral of the $5 million commitment fee due on May 2, 2011 (as a result of not satisfying the Pension Fund Condition by the required deadline) 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 an Amortization Date (as defined in the ABS facility) or a Deferral Termination Event (as defined in the Credit Agreement). In addition, pursuant to the terms of the ABS Amendment, if a Support Termination Event (as defined in the Lender support agreement) occurs under the Lender 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 we will not have to pay the deferred commitment fees.

Contribution Deferral Agreement

CDA Amendment No 8

On February 28, 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. 8 to the Contribution Deferral Agreement (CDA Amendment 8).

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Pursuant to CDA Amendment 8, the Majority Funds (at least a majority of exposure as defined in the Contribution Deferral Agreement) acknowledged that the Term Sheet satisfied the AIP Condition, which acknowledgement was amended to require only the approval of the Consenting Parties to the Term Sheet.

In addition, CDA Amendment 8 amended certain milestones under the Contribution Deferral Agreement that are a condition to the continued deferral of Monthly Amortization Payments and Monthly Interest Payments (each as defined in the Contribution Deferral Agreement). Such amendments resulted in the milestones under the Contribution Deferral Agreement being conformed to the Documentation Condition and the Closing Condition definitions and deadlines in Credit Agreement, as described above, except that (i) the Documentation Condition did not require further documentation in respect of the ABS facility and (ii) the Majority Funds must agree to any extension of the deadline applicable to the Documentation Condition or the Closing Condition. The Documentation Condition was satisfied on April 29, 2011 pursuant to CDA Amendment 9 (as defined below).

If the Closing Condition is not satisfied by the applicable required date, then the Majority Funds may accelerate the due date of the Monthly Amortization Payments and Monthly Interest Payments at any time on or after the fifth day (or if the fifth day is not a business day, the immediately following business day) following such failure.

CDA Amendment No 9

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 entered into Amendment No. 9 to the Contribution Deferral Agreement (CDA Amendment 9).

Pursuant to 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.

CDA Amendment No. 10

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 (CDA Amendment 10).

As of the date of 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 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.

IBT Agreement

On February 28, 2011, TNFINC, YRC Inc., USF Holland Inc. and New Penn Motor Express Inc. entered into a Certification and Second Amendment to TNFINC Term Sheet (the Second IBT Amendment) to extend (i) the Documentation Deadline to April 29, 2011 and (ii) the Closing Deadline to July 22, 2011 (or, in the case of each of the foregoing clauses (i) and (ii), such later date as TNFINC may agree in its sole discretion) (the Extension Period). Unless TNFINC otherwise agrees, the Extension Period and the wage, work rule and benefit

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concessions set forth in the restructuring plan will terminate upon the occurrence of the events contained in the Second IBT Amendment. In addition, the extensions would terminate on (i) April 29, 2011 in the event that the Company fails to enter into definitive documentation that is acceptable to TNFINC (in its sole discretion), or (ii) July 22, 2011 in the event that the restructuring is not consummated, unless such dates are extended by TNFINC in its sole discretion at such time.

On April 29, 2011, we entered into the TNFINC support agreement, as described above, in which TNFINC acknowledged that the Company had satisfied the Documentation Condition.

Risks and Uncertainties Regarding Future Liquidity

In light of our recent operating results, we have satisfied our short term liquidity needs through a combination of borrowings under our credit facilities, retained proceeds from asset sales, sale/leaseback financing transactions, issuances of our common stock and 6% Notes and an income tax refund from the IRS. In an effort to further manage liquidity, we have also instituted the deferral of principal and interest payments under the Contribution Deferral Agreement, certain interest and fees due under our Credit Agreement and ABS facility, and we have received the benefit of wage reductions and other concessions from the modified NMFA (including prior modifications to the NMFA). Throughout 2010 we reviewed and into 2011 we continue to review the strategic and financing alternatives available to us and retained legal and financial advisors to assist us in this regard.

As described above, on February 28, 2011, we and the other Consenting Parties reached a non-binding agreement in principle in the form of the Term Sheet. On April 29, 2011, we entered into the Lender support agreement under which participating lenders holding approximately 97.5% of the principal amount of outstanding credit agreement claims agreed to support the restructuring as described above under the caption Restructuring. On April 29, 2011, we also entered into the TNFINC support agreement whereby TNFINC agreed to support a restructuring consistent with the terms and conditions set forth in the Term Sheet and the lender support agreement. The restructuring is intended to improve our balance sheet and our liquidity with which to operate. The restructuring is conditioned on, among other things, the Minimum Exchange Condition, which requires that all credit agreement claims are validly submitted for exchange and not withdrawn.

A Milestone Failure has occurred because the Pension Fund Condition, which required we obtain, by March 10, 2011, the nonbinding agreement (on terms and conditions acceptable to Company, the Agent, the Steering Group Majority and TNFINC) of the Majority Funds (at least a majority of exposure as defined in the Contribution Deferral Agreement) to the terms of the Term Sheet (subject to the conditions included in the Term Sheet as applied to the Funds) was not satisfied by the required date, and, as a result, the Required Lenders have the right, but not the obligation, to declare an event of default under the Credit Agreement. The Required Lenders have not indicated that they intend to declare an event of default under the Credit Agreement, and we worked with the parties to satisfy the Documentation Condition as of April 29, 2011. Neither the Agent nor the Required Lenders have waived the Milestone Failure. We cannot provide any assurance that the Required Lenders will not declare an event of default under the Credit Agreement. If the Required Lenders declare an event of default under the Credit Agreement, we anticipate that we would seek protection under the Bankruptcy Code. As a result of the Milestone Failure, we have classified our debt under the Credit Agreement as current maturities of long-term debt. We have also classified the 6% Notes and pension contribution deferral obligations as current maturities of long-term debt due to cross-default provisions within the respective lending agreements.

In addition to the Pension Fund Condition, other significant milestones and conditions for our restructuring and the continuation of deferrals (through completion of the restructuring) under the Credit Agreement, ABS facility and Contribution Deferral Agreement and the continuation of cost savings under our labor agreements include, but are not limited to the Closing Condition, the deadline for the restructuring to be effectuated and closed by July 22, 2011 (or such later date approved by the Supermajority Lenders, Required Co-Agents, Supermajority Funds and TNFINC but not later than December 31, 2011). The obligations of the Company and the participating lenders to complete the restructuring are subject to significant milestones and conditions as set forth under the caption The Support Agreements Obligations of the Company and Participating Lenders to

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Complete the Exchange Offer. The lender support agreement and the TNFINC support agreement are subject to termination as described under the captions The Support Agreements Termination and The Support Agreements TNFINC Support Agreement, respectively.

To continue to have sufficient liquidity to meet our cash flow requirements prior to completion of the restructuring and through the remainder of 2011:

- we must implement our proposed restructuring within the milestone conditions as set forth in the lender support agreement, the TNFINC support agreement and under our Credit Agreement, ABS facility, Contribution Deferral Agreement and Second IBT Amendment;
- our operating results, pricing and shipping volumes must continue to improve;
- we must continue to have access to our credit facilities;
- we must continue to defer payment of, in each case through the completion of the restructuring and thereafter pursuant to the final terms of the restructuring, as applicable:
  - interest and fees to our lenders under the Credit Agreement,
  - interest and facility fees to purchasers of our accounts receivable pursuant to the ABS facility, and
  - interest and principal to certain of our multi-employer pension funds pursuant to the Contribution Deferral Agreement;
- the cost savings under our labor agreements, including wage reductions, temporary cessation of multi-employer pension fund contributions and savings due to work rule changes, must continue;
- the multi-employer pension funds must allow the Company s subsidiaries to re-enter the plans at the reduced contribution rate pursuant to the terms of the IBT Agreement or enter into alternative arrangements pursuant to the terms of the lender support agreement;
- we must complete real estate sale transactions currently under contract as anticipated; and
- we must continue to implement and realize substantial cost savings measures to match our costs with business levels and to continue to become more efficient.

Some or all of these factors are beyond our control and as such we anticipate that we will continue to face risks and uncertainties regarding our short and medium-term liquidity. We cannot provide you with any assurances that the conditions contained in the definitive agreements supporting the restructuring will be satisfied or that the restructuring can be completed in the timeframes required under our various agreements with our stakeholders. We cannot provide you with any assurances that any restructuring can be completed out-of-court or whether we 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 those described in this prospectus or that an effort to implement an in-court restructuring would be successful.

We expect to continue to monitor our liquidity carefully, work to reduce this uncertainty and address our cash needs through a combination of one or more of the following actions:

- we continue to, and expect to implement further cost actions and efficiency improvements;
- we will continue to aggressively seek additional and return business from customers;
- we will continue to attempt to reduce our collateral requirements related to our insurance programs;
- if appropriate, we may sell additional equity or pursue other capital market transactions;
- we may consider selling non-strategic assets or business lines; and
- we expect to carefully manage receipts and disbursements, including amounts and timing, focusing on reducing days sales outstanding and managing days payables outstanding.

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We have substantial debt and, as a result, significant debt service obligations. As of March 31, 2011, we had approximately $1.1 billion of secured indebtedness outstanding. We are deferring payment of (i) interest and fees to our lenders under the Credit Agreement, (ii) interest and facility fees to purchasers of our accounts receivable pursuant to the ABS facility, and (iii) interest and principal to the multi-employer pension funds pursuant to the Contribution Deferral Agreement, and we are receiving the benefit of wage reductions and other concessions from the modified NMFA. As of March 31, 2011, the amounts deferred under the Credit Agreement, the ABS facility and the Contribution Deferral Agreement were approximately $146.3 million, $20.9 million and $68.6 million respectively. As of March 31, 2011, the amount of benefit of the wage reductions and other concessions realized under the modified NMFA (including prior modifications to the NMFA) was approximately $1.1 billion. In the event the conditions and cross-conditions under the Credit Agreement, the ABS facility, the Contribution Deferral Agreement and the modified NMFA are not satisfied, and the restructuring is not completed, the amounts deferred and the benefits realized under such agreements could become payable or reimbursable, as applicable. If we do not complete the restructuring, it is very unlikely we will be able to generate cash sufficient to pay the principal of, interest on and other amounts due in respect of our indebtedness and other obligations when due. In such an event, we would likely be required to reorganize under Chapter 11 or liquidate under Chapter 7 of the Bankruptcy Code.

Amended and Restated Credit Agreement

Upon consummation of the exchange offer, we will enter into an amendment and restatement of our existing credit agreement to provide for, among other things, (x) the conversion of credit agreement claims into a term loan in the amount of the aggregate principal amount of the non-LC credit agreement claims less $305.0 million as of the closing of the exchange offer (the new term loan), to be initially held by all holders of non-LC credit agreement claims on a pro rata basis ($271.5 million as of March 31, 2011) and (y) an amended letter of credit facility for all LC claims outstanding as of the closing of the exchange offer. For a description of the material terms of the amended and restated credit agreement, see Description of Certain Other Indebtedness Bank Group Credit Agreement.

ABL Facility

Upon consummation of the exchange offer, we, through a special purpose, bankruptcy remote subsidiary of ours, will enter into the ABL facility, with initial aggregate commitments of $400.0 million and minimum excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves). On July 7, 2011, we terminated the Morgan Stanley Commitment Letter. On the same day, we entered into a commitment and engagement letter with JPMCB, JPMorgan and the Steering Group Commitment Parties pursuant to which (i) JPMorgan agreed to structure and arrange the ABL facility and use commercially reasonable efforts to syndicate the ABL last out term loan facility, (ii) JPMCB agreed to act as administrative agent for the ABL facility and (iii) each Steering Group Commitment Party committed to provide (x) $75.0 million of a $225.0 million ABL last out term loan facility, which will be syndicated by JPMCB, and (y) approximately $58.3 million of a $175.0 million ABL first out term loan facility, in each case to a special purpose, bankruptcy remote subsidiary of the Company and subject to satisfaction (or waiver) of certain conditions. For a description of the material terms of the ABL facility, see Description of Certain Other Indebtedness ABL Facility.

Corporate Governance

Following the close of the exchange offer, our new board of directors will consist of six members initially nominated by the Agent and the Steering Group, two members nominated by the IBT and one member that will be the chief executive officer-director. All new members of our board of directors will be designated or elected as continuing directors by our existing board of directors. A new chief executive officer and chief financial officer will begin employment at the Company following the close of the exchange offer. We will make any necessary filings, including a Schedule 14f-1, with the SEC at least 10 days prior to the election or designation of the new board of directors.

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Management Incentive Plan

A new management equity incentive plan (the management incentive plan) will be implemented as soon as reasonably practicable after the completion of the exchange offer to provide designated members of post-restructuring management with shares of our common stock and/or stock option awards, exercisable for our common stock. The management incentive plan will contain terms and conditions that shall be determined by our new board of directors.

The Charter Amendment Merger

As soon as reasonably practicable following the closing of the exchange offer, we will hold a stockholder vote to seek Stockholder Approval of the Charter Amendment Merger. The holders of the new preferred stock will be entitled to vote with the holders of the common stock on an As-Converted-to-Common-Stock-Basis (subject to certain limitations). Upon obtaining the Stockholder Approval, a certificate of merger, along with the amended and restated certificate of incorporation, will be filed with the Secretary of State of Delaware which, among other things, will increase the number of authorized shares of our common stock. Upon the effectiveness of the amended and restated certificate of incorporation, (i) the new preferred stock will automatically convert into common stock at an initial conversion rate of approximately 372.4722 shares of common stock for each share of new preferred stock, with no fractional shares of common stock issued upon such conversion, and (ii) the Series A Notes and Series B Notes may convert into common stock at an initial conversion price of approximately $0.1134 and $0.06118 per share, respectively, and the holders of the Series A Notes and the Series B Notes may vote on an As-Converted-to-Common-Stock-Basis (subject to certain limitations set forth in the indentures).

Equity Ownership and Voting Power Following the Restructuring

Prior to the Charter Amendment Merger

The following tables set forth the beneficial ownership of the new preferred stock and common stock on a fully-diluted basis for each of the parties indicated therein immediately following the completion of the restructuring.

	Beneficial Ownership of New Preferred Stock		Beneficial Ownership of Common Stock	
	No. of Shares	Percentage	No. of Shares	Percentage
Holders of credit agreement claims	3,717,948	74.4%		
Holders of Series A Notes				
Holders of Series B Notes				
IBT 401(k)	1,282,051	25.6%		
Existing common stockholders (1)			47,752,841	74.4%
Holders of 6% Notes (1)(2)			5,284,781	8.2%
Holders of stock awards (1)(3)			11,193,182	17.4%
Total	4,999,999	100.0%	64,230,804	100.0%

(1) All amounts as of March 31, 2011.

(2) The shares listed represent the maximum number of shares issuable to holders of the 6% Notes. These shares are issuable as either payment of Restricted Interest (as defined in the 6% Note indenture) or upon the conversion of the 6% Notes into equity. Any Restricted Interest will be paid based on a Restricted Interest Conversion Price (as defined in the 6% Note indenture) which, as of the date of this prospectus, shall not be less than $9.50 per share of common stock. Any voluntary conversion of the 6% Notes will be convertible based on a Conversion Price (as defined in the 6% Note indenture) which, as of the date of this prospectus, shall not be less than $10.75 per share of common stock. The full terms of the 6% Notes can be found in the 6% Notes indenture.

(3) The stock awards represent unvested restricted share units and outstanding options with exercise prices ranging from $12.00 to $1,086.50 per share.

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Except as may be otherwise expressly provided in YRCW s certificate of incorporation or as expressly required by applicable law, holders of the new preferred stock will be entitled, for so long as any shares of new preferred stock remain outstanding, to vote on all matters on which holders of common stock generally are entitled to vote (or to take action by written consent of the stockholders), voting together as a single class with the shares of common stock and not as a separate class, on an As-Converted-to-Common-Stock-Basis, at any annual or special meeting of stockholders of the Company and each holder of shares of new preferred stock will be entitled to such number of votes as such holder would receive on an As-Converted-to-Common-Stock-Basis on the record date for such vote; provided, however, that such number of votes of such new preferred stock will be limited in order to comply with NASDAQ Listing Rule 5640 unless compliance therewith has been waived by NASDAQ, or we have received a waiver of any comparable requirement of any other exchange on which we seek to list. This limitation will be applicable in the event that the per share trading price of the common stock exceeds $0.12 as of the closing date of the restructuring. The following table shows the relative voting power percentages at various assumed trading prices of the common stock on the closing date of the restructuring:

	Assumed Common Stock Trading Price						
	$0.06	**$0.12**	**$0.25**	**$0.50**	**$0.75**	**$1.00**	**$1.25**
Holders of credit agreement claims	72.5%	72.5%	70.6%	67.1%	64.0%	61.2%	58.6%
IBT 401(k)	25.0	25.0	24.3	23.2	22.1	21.1	20.2
Existing common stockholders	2.5	2.5	5.1	9.7	13.9	17.7	21.2
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Following the Charter Amendment Merger

The following tables set forth the approximate beneficial ownership of the common stock on a fully-diluted basis for each of the parties indicated therein assuming the completion of the Charter Amendment Merger, and, in all cases, that such parties continue to hold all of the securities they were issued upon the completion of the restructuring.

	Beneficial Ownership of Common Stock	
	No. of Shares	**Percentage**
Holders of credit agreement claims	1,384,832,389	22.9%
Holders of Series A Notes	1,781,355,894	29.5%
Holders of Series B Notes	2,334,673,518	38.6%
IBT 401(k)	477,528,410	7.9%
Existing common stockholders (1)	47,752,841	0.8%
Holders of 6% Notes (1)(2)	5,284,781	0.1%
Holders of stock awards (1)(3)	11,193,182	0.2%
Total	6,042,621,015	100.0%

(1) All amounts as of March 31, 2011.

(2) The shares listed represent the maximum number of shares issuable to holders of the 6% Notes. These shares are issuable as either payment of Restricted Interest (as defined in the 6% Note indenture) or upon the conversion of the 6% Notes into equity. Any Restricted Interest will be paid based on a Restricted Interest Conversion Price (as defined in the 6% Note indenture) which, as of the date of this prospectus, shall not be less than $9.50 per share of common stock. Any voluntary conversion of the 6% Notes will be convertible based on a Conversion Price (as defined in the 6% Note indenture) which, as of the date of this prospectus, shall not be less than $10.75 per share of common stock. The full terms of the 6% Notes can be found in the 6% Notes indenture.

(3) The stock awards represent unvested restricted share units and outstanding options with exercise prices ranging from $12.00 to $1,086.50 per share.

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Upon the effectiveness of the Required Charter Amendment, except as may be otherwise expressly provided in YRCW s certificate of incorporation or as expressly required by the applicable law, holders of the Series A Notes and the Series B Notes will be entitled, for so long as any such notes remain outstanding, to vote on all matters on which holders of common stock generally are entitled to vote (or to take action by written consent of the stockholders), voting together as a single class with the shares of common stock and not as a separate class, on an As-Converted-to-Common-Stock-Basis, at any annual or special meeting of stockholders of the Company and each holder of such notes will be entitled to such number of votes as such holder would receive on an As-Converted-to-Common Stock-Basis on the record date for such vote; provided, however, that, such number of votes of such notes will be limited in order to comply with NASDAQ Listing Rule 5640 unless compliance therewith has been waived by NASDAQ, or we have received a waiver of any comparable requirement of any other exchange on which we seek to list. This limitation will be applicable in the event that the per share trading price of the common stock exceeds $0.11 and $0.06 with respect to the Series A Notes and Series B Notes, respectively, as of the closing date of the restructuring.

	Assumed Common Stock Trading Price						
	$0.06	**$0.12**	**$0.25**	**$0.50**	**$0.75**	**$1.00**	**$1.25**
Holders of credit agreement claims	25.3%	32.2%	45.5%	55.9%	60.5%	63.1%	64.8%
Holders of Series A Notes	42.6	28.2	18.9	11.6	8.4	6.6	5.4
Holders of Series B Notes	22.5	27.4	18.4	11.3	8.2	6.4	5.2
IBT 401(k)	8.7	11.1	15.7	19.3	20.9	21.8	22.3
Existing common stockholders	0.9	1.1	1.6	1.9	2.1	2.2	2.2
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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THE SUPPORT AGREEMENTS

Lender Support Agreement

We entered into the lender support agreement on April 29, 2011, with certain lenders (the participating lenders) under our existing credit agreement pursuant to which such lenders have agreed, among other things, to support the restructuring by submitting their credit agreement claims for exchange in the exchange offer. The obligation of the participating lenders to tender their credit agreement claims in the exchange offer is subject to a number of conditions set forth in the lender support agreement. Such obligation on the part of the participating lenders will further terminate upon the occurrence of a support termination event (as defined in such lender support agreement). The participating lenders hold approximately 97.5% of the principal amount of outstanding credit agreement claims. We filed a copy of the lender support agreement as exhibit 99.1 to the Current Report on Form 8-K filed with the SEC on April 29, 2011. See Where You Can Find More Information.

Exchange of Credit Agreement Claims

On the terms and subject to the conditions of the lender support agreement, each participating lender agreed (solely on behalf of itself and not on behalf of any affiliate) to timely and validly tender their respective credit agreement claims and not withdraw the requisite tender of such credit agreement claims (or cause such tender to be withdrawn). Each participating lender also agreed not to transfer its respective interest in the credit agreement claims, other than transfers to other participating lenders or to persons who are accredited investors and who execute a joinder to become bound by the lender support agreement. Any such transfer must also satisfy the transfer requirements of our existing credit agreement.

Obligations of the Company

Under the lender support agreement, we made a number of agreements, including, among other things, to use commercially reasonable efforts to support and complete the restructuring, negotiate definitive transaction documents, take certain actions related to the Charter Amendment Merger and file this registration statement related to the exchange offer and related transactions with the SEC.

Obligations of the 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, in summary form:

- the registration statement (of which this prospectus forms a part) shall have been declared effective by the SEC and shall remain effective, and on or before the closing of the exchange offer, we shall have made public any then material nonpublic information theretofore disclosed by us or our 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 Series B Notes, with aggregate net proceeds to YRCW of not less than $100.0 million, shall have closed simultaneously with completion of the exchange offer;

- each of the definitive documents described as approved transaction documents, which by their terms are to be effective at or prior to completion of the exchange offer, shall be in full force and effect;

- certain agreements related to contributions to the multi-employer pension funds shall be in full force and effect;

the new IBT 401(k), in form and substance materially consistent with the 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;

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our 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), unless otherwise waived by the Agent and Steering Group Majority; and

the satisfaction of the Minimum Exchange Condition, which requires that 100% of all credit agreement claims be exchanged in the exchange offer.

Termination

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

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;

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 June 15, 2011 (subsequently extended to July 7, 2011 by the Agent and the Steering Group Majority) 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 $300.0 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 (subsequently extended to July 8, 2011 by the Agent and the Steering Group Majority) 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 lender support agreement or to refrain from taking any action that is required under the lender support agreement;

upon the material breach by the Company of any of the undertakings, representations, warranties or covenants of the Company set forth in the lender support agreement, which breach remains uncured for a period of three (3) business days after the receipt of written notice of such breach;

the issuance by any governmental authority of any ruling or order enjoining the consummation of a material portion of the restructuring;

the entry of a court order invalidating, disallowing, subordinating or otherwise limiting the enforceability, priority or validity of the credit agreement claims or any liens securing them;

a default or event of default under the existing credit agreement that is not waived or cured within 10 days of the Company obtaining knowledge of such default or event of default;

IBT terminating, or threatening in writing to terminate, the IBT Agreement or upon the occurrence of any termination event under TNFINC support agreement;

upon the occurrence of a material adverse effect (as defined in the lender support agreement); and

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on June 30, 2011, unless certain agreements relating to contributions to the multi-employer pension funds are entered into on or prior to such date, 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.

TNFINC Support Agreement

On April 29, 2011, we entered into the TNFINC support agreement with TNFINC pursuant to which TNFINC has agreed, among other things, to the terms of the restructuring and to support the restructuring. The conditions to TNFINC s obligations under the TNFINC support agreement are substantially similar to those under the lender support agreement except that, with respect to the ABL facility, the TNFINC support agreement requires, among other things, $350.0 million in aggregate facility size and incremental liquidity of $80.0 million (net of refinancing the ABS facility and any reserves) under the ABL facility.

On July 8, 2011, we entered into a waiver to the TNFINC support agreement pursuant to which the condition requiring incremental liquidity of at least $80.0 million under the ABL facility on the closing date of the restructuring was waived.

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 us; or (iii) on June 1, 2011, unless certain agreements relating to contributions to our multi-employer pension funds are reached in writing, or any such agreement is terminated, amended or modified in a manner adverse to us or the participating lenders, or otherwise ceases to be in full force and effect.

A copy of the TNFINC support agreement was attached as Exhibit 99.3 to our Current Report on Form 8-K filed with the SEC on April 29, 2011. See Where You Can Find More Information.

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BANKRUPTCY RELIEF

We have not commenced any cases in the bankruptcy court under chapter 11 of the Bankruptcy Code. We also have not taken any corporate action authorizing the commencement of any reorganization cases.

We do not intend to file petitions for relief under chapter 11 of the Bankruptcy Code if the exchange offer and restructuring is consummated. However, if we are unable to complete the exchange offer and address our near term liquidity needs as a result of ongoing discussions with our lenders, the IBT and multi-employer pension funds, we would then likely expect to seek relief under the Bankruptcy Code. We are considering various alternatives under the Bankruptcy Code in consultation with our lenders, TNFINC and the multi-employer pension funds that provide benefits to our IBT employees.

One alternative we are considering is a sale or sales, pursuant to section 363(b) of the Bankruptcy Code (the 363 Sale), of some, most or substantially all of the Company s operating assets, including its subsidiaries, to prospective buyers. The holders of any claims, including, without limitation, credit agreement claims may receive less in the 363 Sale than in the restructuring.

Another alternative we are considering is proposing a plan of reorganization (the plan). If we were to propose a plan of reorganization we would expect to negotiate the terms of that plan with our key creditors and stakeholders. We may ask affected creditors to vote on any such plan prior to our filing for bankruptcy, or may wait and ask affected creditors to vote on such a plan after our filing for bankruptcy. We cannot predict what consideration, if any, would be offered to holders of credit agreement claims in any such plan of reorganization. A plan may provide that holders of credit agreement claims receive value equal to their collateral under the existing credit agreement. If the holders of credit agreement claims are offered consideration under the plan but the class of credit agreement claim holders does not accept the plan, we may seek to confirm the plan notwithstanding the rejection of such class.

It is possible that a bankruptcy court would not approve the 363 Sale or confirm any expedited alternate plan of reorganization described above, and that, as a result, any chapter 11 case may become a longer, more traditional chapter 11 case, which we believe would result in holders of credit agreement claims receiving less than they would receive in the exchange offer, the 363 Sale or the plan. It is also possible that a more traditional chapter 11 case could be converted to a case under chapter 7 of the Bankruptcy Code, which we believe would result in holders of credit agreement claims receiving nothing.

If we decide to seek bankruptcy relief under any alternative, it is currently expected that certain of our subsidiaries will also file chapter 11 cases (or commence other similar reorganization proceedings) and pursue the same form of relief as, or a different form of relief than, that pursued by YRCW.

If we seek bankruptcy relief, we expect that holders of credit agreement claims would likely receive less consideration than they would in the restructuring described in this prospectus or little or no consideration for their credit agreement claims at all.

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ACCOUNTING TREATMENT OF THE EXCHANGE OFFER

Both the exchange of our existing credit agreement claims for a combination of new shares of our convertible preferred stock and new Series A Notes, and the conversion of our existing credit agreement claims into a new term loan and a new letter of credit facility will be accounted for as a troubled debt restructuring. For the purposes of the pro forma adjustments, we have reflected, based on tenders at the Minimum Exchange Condition participation level, the issuance to the tendering holders of the exchange consideration for each $1,000 of principal amount of credit agreement claims exchanged.

Assuming the satisfaction of the Minimum Exchange Condition and the Charter Amendment Merger, we will issue approximately 1.4 billion shares of our common stock with a derived value of approximately $0.06 per share in exchange for $165 million face value of credit agreement claims. The derived value of the shares of our common stock issued pursuant to the exchange offer was derived using a methodology that considered the estimated enterprise value of the Company and other fair value estimates of the Company s various debt and equity instruments before and after the restructuring including the current trading prices of our credit agreement claims. This derived equity value, after considering these various fair value estimates, was divided by the expected number of common shares outstanding after the exchange on an as converted basis (assuming 100% of the aggregate principal amount of credit agreement claims is exchanged, approximately 1.4 billion shares) resulting in a derived value of approximately $0.06 per share. Although the derived value of $0.06 per share does not reflect current quoted prices for our common stock, we believe this derived value is representative of the effect of the substantial dilution contemplated in the restructuring. As discussed under the Notes to Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer, the final accounting treatment for the exchange offer will be based on the fair values of our common stock, preferred stock and other debt and financial instruments issued at closing, and these market prices could differ significantly from the estimated per share amount used in the unaudited pro forma condensed consolidated financial information for the exchange offer. There can be no assurance that actual fair values of the equity, debt and other financial instruments will not change significantly from the assumptions set forth in this pro forma financial information.

The carrying amount of the credit agreement claims tendered are expected to be greater than the derived value of the shares of our common stock issued pursuant to the exchange consideration. In applying troubled debt restructuring accounting, we reduced the carryover basis of the restructured debt by the derived value of the above noted equity along with the estimated value of the conversion and redemption options for the new Series A Notes. After these adjustments, we allocated the carryover basis of the credit agreement claims to the new term loan and new Series A Notes based upon the relative value of each new debt security.

The accounting treatment of the exchange offer as described in this section relates solely to the exchange of credit agreement claims for shares of our common stock and the Series A Notes. Discussion pertaining to other pro forma adjustments related to the restructuring, including the amendment of the existing Contribution Deferral Agreement, the equity award to the IBT 401(k), the issuance of new Series B Notes and the refinancing and replacement of the existing ABS facility with the new ABL facility, is discussed further under the Notes to Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer, included elsewhere in this prospectus.

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UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE EXCHANGE OFFER

The following sets forth unaudited pro forma condensed consolidated financial information for the exchange offer as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010. The data set forth has been derived by applying the pro forma adjustments to our historical consolidated financial statements as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010, which are incorporated into this prospectus by reference from our Current Report on Form 8-K filed with the SEC on May 17, 2011.

Pursuant to the requirements under Article 11 of Regulation S-X, the unaudited pro forma condensed consolidated statements of operations for the exchange offer gives effect to adjustments for transactions expected to have a continuing impact on us, that (1) are directly attributable to the exchange offer and are factually supportable, and (2) represent material events that have occurred and had, or will have, a material effect on our financial statements and capital structure. The unaudited pro forma condensed consolidated balance sheet gives effect to adjustments for transactions regardless of whether they have a continuing impact on us or are non-recurring, that are (1) directly attributable to the exchange offer and are factually supportable, and (2) represent material events which have occurred after March 31, 2011 and had, or will have, a material effect on our financial statements and capital structure.

The unaudited pro forma condensed consolidated financial information for the exchange offer assumes that each of the adjustments below that are directly attributable to the exchange offer and factually supportable had occurred as of March 31, 2011 for the unaudited pro forma condensed consolidated balance sheet, and as of the beginning of the respective periods for the unaudited pro forma condensed consolidated statements of operations:

- consummation of the transactions contemplated by the exchange offer, including the payment of related fees and expenses;
- amendment and restatement of our existing credit agreement;
- entry, through a special purpose, bankruptcy remote subsidiary of ours, into the ABL facility;
- amendment and restatement of the Contribution Deferral Agreement and pension notes;
- issuance of shares of our new preferred stock to the IBT 401(k); and
- conversion of the new preferred stock into common stock.

The unaudited pro forma condensed consolidated financial data for the exchange offer assumes, among other things, (A) the satisfaction of the Minimum Exchange Condition, which requires that 100% of all credit agreement claims be exchanged in the exchange offer, (B) the purchase and sale of $100.0 million in aggregate principal amount of Series B Notes pursuant to the subscription rights and (C) that we obtain Stockholder Approval of the Charter Amendment Merger which will permit us to amend our certificate of incorporation and to issue common stock in the recapitalization. As consideration for their credit agreement claims, the exchanging holders will receive the number of new securities and the basic right to subscribe (subject to oversubscription rights) to the amount of Series B Notes for each $1,000 of principal amount of credit agreement claims.

The exchange offer will result in very significant dilution to our current common shareholders, and will result in pro forma ownership levels of approximately 2.5%, 72.5% and 25% for existing shareholders, credit agreement claimholders and IBT employees, respectively, immediately after giving effect to the exchange offer assuming the Minimum Exchange Condition participation level in the exchange offer.

The unaudited pro forma condensed consolidated financial information for the exchange offer is based on assumptions that we believe are reasonable and should be read in conjunction with Capitalization and

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Accounting Treatment of the Exchange Offer, included elsewhere in this prospectus, and to our historical consolidated financial statements as of and for the three months ended March 31, 2011 and for the year ended December 31, 2010, which are incorporated into this prospectus by reference from our Current Report on Form 8-K filed with the SEC on May 17, 2011.

The unaudited pro forma condensed consolidated financial information for the exchange offer is presented for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have actually been reported had the exchange offer been consummated as of March 31, 2011 or as of the beginning of the period, respectively, nor is it necessarily indicative of our future financial position or results of operations. The actual effects of the exchange offer and other pro forma events on our financial position or results of operations may be different than what we have assumed or estimated, and these differences may be material. Furthermore, the determination of the accounting for these transactions as a troubled debt restructuring, debt extinguishment or non-significant debt modification may be affected by the fair values of equity, debt, and financial instruments issued at closing.

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YRC WORLDWIDE INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET

As of March 31, 2011

(in thousands)

	Historical	Credit Agreement Claims (1)	CDA (2)	Union Grant (3)	Series B Notes (4)	ABL/ABS Facility (5)	Pro Forma
Assets							
Current Assets:							
Cash and cash equivalents	$ 156,685	$ (15,661)D	$ (1,664)F		$ 100,000J	$ 231,250L	$ 166,218
					(2,475)K	(147,237)L	
						(64,680)L,N	
						(90,000)P	
Accounts receivable, net	497,915						497,915
Prepaid expenses and other	205,559					64,680N	270,239
Total current assets	860,159	(15,661)	(1,664)		97,525	(5,987)	934,372
Net property and equipment	1,500,438						1,500,438
Intangibles, net	135,151						135,151
Other assets	128,595	(41,784)A	1,664F		2,475K	6,000L,O	181,245
						90,000P	
			(1,861)G			(3,844)M	
Total assets	$ 2,624,343	$ (57,445)	$ (1,861)		$ 100,000	$ 86,169	$ 2,751,206
Liabilities and Shareholders Deficit							
Current Liabilities:							
Accounts payable	$ 165,940					$ (15,000)M	$ 150,940
Wages, vacations and employees benefits	205,517						205,517
Other current and accrued liabilities	482,077	(146,319)A	(10,905)G			(6,909)M	317,944
Current maturities of long term debt	780,898	(254,210)A	(138,498)G			(147,237)L	7,591
		(175,982)A					
		(591)A					
		(56,789)E					
Total current liabilities	1,634,432	(633,891)	(149,403)			(169,146)	681,992
Other Liabilities:							
Long term debt, less current portion	334,627	436,485C	67,231G		53,561J	237,250L	1,185,943
		56,789E					
Deferred income taxes, net	119,588						119,588
Pension and postretirement	452,280						452,280
Claims and other liabilities	371,062						371,062

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	Historical	Credit Agreement Claims (1)	CDA (2)	Union Grant (3)	Series B Notes (4)	ABL/ABS Facility (5)	Pro Forma
Commitments and contingencies							
Shareholders Deficit:							
Common stock, $0.01 par value per share	479	13,848B		4,775H			19,102
Preferred stock, $1 par value per share				1I			1
Capital surplus	1,644,290	(2,211)D		23,877H	46,439J		1,797,380
		75,485B					
		9,500A					
Accumulated deficit	(1,601,294)	(13,450)D	80,311G	(28,652)H		18,065M	(1,545,021)
				(1)I			
Accumulated other comprehensive loss	(235,988)						(235,988)
Treasury stock, at cost (123 shares)	(92,737)						(92,737)
Total YRC Worldwide Inc. shareholders deficit	(285,250)	83,172	80,311		46,439	18,065	(57,263)
Non-controlling interest	(2,396)						(2,396)
Total shareholders deficit	(287,646)	83,172	80,311		46,439	18,065	(59,659)
Total liabilities and shareholders deficit	$ 2,624,343	$ (57,445)	$ (1,861)	$	$ 100,000	$ 86,169	$ 2,751,206

See Accompanying Notes to Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer.

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YRC WORLDWIDE INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

For the Three Months Ended March 31, 2011

(in thousands except per share data)

	Historical	Credit Agreement (1)	CDA (2)	Union Grant (3)	Series B Notes (4)	ABL/ABS Facility (5)	Pro Forma
Operating Revenue	$ 1,122,886						$ 1,122,886
Operating Expenses:							
Salaries, wages and employees benefits	680,818	(8,109)**AA** 9,357**BB**					682,066
Equity based compensation benefit	(1,053)						(1,053)
Operating expenses and supplies	277,196						277,196
Purchased transportation	119,662						119,662
Depreciation and amortization	49,296						49,296
Other operating expenses	67,900						67,900
Gains on property disposals, net	(2,959)						(2,959)
Total operating expenses	1,190,860	1,248					1,192,108
Operating Loss	(67,974)	(1,248)					(69,222)
Nonoperating (Income) Expenses:							
Interest expense	38,803	(17,850)**AA** 8,922**BB**	(1,803)**CC** 5,396**DD**		5,544**EE**	(6,081)**FF** 10,621**GG**	43,552
Other	43						43
Nonoperating expenses, net	38,846	(8,928)	3,593		5,544	4,540	43,595
Income (Loss) Before Income Taxes	(106,820)	7,680	(3,593)		(5,544)	(4,540)	(112,817)
Income tax benefit	(4,551)						(4,551)
Net Loss from Continuing Operations	(102,269)	7,680	(3,593)		(5,544)	(4,540)	(108,266)
Less: Net Loss Attributable to Non-Controlling Interest	(489)						(489)
Net Loss Attributable to YRC Worldwide Inc.	$ (101,780)	$ 7,680	$ (3,593)		$ (5,544)	$ (4,540)	$ (107,777)
Weighted Average Common Shares Outstanding Basic and Diluted	47,638						1,910,114
Basic and Diluted Loss Per Share from Continuing Operations attributable to YRC Worldwide Inc.	$ (2.14)						$ (0.06)

See Accompanying Notes to Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer.

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YRC WORLDWIDE INC. AND SUBSIDIARIES

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS

For the Year Ended December 31, 2010

(in thousands except per share data)

	Historical	(1) Credit Agreement	(2) CDA	(3) Union Grant	(4) Series B Notes	(5) ABL/ABS Facility	Pro Forma
Operating Revenue	$ 4,334,640						$ 4,334,640
Operating Expenses:							
Salaries, wages and employees benefits	2,671,468	(33,300)**AA** 38,423 **BB**					2,676,591
Equity based compensation expense	31,205						31,205
Operating expenses and supplies	949,224						949,224
Purchased transportation	455,800						455,800
Depreciation and amortization	198,508						198,508
Other operating expenses	248,142						248,142
Losses on property disposals, net	5,572						5,572
Impairment charges	5,281						5,281
Total operating expenses	4,565,200	5,123					4,570,323
Operating loss	(230,560)	(5,123)					(235,683)
Nonoperating (Income) Expenses:							
Interest expense	159,192	(73,811)**AA** 35,894 **BB**	(8,573)**CC** 23,006 **DD**		22,426**EE**	(32,427)**FF** 42,395**GG**	168,102
Equity investment impairment	12,338						12,338
Other	1,510						1,510
Nonoperating expenses, net	173,040	(37,917)	14,433		22,426	9,968	181,950
Income (Loss) Before Income Taxes	(403,600)	32,794	(14,433)		(22,426)	(9,968)	(417,633)
Income tax benefit	(102,487)						(102,487)
Net Income (Loss) from continuing operations	(301,113)	32,794	(14,433)		(22,426)	(9,968)	(315,146)
Less: Net Loss Attributable to Non-Controlling Interest	(1,963)						(1,963)
Net Loss Attributable to YRC Worldwide Inc.	$ (299,150)	$ 32,794	$ (14,433)	$	$ (22,426)	$ (9,968)	$ (313,183)
Weighted Average Common Shares Outstanding Basic and Diluted	39,601						1,910,114

Basic and Diluted Earnings (Loss) Per Share from continuing operations Attributable to YRC Worldwide Inc.	$ (7.55)	$ (0.16)

See Accompanying Notes to Unaudited Pro Forma Condensed Consolidated Financial Information for the Exchange Offer.

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YRC WORLDWIDE INC. AND SUBSIDIARIES

NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION FOR THE EXCHANGE OFFER

Notes

Consolidated Balance Sheet as of March 31, 2011 and Consolidated Income Statements for the three months ended March 31, 2011 and the year ended December 31, 2010

1. Restructure existing Credit Agreement Claims and revise maturity to March 31, 2015

In connection with the restructuring, we will exchange $305.0 million of credit agreement claims for 3,717,948 shares of our new preferred stock and $140.0 million in aggregate principal amount of our Series A Notes. We will also modify our Credit Agreement as it relates to term loan borrowings and letters of credit to, among other things, extend the maturity date to March 31, 2015.

(A) The following table shows carrying values of the various credit agreement claims outstanding prior to the restructuring and estimated carrying values of the securities outstanding upon effecting the exchange and Credit Agreement modifications described above:

Credit Agreement Claims prior to Restructuring	Amount (in thousands)	Securities and Indebtedness Post-Restructuring	Amount (in thousands)
Principal amount of term loan	$ 254,210	Principal amount of term loan	$ 271,511
Revolving credit facility borrowings	175,982	Premium on term loan	23,283
Letters of credit	457,055	Principal amount of Series A Notes	140,000
Deferred interest on term loan	26,053	Premium on Series A Notes	1,691
Deferred interest on revolving credit facility	43,165	Conversion feature in Series A Notes	9,500
Deferred fees on letters of credit	45,256	Letters of credit	457,055
Deferred Credit Agreement amendment fees	31,845	New Preferred Stock	89,333
Total Deferred Interest and Fees	146,319		
Principal amount of Credit Agreement Claims	1,033,566		
Premium on term loan borrowings	591		
Less: Deferred charges on Credit Agreement Claims	(41,784)		
Less: Letters of Credit	(457,055)	Less: Letters of Credit	(457,055)
Basis of Credit Agreement Claims to allocate in troubled debt restructuring	$ 535,318		$ 535,318

This element of the restructuring is being accounted for as a troubled debt restructuring. Pro forma adjustments have been made to establish the carryover basis of the new debt securities, as well as to indicate the estimated fair value of the equity to be issued pursuant to the exchange.

(B) The $89.3 million shown above represents the issuance of new preferred stock in exchange for credit agreement claims. For purposes of this pro forma presentation, we have made the following assumptions regarding the new preferred stock:

The new preferred stock has converted into 1,385 million shares of our common stock at a ratio of 372.47 to 1

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The estimated fair value of our common stock is approximately $0.06 per share. This assumption was derived based on an estimate of enterprise value, less the estimated fair value of debt instruments post-restructuring, to arrive at a post-restructuring equity value for the Company. Such equity value was then divided by estimated common shares outstanding, including as-converted shares of our new preferred stock and conversion of the Series B Notes. Enterprise value was estimated based on a contemporaneous valuation using assumptions related to market multiples of earnings, a market approach and Level 3 fair value measurement. The market approach used publicly traded peer companies within our industry. The resulting estimated fair value of common stock of $89.3 million was shown as a proforma adjustment of $13.8 million par value and $75.5 million capital surplus.

(C) Pro forma adjustments have been made to record the remaining carryover basis of the credit agreement claims as Series A Notes and term loan borrowings. The remaining carryover basis has been allocated between the principal amount of Series A Notes and term loan borrowing.

	(Amount in thousands)
Basis of Credit Agreement claims to allocate in troubled debt restructuring	535,318
Less estimated fair value of preferred stock	(89,333)
Less conversion feature in Series A Notes	(9,500)
Carryover basis	436,485
Allocation to Series A Notes (par value $140 million)	141,691
Allocation to term loan (par value $271.5 million)	294,794
	436,485

We made a pro forma adjustment to the carrying value of the new Series A Notes in the amount of $9.5 million representing the estimated fair value of the conversion feature within the Series A Notes. The conversion feature was estimated based on a contemporaneous valuation using an option pricing model, a Level 3 fair value measurement. The conversion feature has been bifurcated as an equity-classified derivative.

(D) Pro forma adjustments have been made for $15.7 million of estimated professional fees related to this element of the restructuring. Of this amount, $13.5 million is related to the issuance of the Series A Notes and modifications to the Credit Agreement. Such amount has been recognized as a reduction in shareholders equity (deficit), as such costs are not expected to have a continuing impact in connection with the restructuring. This treatment is consistent with troubled debt restructuring accounting, where such costs would be charged to expense. Estimated costs of $2.2 million are related to the issuance of the new preferred stock and have been presented as a reduction to capital surplus. Debt costs have been allocated to the debt and equity issuances of the restructuring on a relative fair value basis, for the purpose of this pro forma presentation.

(AA) Represents the elimination of all interest expense, amortization of premium on term loan borrowings, letter of credit fee expense, and amortization of deferred charges historically related to credit agreement claims:

	Three-months ended	Year-ended
	March 31, 2011 (in thousands)	December 31,2010 (in thousands)
Term loan interest expense	$ 6,302	$ 16,941
Term loan premium amortization	(104)	(417)
Revolving credit facility interest expense	4,524	30,114

Amortization of deferred charges		7,128		27,173
Interest expense	$	17,850	$	73,811
Letter of credit fee expense	$	8,109	$	33,300

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(BB) Pro forma adjustments have been made to record estimated interest expense, amortization of premium, and amortization of deferred charges related to the securities issued, (resulting in estimated effective interest rates of 7.5% and 9.6% for the Term Loan and Series A Notes, respectively,) assuming such securities were outstanding at the beginning of the respective periods:

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
Term loan interest expense	$ 6,788	$ 27,151
Amortization of premium on term loan	(1,261)	(5,184)
Interest expense on Series A Notes	3,500	14,350
Amortization of premium on Series A Notes	(105)	(423)
	$ 8,922	$ 35,894
Letter of credit fee expense	$ 9,357	$ 38,423

(E) Represents the reclassification of $56.8 million of outstanding 6% Notes to long-term debt. The completion of the Restructuring removes the right of the Credit Agreement lenders to declare an event of default under the Credit Agreement due to the March 10, 2011 Milestone Failure. As such, our consolidated financial statements are no longer impacted by the cross-default provisions in the 6% Notes and pension contribution deferral obligations.

2. Restructure existing Contribution Deferral Agreement and revise maturity to March 31, 2015

In connection with the restructuring, we will enter into an amendment and restatement of the contribution deferral agreement we have with certain multi-employer pension funds to which we contribute (the Contribution Deferral Agreement). Such amendment will, among other things, increase the interest rate for certain funds, revise the maturity date to March 31, 2015 for amounts outstanding at the date of the restructuring, which consist of $138.5 million of pension contribution deferral obligations and $10.9 million of deferred interest, and convert deferred interest to principal.

This element of the restructuring is being accounted for as an exchange of debt instruments with substantially different terms. Debt extinguishment accounting has been applied to amounts outstanding under the Contribution Deferral Agreement at March 31, 2011, and a related gain has been recognized upon extinguishment. The new Contribution Deferral Obligation debt instrument has been recorded in the pro forma balance sheet as a new debt issuance at estimated fair value of $67.2 million. The estimated fair value of the new debt instrument was based on a contemporaneous valuation using assumptions related to market comparables for similar debt instruments, a market approach and Level 3 fair value measurement.

(F) Pro forma adjustments have been made for $1.7 million of estimated professional fees related to this element of the restructuring. Such amount has been capitalized as debt issue costs and will be recognized as interest expense over the life of the new Contribution Deferral Agreement.

(G) Pro forma adjustments have been made to record the impact of the modification to the Contribution Deferral Agreement

	(Amount in thousands)
Pension contribution deferral obligations	138,498
Deferred interest on pension contribution deferral obligations	10,905

Deferred charges on pension contribution deferral obligations	(1,861)
Carrying amount of pension contribution deferral obligations	147,542
Estimated fair value of new pension contribution deferral obligation	67,231
Gain recognized on extinguishment of debt	80,311

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Such gain has been recognized directly to shareholders equity (deficit) as such gain is not expected to have a continuing impact in connection with the restructuring.

(CC) Represents the elimination of all interest expense historically related to the Contribution Deferral Agreement

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
Interest expense	$ 1,803	$ 8,573

(DD) Pro forma adjustments have been made to record estimated interest expense and amortization of deferred charges related to the new Contribution Deferral Agreement (resulting in an estimated effective interest rate of 32.5%), assuming such issuance had occurred at the beginning of the respective periods:

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
Interest expense	$ 2,708	$ 10,832
Amortization of discount	2,635	11,933
Deferred charges amortization	53	241
	$ 5,396	$ 23,006

3. Issue new equity to IBT 401(k) in exchange for ratification of labor contract modifications through March 31, 2015

In connection with the restructuring, we will issue 1,282,051 shares of our new preferred stock to the IBT 401(k).

This element of the restructuring is being accounted for as the grant of a share-based payment award to employees. For purposes of this pro forma presentation we have made the following assumptions:

a grant date has been achieved

the new preferred stock has converted into 477,528,410 shares of our common stock at a ratio of 372.47 to 1

the grant date estimated fair value assumptions used to value this award at $0.06 per share of as-converted common stock are consistent with the discussion above at (B)

(H) Represents the grant of as-converted common stock to the IBT 401(k)

	Amount (in thousands)
Share-based payment expense	$ 28,652
Par value of common stock at $0.01 per share	4,775
Increase in capital surplus	$ 23,877

The pro forma adjustment related to the share-based payment expense has been made to shareholders equity (deficit) as such expense is not expected to have a continuing impact in connection with the Restructuring.

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(I) In connection with the restructuring, we will issue one share of Series A Voting Preferred Stock to the IBT in order to confer board rights upon the IBT. The share of Series A Voting Preferred Stock has a liquidation preference of $1.00 and does not pay any dividends. The IBT will be permitted to appoint two directors to the Company s board of directors, until such time at which the share is redeemed by the Company in accordance with its terms.

The substance of this element of the restructuring is the conveyance of one additional board seat to the IBT. As such, for the purposes of this pro forma presentation, the one share is being recorded at its liquidation value of $1.00.

4. Issue $100 million new money convertible notes due March 31, 2015

In connection with the restructuring, we will issue subscription rights up to $100 million in aggregate principal amount of our new Series B Notes.

(J) Reflects the cash proceeds of $100.0 million and the recognition of the equity and debt components of the Series B Notes. The estimated fair value of the conversion feature within the Series B Notes of $46.4 million has been bifurcated as an equity-classified derivative. The conversion feature was estimated based on a contemporaneous valuation using an option pricing model, a Level 3 fair value measurement. The value attributed to the debt component of the Series B Notes is the residual amount of $53.6 million.

(K) Pro forma adjustments have been made for $2.5 million of estimated professional fees related to this element of the restructuring. Such amount has been capitalized as debt issue costs and will be recognized as interest expense over the life of the Series B Notes.

(EE) Pro forma adjustments have been made to record estimated interest expense, amortization of discount, and amortization of deferred charges related to the Series B Notes (resulting in an estimated effective interest rate of 25.0%,) assuming the Series B Notes were outstanding at the beginning of the respective periods:

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
Interest expense on Series B Notes	$ 2,500	$ 10,250
Amortization of discount on Series B Notes	2,902	11,610
Amortization of deferred charges	142	566
Total	$ 5,544	$ 22,426

5. Refinance existing 364-Day $325 million ABS facility with new 3-year $400 million credit facility

In connection with the restructuring, on July 7, 2011, the Company executed a commitment letter with J.P. Morgan Securities LLC (JPMorgan) relating to a new $400.0 million credit facility (New Facility), the proceeds of which will be used to refinance the ABS facility, provide working capital and for other general corporate purposes. Pursuant to the commitment letter, the new $400.0 million credit facility will consist of a $175.0 million first-out term facility (First Out Facility) and a $225.0 million last-out term facility (Last Out Facility), both of which are expected to be funded by lenders that did not participate in the ABS facility.

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(L) Reflects the estimated uses of funds in connection with this element of the restructuring.

Sources of Funds	Amount (in thousands)	Uses of Funds	Amount (in thousands)
Borrowings net of original issue discount	$ 237,250	Repayment of principal amount of ABS facility	$ 147,237
		Arrangement and professional fees related to the New Facility	6,000
		Collateralization of letters-of-credit under the ABS facility	64,680
		Company cash	19,333
Total	$ 237,250	Total	$ 237,250

This element of the restructuring is being accounted for as an extinguishment of existing debt and issuance of new debt, as none of the lenders expected to participate in the New Facility, currently participate in the ABS facility.

(M) Pro forma adjustments have been made to shareholders equity (deficit) for those income statement items that are not expected to have a continuing impact in connection with the restructuring as follows:

	Amount (in thousands)
Write-off of deferred charges on ABS facility	$ 3,844
Gain recognized on forgiveness of deferred ABS facility amendment fees and accrued interest	(21,909)
	$ (18,065)

(N) Represents the cash collateralization of the $64.7 million of undrawn letters of credit outstanding under the ABS facility at the transaction closing date.

(O) Represents the capitalization of the estimated arrangement and professional fees related to the New Facility of $6.0 million. Such costs will be recognized as interest expense over the life of the New Facility.

(P) Pro forma adjustments have been made to present $90.0 million deposited into escrow as a non-current asset as such funds will be restricted in accordance with the terms of the New Facility.

(FF) Represents the elimination of all interest expense and amortization of deferred charges historically related to the ABS facility:

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
ABS facility interest	$ 4,433	$ 16,597

ABS facility deferred charges amortization		1,648		15,830
Total interest expense	$	6,081	$	32,427

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(GG) Pro forma adjustments have been made to record estimated interest expense, discount amortization, and amortization of deferred charges related to the New Facility, assuming the New Facility has a 39-month term and was established at the beginning of the respective periods:

	3-months ended March 31, 2011 (in thousands)	Year-ended December 31, 2010 (in thousands)
Facility interest and commitment fees	$ 8,794	$ 35,088
Amortization of the original issue discount	1,365	5,461
Facility deferred charges amortization	462	1,846
Total interest expense	$ 10,621	$ 42,395

6. Income taxes

The pro forma pre-tax changes have no net effect on the tax benefit or the balance of current or deferred income taxes because their initial tax impact is fully offset by the related change in the valuation allowance for deferred tax assets.

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THE EXCHANGE OFFER

Terms of the Exchange Offer

Upon the terms and subject to the conditions set forth in this prospectus and the related letter of exchange, we are offering to exchange credit agreement claims held by record holders for the exchange consideration, consisting of (as applicable) the number of shares of our new preferred stock, the aggregate principal amount of Series A Notes and the basic subscription rights (subject to oversubscription rights) to purchase the aggregate principal amount of Series B Notes for each $1,000 principal amount of credit agreement claims set forth below. The new preferred stock will be fully paid and nonassessable upon the consummation of the exchange.

The summary offering tables indicate for illustrative purposes the exchange consideration per $1,000 of credit agreement claims to be offered in the exchange offer for credit agreement claims validly submitted for exchange and not withdrawn, based on outstanding credit agreement claims as of June 30, 2011. The aggregate principal amounts outstanding under the existing credit agreement and the aggregate amount of our common stock outstanding may change up to and including the closing date of the exchange offer, which will cause their respective exchange consideration per $1,000 of claims and the conversion rate of the new preferred stock into our common stock to change but, in any event, the amount of new preferred stock, Series A Notes and the subscription rights to purchase for cash the Series B Notes offered as exchange consideration will be fixed at approximately 3,717,948 shares of new preferred stock, $140.0 million in aggregate principal amount of Series A Notes and subscription rights to purchase $100.0 million in aggregate principal amount of Series B Notes.

As part of the exchange consideration, based on outstanding credit agreement claims as of June 30, 2011, each $1,000 of credit agreement claims exchanged would have received shares of our new preferred stock and basic subscription rights (subject to oversubscription rights) to purchase for cash the Series B Notes as set forth immediately below:

		Consideration per $1,000 Amount of Credit Agreement Claims Exchanged (as of June 30, 2011)	
Type of Credit Agreement Claims	Aggregate Amount Outstanding (1)	Number of Shares of New Preferred Stock (2)	Basic Subscription Right to Pro Rata Portion of Series B Notes (3)(4)
Credit agreement claims	$ 1,038,477,160.73	3.5802	$ 96.2948

In addition to the exchange consideration described immediately above, based on outstanding credit agreement claims as of June 30, 2011, each $1,000 of non-LC credit agreement claims also would have received the principal amount of Series A Notes as set forth immediately below:

		Consideration per $1,000 Amount of Non-LC Credit Agreement Claims Exchanged (as of June 30, 2011)
Type of Credit Agreement Claims	Aggregate Amount Outstanding (1)	Principal Amount of Series A Notes (4)(5)
Non-LC credit agreement claims	$ 590,693,031.57	$ 237.0097

(1) Reflects the aggregate amount outstanding at June 30, 2011.

(2) Represents the number of shares of new preferred stock exchanged per $1,000 amount of credit agreement claims. If the exchange offer is completed, immediately following its completion, approximately 3,717,948 shares of new preferred stock will be issued on a pro rata basis in respect of all outstanding credit agreement claims with a liquidation preference per share of approximately $44.38 and an aggregate liquidation preference of approximately $165.0 million. Such shares of new preferred stock will be convertible into approximately 1,384,832,389 shares of our common stock, subject to certain adjustments, and will represent approximately 72.5% of the aggregate voting power on an as-converted basis of our capital stock generally entitled to vote on matters presented to our stockholders immediately after giving effect to the exchange

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offer (subject to certain limitations). See Description of the New Preferred Stock. If the exchange offer is completed, immediately following its completion, approximately 1,282,051 shares of new preferred stock will be issued to the IBT 401(k) with an aggregate liquidation preference of approximately $56.9 million, which shares will be convertible into approximately 477,528,410 shares of our common stock, subject to certain adjustments, and will represent approximately 25.0% of the aggregate voting power on an as-converted basis of our capital stock generally entitled to vote on matters presented to our stockholders (subject to certain limitations).

(3) Subject to oversubscription rights, as described in Subscription Rights.

(4) The debt instruments governing each of the Series A Notes and the Series B Notes are the:
   (a) Indenture, among YRC Worldwide Inc., the guarantors party thereto and U.S. Bank National Association, as trustee (the Series A Indenture), a description of which is contained in Description of Series A Notes ; and
   (b) Indenture, among YRC Worldwide Inc., the guarantors party thereto and U.S. Bank National Association, as trustee (the Series B Indenture), a description of which is contained in Description of Series B Notes.

(5) Represents the aggregate principal amount of Series A Notes exchanged per $1,000 amount of non-LC credit agreement claims. If the exchange offer is completed, $140.0 million in aggregate principal amount of Series A Notes will be issued on a pro rata basis in respect of all non-LC credit agreement claims.

Our obligation to pay the exchange consideration for credit agreement claims exchanged pursuant to the exchange offer is subject to several conditions referred to below under the caption Conditions to the Exchange Offer.

If we are unable to complete the exchange offer and the restructuring plan, we would then expect to seek relief under the Bankruptcy Code. This relief may include: (i) seeking bankruptcy court approval for the sale or sales of some, most or substantially all of our assets pursuant to Section 363(b) of the Bankruptcy Code and a subsequent liquidation of the remaining assets in the bankruptcy case; (ii) pursuing a plan of reorganization (where votes for the plan may be solicited from certain classes of creditors prior to a bankruptcy filing) that we would seek to confirm (or cram down) despite any classes of creditors who reject or are deemed to have rejected such plan; or (iii) seeking another form of bankruptcy relief, all of which involve uncertainties, potential delays and litigation risks.

If we commence such a bankruptcy filing, we expect that holders of credit agreement claims may receive consideration that is substantially less than what is being offered under the restructuring and may receive little or no consideration for their credit agreement claims. See Bankruptcy Relief.

For a more complete description of the risks relating to our failure to consummate the exchange offer, see Risk Factors Risks Relating to Not Accepting the Exchange Offer If we are not able to consummate the exchange offer, our stakeholders may declare an event of default under our existing agreements with them and we would need to seek protection under the Bankruptcy Code on terms other than as contemplated by the restructuring.

None of YRCW, its subsidiaries, its or their respective boards of directors, the Subscription Agent nor the Information and Exchange Agent has made a recommendation to any holder of the credit agreement claims, and each is remaining neutral as to whether holders should exchange credit agreement claims into the exchange offer. Holders should make their own investment decisions with regard to the exchange offer based upon their assessment of the market value of the credit agreement claims, the likely value of the exchange consideration, their liquidity needs, investment objectives and other factors relevant to them.

Expiration Date; Withdrawal Deadline; Extensions; Amendments; Termination

For purposes of the exchange offer, the term expiration date means 5:00 p.m., New York City time, on July 15, 2011, subject to our right to extend that time and date with respect to the exchange offer in our absolute

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discretion, in which case the expiration date means the latest time and date to which the exchange offer is so extended.

For purposes of the exchange offer, the term withdrawal deadline means 5:00 p.m., New York City time, on July 15, 2011, subject to our right in each case to extend the applicable withdrawal time and date in our absolute discretion, in which case the withdrawal deadline means the latest time and date to which it is so extended.

Any waiver, amendment or modification of the exchange offer will apply to all credit agreement claims exchanged pursuant to the exchange offer. We will give oral (to be promptly confirmed in writing) or written notice of material changes, including the extension of the expiration date, withdrawal date or voting deadlines, to the Information and Exchange Agent and will disseminate additional offer documents and extend the exchange offer and withdrawal rights as we determine necessary and to the extent required by law. We may extend the exchange offer if there are material changes to its terms to give holders additional time to consider such changes. Any such extension, amendment, waiver or change will not result in the reinstatement of any withdrawal rights if those rights had previously expired, except as specifically provided above.

We expressly reserve the right, in our sole discretion and subject to applicable law to terminate or withdraw the exchange offer as described below in Conditions to the Exchange Offer. If the exchange offer is terminated, withdrawn or otherwise not consummated on or prior to the expiration date, no consideration will be paid or become payable to holders who have properly exchanged their credit agreement claims pursuant to the exchange offer. In any such event, the credit agreement claims previously exchanged pursuant to the exchange offer will be promptly returned to the exchanging holders.

There can be no assurance that we will exercise our right to extend, terminate or amend the exchange offer. During any extension and irrespective of any amendment to the exchange offer, all credit agreement claims previously validly submitted for exchange and not withdrawn and not accepted for exchange or withdrawn thereunder will remain subject to the exchange offer and may be accepted thereafter by us, subject to compliance with applicable law. We may waive conditions without extending the exchange offer, in accordance with applicable law. As of the date of this prospectus, we have no intention of extending the expiration date or withdrawal date. See also Announcements in this section below.

Announcements

Any extension, termination or amendment of the exchange offer, including modifying or waiving the Minimum Exchange Condition, will be followed as promptly as practicable by announcement thereof, such announcement in the case of an extension of the exchange offer to be issued no later than 9:00 a.m., New York City time, on the next business day following the previously scheduled expiration date.

If we amend the exchange offer in a manner that we determine constitutes a material change, we will promptly disclose such amendment in a manner reasonably calculated to inform the holders of credit agreement claims of such amendment and extend the expiration date of the exchange offer, to the extent required under federal securities law.

Without limiting the manner in which we may choose to make such announcement, we will not, unless otherwise required by law, have any obligation to publish, advertise or otherwise communicate any such announcement other than by making a release to an appropriate news agency or another means of announcement that we deem appropriate.

Acceptance of Credit Agreement Claims for Exchange and Delivery

On the settlement date, if the exchange offer is consummated, the exchange consideration will be issued in exchange for credit agreement claims held by record holders validly submitted for exchange and not withdrawn on or prior to the expiration date.

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If the conditions to the exchange offer are satisfied, or if we validly waive all of the conditions that have not been satisfied, and after we receive validly completed and duly executed letters of exchange with respect to credit agreement claims validly submitted for exchange and not withdrawn for exchange, we will accept for exchange at the expiration date such credit agreement claims by notifying the Information and Exchange Agent of our acceptance. The notice may be oral if we promptly confirm it in writing.

We expressly reserve the right, in our absolute discretion, to delay acceptance for exchange of credit agreement claims validly submitted for exchange and not withdrawn under the exchange offer or to terminate the exchange offer and not accept for exchange any credit agreement claims not previously accepted, (1) if any of the conditions to the exchange offer shall not have been satisfied or validly waived by us or (2) in order to comply in whole or in part with any applicable law.

In all cases, the exchange consideration for credit agreement claims validly submitted for exchange and not withdrawn pursuant to the exchange offer will be made only after timely receipt by the Information and Exchange Agent of the properly completed and duly executed letter of exchange (or a facsimile thereof) and any other documents required by the letter of exchange.

For purposes of the exchange offer, we will be deemed to have accepted for exchange credit agreement claims validly submitted for exchange (and not validly withdrawn) as provided herein when, and if, we give oral (if promptly confirmed in writing) or written notice to the Information and Exchange Agent of our acceptance of the credit agreement claims for exchange pursuant to the exchange offer. In all cases, the exchange of credit agreement claims pursuant to the exchange offer will be made by deposit of the exchange consideration with the Information and Exchange Agent, which will act as your agent for the purposes of receiving the exchange consideration from us, and delivering the exchange consideration to you. On and after the settlement date, the exchanging holders whose credit agreement claims have been exchanged by us will cease to be entitled to receive any interest or fees on such credit agreement claims. Such exchanging holders will receive the applicable exchange consideration for the credit agreement claims accepted for exchange.

If, for any reason whatsoever, acceptance for exchange of any credit agreement claims held by record holders validly submitted for exchange and not withdrawn pursuant to the exchange offer is delayed (whether before or after our acceptance for exchange of the credit agreement claims) or we extend the exchange offer or are unable to accept for exchange the credit agreement claims validly submitted for exchange and not withdrawn pursuant to the exchange offer, then, without prejudice to our rights set forth herein, we may instruct the Information and Exchange Agent to retain validly submitted credit agreement claims and those credit agreement claims may not be withdrawn, subject to the limited circumstances described in Withdrawal of Exchanges in this section below.

Under no circumstances will any interest be payable because of any delay in the transmission of funds to you with respect to accepted credit agreement claims or otherwise.

We will pay all fees and expenses of the Subscription Agent and the Information and Exchange Agent in connection with the exchange offer. Exchanging holders will not be obligated to pay brokerage fees or commissions to the Subscription Agent, the Information and Exchange Agent or us.

Market and Trading Information

Holders of the credit agreement claims are urged to contact their brokers or other advisors to obtain the best available information as to current market prices for their credit agreement claims before deciding whether to exchange such credit agreement claims pursuant to the exchange offer.

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Procedures for Exchanging Credit Agreement Claims

General

To participate in the exchange offer, you must validly submit your credit agreement claims for exchange to the Information and Exchange Agent as described below. It is your responsibility to validly exchange your credit agreement claims. We have the right to waive any defects. However, we are not required to waive defects and are not required to notify you of defects in your exchange.

Only a holder of record of credit agreement claims as of the record date may exchange the credit agreement claims in the exchange offer. To exchange in the exchange offer, a holder must complete, sign and date the letter of exchange, or a copy thereof, and mail or otherwise deliver the letter of exchange or copy to the Information and Exchange Agent prior to the expiration date. To be exchanged effectively, the letter of exchange and other required documents must be received by the Information and Exchange Agent at the address set forth on the back cover page of this prospectus prior to the expiration date. The exchange by a holder prior to the expiration date shall constitute an agreement between that holder and us in accordance with the terms and subject to the conditions set forth herein and in the letter of exchange.

THE METHOD OF DELIVERY OF THE LETTER OF EXCHANGE AND ALL OTHER REQUIRED DOCUMENTS TO THE INFORMATION AND EXCHANGE AGENT IS AT THE ELECTION AND RISK OF THE HOLDER. INSTEAD OF DELIVERY BY MAIL, IT IS RECOMMENDED THAT HOLDERS USE AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE DELIVERY TO THE INFORMATION AND EXCHANGE AGENT BEFORE THE EXPIRATION DATE. NO LETTER OF EXCHANGE SHOULD BE SENT TO US.

If the letter of exchange is signed by a person other than the record holder of any credit agreement claims listed therein, the letter of exchange must be endorsed or accompanied by a properly completed authorization, signed by the record holder as that record holder s name appears in the company s existing credit agreement.

If the letter of exchange or other authorization are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and evidence satisfactory to us of their authority to so act must be submitted with the letter of exchange unless waived by us.

If you have any questions or need help in exchanging your credit agreement claims, please contact the Information and Exchange Agent, whose address and telephone numbers are listed on the back cover page of this prospectus.

To validly exchange credit agreement claims pursuant to the exchange offer, holders must timely submit for exchange their credit agreement claims in accordance with the procedures set forth in this prospectus and the letter of exchange. We have not provided guaranteed delivery procedures in conjunction with the exchange offer or under any of this prospectus or the other offer materials provided therewith.

Effect of Letter of Exchange

Subject to and effective upon the acceptance for exchange of credit agreement claims submitted for exchange thereby, by executing and delivering a letter of exchange, each record holder (1) irrevocably sells, assigns and transfers to or upon our order all right, title and interest in and to all the credit agreement claims submitted for exchange thereby and (2) irrevocably appoint the Information and Exchange Agent as its true and lawful agent and attorney-in-fact (with full knowledge that the Information and Exchange Agent also acts as our agent with respect to the exchanged credit agreement claims), with full power coupled with an interest, to:

deliver the credit agreement claims, together with all accompanying evidences of transfer and authenticity, to or upon our order; and

receive all benefits or otherwise exercise all rights of holders of the credit agreement claims, all in accordance with the terms of the exchange offer.

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Determination of Validity

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any credit agreement claims submitted for exchange pursuant to any of the procedures described above, and the form and validity (including time of receipt of notices of withdrawal) of all documents will be determined by us in our absolute discretion, which determination will be final and binding. We reserve the absolute right to reject any or all exchanges of any credit agreement claims determined by us not to be in proper form, or if the acceptance of, or exchange of, such credit agreement claims may, in the opinion of our counsel, be unlawful. We also reserve the right to waive any conditions to any offer that we are legally permitted to waive.

Your exchange will not be deemed to have been validly made until all defects or irregularities in your exchange have been cured or waived. None of us, the Information and Exchange Agent, the Subscription Agent or any other person or entity is under any duty to give notification of any defects or irregularities in any exchange or withdrawal of any credit agreement claims or will incur any liability for failure to give any such notification. Please send all materials to the Information and Exchange Agent and not to us.

Withdrawal of Exchanges

Credit agreement claims submitted for exchange and not validly withdrawn prior to the withdrawal deadline may not be withdrawn after the withdrawal deadline, and credit agreement claims submitted for exchange after the withdrawal deadline may not be withdrawn at any time, unless the applicable offer is terminated without any credit agreement claims being accepted or as required by applicable law. If such a termination occurs, the credit agreement claims will be returned to the exchanging holder as promptly as practicable. See Expiration Date; Withdrawal Deadline; Extensions; Amendments; Termination in this section for applicable withdrawal deadlines.

A holder who validly withdraws credit agreement claims previously submitted for exchange prior to the withdrawal deadline and does not validly resubmit such credit agreement claims for exchange prior to the expiration date will not receive the exchange consideration. A holder who validly withdraws previously submitted credit agreement claims prior to the applicable withdrawal deadline and validly re-exchanges credit agreement claims prior to the expiration date will receive the exchange consideration.

Subject to applicable law, if, for any reason whatsoever, acceptance for exchange of, or exchange of, any credit agreement claims submitted for exchange pursuant to the exchange offer is delayed (whether before or after our acceptance for exchange of credit agreement claims) or we extend the exchange offer or are unable to accept for exchange, or exchange, the credit agreement claims submitted for exchange pursuant to the exchange offer, we may instruct the Information and Exchange Agent to retain such submitted credit agreement claims, and those credit agreement claims may not be withdrawn, except to the extent that you are entitled to the withdrawal rights set forth herein.

If you have submitted for exchange your credit agreement claims, you may withdraw those credit agreement claims prior to the withdrawal deadline by delivering a written withdrawal instruction to the Information and Exchange Agent in accordance with the relevant procedures described herein. To be effective, a written or facsimile transmission notice of withdrawal of an exchange must:

- be received by the Information and Exchange Agent at the address specified on the back cover of this prospectus prior to the applicable withdrawal deadline;
- specify the name of the holder of the credit agreement claims to be withdrawn;
- contain the aggregate principal amount represented by such credit agreement claims; and
- be signed by the holder of the credit agreement claims in the same manner as the original signature on the letter of exchange or be accompanied by documents of transfer sufficient to have the Agent (or person performing a similar function) register the transfer of the credit agreement claims into the name of the person withdrawing the credit agreement claims.

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If the credit agreement claims to be withdrawn have been delivered or otherwise identified to the Information and Exchange Agent, a signed notice of withdrawal is effective immediately upon receipt by the Information and Exchange Agent of written or facsimile transmission of the notice of withdrawal even if physical release is not yet effected. A withdrawal of credit agreement claims can only be accomplished in accordance with the foregoing procedures.

We will have the right, which may be waived, to reject the defective submission for exchange of credit agreement claims as invalid and ineffective. If we waive our rights to reject a defective submission for exchange of credit agreement claims, subject to the other terms and conditions set forth in this prospectus and the related letter of exchange, you will be entitled to the exchange consideration.

If you withdraw your credit agreement claims previously submitted for exchange, you will have the right to resubmit for exchange all of them prior to the expiration date in accordance with the procedures described above for exchanging credit agreement claims. If we amend or modify the terms of the exchange offer or the information concerning the exchange offer in a manner determined by us to constitute a material change to the holders, we will disseminate additional offer materials and extend the period of the exchange offer, including any withdrawal rights, to the extent required by law and as we determine necessary. An extension of the expiration date will not affect a holder s withdrawal rights, unless otherwise provided or as required by applicable law.

Notwithstanding the foregoing, lenders holding approximately 97.5% of the outstanding credit agreement claims have agreed, subject to any support termination event, to timely exchange and not withdraw their credit agreement claims in the exchange offer. See The Support Agreements.

Conditions to the Exchange Offer

Notwithstanding any other provision of the exchange offer, the obligations of the Company and the participating lenders to consummate the exchange offer are subject to satisfaction or waiver of the following conditions:

- the Minimum Exchange Condition, which requires that all credit agreement claims be validly submitted for exchange and not withdrawn;
- on or before the closing of the exchange offer, we shall have made public any then material nonpublic information theretofore disclosed by us or our representatives to the participating lenders who had agreed to receive private information from the Company;
- the initial funding under the ABL facility, with a minimum of $350.0 million in initial aggregate commitments and excess availability on the closing date of the exchange offer of not less than $40.0 million (net of refinancing of the ABS facility and any reserves), shall have occurred (or shall occur substantially concurrently with completion of the exchange offer) and be in form and substance acceptable to the Agent, TNFINC, the Majority Funds, the Steering Group Majority and the Company, each in their sole discretion;
- the offering of the Series B Notes, with aggregate net proceeds to the Company of not less than $100.0 million, shall have closed simultaneously with completion of the exchange offer;
- each of the definitive documents described as approved transaction documents, which by their terms are to be effective at or prior to completion of the exchange offer, shall be in full force and effect;
- certain agreements related to contributions to the multi-employer pension funds shall be in full force and effect;

the IBT 401(k), 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;

our 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

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candidates were selected by the Agent and Steering Group Majority at least ten (10) days prior to the closing of the exchange offer) unless otherwise waived by the Agent and Steering Group Majority;

the registration statement on Form S-1, of which this prospectus is a part, shall have been declared effective under the Securities Act and shall not be subject to any stop order suspending its effectiveness or any proceedings seeking a stop order;

there shall not have been instituted or threatened or be pending any action, proceeding or investigation (whether formal or informal), and there shall not have been any material adverse development to any action or proceeding currently instituted, threatened or pending, before or by any court, governmental, regulatory or administrative agency or instrumentality, or by any other person, in connection with the exchange offer that, in our sole judgment would or might prohibit, prevent, restrict or delay consummation of any exchange offer;

no order, statute, rule, regulation, executive order, stay, decree, judgment or injunction shall have been proposed, enacted, entered, issued, promulgated, enforced or deemed applicable by any court or governmental, regulatory or administrative agency or instrumentality that, in our sole judgment would or might prohibit, prevent, restrict or delay consummation of any exchange offer; and

the board of the Company has not been advised by its outside legal counsel that consummation of the exchange offer would result in a breach of the board s or the Company s affiliated entities boards fiduciary obligations under applicable law.

The determination by us as to an event, development or circumstance described or referred to above shall be conclusive and binding on all parties. The failure by us at any time to exercise any of the foregoing rights shall not be deemed a waiver of any such right and each such right shall be deemed a continuing right which may be asserted at any time and from time to time.

We may waive any of the conditions above, subject to the terms of the lender support agreement. Any waiver of any of these conditions or any other material amendment or modification of the terms of the exchange offer will be followed promptly by public announcement of the waiver, amendment or modification. See Expiration Date; Withdrawal Deadline; Extensions; Amendments; Termination and Announcements both in this section.

In addition, our obligation to transfer any exchange consideration is conditioned upon our acceptance of credit agreement claims that have been validly submitted for exchange (and not withdrawn) pursuant to the exchange offer.

Under the exchange offer, if any of these foregoing events, developments or circumstances occurs, subject to the termination rights described above, we may (a) return credit agreement claims submitted for exchange thereunder to you, (b) extend the exchange offer and, subject to applicable law, retain all credit agreement claims submitted for exchange thereunder until the expiration of the exchange offer or (c) amend the exchange offer in any respect by giving oral (to be promptly confirmed in writing) or written notice of such amendment to the Information and Exchange Agent and making public disclosure of such amendment to the extent required by law.

We have not made a decision as to what circumstances would lead us to waive any such condition, and any such waiver would depend on circumstances prevailing at the time of such waiver. Although we have no present plans or arrangements to do so, we reserve the right, subject to applicable law and the terms of the lender support agreement, to amend, the terms of the exchange offer. We will give holders notice of such amendments as may be required by applicable law.

Except for the requirements of applicable U.S. federal and state securities laws, we know of no federal or state regulatory requirements to be complied with or approvals to be obtained by us in connection with the exchange offer which, if not complied with or obtained, would have a material adverse effect on us.

No Appraisal Rights

Holders of the credit agreement claims do not have dissenters rights of appraisal in connection with the exchange offer.

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SUBSCRIPTION RIGHTS

Background of the Subscription Rights

The subscription rights represent part of the exchange consideration offered to holders of credit agreement claims in the exchange offer. Holders of credit agreement claims have the right, but not the obligation, to purchase for cash $100.0 million in aggregate principal amount of our Series B Notes, the proceeds of which we will use for working capital and other general business purposes. The purchase and sale of $100.0 million in aggregate principal amount of the Series B Notes is a closing condition of the exchange offer. If holders of credit agreement claims collectively subscribe to purchase less than $100.0 million in aggregate principal amount of our Series B Notes, neither the exchange offer nor the restructuring will be completed.

Terms of the Subscription Rights

In connection with and as an integral part of the exchange offer, holders of credit agreement claims who participate in the exchange offer will receive the right to subscribe to purchase an aggregate of $100.0 million in principal amount of our Series B Notes at an offering price of 100.0%. Holders of credit agreement claims may elect to subscribe to purchase up to the amount equal to their pro rata portion of the principal amount of credit agreement claims, which we refer to as the basic subscription right. In addition, such electing holders may subscribe to purchase additional Series B Notes in excess of their pro rata portion to the extent that other holders of credit agreement claims do not subscribe to purchase their respective pro rata portions, which we refer to as the oversubscription right and together with the basic subscription right, the subscription rights . The amount of Series B Notes that an electing holder subscribes to purchase is its subscription amount. The principal amount of Series B Notes purchased by each electing holder will be rounded down to the nearest $1.00, with no cash or other consideration delivered in respect of such rounding down.

To the extent that acceptance of valid subscriptions to purchase Series B Notes would require us to issue more than $100.0 million (the Maximum Issuance Amount) in aggregate principal amount of Series B Notes in connection with the subscription rights, we will allocate oversubscription rights for Series B Notes on a pro rata basis and make corresponding reductions to the subscription amount of Series B Notes to be purchased. In the event of an oversubscription, the subscription amount of each electing holder who oversubscribed will be reduced by the amount of the oversubscription of the Series B Notes on a pro rata basis, based on such holder s aggregate credit agreement claims as compared to the aggregate credit agreement claims of all electing holders who oversubscribed, such that the aggregate principal amount of commitments to purchase Series B Notes shall not exceed the applicable Maximum Issuance Amount.

Each electing holder must validly deliver its subscription certificate and payment of its subscription amount to the Subscription Agent prior to the expiration date. At the expiration date, each electing holder of credit agreement claims will be bound by its subscription certificate to purchase its subscription amount, subject to any adjustment by the Company in the event of an oversubscription to the Series B Notes. If, due to an adjustment by the Company in an oversubscription of the Series B Notes, the electing holder is not able to subscribe for the full amount of Series B Notes elected on the subscription certificate, the Subscription Agent will return to the electing holder the funds for the amount of Series B Notes that were not allocated to the electing holder.

Conditions to the Subscription Rights

The subscription rights are an integral part of the exchange consideration of the exchange offer and expire contemporaneously with the exchange offer. Notwithstanding any other provisions relating to subscription rights, we will not be required to accept any subscription certificates validly submitted (and not validly withdrawn) pursuant to the exchange offer, and may terminate, amend or extend any offer or delay or refrain from accepting subscription certificates or transferring any exchange consideration to the applicable trustees (or persons performing a similar function) in respect of any subscription rights, if any of the conditions described under The Exchange Offer Conditions to the Exchange Offer have not been satisfied, or are reasonably determined by us to have not been satisfied and, in our reasonable judgment, such failure makes it inadvisable to proceed with the exchange offer.

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Expiration and Extensions; Amendments and Termination

You may subscribe to purchase Series B Notes at any time prior to the expiration of the exchange offer at its expiration date. Your subscription certificate and payment of your subscription amount must be received by the Subscription Agent on or prior to the expiration date. If you use mail for your subscription certificate or your subscription amount, we recommend that you use insured, registered mail, return receipt requested.

We may extend the expiration date in our sole discretion. We will extend the expiration date as required by applicable law, and may choose to extend it if we decide to give eligible holders more time to elect to subscribe to purchase Series B Notes. If we elect to extend the previously scheduled expiration date, we will issue a press release announcing such extension no later than 9:00 a.m., New York City time, on the business day following the previously scheduled expiration date.

We reserve the right, in our sole discretion, to amend or modify the terms of the subscription rights. If we amend the subscription rights in a manner that we determine constitutes a material or significant change, we will extend the expiration date so that the exchange offer and integrally related subscription rights remain open for a period that provides the holders a reasonable time to review and evaluate the change after it is communicated to holders. The exact length of such extension will depend upon the significance of the amendment.

Without limiting the manner in which we may choose to make a public announcement of any delay, extension, amendment or termination of the exchange offer including the integrally related subscription rights, we will comply with applicable securities laws by disclosing any such amendment by means of an prospectus supplement that we distribute to the holders of the credit agreement claims. We will have no other obligation to publish, advertise or otherwise communicate any such public announcement other than by making a timely release through any appropriate news agency.

Method of Subscription

You must (i) properly complete and execute your subscription certificate with any required supplemental documentation and (ii) deliver payment for your subscription amount, as described in the instructions accompanying the subscription certificate.

Your subscription to purchase Series B Notes will not be considered delivered unless the Subscription Agent actually receives from you all of the required documents and payment of your subscription amount prior to the expiration date.

Delivery of Subscription Materials

You should deliver your subscription certificate and all related documents to the Subscription Agent by one of the methods described below:

By Facsimile, First Class Mail, Hand, Express Mail or Overnight Courier:

U.S. Bank National Association

Two Liberty Place

50 S. 16th Street, Suite 2000

Mail Station: EX-PA-WBSP

Philadelphia, PA 19102

Attention: George Rayzis

Facsimile: (215) 761-9412

You may call the Subscription Agent toll-free at (800) 945-4689 or direct at (215) 761-9317.

Your delivery to an address or by any method other than as set forth above will not constitute valid delivery.

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Calculation of Amount Subscribed for Purchase

If you do not indicate on your subscription certificate the aggregate principal amount of Series B Notes that you wish to subscribe to purchase (including your subscription request pursuant to your oversubscription right), then you will be deemed to have subscribed to purchase the principal amount of Series B Notes equal in amount to your subscription amount delivered to the Subscription Agent.

Instructions for Completing Your Subscription Certificate

You should read and follow the instructions accompanying the subscription certificate carefully.

THE METHOD OF DELIVERY OF THE SUBSCRIPTION CERTIFICATE AND ALL OTHER REQUIRED DOCUMENTS TO THE SUBSCRIPTION AGENT IS AT THE ELECTION AND RISK OF THE HOLDER. INSTEAD OF DELIVERY BY MAIL, IT IS RECOMMENDED THAT HOLDERS USE AN OVERNIGHT OR HAND DELIVERY SERVICE. IN ALL CASES, SUFFICIENT TIME SHOULD BE ALLOWED TO ASSURE DELIVERY TO THE SUBSCRIPTION AGENT BEFORE THE EXPIRATION DATE. NO SUBSCRIPTION CERTIFICATE SHOULD BE SENT TO US.

If the subscription certificate is signed by a person other than the record holder of any credit agreement claims listed therein, the subscription certificate must be endorsed or accompanied by a properly completed authorization, signed by the record holder as that record holder s name appears in the company s existing credit agreement.

If the subscription certificate or other authorization are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, such persons should so indicate when signing, and evidence satisfactory to us of their authority to so act must be submitted with the subscription certificate unless waived by us.

Determinations Regarding Subscriptions to Purchase Series B Notes

We will decide all questions concerning the timeliness, validity, form and eligibility of the election of your subscription to purchase Series B Notes and any such determinations by us will be final and binding. We, in our sole discretion, may waive, in any particular instance, any defect or irregularity, or permit, in any particular instance, a defect or irregularity to be corrected within such time as we may determine. We will not be required to make uniform determinations in all cases. We may reject your subscription to purchase Series B Notes because of any defect or irregularity. We will not accept any subscription to purchase Series B Notes until all irregularities have been waived by us or cured by you within such time as we decide, in our sole discretion.

None of us, the Subscription Agent or the Information and Exchange Agent will be under any duty to notify you of any defect or irregularity in connection with your submission of subscription certificates or will be liable for failure to notify you of any defect or irregularity. We reserve the right to reject your subscription to purchase if your method of subscription is not in accordance with the terms of the subscription rights. We will also not accept your subscription to purchase Series B Notes if our issuance of the Series B Notes to you could be deemed unlawful under applicable law.

Questions about the Subscription Offer

If you have any questions or require assistance regarding the method of subscription or requests for additional copies of this prospectus, please contact U.S. Bank National Association, the Subscription Agent for this offer, toll-free at (800) 945-4689 or direct at (215) 761-9317.

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Subscription Agent

We have appointed U.S. Bank National Association to act as subscription agent in connection with the subscription rights. We will pay all expenses of the Subscription Agent related to its acting in such role in connection with the subscription rights and have also agreed to indemnify the Subscription Agent from liabilities that it may incur in connection with the subscription rights, including liabilities under the federal securities laws. However, all commissions, fees and expenses (including brokerage commission and fees and transfer taxes) incurred in connection with the subscription to purchase and the purchase of the Series B Notes will be for the account of the person subscribing to purchase and purchasing the Series B Notes, and none of such commissions, fees or expenses will be paid by us or the Subscription Agent.

Revocation, Withdrawal or Cancellation of Subscription Certificates

You may revoke, withdraw or otherwise cancel your previously delivered subscription certificate at any time prior to the expiration date. To do so, please deliver a written notice of withdrawal to the Subscription Agent stating:

the name of the holder of the credit agreement claims; and

a statement that the holder of the credit agreement claims is withdrawing its subscription to purchase Series B Notes.

Your notice of withdrawal must be received by the Subscription Agent no later than the expiration date.

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DESCRIPTION OF THE NEW PREFERRED STOCK

The following summarizes the material terms of the new preferred stock, but does not purport to be complete and is subject to and qualified in its entirety by reference to our certificate of incorporation, as amended, and the certificate of designations relating to the new preferred stock, which we will file with the Secretary of the State of Delaware and include as an exhibit to a Current Report on Form 8-K that we will file with the SEC at or prior to the issuance of the new preferred stock.

General

As of the date of this prospectus, we currently do not have any shares of preferred stock issued or outstanding, and, therefore, the new preferred stock will be our senior preferred stock. The new preferred stock will be convertible into our common stock. The new preferred stock has no stated maturity and will not be subject to any sinking fund, retirement fund or purchase fund or other obligation of ours to mandatorily redeem, repurchase or retire the new preferred stock. The new preferred stock will, however, be subject to automatic conversion upon the receipt of Stockholder Approval.

The new preferred stock will be fully paid and nonassessable when issued, which means that holders will have paid their purchase price in full by exchanging their credit agreement claims and that we may not ask them to surrender additional funds. Holders of the new preferred stock will not have preemptive or subscription rights to acquire more of our stock. Holders of the new preferred stock have class voting rights, together with holders of parity stock having like voting rights, with respect to certain fundamental changes in the terms of the new preferred stock. In addition, from the date of issuance holders of the new preferred stock will be entitled to vote with holders of common stock on an As-Converted-to-Common-Stock-Basis (as defined in Voting Rights), and each share of new preferred stock upon issuance will be entitled to approximately 372.4722 votes per share, subject to certain anti-dilution rights and adjustment for dividend accruals, when voting with the holders of common stock.

Ranking

The new preferred stock will have an initial liquidation preference of approximately $44.38 per share and will rank senior to our common stock and any other stock that ranks junior to the new preferred stock with respect to distributions of assets upon liquidation, dissolution or winding up of the Company.

The new preferred stock are equity interests in the Company and do not constitute indebtedness. In the event of bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to us, our indebtedness will effectively rank senior to the new preferred stock, and the holders of our indebtedness will be entitled to the satisfaction of any amounts owed to them prior to the payment of the liquidation preference of any capital stock, including the new preferred stock.

Liquidation Rights

If we voluntarily or involuntarily liquidate, dissolve or wind up our affairs, holders of the new preferred stock and any parity stock are entitled to receive out of our assets available for distribution to stockholders, after satisfaction of liabilities to creditors, if any, and before any distribution of assets is made on our common stock or any of our other shares of stock ranking junior as to such a distribution to the new preferred stock, a liquidating distribution in the amount of the greater of (i) approximately $44.38 per share of new preferred stock plus any accrued but unpaid dividends and (ii) the amount such holder would receive as a holder of common stock on an As-Converted-To-Common-Stock-Basis. Holders of the new preferred stock will not be entitled to any other amounts from us after they have received their full liquidation preference.

In any such distribution, if our assets are not sufficient to pay the liquidation preferences in full to all holders of the new preferred stock, the amounts paid to the holders of new preferred stock will be paid *pro rata*

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in accordance with the respective aggregate liquidation preferences of those holders. In any such distribution, the liquidation preference of any holder of new preferred stock means the amount payable to such holder in such distribution, including any declared but unpaid dividends (and any unpaid, accrued cumulative dividends in the case of any holder of parity stock on which dividends accrue on a cumulative basis, if any). If the liquidation preference has been paid in full to all holders of the new preferred stock then the holders of our other stock shall be entitled to receive all our remaining assets according to their respective rights and preferences.

For purposes of this section, a merger or consolidation by us with or into any other entity, including a merger or consolidation in which the holders of the new preferred stock receive cash, securities or property for their shares, or the sale, lease or exchange of all or substantially all of our assets will not constitute a liquidation, dissolution or winding up of our affairs.

Conversion

The new preferred stock will not be convertible into common stock until Stockholder Approval is received. Upon receipt of Stockholder Approval, each share of new preferred stock will automatically convert into shares of common stock, at a rate equal to approximately 372.4722 shares of common stock per approximately 44.38 of Liquidation Preference of the new preferred stock (representing an initial conversion price of approximately $0.12 per share) (the conversion price, subject to anti-dilution adjustment as set forth below, the Conversion Price). Upon such conversion, to the extent that a holder of new preferred stock would be entitled to receive a fractional share of common stock, the number of shares of common stock to be received by such holder will be rounded down to the nearest whole number, and no cash or other consideration will be delivered to such holder in lieu of such fractional share. Such common stock will be fully paid and nonassessable when issued. The final conversion price will be set at the closing of the exchange offer based on the number of shares of common stock outstanding.

Dividends

The new preferred stock will not accrue dividends until and unless the date on which our stockholders vote to reject the proposal to approve the Charter Amendment Merger at the first meeting of stockholders upon which such matter is submitted for a vote or otherwise on the 60th day following the closing of the exchange offer if Stockholder Approval has not been obtained by such date (the Dividend Accrual Date). Beginning on and following such Dividend Accrual Date and ending on the date upon which the Charter Amendment Merger becomes effective, the new preferred stock shall accrue cumulative dividends on its Liquidation Preference at an annual rate of 20.0%, which shall be added to the Liquidation Preference of such new preferred stock on a quarterly basis.

Redemption

The new preferred stock is not subject to any mandatory redemption, sinking fund, retirement fund, purchase fund or other similar provisions. Holders of the new preferred stock will have no right to require the redemption or repurchase of the new preferred stock.

Anti-Dilution Adjustments

The Conversion Price will be subject to customary anti-dilution adjustments including, among other things:

- issuances of shares of common stock as a dividend or distribution on shares of the common stock, to the extent the holders of new preferred stock are not entitled to receive such dividends or distributions, and share splits or share combinations;

- distributions to all holders of common stock of rights, warrants or options entitling them to subscribe for or purchase shares of common stock at a price per share less than fair market value, to the extent the holders of the new preferred stock are not entitled to subscribe for or purchase such shares; and

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distributions of shares of capital stock, evidences of indebtedness or other assets or property to all or substantially all holders of the common stock and certain spin-off transactions, to the extent the holders of the new preferred stock are not entitled to participate in the distribution or spin-off transaction pursuant to its participation rights.

Holders of new preferred stock will be subject to dilution by the management incentive plan and common stock issuable upon conversion of the new convertible notes.

Voting Rights

Except as may be otherwise expressly provided in YRCW s certificate of incorporation or as expressly required by applicable law, holders of the new preferred stock will be entitled, for so long as any shares of new preferred stock remain outstanding, to vote on all matters on which holders of common stock generally are entitled to vote (or to take action by written consent of the stockholders), voting together as a single class with the shares of common stock and not as a separate class, on an As-Converted-to-Common-Stock-Basis, at any annual or special meeting of stockholders of the Company and each holder of shares of new preferred stock will be entitled to such number of votes as such holder would receive on an As-Converted-to-Common-Stock-Basis on the record date for such vote; provided, however, that such number of votes shall be limited in order to comply with NASDAQ Listing Rule 5640 unless compliance therewith has been waived by NASDAQ, or we have received a waiver of any comparable requirement of any other exchange on which we seek to list. As used herein, As-Converted-to-Common-Stock-Basis gives effect immediately prior to the applicable record date, with respect to an annual or special meeting of the Company s stockholders, to the conversion of the new preferred stock into common stock in accordance with Conversion above.

So long as any shares of new preferred stock remain outstanding, we will not adopt or make, as applicable, without the affirmative vote or consent of the holders of at least a majority of the outstanding new preferred stock, given in person or by proxy, either in writing or at a meeting:

any amendment to the YRCW s certificate of incorporation or bylaws that would adversely affect the rights of the holders of the new preferred stock;

any amendment, alteration or change to the rights, preferences and privileges of the new preferred stock;

any declaration of, or payment in respect of, any dividend or other distribution upon, in each case prior to the date on which Stockholder Approval is received, any shares of capital stock ranking equally to the new preferred stock (Parity Stock) or junior to the new preferred stock, including the common stock (Junior Stock);

any redemption, repurchase or acquisition, in each case prior to the date on which Stockholder Approval is received, of any Parity Stock, Junior Stock or any capital stock of any of the Company s subsidiaries (subject to cus