

Risk Factors Comparison 2024-03-15 to 2023-03-01 Form: 10-K

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The following are important risk factors that could affect our financial performance and could cause actual results for future periods to differ materially from our anticipated results or other expectations, including those expressed in any forward- looking statements made in this Annual Report on Form 10- K or our other filings with the SEC or in oral presentations such as telephone conferences and webcasts open to the public. You should carefully consider the following factors and consider these in conjunction with “ Management’ s Discussion and Analysis of Financial Condition and Results of Operations ” in Item 7 and our Consolidated Financial Statements and related Notes in Item 8. Risks Relating to Our Business and Operations Overall economic conditions that reduce freight volumes could have a material adverse impact on our operating results and ability to achieve growth. We are sensitive to changes in overall economic conditions that impact customer shipping volumes, industry freight demand and industry truck capacity. The transportation industry historically has experienced cyclical fluctuations in financial results due to economic recession, downturns in business cycles of customers, interest and currency rate fluctuations, inflation, supply chain disruptions, labor shortages and other economic factors beyond our control. Changes in U. S. trade policy could lead to “ trade wars ” impacting the volume of economic activity in the United States, and as a result, trucking freight volumes may be materially reduced. Such a reduction may materially and adversely affect our business. Deterioration in the economic environment subjects our business to various risks, including the following that may have a material and adverse impact on our operating results and cause us not to maintain previously achieved **or projected** levels of profitability or achieve growth:

- A reduction in overall freight volumes reduces our revenues and opportunities for growth. In addition, a decline in the volume of freight shipped due to a downturn in customers’ business cycles or other factors (including our ability to assess dimensional and weight- based charges) generally results in decreases in freight pricing and decreases in revenue derived from various surcharges and accessorial charges. In our LTL business, these decreases typically reduce the average revenue per pound of freight, as carriers use price concession to compete for loads to maintain truck productivity.
- Our base transportation rates are determined based on numerous factors such as length of haul, weight per shipment and freight class. During economic downturns and periods of low freight volume, we may also have to lower our base transportation rates based on competitive pricing pressures and market factors.
- Some of our customers may face economic difficulties that affect their ability to pay us, and some may go out of business. In addition, some customers may not pay us as quickly as they have in the past, causing our working capital needs to increase.
- A significant number of our transportation providers may go out of business and we may be unable to secure sufficient equipment or other transportation services to meet our commitments to our customers.
- We may not be able to appropriately adjust our expenses to changing market demands **as we have certain fixed expenses that we may not be able to adjust in a period of rapid change in market demand**.

In order to maintain high degree of cost variability in our business model, it is necessary to adjust staffing levels to changing market demands. In periods of rapid change, it is more difficult to match our staffing levels to our business needs.

- If the domestic freight forwarder, Expedited Freight’ s primary customer type, is disintermediated, and we are not able to transition effectively into servicing other customers, like third- party logistics companies and beneficial cargo owners, our business and financial results could be materially adversely affected.

Inflation may increase our operating expenses and lower profitability. ~~The COVID- 19 pandemic caused a global recession, and the sustainability of the economic recovery observed in 2022 remains unclear. The COVID- 19 pandemic has also~~ significantly increased economic and demand uncertainty, ~~has~~ led to inflationary pressure in the U. S. and elsewhere, and ~~has~~ led to disruption and volatility in **the** demand for our services, our suppliers’ ~~ability~~ to fill orders and global capital markets. Most of our operating expenses are sensitive to increases in inflation, including equipment prices, real property rental costs, fuel costs, insurance costs, employee wages and purchased transportation. Furthermore, inflation may generally increase costs for materials, supplies and services and capital. With increasing costs, we may have to increase our prices to maintain the same level of profitability. If we are unable to increase our prices sufficiently to offset increasing expenses, then inflation could have a material adverse effect on our financial condition, results of operations, liquidity and cash flows. **We may have difficulty effectively managing..... be unable to implement our growth strategy.** Volatility in fuel prices, shortages of fuel or the ineffectiveness of our fuel surcharge program could have a material adverse effect on our results of operations and profitability. We are subject to risks associated with the availability and price of fuel. Fuel prices have fluctuated dramatically over recent years. Future fluctuations in the availability and price of fuel could adversely affect our results of operations. Fuel availability and prices can be impacted by factors beyond our control, such as natural or man- made disasters, adverse weather conditions, political events, economic sanctions imposed against oil- producing countries or specific industry participants, disruption or failure of technology or information systems, price and supply decisions by oil producing countries and cartels, terrorist activities, armed conflict, tariffs, sanctions, other changes to trade agreements and world supply and demand imbalance. Over time we have been able to mitigate the impact of the fluctuations through fuel surcharge programs. Our fuel surcharge rates are set weekly based on the national average for fuel prices as published by the U. S. Department of Energy and our fuel surcharge table. Our fuel surcharge revenue is the result of our fuel surcharge rates and the tonnage transiting our networks. The impact of fuel on our results of operations depends on the relationship between the applicable surcharge, the fuel efficiency of our Company drivers, and load factor achieved by our operations. Fluctuations in fuel prices in either direction could have a positive or negative impact on our margins, particularly in our LTL business where the weight of a shipment subject to the fuel surcharge on a given trailer can vary materially. There can be no assurance that our fuel surcharge revenue programs will be effective in mitigating the full impact of future increases in fuel prices. Conversely, decreases in fuel prices reduce the amount of revenue

derived from our fuel surcharge programs and accordingly, could reduce our consolidated revenues and may reduce margins for certain businesses. In addition to changing fuel prices, fluctuations in volumes and related load factors may subject us to volatility in our fuel surcharge revenue. Fuel shortages, changes in fuel prices and the potential volatility in fuel surcharge revenue may adversely impact our results of operations and overall profitability. If we have difficulty attracting and retaining Leased Capacity Providers, other third- party transportation capacity providers, or freight handlers, our profitability and results of operations could be adversely affected. We depend on Leased Capacity Providers, third- party contracted motor carriers, and other intermediaries like freight brokers for most of our transportation capacity needs. **In 2022, 47.5% of our purchased transportation capacity was provided by Leased Capacity Providers.** Competition for Leased Capacity Providers is intense, and sometimes there are shortages in the marketplace. In addition, a decline in the availability of trucks, tractors and trailers for purchase or use by Leased Capacity Providers may negatively affect our ability to obtain the needed transportation capacity. We also require a large number of employee freight handlers to operate our business efficiently. During periods of low unemployment in the areas where our terminals are located, we may have difficulty hiring and retaining a sufficient number of freight handlers. If we have difficulty attracting and retaining enough qualified freight handlers or Leased Capacity Providers, we may need to increase wages and benefits for our employees or to increase the cost at which we contract with our Leased Capacity Providers, either of which would increase our operating costs. This difficulty may also impede our ability to maintain our delivery schedules, which could make our service less competitive and curtailing our planned growth. A capacity deficit may lead to a decline in the volume of freight we receive from customers or a loss of customers. To augment the transportation capacity provided by Leased Capacity Providers, we purchase transportation from other third- party motor carriers, typically at a higher cost. As with Leased Capacity Providers, competition for third- party motor carriers is intense, and sometimes there are shortages of available third- party motor carriers. If we cannot secure a sufficient number of Leased Capacity Providers and have to purchase transportation from third- party carriers, our operating costs will increase. If our labor and operating costs increase, we may be unable to offset the increased costs by increasing rates without adversely affecting our business. As a result, our profitability and results of operations could be adversely affected. Because a portion of our network costs are fixed, any factors that result in a decrease in the volume or revenue per pound of freight shipped through our networks will adversely affect our results of operations. Our operations, particularly our networks of hubs and terminals, represent substantial fixed costs. As a result, any decline in the volume or revenue per pound of freight we handle will have an adverse effect on our operating margin and our results of operations. Several factors can result in such declines, including adverse business and economic conditions affecting shippers of freight as discussed above. In addition, volumes shipped through our network may be negatively impacted by lack of customer contractual obligations or cancellations of existing customer contracts. Generally, we do not enter into long- term contracts with our customers. Rather, our customer contracts generally allow for cancellation within 30 to 60 days. As a result, we cannot guarantee that our current customers will continue to utilize our services or that they will continue at the same levels. The timing of our capital investments, pricing models and service availability is generally based on our existing and anticipated customer contracts and freight volumes. Our profitability could be negatively impacted if our pricing structure proves to be inaccurate or off- market. The price we charge our customers for the services we provide is based on our calculations of, among other things, the costs of providing those services. The Company's assessment of its costs and resulting pricing structure relies on the effective identification and measurement of the impact of a number of key operational variables including, but not limited to volumes, operational efficiencies, length of haul, the mix of fixed versus variable costs, productivity and other factors. ~~In some instances where we have entered into contract freight rates with customers, in the event market conditions change and those contracted rates are below market rates, we may be required to provide our services at a loss.~~ If we are incorrect in our assumptions and do not accurately calculate or predict the costs to us to provide our services, we could experience lower margins than anticipated, loss of business, or an inability to offer competitive products and services. We derive a significant portion of our revenue from a few major customers, the loss of one or more of which could have a material adverse effect on our business. While no customer accounted for more than 10% of consolidated revenues for the calendar year ended December 31, ~~2023~~ **2022**, our top ten customers, based on revenue, accounted for approximately ~~26~~ **31**% of our revenue. These customers can impact our revenues and profitability based on factors such as: ~~(i)~~ industry trends related to e- commerce that may apply downward pricing pressures on the rates our customers can charge; ~~(ii)~~ the seasonality associated with the fourth quarter holiday season; ~~(iii)~~ business combinations and the overall growth of a customer's underlying business; and ~~(iv)~~ any disruptions to our customers' businesses. These customers could choose to divert all or a portion of their business with us to one of our competitors, demand pricing concessions for our services, require us to provide enhanced services that increase our costs, or develop their own shipping and distribution capabilities. Our Expedited Freight and Intermodal segments generally do not have long- term contracts with their customers. A reduction in, or termination of, our services by one or more of our major customers could have a material adverse effect on our business and operating results. In addition, any increased direct sales efforts to direct shippers and beneficial cargo owners, as well as the potential acquisition of other businesses that may be perceived as competing more directly with our customers, could adversely affect our expenses, pricing, third- party relationships and revenues, particularly if such actions affect any of these key customers. We are dependent on our senior management team and other key employees, and the loss of any such personnel could materially and adversely affect our business, operating results and financial condition. Our future performance depends, in significant part, upon the continued service of our senior management team and other key employees ~~as well as our ability to develop and implement an effective succession plan.~~ We cannot be certain that we can retain these employees. The loss of the services of one or more of these or other key personnel could have a material adverse effect on our business, operating results and financial condition if we are unable to timely secure replacement personnel who have sufficient experience in our industry or in the management of our business. **If we fail to develop, compensate, and retain a core group of senior management and other key employees and maintain an adequate succession plan, it could hinder our ability to execute on our business strategies and maintain our level of service.** Our business is subject to seasonal

trends. Generally, our operating results have been subject to seasonal trends when measured on a quarterly basis with the first and second quarters generally weaker compared to our third and fourth quarters. This trend is dependent on numerous factors including economic conditions, customer demand and weather. Revenue is directly related to the available working days of shippers, national holidays and the number of business days during a given period, which may also create seasonal variability on our results of operations. During the remaining winter months after the winter holiday season, our freight volumes are generally lower because some customers reduce shipment levels. In addition, a substantial portion of our revenue is derived from customers in industries whose shipping patterns are tied closely to consumer demand, which can sometimes be difficult to predict, or are based on just-in-time production schedules. Therefore, our revenue is, to a large degree, affected by factors that are outside of our control. There can be no assurance that our historic operating patterns will continue in future periods as we cannot influence or reliably forecast many of these factors. Our ability to predict and adapt to future seasonality in our business will affect our operations and financial results. Our results of operations may be affected by harsh weather conditions, disasters and pandemics. Certain weather-related conditions such as ice and snow can disrupt our operations. Our operating expenses have historically been higher in the winter months because of cold temperatures and other adverse winter weather conditions, which generally result in decreased fuel efficiency, increased cold weather-related maintenance costs of equipment and increased insurance and claims costs. Harsh weather can temporarily halt deliveries, which could result in decreased revenues and operational challenges resulting from the interruption. Disasters, including severe weather, such as hurricanes or blizzards, and public health issues, such as pandemics, **including such as the COVID-19 pandemic, occurring in the United States or abroad, could result in the temporary lack of an adequate work force and the temporary disruption in the transport of goods to or from overseas which could prevent, delay or reduce freight volumes and could have an adverse impact on consumer spending and confidence levels, all of which could result in decreased revenues. Our business may continue to be adversely affected by the COVID-19 pandemic. Our products and services are directly tied to the production and sale of goods and, more generally, to the North American economy.** As a result, transportation and supply chain companies such as ours experienced slowdowns and reduced demand for our services as a result of the COVID-19 pandemic. **The spread of COVID-19 had a material economic effect on our business due to government-imposed restrictions on travel and shelter-in-place orders, increased teleworking, a reduction in business travel and disrupted supply chains worldwide.** Although our business and operations have returned to pre-COVID levels, should we experience another COVID-19-like virus outbreak in the future with similar restrictions, we would anticipate a similar impact on our business. Labor shortages and increased turnover or increases in employee and employee-related costs could ~~have adversely~~ **adversely affect effects on** our **profitability** ~~ability to attract and retain qualified employees~~. A number of factors may adversely affect the labor force available to us ~~or increase labor costs from time to time~~, including high employment levels, federal unemployment subsidies, and other government regulations, which include laws and regulations related to workers' health and safety, wage and hour practices, immigration, and federal vaccine mandates. A labor shortage or increased turnover rates within our employee base could lead to increased costs, such as increased overtime to meet demand and increased wage rates to attract and retain employees and could negatively affect our ability to ~~effectively~~ **efficiently** operate our business or otherwise operate at full capacity. ~~In addition~~ **An overall labor shortage, lack of skilled labor, increased turnover or labor inflation could have a material adverse impact on the company's operations, results of operations, liquidity or cash flows. Changes to our compensation and benefits could adversely affect our ability to attract and retain qualified employees. The** compensation we offer our employees is subject to market conditions that may require increases in employee compensation, which become more likely as economic conditions improve or as inflation increases. If we are unable to attract and retain a sufficient number of qualified employees, we could be required to increase our compensation and benefits packages, ~~or reduce our operations and face difficulty meeting customer demands, any of which could adversely affect our financial condition, results of operations, liquidity, and cash flows.~~ ~~Our business could also be adversely affected by strikes and labor negotiations or by a work stoppage at one or more of our or our subcontractors' facilities. Shutdowns and similar disruptions to major points in national or international transportation networks, most of which are beyond our control, could result in terminal embargoes, disrupt equipment and freight flows, depress volumes and revenues, increase costs and have other negative effects on our operations and financial results. In addition, labor disputes involving our customers could affect our operations. If our customers experience slowdowns or closures because they are unable to negotiate labor contracts, our revenue and profitability could be negatively impacted.~~ We could be required to record a material non-cash charge to income if our recorded intangible assets or goodwill are determined to be impaired. We have \$ ~~134-154, 789-801~~ of net definite-lived intangible assets on our consolidated balance sheet at December 31, ~~2023~~ **2022**, ~~which we expect will increase significantly as a result of the Omni Acquisition.~~ Our definite-lived intangible assets primarily represent the value of customer relationships and non-compete agreements that were recorded in conjunction with our various acquisitions. We review our long-lived assets, such as our definite-lived intangible assets, for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment is recognized on these assets when the estimated fair value is less than the carrying value. If such measurement indicates impairment, we would be required to record a non-cash impairment charge to our consolidated statement of comprehensive income in the amount that the carrying value of these assets exceeds the estimated fair value of the assets. We also have \$ ~~278-306, 706-184~~ of goodwill on our consolidated balance sheet at December 31, ~~2023~~ **2022** ~~and will have significantly more goodwill on our balance sheet as a result of the Omni Acquisition.~~ Goodwill is assessed for impairment annually (or more frequently if circumstances indicate possible impairment) for each of our reporting units. This assessment includes comparing the estimated fair value of each reporting unit to the carrying value of the net assets assigned to the respective reporting unit. If the carrying value of the reporting unit exceeded the estimated fair value of the reporting unit, we would be required to record a non-cash impairment charge calculated as the amount by which the carrying value exceeds the reporting units estimated fair value. A non-cash impairment charge to our consolidated statement of comprehensive income could have a material adverse effect on our financial

results. We operate in highly competitive and fragmented segments of our industry, and our business will suffer if we are unable to adequately address downward pricing pressures and other factors that may adversely affect our results of operations, growth prospects and profitability. The segments of the freight transportation industry in which we participate are highly competitive, very fragmented and historically have few barriers to entry. We compete with a large number of other asset-light logistics companies, asset-based carriers, integrated logistics companies, and third-party freight brokers. To a lesser extent, we also compete with integrated air cargo carriers and passenger airlines. Our competition ranges from small operators that compete within a limited geographic area to companies with substantially greater financial and other resources, including greater freight capacity. We also face competition from freight forwarders who decide to establish their own networks to transport expedited ground freight, as well as from logistics companies, Internet matching services and Internet and third-party freight brokers, and new entrants to the market. In addition, customers can bring in-house some of the services we provide. We believe competition is based primarily on quality service, price, available capacity, damage-free handling, on-time delivery, flexibility, reliability and security and transportation rates as well as the ability to acquire and maintain terminal facilities in desirable locations at reasonable rates. Many of our competitors periodically reduce their rates to gain business, especially during times of economic decline, which may limit our ability to maintain or increase our profit margins. In an effort to reduce costs, we have seen our customers solicit bids from multiple transportation providers and develop or expand internal capabilities for some of the services that we provide. In addition, competitors may pursue other strategies to gain a competitive advantage such as developing superior information technology systems or establishing cooperative relationships to increase their ability to address customer needs. The development of new information technology systems or business models could result in our disintermediation in certain businesses, such as freight brokerage. Furthermore, the transportation industry continues to consolidate. As a result of consolidation, our competitors may increase their market share and improve their financial capacity, and may strengthen their competitive positions relative to ours. Business combinations could also result in competitors providing a wider variety of services at competitive prices, which could adversely affect our financial performance. These competitive pressures may cause a decrease in our volume of freight, require us to lower the prices we charge for our services and adversely affect our results of operations, growth prospects and profitability. Difficulty in forecasting timing or volumes of customer shipments could adversely impact our margins and operating results and lead to difficulties in predicting liquidity. Customer satisfaction depends upon our ability to meet short-term customer requirements that can be difficult to predict and prepare for. Generally, we do not enter into long-term contracts with our customers. Accordingly, the demand from our customers may fluctuate from time to time, which makes it difficult for us to project future demands from our customers. As a result, we cannot guarantee that our current customers will continue to utilize our services or that they will continue at the same levels. Our success depends on receiving continuous orders from our customers. Personnel costs, one of our largest expense items, is highly variable as we must staff to meet uncertain short-term demand that may not align with long-term trends. As a result, short-term operating results could be disproportionately affected due to uncertainties with our customer requirements and the challenges of staffing appropriately. A significant portion of the combined company's revenues will be derived from customers in industries, such as retail and technology, that exhibit shipping patterns that are tied closely to consumer demand and from customers in industries in which shipping patterns are dependent upon just-in-time production schedules. Therefore, the timing of the combined company's revenues will be impacted by factors out of the combined company's control, such as a sudden change in consumer demand for retail goods, changes in trade tariffs, product launches and / or manufacturing production delays. Additionally, many customers ship a significant portion of their goods at or near the end of a fiscal quarter and, therefore, we may not learn of decreases in revenues until late in a quarter. As a result, the combined company's liquidity, cash flows and results of operations may be difficult to predict. Higher prices by Leased Capacity Providers and other third-party transportation capacity providers could adversely impact the combined company's margins and operating results. The combined company will be largely reliant on Leased Capacity Providers that lease their equipment to the combined company and third-party transportation capacity providers to perform its freight transportation and other operations. These providers can be expected to charge higher prices if market conditions warrant or to cover higher operating expenses. Our profitability and income from operations may be impacted if we are unable to pass on such provider price increases to our customers. Increased demand for over-the-road transportation services and changes in regulations may reduce available capacity and increase pricing for both Leased Capacity Providers and third-party transportation providers. In some instances we will have entered into fixed contract freight rates with customers and, in the event market conditions change and those contracted rates are below market rates, we may be required to provide transportation services at a loss. As a result of the Omni Acquisition, the combined company's international operations subject us to operational and financial risks. As a result of the Omni Acquisition, the combined company will provide services within and between foreign countries on an increasing basis. Business outside of the U.S. is subject to various risks, including: • changes in tariffs, trade restrictions, and trade agreements; • compliance with the laws of numerous taxing jurisdictions where we conduct business, potential double taxation of our international earnings and potentially adverse tax consequences due to U.S. and foreign tax laws as they relate to our international business; • difficulties in managing or overseeing foreign operations and agents; • economic and political instabilities in some countries; • new and different sources of competition and laws and business practices favoring local competitors; • limitations on the repatriation of funds because of foreign exchange controls; • different liability standards; • intellectual property laws of countries that do not protect our rights in our intellectual property, including but not limited to, our proprietary information systems, to the same extent as the laws of the U.S.; • compliance with multiple, conflicting, ambiguous or evolving governmental laws and regulations, including employment, tax, privacy, anti-corruption, import / export, customs, anti-boycott, sanctions and embargoes, antitrust, data transfer, storage and protection, ESG and industry-specific laws and regulations, and our ability to identify and respond timely to compliance issues when they occur; and • the impact of uncertainties regarding the United Kingdom's exit from the European Union (the "EU") on regulations, current, taxes and operations, including possible disruptions to the sale of our services or the movement of our people

between the United Kingdom, the EU and other locations. The occurrence or consequences of any of these factors may restrict our ability to operate in the affected region and / or decrease the profitability of our operations in that region. As we continue to expand our business internationally, we expose the combined company to increased risk of loss from foreign currency fluctuations, as well as longer accounts receivable payment cycles. Foreign currency fluctuations could result in currency exchange gains or losses or could affect the book value of our assets and liabilities. Furthermore, we may experience unanticipated changes to our income tax liabilities resulting from changes in geographical income mix and changing international tax legislation. We have limited control over these risks, and if we do not correctly anticipate changes in international economic and political conditions, we may not alter our business practices in time to avoid adverse effects. Our increased direct sales efforts to direct shippers and beneficial cargo owners could be viewed as a competitive threat by our current domestic forwarder customers. We are increasing our sales to direct shippers and beneficial cargo owners, which as a group are the primary customers of freight forwarders, 3PLs and other transportation intermediaries. These intermediaries are significant customers of our business in the United States. Our activities related to our increased direct sales efforts to direct shippers and beneficial cargo owners, as well as the potential acquisition of other businesses that may be perceived as competing with our customers, could harm relationships with our current customers, employees or suppliers, and could adversely affect our expenses, pricing, third - party relationships and revenues. Further, a loss of a significant customer could have a material adverse effect on our business, results of operations, financial condition and cash flows. Reductions in the available supply or increases in the cost of new equipment may adversely impact our profitability and cash flows. We and our Leased Capacity Providers and ISPs may face difficulty in purchasing new equipment due to decreased supply or increased costs. Investment in new equipment is a significant part of our annual capital expenditures and we require an available supply of tractors, trailers, and other freight handling equipment from manufacturers to operate and grow our business. We may also be subject to shortages in raw materials that are required for the production of critical operating equipment and supplies, such as shortages in rubber or steel. **Currently, Tractor tractor and trailer manufacturers have are experienced experiencing significant shortages of various component parts and supplies, forcing many manufacturers to reduce or suspend their production, which has led to a lower supply of tractors, trailers, and other equipment, higher prices, and lengthened trade cycles.** In addition, the availability and price of our equipment may also be adversely affected in the future by regulations on newly manufactured equipment and engines. We are subject to regulations issued by the EPA and various state agencies, particularly the California Air Resources Board (“ CARB ”), that have required progressive reductions in exhaust emissions. We may become subject to new or more restrictive regulations, or differing interpretations of existing regulations, which may increase the cost of providing transportation services or adversely affect our results of operations. We are also unable to predict how any future changes in United States government policy will affect EPA and CARB regulation and enforcement. These regulations, the limited equipment availability, and other supply chain factors have resulted and could continue to result in higher prices for new equipment, which could have a material adverse effect on our business, **financial condition, and results of operations, particularly our maintenance expense, mileage productivity, and driver retention.**

Risks Relating to Information Technology and Systems If we fail to maintain our information technology systems, or if we fail to successfully implement new technology or enhancements, we may be at a competitive disadvantage and experience a decrease in revenues. We rely heavily on our information technology systems to efficiently run our business, and they are a key component of our growth strategy and competitive advantage. We, our customers and third parties increasingly store and transmit data by means of connected information technology systems. We expect our customers to continue to demand more sophisticated, fully integrated information systems from their transportation providers. To keep pace with changing technologies and customer demands, we must correctly interpret and address market trends and enhance the features and functionality of our information technology systems in response to these trends, which may lead to significant ongoing software development costs. We may be unable to accurately determine the needs of our customers and the trends in the transportation services industry or to design and implement the appropriate features and functionality of our information technology systems in a timely and cost-effective manner, which could put us at a competitive disadvantage and result in a decline in our efficiency, decreased demand for our services and a corresponding decrease in our revenues. In addition, we could incur software development costs for technology that is ultimately not deployed, and thus would require us to write- off these costs, which would negatively impact our financial results. Furthermore, as technology improves, our customers may be able to find alternatives to our services for matching shipments with available freight hauling capacity. Our information technology systems can also play an integral role in managing our internal freight and transportation information and creating additional revenue opportunities, including assessing available backhaul capacity. A failure to capture and utilize our internal freight and transportation information may impair our ability to service our existing customers or grow revenue. Our information technology systems are dependent upon cloud infrastructure providers, software as a service, global communications providers, web browsers, telephone systems and other aspects of the Internet infrastructure that have experienced significant system failures and outages in the past. While we take measures to ensure our major systems have redundant capabilities, our systems are susceptible to outages from fire, floods, power loss, telecommunications failures, data leakage, human error, break- ins, cyber- attacks and similar events. The occurrence of any of these events could disrupt or damage our information technology systems and hamper our internal operations, impede our customers’ access to our information technology systems and adversely impact our customer service, volumes, and revenues and result in increased cost. In addition, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future. Our business is subject to cybersecurity risks. On December 15, 2020, we detected a ransomware incident (the “ Ransomware Incident ”) impacting our operational and information technology systems, which caused service delays for our customers. We suffered unexpected costs and impacts from the Ransomware Incident, and may in the future incur costs in connection with any

future cybersecurity incidents, including infrastructure investments, remediation efforts and legal claims resulting from the above. Our operations depend on effective and secure information technology systems. Threats to information technology systems, including as a result of cyber-attacks and cyber incidents, such as the Ransomware Incident on December 15, 2020, continue to grow. Cybersecurity risks could include, but are not limited to, malicious software, attempts to gain unauthorized access to our data and the unauthorized release, corruption or loss of our data and personal information, interruptions in communication, loss of our intellectual property or theft of our sensitive or proprietary technology, loss or damage to our data delivery systems, or other electronic security, including with our property and equipment. These cybersecurity risks could: • Disrupt our operations and damage our information technology systems; • Subject us to various penalties and fees by third parties; • Negatively impact our ability to compete; • Enable the theft or misappropriation of funds; • Cause the loss, corruption or misappropriation of proprietary or confidential information, expose us to litigation; and • Result in injury to our reputation, downtime, loss of revenue, and increased costs to prevent, respond to or mitigate cybersecurity events. If another cybersecurity event occurs, such as the Ransomware Incident, it could harm our business and reputation and could result in a loss of customers. Likewise, data privacy breaches by employees and others who access our systems may pose a risk that sensitive customer or vendor data may be exposed to unauthorized persons or to the public, adversely impacting our customer service, employee relationships and our reputation. Furthermore, any failure to comply with data privacy, security or other laws and regulations, such as the California Privacy Rights Act, which took effect as the California Consumer Privacy Act in January 2020 and was amended effective January 1, 2023, could result in claims, legal or regulatory proceedings, inquiries or investigations. While we continue to make efforts to evaluate and improve our systems and particularly the effectiveness of our security program, procedures and systems, it is possible that our business, financial and other systems could be compromised, which could go unnoticed for a prolonged period of time, and there can be no assurance that the actions and controls that we implement, or we cause third-party service providers to implement, will be sufficient to protect our systems, information or other property. Additionally, customers or third parties upon whom we rely on face similar threats, which could directly or indirectly impact our business and operations. The occurrence of a cyber-incident or attack could have a material adverse effect on our business, financial condition and results of operations.

Risks Relating to Regulatory Environment We may not make future acquisitions or, if we do, we may not realize the anticipated benefits of future acquisitions and integration of these acquisitions may disrupt our business and occupy management. We have grown through acquisitions, and we may intend to pursue opportunities to expand our business by acquiring other companies in the future. Our ability to grow revenues, earnings and cash flow depends in part upon our ability to identify and successfully acquire and integrate businesses at appropriate prices and, realize anticipated synergies and business performance from such acquisitions. Appropriate targets for acquisition are difficult to identify and transactions are difficult to complete for a variety of reasons, including but not limited to, limited due diligence, high valuations, other interested parties, negotiations of the definitive documentation, satisfaction of closing conditions, the need to obtain antitrust or other regulatory approvals on acceptable terms, and availability of funding. There is no assurance that we will be successful in identifying, negotiating, consummating or integrating any future acquisitions. Additionally, we may not realize the anticipated benefits of any future acquisitions. Each acquisition has numerous risks including: • difficulty in integrating the operations and personnel of the acquired company; • unanticipated costs to support new business lines or separate legal entities; • disruption of our ongoing business, distraction of our management and employees from other opportunities and responsibilities due to integration issues; • additional indebtedness or the issuance of additional equity to finance future acquisitions, which could be dilutive to our shareholders; • inability to access capital markets on acceptable terms or at all; • potential loss of key customers or employees of acquired companies along with the risk of unionization of employees; • pricing pressure resulting from differing customer pricing practices of the acquired company or varying pricing dynamics in the acquired company's market; • inability to achieve the financial and strategic goals for the acquired and combined businesses; • potential impairment of tangible and intangible assets and goodwill acquired as a result of acquisitions; and • potential failure of the due diligence processes to identify significant issues with legal and financial liabilities and contingencies, among other things. **The timing and number of acquisitions we pursue may also cause volatility in our financial results.**

In the event that we do not realize the anticipated benefits of an acquisition or if the acquired business is not successfully integrated, there could be a material adverse effect on our financial condition, results of operations, liquidity and cash flows. **Risks Relating to Omni Acquisition** The Omni Acquisition may not achieve its intended benefits, and certain difficulties, costs or expenses may outweigh such intended benefits. We may be unable to realize all of the anticipated benefits of the Omni Acquisition. The success of the Company's combination with Omni will depend, in part, on our ability to realize the anticipated benefits and synergies from reorganizing our corporate structure and combining the businesses of the Company and Omni following the Omni Acquisition, including cost and revenue synergies. The anticipated benefits and synergies of our combination with Omni may not be realized fully or at all, may take longer to realize than expected or could have other adverse effects that we do not currently foresee. We believe these risks are further heightened given the dispute with Omni, which was resolved prior to today, but which may make it more challenging than expected to operate the combined entity in a way that will achieve the previously anticipated benefits and synergies. Some of the assumptions that we have made, such as the tax outcomes of the contemplated pre-closing reorganization and the achievement of operating synergies, may not be realized. It is possible that the integration process could result in the loss of key Company or Omni employees, the loss of customers, the disruption of either company's or both companies' ongoing businesses, inconsistencies in standards, controls, procedures and policies, unexpected integration issues, higher than expected integration costs and an overall post-completion integration process that takes longer than originally anticipated. There could be potential unknown liabilities and unforeseen expenses associated with the Omni Acquisition that were not discovered in the course of performing due diligence or that arise from the

contemplated pre- closing reorganization or the combination of the businesses. Specifically, the following issues, among others, must be addressed in integrating the operations of the company and Omni to realize the anticipated benefits of the Omni Acquisition so the combined company performs as expected and realizes its anticipated cost and revenue synergy opportunities: • combining the companies' operations and corporate functions; • combining the businesses of the Company and Omni and meeting the capital requirements of the combined company following the merger, in a manner that permits the combined company to achieve cost savings and revenue synergies anticipated to result from the merger, the failure of which would result in the anticipated benefits of the merger not being realized in the time frame currently anticipated or at all; • integrating the companies' personnel; • integrating the companies' technologies; • integrating and unifying the offerings and services available to customers; • identifying and eliminating redundant and underperforming functions and assets; • harmonizing the companies' operating practices, employee development and compensation programs, internal controls and other policies, procedures and processes; • maintaining existing agreements with customers, providers and vendors and avoiding delays in entering into new agreements with prospective customers, providers and vendors; • addressing possible differences in business backgrounds, corporate cultures and management philosophies; • consolidating the companies' administrative and information technology infrastructure; • coordinating distribution and marketing efforts; • managing the movement of certain positions to different locations; • coordinating geographically dispersed organizations; and • effecting actions that may be required in connection with obtaining the requisite regulatory approvals. In addition, at times the attention of certain members of either company' s or both companies' management and resources may be focused on the integration of the businesses of the two companies and diverted from day- to- day business operations or other opportunities that may have been beneficial to such company, which may disrupt our business. Our Up- C structure places significant limitations on our cash flow because our principal asset is our interest in Opco, and, accordingly, we depend on distributions from Opco to pay our taxes and expenses, including payments under the Tax Receivable Agreement. As part of our umbrella partnership- C corporation (" Up- C ") structure with Omni, we are a holding company and our principal asset is our ownership of common units of our operating subsidiary, Clue Opco LLC (" Opco "). This structure is designed to enable us to obtain certain tax benefits, and 83. 5 % of such tax benefits are payable to certain holders of Omni under our tax receivable agreement with the holders of Omni and Opco (" Tax Receivable Agreement "). However, as a result of the Omni Acquisition, we have no independent means of generating revenue or cash flow, and our ability to pay taxes and operating expenses, and to service our liabilities, is dependent upon the financial results and cash flows of Opco and its subsidiaries, along with the distributions we receive from Opco. Opco intends to make payments to us out of available funds, and subject to limitations imposed under the agreements governing our indebtedness, and there can be no assurance that Opco and its subsidiaries will generate sufficient cash flow to distribute funds to us or that applicable state law and contractual restrictions will permit such distributions. Moreover, because of our Up- C structure, this financing arrangement can give rise to U. S. corporate income tax liabilities for us in respect of the formation of Opco, and subsequently as Opco makes cash distributions to us to the extent they are subject to certain technical regulations regarding disguised sales, subject to certain exceptions including for distributions of operating cash flows and leveraged distributions. In such an event, we would depend on further cash distributions from Opco in order to enable us to pay such tax liabilities. We also incur expenses related to our operations, which may be significant. We intend, as Opco' s sole manager, to cause Opco to make cash distributions to the owners of Opco membership interests so that we receive (i) an amount sufficient to allow us to fund all of our tax obligations in respect of taxable income allocated to us and (ii) distributions to cover our operating expenses, including any obligations to make payments under the Tax Receivable Agreement. When Opco makes distributions, the holders of Omni and the other members of Opco besides us are and will be entitled to receive proportionate distributions based on their economic interests in Opco' s common units at the time of such distributions. Opco' s ability to make such distributions may be subject to various limitations and restrictions, such as restrictions on distributions that would either violate any contract or agreement to which Opco is then a party, or any applicable law, or that would have the effect of rendering Opco insolvent or exceed the amounts that Opco is permitted to distribute under the agreements governing our indebtedness. If we do not have sufficient funds to pay tax or other liabilities or to fund our operations, we may have to borrow funds, which could materially and adversely affect our liquidity and financial condition and subject us to various restrictions imposed by any such indebtedness. To the extent that we are unable to make payments under the Tax Receivable Agreement for any reason, such payments generally will be deferred and will accrue interest until paid, but nonpayment for a specified period may constitute a material breach of a material obligation under the Tax Receivable Agreement and therefore accelerate payments due under the Tax Receivable Agreement. Any inability to pay tax or other liabilities or to fund our operations could have a material and adverse effect on our business, results of operations, financial condition and prospects. Failure to attract, motivate and retain executives and other key employees could diminish the anticipated benefits of the Omni Acquisition. The success of the Omni Acquisition will depend in part on the retention of personnel critical to the business and operations of the Company following the Omni Acquisition due to, for example, their technical skills or management expertise. Current and prospective employees of the Company and Omni may experience uncertainty about their future role with the Company and Omni until strategies with regard to these employees are announced or executed, which may impair our ability to attract, retain and motivate key management, sales, marketing, technical and other personnel following the Omni Acquisition. If we are unable to retain personnel, including our and Omni' s key management, who are critical to the successful integration and future operations of the companies, the combined company could face operational disruptions, loss of existing customers or loss of sales to existing customers, loss of key information, expertise or know-how, and unanticipated additional recruitment and training costs. In addition, the loss of key personnel could diminish

the anticipated benefits of the Omni Acquisition. If key employees of the Company or Omni depart, the integration of the companies may be more difficult and our business following the Omni Acquisition may be harmed. Furthermore, we may have to incur significant costs in identifying, hiring and retaining replacements for departing employees and may lose significant expertise and talent relating to the business of each of the Company or Omni, and our ability to realize the anticipated benefits of the Omni Acquisition may be adversely affected. In addition, there could be disruptions to or distractions for the workforce and management associated with activities of labor unions or integrating employees into the combined company. No assurance can be given that we will be able to attract or retain key employees of the Company and Omni to the same extent that those companies have been able to attract or retain their own employees in the past. We may not be able to retain customers or suppliers, or customers or suppliers may seek to modify contractual obligations with us, which could have an adverse effect on the combined company's business and operations. Third parties may terminate or alter existing contracts or relationships with Omni or us. As a result of the Omni Acquisition, we may experience impacts on relationships with customers and suppliers that may harm our business and results of operations. Certain customers or suppliers may seek to terminate or modify contractual obligations following the Omni Acquisition whether or not contractual rights are triggered as a result of the Omni Acquisition. In particular, certain of our existing customers directly compete with Omni and, as a result, may react negatively to the Omni Acquisition. There can be no guarantee that customers and suppliers will remain with or continue to have a relationship with us or do so on the same or similar contractual terms following the Omni Acquisition. If any customers or suppliers seek to terminate or modify contractual obligations or discontinue the relationship with the combined company, then our business and results of operations may be harmed. If certain of our suppliers were to seek to terminate or modify an arrangement with us, then we may be unable to procure necessary supplies from other suppliers in a timely and efficient manner and on acceptable terms, or at all. We will incur significant transaction, merger-related and integration costs in connection with the Omni Acquisition. The Company has incurred a number of non-recurring costs associated with combining the operations of the two Company and Omni, as well as transaction fees and other costs related to the Omni Acquisition. These costs and expenses include fees paid to financial, legal and accounting advisors, severance and other potential employment-related costs, including retention and severance payments that may be made to certain of our employees and Omni employees, filing fees, printing expenses and other related charges. The Company will continue to incur integration costs following the Omni Acquisition as there are a large number of processes, policies, procedures, operations, technologies, facilities and systems that must be integrated. Although the Company expects that the elimination of duplicative costs, strategic benefits, additional income as well as the realization of other efficiencies related to the integration of the businesses may offset incremental transaction, merger-related and integration costs over time, any net benefit may not be achieved in the near term or at all. While we assumed that certain expenses would be incurred in connection with the Omni Acquisition and the other transactions contemplated by the Amended Merger Agreement, there are many factors beyond our control that could affect the total amount or the timing of the integration and implementation expenses. Significant demands will be placed on the Company and Omni as a result of the combination of the two companies. As a result of the combination of the Company and Omni, significant demands will be placed on the managerial, operational and financial personnel and systems of the Company and Omni. We cannot assure you that our and Omni's respective systems, procedures and controls will be adequate to support the expansion of operations following and resulting from the combination of the two companies. The future operating results of the combined company will be affected by the ability of its officers and key employees to manage changing business conditions and to controls and reporting systems in response to the Omni Acquisition. Following the announcement of the Omni Acquisition, the price of our common stock decreased significantly. Continued downward pressure on our stock price may increase the risk of shareholder litigation and shareholder activism, which could divert management's attention and resources. Following the announcement of the Omni Acquisition, the market price of our common stock decreased substantially and is currently trading at significantly lower levels than prior to the announcement of the Omni Acquisition. As a consequence of this decrease, investors may, under the fear of suffering greater losses, be more inclined to sell their shares of the Company's common stock more quickly and at greater discounts than otherwise would be the case in the absence of a sudden and significant decline in the stock price. Plaintiffs have, in the past, initiated securities class action litigation against a company following periods of volatility in the market price of its securities. We may in the future be the target of such litigation. Securities and derivative litigation, even without merit, defending against these claims could result in substantial costs and liabilities and divert management's attention and resources. In addition, the recent volatility in our common stock has increased the risk of shareholder activism. For example, ClearBridge Investments, LLC publicly released a letter sent to our former Chairman and CEO and Lead Independent Director on August 18, 2023, with the purpose of urging the Board to reconsider the merger. Such shareholder activism, like securities litigation, could result in substantial costs and could divert management's attention and resources. Omni Holders are a significant holder of our common stock following completion of the Omni Acquisition. Following the completion of the Omni Acquisition, direct and certain indirect equity holders of Omni ("Omni Holders") own approximately 16.5% of our common stock. If our shareholders approve the conversion of the preferred stock, then the Omni Holders will represent 35.0% of our common stock on a fully diluted, as-converted and as-exchanged basis. As a result, Omni Holders may be able to impact matters requiring shareholder approval. In addition, the existence of a large shareholder may have the effect of deterring hostile takeovers, delaying or preventing changes in control or changes in management, or limiting the ability of our other shareholders to approve transactions that they may deem to be in the best interests of our company. So long as the Omni Holders continue to control a significant amount of our common stock, they may continue to be able to impact matters requiring shareholder approval. In any of these matters, the

interests of Omni Holders may differ or conflict with the interests of our other shareholders. Moreover, this concentration of stock ownership may also adversely affect the trading price of our common stock to the extent investors perceive a disadvantage in owning stock of a company with a large shareholder. The unaudited pro forma financial data included in the September 8- K is preliminary and does not reflect the changes to the transaction as a result of the Amended Merger Agreement. The combined company's actual financial position and results of operations after the Omni Acquisition may differ materially from the unaudited pro forma financial data included in the September 8- K. The unaudited pro forma consolidated financial statements included in our Current Report on Form 8- K filed on September 20, 2023 ("September 8- K") contain a variety of adjustments, assumptions and preliminary estimates and were not necessarily indicative of what the combined company's actual financial position or results of operations would have been had the Omni Acquisition been completed on the dates indicated. In addition, the unaudited pro forma financial information included in the September 8- K were based in part on a variety of assumptions. These assumptions may not prove to be accurate, and other factors may affect the combined company's results of operations or financial condition following the Omni Acquisition. Accordingly, the historical information and the unaudited pro forma financial information included in the September 8- K do not necessarily represent the combined company's results of operations and financial condition had the Company and Omni operated as a combined entity during the periods presented, or of the combined company's results of operations and financial condition after the combination of the Company and Omni. The combined company's potential for future business success and operating profitability must be considered in light of the risks, uncertainties, expenses and difficulties typically encountered by recently combined companies. In preparing the unaudited pro forma financial information contained in the September 8- K, we gave effect to, among other items, the consummation of the Omni Acquisition, the notes offering, the consummation of the escrow merger and the assumption of the notes, the entrance into and the borrowings under the facilities expected to be entered into substantially concurrently with the closing of the Omni Acquisition and cash on hand. The unaudited pro forma financial information may not reflect all of the costs that are expected to be incurred by the Company and Omni in connection with the transactions. Prior to the Omni Acquisition, Omni was a privately- held company and its new obligations of being a part of a public company may require significant resources and management attention. Upon the closing of the Omni Acquisition, Omni and its subsidiaries became subsidiaries of the Company, and now need to comply with the Sarbanes- Oxley Act of 2002, as amended ("Sarbanes- Oxley") and the rules and regulations subsequently implemented by the SEC and other regulatory bodies. As a private company, Omni's internal controls were not designed to be in compliance with Sarbanes- Oxley or any other public company requirements. We will need to ensure that Omni establishes and maintains effective disclosure controls as well as internal controls and procedures for financial reporting, and such compliance efforts may be costly and may divert the attention of management. In the past, Omni identified significant deficiencies in the adequacy of its internal controls. We cannot assure you that, in the future, material weaknesses will not be identified that would cause management to change its current conclusion as to the effectiveness of the combined company's internal controls. If we fail to create and maintain effective internal controls at Omni and its subsidiaries after the Omni Acquisition, we could report material weaknesses in the future, which would indicate that there is a reasonable possibility that our financial statements do not accurately reflect our financial condition. We will be required to pay Omni Holders for certain tax savings we may realize, and we expect that the payments we will be required to make may be substantial. In connection with the closing of the Omni Acquisition, the Company, Opco, Omni Holders and certain other parties entered into the Tax Receivable Agreement, which sets forth the agreement among the parties regarding the sharing of certain tax benefits realized by the Company as a result of the transactions. Pursuant to the Tax Receivable Agreement, we will be generally obligated to pay certain Omni Holders 83.5 % of (a) the total tax benefit that we realize as a result of increases in tax basis in Opco's assets resulting from certain actual or deemed distributions and the future exchange of units of Opco for shares of securities of the Company (or cash) pursuant to the Opco's limited liability company agreement, (b) certain pre- existing tax attributes of certain Omni Holders that are corporate entities for tax purposes, (c) the tax benefits that we realize from certain tax allocations that correspond to items of income or gain required to be recognized by certain Omni Holders, and (d) other tax benefits attributable to payments under the tax receivable agreement. Payment obligations under the Tax Receivable Agreement will rank pari passu with all unsecured obligations of the Company but senior to any future tax receivable or similar agreement entered into by the Company. These increases in existing tax basis and tax basis adjustments generated over time may reduce the amount of tax that the combined company would otherwise be required to pay in the future, although the IRS may challenge all or part of the validity of that tax basis, and a court could sustain such a challenge. Actual tax benefits realized by the combined company may differ from tax benefits calculated under the Tax Receivable Agreement as a result of the use of certain assumptions therein, including the use of an assumed weighted- average state and local income tax rate to calculate tax benefits. The payment obligation under the Tax Receivable Agreement is an obligation of the Company and not of Opco. While the amount of existing tax basis, the anticipated tax basis adjustments and the actual amount and utilization of tax attributes, as well as the amount and timing of any payments under the Tax Receivable Agreement, will vary depending upon a number of factors, including the timing of exchanges of Opco units for securities of the Company, the applicable tax rate, the price of the applicable securities of the Company at the time of exchanges, the extent to which such exchanges are taxable and the amount and timing of our income, we expect that the payments that we will be required to make under the Tax Receivable Agreement may be substantial. The payments under the Tax Receivable Agreement are not conditioned on the exchanging holders of Opco units or other Omni Holders continuing to hold ownership interests in us. We may not have discovered undisclosed liabilities of Omni, if any. In the course of the due diligence review of Omni that we conducted prior to the execution of the Merger Agreement, we

may not have discovered, or may have been unable to quantify, undisclosed liabilities of Omni and its subsidiaries, if any, and the Company will not be indemnified for any of these liabilities. If Omni has undisclosed liabilities, we, as a successor owner, will be responsible for such undisclosed liabilities. Such undisclosed liabilities could have an adverse effect on the business, results of operations, financial condition and cash flows of the Company after the closing of the Omni Acquisition.

Risks Relating to our Indebtedness Our substantial indebtedness, including that incurred in connection with the Omni Acquisition, could adversely affect our financial health and our ability to execute our business strategy. As of December 31, 2023, we had paid down our long term indebtedness related to our Credit Facility originating in September 2017. However, as a result of the consolidation of two variable interest entities created to finance the Omni Acquisition, we issued \$ 725 million pursuant to a senior secured notes, \$ 1, 125 million in senior secured term loans to be used to finance the Omni Acquisition which was completed in January 2024. In January 2024, we assumed \$ 400 million pursuant to a senior secured revolving credit facility as part of the Omni Acquisition. We also assumed and refinanced Omni' s \$ 1, 200 million obligation due under a senior secured first lien credit facility and \$ 80 million under a revolving credit facility, and \$ 245 million due under Omni' s second lien secured subordinated term loan. Our substantial indebtedness could have important consequences including:

- increasing our vulnerability to adverse general economic and industry conditions;
- exposing us to interest rate risk;
- limiting our flexibility in planning for, or reacting to, changes in the economy and our industry;
- placing us at a competitive disadvantage compared to competitors with less indebtedness;
- making it more difficult to borrow additional funds in the future to fund growth, acquisitions, working capital, capital expenditures and other purposes; and
- potentially requiring us to dedicate a substantial portion of our cash flow from operations to payments on our indebtedness. Thereby reducing the availability of our cash flow to fund our other business needs.

We receive debt ratings from the major credit rating agencies in the U. S. Factors that may impact our credit ratings include debt levels, planned asset purchases or sales and near - term and long - term production growth opportunities. Liquidity, asset quality, cost structure, reserve mix and commodity pricing levels could also be considered by the rating agencies. While we are focused on maintaining ratings from these agencies, we may be unable to do so. Any downgrade in our credit rating or the ratings of our indebtedness, or adverse conditions in the debt capital markets, could:

- adversely affect the trading price of, or market for, our debt securities;
- increase interest expense under our facilities;
- Increase the cost of, and adversely affect our ability to refinance, our existing debt; and
- adversely affect our ability to raise additional debt.

The instruments governing our indebtedness impose certain restrictions on our business. The instruments governing our indebtedness contain certain covenants imposing restrictions on our business. These restrictions may affect our ability to operate our business, to plan for, or react to, changes in the market conditions or our capital needs and may limit our ability to take advantage of potential business opportunities as they arise. The restrictions placed on us include maintenance of an interest coverage ratio and limitations on our ability to incur certain secured debt, enter into certain sale and lease - back transactions and consolidate, merge, sell or otherwise dispose of all or substantially all of our assets. In addition, the instruments contain customary events of default upon the occurrence of which, after any applicable grace period, the indebtedness could be declared immediately due and payable. In such event, we may not have sufficient available cash to repay such debt at the time it becomes due, or be able to refinance such debt on acceptable terms or at all. Any of the foregoing could materially adversely affect our business, financial condition and results of operations. Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt. Our ability to make scheduled payments of the principal of, to pay interest on, and to refinance our debt, depends on our future performance, which is subject to economic, financial, competitive and other factors. Our business may not continue to generate cash flow from operations in the future sufficient to satisfy our obligations under our current indebtedness and any future indebtedness we may incur and to make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as reducing or delaying investments or capital expenditures, selling assets, refinancing or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our outstanding indebtedness or future indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms when needed, which could result in a default on our indebtedness.

Risks Relating to Information Technology and Systems If we fail to maintain our information technology systems, or if we fail to successfully implement new technology or enhancements, we may be at a competitive disadvantage and experience a decrease in revenues. We rely heavily on our information technology systems to efficiently run our business, and they are a key component of our growth strategy and competitive advantage. We, our customers and third parties increasingly store and transmit data by means of connected information technology systems. We expect our customers to continue to demand more sophisticated, fully integrated information systems from their transportation providers. To keep pace with changing technologies and customer demands, we must correctly interpret and address market trends and enhance the features and functionality of our information technology systems in response to these trends, which may lead to significant ongoing software development costs. We may be unable to accurately determine the needs of our customers and the trends in the transportation services industry or to design and implement the appropriate features and functionality of our information technology systems in a timely and cost- effective manner, which could put us at a competitive disadvantage and result in a decline in our efficiency, decreased demand for our services and a corresponding decrease in our revenues. In addition, we could incur software development costs for technology that is ultimately not deployed, and thus would require us to write- off these costs, which would negatively impact our financial results. Furthermore, as technology improves, our customers may be able to find alternatives to our services for matching shipments with available freight hauling capacity. Our information technology systems can also play an

integral role in managing our internal freight and transportation information and creating additional revenue opportunities, including assessing available backhaul capacity. A failure to capture and utilize our internal freight and transportation information may impair our ability to service our existing customers or grow revenue. Our information technology systems are dependent upon cloud infrastructure providers, software-as-a-service providers, global communications providers, web browsers, telephone systems and other aspects of the internet infrastructure that have experienced significant system failures and outages in the past. While we take measures to ensure our major systems have redundant capabilities, our systems are susceptible to outages from fire, floods, power loss, telecommunications failures, data leakage, human error, break-ins, cyber-attacks and similar events. Though it is difficult to predict, the occurrence of any of these events could disrupt or damage our information technology systems and hamper our internal operations, impede our customers' access to our information technology systems and adversely impact our customer service, volumes, and revenues and result in increased cost. In addition, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future. Our business is subject to cybersecurity risks. Our operations depend on effective and secure information technology systems. Threats to information technology systems, including as a result of cyber-attacks and cyber incidents continue to grow. Cybersecurity risks could include, but are not limited to, malicious software, attempts to gain unauthorized access to our data and the unauthorized release, corruption or loss of our data and personal information, interruptions in communication, loss of our intellectual property or theft of our sensitive or proprietary technology, loss or damage to our data delivery systems, or other electronic security, including with our property and equipment. The security risks associated with information technology systems have increased in recent years because of the increased sophistication, activities and evolving techniques of perpetrators of cyber-attacks. These cybersecurity risks could: • Disrupt our operations and damage our information technology systems; • Subject us to various legal claims, penalties and fees by third parties; • Negatively impact our ability to compete; • Enable the theft or misappropriation of funds; • Cause the loss, corruption or misappropriation of proprietary or confidential information, expose us to litigation; and • Result in injury to our reputation, downtime, loss of revenue, and increased costs to prevent, respond to or mitigate cybersecurity events. For example, in December 2020, we detected a ransomware incident (the "Ransomware Incident") impacting our operational and information technology systems, which caused service delays for our customers. If another cybersecurity event occurs, such as the Ransomware Incident, it could harm our business and reputation and could result in a loss of customers. Likewise, data privacy breaches by employees and others who access our systems may pose a risk that sensitive customer or vendor data may be exposed to unauthorized persons or to the public, adversely impacting our customer service, employee relationships and our reputation. Furthermore, any failure to comply with data privacy, security or other laws and regulations could result in claims, legal or regulatory proceedings, inquiries or investigations. While we continue to make efforts to evaluate and improve our systems and particularly the effectiveness of our security program, procedures and systems, it is possible that our business, financial and other systems could be compromised, which could go unnoticed for a prolonged period of time, and there can be no assurance that the actions and controls that we implement, or we cause third-party service providers to implement, will be sufficient to protect our systems, information or other property. Additionally, customers or third parties upon whom we rely on face similar threats, which could directly or indirectly impact our business and operations. The occurrence of a cyber-incident or attack could have a material adverse effect on our business, financial condition and results of operations. For more information about our cybersecurity oversight, see "Item 1C, Cybersecurity". Issues related to the intellectual property rights on which our business depends, whether related to our failure to enforce our own rights or infringement claims brought by others, could have a material adverse effect on our business, financial condition and results of operations. We use both internally developed and purchased technologies in conducting our business. Whether internally developed or purchased, it is possible that users of these technologies could be claimed to infringe upon or violate the intellectual property rights of third parties. In the event that a claim is made against us by a third party for the infringement of intellectual property rights, a settlement or adverse judgment against us could result in increased costs to license the technology or a legal prohibition against our using the technology. Thus, our failure to obtain, maintain or enforce our intellectual property rights could have a material adverse effect on our business, financial condition and results of operations. We rely on a combination of intellectual property rights, including patents, copyrights, trademarks, domain names, trade secrets, intellectual property licenses and other contractual rights, to protect our intellectual property and technology. Any of our owned or licensed intellectual property rights could be challenged, invalidated, circumvented, infringed or misappropriated; our trade secrets and other confidential information could be disclosed in an unauthorized manner to third parties; or we may fail to secure the rights to intellectual property developed by our employees, contractors and others. Efforts to enforce our intellectual property rights may be time-consuming and costly, distract management's attention and divert our resources, and ultimately be unsuccessful. Moreover, should we fail to develop and properly manage future intellectual property, this could adversely affect our market positions and business opportunities.

Risks Relating to Regulatory Environment A determination by regulators that our Leased Capacity Providers or third-party motor carriers are employees rather than independent contractors could expose us to various liabilities and additional ongoing expenses, and related litigation could subject us to substantial costs, which could have a material adverse effect on our results of operations and our financial condition. At times, the Internal Revenue Service, the Department of Labor and state authorities have asserted that independent contractor transportation capacity providers like our Leased Capacity Providers and third-party motor carriers are "employees," rather than "independent contractors." Additionally, For example, we are aware of certain judicial decisions and state laws that could bring about major reforms in the classification Department of Labor recently adopted a final rule for determining whether a workers- worker is an employee or independent

contractor under the Fair Labor Standards Act (“FLSA”), including **Similarly**, the California Assembly Bill 5 (“California AB5”) **provides**. ~~California AB5 purports to codify a new test for determining worker classification that is broadly viewed as expanding the scope of employee relationships and narrowing the scope of independent contractor relationships. Although no enforcement actions under California AB5 have been asserted against the Company, if the State of California seeks to re-classify our use of our Leased Capacity Providers or ISPs as employees, that result could materially increase our exposure under a variety of federal and state tax, workers’ compensation, unemployment benefits, labor, employment and tort laws, as well as our potential liability for employee benefits. In addition, such changes may be applied retroactively, and if so, we may be required to pay additional amounts to compensate for prior periods. Any of the above increased costs would adversely affect our business and operating results. In addition, California AB5 has been the subject of widespread national discussion and it is possible that other jurisdictions may enact similar laws. A determination by regulators that some or all of our Leased Capacity Providers or third-party motor carriers are employees rather than independent contractors could expose us to various liabilities and additional ongoing expenses, including but not limited to, the cost of assets to be operated by employee drivers, employment-related expenses such as workers’ compensation insurance coverage and reimbursement of work-related expenses. Our exposure could include prior period compensation, as well as potential liability for employee benefits and tax withholdings. In addition, the topic of the classification of individuals as employees or independent contractors has gained increased attention among the plaintiffs’ bar and certain states have recently seen numerous class action lawsuits filed against transportation companies that engage independent contractors, some of which have resulted in significant damage awards and / or monetary settlements for workers who have been allegedly misclassified as independent contractors. The legal and other costs associated with any of these matters can be substantial and could have a material adverse effect on our results of operations and our financial condition.~~ **Because a portion of our network costs..... operations. Risks Relating to Regulatory Environment** Claims for property damage, personal injuries or workers’ compensation and related expenses could significantly reduce our earnings. Under DOT regulations, we are liable for bodily injury and property damage caused by Leased Capacity Providers and employee drivers while they are operating equipment under our various motor carrier authorities. The potential liability associated with any accident can be severe and occurrences are unpredictable. For vehicle liability, we retain a portion of the risk. Below is a summary of our risk retention on vehicle liability insurance coverage maintained by us up to \$ 10, 000 (in thousands): Risk Retention Frequency Layer Policy Term Expedited **FreightLTL- FreightLTL** business \$ 5, 000 Occurrence / ~~Accident² Accident¹~~ \$ 0 to \$ 5, 000 10 / 1 / ~~2022-2023~~ to 10 / 1 / ~~2023~~ **Truckload-2024Truckload** business \$ ~~2-5~~, 000 Occurrence / ~~Accident² Accident¹~~ \$ 0 to \$ ~~2-5~~, 000 10 / 1 / ~~2022-2023~~ to 10 / 1 / ~~2023~~ **LTL-2024LTL**, Truckload and Intermodal businesses \$ 5, 000 Policy Term ~~Aggregate³ Aggregate²~~ \$ 5, 000 to \$ 10, 000 10 / 1 / ~~2022-2023~~ to 10 / 1 / ~~2023~~ **Intermodal 2024Intermodal** \$ 1, 000 Occurrence / ~~Accident² Accident¹~~ \$ 0 to \$ 1, 000 10 / 1 / ~~2022-2023~~ to 10 / 1 / ~~2024¹ 2023¹~~ **Excluding the Final Mile business, which is primarily a brokered service.**² For each and every accident / incident, **we are the Company is** responsible for damages and defense up to these amounts, regardless of the number of claims associated with any accident / incident. ^{2,2} During the Policy Term, **we are the Company is** responsible for damages and defense within the stated Layer up to the stated, aggregate amount of **Company** Risk Retention before insurance will contribute. Also, from time to time, when brokering freight, we may face claims for the “negligent selection” of outside, contracted carriers that are involved in accidents, and we maintain third-party liability insurance coverage with a \$ 100 deductible per occurrence for our brokered services. Additionally, we maintain workers’ compensation insurance with a self-insured retention of \$ 500 per occurrence. We cannot guarantee that our self-insurance retention levels will not increase and / or that we may have to agree to more unfavorable policy terms as a result of market conditions, poor claims experience or other factors. We could incur claims in excess of our policy limits or incur claims not covered by our insurance. Any claims beyond the limits or scope of our insurance coverage may have a material adverse effect on us. Because we do not carry “stop loss” insurance, a significant increase in the number of claims that we must cover under our self-insurance retainage could adversely affect our profitability. In addition, we may be unable to maintain insurance coverage at a reasonable cost or in sufficient amounts or scope to protect us against losses. ~~Further, as we focus on growing our final mile solutions business that includes in-home installation of appliances and other over-the-threshold services, we may become increasingly subject to inherent risks associated with delivery and installation of products. These risks include incidents that can cause personal injury or loss of life, damage to or destruction of property, equipment or the environment, or the suspension of our operations. Our residential final mile delivery service exposes us to risks associated with delivering to residential customers. We contract with third-party motor carriers to provide our final mile delivery services that include in-home installation of appliances and other over-the-threshold services. The operation of these trucks and drivers in residential environments exposes such third-party motor carriers (and potentially us) to the risk of property damage, personal injury, loss of life and other claims. If any of these third-party motor carriers do not reliably and safely perform their obligations, they and we could be exposed to liability or reputational harm.~~ We face risks related to self-insurance and third-party insurance that can be volatile to our earnings. We self-insure a significant portion of our ~~claims-~~ **claim’s** exposure and related expenses for cargo loss, employee medical expense, bodily injury, workers’ compensation and property damage, and maintain insurance with insurance companies above our limits of self-insurance. Self-insurance retention and other limitations are detailed in Part II, Item 7, under “Self-Insurance Loss Reserves.” Because of these significant self-insured exposures, insurance and claims expense may fluctuate significantly from period to period. Additionally, our ability to obtain and maintain adequate insurance and the cost of such insurance may be affected by significant claims and conditions in the insurance market over which we have no control. **Historically, In recent years** the trucking industry has experienced significant increases in the cost of liability insurance and in the median verdict of trucking accidents. If the cost of insurance increases, we may decide to discontinue certain insurance coverage, reduce our level of coverage or increase our deductibles / retentions to offset the cost increase. In addition, our existing types and levels of insurance coverage could become difficult or impossible to obtain in the future. The occurrence of an event that is not fully covered by insurance, the loss of insurance

coverage or a material increase in the cost of insurance could have a material adverse effect on our business, financial condition, results of operations and cash flows. We accrue for the costs of the uninsured portion of pending claims, based on the nature and severity of individual claims and historical claims development trends. Estimating the number and severity of claims, as well as related judgment or settlement amounts is inherently difficult. We may fail to establish sufficient insurance reserves and adequately estimate for future insurance claims. This, along with legal expenses, incurred but not reported claims, and other uncertainties can cause unfavorable differences between actual self- insurance costs and our reserve estimates. Our failure to comply with various applicable federal and state employment and labor laws and regulations could have a material, adverse impact on our business, financial condition and results of operations. Various federal and state employment and labor laws and regulations govern our relationships with our employees. These laws and regulations relate to matters such as employment discrimination, wage and hour laws, requirements to provide meal and rest periods or other benefits, family leave mandates, employee and independent contractor classification rules, requirements regarding working conditions and accommodations to certain employees, citizenship or work authorization and related requirements, insurance and workers' compensation rules, healthcare laws, scheduling notification requirements and anti- discrimination and anti- harassment laws. While the scope of these laws and regulations are subject to change in all jurisdictions, California routinely makes changes to the scope of such laws and regulations, many of which may be strictly enforced, and some of which have been in the past, and may be in the future, implemented on a retrospective basis (meaning we may not have an opportunity to change our employment practices in advance to avoid non- compliance). Complying with these laws and regulations, including ongoing changes thereto, subjects us to substantial expense and non- compliance could expose us to significant liabilities. In particular, we have been subject to employment litigation with respect to classification and wage and hour issues in the past and have wage and hour litigation currently pending. While we have not incurred material losses with respect to this litigation in the past, we may be subject to material claims in the future. We operate in a regulated industry, and increased costs of compliance with, or liability for violation of, existing or future regulations and enforcement could have a material adverse effect on our business. The DOT and various state and federal agencies have been granted broad regulatory powers over our business in the United States, and we are licensed by the DOT and U. S. Customs. Additionally, our Canada business activities are subject to the similar laws and regulations of Canada and its provinces, including the effects of the United States- Mexico- Canada Agreement (" USMCA "), a trade agreement between the United States, Mexico and Canada to replace **the North American Free Trade Agreement (" NAFTA ")**, which took effect on July 1, 2020. There can be no assurance that the ongoing transition from NAFTA to the USMCA will not adversely impact our business or disrupt our operations. If we are found to be out of compliance with any applicable regulations, our licenses may be revoked, or we could be subject to substantial fines or penalties and to civil and criminal liability. The transportation industry is subject to legislative and regulatory changes that can affect the economics of our business by requiring changes in operating practices or influencing the demand for, and the cost of providing, transportation services. **In December 2010, the The Federal Motor Carrier Safety Administration (" FMCSA ") established the Compliance, Safety, Accountability initiative (" CSA ")** motor carrier oversight program under which drivers and fleets are evaluated based on certain safety- related standards. **Carriers' safety and fitness ratings under CSA include the on- road safety performance of the carriers' drivers.** The FMCSA **monitors** ~~has also implemented changes to the~~ hours of service (" HOS ") regulations which govern the work hours of commercial drivers and adopted a rule that requires commercial drivers to maintain hours- of- service records with **an** electronic logging ~~devices- device~~ (" ELDs "). At any given time, there are also other proposals for safety- related standards that are pending legislative or administrative approval or adoption. If additional or more stringent standards are adopted, such may result in a reduction of the pool of qualified drivers available to us and to other motor carriers in our industry. If we experience safety and fitness violations, our safety and fitness scores could be adversely impacted, and our fleets could be ranked poorly as compared to our peers. A reduction in our safety and fitness scores or those of our contracted drivers could also reduce our competitiveness in relation to other companies that have higher scores. **Additionally, competition for qualified drivers and motor carriers with favorable safety ratings may increase and thus result in increases in driver- related compensation costs.** In addition, there may be changes in applicable federal or state tax or other laws or interpretations of those laws. If this happens, we may incur additional taxes, as well as higher workers' compensation and employee benefit costs, and possibly penalties and interest for prior periods. This could have an adverse effect on **our results of operations. The FMCSA' s CSA and SMS initiatives could adversely impact our ability to hire qualified drivers or contract with qualified Leased Capacity Providers or third- party motor carriers, meet our growth projections and maintain our customer relationships, each of which could adversely impact our results of operations. The FMCSA' s CSA is an enforcement and compliance program designed to monitor and improve commercial motor vehicle safety by measuring the safety record of both the motor carrier and the driver. These measurements are scored and used by the FMCSA to identify potential safety risks and to direct enforcement action. CSA scores are dependent upon safety and compliance experience, which could change at any time. In addition, the safety standards prescribed in CSA could change and our ability as well as third- party motor carriers' ability to maintain an acceptable score could be adversely impacted. Public disclosure of certain CSA scores was restricted through the enactment of the Fixing America' s Surface Transportation Act of 2015 (the " FAST Act ") on December 4, 2015; however, the FAST Act does not restrict public disclosure of all data collected by the FMCSA. The FMCSA is currently reviewing CSA methodology to address deficiencies identified by the National Academy of Sciences, including the possibility of weak or negative correlation between current safety improvement categories and vehicle crash risk. Nevertheless, if we receive unacceptable CSA scores, and this data is made available to the public, our relationships with our customers could be damaged, which could result in a loss of business. Likewise, the requirements of SMS could also shrink the industry' s pool of drivers as those with unfavorable scores could leave the industry. As a result, the costs to attract, train and retain qualified drivers, Leased Capacity Providers or third- party carriers could increase. In addition, a shortage of qualified drivers could**

increase driver turnover, decrease asset utilization, limit growth and adversely impact our results of operations. We are subject to various environmental laws and regulations, including legislative and regulatory responses to climate change; 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, discharge and retention of storm water, and emissions from our vehicles. 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, 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 societal concerns regarding climate change and carbon emissions become more prevalent, federal and local governments and our customers are taking action in response. This increased focus on sustainability may result in new regulations and customer requirements that could negatively affect our financial results. 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 have not complied with their sustainability requirements or accommodated related requests. These costs, changes and loss of revenue could have a material adverse effect on our business, financial condition and results of operations. Even without any new legislation or regulation, increased public concern regarding greenhouse gases emitted by transportation carriers could harm the reputations of companies operating in the transportation logistics industries and shift consumer demand toward more locally sourced products and away from our services. **Risks** The FMCSA's CSA and **requirements related SMS initiatives could adversely impact our ability to transacting business in foreign countries may** hire qualified drivers or contract with qualified Leased Capacity Providers or third-party motor carriers, meet our growth projections and maintain our customer relationships, each of which could adversely impact our results - **result in increased liabilities, including penalties of operations. The FMCSA's CSA is an and fines** enforcement and compliance program designed to monitor and improve commercial motor vehicle safety by measuring the safety record of both the motor carrier and the driver. These measurements are scored and used by the FMCSA to identify potential safety risks and to direct enforcement action. CSA scores are dependent upon safety and compliance experience, which could change at any time. In addition, the safety standards prescribed in CSA could change and our ability as well as **reputational harm. As a result of the Omni Acquisition, we will be exposed to trade and economic sanctions and other restrictions imposed by the United States or other governments or organizations. The U. S. Departments of Justice, Commerce, State and Treasury, and other foreign authorities have a broad range of civil and criminal penalties they may seek to impose against corporations and individuals for violations of economic sanctions laws, export control laws, the Foreign Corrupt Practices Act ("FCPA") and other federal statutes and regulations, including the International Traffic in Arms Regulations and those established by the Office of Foreign Assets Control ("OFAC"), and similar or more restrictive foreign laws, rules and regulations, which may also apply to the combined company. Under these laws and regulations, the government may require export licenses, or impose restrictions that would require modifications to business practices, including cessation of business activities in sanctioned countries or with sanctioned persons or entities, and modifications to compliance programs, which may increase compliance costs. Failure to implement changes may subject the combined company to fines, penalties and other sanctions. We have in place policies related to FCPA, OFAC, export controls and similar laws and regulations, but we cannot assure you that our employees, consultants, sales agents, or associates will not engage in unlawful conduct for which we may be held responsible or that our business partners will not engage in conduct that could affect third-party motor carriers' ability to maintain perform their contractual obligations and acceptable score result in our being held liable for such conduct. Violation of laws or regulations may result in increased liabilities including penalties and fines as well as reputational harm. We may be subject to governmental export and import controls that could be adversely impacted impair its ability to compete in international markets and subject it to liability if it violates such controls. Public disclosure** There are political and trade tensions among a number of certain CSA scores was restricted through the world enactment of the Fixing America's Surface Transportation Act **major economies in which the combined company will operate. These tensions have resulted in the implementation of tariff and non-tariff trade barriers and sanctions, including the use of export control restrictions and sanctions against certain countries, individuals and companies. Any increase in the use of export control restrictions and sanctions to target certain countries, regions and entities or any expansion of the extraterritorial jurisdiction of export control laws could impact our ability to compete globally. In addition, measures adopted by an affected country to counteract impacts of another country's actions or regulations could lead to legal liability to multinational companies, including the combined company. For example, in January 2015-2021** (, China adopted a blocking statute that, among the other "FAST Act") matters, entitles Chinese entities incurring damages from a multinational's compliance with foreign laws to seek civil remedies. In February 2022, due to the military conflicts between Russia and Ukraine, several major economies, including the United States, the United Kingdom and the European Union imposed economic sanctions against Russia and certain Russian persons and entities. Depending on future developments December 4, 2015; however, the FAST Act does not restrict public disclosure of all data collected global trade tensions, such regulations, rules or measures may have an adverse impact on the combined company's business and operations, and it may incur significant legal liability and financial losses as a result. Any

change in export or import regulations, economic sanctions or related legislation or change in the countries, governments, persons, vessels or technologies, including semiconductors, targeted by such the FMCSA. The FMCSA is currently reviewing CSA methodology to address deficiencies identified by the National Academy of Sciences, including the possibility of weak or negative correlation between current safety improvement categories and vehicle crash risk. Nevertheless, if we receive unacceptable CSA scores, and this data is made available to the public, our relationships with our customers could be damaged, which could result in a loss of business. Likewise, the requirements of SMS could also shrink the industry's pool of drivers as those with unfavorable scores could leave the industry. Any As a result, the costs to attract, train and retain qualified drivers, Leased Capacity Providers or third-party carriers could increase. In addition, a shortage of qualified drivers could increase driver turnover, decrease asset utilization, limit growth and use of the combined company's services or limitation on the combined company's ability to export its customers' products would likely adversely impact our affect the combined company's business, operating results of operations and financial results. If our employees were to unionize, our operating costs would likely increase. None of our employees is are currently represented by a collective bargaining agreement. However, we have no assurance that our employees will not unionize in the future, which could increase our operating costs and force us to alter our operating methods. This could have a material adverse effect on our operating results. Our charter and bylaws and provisions of Tennessee law could discourage or prevent a takeover that may be considered favorable. Our charter and bylaws and provisions of Tennessee law may discourage, delay or prevent a merger, acquisition or change in control that may be considered favorable. These provisions could also discourage proxy contests and make it more difficult for shareholders to elect directors and take other corporate actions. Among other things, these provisions: • authorize us to issue preferred stock, the terms of which may be determined at the sole discretion of our the Board of Directors and may adversely affect the voting or economic rights of our shareholders; and • establish advance notice requirements for nominations for election to the Board of Directors and for proposing matters that can be acted on by shareholders at a meeting. Our charter and bylaws and provisions of Tennessee law may discourage transactions that otherwise could provide for the payment of a premium over prevailing market prices for our Common Stock and also could limit the price that investors are willing to pay in the future for shares of our Common Stock. 39 Because our Intermodal business depends heavily on freight transiting seaports and railheads, our operating results and financial condition are likely to be adversely affected by any reduction or deterioration in service at seaports or railheads. Our Intermodal business provides first- and last-mile high value container drayage services to and from seaports and railheads. Consequently, our ability to continue to expand our Intermodal transportation business is dependent upon the seaports and railheads' capacity to handle Intermodal freight. Our business has, at times, been adversely affected by situations impacting one or more railheads or seaports, including congestion, labor shortages, slowdowns or stoppages, adverse weather conditions, changes to rail operations, or other factors that hinder the railheads and seaports to efficiently handle freight transiting their operations, and these situations may occur again in the future, which could have a material adverse effect on our results of operations and financial condition.