Risk Factors Comparison 2024-05-30 to 2023-06-02 Form: 10-K

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The following important risk factors, and those risk factors described elsewhere in this Annual Report or in our other filings with the SEC, could materially affect our business, financial condition and future results. We also refer you to the factors and cautionary language set forth in the section entitled " Cautionary Statements Regarding Forward- Looking Statements, " above. All of the other information set forth in this Annual Report, including Management' s Discussion and Analysis of Financial Condition and Results of Operations (" MD & A ") and the consolidated financial statements and related notes, should be read in conjunction with the discussion of such risks, cautionary statements and other factors for a full understanding of our operations and financial conditions. Although the risks are organized by headings, and each risk is discussed separately, many are interrelated ~~. The following risks are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and / or operating results~~ . Risks Related to our Business and Operations Our fleet rotation program can be adversely affected by financial market conditions. To meet the needs of our customers, U- Haul maintains a large fleet of rental equipment. Our rental truck fleet rotation program is funded internally through operations and externally from debt and lease financing. Our ability to fund our routine fleet rotation program could be adversely affected if financial market conditions limit the general availability of external financing. This could lead us to operate trucks longer than initially planned and / or reduce the size of the fleet, either of which could materially and negatively affect our results of operations. Another important aspect of our fleet rotation program is the sale of used rental equipment. The sale of used equipment provides us with funds that can be used to purchase new equipment. Conditions may arise that could lead to ~~the~~ **a** decrease in demand and / or resale values for our used equipment. This could have a material adverse effect on our financial results, which could result in substantial losses ~~on the sale of equipment~~ and decreases in cash flows from the ~~sales~~ - **sale** of equipment. We obtain our rental trucks from a limited number of manufacturers. Over the last twenty years, we have purchased the majority of our rental trucks from Ford Motor Company and General Motors Corporation. Our fleet can be negatively affected by issues our manufacturers may face within their own supply chains. Also, ~~it is possible that~~ our suppliers may face financial difficulties, government regulations **,** or organizational changes which could negatively impact their ability to accept future orders from U- Haul or fulfill existing orders. In addition, the cost of acquiring new rental trucks **has increased significantly in recent years. If costs continue to significantly increase in the future, it** could ~~increase~~ materially and negatively affect our ability to rotate new equipment into the fleet. Although we believe that we could contract with alternative manufacturers for our rental trucks, we cannot guarantee or predict how long that would take. In addition, termination of our existing ~~relationship~~ **relationships** with these suppliers could have a material adverse effect on our business, financial condition **,** or results of operations for an indefinite period of time. A significant portion of our revenues are generated through third- parties. Our business plan relies upon a network of independent dealers strategically located throughout the United States and Canada. As of March 31, ~~2023~~ **2024 ,** we had nearly 21, ~~300~~ **000** independent equipment rental dealers. In fiscal ~~2023~~ **2024** , just under half of all U- Move ® rental revenue originated through this network. Our inability to maintain this network or its current cost structure could inhibit our ability to adequately serve our customers and could negatively affect our results of operations and financial position. **Existing and future** ~~The introduction or expansion of~~ laws or regulations favoring electric, autonomous, **and** connected ~~and shared~~ vehicles may negatively impact **the composition of our fleet and negatively affect** our business and results of operations. Regulatory pressure in connection with the introduction and expansion of electric, autonomous **,** and connected rental vehicles could **both require infrastructure improvement that could inhibit our current business model and** negatively impact our ability to acquire, or **increase** our cost of acquisition for rental trucks ~~and~~ **. For example, unless struck down by courts or otherwise amended or rescinded, the Advanced Clean Fleets (" ACF ") Regulation adopted by the California Air Resources Board would** require ~~infrastructure improvements that could inhibit~~ **us to phase out certain internal combustion engine vehicles from** our ~~current business model~~ **fleet and replace them with so- called zero- emission vehicles (" ZEVs ")** . ~~Our~~ **To accommodate ZEVs, our** Company- operated locations and independent dealer network may require physical upgrades ~~to accommodate these types of vehicles~~ that are uneconomical and / or unachievable **. Because many of our vehicles are used by our customers for one- way interstate moves, the ACF or similar laws and regulations that may be adopted in other states could affect our operations across North America because our one- way rental vehicles travel throughout the U. S. and Canada** . Our one- way rental business would **then** depend **, in whole or in part,** on an in- transit recharging network throughout the United States and Canada **to support ZEVs** that ~~simply~~ **one or more states may require us to incorporate into our rental fleet. Such a recharging network** does not exist today, and **even** ~~that,~~ if ~~and when completed~~ **one is built** , **the increased rental cost, and time and cost required to charge electric vehicles or ZEVs** may be so **great** ~~costly or require so much charging time~~ as to substantially limit our ability to serve customers needing to move long distances. We cooperate with original equipment manufacturers (" OEM ~~"~~ **"** s), maintain and train our own technical experts **,** and operate an equipment Technical Center that has positioned us as an industry leader in innovation for over fifty years. However, the proposed changes to electric, autonomous **,** and connected vehicles ~~raises~~ - **raise** challenges of enormous scale. Our repair and maintenance infrastructures, including both physical plants as well as personnel, may be inappropriate for these new types of vehicles. Without such repair and maintenance capabilities it could compromise our ability to operate a fleet of such vehicles. We may also need to depend upon third party providers for some of those services, and they may not be able to provide workable solutions. There is a risk that we may not be able to adequately prepare for these possibilities. In addition, even if we successfully adapt to any such changes, there can be no guarantee that our fleet or services as adapted would meet the needs of our " do- it- yourself ~~"~~ **"** moving and storage customers, or that we would be able to offer our products and services at prices our customers would be willing or able to pay ~~. The growing insistence that the future of the economy will be based on an all- electric solution instead of a hybrid version or other alternative fuels may create an infrastructure in which personal interstate travel will be uneconomical or severely regulated. This would impact the moving business. There may be areas of North America where a charging grid with adequate capacity for our customers may not exist~~ . U- Haul has already made significant progress on several initiatives aimed at **changing technologies, consumer preferences, and** ~~these~~ -- **the** ~~future possibilities~~ **regulatory environment,** including: TruckShare 24 / 7 ®, contactless rentals, a North American propane alternative fuel network, alternative fuel test vehicles and close OEM working relationships. However, these initiatives may not enable us to successfully adapt to the requirements of a changed regulatory environment favoring or requiring all- electric or specific alternative fuel solutions. Government regulators may knowingly or unknowingly choose the winners and losers in this evolving transportation environment ~~. There remains a possibility~~ **, and it is possible** that ~~governments~~ **they** may not ~~select~~ **choose** U- Haul customers and U- Haul to be among the winners **. The growing insistence that the future of the economy will be based on an all- electric solution instead of a hybrid version or other alternative fuels may create an infrastructure in which personal interstate travel will be uneconomical or severely regulated, which could materially and adversely affect our moving business, results of operations, and financial position. In addition, there is growing evidence that consumers may refuse to support an all- electric solution for their moving needs, squeezing U- Haul between government demands and consumer preferences** . We face liability risks associated with the operation of our rental fleet, sales of our products **,** and operation of our locations. The business of renting moving and storage equipment to customers exposes us to liability claims including property damage, personal injury **,** and even death. Likewise, the operation of our moving and storage centers along with the sale of our related moving supplies, towing accessories and installation, and refilling of propane tanks may subject us to liability claims. We seek to limit the occurrence of such ~~events~~ **claims** through the design of our equipment, communication of its proper use, ~~exhaustive~~ repair and maintenance schedules, ~~extensive~~ training of our personnel, ~~proactive~~ risk management assessments **,** and by providing our customers with online resources for the proper use of products and services. Regardless, accidents still occur **,** and we manage the financial risk of these events through third party insurance carriers. While these excess loss and property insurance policies are available today at ~~reasonable~~ **affordable** costs, this could change and could negatively affect our results of operations and financial position. ~~We~~ **Cybersecurity incidents** are ~~highly dependent upon~~ **inevitable and disruptions in** our ~~automated~~ **information technology** systems ~~and the Internet for~~ - **or a compromise** ~~managing our business. Our information systems are largely Internet- based, including our point-~~ of ~~- sale reservation system, payment processing and telephone systems. While our reliance on this technology lowers our cost of providing service and expands our abilities to better serve customers, it exposes us to various risks including natural and man- made disasters, terrorist attacks and cyber- attacks. We have put into place extensive~~ security **with respect** ~~protocols, backup systems and alternative procedures~~ to ~~mitigate these~~ **those** ~~risks. However, disruptions or breaches, detected or undetected by us, for any period of time in any portion of these~~ systems could adversely affect **us** ~~our results of operations and financial condition and inflict reputational damage~~ . **We rely on** ~~In addition, the provision of service to our customers and the operation of our networks and systems involve the storage and transmission of proprietary information and sensitive or confidential data, including personal information of customers, system members and others. Our~~ information technology systems ~~may~~ **to manage and support our operations and provide products, services, and support to our customers. In connection with these activities, we store and transmit proprietary information and sensitive or confidential data, including personally identifiable information of customers, team members and others. Our reliance on these technology systems and our storage and transmission of such data exposes us to various risks, including cyberattacks or failures in all or part of our technology systems that could result in disruptions in our operations, our ability to serve our customers, or a compromise of our data security. We also face such risks through our use of third- party service providers (including banks, dealers, administrators of our medical insurance plans, and law firms), our communication and filing data with regulatory authorities and government agencies, and our other interactions with third parties, any of whom could** be ~~susceptible~~ **the source of a cyberattack on our technology systems or data. We commit resources** to **prevention** ~~computer viruses~~ , ~~attacks~~ **detection, and mitigation to limit the adverse effects of cybersecurity incidents. We have implemented security protocols, backup systems and alternative procedures to mitigate these risks. We employ IT security team members that have cybersecurity experience or certifications and utilize third- party service providers and consultants to protect our systems and assist us in managing these risks. Our Board and its Audit & Cyber Committee exercise oversight of our cybersecurity risks and management' s oversight of the processes and procedures that protect our systems and data. However, despite our security measures, we cannot guarantee that we will not be adversely affected** by ~~computer~~ **cybersecurity incidents, including** ~~hackers~~ -- **hacks of** ~~, malicious insiders, or~~ **our systems** ~~catastrophic events. Hackers~~ , ~~acting individually or in coordinated groups, may also launch distributed~~ denial **-** of **-** service attacks ~~or ransom or~~ **, viruses and** other ~~coordinated~~ **malicious software (malware), team member error or malfeasance, phishing attacks, security breaches, disruptions during the process of upgrading or replacing computer software or hardware, or other** attacks that may ~~cause~~ **jeopardize the security of information stored in or transmitted by technology systems and networks that we or third- party** service ~~outages or other interruptions in our business~~ **providers maintain, which include cloud- based networks** and ~~access to our~~ data **center storage** . In addition, ~~breaches in~~ **our response to** ~~security~~ **cybersecurity** ~~could expose~~ **incidents, our investments in our technology, and our controls, processes, and practices, may not be sufficient to shield** us **from significant** ~~, our customers, or the individuals affected, to a risk of loss~~ **losses** or **liability** ~~misuse of proprietary information and sensitive or confidential data~~ . The techniques used to obtain unauthorized access, disable or degrade service **,** or sabotage systems change frequently, may be difficult to detect **,** ~~for a long time~~ and often are not recognized until launched against a target. As a result, we may **not** ~~be unable to~~ anticipate ~~these~~

~~techniques~~ **an attack** or **respond** ~~to implement adequate~~ **adequately** ~~preventative measures. Any of these occurrences could result in disruptions in our~~ - **or** ~~operations~~ **timely** , ~~the loss of existing or potential customers, damage to our brand~~ -- **and** ~~and reputation, and litigation and potential liability for~~ the **extent** ~~Company. In addition, the cost and operational consequences~~ of **a particular incident** ~~implementing further data or system protection measures could be significant and our efforts to deter, identify, mitigate and / or eliminate any security breaches~~ may not be ~~successful~~ **immediately clear. It could take significant time before an investigation can be completed and reliable information about the incident becomes known. During an investigation, it is possible we may not know the extent of the harm, or how to remediate it, which could further adversely impact us. New regulations could result in us being required to disclose information about a cybersecurity incident before it has been fully investigated, mitigated, or resolved. Due to the risk of allegations by plaintiffs' counsel or government regulators armed with the benefit of hindsight, we may be required to disclose information about a cybersecurity incident even before we determine whether it was material** . In ~~2022~~ **addition, because our systems contain information about individuals** and **businesses, our failure to maintain the security of the data we hold, whether because of our own error or the malfeasance or errors of others, could lead to unauthorized access or the release of personally identifiable or otherwise confidential or protected information. Our failure to maintain the security of the data we hold could also violate applicable privacy, data security and other laws and subject us to lawsuits and regulatory enforcement resulting in fines. Regulators have been imposing new data privacy and security requirements, including new and greater monetary fines for privacy violations, such as those under the California Consumer Privacy Act of 2018, as amended by the California Privacy Rights Act. Other U. S. states and Canadian provinces have also proposed or adopted their own data protection legislation or regulations, which are often broad in scope and subject to evolving interpretations and increasing enforcement. Some of these laws and regulations provide for statutory damages or fines even if the Company has used commercially reasonable efforts to protect its data and systems but a bad actor breaches the Company' s cybersecurity defenses and gains access to personally identifiable information. Even if no party incurs any actual damages, the Company could be punished by the government for criminal cyberattacks by bad actors, and the fines or other costs imposed upon us could reach amounts that could have a material adverse effect on the Company, its results of operations, and financial condition. In addition, new and existing data privacy laws and regulations could diverge and conflict with each other in certain respects, making compliance increasingly difficult. Complying with new regulatory requirements could require us to incur substantial expenses and change our business. As regulators become increasingly focused on information security, data collection, and privacy, we may be required to devote significant additional resources to dealing with their demands. We experience daily threats to our data and systems. We have experienced cybersecurity incidents in the past, none of which, to date, has resulted in a material impact on our business strategy, results of operations, or financial condition. In** 2021, we experienced a cybersecurity incident which is described in this Annual Report under the ~~headings~~ - **heading** " Item 7 Management' s Discussion and Analysis of Financial Condition and Results of Operation – Cybersecurity Incident **.** " **Although past events have not resulted in a material impact on our business strategy, results of operations or financial condition, the impacts of cybersecurity incidents in the future could be material. Although we maintain insurance coverage for various cybersecurity risks, there can be no guarantee that we will be fully insured, or that insurance coverage will remain available for cybersecurity risks. Significantly, no amount of effort to deter, identify, mitigate, and / or prevent cybersecurity breaches can achieve 100 % success in the current cyber threat environment. Given the financial reward reaped by threat actors for their illegal attacks on technology systems and access to data, and the inability of governments or private industry to fully prevent such attacks and resulting breaches, we expect such attacks to continue. We also expect governments to continue to punish companies that are victims of cyberattacks, whether through statutory fines or otherwise. We cannot provide assurance that we will not experience future cybersecurity incidents or that such incidents will not have a material impact on our business strategy, results of operations, or financial condition. Investors who require any such assurance should not invest in the Company** . We may incur losses due to our reinsurers' or counterparties' failure to perform under existing contracts or we may be unable to secure sufficient reinsurance or hedging protection in the future. We use reinsurance and derivative contracts to mitigate our risk of loss in various circumstances. These agreements do not release us from our primary obligations and therefore we remain ultimately responsible for these potential costs. We cannot provide assurance that these reinsurers or counterparties will fulfill their obligations. Their inability or unwillingness to make payments to us under the terms of the contracts may have a material adverse effect on our financial condition and results of operations. As of ~~December 31,~~ **the end of fiscal year** ~~2022~~ **2024** , Repwest reported $ 0. 4 million of reinsurance recoverables, net of allowances and $ ~~41~~ **36** . ~~3~~ **2** million of reserves and liabilities ceded to reinsurers. Of this, Repwest' s largest exposure to a single reinsurer was $ **22. 1 million. As of the end of fiscal year 2024, Oxford' s derivative hedges had a net market value of $ 10. 5 million with notional amounts of $** ~~26~~ **526** . ~~3~~ **4** million. Risks Related to our ~~IndustryWe~~ -- **Industry We** operate in a highly competitive industry. The truck rental industry is highly competitive and includes a number of significant national, regional and local competitors, many of which are several times larger than U- Haul. We believe the principal competitive factors in this industry are convenience of rental locations, availability of quality rental moving equipment, breadth of essential services and products and total cost. Financial results for the Company can be adversely impacted by aggressive pricing from our competitors. Some of our competitors may have greater financial resources than we have. We cannot assure you that we will be able to maintain existing rental prices or implement price increases. Moreover, if our competitors reduce prices and we are not able or willing to do so as well, we may lose rental volume, which would likely have a materially adverse effect on our results of operations. Numerous potential competitors are working to establish paradigm shifting technologies from self- driving vehicles to **vehicle sharing** ~~ride-hailing~~ services and other technologies that connect riders with vehicles. The self- storage industry is large and ~~highly~~ fragmented. We believe the principal competitive factors in this industry are convenience of storage rental locations, cleanliness, security **,** and price. Competition in the market areas in which we operate is significant and affects the occupancy levels, rental rates **,** and operating expenses of our facilities. Competition might cause us to experience a decrease in occupancy levels, limit our ability to raise rental rates **,** or require us to offer discounted rates that would have a material effect on **our** results of operations and financial condition. Entry into the self- storage business may be accomplished through the acquisition of existing facilities by persons or institutions with the required initial capital. **However,** ~~Development~~ **development** of new self- storage facilities is more difficult ~~however,~~ due to land use, zoning, environmental **,** and other regulatory requirements. The self- storage industry has in the past experienced overbuilding in response to perceived increases in demand. Consolidation of ownership is taking place with certain owners of self- storage. We cannot assure you that we will be able to successfully compete in existing markets or expand into new markets. Economic conditions, including those related to the credit markets, interest rates and inflation, may adversely affect our industry, business and results of operations. Consumer and commercial spending ~~is~~ **are** generally affected by the health of the economy, which places some of the factors affecting the success of our business beyond our control. Our businesses, although **traditionally** not as ~~traditionally~~ cyclical as some, could experience significant downturns in connection with or in anticipation of ~~,~~ declines in general economic conditions. In times of declining consumer spending **,** we may be driven ~~, along with our competitors,~~ to reduce pricing, which ~~would~~ **could** have a negative impact on gross profit. **In addition, any** ~~We cannot predict if another~~ downturn in the economy ~~will occur, which~~ could result in reduced revenues and working capital. Trends in the economy are resulting in inflationary pressures leading to an increase in our cost of doing business. We cannot guarantee that we can manage the costs lower or pass them along in the form of higher prices to our customers. Should credit markets in the United States tighten or if interest rates increase significantly, we may not be able to refinance existing debt or find additional financing on favorable terms, if at all. If one or more of the financial institutions that support our existing credit facilities fails or opts not to continue to lend to us, we may not be able to find a replacement, which would negatively impact our ability to borrow under credit facilities. If our operating results were to worsen significantly and our cash flows or capital resources prove inadequate, or if interest rates increase significantly, we could face liquidity problems that could materially and adversely affect our results of operations and financial condition. A. M. Best financial strength ratings are crucial to our life insurance business. In August ~~2022~~ **2023** , A. M. Best affirmed the financial strength rating (“ FSR ”) for Oxford and Christian Fidelity Life Insurance Company (“ CFLIC ”) of A. The FSR outlook remains stable. In addition, A. M. Best affirmed the long- term issuer credit rating (“ LTICR ”) of “ a ”. The LTICR outlook of these ratings is stable. Financial strength ratings are important external factors that can affect the success of Oxford’ s business plans. Accordingly, if Oxford’ s ratings, relative to its competitors, are not maintained or do not continue to improve, Oxford may not be able to retain and attract business as currently planned, which could adversely affect our results of operations and financial condition. Risks Related to our ~~FinancingsWe~~ -- **Financings We** are highly leveraged. As of March 31, ~~2023~~ **2024** , we had total debt outstanding of $ 6, ~~143~~ **304** . ~~4~~ **0** million and operating lease liabilities of $ ~~58~~ **55** . ~~4~~ **0** million. Although we believe, based on existing information, that additional leverage can be supported by our operations and revenues, our existing debt could impact us in the following ways **,** among ~~other~~ **others** ~~considerations~~ : **•** require us to allocate a considerable portion of cash flows from operations to debt service and lease payments; **•** limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate; **•** limit our ability to obtain additional financing; **and •** ~~andplace~~ --- **place** us at a disadvantage compared to our competitors who may have less debt. Our ability to make payments on our debt and leases depends upon our ability to maintain and improve our operating performance and generate cash flow. To some extent, this is subject to prevailing economic and competitive conditions and to certain financial, business and other factors, some of which are beyond our control. If we are unable to generate sufficient cash flow from operations to service our debt and meet our other cash needs, including our leases, we may be forced to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our indebtedness and leases. If we must sell our assets, it may negatively affect our ability to generate revenue. In addition, we may incur additional debt or leases that would exacerbate the risks associated with our indebtedness. Risks Related to our ~~OrganizationA~~ - **Organization A** majority of our Voting Common Stock is owned by a small contingent of stockholders. Willow Grove Holdings LP, directly and through controlled entities (“ WGHLP ”), owns 9, 791, 911 shares of our common stock, $ 0. 25 par value per share (“ Voting Common Stock ”), and together with Edward J. Shoen and Mark V. Shoen, owns 9, 828, 542 shares (approximately 50. 1 %) of Voting Common Stock. The general partner of WGHLP controls the voting and disposition decisions with respect to the Voting Common Stock owned by WGHLP, and is managed by Edward J. Shoen (the Chairman of the Board of Directors and Chief Executive Officer of U- Haul Holding Company) and his brother, Mark V. Shoen. Accordingly, Edward J. Shoen and Mark V. Shoen are in a position to significantly influence our business and policies, including the approval of certain significant transactions, the election of the members of our board of directors (the “ Board ”) and other matters submitted to our stockholders. There can be no assurance that their interests will not conflict with the interests of our other stockholders. Furthermore, we are a “ controlled company ” within the meaning of the New York Stock Exchange corporate governance standards. Under these corporate governance standards, a company of which more than 50 % of the voting power for the election of directors is held by an individual, group or another company is a “ controlled company ” and may elect not to comply with certain corporate governance standards, including the requirements (1) that a majority of our Board consist of independent directors, (2) that our Board have a compensation committee that consists entirely of independent directors with a written charter addressing the committee’ s purpose and responsibilities, and (3) that our director nominations be made, or recommended to our full Board, by our independent directors or by a nominations committee that consists entirely of independent directors and that we adopt a written charter or board resolution addressing the nomination process. ~~The~~ **As described in this Annual Report, we rely upon our “ controlled** ~~Company~~ **company ” status to permit our full Board to nominate directors rather than delegate that responsibility to the independent directors or a nominations committee comprised of independent directors. For that reason, our Board** has not ~~made any election relating~~ **created a nominating committee. In the future we may rely upon our status as a “ controlled company ”** to ~~compliance~~ **not comply** with **other**

~~any of these corporate~~ governance standards. **For example, we may decide not to have a Board that consists of a majority of independent directors or a compensation committee that consists entirely of independent directors with a written charter addressing its purposes and responsibilities.** In addition, ~~836~~ **776** , ~~228~~ **964** shares (approximately 4. ~~3~~ **0** % ~~)~~ of our Voting Common Stock are owned under our ESOP. Each ESOP participant is entitled to vote the shares allocated to himself or herself in their discretion. **If** ~~In the event~~ an ESOP participant does not vote his or her shares, ~~such~~ **those** shares ~~shall~~ **will** be voted by the ESOP trustee, in the ESOP trustee' s discretion. The trading price for our outstanding Voting Common Stock ~~may continue to be volatile~~ and ~~the trading price for our newly distributed~~ Series N Non- Voting Common Stock may ~~also~~ be volatile. **The trading prices** ~~An Independent Special Committee~~ of **our Voting** ~~the Board authorized the creation of a new Series of~~ Common Stock **and** ~~, designated as Series N~~ Non- Voting Common Stock ~~, par value of $ 0. 001 per share (the " Non- Voting Common Stock "). This series of stock is in addition to our pre- existing class of Voting Common Stock. On November 9, 2022, each holder of our Voting Common Stock as of November 3, 2022 received nine shares of Non- Voting Common Stock for every outstanding share of Voting Common Stock through a stock dividend. The Non- Voting Common Stock is listed on the New York Stock Exchange, and we cannot predict whether, or to what extent, a liquid trading market will develop long- term for the Non- Voting Common Stock. If a liquid trading market does not develop or if the Non- Voting Common Stock is not attractive to retail investors, including team members and customers of the Company, we may not achieve our objectives in creating this new class. The trading price of our stock has at times experienced substantial price volatility and may continue to be volatile, including as a result of the distribution of shares of Non- Voting Common Stock. The market prices of our two series of stock~~ and the allocation of value between the two **has previously been, and** may be volatile and their respective values may decline. ~~The~~ **In addition, the** trading ~~price~~ **prices** of our ~~Voting~~ **two series of** ~~Common~~ **common** ~~Stock~~ **stock** ~~and Non- Voting Common Stock~~ may fluctuate widely in response to various factors, some of which are beyond our control. These factors include, among others: • Quarterly variations in our results of operations or those of our competitors. • Announcements by us or our competitors of acquisitions, new products, significant contracts, commercial relationships, or capital commitments. • Recommendations by securities analysts or changes in earnings estimates. • Announcements about our earnings that are not in line with analyst expectations. • Announcements by our competitors of their earnings that are not in line with analyst expectations. • Commentary by industry and market professionals about our products, strategies, and other matters affecting our business and results, regardless of its accuracy. • The volume of shares of Voting Common Stock and Non- Voting Common Stock available for public sale. • Sales of Voting Common Stock and Non- Voting Common Stock by us or by our stockholders (including sales by our directors, executive officers, and other employees). • Short sales, hedging, and other derivative transactions on shares of our Voting Common Stock and Non- Voting Common Stock. • The perceived values of Voting Common Stock and Non- Voting Common Stock relative to one another. Risks Related to Legal, Regulatory and ~~ComplianceOur~~ --- **Compliance Our** operations subject us to numerous environmental laws and regulations and the possibility that environmental liability in the future could adversely affect our operations. Compliance with environmental requirements of federal, state, provincial and local governments in the United States and Canada affects our business. Among other things, these requirements regulate the discharge of materials into the air, land and water and govern the use and disposal of hazardous substances. Under environmental laws or common law principles, we can be held liable for hazardous substances that are found on real property we have owned or operated. We are aware of issues regarding hazardous substances on some of our real estate and we have put in place a remediation plan at each site where we believe such a plan is necessary. See Note 19, Contingencies, of the Notes to Consolidated Financial Statements. We regularly make capital and operating expenditures to stay in compliance with environmental laws. In particular, we have managed a testing and removal program since 1988 for our underground storage tanks. Despite these compliance efforts, the risk of environmental liability is part of the nature of our business. Environmental laws and regulations are complex, change frequently and could become more stringent in the future. We cannot assure you that future compliance with these laws and regulations, future environmental liabilities, the cost of defending environmental claims, conducting any environmental remediation or generally resolving liabilities caused by us or related third parties will not have a material adverse effect on our business, financial condition or results of operations. We operate in a highly regulated industry and changes in existing laws and regulations or violations of existing or future laws and regulations could have a material adverse effect on our operations and profitability. Our truck, trailer **, self- storage,** and U- Box rental business is subject to regulation by various federal, state and provincial governmental entities in the United States and Canada. Specifically, the U. S. Department of Transportation and various state, federal and Canadian agencies exercise broad powers over our motor carrier operations, safety, and the generation, handling, storage, treatment and disposal of waste materials. In addition, our storage business is also subject to federal, state, provincial and local laws and regulations relating to environmental protection and human health and safety, among other matters. The failure to comply with these laws and regulations may adversely affect our ability to sell or rent such property or to use the property as collateral for future borrowings. Compliance with changing laws and regulations could substantially impair real property and equipment productivity and increase our costs. In addition, ~~the~~ federal **, state, or provincial** ~~government~~ **governments** may institute ~~some regulation~~ **regulations** that ~~limits~~ - **limit** carbon emissions by setting a maximum amount of carbon individual entities can emit without penalty. This would likely affect everyone who uses fossil fuels and would disproportionately affect users in the highway transportation industries. While there are too many variables at this time to assess the impact of the various proposed federal and state regulations that could affect carbon emissions, many experts believe these proposed rules could significantly affect the way companies operate in their businesses. The Biden administration has also communicated its willingness to consider the imposition of carbon- based taxes. Our truck rental fleet burns gasoline, a carbon intensive fuel. Where in the supply chain and in what amount these taxes could arise is uncertain. We have no evidence to support a belief that " do- it- yourself " moving customers are willing to accept these additional costs. Should such a tax be enacted, we could see an increase in expenses, including compliance costs and a negative effect on our operating margin. ~~13~~ **Our operations can be limited by land- use regulations. Zoning choices enacted by**

individual municipalities in the United States and Canada may limit our ability to serve certain markets with our products and services. Our insurance companies are heavily regulated by state insurance departments and the National Association of Insurance Commissioners. These insurance regulations are primarily in place to protect the interests of our policyholders and not our investors. Any new laws or regulations applicable to our insurance companies or any changes in existing laws and regulations could increase our costs, inhibit new sales, or limit our ability to implement rate increases. Changes to U. S. tax laws may adversely affect our financial condition or results of operations and create the risk that we may need to adjust our accounting for these changes. The Tax Cuts and Jobs Act (" Tax Reform Act ") and the Coronavirus Aid, Relief and Economic Security Act (" CARES Act ") made significant changes to U. S. tax laws and includes numerous provisions that affect businesses, including ours. For instance, as a result of lower corporate tax rates, the Tax Reform Act tends to reduce both the value of deferred tax assets and the amount of deferred tax liabilities. It also limits interest expense deductions and the amount of net operating losses that can be used each year and alters the expensing of capital expenditures. Other provisions have international tax consequences for businesses like ours that operate internationally. The CARES Act allows for the carryback of certain net operating losses. The Tax Reform Act is unclear in certain respects and will require interpretations and implementing regulations by the Internal Revenue Service (" IRS "), as well as state tax authorities, and the Tax Reform Act and CARES Act could be subject to amendments and technical corrections, any of which could lessen or increase the adverse (and positive) impacts of these acts. The Tax Reform Act put into place 100 % first year bonus depreciation. This decreased to 80 % starting in 2023, 60 % in 2024 and will continue to gradually decrease in future years and will impact our tax liability. The accounting treatment of these tax law changes was complex, and some of the changes affected both current and future periods. Others primarily affected future periods. Additional changes to the U. S. tax code could negatively offset operating cashflows. Changes to tax policy, corporate tax rates or interpretations of existing tax law could change our effective tax rate, reduce future expected tax deductions and increase current and future federal income tax payments. Congress and the Biden administration have proposed increases to the current U. S. corporate income tax rate of 21 %. Any such changes could adversely impact our financial position and results of operations. General Risk Factors Terrorist attacks could negatively impact our operations and profitability and may expose us to liability and reputational damage. Terrorist attacks may negatively affect our operations and profitability. Such attacks may damage our facilities and it is also possible that our rental equipment could be involved in a terrorist attack. Although we carry excess of loss insurance coverage, it may prove to be insufficient to cover us for acts of terror using our rental equipment. Moreover, we may suffer reputational damage that could arise from a terrorist attack which utilizes our rental equipment. The consequences of any terrorist attacks or hostilities are unpredictable and difficult to quantify. We seek to minimize these risks through our operational processes and procedures; however, we may not be able to foresee events that could have an adverse effect on our operations.