

The Company is party to a revolving credit agreement with a group of banks to fund capital investments, letters of credit and working capital needs. On March 6, 2015, the Company entered into the Fifth Amended and Restated Credit Agreement with its banking group (as amended, the Restated Credit Agreement). The Restated Credit Agreement increased the revolving credit facility availability from \$200 million to \$250 million and extended the term until March 2020. The Restated Credit Agreement also reduced the interest rate pricing grid and eliminated both the borrowing base and the minimum tangible net worth covenant. On the same date, the Company also entered into the Second Amended and Restated Master Shelf Agreement with its long term note holders (as amended, the Restated Master Shelf Agreement) that made changes to this agreement to conform to certain changes in the Restated Credit Agreement. The Company has pledged certain real estate and facilities, tractors and trailers, accounts receivable and other assets to secure indebtedness under both agreements.

Restated Credit Agreement

The Restated Credit Agreement is a revolving credit facility for up to \$250 million expiring in March 2020. The Restated Credit Agreement also has an accordion feature that allows for an additional \$75 million of availability, subject to lender approval. The Restated Credit Agreement provides for a LIBOR rate margin range from 112.5 basis points to 225 basis points, base rate margins from minus 12.5 basis points to plus 50 basis points, an unused portion fee from 20 basis points to 30 basis points and a letter of credit fee range from 112.5 basis points to 225 basis points in each case based on the Company's leverage ratio.

Under the Restated Credit Agreement, the Company must maintain certain financial covenants including a minimum fixed charge coverage ratio and a maximum leverage ratio, among others. The Restated Credit Agreement also provides for a pledge by the Company of certain land and structures, certain tractors, trailers and other personal property and accounts receivable, as defined in the Restated Credit Agreement.

At December 31, 2016, the Company had no outstanding borrowings and outstanding letters of credit of \$39.4 million under the Restated Credit Agreement. At December 31, 2015, the Company had borrowings of \$14.5 million and outstanding letters of credit of \$44.8 million under the Restated Credit Agreement. The available portion of the Restated Credit Agreement may be used for general corporate purposes, including future capital expenditures, working capital and letter of credit requirements as needed.

Restated Master Shelf Agreement

In 2002, the Company issued \$100 million in Senior Notes under a \$125 million (amended to \$150 million in April 2005) Master Shelf Agreement with Prudential Investment Management, Inc. and certain of its affiliates. The Company issued another \$25 million in Senior Notes on November 30, 2007 and \$25 million in Senior Notes on January 31, 2008 under the same Master Shelf Agreement.

The November 2007 issuance of \$25 million Senior Notes has a fixed interest rate of 6.14 percent. The January 2008 issuance of \$25 million Senior Notes has a fixed interest rate of 6.17 percent. Payments due for both \$25 million issuances were interest only until June 30, 2011 and at that time semi-annual principal payments began with the final payments due December 31, 2017. Under the terms of the Senior Notes, the Company must maintain certain financial covenants including a minimum fixed charge coverage ratio and a maximum leverage ratio, among others. The Senior Notes also provide for a pledge by the Company of certain land and structures, certain tractors, trailers and other personal property and accounts receivable, as defined in the Senior Notes. At December 31, 2016 and 2015, the Company had \$7.1 million and \$14.3 million, respectively, in Senior Notes outstanding.

Capital Leases

The Company is obligated under capital leases with seven year terms which include obligations covering revenue equipment totaling \$66.7 million and \$40.2 million as of December 31, 2016 and 2015, respectively. Amortization of assets held under the capital leases is included in depreciation and amortization expense. The weighted average interest rate for the capital leases at December 31, 2016 and 2015 is 2.82% and 2.85%, respectively.