

For further information on the above transactions, see Note 2 – Business Combinations and Divestitures in the accompanying notes to the consolidated financial statements included elsewhere in this report.

Preferred Stock Offering

On June 19, 2020, we issued 45,000 shares of 7.125% Series C Fixed-Rate Non-Cumulative Perpetual Preferred Stock, par value \$0.01 per share, with a liquidation preference of \$1,000 per share through an underwritten public offering of 1,800,000 depository shares, each representing a 1/40th ownership interest in a share of the Series C Preferred Stock. Total gross proceeds from the preferred stock offering were \$45.0 million. Net proceeds after underwriting discounts and offering expenses were \$42.4 million. The net proceeds will be used for general corporate purposes.

Stock Repurchase Program

During the year ended December 31, 2020, we repurchased 871,319 shares into treasury stock under our stock repurchase program at an average price of \$40.81, for a total of \$35.6 million, effectively completing the \$50.0 million stock repurchase program authorized by our board of directors on October 16, 2019.

Trucking Transportation

The fourth quarter continued to see demand exceed capacity in all areas of the transportation industry. Spot rates continued to outpace contract rates in all sectors. While elevated dry van rates maintained in a typical peak season quarter, reefer and flatbed rates reached new all-time highs during the fourth quarter. With the resumption of a strong oil and gas market, many drivers and Carriers in flat bed returned to the energy space causing capacity issues as shipping for steel, lumber and manufacturing items attempted to catch up from prior delays. The demand for reefers, particularly those with newer compliant trailers, sent spot rates to new highs.

Recent Developments: COVID-19 and the CARES Act

Significant progress has been made to combat the outbreak of COVID-19; however, the global pandemic has adversely impacted a broad range of industries in which the Company's customers operate and could still impair their ability to fulfill their financial obligations to the Company. While employee availability has had no material impact on operations to date, a resurgence of COVID-19 has the potential to create widespread business continuity issues for the Company.

Congress, the President, and the Federal Reserve have taken several actions designed to cushion the economic fallout. The Coronavirus Aid, Relief and Economic Security ("CARES") Act was signed into law at the end of March 2020. The goal of the CARES Act was to curb the economic downturn through various measures, including direct financial aid to American families and economic stimulus to significantly impacted industry sectors through programs like the Paycheck Protection Program ("PPP") and Main Street Lending Program. During December 2020, many provisions of the CARES Act were extended through the end of 2021. In addition to the general impact of COVID-19, certain provisions of the CARES Act as well as other recent legislative and regulatory relief efforts have had a material impact on the Company's 2020 and 2021 operations and could continue to impact operations going forward.

The Company's business is dependent upon the willingness and ability of its employees and customers to conduct banking and other financial transactions. In spite of the resurgence of the virus via the Omicron variant, it appears that epidemiological and macroeconomic conditions are trending in a positive direction as of December 31, 2021; however, if there is a prolonged resurgence in the virus, the Company could experience further adverse effects on its business, financial condition, results of operations and cash flows. While it is not possible to know the full universe or extent that the impact of COVID-19, and any potential resulting measures to curtail its spread, will have on the Company's future operations, the Company is disclosing potentially material items of which it is aware.