UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

☒ **Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the quarterly period ended June 30, 2020
or

☐ **Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the transition period from _____ to _____

Commission File Number: 001-10883

WABASH NATIONAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware		**52-1375208**
(State of Incorporation)		(IRS Employer Identification Number)
1000 Sagamore Parkway South		
Lafayette Indiana		**47905**
(Address of Principal Executive Offices)		(Zip Code)

Registrant's telephone number, including area code: **(765) 771-5300**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol(s)**	**Name of each exchange on which registered**
Common Stock, $0.01 par value	WNC	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer ☒	Accelerated filer ☐
Non-accelerated filer ☐	Smaller reporting company ☐
Emerging growth company ☐	

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares of common stock outstanding at July 24, 2020 was 52,912,988.

WABASH NATIONAL CORPORATION
FORM 10-Q

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Part I - FINANCIAL INFORMATION

Item 1. Financial Statements

WABASH NATIONAL CORPORATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	June 30, 2020	December 31, 2019
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	$ 135,993	$ 140,516
Accounts receivable, net	123,952	172,737
Inventories	201,068	186,914
Prepaid expenses and other	41,836	41,222
Total current assets	502,849	541,389
Property, plant, and equipment, net	218,637	221,346
Goodwill	204,418	311,026
Intangible assets, net	178,836	189,898
Other assets	37,525	40,932
Total assets	$ 1,142,265	$ 1,304,591
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of long-term debt	$ —	$ —
Current portion of finance lease obligations	337	327
Accounts payable	124,747	134,821
Other accrued liabilities	107,030	124,230
Total current liabilities	232,114	259,378
Long-term debt	455,800	455,386
Finance lease obligations	206	378
Deferred income taxes	35,179	37,576
Other non-current liabilities	25,749	30,885
Total liabilities	749,048	783,603
Commitments and contingencies		
Stockholders' equity:		
Common stock 200,000,000 shares authorized, $0.01 par value, 52,906,115 and 53,473,620 shares outstanding, respectively	753	750
Additional paid-in capital	639,330	638,917
Retained earnings	106,656	221,841
Accumulated other comprehensive losses	(6,915)	(3,978)
Treasury stock at cost, 22,500,750 and 21,640,109 common shares, respectively	(346,607)	(336,542)
Total stockholders' equity	393,217	520,988
Total liabilities and stockholders' equity	$ 1,142,265	$ 1,304,591

The accompanying notes are an integral part of these Condensed Consolidated Statements.

WABASH NATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited – dollars in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net sales	$ 339,153	$ 626,053	$ 726,227	$ 1,159,227
Cost of sales	304,832	538,403	655,163	1,002,887
Gross profit	34,321	87,650	71,064	156,340
General and administrative expenses	19,633	26,509	45,825	56,649
Selling expenses	4,886	8,494	12,884	16,717
Amortization of intangible assets	5,493	5,109	10,988	10,238
Impairment and other, net	(1,690)	—	105,424	—
Income (loss) from operations	5,999	47,538	(104,057)	72,736
Other income (expense):				
Interest expense	(5,882)	(7,020)	(12,154)	(14,110)
Other, net	285	1,081	405	912
Other expense, net	(5,597)	(5,939)	(11,749)	(13,198)
Income (loss) before income tax expense (benefit)	402	41,599	(115,806)	59,538
Income tax expense (benefit)	548	10,639	(9,013)	13,798
Net (loss) income	$ (146)	$ 30,960	$ (106,793)	$ 45,740
Net (loss) income per share:				
Basic	$ 0.00	$ 0.56	$ (2.01)	$ 0.83
Diluted	$ 0.00	$ 0.56	$ (2.01)	$ 0.82
Weighted average common shares outstanding (in thousands):				
Basic	52,874	55,197	53,015	55,233
Diluted	52,874	55,668	53,015	55,719
Dividends declared per share	$ 0.08	$ 0.08	$ 0.16	$ 0.16

The accompanying notes are an integral part of these Condensed Consolidated Statements.

WABASH NATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited – dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net (loss) income	$ (146)	$ 30,960	$ (106,793)	$ 45,740
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment	318	(115)	(1,318)	183
Unrealized gain (loss) on derivative instruments	2,264	78	(1,619)	(736)
Total other comprehensive income (loss)	2,582	(37)	(2,937)	(553)
Comprehensive income (loss)	$ 2,436	$ 30,923	$ (109,730)	$ 45,187

The accompanying notes are an integral part of these Condensed Consolidated Statements.

WABASH NATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – dollars in thousands)

	Six Months Ended June 30,	
	2020	**2019**
Cash flows from operating activities		
Net (loss) income	$ (106,793)	$ 45,740
Adjustments to reconcile net (loss) income to net cash provided by operating activities		
Depreciation	11,657	10,957
Amortization of intangibles	10,988	10,238
Net (gain) loss on sale of property, plant and equipment	(1,690)	481
Loss on debt extinguishment	—	53
Deferred income taxes	(2,648)	(2,214)
Stock-based compensation	416	5,377
Impairment	107,114	—
Non-cash interest expense	535	523
Accounts receivable	48,785	10,886
Inventories	(14,154)	(80,163)
Prepaid expenses and other	(8,195)	(325)
Accounts payable and accrued liabilities	(22,126)	58,210
Other, net	(1,235)	1,210
Net cash provided by operating activities	22,654	60,973
Cash flows from investing activities		
Capital expenditures	(10,921)	(14,995)
Proceeds from the sale of property, plant, and equipment	2,725	38
Net cash used in investing activities	(8,196)	(14,957)
Cash flows from financing activities		
Proceeds from exercise of stock options	—	55
Dividends paid	(8,742)	(9,061)
Borrowings under revolving credit facilities	45,449	288
Payments under revolving credit facilities	(45,449)	(288)
Principal payments under finance lease obligations	(162)	(152)
Principal payments under term loan credit facility	—	(15,470)
Debt issuance costs paid	(12)	(71)
Stock repurchase	(10,065)	(13,852)
Net cash used in financing activities	(18,981)	(38,551)
Cash and cash equivalents:		
Net (decrease) increase in cash, cash equivalents, and restricted cash	(4,523)	7,465
Cash, cash equivalents and restricted cash at beginning of period	140,516	132,690
Cash, cash equivalents, and restricted cash at end of period	$ 135,993	$ 140,155
Supplemental disclosures of cash flow information:		
Cash paid for interest	$ 11,732	$ 13,661
(Refunds received) cash paid for income taxes	$ (520)	$ 10,567

The accompanying notes are an integral part of these Condensed Consolidated Statements.

WABASH NATIONAL CORPORATION
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited – dollars in thousands)

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Losses	Treasury Stock	Total
	Shares	Amount					
Balances at December 31, 2019	53,473,620	$ 750	$ 638,917	$ 221,841	$ (3,978)	$ (336,542)	$ 520,988
Net loss for the period				(106,647)			(106,647)
Foreign currency translation and other					(1,636)		(1,636)
Stock-based compensation	141,223	3	(920)				(917)
Stock repurchase	(766,122)					(10,051)	(10,051)
Common stock dividends				(3,885)			(3,885)
Unrealized loss on derivative instruments, net of tax					(3,883)		(3,883)
Balances at March 31, 2020	52,848,721	$ 753	$ 637,997	$ 111,309	$ (9,497)	$ (346,593)	$ 393,969
Net loss for the period				(146)			(146)
Foreign currency translation and other					318		318
Stock-based compensation	57,394	—	1,333				1,333
Stock repurchase						(14)	(14)
Common stock dividends				(4,507)			(4,507)
Unrealized gain on derivative instruments, net of tax					2,264		2,264
Balances at June 30, 2020	52,906,115	$ 753	$ 639,330	$ 106,656	$ (6,915)	$ (346,607)	$ 393,217

	Common Stock		Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Losses	Treasury Stock	Total
	Shares	Amount					
Balances at December 31, 2018	55,135,788	$ 744	$ 629,039	$ 150,244	$ (3,343)	$ (302,835)	$ 473,849
Net income for the period				14,780			14,780
Foreign currency translation and other					298		298
Stock-based compensation	273,158	5	2,581				2,586
Stock repurchase						(2,635)	(2,635)
Common stock dividends				(4,512)			(4,512)
Unrealized loss on derivative instruments, net of tax					(814)		(814)
Stock option exercises	15,187		54				54
Balances at March 31, 2019	55,424,133	$ 749	$ 631,674	$ 160,512	$ (3,859)	$ (305,470)	$ 483,606
Net income for the period				30,960			30,960
Foreign currency translation and other					(115)		(115)
Stock-based compensation	26,639	—	2,791				2,791
Stock repurchase	(775,081)					(11,217)	(11,217)
Common stock dividends				(4,538)			(4,538)
Unrealized gain on derivative instruments, net of tax					78		78
Balances at June 30, 2019	54,675,691	$ 749	$ 634,465	$ 186,934	$ (3,896)	$ (316,687)	$ 501,565

The accompanying notes are an integral part of these Condensed Consolidated Statements.

WABASH NATIONAL CORPORATION
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. BASIS OF PRESENTATION

The condensed consolidated financial statements of Wabash National Corporation (the "Company") have been prepared without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles have been condensed or omitted pursuant to such rules and regulations. In the opinion of management, the accompanying condensed consolidated financial statements contain all material adjustments (consisting only of normal recurring adjustments) necessary to present fairly the consolidated financial position of the Company, its results of operations, and its cash flows. The condensed consolidated financial statements included herein should be read in conjunction with the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019.

2. NEW ACCOUNTING PRONOUNCEMENTS

In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2016-13, "Financial Instruments - Credit Losses," which introduced new guidance for an approach based on expected losses to estimate credit losses on certain types of financial instruments. It also modifies the impairment model for available-for-sale debt securities and provides for a simplified accounting model for purchased financial assets with credit deterioration since their origination. Instruments in scope include loans, held-to-maturity debt securities, and net investments in leases as well as reinsurance and trade receivables. In November 2018, the FASB issued ASU 2018-19, which clarifies that operating lease receivables are outside the scope of the new standard. The Company adopted the standard using the modified retrospective approach as required on January 1, 2020. The adoption of the new credit losses model did not have a material impact on the Company's condensed consolidated financial statements.

3. REVENUE RECOGNITION

The Company recognizes revenue from the sale of its products when obligations under the terms of a contract with our customers are satisfied; this occurs with the transfer of control of our products and replacement parts or throughout the completion of service work. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring promised goods or services to a customer and excludes all taxes collected from the customer. Shipping and handling fees are included in *Net sales* and the associated costs included in *Cost of sales* in the Condensed Consolidated Statements of Operations. For shipping and handling costs that take place after the transfer of control, the Company applies the practical expedient and treats such costs as a fulfillment cost. Incidental items that are immaterial in the context of the contract are recognized as expense. For performance obligations satisfied over time, which include certain equipment-related sales within our Diversified Products reportable segment that have no alternative use and contain an enforceable right to payment, as well as service work whereby the customer simultaneously receives and consumes the benefits provided, the Company recognizes revenue on the basis of the Company's efforts or inputs to the satisfaction of these performance obligations, measured by actual total cost incurred to the total estimated costs for each project. Total revenue recognized over time was not material to the condensed consolidated financial statements for all periods presented.

The Company has identified three separate and distinct performance obligations: 1) the sale of a trailer or equipment, 2) the sale of replacement parts, and 3) service work. For trailer, truck body, equipment, and replacement part sales, control is transferred and revenue is recognized from the sale upon shipment to or pick up by the customer in accordance with the contract terms. The Company does not have any material extended payment terms as payment is received shortly after the point of sale. Accounts receivable are recorded when the right to consideration becomes unconditional. The Company does have customers who pay for the product prior to the transfer of control which is recorded as customer deposits in *Other accrued liabilities* as shown in Note 10. Customer deposits are recognized as revenue when the Company performs its obligations under the contract and transfers control of the product.

4. GOODWILL IMPAIRMENT

Goodwill

As of December 31, 2019, goodwill allocated to our Commercial Trailer Products, Diversified Products ("DPG"), and Final Mile Products ("FMP") segments was approximately $2.6 million, $140.7 million, and $167.7 million, respectively. Within the DPG segment, goodwill was allocated between the Tank Trailers and Process Systems reporting units in the amount of $98.4 million and $42.3 million, respectively.

The Company did not perform in-line with expectations during the first quarter of 2020, partially as a result of the ongoing COVID-19 pandemic. In addition, subsequent to December 31, 2019, the Company's share price and market capitalization declined. As a result, indicators of impairment were identified and the Company performed an interim quantitative assessment as of March 31, 2020, utilizing a combination of the income and market approaches, which were weighted evenly. The results of the quantitative analysis indicated the carrying value of the FMP and Tank Trailers reporting units exceeded their respective fair values and, accordingly, goodwill impairment charges of $95.8 million and $11.0 million, respectively, were recorded during the first quarter of 2020. The goodwill impairment charges, which are based on Level 3 fair value measurements, are included in *Impairment and other, net* in the Condensed Consolidated Statements of Operations. The Company considered whether there were any indicators of impairment during the three months ended June 30, 2020 and concluded there were none.

For the period ended June 30, 2020, the changes in the carrying amounts of goodwill were as follows (in thousands):

	Commercial Trailer Products	Diversified Products	Final Mile Products	Total
Balance at December 31, 2018				
Goodwill	$ 4,288	$ 145,688	$ 167,715	$ 317,691
Accumulated impairment losses	(1,663)	(4,944)	—	(6,607)
Net balance as of December 31, 2018	2,625	140,744	167,715	311,084
Impact of divestiture on goodwill	—	(4,944)	—	(4,944)
Impact of divestiture on accumulated impairment losses	—	4,944	—	4,944
Effects of foreign currency	—	(58)	—	(58)
Balance as of December 31, 2019				
Goodwill	4,288	140,686	167,715	312,689
Accumulated impairment losses	(1,663)	—	—	(1,663)
Net balance as of December 31, 2019	2,625	140,686	167,715	311,026
Goodwill impairments	—	(10,971)	(95,766)	(106,737)
Effects of foreign currency	—	131	—	131
Balance at March 31, 2020				
Goodwill	4,288	140,817	167,715	312,820
Accumulated impairment losses	(1,663)	(10,971)	(95,766)	(108,400)
Net balance as of March 31, 2020	2,625	129,846	71,949	204,420
Goodwill impairments	—	—	—	—
Effects of foreign currency	—	(2)	—	(2)
Balance at June 30, 2020				
Goodwill	4,288	140,815	167,715	312,818
Accumulated impairment losses	(1,663)	(10,971)	(95,766)	(108,400)
Net balance as of June 30, 2020	$ 2,625	$ 129,844	$ 71,949	$ 204,418

5. INVENTORIES

Inventories consist of the following components (in thousands):

	June 30, 2020	December 31, 2019
Raw materials and components	$ 103,347	$ 105,332
Finished goods	74,573	58,224
Work in progress	13,421	14,269
Aftermarket parts	7,462	6,590
Used trailers	2,265	2,499
	$ 201,068	$ 186,914

6. PREPAID EXPENSES

Prepaid expenses and other current assets consist of the following (in thousands):

	June 30, 2020	December 31, 2019
Chassis converter pool agreements	$ 3,527	$ 10,164
Assets held for sale	3,020	3,020
Income tax receivables	12,326	8,701
Insurance premiums & maintenance agreements	7,154	3,217
All other	15,809	16,120
	$ 41,836	$ 41,222

Chassis converter pool agreements represent chassis transferred to the Company on a restricted basis by the manufacturer, who retains the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales to the manufacturer's dealers. Assets held for sale are primarily related to the Company's remaining retail location and unused land parcels, which are actively being marketed for sale. Insurance premiums and maintenance agreements are charged to expenses over the contractual life, which is generally one year or less. Additionally, prepaid expenses include contract assets related to contracts for which the Company recognizes revenue over time as services are completed. There is no restricted cash included in prepaid expenses and other current assets as of June 30, 2020 and December 31, 2019.

7. DEBT

Long-term debt consists of the following (in thousands):

	June 30, 2020	December 31, 2019
Senior notes due 2025	$ 325,000	$ 325,000
Term loan credit agreement due 2022	135,228	135,228
	460,228	460,228
Less: unamortized discount and fees	(4,428)	(4,842)
Less: current portion	—	—
	$ 455,800	$ 455,386

Senior Notes

On September 26, 2017, the Company issued Senior Notes due 2025 (the "Senior Notes") with an aggregate principal amount of $325 million. The Senior Notes bear interest at the rate of 5.50% per annum from the date of issuance, and pay interest semi-annually in cash on April 1 and October 1 of each year. The Company used the net proceeds of $318.9 million from the sale of the Senior Notes to finance a portion of the acquisition of Supreme and to pay related fees and expenses. The Senior Notes are guaranteed on a senior unsecured basis by all direct and indirect existing and future domestic restricted subsidiaries, subject to certain restrictions. The Senior Notes and related guarantees are the Company's and the guarantors' general unsecured senior obligations and are subordinate to all of the Company's and the guarantors' existing and future secured debt to the extent of the assets securing that secured obligation. In addition, the Senior Notes are structurally subordinate to any existing and future debt of any of the Company's subsidiaries that are not guarantors, to the extent of the assets of those subsidiaries. The Senior Notes will mature on October 1, 2025.

The indenture for the Senior Notes restricts the Company's ability and the ability of certain of its subsidiaries, subject to certain exceptions and qualifications, to: (i) incur additional indebtedness; (ii) pay dividends or make other distributions in respect of, or repurchase or redeem, its capital stock or with respect to any other interest or participation in, or measured by, its profits; (iii) make loans and certain investments; (iv) sell assets; (v) create or incur liens; (vi) enter into transactions with affiliates; and (vii) consolidate, merge or sell all or substantially all of its assets.

The indenture for the Senior Notes contains customary events of default and covenants. As of June 30, 2020, the Company was in compliance with all covenants, and while the duration and severity of the COVID-19 pandemic are unknown at this time, the Company does not anticipate that the pandemic will impact its ability to remain in compliance with these covenants.

Contractual coupon interest expense and accretion of discount and fees for the Senior Notes was $4.6 million and $9.3 million for the three- and six-month periods ended June 30, 2020, respectively, while contractual coupon interest expense and accretion of discount and fees for the Senior Notes was $4.6 million and $9.2 million for the three- and six-month periods ended June 30,

2019, respectively. Contractual coupon interest expense and accretion of discount and fees are included in *Interest expense* on the Company's Condensed Consolidated Statements of Operations.

Revolving Credit Agreement

On December 21, 2018, the Company entered into the Second Amended and Restated Credit Agreement (the "Revolving Credit Agreement" or "Revolving Facility"), among the Company, certain of its subsidiaries as borrowers (together with the Company, the "Borrowers"), the lenders from time to time party thereto, Wells Fargo Capital Finance, LLC, and Citizens Business Capital, which amended and restated the Company's existing amended and restated revolving credit agreement, dated as of May 8, 2012.

The Revolving Credit Agreement is guaranteed by certain subsidiaries of the Company (the "Revolver Guarantors") and is secured by (i) first priority security interests in substantially all personal property of the Borrowers and the Revolver Guarantors, consisting of accounts receivable, inventory, cash, deposit and securities accounts and any cash or other assets in such accounts and, to the extent evidencing or otherwise related to such property, all general intangibles, licenses, intercompany debt, letter of credit rights, commercial tort claims, chattel paper, instruments, supporting obligations, documents and payment intangibles (collectively, the "Revolver Priority Collateral"), and (ii) second-priority liens on and security interests in (A) equity interests of each direct subsidiary held by the Borrowers and each Revolver Guarantor, and (B) substantially all other tangible and intangible assets of the Borrowers and the Revolver Guarantors, excluding real property (the "Term Priority Collateral").

The Revolving Credit Agreement has a scheduled maturity date of December 21, 2023, subject to certain springing maturity events.

Under the Revolving Credit Agreement, the lenders agree to make available to the Company a $175 million revolving credit facility. The Company has the option to increase the total commitment under the facility to up to $275 million, subject to certain conditions. Subject to availability, the Revolving Credit Agreement provides for a letter of credit subfacility in an amount not in excess of $15 million, and allows for swingline loans in an amount not in excess of $17.5 million. Outstanding borrowings under the Revolving Credit agreement will bear interest at an annual rate, at the Borrowers' election, equal to (i) LIBOR plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the revolving loan facility. The Borrowers are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses thereunder.

The Revolving Credit Agreement contains various customary covenants. In addition, the Company will be required to maintain a minimum fixed charge coverage ratio of not less than 1.0 to 1.0 as of the end of any period of 12 fiscal months when excess availability under the Revolving Credit Agreement is less than 10% of the total revolving commitment.

During the three-month period ended March 31, 2020, the Company drew $45.0 million under the Revolving Credit Agreement in response to the uncertainty caused by the COVID-19 pandemic as a precautionary measure. During the second quarter of 2020, the Company repaid the $45.0 million in outstanding borrowings, and as of June 30, 2020 there were no amounts outstanding under the Revolving Credit Facility. The Company was in compliance with all covenants as of June 30, 2020, and while the duration and severity of the COVID-19 pandemic are unknown at this time, the Company does not anticipate that the pandemic will impact its ability to remain in compliance with these covenants. For the three- and six-month periods ended June 30, 2020, the Company paid approximately $0.2 million of interest under the Revolving Credit Agreement. During the three- and six-month periods ended June 30, 2019, the Company had no outstanding borrowings under the Revolving Credit Agreement and paid no interest. The Company's liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Facility, amounted to $303.6 million as of June 30, 2020, and $308.1 million as of December 31, 2019.

Term Loan Credit Agreement

In May 2012, the Company entered into the Term Loan Credit Agreement (as amended, the "Term Loan Credit Agreement"), which provides for, among other things, (x) a senior secured term loan of $188.0 million that matures on March 19, 2022, subject to certain springing maturity events (the "Term Loans"), and (y) an uncommitted accordion feature to provide for additional senior secured term loans of up to $75 million plus an unlimited amount provided that the senior secured leverage ratio would not exceed 3.00 to 1.00, subject to certain conditions (the "Term Loan Facility").

On November 17, 2017, the Company entered into Amendment No. 5 to the Term Loan Credit Agreement ("Amendment No. 5"). As of the Amendment No. 5 date, $188.0 million of the Term Loans were outstanding. Under Amendment No. 5, the lenders agreed to provide to the Company term loans in the same aggregate principal amount of the outstanding Term Loans, which were used to refinance the outstanding Term Loans.

The Term Loan Credit Agreement is guaranteed by certain of the Company's subsidiaries, and is secured by (i) first-priority liens on, and security interests in, the Term Priority Collateral, and (ii) second-priority security interests in the Revolver Priority Collateral.

The Term Loan Credit Agreement contains various customary covenants. As of June 30, 2020, the Company was in compliance with all covenants, and while the duration and severity of the COVID-19 pandemic are unknown at this time, the Company does not anticipate that the pandemic will impact its ability to remain in compliance with these covenants.

For the three-month period ended June 30, 2020, under the Term Loan Credit Agreement the Company paid interest of $1.0 million and made no principal payments. For the three-month period ended June 30, 2019, the Company paid interest of $2.2 million and made principal payments of $15.0 million. For the six-month period ended June 30, 2020, the Company paid interest of $2.4 million and made no principal payments. For the six-month period ended June 30, 2019, the Company paid interest of $4.4 million and made principal payments of $15.5 million. As of June 30, 2020, the Company had $135.2 million outstanding under the Term Loan Credit Agreement, of which none was classified as current on the Company's Condensed Consolidated Balance Sheets.

For each three-month period ended June 30, 2020 and 2019, the Company incurred charges of less than $0.1 million, and $0.1 million for each six-month period ended June 30, 2020 and 2019, for amortization of fees and original issuance discount, which is included in *Interest expense* in the Condensed Consolidated Statements of Operations.

8. FINANCIAL DERIVATIVE INSTRUMENTS

Commodity Pricing Risk

As of June 30, 2020, the Company was party to commodity swap contracts for specific commodities with notional amounts of approximately $38.4 million. The Company uses commodity swap contracts to mitigate the risks associated with fluctuations in commodity prices impacting its cash flows related to inventory purchases from suppliers. The Company does not hedge all commodity price risk.

At inception, the Company designated the commodity swap contracts as cash flow hedges. The contracts mature at specified monthly settlement dates and will be recognized into earnings through January 2021. The effective portion of the hedging transaction is recognized in Accumulated Other Comprehensive Income ("AOCI") and transferred to earnings when the forecasted hedged transaction takes place or when the forecasted hedged transaction is no longer probable to occur.

Financial Statement Presentation

As of June 30, 2020 and December 31, 2019, the fair value carrying amount of the Company's derivative instruments were recorded as follows (in thousands):

		Asset / (Liability) Derivatives	
	Balance Sheet Caption	June 30, 2020	December 31, 2019
Derivatives designated as hedging instruments			
Commodity swap contracts	Prepaid expenses and other	$ 347	$ 1,290
Commodity swap contracts	Other accrued liabilities	(5,083)	(3,216)
Total derivatives designated as hedging instruments		$ (4,736)	$ (1,926)

The following table summarizes the gain or loss recognized in AOCI as of June 30, 2020 and December 31, 2019 and the amounts reclassified from AOCI into earnings for the three and six months ended June 30, 2020 and 2019 (in thousands):

	Amount of Gain (Loss) Recognized in AOCI on Derivatives (Effective Portion, net of tax)		Location of Gain (Loss) Reclassified from AOCI into Earnings (Effective Portion)	Amount of Gain (Loss) Reclassified from AOCI into Earnings			
				Three Months Ended June 30,		Six Months Ended June 30,	
	June 30, 2020	December 31, 2019		2020	2019	2020	2019
Derivatives instruments							
Commodity swap contracts	$ (3,731)	$ (2,112)	Cost of sales	$ (2,398)	$ (478)	$ (4,183)	$ (646)

Over the next 12 months, the Company expects to reclassify approximately $5.0 million of pretax deferred losses, related to the commodity swap contracts, from AOCI to cost of sales as inventory purchases are settled.

9. LEASES

The Company records a right-of-use ("ROU") asset and lease liability for substantially all leases for which it is a lessee, in accordance with ASC 842. Leases with an initial term of 12 months or less are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term. The Company has no significant lease agreements in place for which the Company is a lessor. At inception of a contract, the Company considers all relevant facts and circumstances to assess whether or not the contract represents a lease by determining whether or not the contract conveys the right to control the use of an identified asset, either explicit or implicit, for a period of time in exchange for consideration.

The Company leases certain industrial spaces, office space, land, and equipment. Some leases include one or more options to renew, with renewal terms that can extend the lease term from generally one to 5 years. The exercise of lease renewal options is at the Company's sole discretion, and are included in the lease term only to the extent such renewal options are reasonably certain of being exercised at lease commencement. Certain leases also include options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term, unless there is a transfer of title or purchase option reasonably certain of exercise. During the three months ended June 30, 2020, leased assets obtained in exchange for new operating lease liabilities totaled approximately $0.6 million. As of June 30, 2020, leases that the Company has signed but have not yet commenced are immaterial.

Leased assets and liabilities included within the Condensed Consolidated Balance Sheets consist of the following (in thousands):

	Classification	June 30, 2020	December 31, 2019
Right-of-Use Assets			
Operating	Other assets	$ 12,937	$ 14,246
Finance	Property, plant and equipment, net of depreciation	2,873	2,945
Total leased ROU assets		$ 15,810	$ 17,191
Liabilities			
Current			
Operating	Other accrued liabilities	$ 4,343	$ 4,369
Finance	Current portion of finance lease obligations	337	327
Noncurrent			
Operating	Non-current liabilities	8,839	10,041
Finance	Finance lease obligations	206	378
Total lease liabilities		$ 13,725	$ 15,115

Lease costs included in the Condensed Consolidated Statements of Operations consist of the following (in thousands):

	Classification	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019
Operating lease cost	Cost of sales, selling expenses and general and administrative expense	$ 1,229	$ 1,126
Finance lease cost			
Amortization of ROU leased assets	Depreciation and amortization	36	36
Interest on lease liabilities	Interest expense	12	17
Net lease cost		$ 1,277	$ 1,179

	Classification	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Operating lease cost	Cost of sales, selling expenses and general and administrative expense	$ 2,627	$ 2,198
Finance lease cost			
Amortization of ROU leased assets	Depreciation and amortization	72	72
Interest on lease liabilities	Interest expense	33	35
Net lease cost		$ 2,732	$ 2,305

Maturity of the Company's lease liabilities as of June 30, 2020 is as follows (in thousands):

	Operating Leases	Finance Leases	Total
2020 (remainder)	$ 2,476	$ 180	$ 2,656
2021	4,661	361	5,022
2022	3,020	30	3,050
2023	2,102	—	2,102
2024	1,007	—	1,007
Thereafter	1,251	—	1,251
Total lease payments	$ 14,517	$ 571	$ 15,088
Less: interest	1,335	28	
Present value of lease payments	$ 13,182	$ 543	

As most of the Company's leases do not provide an implicit rate, the Company uses its incremental borrowing rate based on the information available at the commencement date in determining the present value of lease payments. Remaining lease term and discount rates are as follows:

	June 30, 2020	December 31, 2019
Weighted average remaining lease term (years)		
Operating leases	3.8	4.0
Finance leases	1.6	2.1
Weighted average discount rate		
Operating leases	5.06 %	5.17 %
Finance leases	6.16 %	6.16 %

Lease costs included in the Condensed Consolidated Statements of Cash Flows are as follows (in thousands):

	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash flows from operating leases	$ 2,604	$ 2,124
Operating cash flows from finance leases	$ 19	$ 35
Financing cash flows from finance leases	$ 162	$ 152

10. OTHER ACCRUED LIABILITIES

The following table presents the major components of *Other accrued liabilities* (in thousands):

	June 30, 2020	December 31, 2019
Warranty	$ 21,933	$ 22,575
Chassis converter pool agreements	3,527	10,164
Payroll and related taxes	10,314	25,263
Customer deposits	28,964	19,324
Self-insurance	12,898	12,934
Accrued interest	4,583	4,696
Operating lease obligations	4,343	4,369
Accrued taxes	6,944	10,344
All other	13,524	14,561
	$ 107,030	$ 124,230

The following table presents the changes in the product warranty accrual included in *Other accrued liabilities* (in thousands):

	2020	2019
Balance as of January 1	$ 22,575	$ 22,247
Provision for warranties issued in current year	2,302	1,948
Payments	(2,944)	(1,183)
Balance as of June 30	$ 21,933	$ 23,012

The Company offers a limited warranty for its products with a coverage period that ranges between one and 5 years, except that the coverage period for DuraPlate® trailer panels is 10 years. The Company passes through component manufacturers' warranties to our customers. The Company's policy is to accrue the estimated cost of warranty coverage at the time of the sale.

11. FAIR VALUE MEASUREMENTS

The Company's fair value measurements are based upon a three-level valuation hierarchy. These valuation techniques are based upon the transparency of inputs (observable and unobservable) to the valuation of an asset or liability as of the measurement date. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect the Company's market assumptions. These two types of inputs create the following fair value hierarchy:

- Level 1 — Valuation is based on quoted prices for identical assets or liabilities in active markets;
- Level 2 — Valuation is based on quoted prices for similar assets or liabilities in active markets, or other inputs that are observable for the asset or liability, either directly or indirectly, for the full term of the financial instrument; and
- Level 3 — Valuation is based upon other unobservable inputs that are significant to the fair value measurement.

Recurring Fair Value Measurements

The Company maintains a non-qualified deferred compensation plan which is offered to senior management and other key employees. The amount owed to participants is an unfunded and unsecured general obligation of the Company. Participants are offered various investment options with which to invest the amount owed to them, and the plan administrator maintains a record of the liability owed to participants by investment. To minimize the impact of the change in market value of this liability, the Company has elected to purchase a separate portfolio of investments through the plan administrator similar to those chosen by the participant.

The investments purchased by the Company include mutual funds, which are classified as Level 1, and life-insurance contracts valued based on the performance of underlying mutual funds, which are classified as Level 2. Additionally, upon the Company's acquisition of Supreme in 2017, the Company acquired a pool of investments made by a wholly owned captive insurance subsidiary. These investments are comprised of mutual funds, which are classified as Level 1.

The fair value of the Company's derivatives is estimated with a market approach using third-party pricing services, which have been corroborated with data from active markets or broker quotes.

Fair value measurements and the fair value hierarchy level for the Company's assets and liabilities measured at fair value on a recurring basis, are shown below (in thousands):

	Frequency	Asset / (Liability)	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
June 30, 2020					
Commodity swap contracts	Recurring	(4,736)	—	(4,736)	—
Mutual funds	Recurring	5,256	5,256	—	—
Life-insurance contracts	Recurring	14,624	—	14,624	—
December 31, 2019					
Commodity swap contracts	Recurring	(1,926)	—	(1,926)	—
Mutual funds	Recurring	7,367	7,367	—	—
Life-insurance contracts	Recurring	15,072	—	15,072	—

Estimated Fair Value of Debt

The estimated fair value of debt at June 30, 2020 consists primarily of the Senior Notes due 2025 and borrowings under the Term Loan Credit Agreement (see Note 7). The fair value of the Senior Notes due 2025 and Term Loan Credit Agreement are based upon third party pricing sources, which generally do not represent daily market activity or represent data obtained from an exchange, and are classified as Level 2. The interest rates on the Company's borrowings under the Revolving Credit Facility are adjusted regularly to reflect current market rates and thus when any amounts are outstanding carrying value approximates fair value for these borrowings.

The Company's carrying and estimated fair value of debt at June 30, 2020 and December 31, 2019 were as follows (in thousands):

	June 30, 2020				December 31, 2019			
	Carrying Value	Fair Value			Carrying Value	Fair Value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Instrument								
Senior Notes due 2025	$ 320,902	$ —	$ 292,839	$ —	$ 320,572	$ —	$ 320,572	$ —
Term Loan Credit Agreement	134,898	—	129,502	—	134,814	—	134,814	—
	$ 455,800	$ —	$ 422,341	$ —	$ 455,386	$ —	$ 455,386	$ —

The fair value of debt is based on current public market prices for disclosure purposes only. Unrealized gains or losses are not recognized in the financial statements as long-term debt is presented at carrying value, net of unamortized premium or discount and unamortized deferred financing costs.

12. COMMITMENTS AND CONTINGENCIES

As of June 30, 2020, the Company was named as a defendant or was otherwise involved in numerous legal proceedings and governmental examinations, in connection with the conduct of its business activities, in various jurisdictions, both in the United States and internationally. On the basis of information currently available to it, management does not believe that existing proceedings and investigations will have a material impact on our consolidated financial condition or liquidity if determined in a manner adverse to the Company. However, such matters are unpredictable, and we could incur judgments or enter into settlements for current or future claims that could materially and adversely affect our financial statements. Costs associated with the litigation and settlements of legal matters are reported within *General and administrative expenses* in the Condensed Consolidated Statements of Operations.

Environmental Disputes

In August 2014, the Company received notice as a potentially responsible party ("PRP") by the South Carolina Department of Health and Environmental Control (the "DHEC") pertaining to the Philip Services Site located in Rock Hill, South Carolina pursuant to the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA") and corresponding South Carolina statutes. PRPs include parties identified through manifest records as having contributed to deliveries of hazardous substances to the Philip Services Site between 1979 and 1999. The DHEC's allegation that the Company was a PRP arises out of four manifest entries in 1989 under the name of a company unaffiliated with Wabash National (or any of its former or current subsidiaries) that purport to be delivering a de minimis amount of hazardous waste to the Philip Services Site "c/o Wabash

National Corporation." As such, the Philip Services Site PRP Group (the "PRP Group") notified Wabash in August 2014 that it was offering the Company the opportunity to resolve any liabilities associated with the Philip Services Site by entering into a Cash Out and Reopener Settlement Agreement (the "Settlement Agreement") with the PRP Group, as well as a Consent Decree with the DHEC. The Company has accepted the offer from the PRP Group to enter into the Settlement Agreement and Consent Decree, while reserving its rights to contest its liability for any deliveries of hazardous materials to the Philips Services Site. The requested settlement payment is immaterial to the Company's financial conditions or operations, and as a result, if the Settlement Agreement and Consent Decree are finalized, the payment to be made by the Company thereunder is not expected to have a material adverse effect on the Company's financial condition or results of operations.

On November 13, 2019, the Company received a notice that it was considered one of several PRP's by the Indiana Department of Environmental Management ("IDEM") under CERCLA and state law related to substances found in soil and groundwater at a property located at 817 South Earl Avenue, Lafayette, Indiana ("the Site"). The Company has never owned or operated the Site, but the Site is near certain of the Company's owned properties. The Company has agreed to implement a limited work plan to further investigate the source of the contamination at the Site and has worked with IDEM and other PRP's to finalize the terms of the work plan. The Company expects to submit its initial site investigation report to IDEM during the third quarter of 2020. As of June 30, 2020, based on the information available, the Company does not expect this matter to have a material adverse effect on its financial condition or results of operations.

Chassis Converter Pool Agreements

The Company, through Supreme, obtains most vehicle chassis for its specialized vehicle products directly from the chassis manufacturers under converter pool agreements. Chassis are obtained from the manufacturers based on orders from customers, and in some cases, for unallocated orders. The agreements generally state that the manufacturer will provide a supply of chassis to be maintained at the Company's facilities with the condition that we will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. In addition, the manufacturer typically retains the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to the manufacturer's dealers. The manufacturer also does not transfer the certificate of origin to the Company nor permit the Company to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer). Although the Company is party to related finance agreements with manufacturers, the Company has not historically settled, nor expects to in the future settle, any related obligations in cash. Instead, the obligation is settled by the manufacturer upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by the manufacturer. Accordingly, as of June 30, 2020, the Company's outstanding chassis converter pool with the manufacturer totaled $3.5 million and has included this financing agreement on the Company's Condensed Consolidated Balance Sheets within *Prepaid expenses and other* and *Other accrued liabilities*. All other chassis programs through its Supreme subsidiary are handled as consigned inventory belonging to the manufacturer and totaled approximately $1.9 million. Under these agreements, if the chassis is not delivered to a customer within a specified time frame the Company is required to pay a finance or storage charge on the chassis. Additionally, the Company receives finance support funds from manufacturers when the chassis are assigned into the Company's chassis pool. Typically, chassis are converted and delivered to customers within 90 days of the receipt of the chassis by the Company.

13. NET (LOSS) INCOME PER SHARE

Basic earnings per share is calculated based on the weighted average number of common shares outstanding during the period. Diluted earnings per share is determined based on the weighted average number of common shares outstanding during the period combined with the incremental average common shares that would have been outstanding assuming the conversion of all potentially dilutive common shares into common shares as of the earliest date possible. The calculation of basic and diluted net (loss) income per share is determined using net (loss) income applicable to common stockholders as the numerator and the number of shares included in the denominator as shown below (in thousands, except per share amounts). Due to the net loss applicable to common stockholders for the three and six months ended June 30, 2020, no securities had a dilutive impact for these periods.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Basic net (loss) income per share:				
Net (loss) income applicable to common stockholders	$ (146)	$ 30,960	$ (106,793)	$ 45,740
Weighted average common shares outstanding	52,874	55,197	53,015	55,233
Basic net (loss) income per share	$ 0.00	$ 0.56	$ (2.01)	$ 0.83
Diluted net (loss) income per share:				
Net (loss) income applicable to common stockholders	$ (146)	$ 30,960	$ (106,793)	$ 45,740
Weighted average common shares outstanding	52,874	55,197	53,015	55,233
Dilutive stock options and restricted stock	—	471	—	486
Diluted weighted average common shares outstanding	52,874	55,668	53,015	55,719
Diluted net (loss) income per share	$ 0.00	$ 0.56	$ (2.01)	$ 0.82

14. STOCK-BASED COMPENSATION

The Company recognizes all share-based payments based upon their fair value. The Company grants restricted stock units subject to specific service, performance, and/or market conditions. The Company's policy is to recognize expense for awards that have service conditions only subject to graded vesting using the straight-line attribution method. The fair value of service and performance based units is based on the market price of a share of underlying common stock at the date of grant. The fair value of the market based units is based on a lattice valuation model. The amount of compensation costs related to restricted stock units and performance units not yet recognized was $15.9 million at June 30, 2020, for which the expense will be recognized through 2023.

15. STOCKHOLDERS' EQUITY

Share Repurchase Program

On November 14, 2018, the Board of Directors approved the extension of the Company's existing stock repurchase program for an additional three-year period and authorized up to an additional $100 million in repurchases. Stock repurchases under this program may be made in the open market or in private transactions at times and in amounts determined by the Company. As of June 30, 2020, $60.2 million remained available under the program.

Common and Preferred Stock

The Board of Directors has the authority to issue common and unclassed preferred stock of up to 200 million shares and 25 million shares, respectively, with par value of $0.01 per share, as well as to fix dividends, voting and conversion rights, redemption provisions, liquidation preferences and other rights and restrictions.

Accumulated Other Comprehensive Income

Changes in AOCI by component, net of tax, for the six months ended June 30, 2020 are summarized as follows (in thousands):

	Foreign Currency Translation	Derivative Instruments	Total
Balances at December 31, 2019	$ (1,866)	$ (2,112)	$ (3,978)
Net unrealized gains (losses) arising during the period[a]	(1,636)	(5,217)	(6,853)
Less: Net realized gains (losses) reclassified to net (loss) income[b]	—	(1,334)	(1,334)
Net change during the period	(1,636)	(3,883)	(5,519)
Balances at March 31, 2020	(3,502)	(5,995)	(9,497)
Net unrealized gains (losses) arising during the period[c]	318	470	788
Less: Net realized gains (losses) reclassified to net income[d]	—	(1,794)	(1,794)
Net change during the period	318	2,264	2,582
Balances at June 30, 2020	(3,184)	(3,731)	(6,915)

[a] Derivative instruments net of $1,759 thousand of tax benefit for the three months ended March 31, 2020.
[b] Derivative instruments net of $451 thousand of tax benefit for the three months ended March 31, 2020.
[c] Derivative instruments net of $158 thousand of tax liability for the three months ended June 30, 2020.
[d] Derivative instruments net of $604 thousand of tax benefit for the three months ended June 30, 2020.

Changes in AOCI by component, net of tax, for the six months ended June 30, 2019 are summarized as follows (in thousands):

	Foreign Currency Translation	Derivative Instruments	Total
Balances at December 31, 2018	$ (2,578)	$ (765)	$ (3,343)
Net unrealized gains (losses) arising during the period[e]	298	(939)	(641)
Less: Net realized gains (losses) reclassified to net income[f]	—	(125)	(125)
Net change during the period	298	(814)	(516)
Balances at March 31, 2019	(2,280)	(1,579)	(3,859)
Net unrealized gains (losses) arising during the period[g]	(115)	(279)	(394)
Less: Net realized gains (losses) reclassified to net income[h]	—	(357)	(357)
Net change during the period	(115)	78	(37)
Balances at June 30, 2019	(2,395)	(1,501)	(3,896)

[e] Derivative instruments net of $308 thousand of tax benefit for the three months ended March 31, 2019.
[f] Derivative instruments net of $42 thousand of tax benefit for the three months ended March 31, 2019.
[g] Derivative instruments net of $93 thousand of tax benefit for the three months ended June 30, 2019.
[h] Derivative instruments net of $121 thousand of tax benefit for the three months ended June 30, 2019.

16. INCOME TAXES

On March 27, 2020, the United States enacted the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") in response to the COVID-19 pandemic. Certain provisions of the legislation had a significant impact on the expected annual effective tax rate, income tax payable, and deferred income tax positions of the Company for the three- and six- month periods ended June 30, 2020. The Company continues to evaluate the provisions of the CARES Act.

For the three months ended June 30, 2020, the Company recognized income tax expense of $0.5 million compared to $10.6 million for the same period in the prior year. The effective tax rate for this period was 136.3% compared to 25.6% for the same period in the prior year. The Company recognized an income tax benefit of $9.0 million in the first six months of 2020 compared to expense of $13.8 million for the same period in the prior year. The effective tax rates for the first six months of 2020 and 2019 were 7.8% and 23.2%, respectively. For the first six months of 2020, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes, impairment of non-deductible goodwill, provisions related to the CARES Act, and discrete items incurred related to stock-based compensation. For the first six months of 2019, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes and recognition of excess tax benefits on share-based compensation.

17. LONG-LIVED ASSETS

During the second quarter of 2020, the Company sold property, plant, and equipment assets for proceeds totaling $2.7 million and recognized a net gain on sale of approximately $1.7 million. The net gain on sale is included in *Impairment and other, net* in the Condensed Consolidated Statements of Operations.

18. SEGMENTS

a. Segment Reporting

The Company manages its business in three segments: Commercial Trailer Products, Diversified Products, and Final Mile Products. The Commercial Trailer Products segment manufactures standard and customized van and platform trailers and other transportation related equipment for customers who purchase directly from the Company or through independent dealers. The Diversified Products segment, comprised of three strategic business units including, Tank Trailer, Process Systems and Composites, focuses on the Company's commitment to expand its customer base, diversify its product offerings and revenues and extend its market leadership by leveraging its proprietary DuraPlate® panel technology, drawing on its core manufacturing expertise and making available products that are complementary to truck and tank trailers and transportation equipment. The Final Mile Products segment manufactures truck bodies for customers in the final mile space.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies except that the Company evaluates segment performance based on (loss) income from operations. The Company has not allocated certain corporate related administrative costs, interest and income taxes included in the corporate and eliminations segment to the Company's other reportable segments. The Company accounts for intersegment sales and transfers at cost plus a specified mark-up.

Reportable segment information is as follows (in thousands):

Three Months Ended June 30, 2020	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
Net sales					
External customers	$ 232,247	$ 56,074	$ 50,832	$ —	$ 339,153
Intersegment sales	7	7,877	—	(7,884)	—
Total net sales	$ 232,254	$ 63,951	$ 50,832	$ (7,884)	$ 339,153
Income (loss) from operations	$ 18,599	$ 2,242	$ (6,569)	$ (8,273)	$ 5,999
Assets	$ 347,072	$ 289,927	$ 370,915	$ 134,351	$ 1,142,265

Three Months Ended June 30, 2019	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
Net sales					
External customers	$ 400,401	$ 90,835	$ 134,817	$ —	$ 626,053
Intersegment sales	463	6,191	—	(6,654)	—
Total net sales	$ 400,864	$ 97,026	$ 134,817	$ (6,654)	$ 626,053
Income (loss) from operations	$ 39,918	$ 8,911	$ 9,221	$ (10,512)	$ 47,538
Assets	$ 358,880	$ 337,197	$ 496,733	$ 182,019	$ 1,374,829

Six Months Ended June 30, 2020	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
Net sales					
External customers	$ 483,192	$ 131,933	$ 111,102	$ —	$ 726,227
Intersegment sales	37	14,976	—	(15,013)	—
Total net sales	$ 483,229	$ 146,909	$ 111,102	$ (15,013)	$ 726,227
Income (loss) from operations	$ 34,470	$ (3,828)	$ (114,610)	$ (20,089)	$ (104,057)
Assets	$ 347,072	$ 289,927	$ 370,915	$ 134,351	$ 1,142,265

Six Months Ended June 30, 2019	Commercial Trailer Products	Diversified Products	Final Mile Products	Corporate and Eliminations	Consolidated
Net sales					
External customers	$ 740,546	$ 183,015	$ 235,666	$ —	$ 1,159,227
Intersegment sales	1,363	13,659	—	(15,022)	—
Total net sales	$ 741,909	$ 196,674	$ 235,666	$ (15,022)	$ 1,159,227
Income (loss) from operations	$ 66,239	$ 16,955	$ 11,090	$ (21,548)	$ 72,736
Assets	$ 358,880	$ 337,197	$ 496,733	$ 182,019	$ 1,374,829

b. Product Information

The Company offers products primarily in four general categories: (1) new trailers, (2) used trailers, (3) components, parts and service, and (4) equipment and other. The following table sets forth the major product categories and their percentage of consolidated net sales (dollars in thousands):

Three Months Ended June 30, 2020	Commercial Trailer Products	Diversified Products	Final Mile Products	Eliminations	Consolidated	
New trailers	$ 218,753	$ 28,176	$ —	$ —	$ 246,929	72.8 %
Used trailers	2,273	1,323	—	—	3,596	1.1 %
Components, parts and service	9,571	22,166	2,453	(7,884)	26,306	7.8 %
Equipment and other	1,657	12,286	48,379	—	62,322	18.4 %
Total net sales	$ 232,254	$ 63,951	$ 50,832	$ (7,884)	$ 339,153	100.0 %

Three Months Ended June 30, 2019	Commercial Trailer Products	Diversified Products	Final Mile Products	Eliminations	Consolidated	
New trailers	$ 385,842	$ 49,325	$ —	$ —	$ 435,167	69.5 %
Used trailers	13	739	—	—	752	0.1 %
Components, parts and service	10,622	29,007	4,447	(6,575)	37,501	6.0 %
Equipment and other	4,387	17,955	130,370	(79)	152,633	24.4 %
Total net sales	$ 400,864	$ 97,026	$ 134,817	$ (6,654)	$ 626,053	100.0 %

Six Months Ended June 30, 2020	Commercial Trailer Products	Diversified Products	Final Mile Products	Eliminations	Consolidated	
New trailers	$ 456,654	$ 71,488	$ —	$ —	$ 528,142	72.7 %
Used trailers	2,591	2,533	—	—	5,124	0.7 %
Components, parts and service	18,843	48,248	6,175	(14,984)	58,282	8.0 %
Equipment and other	5,141	24,640	104,927	(29)	134,679	18.5 %
Total net sales	$ 483,229	$ 146,909	$ 111,102	$ (15,013)	$ 726,227	100.0 %

Six Months Ended June 30, 2019	Commercial Trailer Products	Diversified Products	Final Mile Products	Eliminations	Consolidated	
New trailers	$ 711,661	$ 95,124	$ —	$ —	$ 806,785	69.6 %
Used trailers	150	1,326	—	—	1,476	0.1 %
Components, parts and service	20,955	64,891	7,863	(14,495)	79,214	6.8 %
Equipment and other	9,143	35,333	227,803	(527)	271,752	23.4 %
Total net sales	$ 741,909	$ 196,674	$ 235,666	$ (15,022)	$ 1,159,227	100.0 %

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report of Wabash National Corporation (together with its subsidiaries, the "Company," "Wabash," "we," "our," or "us") contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). Forward-looking statements may include the words "may," "will," "estimate," "intend," "continue," "believe," "expect," "plan" or "anticipate" and other similar words. Our "forward-looking statements" include, but are not limited to, statements regarding:

- our business plan;
- our ability to effectively manage and operate our business given the ongoing uncertainty caused by the COVID-19 pandemic;
- our ability to effectively integrate Supreme and realize expected synergies and benefits from the Supreme acquisition;
- our expected revenues, income or loss;
- our ability to manage our indebtedness;
- our strategic plan and plans for future operations;
- financing needs, plans and liquidity, including for working capital and capital expenditures;
- our ability to achieve sustained profitability;
- reliance on certain customers and corporate relationships;
- availability and pricing of raw materials, including the impact of tariffs or other international trade developments;
- availability of capital and financing;
- dependence on industry trends;
- the outcome of any pending litigation or notice of environmental dispute;
- export sales and new markets;
- engineering and manufacturing capabilities and capacity, including our ability to attract and retain qualified personnel;
- our ability to develop and commercialize new products;
- acceptance of new technologies and products;
- government regulation; and
- assumptions relating to the foregoing.

Although we believe that the expectations expressed in our forward-looking statements are reasonable, actual results could differ materially from those projected or assumed in our forward-looking statements. Our future financial condition and results of operations, as well as any forward-looking statements, are subject to change and are subject to inherent risks and uncertainties, such as those disclosed in this Quarterly Report. Important risks and factors that could cause our actual results to be materially different from our expectations include the factors that are disclosed in "Part II, Item 1A-Risk Factors" included herein and in "Item 1A-Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2019. Each forward-looking statement contained in this Quarterly Report reflects our management's view only as of the date on which that forward-looking statement was made. We are not obligated to update forward-looking statements or publicly release the result of any revisions to them to reflect events or circumstances after the date of this Quarterly Report or to reflect the occurrence of unanticipated events, except as required by law.

COVID-19 Update

In March 2020, a global pandemic was declared by the World Health Organization ("WHO") related to COVID-19. This pandemic continues to create significant uncertainties and disruption in the global economy. We are closely monitoring the most recent developments regarding the pandemic, and we continue to remain focused on the health and safety of our employees, as well as the health of our business, both in the short and long-term. We monitor, evaluate, and manage our operating plans in light of the most recent developments on an ongoing basis. Further, we are adhering to best-practice safe hygiene guidelines by recognized health experts, like the WHO, as well as any applicable government mandates related to the COVID-19 pandemic. We remain focused on business continuity and ensuring our facilities remain operational where safe and appropriate to do so.

The safety and well-being of our employees has, and will remain, our highest priority. In early March, we assembled a pandemic response team to manage the changes necessary to adapt to the rapidly-changing environment. This response team continues to meet regularly with our senior leadership team to provide updates and continuously monitor the most recent developments. Actions we have taken to protect our employees include, but are not limited to:

- Within our factories, we are providing personal protective equipment for our employees, conducting daily health monitoring, cleaning more frequently, and have modified our operations to embrace social distancing where possible.
- Within our office environments, a large number of our employees remain working remotely. This allows ample space for those coming in to the office to spread out and distance effectively.
- We are utilizing daily health screenings and self-declaration for employees, contractors, and visitors, and we are encouraging employees with symptoms to stay home. In addition, senior leadership approval is required for all travel as we are making concerted efforts to avoid "hotspots" throughout the country.
- Suspended all Company-sponsored large events, community use of our facilities, and other forms of group gatherings involving external visitors.
- Implemented pandemic continuity plans.

We have also extended several actions implemented to address the COVID-19 impact to our business, including a temporary freeze on share repurchases, reductions to discretionary spending, business-related travel restrictions, elimination of non-essential investments, and re-prioritization of capital expenditures (including maintaining our assets to capitalize on any economic and/or industry upswings). In addition, on May 3, 2020, we completed a two-week idling of operations and Company-wide furlough that began on April 20, 2020. We completed an additional furlough during the second quarter of 2020, which included an idling of operations from June 29, 2020 through July 3, 2020. We continue to monitor the rapidly evolving situation and guidance from international and domestic authorities, including federal, state and local public health authorities, and may take additional actions based on their requirements and recommendations.

While the global market downturn and overall impacts on our operations are expected to be temporary, the duration of the impacts cannot be estimated at this time. Should the disruptions continue for an extended period of time or worsen, the impact on our production, supply chain, and overall business could have a material adverse effect on our results of operations, financial condition, and cash flows. In addition, see "Part II, Item 1A – Risk Factors," included herein for an update to our risk factors regarding risks associated with the COVID-19 pandemic.

Results of Operations

The following table sets forth certain operating data as a percentage of net sales for the three and six months ended June 30, 2020 and 2019:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net sales	100.0 %	100.0 %	100.0 %	100.0 %
Cost of sales	89.9 %	86.0 %	90.2 %	86.5 %
Gross profit	10.1 %	14.0 %	9.8 %	13.5 %
General and administrative expenses	5.8 %	4.2 %	6.3 %	4.9 %
Selling expenses	1.4 %	1.4 %	1.8 %	1.4 %
Amortization of intangibles	1.6 %	0.8 %	1.5 %	0.9 %
Other operating expenses	(0.5 %)	— %	14.5 %	— %
Income (loss) from operations	1.8 %	7.6 %	(14.3)%	6.3 %
Interest expense	(1.7 %)	(1.1 %)	(1.7)%	(1.2)%
Other, net	0.1 %	0.2 %	0.1 %	0.1 %
Income (loss) before income tax expense (benefit)	0.2 %	6.7 %	(15.9)%	5.2 %
Income tax expense (benefit)	0.2 %	1.7 %	(1.2)%	1.2 %
Net (loss) income	0.0 %	5.0 %	(14.7)%	4.0 %

For the three-month period ended June 30, 2020, we recorded net sales of $339.2 million compared to $626.1 million in the prior year period. Net sales for the three-month period ended June 30, 2020 decreased $286.9 million, or 45.8%, compared to the prior year period, due primarily to 43.7% and 62.4% decreases in new trailer unit and truck body unit shipments, respectively, which contributed to decreases in sales within each of our reportable segments. The decreases in sales and shipments compared to the prior year period are primarily attributable to overall softer demand in the industry, which was worsened by the ongoing impacts of COVID-19, and has reduced demand for our products. Gross profit margin decreased to 10.1% in the second quarter of 2020 compared to 14.0% in the prior year period driven by fixed costs as a percentage of sales increasing year-over-year. While overall industry demand during the second quarter of 2020 was softer than anticipated and expected shipment and production levels for the remainder of 2020 have decreased from 2019 estimates, we continue to believe we are well-positioned to navigate this uncertain environment as we have prepared for an eventual downturn in the industry over the last two years. We are focused on the continued pursuit to implement changes to our processes and cost structure given the current environment and have taken actions at all levels of the Company to contain cost and preserve the strength of our balance sheet.

For the three-month period ended June 30, 2020, selling, general and administrative expenses declined $10.5 million as compared to the same period in 2019. The decrease compared to the same period in the prior year was primarily attributable to lower employee-related costs, including employee incentive programs, partially offset by severance-related expenses, as well as lower travel and marketing-related expenses. This decrease was due, in part, to COVID-19 related items that impacted our employee incentive programs, as well as the cost containment measures we have implemented. As a percentage of net sales, selling, general and administrative expenses increased to 7.2% in the second quarter of 2020 as compared to 5.6% in the prior year period.

Our management team continues to be focused on increasing overall stockholder value by optimizing our manufacturing operations to match the current demand environment, implementing cost savings initiatives and lean manufacturing techniques, strengthening our capital structure, developing innovative products that enable our customers to succeed, improving earnings, and continuing diversification of the business into higher margin opportunities that leverage our intellectual and process capabilities.

Three Months Ended June 30, 2020 Compared with the Three Months Ended June 30, 2019

Net Sales

Net sales in the second quarter of 2020 decreased $286.9 million, or 45.8%, compared to the second quarter of 2019. By business segment, prior to the elimination of intercompany sales, sales and related units sold were as follows (dollars in thousands):

	Three Months Ended June 30,		Change	
	2020	2019	Amount	%
	(prior to elimination of intersegment sales)			
Sales by Segment				
Commercial Trailer Products	$ 232,254	$ 400,864	$ (168,610)	(42.1 %)
Diversified Products	63,951	97,026	(33,075)	(34.1 %)
Final Mile Products	50,832	134,817	(83,985)	(62.3 %)
Eliminations	(7,884)	(6,654)	(1,230)	
Total	$ 339,153	$ 626,053	$ (286,900)	(45.8 %)
New Trailers	(units)			
Commercial Trailer Products	8,000	14,250	(6,250)	(43.9 %)
Diversified Products	400	750	(350)	(46.7 %)
Total	8,400	15,000	(6,600)	(44.0 %)
Used Trailers	(units)			
Commercial Trailer Products	185	—	185	100.0 %
Diversified Products	35	25	10	40.0 %
Total	220	25	195	780.0 %

Commercial Trailer Products segment sales, prior to the elimination of intersegment sales, were $232.3 million for the second quarter of 2020, a decrease of $168.6 million, or 42.1%, compared to the second quarter of 2019. New trailers shipped during the second quarter of 2020 totaled 8,000 trailers compared to 14,250 trailers in the prior year period, a decrease of 43.9%. The decrease in net sales is partially attributable to the continuing impacts of COVID-19, which have reduced demand for our products. Used trailer sales increased $2.3 million compared to the prior year period primarily due to a 185 unit increase in used trailer shipments compared to the prior year period.

Diversified Products segment sales, prior to the elimination of intersegment sales, were $64.0 million for the second quarter of 2020, a decrease of $33.1 million, or 34.1%, compared to the second quarter of 2019. Equipment sales decreased $5.7 million, or 31.6%, compared to the prior year period. New trailer shipments for the second quarter of 2020 totaled 400 units compared to 750 units in the prior year period. While new trailer sales decreased $21.1 million, or 42.9%, from the prior year period, revenue per new trailer unit increased approximately 2.6%. Sales of our parts and service product offerings totaled $14.3 million for the second quarter of 2020, a decrease of $8.5 million or 37.4% as compared to the prior year period. The decreases in our equipment sales and sales from our parts and service offerings are in part attributable to the impacts of COVID-19, which have caused reduced demand for our products.

Final Mile Products segment sales, prior to the elimination of intersegment sales, were $50.8 million in the second quarter of 2020, a decrease of $84.0 million, or 62.3%, compared to the second quarter of 2019. New truck body sales decreased $80.2 million, or 62.7%, and parts and service revenue decreased $3.8 million, or 54.5%, compared to the prior year period. The decrease in truck body sales is primarily due to a 62.5% decrease in truck body unit shipments in the second quarter of 2020 compared to the prior year period. The overall decrease in net sales compared to the prior year period is attributable to softer demand in this market segment and decreased chassis availability from our suppliers, both of which were worsened by the impacts of the ongoing COVID-19 pandemic.

Cost of Sales

Cost of sales was $304.8 million in the second quarter of 2020, a decrease of $233.6 million, or 43.4%, compared to the prior year period. Cost of sales is comprised of material costs, a variable expense, and other manufacturing costs, comprised of both fixed and variable expenses, including direct and indirect labor, outbound freight, and overhead expenses.

Commercial Trailer Products segment cost of sales was $209.9 million in the second quarter of 2020, a decrease of $144.1 million, or 40.7%, compared to the prior year period. The decrease was primarily driven by an overall decrease in manufacturing costs as a result of lower sales volumes, including a $113.4 million decrease in materials costs and a $30.7 million decrease in other manufacturing costs. The lower sales volumes were due in part to the ongoing COVID-19 pandemic.

Diversified Products segment cost of sales was $53.2 million in the second quarter of 2020, a decrease of $23.7 million, or 30.8%, compared to the prior period. The decrease in cost of sales was primarily due to lower sales volumes, which resulted in lower materials costs of $15.5 million and other manufacturing costs of $8.2 million. The lower sales volumes were partially driven by the ongoing COVID-19 pandemic.

Final Mile Product segment cost of sales was $48.9 million in the second quarter of 2020, a decrease of $64.7 million, or 57.0%, compared to the prior period. The decrease was primarily driven by a $48.1 million decrease in materials costs and a $16.6 million decrease in other manufacturing costs related to decreased sales volumes. The lower sales volumes were partially attributable to the ongoing COVID-19 pandemic.

Gross Profit

Gross profit was $34.3 million in the second quarter of 2020, a decrease of $53.3 million from the prior year period. Gross profit as a percentage of net sales was 10.1% for the second quarter of 2020, compared to 14.0% for the same period in 2019. Gross profit by segment was as follows (dollars in thousands):

	Three Months Ended June 30,		Change	
	2020	2019	Amount	%
Gross Profit by Segment				
Commercial Trailer Products	$ 22,392	$ 46,906	$ (24,514)	(52.3 %)
Diversified Products	10,761	20,123	(9,362)	(46.5 %)
Final Mile Products	1,963	21,289	(19,326)	(90.8 %)
Corporate and Eliminations	(795)	(668)	(127)	
Total	$ 34,321	$ 87,650	$ (53,329)	(60.8 %)

Commercial Trailer Products segment gross profit was $22.4 million for the second quarter of 2020 compared to $46.9 million for the second quarter of 2019. Gross profit, prior to the elimination of intersegment sales, as a percentage of net sales, was 9.6% in the second quarter of 2020 compared to 11.7% in the comparative 2019 period. We made purposeful efforts to mitigate lower sales volumes due to the ongoing COVID-19 pandemic by decreasing our fixed costs, including Company-wide furloughs, headcount reductions, and other cost containment measures. However, fixed costs did not proportionately decrease with the lower sales volumes experienced during the second quarter of 2020.

Diversified Products segment gross profit was $10.8 million for the second quarter of 2020 compared to $20.1 million in the same quarter of 2019. Gross profit, prior to the elimination of intersegment sales, as a percentage of net sales, was 16.8% in the second quarter of 2020 compared to 20.7% in the 2019 period. While fixed costs decreased between periods as a result of our cost containment initiatives in response to COVID-19 impacts, the decreases in gross profit and gross profit as a percentage of net sales compared to the prior year period were primarily driven by certain fixed manufacturing costs that did not decrease at the same rate as the decrease in sales volumes.

Final Mile Products segment gross profit was $2.0 million for the second quarter of 2020 compared to $21.3 million in the same quarter of 2019. Gross profit, prior to the elimination of intersegment sales, as a percentage of net sales, was 3.9% in the second quarter of 2020 compared to 15.8% in the 2019 period. Similar to the two segments above, the decreases in gross profit and gross profit as a percentage of net sales were primarily attributable to manufacturing costs not proportionately decreasing with the decrease in sales volumes.

General and Administrative Expenses

General and administrative expenses for the second quarter of 2020 decreased $6.9 million, or 25.9%, from the prior year period. The decrease from the prior year period was largely due to a decrease of approximately $5.2 million in employee-related costs, including benefits and incentive programs, partially offset by an increase in severance-related expense. Additional decreases were attributable to lower professional service expenses and travel-related costs. These overall decreases were due in part to the impacts of the ongoing COVID-19 pandemic and our implementation of cost containment measures. As a percentage of net sales, general and administrative expenses were 5.8% for the second quarter of 2020 compared to 4.2% for the second quarter of 2019.

Selling Expenses

Selling expenses were $4.9 million in the second quarter of 2020, a decrease of $3.6 million, or 42.5%, compared to the prior year period. The decrease was due to a decrease of approximately $2.3 million in employee-related costs, including benefits and incentive programs. Additional decreases relate to lower travel-related costs and advertising and promotion expenses. These overall decreases were due in part to the impacts of the continuing COVID-19 pandemic and our implementation of cost containment measures. As a percentage of net sales, selling expenses were 1.4% for both the second quarter of 2020 and the second quarter of 2019.

Amortization of Intangibles

Amortization of intangibles was $5.5 million for the second quarter of 2020 compared to $5.1 million in the prior year period. Amortization of intangibles for both periods was the result of expenses recognized for intangible assets recorded from the acquisitions of Walker in May 2012, certain assets of Beall in February 2013, and Supreme in September 2017.

Impairment and Other, Net

Impairment and other, net of $(1.7) million in the second quarter of 2020 compared to $0.0 million in the second quarter of 2019 relates to the net gain on sale of property, plant, and equipment assets for proceeds totaling $2.7 million. We recognized a net gain on sale of approximately $1.7 million, which is included in *Impairment and other, net* in the Condensed Consolidated Statements of Operations.

Other Income (Expense)

Interest expense for the second quarter of 2020 totaled $5.9 million compared to $7.0 million in the second quarter of 2019. Interest expense relates to interest and non-cash accretion charges on our Term Loan Credit Agreement, Senior Notes, and Revolving Credit Agreement. The decrease from the prior year period is primarily due to our voluntary prepayments totaling approximately $50.0 million against our Term Loan Credit Agreement throughout 2019 and the significant decrease in LIBOR between periods.

Other, net for the second quarter of 2020 represented income of $0.3 million as compared to income of $1.1 million for the prior year period. Income for the current year and prior year period is primarily related to interest income.

Income Taxes

We recognized income tax expense of $0.5 million in the second quarter of 2020 compared to $10.6 million for the same period in the prior year. The effective tax rate for this period was 136.3% compared to 25.6% for the same period in the prior year. Certain provisions of the CARES Act had a significant impact on the expected annual effective tax rate, income tax payable, and deferred income tax positions of the Company for the three months ended June 30, 2020. For the second quarter of 2020, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes, provisions related to the CARES Act, and discrete items incurred related to stock-based compensation. For the second quarter of 2019, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes and recognition of excess tax benefits on share-based compensation.

Six Months Ended June 30, 2020 Compared with the Six Months Ended June 30, 2019

Net Sales

Net sales in the first six months of 2020 decreased $433.0 million, or 37.4%, compared to the first six months of 2019. By business segment, prior to the elimination of intercompany sales, sales and related units sold were as follows (dollars in thousands):

	Six Months Ended June 30,		Change	
	2020	2019	Amount	%
	(prior to elimination of intersegment sales)			
Sales by Segment				
Commercial Trailer Products	$ 483,229	$ 741,909	$ (258,680)	(34.9)%
Diversified Products	146,909	196,674	(49,765)	(25.3)%
Final Mile Products	111,102	235,666	(124,564)	(52.9)%
Eliminations	(15,013)	(15,022)	9	
Total	$ 726,227	$ 1,159,227	$ (433,000)	(37.4)%
New Trailer Shipments	(units)			
Commercial Trailer Products	16,525	26,650	(10,125)	(38.0)%
Diversified Products	1,050	1,450	(400)	(27.6)%
Total	17,575	28,100	(10,525)	(37.5)%
Used Trailer Shipments	(units)			
Commercial Trailer Products	220	50	170	340.0 %
Diversified Products	70	50	20	40.0 %
Total	290	100	190	190.0 %

Commercial Trailer Products segment sales prior to the elimination of intersegment sales were $483.2 million for the first six months of 2020, a decrease of $258.7 million, or 34.9%, compared to the first six months of 2019. Trailers shipped during the first six months of 2020 totaled 16,525 trailers compared to 26,650 trailers in the prior year period, a 38.0% decrease. The decrease in net sales is partially attributable to the ongoing impacts of COVID-19, which have reduced demand for our products. Despite these headwinds, revenue per new trailer unit increased approximately 3.4% compared to the prior year period. Parts and service revenue for the six-month period of 2020 totaled $18.8 million, a decrease of $1.3 million, or 6.4%, from the prior year period. Used trailer sales increased $2.4 million compared to the prior year period primarily due to a 170 unit increase in used trailer shipments in the first six months of 2020 compared to the prior year period.

Diversified Products segment sales prior to the elimination of intersegment sales were $146.9 million for the first six months of 2020, a decrease of $49.8 million, or 25.3%, compared to the same period of 2019. Trailers shipped during the first six months of 2020 totaled 1,050 trailers compared to 1,450 trailers in the prior year period, a 27.6% decrease. The decrease in new trailer shipments compared to the prior year period resulted in a $23.6 million decrease in sales. However, revenue per new trailer unit in the current year period increased approximately 6.4%. Compared to the prior year period, equipment sales decreased $10.7 million, or 30.3%, while parts and service sales decreased $18.0 million, or 35.1%. The decreases in sales in this market segment are in part attributable to the ongoing impacts of COVID-19, which have caused reduced demand for our products.

Final Mile Products segment sales, prior to the elimination of intersegment sales, were $111.1 million for the first six months of 2020, a decrease of $124.6 million, or 52.9% from the first six months of 2019. Decreased truck body unit shipments of 54.3% drove a $120.0 million decrease in new truck body sales compared to the prior year period. The overall decrease in net sales compared to the prior year period is attributable to softer demand in this market segment and decreased chassis availability from our suppliers, both of which were worsened by the impacts of the ongoing COVID-19 pandemic.

Cost of Sales

Cost of sales was $655.2 million in the first six months of 2020, a decrease of $347.7 million, or 34.7%, compared to the prior year period. Cost of sales is comprised of material costs, a variable expense, and other manufacturing costs, comprised of both fixed and variable expenses, including direct and indirect labor, outbound freight, and overhead expenses.

Commercial Trailer Products segment cost of sales was $437.0 million in the first six months of 2020, a decrease of $222.0 million, or 33.7%, compared to the prior year period. The decrease was primarily driven by an overall decrease in

manufacturing costs as a result of lower sales volumes, including a $177.6 million decrease in materials costs and a $44.5 million decrease in other manufacturing costs. The lower sales volumes were due in part to the ongoing COVID-19 pandemic.

Diversified Products segment cost of sales was $121.0 million in the first six months of 2020, a decrease of $35.4 million, or 22.7%, compared to the prior period. Driven by lower sales volumes partially attributable to the ongoing impacts of the COVID-19 pandemic, the decrease in cost of sales from the prior year period was primarily due to a decrease in materials costs of $23.6 million and a decrease in other manufacturing costs totaling $11.9 million.

Final Mile Product segment cost of sales was $109.4 million in the first six months of 2020, a decrease of $91.5 million, or 45.5%, compared to the prior year period. The decrease was driven by a $68.5 million decrease in materials costs and a $23.0 million decrease in other manufacturing costs related to decreased sales volumes; however, the decrease in cost of sales was not proportionate to the decrease in sales volumes. The lower sales volumes were due in part to the ongoing COVID-19 pandemic.

Gross Profit

Gross profit was $71.1 million in the first six months of 2020, a decrease of $85.3 million from the prior year period. Gross profit as a percentage of sales was 9.8% for the first six months, compared to 13.5% during the same period in 2019. Gross profit by segment was as follows (dollars in thousands):

	Six Months Ended June 30,		Change	
	2020	2019	$	%
Gross Profit by Segment				
Commercial Trailer Products	$ 46,235	$ 82,846	$ (36,611)	(44.2)%
Diversified Products	25,902	40,222	(14,320)	(35.6)%
Final Mile Products	1,719	34,813	(33,094)	(95.1)%
Corporate	(2,792)	(1,541)	(1,251)	
Total	$ 71,064	$ 156,340	$ (85,276)	(54.5)%

Commercial Trailer Products segment gross profit was $46.2 million for the first six months of 2020 compared to $82.8 million for the prior year period. Gross profit prior to the elimination of intersegment sales, as a percentage of net sales, was 9.6% in 2020 compared to 11.2% in the prior period. We made purposeful efforts to mitigate lower sales volumes due to the ongoing COVID-19 pandemic by decreasing our fixed costs, including Company-wide furloughs, headcount reductions, and other cost containment measures. However, fixed costs did not proportionately decrease with the lower sales volumes experienced during the first six months of 2020 compared to the prior year period.

Diversified Products segment gross profit was $25.9 million for the first six months of 2020 compared to $40.2 million in the same period of 2019. Gross profit prior to the elimination of intersegment sales, as a percentage of net sales, was 17.6% in the 2020 period compared to 20.5% in the prior period. While fixed costs decreased between periods as a result of our cost containment initiatives in response to COVID-19 impacts, the decreases in gross profit and gross profit as a percentage of net sales compared to the prior year period were primarily driven by certain fixed manufacturing costs that did not decrease at the same rate as the decrease in sales volumes.

Final Mile Products segment gross profit was $1.7 million for the first six months of 2020 compared to $34.8 million in the same period of 2019. Gross profit, as a percentage of sales, was 1.5% in the first six months of 2020, compared to 14.8% in the prior year period. Similar to the two segments above, the decreases in gross profit and gross profit as a percentage of net sales were primarily attributable to manufacturing costs not proportionately decreasing with the decrease in sales volumes.

General and Administrative Expenses

General and administrative expenses for the first six months of 2020 decreased $10.8 million, or 19.1%, from the prior year period. The decrease from the prior year period was largely due to a decrease of approximately $6.3 million in employee-related costs, including benefits and incentive programs, partially offset by an increase in severance-related expense. Additional decreases were attributable to lower professional service expenses and travel-related costs. These overall decreases were due in part to the impacts of the ongoing COVID-19 pandemic and our implementation of cost containment measures. As a percentage of sales, general and administrative expenses were 6.3% for the 2020 period as compared to 4.9% for the same period of 2019.

Selling Expenses

Selling expenses were $12.9 million in the first six months of 2020, a decrease of $3.8 million, or 22.9%, compared to the prior year period. The decrease was due to a decrease of approximately $2.9 million in employee-related costs, including benefits and incentive programs, and a decrease in travel-related costs. These overall decreases were due in part to the impacts of the

ongoing COVID-19 pandemic and our implementation of cost containment measures. As a percentage of net sales, selling expenses were 1.8% for the 2020 period which is consistent with the same period of 2019.

Amortization of Intangibles

Amortization of intangibles was $11.0 million for the first six months of 2020 compared to $10.2 million in the prior year period. Amortization of intangibles for both periods was the result of expenses recognized for intangible assets recorded from the acquisitions of Walker in May 2012, certain assets of Beall in February 2013, and Supreme in September 2017.

Impairment and Other, Net

Impairment and other, net of $105.4 million during the first six months of 2020 compared to $0.0 million in the same period in 2019 was primarily the result of impairment charges related to goodwill within the Final Mile Products and Diversified Products segments totaling $106.8 million during the first quarter of 2020. These impairment charges were partially offset by the net gain on sale of property, plant, and equipment assets during the second quarter of 2020.

Other Income (Expense)

Interest expense for the first six months of 2020 totaled $12.2 million compared to $14.1 million in the prior year period. Interest expense relates to interest and non-cash accretion charges on our Term Loan Credit Agreement, Senior Notes, and Revolving Credit Agreement. The decrease from the previous year period is primarily due to our voluntary prepayments totaling approximately $50.0 million against our Term Loan Credit Agreement throughout 2019 and the significant decrease in LIBOR between periods.

Other, net for the first six months of 2020 represented income of $0.4 million as compared to income of $0.9 million for the prior year period. Income for both the current and prior year is primarily related to interest income.

Income Taxes

The Company recognized an income tax benefit of $9.0 million in the first six months of 2020 compared to expense of $13.8 million for the same period in the prior year. The effective tax rate for the first six months of 2020 and 2019 were 7.8% and 23.2%, respectively. Certain provisions of the CARES Act had a significant impact on the expected annual effective tax rate, income tax payable, and deferred income tax positions of the Company for the six months ended June 30, 2020. For the first first six months of 2020, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes, impairment of non-deductible goodwill, provisions related to the CARES Act, and discrete items incurred related to stock-based compensation. For the first six months of 2019, these effective tax rates differ from the US Federal statutory rate of 21% primarily due to the impact of state and local taxes and recognition of excess tax benefits on share-based compensation.

Liquidity and Capital Resources

Capital Structure

Our capital structure is comprised of a mix of debt and equity. As of June 30, 2020, our debt to equity ratio, including our finance lease obligations, was approximately 1.2:1.0. Our long-term objective is to generate operating cash flows sufficient to support the growth within our businesses and increase shareholder value. This objective will be achieved through a balanced capital allocation strategy of maintaining strong liquidity, deleveraging our balance sheet, investing in the business, both organically and strategically, and returning capital to our shareholders.

During the first six months of 2020, we paid dividends of approximately $8.7 million, and during the first quarter of 2020, we repurchased shares under our share repurchase program totaling $8.9 million. In addition, as a result of uncertainty caused by the COVID-19 pandemic, we drew $45.0 million under the Revolving Credit Facility during the first quarter of 2020. During the second quarter of 2020, we repaid the $45.0 million in outstanding borrowings, and as of June 30, 2020 we had no amounts outstanding under our Revolving Credit Facility.

Despite the uncertainty caused by the ongoing COVID-19 pandemic, we believe we are well-positioned from a liquidity perspective as we have prepared for an eventual downturn in our industry over the last two years, and we believe we have sufficient liquidity to meet our cash obligations for at least the next 12 months. Our liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Facility, amounted to $303.6 million as of June 30, 2020, an increase of 9.5% compared to $277.2 million as of March 31, 2020 and a slight decrease from $308.1 million as of December 31, 2019. In addition, the nearest debt maturity we have is not until 2022. While the severity and duration of the impacts of COVID-19 remain unknown, we expect to continue our commitment to fund our working capital requirements and capital expenditures, including maintaining our assets to capitalize on any economic and/or industry upswings, while also responsibly returning capital to our shareholders. For the remainder of 2020, we will continue to move rapidly to adjust to the current environment to contain cost and preserve the strength of our balance sheet while prioritizing the safety of our employees and ensuring the liquidity and financial well-being of the Company.

Debt Agreements and Related Amendments

Senior Notes

On September 26, 2017, we issued Senior Notes due 2025 (the “Senior Notes”) with an aggregate principal amount of $325 million. The Senior Notes bear interest at the rate of 5.50% per annum from the date of issuance, and will pay interest semi-annually in cash on April 1 and October 1 of each year. We used the net proceeds of $318.9 million from the sale of the Senior Notes to finance a portion of the acquisition of Supreme and to pay related fees and expenses. The Senior Notes are guaranteed on a senior unsecured basis by all of our direct and indirect existing and future domestic restricted subsidiaries, subject to certain restrictions. The Senior Notes and related guarantees are our and our guarantors’ general unsecured senior obligations and are subordinate to all of our and our guarantors’ existing and future secured debt to the extent of the assets securing that secured obligation. In addition, the Senior Notes are structurally subordinate to any of existing and future debt of any of our subsidiaries that are not guarantors, to the extent of the assets of those subsidiaries. The Senior Notes will mature on October 1, 2025.

The indenture for the Senior Notes restricts our ability and the ability of certain of our subsidiaries, subject to certain exceptions and qualifications, to: (i) incur additional indebtedness; (ii) pay dividends or make other distributions in respect of, or repurchase or redeem, our capital stock or with respect to any other interest or participation in, or measured by, our profits; (iii) make loans and certain investments; (iv) sell assets; (v) create or incur liens; (vi) enter into transactions with affiliates; and (vii) consolidate, merge or sell all or substantially all of our assets.

The indenture for the Senior Notes contains customary events of default, including payment defaults, breaches of covenants, failure to pay certain judgments and certain events of bankruptcy, insolvency and reorganization. As of June 30, 2020, we were in compliance with all covenants, and while the duration and severity of the COVID-19 pandemic are unknown at this time, we do not anticipate that the pandemic will impact our ability to remain in compliance with these covenants.

Contractual coupon interest expense and accretion of discount and fees for the Senior Notes was $4.6 million for each of the three-month periods ended June 30, 2020 and 2019. Contractual coupon interest expense and accretion of discount and fees for the Senior Notes was $9.3 million and $9.2 million for the six-month periods ended June 30, 2020 and 2019, respectively. Contractual coupon interest expense and accretion of discount and fees are included in *Interest expense* on the Company’s Condensed Consolidated Statements of Operations.

Revolving Credit Agreement

On December 21, 2018, we entered into the Second Amended and Restated Credit Agreement (the “Revolving Credit Agreement”), among us, certain of our subsidiaries as borrowers (together with us, the “Borrowers”), the lenders from time to

time party thereto, Wells Fargo Capital Finance, LLC and Citizens Business Capital, which amended and restated our existing amended and restated revolving credit agreement, dated as of May 8, 2012.

The Revolving Credit Agreement is guaranteed by certain of our subsidiaries (the "Revolver Guarantors") and is secured by (i) first priority security interests in substantially all personal property of the Borrowers and the Revolver Guarantors, consisting of accounts receivable, inventory, cash, deposit and securities accounts and any cash or other assets in such accounts and, to the extent evidencing or otherwise related to such property, all general intangibles, licenses, intercompany debt, letter of credit rights, commercial tort claims, chattel paper, instruments, supporting obligations, documents and payment intangibles (collectively, the "Revolver Priority Collateral"), and (ii) second-priority liens on and security interests in (A) equity interests of each direct subsidiary held by the Borrowers and each Revolver Guarantors, and (B) substantially all other tangible and intangible assets of the Borrowers and the Revolver Guarantors, excluding real property (the "Term Priority Collateral").

The Revolving Credit Agreement has a scheduled maturity date of December 21, 2023, subject to certain springing maturity events.

Under the Revolving Credit Agreement, the lenders agree to make available to us a $175 million revolving credit facility. We have the option to increase the total commitment under the facility to up to $275 million, subject to certain conditions. Subject to availability, the Revolving Credit Agreement provides for a letter of credit subfacility in an amount not in excess of $15 million, and allows for swingline loans in an amount not in excess of $17.5 million. Outstanding borrowings under the Revolving Credit agreement bear interest at an annual rate, at the Borrowers' election, equal to (i) LIBOR plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the revolving loan facility. The Borrowers are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses thereunder.

The Revolving Credit Agreement contains customary covenants limiting our ability and certain of our affiliates to, among other things, pay cash dividends, incur debt or liens, redeem or repurchase stock, enter into transactions with affiliates, merge, dissolve, repay subordinated indebtedness, make investments and dispose of assets. In addition, we will be required to maintain a minimum fixed charge coverage ratio of not less than 1.0 to 1.0 as of the end of any period of 12 fiscal months (commencing with the month ending December 31, 2018) when excess availability under the Revolving Credit Agreement is less than 10% of the total revolving commitment.

During the three-month period ended March 31, 2020, we drew $45.0 million under the Revolving Credit Agreement in response to the uncertainty caused by the COVID-19 pandemic as a precautionary measure. During the second quarter of 2020, we repaid the $45.0 million in outstanding borrowings, and as of June 30, 2020, there were no amounts outstanding under the Revolving Credit Facility. We were in compliance with all covenants as of June 30, 2020, and while the duration and severity of the COVID-19 pandemic are unknown at this time, we do not anticipate that the pandemic will impact our ability to remain in compliance with these covenants. For the three- and six-month periods ended June 30, 2020, under the Revolving Credit Agreement, we paid approximately $0.2 million of interest. During the three- and six-month periods ended June 30, 2019, we had no outstanding borrowings under the Revolving Credit Agreement and paid no interest. Our liquidity position, defined as cash on hand and available borrowing capacity on the Revolving Credit Facility, amounted to $303.6 million as of June 30, 2020, and $308.1 million as of December 31, 2019.

Term Loan Credit Agreement

In May 2012, we entered into the Term Loan Credit Agreement (as amended, the "Term Loan Credit Agreement"), which provides for, among other things, (x) a senior secured term loan of $188.0 million that matures on March 19, 2022, subject to certain springing maturity events (the "Term Loans"), and (y) an uncommitted accordion feature to provide for additional senior secured term loans of up to $75 million plus an unlimited amount provided that the senior secured leverage ratio would not exceed 3.00 to 1.00, subject to certain conditions (the "Term Loan Facility").

On November 17, 2017, we entered into Amendment No. 5 to the Term Loan Credit Agreement ("Amendment No. 5"). As of the Amendment No. 5 date, $188.0 million of the Term Loans were outstanding. Under Amendment No. 5, the lenders agreed to provide us term loans in the same aggregate principal amount of the outstanding Term Loans, which were used to refinance the outstanding Term Loans.

The Term Loan Credit Agreement is guaranteed by certain of our subsidiaries, and is secured by (i) first-priority liens on, and security interests in, the Term Priority Collateral and (ii) second-priority security interests in the Revolver Priority Collateral.

The Term Loan Credit Agreement contains customary covenants limiting our ability to, among other things, pay cash dividends, incur debt or liens, redeem or repurchase stock, enter into transactions with affiliates, merge, dissolve, pay off subordinated indebtedness, make investments and dispose of assets. As of June 30, 2020, we were in compliance with all covenants, and while the duration and severity of the COVID-19 pandemic are unknown at this time, we do not anticipate that the pandemic will impact our ability to remain in compliance with these covenants.

For the three-month period ended June 30, 2020, under the Term Loan Credit Agreement we paid interest of $1.0 million and made no principal payments. For the three-month period ended June 30, 2019, we paid interest of $2.2 million and made principal payments of $15.0 million. For the six-month period ended June 30, 2020, we paid interest of $2.4 million and made no principal payments. For the six-month period ended June 30, 2019, we paid interest of $4.4 million and made principal payments of $15.5 million. As of June 30, 2020, we had $135.2 million outstanding under the Term Loan Credit Agreement, of which none was classified as current on our Condensed Consolidated Balance Sheets.

For each three-month period ended June 30, 2020 and 2019, we incurred charges of less than $0.1 million, and $0.1 million for each six-month period ended June 30, 2020 and 2019, for amortization of fees and original issuance discount, which is included in *Interest expense* in the Condensed Consolidated Statements of Operations.

Cash Flows

Cash provided by operating activities for the first six months of 2020 totaled $22.7 million, compared to $61.0 million during the same period in 2019. Cash provided by operations during the current year period was the result of net loss adjusted for various non-cash activities including depreciation, amortization, net gain on the sale of assets, deferred taxes, stock-based compensation, impairment, accretion of debt discount, and a $4.3 million decrease in working capital. Changes in key working capital accounts for 2020 and 2019 are summarized below (in thousands):

	Six Months Ended June 30,		
	2020	2019	Change
Source (Use) of cash:			
Accounts receivable	$ 48,785	$ 10,886	$ 37,899
Inventories	(14,154)	(80,163)	66,009
Accounts payable and accrued liabilities	(22,126)	58,210	(80,336)
Net source (use) of cash	$ 12,505	$ (11,067)	$ 23,572

Accounts receivable decreased $48.8 million in the first six months of 2020 as compared to a $10.9 million decrease in the prior year period. Days sales outstanding, a measure of working capital efficiency that measures the amount of time a receivable is outstanding, was 33 days in 2020 as compared to 25 days in the same period in 2019. The decrease in accounts receivable during the first six months of 2020 was primarily due to the decrease in shipments from the prior year period, which is partially attributable to impacts of the ongoing COVID-19 pandemic. Inventory increased by $14.2 million during the first six months of 2020 as compared to an increase of $80.2 million in the 2019 period. Our inventory turns, a commonly used measure of working capital efficiency that measures how quickly inventory turns per year, was approximately 7 times in the 2020 period and 8 times in the 2019 period. The increase in inventory for the 2020 period was primarily attributable to higher finished goods inventory due to slower customer pick-ups and higher raw materials inventory to adjust to anticipated production. Both of these increases are partially attributable to the ongoing COVID-19 pandemic. Accounts payable and accrued liabilities decreased by $22.1 million in 2020 compared to an increase of $58.2 million for the same period in 2019. Days payable outstanding, a measure of working capital efficiency that measures the amount of time a payable is outstanding, was 37 days in the 2020 period compared to 34 days during the same period in 2019.

Investing activities used $8.2 million during the first six months of 2020, as compared to $15.0 million during the same period in 2019. Investing activities for the first six months of 2020 include capital expenditures of $10.9 million, which was a decrease compared to $15.0 million during the same period in 2019. For the first six months of 2020, investing activities also includes proceeds from the sale of property, plant, and equipment of $2.7 million.

Financing activities used $19.0 million during the first six months of 2020 as compared to using $38.6 million during the same period in 2019. Cash used by financing activities during the current year period primarily relates to common stock repurchases and withholdings of $10.1 million and cash dividends paid to our shareholders of $8.7 million. Cash used in financing activities in the first six months of 2019 primarily relates to principal payments under the term loan credit facility of $15.5 million, common stock repurchases and withholdings of $13.9 million, and cash dividends paid to our shareholders of $9.1 million.

As of June 30, 2020, our liquidity position, defined as cash on hand and available borrowing capacity, amounted to $303.6 million, representing a decrease of $3.8 million compared to June 30, 2019 and a decrease of $4.5 million compared to December 31, 2019. Total debt and finance lease obligations amounted to $460.8 million as of June 30, 2020. While we believe there is continued uncertainty in the industry due in part to the ongoing COVID-19 pandemic, we believe we are well-positioned from a liquidity perspective as we have prepared for an eventual downturn in our industry over the last two years, and we believe we have sufficient liquidity to meet our cash obligations for at least the next 12 months. While the severity and duration of the impacts of COVID-19 remain unknown, we expect to continue our commitment to fund our working capital requirements and capital expenditures, including maintaining our assets to capitalize on any economic and/or industry upswings, while also responsibly returning capital to our shareholders. For the remainder of 2020, we will continue to move rapidly to adjust to the current environment to contain cost and preserve the strength of our balance sheet while prioritizing the safety of our employees and ensuring the liquidity and financial well-being of the Company.

Capital Expenditures

Capital spending amounted to approximately $10.9 million for the first six months of 2020 and, depending upon the duration and severity of COVID-19 impacts, is anticipated to be approximately $20 million for 2020. Capital spending for 2020 has been and is expected to continue to be primarily utilized to support maintenance, growth, and productivity improvement initiatives within our facilities.

Goodwill Impairment

We assess goodwill for impairment at the reporting unit level on an annual basis as of October 1 and whenever events or changes in circumstances indicate a possible impairment. Subsequent to December 31, 2019, our share price and market capitalization declined. In addition, as a result of the ongoing COVID-19 pandemic and related impact on our results of operations, the Company did not perform in-line with expectations. As a result, indicators of impairment were identified and we performed an interim quantitative assessment as of March 31, 2020, utilizing a combination of the income and market approaches, which were weighted evenly. Key assumptions used in the analysis were discount rates of 17.0% and 13.5% for FMP and Tank Trailers, respectively, EBITDA margins, and a terminal growth rate of 3.0%. The results of the quantitative analysis indicated the carrying value of the FMP and Tank Trailers reporting units exceeded their fair values and, accordingly, goodwill impairment charges of $95.8 million and $11.0 million, respectively, were recorded during the first quarter of 2020. The goodwill impairment charges, which are based on Level 3 fair value measurements, are included in *Impairment and other, net* in the Condensed Consolidated Statements of Operations.

In addition, the results of the quantitative analysis performed as of March 31, 2020 indicated the fair value of the Process Systems reporting unit exceeded the carrying value by approximately 3%. Key assumptions used in the analysis were a discount rate of 14.5%, EBITDA margin, and a terminal growth rate of 3.0%. The Process Systems reporting unit designs and manufactures a broad range of products, such as isolators, stationary silos, and downflow booths used in a number of unique markets, including the chemical, dairy, food and beverage, pharmaceutical and nuclear markets. We believe this reporting unit's broad range of innovative products in unique industries will result in sufficient future earnings. Based on the results of the interim quantitative test, we performed sensitivity analyses around the key assumptions used in the analysis, the results of which were: (a) a 100 basis point decrease in the EBITDA margin used to determine expected future cash flows would have resulted in an impairment of approximately $4.6 million, (b) a 100 basis point increase in the discount rate would have resulted in an impairment of approximately $4.5 million, and (c) a 100 basis point decrease in the terminal growth rate would have resulted in an impairment of approximately $1.2 million.

Future events and changing market conditions may require a re-evaluation of the assumptions used in the determination of fair value for each of our reporting units, including key assumptions used in the expected EBITDA margins and cash flows, as well as other key assumptions with respect to matters out of our control, such as discount rates and market multiple comparables.

We considered whether there were any indicators of impairment during the three months ended June 30, 2020 and concluded there were none.

Contractual Obligations and Commercial Commitments

A summary of payments of our contractual obligations and commercial commitments, both on and off balance sheet, as of June 30, 2020 are as follows (in thousands):

	2020	2021	2022	2023	2024	Thereafter	Total
Debt:							
Term Loan Credit Facility (due 2022)	$ —	$ —	$ 135,228	$ —	$ —	$ —	$ 135,228
Revolving Facility (due 2023)	—	—	—	—	—	—	—
Senior Notes (due 2025)	—	—	—	—	—	325,000	325,000
Finance Leases (including principal and interest)	180	361	30	—	—	—	571
Total debt	180	361	135,258	—	—	325,000	460,799
Other:							
Operating Leases	2,476	4,661	3,020	2,102	1,007	1,251	14,517
Total other	2,476	4,661	3,020	2,102	1,007	1,251	14,517
Other commercial commitments:							
Letters of Credit	7,436	—	—	—	—	—	7,436
Raw Material Purchase Commitments	40,185	—	—	—	—	—	40,185
Chassis Converter Pool Agreements	5,427	—	—	—	—	—	5,427
Total other commercial commitments	53,048	—	—	—	—	—	53,048
Total obligations	$ 55,704	$ 5,022	$ 138,278	$ 2,102	$ 1,007	$ 326,251	$ 528,364

Scheduled payments for our Term Loan Credit Agreement, as amended, exclude interest payments as rates are variable. Borrowings under the Term Loan Credit Agreement, as amended, bear interest at a variable rate, at our election, equal to (i) LIBOR (subject to a floor of 0.00%) plus a margin of 2.25% or (ii) a base rate plus a margin of 1.25%. The Term Loan Credit Agreement matures in March 2022, subject to certain springing maturity events.

Scheduled payments for our Revolving Facility exclude interest payments as rates are variable. Borrowings under the Revolving Facility bear interest at a variable rate based on the London Interbank Offer Rate (LIBOR) or a base rate determined by the lender's prime rate plus an applicable margin, as defined in the agreement. Outstanding borrowings under the Revolving Facility bear interest at a rate, at our election, equal to (i) LIBOR plus a margin ranging from 1.25% to 1.75% or (ii) a base rate plus a margin ranging from 0.25% to 0.75%, in each case depending upon the monthly average excess availability under the Revolving Facility. We are required to pay a monthly unused line fee equal to 0.20% times the average daily unused availability along with other customary fees and expenses of our agent and lenders. As a result of uncertainty caused by the COVID-19 pandemic, we drew $45.0 million under the Revolving Credit Facility during the first quarter of 2020. During the second quarter of 2020, we repaid the $45.0 million in outstanding borrowings, and as of June 30, 2020 we had no amounts outstanding under our Revolving Credit Facility.

Scheduled payments for our Senior Notes exclude interest payments. The Notes bear interest at the rate of 5.5% per annum from the date of issuance, payable semi-annually on April 1 and October 1.

Finance leases represent future minimum lease payments including interest. Operating leases represent the total future minimum lease payments.

We have standby letters of credit totaling $7.4 million issued in connection with workers compensation claims and surety bonds.

We have $40.2 million in purchase commitments with our suppliers and through financial derivatives through December 2020 for various raw material commodities, including aluminum, steel, nickel and polyethylene as well as other raw material components which are within normal production requirements.

We, through our subsidiary Supreme, obtain most vehicle chassis for our specialized vehicle products directly from the chassis manufacturers under converter pool agreements. Chassis are obtained from the manufacturers based on orders from customers, and to a lesser extent, for unallocated orders. Although each manufacturer's agreement has different terms and conditions, the agreements generally state that the manufacturer will provide a supply of chassis to be maintained from time to time at our various facilities with the condition that we will store such chassis and will not move, sell, or otherwise dispose of such chassis except under the terms of the agreement. The manufacturer transfers the chassis to us on a "restricted basis," retaining the sole authority to authorize commencement of work on the chassis and to make certain other decisions with respect to the chassis including the terms and pricing of sales of the chassis to the manufacturer's dealers. The manufacturer also does not transfer the certificate of origin to us nor permit us to sell or transfer the chassis to anyone other than the manufacturer (for ultimate resale to a dealer). Although we are party to related finance agreements with manufacturers, we have not historically settled, nor expect to in the future settle, any related obligations in cash. Instead, the obligation is settled by the manufacturer upon reassignment of the chassis to an accepted dealer, and the dealer is invoiced for the chassis by the manufacturer. Accordingly, as of June 30, 2020 our

outstanding chassis converter pool with the manufacturer totaled $3.5 million and we have included this financing agreement on our consolidated balance sheets within *Prepaid expenses and other* and *Other accrued liabilities*. All other chassis programs through our Supreme subsidiary are handled as consigned inventory belonging to the manufacturer and totaled approximately $1.9 million. Under these agreements, if the chassis is not delivered to a customer within a specified time frame we are required to pay a finance or storage charge on the chassis. Additionally, we receive finance support funds from the manufacturer when the chassis are assigned into our chassis pool. Typically, chassis are converted and delivered to customers within 90 days of the receipt of the chassis.

Backlog

Orders that have been confirmed by customers in writing, have defined delivery time frames, and can be produced during the next 18 months are included in our backlog. Orders that comprise our backlog may be subject to changes in quantities, delivery, specifications, terms or cancellation. Our backlog of orders was approximately $0.8 billion at June 30, 2020 compared to approximately $1.1 billion at December 31, 2019 and $1.2 billion at June 30, 2019. As we disclosed in our Annual Report on Form 10-K for the year ended December 31, 2019, the order season for 2020 materialized in a manner more consistent with historical periods, excluding 2018. In addition, while we have observed softer demand thus far in 2020 compared to 2018 and 2019 partially due to the impacts and uncertainty caused by the COVID-19 pandemic, we believe our backlog of orders remains strong. We expect to complete the majority of our backlog orders as of June 30, 2020 within 12 months of this date.

Outlook

The trailer industry generally follows the transportation industry's cycles. After three consecutive years with total trailer demand well below normal replacement demand levels estimated to be approximately 220,000 trailers, the five year period ending December 2015 demonstrated consecutive years of significant improvement in which the total U.S. trailer market increased year-over-year. In 2016, trailer shipments decreased but rebounded in 2017 and 2018, with 2018 representing an all-time industry record. This all-time industry record set in 2018 was surpassed during 2019 with trailer shipments totaling approximately 328,000. According to ACT Research Company ("ACT"), total trailer production in the United States was approximately 333,000 during 2019. As reported in our Annual Report on Form 10-K for the year ended December 31, 2019, ACT estimated for decreased 2020 production to approximately 239,000 trailers due to softened demand. This expected production level is at more historically consistent levels within the trailer industry.

As a result of overall industry and economic uncertainty worsened by the ongoing COVID-19 pandemic, in April 2020 ACT issued a revised estimate for 2020 trailer production in the United States of approximately 146,000 trailers, representing a decrease of 56% from 2019. As of July 2020, the latest estimate from ACT for 2020 trailer production is 177,050, which is a 21.3% increase from the April 2020 estimate. ACT estimates production levels for 2021, 2022, 2023, and 2024 to increase from 2020 levels to 210,600, 253,000, 288,400, and 281,300, respectively. In April 2020, FTR Associates ("FTR") anticipated new trailer production to be approximately 155,000 new trailers in 2020, representing a decrease of 53% compared to 2019, with projected production levels to increase to 260,000 and 265,000 in 2021 and 2022, respectively. In July 2020, FTR revised these estimates to be approximately 189,000 new trailers in 2020, a 21.9% increase from the April 2020 estimate, with projected production levels to increase to 210,000 and 270,000 in 2021 and 2022, respectively.

These estimates from ACT and FTR for the next several years are generally expected to be above replacement demand. While we believe these estimates to generally be reasonable, the unknown duration and severity of the ongoing COVID-19 pandemic creates further uncertainty in the industry and actual production and/or demand could vary significantly from these estimates.

Other potential risks we face for the remainder of 2020 will primarily relate to our ability to effectively manage our manufacturing operations and overall business given the ongoing COVID-19 pandemic as well as the cost and supply of raw materials, commodities, and components. Significant increases in the cost of certain commodities, raw materials or components have had and may continue to have an adverse effect on our results of operations. As has been our practice, we will endeavor to pass raw material and component price increases to our customers in addition to continuing our cost management and hedging activities in an effort to minimize the risk changes in material costs could have on our operating results. In addition, we rely on a limited number of suppliers for certain key components and raw materials in the manufacturing of our products, including tires, axles, suspensions, aluminum extrusions, specialty steel coil, and chassis. At the current and expected demand levels, there may be shortages of supplies of raw materials or components which would have an adverse impact on our ability to meet demand for our products.

For the remainder of 2020, we will continue to move rapidly to adjust to the current environment to contain cost and preserve the strength of our balance sheet while prioritizing the safety of our employees and ensuring the liquidity and financial well-being of the Company. We believe we remain well-positioned for long-term success in the trailer industry because: (1) our core customers are among the major participants in the trucking industry; (2) our DuraPlate® and other industry leading brand trailers continue to have a strong market acceptance; (3) our focus is on developing solutions that reduce our customers' trailer maintenance and operating costs providing the best overall value; and (4) our presence throughout North America utilizing our extensive dealer network to market and sell our products. Continuing to identify attractive opportunities to leverage our core competencies, proprietary technology, and core manufacturing expertise into new applications and end markets enables us to deliver greater value to our customers and stakeholders.

Critical Accounting Policies and Estimates

We have included a summary of our Critical Accounting Policies and Estimates in our Annual Report on Form 10-K for the year ended December 31, 2019. There have been no material changes to the summary provided in that report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In addition to the risks inherent in our operations, we have exposure to financial and market risk resulting from volatility in commodity prices, interest rates and foreign exchange rates. The following discussion provides additional detail regarding our exposure to these risks.

Commodity Prices

We are exposed to fluctuation in commodity prices through the purchase of various raw materials that are processed from commodities such as aluminum, steel, lumber, nickel, copper and polyethylene. Given the volatility of certain commodity prices, this exposure can significantly impact product costs. We manage some of our commodity price changes by entering into fixed price contracts with our suppliers and through financial derivatives. As of June 30, 2020, we had $40.2 million in raw material purchase commitments through December 2020 for materials that will be used in the production process, as compared to $83.9 million as of December 31, 2019. We typically do not set prices for our products more than 45-90 days in advance of our commodity purchases and can, subject to competitive market conditions, take into account the cost of the commodity in setting our prices for each order. To the extent that we are unable to offset the increased commodity costs in our product prices, our results would be materially and adversely affected.

Interest Rates

As a result of uncertainty caused by the COVID-19 pandemic, we drew $45.0 million under the Revolving Credit Facility during the first quarter of 2020. During the second quarter of 2020, we repaid the $45.0 million in outstanding borrowings, and as of June 30, 2020 we had no floating rate debt outstanding under our Revolving Credit Facility. In addition, as of June 30, 2020, we had outstanding borrowings under our Term Loan Credit Agreement, as amended, totaling approximately $135.2 million that bears interest at a floating rate, subject to a minimum interest rate. Based on any current borrowings under our Revolving Credit Facility and the outstanding indebtedness under our Term Loan Credit Agreement, a hypothetical 100 basis-point change in the floating interest rate would result in a corresponding change in interest expense over a one-year period of approximately $1.4 million. This sensitivity analysis does not account for the change in the competitive environment indirectly related to the change in interest rates and the potential managerial action taken in response to these changes.

Foreign Exchange Rates

We are subject to fluctuations in the British pound sterling and Mexican peso exchange rates that impact transactions with our foreign subsidiaries, as well as U.S. denominated transactions between these foreign subsidiaries and unrelated parties. A ten percent change in the British pound sterling or Mexican peso exchange rates would have an immaterial impact on results of operations. We do not hold or issue derivative financial instruments for speculative purposes.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

Based on an evaluation under the supervision and with the participation of the Company's management, the Company's principal executive officer and principal financial officer have concluded that the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) were effective as of June 30, 2020.

Changes in Internal Controls over Financial Reporting

There were no changes in the Company's internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, during the second quarter of fiscal year 2020 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

Part II - OTHER INFORMATION

Item 1. Legal Proceedings

See Item 3 of Part I of our Annual Report on Form 10-K for the year ended December 31, 2019. See also Note 12, “Commitments and Contingencies”, to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Quarterly Report.

Item 1A. Risk Factors

You should carefully consider the risks described in our Annual Report on Form 10-K for the year ended December 31, 2019 including those under the heading “Risk Factors” appearing in Item 1A of Part I of the Form 10-K and other information contained in this Quarterly Report before investing in our securities. Realization of any of these risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

The Company is supplementing the Risk Factors previously disclosed in Item 1A of the Annual Report on Form 10-K for the fiscal year ended December 31, 2019 (the “Annual Report”). The following risk factor should be read in conjunction with the Risk Factors disclosed in the Annual Report.

The coronavirus (COVID-19) pandemic, or other outbreaks of disease or similar public health threats, could materially and adversely affect our business, financial condition and results of operations.

The recent outbreak of COVID-19, and any other outbreaks of contagious diseases or other adverse public health developments in the United States or worldwide, could have a material adverse effect on our business, financial condition and results of operations. In 2020, COVID-19 has significantly impacted economic activity and markets worldwide, and it could continue to negatively affect our business in a number of ways. These effects could include, but are not limited to:

- Disruptions or restrictions on our employees’ ability to work effectively due to illness, travel bans, quarantines, shelter-in-place orders or other limitations.
- Temporary closures of our facilities or the facilities of our customers or suppliers, which could affect our ability to timely meet our customer’s orders and negatively impact our supply chain.
- In an effort to increase the wider availability of needed medical and other supplies and products, we may elect to, or governments may require us to, allocate manufacturing capacity (for example, pursuant to the U.S. Defense Production Act) in a way that adversely affects our regular operations in a manner that may result in adversely affecting our reputation and customer and supplier relationships.
- Resulting cost increases from the effects of a pandemic such as COVID-19 may not be fully recoverable.
- The failure of third parties on which we rely, including our suppliers, customers, contractors, commercial banks and external business partners, to meet their respective obligations to the Company, or significant disruptions in their ability to do so, which may be caused by their own financial or operational difficulties.
- The COVID-19 pandemic has significantly increased economic and demand uncertainty and has led to disruption and volatility in the global credit and financial markets, which increases the cost of capital and adversely impacts access to capital for both the Company and our customers and suppliers.
- Commodity costs have become more volatile due to the COVID-19 outbreak. We expect continued commodity cost volatility, and our commodity hedging program might not sufficiently offset this volatility.
- Disruptions or uncertainties related to the COVID-19 outbreak for a sustained period of time could result in delays or modifications to our strategic plans and initiatives and hinder our ability to achieve our strategic goals.
- The COVID-19 pandemic has caused a global economic slowdown that may last for a potentially extended duration, and it is possible that it could cause a global recession. Deteriorating economic and political conditions caused by the COVID-19 pandemic, such as increased unemployment, decreases in capital spending, declines in consumer confidence, or economic slowdowns or recessions, could cause a decrease in demand for our products.
- An impairment in the carrying value of goodwill or intangible assets or a change in the useful life of definite-lived intangible assets could occur if there are sustained changes in consumer purchasing behaviors, government restrictions, financial results, or a deterioration of macroeconomic conditions.
- Actions we have taken or may take, or decisions we have made or may make, as a consequence of the COVID-19 pandemic may result in legal claims or litigation against us.

The extent to which the COVID-19 pandemic, or other outbreaks of disease or similar public health threats, materially and adversely impacts our business, financial condition and results of operations is highly uncertain and will depend on future developments. Such developments may include the geographic spread and duration of the virus, the severity of the disease and the

actions that may be taken by various governmental authorities and other third parties in response to the outbreak. In addition, how quickly, and to what extent, normal economic and operating conditions can resume cannot be predicted, and the resumption of normal business operations may be delayed or constrained by lingering effects of the COVID-19 pandemic on our suppliers, third-party service providers, and/or customers.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Our Equity Securities

In November 2018, the Company announced that the Board of Directors approved the repurchase of an additional $100 million in shares of common stock over a three-year period. This authorization was an increase to the previous $100 million repurchase programs approved in February 2017 and February 2016. The repurchase program is set to expire on February 28, 2022. For the quarter ended June 30, 2020, we repurchased no shares pursuant to our repurchase program. Additionally, during this period there were 1,820 shares repurchased to cover minimum employee tax withholding obligations upon the vesting of restricted stock awards.

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Amount That May Yet Be Purchased Under the Plans or Programs ($ in millions)
April 1 - 30, 2020	1,437	$ 7.60	—	$ 60.2
May 1 - 31, 2020	—	$ —	—	$ 60.2
June 1 -30, 2020	383	$ 10.05	—	$ 60.2
Total	1,820	$ 8.12	—	$ 60.2

Item 6. Exhibits

(a) Exhibits

10.1	Wabash National Corporation Supplemental Plan, Effective May 12, 2020
10.2	Form of Wabash National Corporation Restricted Stock Unit Agreement for awards granted to non-employee directors under the 2017 Omnibus Incentive Plan
31.1	Certification of Principal Executive Officer
31.2	Certification of Principal Financial Officer
32.1	Written Statement of Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)
101	The following materials from Wabash National Corporation's Quarterly Report on Form 10-Q for the quarter ended June 30, 2020 are filed herewith, formatted in iXBRL (Inline Extensible Business Reporting Language): (i) the Condensed Consolidated Balance Sheets at June 30, 2020 and December 31, 2019, (ii) the Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2020 and 2019, (iii) the Condensed Consolidated Statements of Comprehensive Income (Loss) for the three and six months ended June 30, 2020 and 2019, (iv) the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2020 and 2019, (v) the Condensed Consolidated Statements of Stockholders' Equity for the three and six months ended June 30, 2020 and 2019, and (vi) Notes to Condensed Consolidated Financial Statements. The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
104	Cover Page Interactive Data File (formatting as Inline XBRL and contained in Exhibit 101)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WABASH NATIONAL CORPORATION

Date: July 29, 2020

By: /s/ Michael N. Pettit

Michael N. Pettit

Senior Vice President and Chief Financial Officer (Principal Financial Officer)

WABASH NATIONAL CORPORATION
SUPPLEMENTAL PLAN

Wabash National Corporation Supplemental Plan

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Wabash National Corporation Supplemental Plan

ARTICLE I
Establishment and Purpose

Wabash National Corporation (the "Company") hereby amends and restates the Wabash National Corporation Supplemental Plan (the "Plan"), effective as of May 12, 2020.

The purpose of the Plan is to attract and retain key employees and Directors by providing each Participant with an opportunity to defer receipt of a portion of their salary, bonus, and other specified compensation. The Plan is not intended to meet the qualification requirements of Code Section 401(a), but is intended to meet the requirements of Code Section 409A, and shall be operated and interpreted consistent with that intent.

The Plan constitutes an unsecured promise by a Participating Employer to pay benefits in the future. Participants in the Plan shall have the status of general unsecured creditors of the Company or the Adopting Employer, as applicable. Each Participating Employer shall be solely responsible for payment of the benefits of its employees and their beneficiaries. The Plan is unfunded for Federal tax purposes and is intended to be an unfunded arrangement for eligible employees who are part of a select group of management or highly compensated employees of the Employer within the meaning of Sections 201(2), 301(a)(3) and 401(a)(l) of ERISA. Any amounts set aside to defray the liabilities assumed by the Company or an Adopting Employer will remain the general assets of the Company or the Adopting Employer and shall remain subject to the claims of the Company's or the Adopting Employer's creditors until such amounts are distributed to the Participants.

ARTICLE II
Definitions

2.1 Account. Account means a bookkeeping account maintained by the Committee to record the payment obligation of a Participating Employer to a Participant as determined under the terms of the Plan. The Committee may maintain an Account to record the total obligation to a Participant and component Accounts to reflect amounts payable at different times and in different forms. Reference to an Account means any such Account established by the Committee, as the context requires. Accounts are intended to constitute unfunded obligations within the meaning of Sections 201(2), 301(a)(3) and 401(a)(l) of ERISA.

2.2 Account Balance. Account Balance means, with respect to any Account, the total payment obligation owed to a Participant from such Account as of the most recent Valuation Date.

2.3 Adopting Employer. Adopting Employer means an Affiliate who, with the consent of the Company, has adopted the Plan for the benefit of its eligible employees.

2.4 Affiliate. Affiliate means a corporation, trade or business that, together with the Company, is treated as a single employer under Code Section 414(b) or (c).

2.5 Beneficiary. Beneficiary means a natural person, estate, or trust designated by a Participant to receive payments to which a Beneficiary is entitled in accordance with

provisions of the Plan. The Participant's spouse, if living, otherwise the Participant's estate, shall be the Beneficiary if: (i) the Participant has failed to properly designate a Beneficiary, or (ii) all designated Beneficiaries have predeceased the Participant.

A former spouse shall have no interest under the Plan, as Beneficiary or otherwise, unless the Participant designates such person as a Beneficiary after dissolution of the marriage, except to the extent provided under the terms of a domestic relations order as described in Code Section 414(p)(l)(B).

2.6 Business Day. A Business Day is each day on which the New York Stock Exchange is open for business.

2.7 Cause. Cause means with respect to a Participant (i) commission of a felony or other serious crime, (ii) fraudulent or dishonest conduct intended to benefit the Participant at the expense of the Employer, or (iii) action that brings the Employer into disrepute or otherwise harms the Employer's reputation.

2.8 Change in Control. Change in Control, with respect to a Participating Employer that is organized as a corporation, occurs on the date on which any of the following events occur (i) a change in the ownership of the Participating Employer; (ii) a change in the effective control of the Participating Employer; (iii) a change in the ownership of a substantial portion of the assets of the Participating Employer.

For purposes of this Section, a change in the ownership of the Participating Employer occurs on the date on which any one person, or more than one person acting as a group, acquires ownership of stock of the Participating Employer that, together with stock held by such person or group constitutes more than 50% of the total fair market value or total voting power of the stock of the Participating Employer. A change in the effective control of the Participating Employer occurs on the date on which either (i) a person, or more than one person acting as a group, acquires ownership of stock of the Participating Employer possessing 30% or more of the total voting power of the stock of the Participating Employer, taking into account all such stock acquired during the 12-month period ending on the date of the most recent acquisition, or (ii) a majority of the members of the Participating Employer's Board of Directors is replaced during any 12-month period by directors whose appointment or election is not endorsed by a majority of the members of such Board of Directors prior to the date of the appointment or election, but only if no other corporation is a majority shareholder of the Participating Employer. A change in the ownership of a substantial portion of assets occurs on the date on which any one person, or more than one person acting as a group, other than a person or group of persons that is related to the Participating Employer, acquires assets from the Participating Employer that have a total gross fair market value equal to or more than 40% of the total gross fair market value of all of the assets of the Participating Employer immediately prior to such-acquisition or acquisitions, taking into account all such assets acquired during the 12-month period ending on the date of the most recent acquisition.

An event constitutes a Change in Control with respect to a Participant only if the Participant performs services for the Participating Employer that has experienced the

Change in Control, or the Participant's relationship to the affected Participating Employer otherwise satisfies the requirements of Treasury Regulation Section 1.409A-3(i)(5)(ii).

The determination as to the occurrence of a Change in Control shall be based on objective facts and in accordance with the requirements of Code Section 409A.

2.9 Claimant. Claimant means a Participant or Beneficiary filing a claim under Article XII of this Plan.

2.10 Code. Code means the Internal Revenue Code of 1986, as amended from time to time.

2.11 Code Section 409A. Code Section 409A means section 409A of the Code, and regulations and other guidance issued by the Treasury Department and Internal Revenue Service thereunder.

2.12 Committee. Committee means the committee appointed by the Board of Directors of the Company (or the appropriate committee of such board) to administer the Plan. If no designation is made, the Chief Executive Officer of the Company or his delegate shall have and exercise the powers of the Committee.

2.13 Company. Company means Wabash National Corporation.

2.14 Company Contribution. Company Contribution means a credit by a Participating Employer to a Participant's Account(s) in accordance with the provisions of Article V of the Plan. Company Contributions are credited at the sole discretion of the Participating Employer and the fact that a Company Contribution is credited in one year shall not obligate the Participating Employer to continue to make such Company Contribution in subsequent years. Unless the context clearly indicates otherwise, a reference to Company Contribution shall include Earnings attributable to such contribution.

2.15 Compensation. Compensation means a Participant's base salary, bonus, commission, Director fees, and such other cash or equity-based compensation (if any) approved by the Committee as Compensation that may be deferred under this Plan. Compensation shall not include any compensation that has been previously deferred under this Plan or any other arrangement subject to Code Section 409A.

2.16 Compensation Deferral Agreement. Compensation Deferral Agreement means an agreement between a Participant and a Participating Employer, or an online enrollment or other form, that specifies (i) the amount of each component of Compensation that the Participant has elected to defer to the Plan in accordance with the provisions of Article IV, and (ii) the Payment Schedule applicable to one or more Accounts. The Committee may permit different deferral amounts for each component of Compensation and may establish a minimum or maximum deferral amount for each such component. Unless otherwise specified by the Committee in the Compensation Deferral Agreement, Participants may defer up to 90% of their base salary and up to 100% of other types of Compensation for a Plan Year; provided that, if a Director elects to defer any restricted stock units for a Plan Year, 100% of such restricted stock units will be deferred. A

Compensation Deferral Agreement may also specify the investment allocation described in Section 8.4.

2.17 Death Benefit. Death Benefit means the benefit payable under the Plan to a Participant's Beneficiary(ies) upon the Participant's death as provided in Section 6.1 of the Plan.

2.18 Deferral. Deferral means a credit to a Participant's Account(s) that records that portion of the Participant's Compensation that the Participant has elected to defer to the Plan in accordance with the provisions of Article IV. Unless the context of the Plan clearly indicates otherwise, a reference to Deferrals includes Earnings attributable to such Deferrals.

Deferrals shall be calculated with respect to the gross cash Compensation payable to the Participant prior to any deductions or withholdings, but shall be reduced by the Committee as necessary so that it does not exceed 100% of the cash Compensation of the Participant remaining after deduction of all required income and employment taxes, 401(k) and other employee benefit deductions, and other deductions required by law. Changes to payroll withholdings that affect the amount of Compensation being deferred to the Plan shall be allowed only to the extent permissible under Code Section 409A.

2.19 Director. Director means a non-employee member of the Board of Directors of the Company.

2.20 Disability Benefit. Disability Benefit means the benefit payable under the Plan to a Participant in the event such Participant is determined to be Disabled.

2.21 Disabled. Disabled means that a Participant is, by reason of any medically-determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve months, (i) unable to engage in any substantial gainful activity, or (ii) receiving income replacement benefits for a period of not less than three months under an accident and health plan covering employees of the Participant's employer. The Committee shall determine whether a Participant is Disabled in accordance with Code Section 409A provided, however, that a Participant shall be deemed to be Disabled if determined to be totally disabled by the Social Security Administration or the Railroad Retirement Board.

2.22 Earnings. Earnings means an adjustment to the value of an Account in accordance with Article VIII.

2.23 Effective Date. Effective Date means May 12, 2020.

2.24 Eligible Employee. Eligible Employee means a member of a "select group of management or highly compensated employees" of a Participating Employer within the meaning of Sections 201(2), 301(a)(3) and 401(a)(l) of ERISA, as determined by the Committee from time to time in its sole discretion, who has been employed for at least three (3) months.

2.25 Employee. Employee means a common-law employee of an Employer.

2.26 Employer. Employer means, with respect to Employees it employs, the Company and each Affiliate.

2.27 ERISA. ERISA means the Employee Retirement Income Security Act of 1974, as amended from time to time.

2.28 Participant. Participant means an Eligible Employee or a Director who has received notification of his or her eligibility to defer Compensation under the Plan under Section 3.1 and any other person with an Account Balance greater than zero, regardless of whether such individual continues to be an Eligible Employee or a Director. A Participant's continued participation in the Plan shall be governed by Section 3.2 of the Plan.

2.29 Participating Employer. Participating Employer means the Company and each Adopting Employer.

2.30 Payment Schedule. Payment Schedule means the date as of which payment of an Account under the Plan will commence and the form in which payment of such Account will be made.

2.31 Performance-Based Compensation. Performance-Based Compensation means Compensation where the amount of, or entitlement to, the Compensation is contingent on the satisfaction of pre-established organizational or individual performance criteria relating to a performance period of at least twelve consecutive months. Organizational or individual performance criteria are considered pre-established if established in writing by not later than ninety (90) days after the commencement of the period of service to which the criteria relate, provided that the outcome is substantially uncertain at the time the criteria are established. The determination of whether Compensation qualifies as "Performance-Based Compensation" will be made in accordance with Treas. Reg. Section 1.409A-1(e) and subsequent guidance.

2.32 Plan. Generally, the term Plan means the "Wabash National Corporation Supplemental Plan" as documented herein and as may be amended from time to time hereafter. However, to the extent permitted or required under Code Section 409A, the term Plan may in the appropriate context also mean a portion of the Plan that is treated as a single plan under Treas. Reg. Section 1.409A-1(c), or the Plan or portion of the Plan and any other nonqualified deferred compensation plan or portion thereof that is treated as a single plan under such section.

2.33 Plan Year. Plan Year means January 1 through December 31.

2.34 Retirement/Termination Benefit. Retirement/Termination Benefit means the benefit payable to a Participant under the Plan following the Participant's Separation from Service.

2.35 Retirement/Termination Account. Retirement/Termination Account means an Account established by the Committee to record the amounts payable to a Participant upon Separation from Service. Unless otherwise determined by the Committee, a Participant

may maintain no more than two Retirement/Termination Accounts with respect to cash deferrals, and the first Retirement/Termination Account established with respect to a Participant shall be considered the Participant's "Primary Retirement/Termination Account." Unless the Participant has established a Specified Date Account, all Deferrals and Company Contributions shall be allocated to a Retirement/Termination Account on behalf of the Participant.

2.36 RSU Retirement/Termination Account. RSU Retirement/Termination Account means a Retirement/Termination Account established by the Committee for Director deferrals of restricted stock units.

2.37 Separation from Service. An Employee incurs a Separation from Service upon termination of employment with the Employer. A Director incurs a Separation from Service upon the expiration of all contracts with the Employer to serve as a Director, provided the contractual relationship has in good faith been completely terminated. Whether a Separation from Service has occurred shall be determined by the Committee in accordance with Code Section 409A.

Except in the case of an Employee on a bona fide leave of absence as provided below, an Employee is deemed to have incurred a Separation from Service if the Employer and the Employee reasonably anticipated that the level of services to be performed by the Employee after a date certain would be reduced to 20% or less of the average services rendered by the Employee during the immediately preceding 36-month period (or the total period of employment, if less than 36 months, disregarding periods during which the Employee was on a bona fide leave of absence.

An Employee who is absent from work due to military leave, sick leave, or other bona fide leave of absence shall incur a Separation from Service on the first date immediately following the later of (i) the six-month anniversary of the commencement of the leave or (ii) the expiration of the Employee's right, if any, to reemployment under statute or contract.

If a Participant is both a Director and an Employee, the services provided as a Director shall be disregarded in determining whether there has been a Separation from Service as an Employee, and the services provided as an Employee shall be disregarded in determining whether there has been a Separation from Service as a Director, provided the portion of the Plan in which the Participant participates as a Director is substantially similar to arrangements covering non-Employee Directors.

For purposes of determining whether a Separation from Service has occurred, the Employer means the Employer as defined in Section 2.26 of the Plan, except that for purposes of determining whether another organization is an Affiliate of the Company, common ownership of at least 50% shall be determinative.

The Committee specifically reserves the right to determine whether a sale or other disposition of substantial assets to an unrelated party constitutes a Separation from Service with respect to a Participant providing services to the seller immediately prior to

the transaction and providing services to the buyer after the transaction. Such determination shall be made in accordance with the requirements of Code Section 409A.

2.38 Specified Date Account. A Specified Date Account means an Account established by the Committee to record the amounts payable at a future date as specified in the Participant's Compensation Deferral Agreement. Unless otherwise determined by the Committee, a Participant may maintain no more than five Specified Date Accounts. A Specified Date Account may be identified in enrollment materials as an "In-Service Account" or such other name as established by the Committee without affecting the meaning thereof.

2.39 Specified Date Benefit. Specified Date Benefit means the benefit payable to a Participant under the Plan in accordance with Section 6.1(b).

2.40 Specified Employee. Specified Employee means an Employee who, as of the date of his Separation from Service, is a "key employee" of the Company or any Affiliate, any stock of which is actively traded on an established securities market or otherwise. An Employee is a key employee i f he meets the requirements of Code Section 416(i)(l)(A)(i), (ii), or (iii) (applied in accordance with applicable regulations thereunder and without regard to Code Section 416(i)(5)) at any time during the 12-month period ending on the Specified Employee Identification Date. Such Employee shall be treated as a key employee for the entire 12-month period beginning on the Specified Employee Effective Date.

For purposes of determining whether an Employee is a Specified Employee, the compensation of the Employee shall be determined in accordance with the definition of compensation provided under Treas. Reg. Section 1.415(c)-2(d)(3) (wages within the meaning of Code section 3401(a) for purposes of income tax withholding at the source, plus amounts excludible from gross income under section 125(a), 132(f)(4), 402(e)(3), 402(h)(l)(B), 402(k) or 457(b), without regard to rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed); provided, however, that, with respect to a nonresident alien who is not a Participant in the Plan, compensation shall not include compensation that is not includible in the gross income of the Employee under Code Sections 872, 893,894,911, 931 and 933, provided such compensation is not effectively connected with the conduct of a trade or business within the United States.

Notwithstanding anything in this paragraph to the contrary, (i) if a different definition of compensation has been designated by the Company with respect to another nonqualified deferred compensation plan in which a key employee participates, the definition of compensation shall be the definition provided in Treas. Reg. Section 1.409A-l (i)(2), and (ii) the Company may through action that is legally binding with respect to all nonqualified deferred compensation plans maintained by the Company, elect to use a different definition of compensation.

In the event of corporate transactions described in Treas. Reg. Section 1.409A-1 (i)6), the identification of Specified Employees shall be determined in accordance with the default

rules described therein, unless the Employer elects to utilize the available alternative methodology through designations made within the timeframes specified therein.

2.41 Specified Employee Identification Date. Specified Employee Identification Date means December 31, unless the Employer has elected a different date through action that is legally binding with respect to all nonqualified deferred compensation plans maintained by the Employer.

2.42 Specified Employee Effective Date. Specified Employee Effective Date means the first day of the fourth month following the Specified Employee Identification Date, or such earlier date as is selected by the Committee.

2.43 Substantial Risk of Forfeiture. Substantial Risk of Forfeiture shall have the meaning specified in Treas. Reg. Section 1.409A-1(d);

2.44 Unforeseeable Emergency. An Unforeseeable Emergency means a severe financial hardship to the Participant resulting from an illness or accident of the Participant, the Participant's spouse, the Participant's dependent (as defined in Code section 152, without regard to section 152(b)(l), (b)(2), and (d)(l)(B)), or a Beneficiary; loss of the Participant's property due to casualty (including the need to rebuild a home following damage to a home not otherwise covered by insurance, for example, as a result of a natural disaster); or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. The types of events which may qualify as an Unforeseeable Emergency may be limited by the Committee.

2.45 Valuation Date. Valuation Date shall mean each Business Day.

ARTICLE III
Eligibility and Participation

3.1 Eligibility and Participation. An Eligible Employee or a Director becomes a Participant upon the earlier to occur of (i) a credit of Company Contributions under Article V or (ii) receipt of notification of eligibility to participate.

3.2 Duration. A Participant shall be eligible to defer Compensation and receive allocations of Company Contributions, subject to the terms of the Plan, for as long as such Participant remains an Eligible Employee or a Director. A Participant who is no longer an Eligible Employee or a Director but has not Separated from Service may not elect to defer additional Compensation under the Plan but may otherwise exercise all of the rights o f a Participant under the Plan with respect to his or her Account(s). On and after a Separation from Service, a Participant shall remain a Participant as long as his or her Account Balance is greater than zero and during such time may continue to make allocation elections as provided in Section 8.4. An individual shall cease being a Participant in the Plan when all benefits under the Plan to which he or she is entitled have been paid

ARTICLE IV
Deferrals

4.1 Deferral Elections, Generally.

(a) A Participant may elect to defer Compensation by submitting a Compensation Deferral Agreement during the enrollment periods established by the Committee and in the manner specified by the Committee, but in any event, in accordance with Section 4.2. A Compensation Deferral Agreement that is not timely filed with respect to a service period or component of Compensation shall be considered void and shall have no effect with respect to such service period or Compensation. The Committee may modify any Compensation Deferral Agreement prior to the date the election becomes irrevocable under the rules of Section 4.2.

(b) The Participant shall specify on his or her Compensation Deferral Agreement the amount of Deferrals and whether to allocate Deferrals to a Retirement/Termination Account or to a Specified Date Account; provided that, if a Director elects to defer restricted stock units, 100% of such restricted stock units shall be deferred and will automatically be allocated to a RSU Retirement/Termination Account. If no designation is made with respect to cash Compensation, Deferrals shall be allocated to the Primary Retirement/Termination Account. A Participant may also specify (from the alternatives made available by the Committee) in his or her Compensation Deferral Agreement the Payment Schedule applicable to his or her Plan Accounts other than RSU Retirement/Termination Accounts. If the Payment Schedule is not specified in a Compensation Deferral Agreement, the Payment Schedule shall be the Payment Schedule specified in Section 6.2.

4.2 Timing Requirements for Compensation Deferral Agreements.

(a) ***First Year of Eligibility***. In the case of the first year in which an Eligible Employee or a Director becomes eligible to participate in the Plan, he has up to 30 days following his initial eligibility to submit a Compensation Deferral Agreement with respect to Compensation to be earned during such year. The Compensation Deferral Agreement described in this paragraph becomes irrevocable upon the end of such 30-day period. The determination of whether an Eligible Employee or a Director may file a Compensation Deferral Agreement under this paragraph shall be determined in accordance with the rules of Code Section 409A, including the provisions of Treas. Reg. Section 1.409A-2(a)(7). A Compensation Deferral Agreement filed under this paragraph applies to Compensation earned on and after the date the Compensation Deferral Agreement becomes irrevocable.

(b) ***Prior Year Election***. Except as otherwise provided in this Section 4.2, Participants may defer Compensation by filing a Compensation Deferral Agreement no later than December 31 of the year prior to the year in which the

Compensation to be deferred is earned. A Compensation Deferral Agreement described in this paragraph shall become irrevocable with respect to such Compensation as of December 31 of the year prior to the year in which such Compensation is earned.

(c) ***Performance-Based Compensation***. Participants may file a Compensation Deferral Agreement with respect to Performance-Based Compensation no later than the date that is six months before the end of the performance period, provided that:

(i) the Participant performs services continuously from the later of the beginning of the performance period or the date the criteria are established through the date the Compensation Deferral Agreement is submitted; and

(ii) the Compensation is not readily ascertainable as of the date the Compensation Deferral Agreement is filed.

A Compensation Deferral Agreement becomes irrevocable with respect to Performance-Based Compensation as of the day immediately following the latest date for filing such election. Any election to defer Performance-Based Compensation that is made in accordance with this paragraph and that becomes payable as a result of the Participant's death or disability (as defined in Treas. Reg. Section 1.409A-1(e)) or upon a Change in Control (as defined in Treas. Reg. Section 1.409A-3(i)(5)) prior to the satisfaction of the performance criteria, will be void.

(d) ***Sales Commissions***. Sales commissions (as defined in Treas. Reg. Section 1.409A-2(a)(12)(i)) are considered to be earned in the taxable year of the Participant in which the customer remits payment to the Employer. The Compensation Deferral Agreement must be filed before the last day of the year preceding the year in which the sales commissions are earned and becomes irrevocable after that date.

(e) ***Short-Term Deferrals***. Compensation that meets the definition of a "short-term deferral" described in Treas. Reg. Section 1.409A-1(b)(4) may be deferred in accordance with the rules of Article VII, applied as if the date the Substantial Risk of Forfeiture lapses is the date payments were originally scheduled to commence, provided, however, that the provisions of Section 7.3 shall not apply to payments attributable to a Change in Control (as defined in Treas. Reg. Section 1.409A-3(i)(5)).

(f) ***Certain Forfeitable Rights***. With respect to a legally binding right to a payment in a subsequent year that is subject to a forfeiture condition requiring the Participant's continued services for a period of at least twelve months from the date the Participant obtains the legally binding right, an election to defer such Compensation may be made on or before the 30th day after the Participant obtains the legally binding right to the Compensation, provided that the election is made

at least twelve months in advance of the earliest date at which the forfeiture condition could lapse. The Compensation Deferral Agreement described in this paragraph becomes irrevocable after such 30th day or, if earlier, twelve months in advance of the earliest date at which the forfeiture condition could lapse. If the forfeiture condition applicable to the payment lapses before the end of the required service period as a result of the Participant's death or disability (as defined in Treas. Reg. Section 1.409A-3(i)(4)) or upon a Change in Control (as defined in Treas. Reg. Section 1.409A-3(i)(5)), the Compensation Deferral Agreement will be void unless it would be considered timely under another rule described in this Section.

(g) ***Company Awards***. Participating Employers may unilaterally provide for deferrals of Company awards prior to the date of such awards. Deferrals of Company awards (such as sign-on, retention, or severance pay) may be negotiated with a Participant prior to the date the Participant has a legally binding right to such Compensation.

(h) ***"Evergreen" Deferral Elections***. Compensation Deferral Agreements will continue in effect for each subsequent year or performance period until subsequently modified by a Participant. Such "evergreen" Compensation Deferral Agreements will become effective with respect to an item of Compensation on the date such election becomes irrevocable under this Section 4.2. An evergreen Compensation Deferral Agreement may be terminated or modified prospectively with respect to Compensation for which such election remains revocable under this Section 4.2. A Participant whose Compensation Deferral Agreement is cancelled in accordance with Section 4.6 will be required to file a new Compensation Deferral Agreement under this Article IV in order to recommence Deferrals under the Plan.

4.3 Allocation of Deferrals. Subject to the limitations of the Plan, a Compensation Deferral Agreement may allocate Deferrals to one or more Specified Date Accounts and/or to the Retirement/Termination Account. The Committee may, in its discretion, establish a minimum deferral period for Specified Date Accounts (for example, the third Plan Year following the year Compensation subject to the Compensation Deferral Agreement is earned).

4.4 Deductions from Pay. The Committee has the authority to determine the payroll practices under which any component of Compensation subject to a Compensation Deferral Agreement will be deducted from a Participant's Compensation.

4.5 Vesting. Participant Deferrals shall be 100% vested at all times.

4.6 Cancellation of Deferrals. The Committee may cancel a Participant's Deferrals (i) for the balance of the Plan Year in which an Unforeseeable Emergency occurs, (ii) if the Participant receives a hardship distribution under the Employer's qualified 401(k) plan, and (iii) during periods in which the Participant is unable to perform the duties of his or her position or any substantially similar position due to a mental or physical impairment

that can be expected to result in death or last for a continuous period of at least six months, provided cancellation occurs by the later of the end of the taxable year of the Participant or the 15th day of the third month following the date the Participant incurs the disability (as defined in this paragraph (iii)).

ARTICLE V
Company Contributions

5.1 Matching Contributions. A Participating Employer may credit Matching Contributions for a Plan Year to the Account of a Participant. If Matching Contributions are credited, they shall equal 100% of the first 3% of Compensation (excluding non-cash Compensation deferred by Directors) deferred to the Plan, and 50% of the next 2% of Compensation (excluding non-cash Compensation deferred by Directors) deferred to the Plan, except as otherwise provided by a Participating Employer. RSU Retirement/Termination Accounts receive no Matching Contributions.

5.2 Discretionary Company Contributions. The Participating Employer may, from time to time in its sole and absolute discretion, credit Company Contributions to any Participant in any amount determined by the Participating Employer. Such contributions will be credited to a Participant's Retirement/Termination Account.

5.3 Vesting. Company Contributions described in Sections 5.1 and 5.2, above, and the Earnings thereon, shall be 100% vested when credited. Notwithstanding anything to the contrary in this Section 5.3, however, all Company Contributions shall be forfeited if the Participant's employment is terminated by the Participating Employer for Cause.

ARTICLE VI
Benefits

6.1 Benefits, Generally. A Participant shall be entitled to the following benefits under the Plan:

(a) ***Retirement/Termination Benefit***. Upon the Participant's Separation from Service, he or she shall be entitled to a Retirement/Termination Benefit. The Retirement/Termination Benefit shall be equal to the vested portion of the Retirement/Termination Account(s) and the unpaid balances of any Specified Date Accounts. The Retirement/Termination Benefit shall be based on the value of such Account(s) as of the end of the month in which Separation from Service occurs. Payment of the Retirement/Termination Benefit will be made or begin the first day of the month following the month in which Separation from Service occurs, provided, however, that with respect to a Participant who is a Specified Employee as of the date such Participant incurs a Separation from Service, payment will be made or begin on the first day of the seventh month following the month in which such Separation from Service occurs. If the Retirement/Termination Benefit is to be paid in the form of installments, any subsequent installment payments to a Specified Employee will be paid on the anniversary of the date the initial installment was made.

(b) ***Specified Date Benefit***. If the Participant has established one or more Specified Date Accounts, he or she shall be entitled to a Specified Date Benefit with respect to each such Specified Date Account. The Specified Date Benefit shall be equal to the balance of the Specified Date Account at the time of payment, based on the value of that Account as of the end of the month designated as the payment commencement date by the Participant at the time the Account was established. Payment of the Specified Date Benefit will be made or begin the first day of the month following the designated month.

(c) ***Disability Benefit***. Upon a determination by the Committee that a Participant is Disabled, he or she shall be entitled to a Disability Benefit. The Disability Benefit shall be equal to the vested portion of the Retirement/Termination Account and the unpaid balances of any Specified Date Accounts. The Disability Benefit shall be based on the value of the Accounts as of the last day of the month in which Disability occurs and will be paid the first day of the following month.

(d) ***Death Benefit***. In the event of the Participant's death, his or her designated Beneficiary(ies) shall be entitled to a Death Benefit. The Death Benefit shall be equal to the vested portion of the Retirement/Termination Account and the unpaid balances of any Specified Date Accounts. The Death Benefit shall be based on the value of the Accounts as of the end of the month in which death occurred, with payment made in the first day of the following month.

(e) ***Unforeseeable Emergency Payments***. A Participant who experiences an Unforeseeable Emergency may submit a written request to the Committee to receive payment of all or any portion of his or her vested Accounts. Whether a Participant or Beneficiary is faced with an Unforeseeable Emergency permitting an emergency payment shall be determined by the Committee based on the relevant facts and circumstances of each case, but, in any case, a distribution on account of Unforeseeable Emergency may not be made to the extent that such emergency is or may be reimbursed through insurance or otherwise, by liquidation of the Participant's assets, to the extent the liquidation of such assets would not cause severe financial hardship, or by cessation of Deferrals under this Plan. If an emergency payment is approved by the Committee, the amount of the payment shall not exceed the amount reasonably necessary to satisfy the need, taking into account the additional compensation that is available to the Participant as the result of cancellation of deferrals to the Plan, including amounts necessary to pay any taxes or penalties that the Participant reasonably anticipates will result from the payment. The amount of the emergency payment shall be subtracted first from the vested portion of the Participant's Retirement/Termination Account until depleted and then from the vested Specified Date Accounts, beginning with the Specified Date Account with the latest payment commencement date. Emergency payments shall be paid in a single lump sum within the 90-day period following the date the payment is approved by the Committee.

6.2 Form of Payment.

(a) ***Retirement/Termination Benefit***. A Participant who is entitled to receive a Retirement/Termination Benefit shall receive payment of such benefit in a single lump sum, unless the Participant elects on his or her initial Compensation Deferral Agreement to have such benefit paid in one of the following alternative forms of payment (i) substantially equal annual installments over a period of two to fifteen years, as elected by the Participant; or (ii) a lump sum payment of a percentage of the balance in the applicable Accounts, with the balance paid in substantially equal annual installments over a period of two to fourteen years, as elected by the Participant; provided that a Retirement/Termination Benefit payable with respect to an RSU Retirement/Termination Account shall be paid in a single lump sum. The Payment Schedule for the Primary Retirement/Termination Account determines how such Account and all Specified Date Accounts described in Section 6.1(a) will be paid. A Participant's second Retirement/Termination Account holding cash Compensation Deferrals will be paid separately as elected by the Participant from the optional forms of payment set forth in this Section 6.2(a).

(b) ***Specified Date Benefit***. The Specified Date Benefit shall be paid in a single lump sum, unless the Participant elects on the Compensation Deferral Agreement with which the account was established to have the Specified Date Account paid in substantially equal annual installments over a period of two to five years, as elected by the Participant.

Notwithstanding any election of a form of payment by the Participant, upon a Separation from Service the unpaid balance of a Specified Date Account shall be paid in accordance with the form of payment applicable to the Primary Retirement/Termination Account, or to the Disability or Death Benefit, as applicable.

(c) ***Disability Benefit***. A Participant who is entitled to receive a Disability Benefit shall receive payment of such benefit in accordance with the Payment Schedule applicable to the Retirement/Termination Benefit.

(d) ***Death Benefit***. A designated Beneficiary who is entitled to receive a Death Benefit shall receive payment of such benefit in accordance with the Payment Schedule applicable to the Retirement/Termination Benefit.

(e) ***Change in Control***. A Participant will receive his or her Retirement/Termination Benefit in a single lump sum payment equal to the unpaid balance of all of his or her Accounts if Separation from Service occurs within 24 months following a Change in Control. In addition to the foregoing, upon a Change in Control, a Participant who has incurred a Separation from Service prior to the Change in Control, and any Beneficiary of such Participant who is receiving or is scheduled to receive payments, will receive the balance of all unpaid Accounts in a single

lump sum. Accounts will be valued as of the last day of the month following the Change in Control and will be paid within 90 days of said Change in Control.

(f) ***Small Account Balances***. Notwithstanding any Participant election or other provision of the Plan, a Participant's Accounts will be paid in a single lump sum if, upon the commencement of his or her Retirement/Termination, Death or Disability Benefit, the combined value of his or her Accounts is not greater than $10,000.

(g) ***Rules Applicable to Installment Payments***. If a Payment Schedule specifies installment payments, annual payments will be made beginning as of the payment commencement date for such installments and shall continue on each anniversary thereof until the number of installment payments specified in the Payment Schedule has been paid. The amount of each installment payment shall be determined by dividing (a) by (b), where (a) equals the Account Balance as of the Valuation Date and (b) equals the remaining number of installment payments.

For purposes of Article VII, installment payments will be treated as a single payment. If a lump sum equal to less than 100% of the Retirement/Termination Account is paid, the payment commencement date for the installment form of payment will be the first anniversary of the payment of the lump sum.

(h) ***Medium of Payment***. Except to the extent otherwise determined by the Committee, payment of amounts deferred under the Plan (including Dividend Equivalents (as defined below)) will be in cash, provided that payments with respect to deferred restricted stock units under any RSU Retirement/Termination Account will be made in whole shares of the Company's common stock issued under the Company's 2017 Omnibus Incentive Plan (or any successor equity incentive plan thereto).

6.3 Acceleration of or Delay in Payments. The Committee, in its sole and absolute discretion, may elect to accelerate the time or form of payment of a benefit owed to the Participant hereunder, provided such acceleration is permitted under Treas. Reg. Section 1.409A-3(j)(4). The Committee may also, in its sole and absolute discretion, delay the time for payment of a benefit owed to the Participant hereunder, to the extent permitted under Treas. Reg. Section 1.409A-2(b)(7). If the Plan receives a domestic relations order (within the meaning of Code Section 414(p)(l)(B)) directing that all or a portion of a Participant's Accounts be paid to an "alternate payee," any amounts to be paid to the alternate payee(s) shall be paid in a single lump sum.

ARTICLE VII
Modifications to Payment Schedules

7.1 Participant's Right to Modify. A Participant may modify any or all of the alternative Payment Schedules with respect to an Account, consistent with the permissible Payment Schedules available under the Plan, provided such modification complies with the requirements of this Article VII.

7.2 Time of Election. The date on which a modification election is submitted to the Committee must be at least twelve months prior to the date on which payment is scheduled to commence under the Payment Schedule in effect prior to the modification.

7.3 Date of Payment under Modified Payment Schedule. Except with respect to modifications that relate to the payment of a Death Benefit or a Disability Benefit, the date payments are to commence under the modified Payment Schedule must be no earlier than five years after the date payment would have commenced under the original Payment Schedule. Under no circumstances may a modification election result in an acceleration of payments in violation of Code Section 409A.

7.4 Effective Date. A modification election submitted in accordance with this Article VII is irrevocable upon receipt by the Committee and becomes effective 12 months after such date.

7.5 Effect on Accounts. An election to modify a Payment Schedule is specific to the Account or payment event to which it applies, and shall not be construed to affect the Payment Schedules of any other Accounts.

ARTICLE VIII
Valuation of Account Balances; Investments

8.1 Valuation. Deferrals shall be credited to appropriate Accounts on the date such Compensation would have been paid to the Participant absent the Compensation Deferral Agreement. Company Contributions shall be credited to the Retirement/Termination Account at the times determined by the Committee. Valuation of Accounts shall be performed under procedures approved by the Committee.

8.2 Earnings Credit. Each Account will be credited with Earnings on each Business Day, based upon the Participant's investment allocation among a menu of investment options selected in advance by the Committee, in accordance with the provisions of this Article VIII ("investment allocation").

8.3 Investment Options. Investment options will be determined by the Committee. The Committee, in its sole discretion, shall be permitted to add or remove investment options from the Plan menu from time to time, provided that any such additions or removals of investment options shall not be effective with respect to any period prior to the effective date of such change. Notwithstanding anything to the contrary in this Section 8.3, Section 8.4 or Section 8.5, RSU Retirement/Termination Accounts will automatically be deemed invested in the common stock of the Company. RSU Retirement/Termination Accounts will be entitled to dividend equivalents as follows: Prior to the vesting of the restricted stock units deferred into the RSU Retirement/Termination Accounts, the Company may pay dividend equivalents on a current basis to Participants equal to the per share amount of any dividends paid on the Company's common stock during such time, and following the vesting of the restricted stock units deferred into the RSU Retirement/Termination Accounts, each deferred restricted stock unit will be credited with dividend equivalents equal to the per share amount of any dividends paid on the

common stock of the Company during such post-vesting period ("Dividend Equivalents").

8.4 Investment Allocations. A Participant's investment allocation constitutes a deemed, not actual, investment among the investment options comprising the investment menu. At no time shall a Participant have any real or beneficial ownership in any investment option included in the investment menu, nor shall the Participating Employer or any trustee acting on its behalf have any obligation to purchase actual securities as a result of a Participant's investment allocation. A Participant's investment allocation shall be used solely for purposes of adjusting the value of a Participant's Account Balances.

A Participant shall specify an investment allocation for each of his Accounts in accordance with procedures established by the Committee. Allocation among the investment options must be designated in increments of 1 %. The Participant's investment allocation will become effective on the same Business Day or, in the case of investment allocations received after a time specified by the Committee, the next Business Day.

A Participant may change an investment allocation on any Business Day, both with respect to future credits to the Plan and with respect to existing Account Balances, in accordance with procedures adopted by the Committee. Changes shall become effective on the same Business Day or, in the case of investment allocations received after a time specified by the Committee, the next Business Day, and shall be applied prospectively.

8.5 Unallocated Deferrals and Accounts. If the Participant fails to make an investment allocation with respect to an Account, such Account shall be invested in an investment option, the primary objective of which is the preservation of capital, as determined by the Committee.

ARTICLE IX
Administration

9.1 Plan Administration. This Plan shall be administered by the Committee which shall have discretionary authority to make, amend, interpret and enforce all appropriate rules and regulations for the administration of this Plan and to utilize its discretion to decide or resolve any and all questions, including but not limited to eligibility for benefits and interpretations of this Plan and its terms, as may arise in connection with the Plan. Claims for benefits shall be filed with the Committee and resolved in accordance with the claims procedures in Article XII.

9.2 Administration Upon Change in Control. Upon a Change in Control, the Committee, as constituted immediately prior to such Change in Control, shall continue to act as the Committee. The individual who was the Chief Executive Officer of the Company (or if such person is unable or unwilling to act, the next highest ranking officer) prior to the Change in Control shall have the authority (but shall not be obligated) to appoint an independent third party to act as the Committee.

Upon such Change in Control, the Company may not remove the Committee, unless 2/3rds of the members of the Board of Directors of the Company and a majority of Participants and Beneficiaries with Account Balances consent to the removal and replacement Committee. Notwithstanding the foregoing, neither the Committee nor the officer described above shall have authority to direct investment of trust assets under any rabbi trust described in Section 11.2.

The Participating Employer shall, with respect to the Committee identified under this Section, (i) pay all reasonable expenses and fees of the Committee, (ii) indemnify the Committee (including individuals serving as Committee) against any costs, expenses and liabilities including, without limitation, attorneys' fees and expenses arising in connection with the performance of the Committee hereunder, except with respect to matters resulting from the Committee's gross negligence or willful misconduct and (iii) supply full and timely information to the Committee on all matters related to the Plan, any rabbi trust, Participants, Beneficiaries and Accounts as the Committee may reasonably require.

9.3 Withholding. The Participating Employer shall have the right to withhold from any payment due under the Plan (or with respect to any amounts credited to the Plan) any taxes required by law to be withheld in respect of such payment (or credit). Withholdings with respect to amounts credited to the Plan shall be deducted from Compensation that has not been deferred to the Plan.

9.4 Indemnification. The Participating Employers shall indemnify and hold harmless each employee, officer, director, agent or organization, to whom or to which are delegated duties, responsibilities, and authority under the Plan or otherwise with respect to administration of the Plan, including, without limitation, the Committee and its agents, against all claims, liabilities, fines and penalties, and all expenses reasonably incurred by or imposed upon him or it (including but not limited to reasonable attorney fees) which arise as a result of his or its actions or failure to act in connection with the operation and administration of the Plan to the extent lawfully allowable and to the extent that such claim, liability, fine, penalty, or expense is not paid for by liability insurance purchased or paid for by the Participating Employer. Notwithstanding the foregoing, the Participating Employer shall not indemnify any person or organization if his or its actions or failure to act are due to gross negligence or willful misconduct or for any such amount incurred through any settlement or compromise of any action unless the Participating Employer consents in writing to such settlement or compromise.

9.5 Delegation of Authority. In the administration of this Plan, the Committee may, from time to time, employ agents and delegate to them such administrative duties as it sees fit, and may from time to time consult with legal counsel who shall be legal counsel to the Company.

9.6 Binding Decisions or Actions. The decision or action of the Committee in respect of any question arising out of or in connection with the administration, interpretation and application of the Plan and the rules and regulations thereunder shall be final and conclusive and binding upon all persons having any interest in the Plan.

ARTICLE X
Amendment and Termination

10.1 Amendment and Termination. The Company may at any time and from time to time amend the Plan or may terminate the Plan as provided in this Article X. Each Participating Employer may also terminate its participation in the Plan.

10.2 Amendments. The Company, by action taken by its Board of Directors, may amend the Plan at any time and for any reason, provided that any such amendment shall not reduce the vested Account Balances of any Participant accrued as of the date of any such amendment or restatement (as if the Participant had incurred a voluntary Separation from Service on such date) or reduce any rights of a Participant under the Plan or other Plan features with respect to Deferrals made prior to the date of any such amendment or restatement without the consent of the Participant. The Board of Directors of the Company may delegate to the Committee the authority to amend the Plan without the consent of the Board of Directors for the purpose of (i) conforming the Plan to the requirements of law, (ii) facilitating the administration of the Plan, (iii) clarifying provisions based on the Committee's interpretation of the document and (iv) making such other amendments as the Board of Directors may authorize.

10.3 Termination. The Company, by action taken by its Board of Directors, may terminate the Plan and pay Participants and Beneficiaries their Account Balances in a single lump sum at any time, to the extent and in accordance with Treas. Reg. Section 1.409A-3G)(4)(ix). If a Participating Employer terminates its participation in the Plan, the benefits of affected Employees shall be paid at the time provided in Article VI.

10.4 Accounts Taxable Under Code Section 409A. The Plan is intended to constitute a plan of deferred compensation that meets the requirements for deferral of income taxation under Code Section 409A. The Committee, pursuant to its authority to interpret the Plan, may sever from the Plan or any Compensation Deferral Agreement any provision or exercise of a right that otherwise would result in a violation of Code Section 409A.

ARTICLE XI
Informal Funding

11.1 General Assets. Obligations established under the terms of the Plan may be satisfied from the general funds of the Participating Employers, or a trust described in this Article XI. No Participant, spouse or Beneficiary shall have any right, title or interest whatever in assets of the Participating Employers. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship, between the Participating Employers and any Employee, spouse, or Beneficiary. To the extent that any person acquires a right to receive payments hereunder, such rights are no greater than the right of an unsecured general creditor of the Participating Employer.

11.2 Rabbi Trust. A Participating Employer may, in its sole discretion, establish a grantor trust, commonly known as a rabbi trust, as a vehicle for accumulating assets to pay

benefits under the Plan. Payments under the Plan may be paid from the general assets of the Participating Employer or from the assets of any such rabbi trust. Payment from any such source shall reduce the obligation owed to the Participant or Beneficiary under the Plan.

ARTICLE XII
Claims

12.1 Filing a Claim. Any controversy or claim arising out of or relating to the Plan shall be filed in writing with the Committee which shall make all determinations concerning such claim. Any claim filed with the Committee and any decision by the Committee denying such claim shall be in writing and shall be delivered to the Participant or Beneficiary filing the claim (the "Claimant").

(a) ***In General***. Notice of a denial of benefits (other than Disability benefits) will be provided within ninety (90) days of the Committee's receipt of the Claimant's claim for benefits. If the Committee determines that it needs additional time to review the claim, the Committee will provide the Claimant with a notice of the extension before the end of the initial ninety (90) day period. The extension will not be more than ninety (90) days from the end of the initial ninety (90) day period and the notice of extension will explain the special circumstances that require the extension and the date by which the Committee expects to make a decision.

(b) ***Disability Benefits***. Notice of denial of Disability benefits will be provided within forty-five (45) days of the Committee's receipt of the Claimant's claim for Disability benefits. If the Committee determines that it needs additional time to review the Disability claim, the Committee will provide the Claimant with a notice of the extension before the end of the initial forty-five (45) day period. If the Committee determines that a decision cannot be made within the first extension period due to matters beyond the control of the Committee, the time period for making a determination may be further extended for an additional thirty (30) days. If such an additional extension is necessary, the Committee shall notify the Claimant prior to the expiration of the initial thirty (30) day extension. Any notice of extension shall indicate the circumstances necessitating the extension of time, the date by which the Committee expects to furnish a notice of decision, the specific standards on which such entitlement to a benefit is based, the unresolved issues that prevent a decision on the claim and any additional information needed to resolve those issues. A Claimant will be provided a minimum of forty-five (45) days to submit any necessary additional information to the Committee. In the event that a thirty (30) day extension is necessary due to a Claimant's failure to submit information necessary to decide a claim, the period for furnishing a notice of decision shall be tolled from the date on which the notice of the extension is sent to the Claimant until the earlier of the date the Claimant responds to the request for additional information or the response deadline.

(c) ***Contents of Notice***. If a claim for benefits is completely or partially denied, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language. The notice shall (i) cite the pertinent provisions of the Plan document and (ii) explain, where appropriate, how the Claimant can perfect the claim, including a description of any additional material or information necessary to complete the claim and why such material or information is necessary. The claim denial also shall include an explanation of the claims review procedures and the time limits applicable to such procedures, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse decision on review. In the case of a complete or partial denial of a Disability benefit claim, the notice shall provide a statement that the Committee will provide to the Claimant, upon request and free of charge, a copy of any internal rule, guideline, protocol, or other similar criterion that was relied upon in making the decision and shall include (A) an explanation of the basis for disagreeing with or not following (x) the views presented by the Claimant to the Plan of health care professionals treating the Claimant and vocational professionals who evaluated the Claimant; (y) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and (z) a disability determination regarding the claimant presented by the Claimant to the Plan made by the Social Security Administration; (B) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; (C) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist; and (D) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits.

12.2 Appeal of Denied Claims. A Claimant whose claim has been completely or partially denied shall be entitled to appeal the claim denial by filing a written appeal with a committee designated to hear such appeals (the "Appeals Committee"). A Claimant who timely requests a review of the denied claim (or his or her authorized representative) may review, upon request and free of charge, copies of all documents, records and other information relevant to the denial and may submit written comments, documents, records and other information relevant to the claim to the Appeals Committee. All written comments, documents, records, and other information shall be considered "relevant" if the information (i) was relied upon in making a benefits determination, (ii) was submitted, considered or generated in the course of making a benefits decision regardless of whether it was relied upon to make the decision, or (iii) demonstrates compliance with administrative processes and safeguards established for making benefit decisions. The

Appeals Committee may, in its sole discretion and if it deems appropriate or necessary, decide to hold a hearing with respect to the claim appeal.

(a) ***In General***. Appeal of a denied benefits claim (other than a Disability benefits claim) must be filed in writing with the Appeals Committee no later than sixty (60) days after receipt of the written notification of such claim denial. The Appeals Committee shall make its decision regarding the merits of the denied claim within sixty (60) days following receipt of the appeal (or within one hundred and twenty (120) days after such receipt, in a case where there are special circumstances requiring extension of time for reviewing the appealed claim). If an extension of time for reviewing the appeal is required because of special circumstances, written notice of the extension shall be furnished to the Claimant prior to the commencement of the extension. The notice will indicate the special circumstances requiring the extension of time and the date by which the Appeals Committee expects to render the determination on review. The review will take into account comments, documents, records and other information submitted by the Claimant relating to the claim without regard to whether such information was submitted or considered in the initial benefit determination.

(b) ***Disability Benefits***. Appeal of a denied Disability benefits claim must be filed in writing with the Appeals Committee no later than one hundred eighty (180) days after receipt of the written notification of such claim denial. The review shall be conducted by the Appeals Committee (exclusive of the person who made the initial adverse decision or such person's subordinate). In reviewing the appeal, the Appeals Committee shall (i) not afford deference to the initial denial of the claim, (ii) consult a medical professional who has appropriate training and experience in the field of medicine relating to the Claimant's disability and who was neither consulted as part of the initial denial nor is the subordinate of such individual and (iii) identify the medical or vocational experts whose advice was obtained with respect to the initial benefit denial, without regard to whether the advice was relied upon in making the decision. The Appeals Committee shall make its decision regarding the merits of the denied claim within forty-five (45) days following receipt of the appeal (or within ninety (90) days after such receipt, in a case where there are special circumstances requiring extension of time for reviewing the appealed claim). If an extension of time for reviewing the appeal is required because of special circumstances, written notice of the extension shall be furnished to the Claimant prior to the commencement of the extension. The notice will indicate the special circumstances requiring the extension of time and the date by which the Appeals Committee expects to render the determination on review. Following its review of any additional information submitted by the Claimant, the Appeals Committee shall render a decision on its review of the denied claim.

(c) ***Contents of Notice***. If a benefits claim is completely or partially denied on review, notice of such denial shall be in writing and shall set forth the reasons for denial in plain language.

The decision on review shall set forth (i) the specific reason or reasons for the denial, (ii) specific references to the pertinent Plan provisions on which the denial is based, (iii) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records, or other information relevant (as defined above) to the Claimant's claim, and (iv) a statement describing any voluntary appeal procedures offered by the plan and a statement of the Claimant's right to bring an action under Section 502(a) of ERISA.

(d) For the denial of a Disability benefit, the notice will also include a discussion of the decision and (A) an explanation of the basis for disagreeing with or not following (x) the views presented by the Claimant to the Plan of health care professionals treating the Claimant and vocational professionals who evaluated the Claimant; (y) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with a Claimant's adverse benefit determination, without regard to whether the advice was relied upon in making the benefit determination; and (z) a disability determination regarding the claimant presented by the Claimant to the Plan made by the Social Security Administration; (B) if the adverse benefit determination is based on a medical necessity or experimental treatment or similar exclusion or limit, either an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the Claimant's medical circumstances, or a statement that such explanation will be provided free of charge upon request; (C) either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist; and (D) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits.

12.3 Claims Appeals Upon Change in Control. Upon a Change in Control, the Appeals Committee, as constituted immediately prior to such Change in Control, shall continue to act as the Appeals Committee. Upon such Change in Control, the Company may not remove any member of the Appeals Committee, but may replace resigning members if 2/3rds of the members of the Board of Directors of the Company and a majority of Participants and Beneficiaries with Account Balances consent to the replacement.

The Appeals Committee shall have the exclusive authority at the appeals stage to interpret the terms of the Plan and resolve appeals under the Claims Procedure.

Each Participating Employer shall, with respect to the Committee identified under this Section, (i) pay its proportionate share of all reasonable expenses and fees of the Appeals Committee, (ii) indemnify the Appeals Committee (including individual committee members) against any costs, expenses and liabilities including, without limitation, attorneys' fees and expenses arising in connection with the performance of the Appeals Committee hereunder, except with respect to matters resulting from the Appeals

Committee's gross negligence or willful misconduct and (iii) supply full and timely information to the Appeals Committee on all matters related to the Plan, any rabbi trust, Participants, Beneficiaries and Accounts as the Appeals Committee may reasonably require.

12.4 Legal Action. A Claimant may not bring any legal action, including commencement of any arbitration, relating to a claim for benefits under the Plan unless and until the Claimant has followed the claims procedures under the Plan and exhausted his or her administrative remedies under such claims procedures.

If a Participant or Beneficiary prevails in a legal proceeding brought under the Plan to enforce the rights of such Participant or any other similarly situated Participant or Beneficiary, in whole or in part, the Participating Employer shall reimburse such Participant or Beneficiary for all legal costs, expenses, attorneys' fees and such other liabilities incurred as a result of such proceedings. If the legal proceeding is brought in connection with a Change in Control, or a "change in control" as defined in a rabbi trust described in Section 11.2, the Participant or Beneficiary may file a claim directly with the trustee for reimbursement of such costs, expenses and fees. For purposes of the preceding sentence, the amount of the claim shall be treated as if it were an addition to the Participant's or Beneficiary's Account Balance.

12.5 Discretion of Appeals Committee. All interpretations, determinations and decisions of the Appeals Committee with respect to any claim shall be made in its sole discretion, and shall be final and conclusive.

12.6 Arbitration.

(a) ***Prior to Change in Control***. If, prior to a Change in Control, any claim or controversy between a Participating Employer and a Participant or Beneficiary is not resolved through the claims procedure set forth in Article XII, such claim shall be submitted to and resolved exclusively by expedited binding arbitration by a single arbitrator. Arbitration shall be conducted in accordance with the following procedures:

The complaining party shall promptly send written notice to the other party identifying the matter in dispute and the proposed remedy. Following the giving of such notice, the parties shall meet and attempt in good faith to resolve the matter. In the event the parties are unable to resolve the matter within twenty one (21) days, the parties shall meet and attempt in good faith to select a single arbitrator acceptable to both parties. If a single arbitrator is not selected by mutual consent within ten (10) Business Days following the giving of the written notice of dispute, an arbitrator shall be selected from a list of nine persons each of whom shall be an attorney who is either engaged in the active practice of law or recognized arbitrator and who, in either event, is experienced in serving as an arbitrator in disputes between employers and employees, which list shall be provided by the main office of either JAMS, the American Arbitration Association ("AAA") or the Federal Mediation and Conciliation Service. If,

within three Business Days of the parties' receipt of such list, the parties are unable to agree on an arbitrator from the list, then the parties shall each strike names alternatively from the list, with the first to strike being determined by the flip of a coin. After each party has had four strikes, the remaining name on the list shall be the arbitrator. If such person is unable to serve for any reason, the parties shall repeat this process until an arbitrator is selected.

Unless the parties agree otherwise, within sixty (60) days of the selection of the arbitrator, a hearing shall be conducted before such arbitrator at a time and a place agreed upon by the parties. In the event the parties are unable to agree upon the time or place of the arbitration, the time and place shall be designated by the arbitrator after consultation with the parties. Within thirty (30) days of the conclusion of the arbitration hearing, the arbitrator shall issue an award, accompanied by a written decision explaining the basis for the arbitrator's award.

In any arbitration hereunder, the Participating Employer shall pay all administrative fees of the arbitration and all fees of the arbitrator, except that the Participant or Beneficiary may, if he/she/it wishes, pay up to one-half of those amounts. Each party shall pay its own attorneys' fees, costs, and expenses, unless the arbitrator orders otherwise. The prevailing party in such arbitration, as determined by the arbitrator, and in any enforcement or other court proceedings, shall be entitled, to the extent permitted by law, to reimbursement from the other party for all of the prevailing party's costs (including but not limited to the arbitrator's compensation), expenses, and attorneys' fees. The arbitrator shall have no authority to add to or to modify this Plan, shall apply all applicable law, and shall have no lesser and no greater remedial authority than would a court of law resolving the same claim or controversy. The arbitrator shall have no authority to add to or to modify this Plan, shall apply all applicable law, and shall have no lesser and no greater remedial authority than would a court of law resolving the same claim or controversy. The arbitrator shall, upon an appropriate motion, dismiss any claim without an evidentiary hearing if the party bringing the motion establishes that it would be entitled to summary judgment if the matter had been pursued in court litigation.

The parties shall be entitled to discovery as follows: Each party may take no more than three depositions. The Participating Employer may depose the Participant or Beneficiary plus two other witnesses, and the Participant or Beneficiary may depose the Participating Employer, pursuant to Rule 30(b)(6) of the Federal Rules of Civil Procedure, plus two other witnesses. Each party may make such reasonable document discovery requests as are allowed in the discretion of the arbitrator.

The decision of the arbitrator shall be final, binding, and non-appealable, and may be enforced as a final judgment in any court of competent jurisdiction.

This arbitration provision of the Plan shall extend to claims against any parent, subsidiary, or affiliate of each party, and, when acting within such capacity, any

officer, director, shareholder, Participant, Beneficiary, or agent of any party, or of any of the above, and shall apply as well to claims arising out of state and federal statutes and local ordinances as well as to claims arising under the common law or under this Plan.

Notwithstanding the foregoing, and unless otherwise agreed between the parties, either party may apply to a court for provisional relief, including a temporary restraining order or preliminary injunction, on the ground that the arbitration award to which the applicant may be entitled may be rendered ineffectual without provisional relief.

Any arbitration hereunder shall be conducted in accordance with the Federal Arbitration Act: provided, however, that, in the event of any inconsistency between the rules and procedures of the Act and the terms of this Plan, the terms of this Plan shall prevail.

If any of the provisions of this Section 12.6(a) are determined to be unlawful or otherwise unenforceable, in the whole part, such determination shall not affect the validity of the remainder of this section and this section shall be reformed to the extent necessary to carry out its provisions to the greatest extent possible and to insure that the resolution of all conflicts between the parties, including those arising out of statutory claims, shall be resolved by neutral, binding arbitration. If a court should find that the provisions of this Section 12.6(a) are not absolutely binding, then the parties intend any arbitration decision and award to be fully admissible in evidence in any subsequent action, given great weight by any finder of fact and treated as determinative to the maximum extent permitted by law.

The parties do not agree to arbitrate any putative class action or any other representative action. The parties agree to arbitrate only the claims(s) of a single Participant or Beneficiary.

(b) ***Upon Change in Control***. If, upon the occurrence of a Change in Control, any dispute, controversy or claim arises between a Participant or Beneficiary and the Participating Employer out of or relating to or concerning the provisions of the Plan, such dispute, controversy or claim shall be finally settled by a court of competent jurisdiction which, notwithstanding any other provision of the Plan, shall apply a de novo standard of review to any determination made by the Company or its Board of Directors, a Participating Employer, the Committee, or the Appeals Committee.

ARTICLE XIII
General Provisions

13.1 Anti-assignment Rule. No interest of any Participant, spouse or Beneficiary under this Plan and no benefit payable hereunder shall be assigned as security for a loan, and any such purported assignment shall be null, void and of no effect, nor shall any such interest or any such benefit be subject in any manner, either voluntarily or involuntarily, to

anticipation, sale, transfer, assignment or encumbrance by or through any Participant, spouse or Beneficiary. Notwithstanding anything to the contrary herein, however, the Committee has the discretion to make payments to an alternate payee in accordance with the terms of a domestic relations order (as defined in Code Section 414(p)(l)(B)).

13.2 No Legal or Equitable Rights or Interest. No Participant or other person shall have any legal or equitable rights or interest in this Plan that are not expressly granted in this Plan. Participation in this Plan does not give any person any right to be retained in the service of the Participating Employer. The right and power of a Participating Employer to dismiss or discharge an Employee is expressly reserved. The Participating Employers make no representations or warranties as to the tax consequences to a Participant or a Participant's beneficiaries resulting from a deferral of income pursuant to the Plan.

13.3 No Employment Contract. Nothing contained herein shall be construed to constitute a contract of employment between an Employee and a Participating Employer.

13.4 Notice. Any notice or filing required or permitted to be delivered to the Committee under this Plan shall be delivered in writing, in person, or through such electronic means as is established by the Committee. Notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification. Written transmission shall be sent by certified mail to:

WABASH NATIONAL CORPORATION
ATTN: SENIOR VICE PRESIDENT, CHIEF HUMAN RESOURCES OFFICER
1000 SAGAMORE PARKWAY SOUTH
LAFAYETTE IN 47905

Any notice or filing required or permitted to be given to a Participant under this Plan shall be sufficient if in writing or hand-delivered, or sent by mail to the last known address of the Participant.

13.5 Headings. The headings of Sections are included solely for convenience of reference, and if there is any conflict between such headings and the text of this Plan, the text shall control.

13.6 Invalid or Unenforceable Provisions. If any provision of this Plan shall be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provisions hereof and the Committee may elect in its sole discretion to construe such invalid or unenforceable provisions in a manner that conforms to applicable law or as if such provisions, to the extent invalid or unenforceable, had not been included.

13.7 Lost Participants or Beneficiaries. Any Participant or Beneficiary who is entitled to a benefit from the Plan has the duty to keep the Committee advised of his or her current mailing address. If benefit payments are returned to the Plan or are not presented for payment after a reasonable amount of time, the Committee shall presume that the payee is missing. The Committee, after making such efforts as in its discretion it deems reasonable and appropriate to locate the payee, shall stop payment on any uncashed

checks and may discontinue making future payments until contact with the payee is restored.

13.8 Facility of Payment to a Minor. If a distribution is to be made to a minor, or to a person who is otherwise incompetent, then the Committee may, in its discretion, make such distribution (i) to the legal guardian, or if none, to a parent of a minor payee with whom the payee maintains his or her residence, or (ii) to the conservator or committee or, if none, to the person having custody of an incompetent payee. Any such distribution shall fully discharge the Committee, the Company, and the Plan from further liability on account thereof

13.9 Governing Law. To the extent not preempted by ERISA, the laws of the State of Delaware shall govern the construction and administration of the Plan.

IN WITNESS WHEREOF, the undersigned executed this Plan as of the 12th day of June, 2020, to be effective as of the Effective Date.

Wabash National Corporation

By: M. Kristin Glazner (Print Name)

Its: Senior Vice President, General Counsel and Chief Human Resources Officer (Title)

/s/ M. Kristin Glazner (Signature)

WABASH NATIONAL CORPORATION

2017 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

FOR AWARDS GRANTED TO

NON-EMPLOYEE DIRECTORS

_____ ___, 20__

Wabash National Corporation (the "Company"), hereby grants Restricted Stock Units relating to shares of its common stock, $.01 par value, ("Shares"), to the individual named below as the Grantee, subject to the vesting conditions set forth in the attachment. Additional terms and conditions of the grant are set forth in this cover sheet and in the attachment (collectively the "Agreement"), and in the Company's 2017 Omnibus Incentive Plan (the "Plan").

Date of Grant: _____ ___, 20__

Name of Grantee: [NAME], residing at
[ADDRESS]

Number of Restricted Stock Units Covered by Grant: 1_____

You agree to all of the terms and conditions described in this Agreement and in the Plan (a copy of which will be provided on request) unless you deliver a notice in writing within 30 days of receipt of this award agreement to the Company's Compensation Manager stating that you do not accept the terms and conditions described in this Agreement and in the Plan. You acknowledge that you have carefully reviewed the Plan and agree that the Plan will control in the event any provision of this Agreement should appear to be inconsistent with the terms of the Plan.

This is not a stock certificate or a negotiable instrument.

WABASH NATIONAL CORPORATION

2017 OMNIBUS INCENTIVE PLAN

RESTRICTED STOCK UNIT AGREEMENT

NON-EMPLOYEE DIRECTORS

Restricted Stock Unit Transferability

This grant is an award of Restricted Stock Units in the number of units set forth on the cover sheet, subject to the vesting and other conditions described below ("RSUs"). Your RSUs may not be transferred, assigned, pledged or hypothecated, whether by operation of law or otherwise, nor may the RSUs be made subject to execution, attachment or similar process.

Definitions

Capitalized terms not defined in this Agreement are defined in the Plan, and have the meaning set forth in the Plan.

Vesting

Your right to the RSUs under this Agreement vests as to the total number of Shares covered by this grant, as shown on the cover sheet, on (i) to the extent any deferral election (any "Deferral Election") under the Company's Supplemental Plan has been made with respect to the RSUs, the first anniversary of the Date of Grant shown on the cover sheet or (ii) to the extent no Deferral Election applies, the earlier of (a) the date of the Company's annual meeting of stockholders in the year following the year in which the Date of Grant shown on the cover sheet occurs and (b) the first anniversary of the Date of Grant shown on the cover sheet (the "Vesting Date"), provided you have continued in service ("Service") with the Company or a Subsidiary as a Director, Employee or Consultant until such Vesting Date. No additional RSUs will vest after your Service has terminated for any reason except as provided below.

Forfeiture of Unvested Units

In the event that your Service terminates for any reason prior to the Vesting Date, then, except as otherwise provided herein, you will forfeit to the Company all of the RSUs that have not yet vested or with respect to which all applicable restrictions and conditions have not lapsed. Notwithstanding the foregoing, the Committee may, in its sole discretion, provide for full or partial vesting of your RSUs in connection with the termination of your Service, including, but not limited to, termination of your Service as a result of your death or disability.

Change in Control

In the event of a Change in Control while your RSUs remain outstanding, the applicable provisions of Section 21 of the

Plan shall govern the treatment of your RSUs as provided therein.

Delivery

Following the vesting of the RSUs hereunder and at the time provided in this Agreement, but subject to any applicable Deferral Election, the Company will issue to you the Shares to which such vested RSUs relate and pay any related Dividend Equivalents (as defined below). You will have no further rights with regard to an RSU once the Share related to such RSU has been issued and any related Dividend Equivalents have been paid. Subject to any applicable Deferral Election, within seventy (70) days following the Vesting Date (or such earlier date as your RSUs become vested and payable hereunder), the Shares deliverable to you shall be issued, together with any related Dividend Equivalents. Upon settlement, a number of RSUs equal to the number of Shares represented thereby shall be extinguished and such number of RSUs will no longer be considered to be outstanding for any purpose.

Shareholder Rights; Dividend Equivalents

You do not have any of the rights of a shareholder with respect to the RSUs. However, from and after the Grant Date and until the earlier of (i) to the extent no Deferral Election applies, the time when the Shares underlying the vested RSUs (if any) are delivered to you in accordance with this Agreement, (ii) to the extent a Deferral Election applies, the vesting date of the deferred RSUs, or (iii) the time that the RSUs are forfeited in accordance with this Agreement, on each date that the Company pays a cash dividend to holders of its Shares generally, the Company will credit to your account hereunder the right to receive a cash amount equal to the product of (x) the dollar amount of the cash dividend paid per Share on such date multiplied by (y) the total number of unpaid RSUs credited to your account under this Agreement as of such date (a "Dividend Equivalent"). Subject to and conditioned upon the vesting of the underlying RSUs, the aggregate amount of all Dividend Equivalents credited to your account hereunder shall be paid to you in cash (without interest), at the same time that the Shares underlying your vested RSUs are delivered to you (or, to the extent a Deferral Election applies, when the deferred RSUs vest), and your right to receive any such Dividend Equivalents shall be automatically and correspondingly forfeited to the extent

that the underlying RSUs are forfeited pursuant to the terms of the Plan and this Agreement. To the extent a Deferral Election applies, any dividend equivalents credited subsequent to the vesting of the deferred RSUs will be governed by the terms of the Company's Supplemental Plan.

Adjustments

In the event of a stock split, a stock dividend or a similar change in the Shares, the number of RSUs covered by this grant shall be adjusted (and rounded down to the nearest whole number) in accordance with the terms of the Plan. Your RSUs shall be subject to the terms of the agreement of merger, liquidation or reorganization in the event the Company is subject to such corporate activity.

Applicable Law

This Agreement will be interpreted and enforced under the laws of the State of Delaware, other than any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction.

Data Privacy

In order to administer the Plan, the Company may process personal data about you. Such data includes, but is not limited to the information provided in this Agreement and any changes thereto, other appropriate personal and financial data about you such as home address and business addresses and other contact information and any other information that might be deemed appropriate by the Company to facilitate the administration of the Plan.

By accepting these RSUs, you give explicit consent to the Company to process any such personal data. You also give explicit consent to the Company to transfer any such personal data outside the country in which you work or are employed, including, if you are not a U.S. resident, to the United States, to transferees who shall include the Company and other persons who are designated by the Company to administer the Plan.

Consent to Electronic Delivery

The Company may choose to deliver certain statutory materials relating to the Plan in electronic form. By accepting this grant you agree that the Company may deliver the Plan prospectus and the Company's annual report to you in an electronic format. If at any time you would prefer to receive paper copies of these documents, as you are entitled to receive, the Company would be pleased to provide copies. Please contact **the Human Resources**

	Department or the Company's Compensation Manager at **765-771-5623** to request paper copies of these documents.
The Plan	The text of the Plan is incorporated in this Agreement by reference. Certain capitalized terms used in this Agreement are defined in the Plan, and have the meaning set forth in the Plan. This Agreement and the Plan (and, to the extent a Deferral Election applies, the Company's Supplemental Plan) constitute the entire understanding between you and the Company regarding this grant of RSUs. Any other agreements, commitments or negotiations concerning this grant are superseded except to the extent incorporated by this Agreement.
Code Section 409A	In accordance with Section 13 of the Plan, it is intended that this award of RSUs be exempt from (or comply with) Section 409A of the Code and regulations promulgated thereunder. By way of illustration, solely to the extent that it may be necessary in order to comply with Section 409A of the Code: (i) the termination of your Service shall mean your "separation from service" within the meaning of Section 409A of the Code, and (ii) a "Change in Control" shall mean a transaction that constitutes both a Change in Control as defined in the Plan and a "change in control event" within the meaning of Treasury Regulation § 1.409A-3(i)(5).

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brent L. Yeagy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wabash National Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2020

By: /s/ Brent L. Yeagy

Brent L. Yeagy
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Michael N. Pettit, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Wabash National Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 29, 2020

By: /s/ Michael N. Pettit

Michael N. Pettit
Senior Vice President and Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Written Statement of Chief Executive Officer and Chief Financial Officer
Pursuant to Section 906
of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350)

The undersigned, the President and Chief Executive Officer and the Senior Vice President and Chief Financial Officer of Wabash National Corporation (the "Company"), each hereby certifies that, to his knowledge, on July 29, 2020:

(a) the Quarterly Report on Form 10-Q of the Company for the quarter ended June 30, 2020, filed on July 29, 2020 with the Securities and Exchange Commission (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(b) information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Brent L. Yeagy

Brent L. Yeagy
President and Chief Executive Officer
July 29, 2020

/s/ Michael N. Pettit

Michael N. Pettit
Senior Vice President and Chief Financial Officer
July 29, 2020

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Wabash National Corporation and will be retained by Wabash National Corporation and furnished to the Securities and Exchange Commission or its staff upon request.