July 10, 2026

ATA Comp Fund and Alliance Interstate Risk
Service Participating Companies

Dear Ladies and Gentlemen:

Enclosed you will find a copy of the Consolidated Summarized Financial Statements of the Alabama Trucking Association Workers' Compensation Fund and Alliance Interstate Risk Service (Consolidated Programs) for the Six Months ended June 30, 2026. These financial statements reflect the Consolidated Programs currently have accumulated total profits, net of distributions, of $80,361,507 set aside for future retrospective dividend credits to be refunded to active participating companies as directed by Alabama State Regulatory Requirements. Since inception of the Consolidated Programs, the total amount of retrospective dividend credits previously distributed back to participating members is $235,389,396.

This report includes the overall operations of the Consolidated Programs, and the claims losses reflected in the Consolidated Statement of Income and Deductions includes loss reserves which are required to pay incurred but not reported (IBNR) losses. These IBNR loss reserves are established at levels recommended by the our independent Actuarial firm (Casualty Actuarial Consultants) and approved by the Boards of each program. Our Actuaries recently completed their yearend loss reserve analysis update and have adjusted reserves based on the decreasing development trend of losses over the most recent years of operation. This trend is the direct result of aggressive and effective claims handling practices and our loss control and risk management practices within both programs. The combined overall operating profit for the Six Months ended June 30, 2026 is $8,840,970. The Boards of both programs are very pleased to report the Consolidated Programs continue to grow stronger and generate greater dividends payable back to our participating companies.

In closing, we always wish to take the opportunity to remind you that the best approach to curb increases in your company's operating expenses is to strive to maximize your company's emphasis on your claims reporting and handling procedures along with your loss control and risk management practices. Your efforts in these areas will directly increase the bottom line of your company. Please take advantage of the opportunity to contact our team members. Suzy Baker, our Director of Claims, along with David Balades, our Claims Specialist, will assist you with any claims related questions you may have. Don Anchors, our Director of Safety and Risk Management, Victor Whatley, our Regional Risk Manager, as well as our Risk Management Consultants, Candy Woodruff, Ray Hodge, Jason Brown, Adam Tallmon, Wesley Peebles and Ricardo Fuentes will evaluate your company to develop a risk analysis plan, and implement safety procedures and training that can immediately reduce the losses occurring within your company, as we have done for many other companies in both our programs. We encourage you to contact us and take advantage of these resources, at no cost to you, and remember to always Work Safe / Work Smart.

BOARD MEMBERS

Fenn Church. Chairman
ATA Comp Fund Trustee and AIR Board Director
President/CEO, Church Transportation & Logistics, Inc.
P. O. Box 65
Birmingham, AL 35201
Term: September 2024 – April 2027
(205) 925-1977

Jay Cox
ATA Comp Fund Trustee and AIR Board Director
CFO, Gulf Distributing Holdings, LLC
3378 Moffett Road
Mobile, AL 36607
Term: April 2025 – April 2028
(251) 476-9600

Susan Kirkpatrick
ATA Comp Fund Trustee and AIR Board Director
Exec. Vice President/CFO, Buddy Moore Trucking, Inc.
P.O. Box 10047
Birmingham, AL 35202
Term: April 2023 – April 2026
(205) 949-3201

Drew Linn
ATA Comp Fund Trustee and AIR Board Director
President, Southland International Trucks, Inc.
P. O. Box 578
Birmingham, AL 35201-0578
Term: September 2024 – April 2027
(205) 942-6226

Mark Colson
Ex-Officio ATA Comp Fund Trustee and AIR Board Director
President and CEO, AL Trucking Association
P. O. Box 2339
Montgomery, AL 36102-2339
Term: July 2025 – July 2026
(334) 834-3983

Daniel Wright
Ex-Officio ATA Comp Fund Trustee and AIR Board Director
President, Wright Transportation, Inc.
2333 Dauphin Island Parkway
Mobile, AL 36605
Term: July 2025 – July 2026
(251) 432-6390

Harold Sumerford, Jr., Vice-Chairman
ATA Comp Fund Trustee and AIR Board Director
CEO, J&M Tank Lines, Inc.
1100 Corporate Parkway
Birmingham, AL 35242
Term: September 2024 – April 2027
(205) 876-1901

Steve Hewitt
ATA Comp Fund Trustee and AIR Board Director
Chief Risk Officer, R.E. Garrison Trucking, Inc.
1103 County Road 1194
Vinemont, AL 35179
Term: April 2024 – April 2027
(2566) 255-5500

Mike Limbaugh
ATA Comp Fund Trustee and AIR Board Director
Owner, White Oak Transportation, Inc.
P.O. Box 876
Decatur, AL 35602
Term: April 2025 – April 2028
(877) 948-3625

Scott Smith
ATA Comp Fund Trustee and AIR Board Director
CEO, P & S Transportation, Inc.
P. O. Box 8250
Ensley, AL 35218
Term: April 2023 – April 2026
(205) 296-9588

Joe Black
Ex-Officio ATA Comp Fund Trustee and AIR Board Director
Sales Manager, McGriff Tire Company, Inc.
86 Walnut Street NW
Cullman, AL 35055
Term: July 2025 – July 2026
(256) 739-0780

Scott Smith
Ex-Officio ATA Comp Fund Trustee and AIR Board Director
CEO, P & S Transportation, Inc.
P. O. Box 8250
Ensley, AL 35218
Term: April 2023 – April 2026
(205) 296-9588

ATA COMP FUND

PROTECTION | PERFORMANCE | DRIVEN

ALLIANCE INTERSTATE RISK SERVICE

# BALANCE SHEET

June 30, 2026

## ASSETS

| | | |
|---|---|---|
| Assets: | | |
| AIRS / ATACF Cash and Cash Equivalents | | $ 13,889,083.62 |
| AIRS / ATACF Prepaid Expenses and Deposits | | 1,953,636.97 |
| AIRS / ATACF Accounts Receivable (net of allowance) | | 27,889,749.13 |
| AIRS / ATACF Certificates of Deposit and Investments | | 143,813,756.01 |
| AIRS / ATACF Deferred Tax Asset (net of liability) | | 630,963.77 |
| AIRS / ATACF Building and Fixed Assets (net of depreciation) | | 2,071,748.68 |
| Total Assets | | $ 190,248,938.18 |

## LIABILITIES, RESERVES AND MEMBERS' EQUITY

| | | |
|---|---|---|
| Liabilities: | | |
| AIRS / ATACF Accounts Payable and Escrow | $ 22,856,492.70 | |
| AIRS / ATACF Unearned Premium and Contribut | 6,981,074.83 | |
| Total Liabilities | | $ 29,837,567.53 |
| Reserves: | | |
| AIRS / ATACF Reserve for Aggregate Losses | $ 10,179,125.61 | |
| AIRS / ATACF Actuarial Reserves for Claim Los | 65,022,101.32 | |
| Total Reserves | | 75,201,226.93 |
| Members' Equity: | | |
| AIRS / ATACF Investments Unrealized Gain/(Los | ($ 1,651,363.62) | |
| AIRS / ATACF Retained Earnings and Paid In Ca | 6,500,000.00 | |
| AIRS / ATACF All Years Accumulated Dividend | 80,361,507.34 | |
| Total Members' Equity | | 85,210,143.72 |
| Total Liabilities, Reserves and Members' Equity | | $ 190,248,938.18 |

CONSOLIDATED STATEMENT OF INCOME AND DEDUCTIONS

For the Six Months Ending June 30, 2026

| | | |
|---|---|---|
| Income: | | |
| ATACF Contribution Income | | $ 16,805,538.07 |
| AIRS Premium | | 18,006,774.21 |
| AIRS Excess Loss / Reinsurance Premium | | 1,371,439.49 |
| AIRS / ATACF Investment Income and Gain/(Loss) | | 3,919,890.75 |
| AIRS / ATACF Other Income and Fees | | 1,932.21 |
| Total Income | | $ 40,105,574.73 |
| Deductions: | | |
| Claim Losses: | | |
| AIRS / ATACF Incurred Losses (net) | $ 16,820,909.66 | |
| Total Claims Losses | | $ 16,820,909.66 |
| Operating Expenses: | | |
| AIRS / ATACF Administrative Expenses | $ 4,375,605.96 | |
| AIRS Administration Service Fees | 4,971,550.21 | |
| ATACF Brokerage Expenses | 805,024.54 | |
| ATACF Claims Service Fees | 907,987.43 | |
| ATACF Excess Insurance | 1,624,030.21 | |
| AIRS / ATACF Professional Services | 882,425.39 | |
| AIRS / ATACF Royalty Fees | 627,241.42 | |
| Total Operating Expenses | | 14,193,865.16 |
| Total Deductions | | 31,014,774.82 |
| Excess Income Before Income Taxes | | $ 9,090,799.91 |
| AIRS / ATACF Provision for Income Taxes | | 249,829.75 |
| Excess Income | | $ 8,840,970.16 |
| Prior Years' Excess Income | | 313,409,933.05 |
| Excess Income Before Retrospective Dividends Distribution | | $ 322,250,903.21 |
| Retained Earnings and Paid-in Capital | | 6,500,000.00 |
| Retrospective Dividends Distributed to Members | | 235,389,395.87 |
| Excess Income Held for Future Retrospective Dividends | | $ 80,361,507.34 |