

THE MILE MARKER

Company Newsletter | Winter 20-21



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The Cover

LTI THE MILE MARKER
Company Newsletter | Winter 20-21



This Mile Marker's cover feature's one of our great OTR Company Drivers: Eddie Calloway! In this issue, we explore some exciting new programs, look toward 2021, and more!

Message from the President

I want to wish all of you a happy, prosperous, and successful year in 2021.

As 2020 is behind us, I feel it has been one of the strangest, most unsettling, and challenging years that many of us have ever experienced, and I am certain that we will all welcome 2021 with open arms. I want to start out by thanking everyone at LTI for your commitment and the hard work that you all have shown throughout this challenging and unusual year. With all of us working together, we not only got through the many challenges of 2020, but we also improved our company in many ways that I believe will set LTI up for great success in 2021. I am so proud of everyone at LTI who has stepped up, accepted, and conquered our challenges and helped make LTI a great company.

I'm very excited for the future of LTI as we

move into 2021, with our many new programs and benefits for drivers. We have a new ValueLease Program allowing drivers to lease a truck more profitably than ever. Our new Loyalty Program rewards our great longstanding drivers. And our new Per Diem Program substantially increases drivers' take-home pay. These are just a few of the exciting changes we've made but there will be many more to come!

Thank you again for your commitment and loyalty to LTI! I am committed to the success of everyone at LTI and making us the best trucking company there is. I am looking forward to a great future together!

With Gratitude,

Nicholas Civello
President & CEO

LTI Trucking Services, Inc. ■

How Operations Can Assist in Your Success for 2021

By Lea Hines, Director of Operations

Good drivers are the lifeblood of our company. Operations in conjunction with Recruiting and the Executive Management Team have been working hard on innovative ideas to assist in recognizing the importance of our over-the-road team members.

Loyalty Pay and our Per Diem calculation adjustment are just two of our most recent changes affecting the driver. Neither of these require you to do anything besides continue to be part of the team.

We have been aggressively updating our equipment which has allowed us to expand our Value Lease program making it even more affordable to lease purchase. This is a game changer for those who have always dreamed of owning their own truck. We recognize how important it is to some drivers and have spent many months restructuring the program to make it affordable and very competitive to other lease purchase programs.

Internally, Operations is continually analyzing dwell time in our zones to better evaluate opportunities to keep our drivers moving efficiently between loads.

Most recently, partnering with Wal-Mart has created additional opportunities and taken us to a new level in the freight world. This has only been possible because of the laser focus of our Drivers and the Operations team when it comes to being on-time for both pick-ups and deliveries.

What can you do to be more successful?

- **HOS:** Proper clock management allows you to be available for more load options. Every time you pick up and deliver a load on-time the planners are able to put you on your next load without HOS issues hindering your availability.
- **Reliability:** Every time you come out of home time as scheduled you set yourself up for success as loads are planned based on the date and time you told us you would be ready.
- **Communication:** Communicating with your Fleet Manager and using your macros correctly and efficiently shines a light on your availability for your next load.

We are actively trying to make each driver the next million mile driver for LTI! The opportunities have never been so easy to achieve and all are designed to assist you in your financial success.

All Fleet Managers have been educated in all our incentive opportunities, so please feel free to discuss with them your personal goals so they can assist you in obtaining them. ■



Introducing LTI's New ValueLease Program

By Christian Civello, Marketing Relations Manager

As you've likely already heard, LTI has created a new ValueLease Program that we're very excited about. The program is designed to ensure the success of motivated drivers who want to take their career to the next level by leasing a truck. We truly believe that our new ValueLease Program offers the best lease terms in the industry. It does this by providing you the most value at the lowest cost.

Unmatched Value

At other companies, typically when a driver signs a short-term lease on a truck, they end up paying considerably large lease payments. But through our new ValueLease Program, drivers have the opportunity to own a truck in as little as two years, with low, affordable lease payments. Of course, longer-term leases will offer even smaller lease payments. Depending on the truck and length of lease, payments range from as low as \$350 to \$540 per week.

Companies that offer such low lease rates do so by requiring a large downpayment, by including hidden costs, or contingent on a credit check. But LTI does none of that: no downpayment, no hidden costs, and no credit check. Everything about our program is designed for the *drivers* to be successful!

Flexibility in Lease Payments

LTI offers many different lease options, so you can choose the one the best fits your needs and preferences.

On your first week as a ValueLease Driver, you won't have to pay a lease payment. This is to ensure profitability right out of the gate.

Also, we know that the unexpected will happen when you're out on the road. That's why we also give you the peace of mind to **defer up to two lease payments a year**, giving you the security you need to focus on the road and not on your weekly payment.

Revenue

ValueLease Drivers now receive \$1.05/mile on longer loads and \$1.11/mile on shorter loads, plus \$.03/mile Productivity Pay. You'll also receive fuel surcharge on *all* miles! At this rate, your expenses will always be manageable.

Furthermore, ValueLease Drivers receive a substantial discount of \$.40-\$.50/gallon on all fuel purchases. **These discounts will save you over \$7,000 each year!**

In Conclusion

To summarize, here are some of the great benefits of this program:

- \$1.05/mile revenue (longer loads)
- \$1.11/mile revenue (shorter loads)
- \$.03/mile Productivity Pay
- Fuel Surcharge on *all* miles
- Over \$7,000 of fuel savings each year!
- No lease payment on first week
- 2 weeks per year with no lease payments
- Weekly escrow covers buyout cost
- No down payment, no credit check

Weekly Miles	Net Pay Before Ownership	Net Pay After Ownership
2,300	\$60,000 - \$75,000	\$90,000 - \$95,000
2,500	\$70,000 - \$83,000	\$98,000 - \$102,000
2,700	\$79,000 - \$93,000	\$106,000 - \$111,000

After completing your lease, you'll own of a truck valued at \$25,000 - \$40,000!



- Low lease rates
- No hidden fees

We see this new program as something to get excited about, and we hope you do too. We truly believe that when you add up all the factors, LTI's Lease Purchase program beats any other competitors' programs out there.

If you're interested in becoming a ValueLease Driver, or simply have questions or want more information, reach out to a Recruiter. They will give you the information you need and work with you every step of the way. ■



Introducing: Loyalty Pay

By Bill Riley, Director of Safety & Recruiting

LTI launched a new incentive in October to recognize and reward drivers that have stayed with LTI and continue to perform at high levels. LTI's Loyalty Pay is a quarterly bonus that is tiered based on the longevity of continuous employment with LTI, and increases the longer you stay with LTI.

Loyalty Pay rewards drivers who safely average over 2,100 miles per week over the quarter, much like Productivity Pay, which rewards drivers who safely average over 2,200 miles per week with a \$.03/mile bonus. The main difference is that the size of the payout with Loyalty Pay depends on the longevity of your employment with LTI.

If you've been with LTI for over one year, you'll earn an extra \$.01/mile for that quarter. If you've been with LTI for over one year but less than 5, you'll earn \$.02/mile. And if you've been with LTI for over 5 years, you'll earn an extra \$.03/mile. The bonus is paid on all dispatched miles, loaded and unloaded for the quarter.

Loyalty Pay

Between Loyalty Pay and Productivity Pay you can add \$.06 to your mileage pay; that can be over \$7,000 added to your annual income! For more information, contact your Fleet Manager or Recruiting.

Qualifications:

- Employed by LTI for the entire Quarter
- Average over 2,100 miles per week over the quarter
- No preventable accident, injury, cargo claim, or damage to equipment

Bonuses:

- 1 Year: \$.01 / mile
- 2-5 Years: \$.02 / mile
- >5 Years: \$.03 / mile ■

New Per Diem Pay

By Bill Riley, Director of Safety & Recruiting

Per diem is an allowance paid for lodging, meals, and incidental expenses incurred when travelling. In mid-December, LTI adjusted the procedure used to calculate per diem for all of 2020 and moving forward. The new procedures better mirror the updated guidelines from the IRS. This change is going to result in less taxable income and more money in your pocket each week. The new calculation will move \$66 per day for every night that you're away from home to non-taxable income. On your first day and last day of working away from home, the amount would be pro-rated to 75% or \$49.50 per day to non-taxable income. This adjustment in calculating your daily per diem will result in a weekly increase of approximately \$20-\$30 per week in your net pay.

To help provide a better understanding of these per diem

benefits, we've included 2 examples below. First, we demonstrate the net pay benefits of having a per diem allocation vs not having a per diem allocation. In the second example, we highlight the difference between our old per diem guidelines and our new per diem guidelines. The driver in these examples has 2,250 miles and earns \$0.50 per mile. The driver will spend 1 day at home, and 6 days away from home working. As you can see in both examples, there are substantial tax savings that will result in increased take home pay each week.

In the first example, the driver will reduce their taxable income by \$379.50 per week which will result in an increase of almost \$90 per week or over \$4,600 per year in additional take home pay.

In the second example, the driver will reduce their taxable income by \$98.25 per week which will result in an increase of \$23.23 per week or over \$1,200 per year in additional take home pay. ■

Example 1

No Per Diem	New Per Diem (5.75 days)	Difference
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Taxable Pay	\$1,125	\$745.50	(\$379.50)
Per Diem	n/a	\$379.50	\$379.50
FICA & Medicare Taxes (7.65%)	\$86.06	\$57.03	\$29.03
Fed Taxes (11%)	\$123.75	\$82.00	\$41.75
State Taxes (5%)	\$56.25	\$37.28	\$18.97
Weekly Take Home	858.94	\$948.69	\$89.75
Annual Take Home	\$44,664.88	\$49,331.88	\$4667.00

Example 2

Old Per Diem	New Per Diem (5.75 days)	Difference
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Taxable Pay	\$843.75	\$745.50	(\$98.25)
Per Diem	\$281.25	\$379.50	\$98.25
FICA & Medicare Taxes (7.65%)	\$64.55	\$57.03	\$7.52
Fed Taxes (11%)	\$92.81	\$82.00	\$10.81
State Taxes (5%)	\$42.18	\$37.28	\$4.90
Weekly Take Home	\$925.46	\$948.69	\$23.23
Annual Take Home	\$48,123.92	\$49,331.88	\$1,207.96

Employee Shout Out: Amanda Lewis

Amanda is one of LTI's Customer Services Representatives and has been with our company for 2 years. Recently, Amanda was 1 of 10 people to be recognized by Tootsie Roll for providing Excellent Customer Service for 2020!

Amanda is an invaluable member of our Operations team and we greatly appreciate all that she does for us! She always has a positive attitude and an in-depth knowledge of the customers she works with. We are proud to have Amanda represent LTI to our customers and grateful to have her as part of the LTI family! Congratulations on your recognition - it is well deserved, and *Thank You!* ■



Health & Wellness: 5 Ways to Start Your Year Off Right

Like many other people, you may be thinking about what you would like to accomplish in 2021 or what life changes you could make. Common New Year's resolutions include losing weight, exercising, getting organized, learning new skills and saving money.

To achieve your resolutions, try the following strategies:

- Set a goal that motivates you.
- Set a goal that is specific.
- Set a goal that is manageable or attainable.
- Write down your goals to establish intention.
- Share your goals with others to increase accountability.

Ready, Set, Go!

2020 has likely given you time to reflect and think about what you'd like to change about your lifestyle. This is a good time to make positive life changes and strive for an overall healthier self. Consider the following five tips to start the new year off right:

1. **Check in on your mental health.** Mental health is just as important as physical health in building a healthy lifestyle. Reach out to a professional if you need help.
2. **Be social.** Isolating during the COVID-19 pandemic doesn't have to mean loneliness. Reconnect with others virtually or while practicing social distancing.
3. **Get regular checkups.** Stay up to date on your annual physicals and necessary health tests. Screenings can help identify health issues to be addressed.
4. **Drink more water.** Consuming sugary drinks, like juice or soda, can cause liver damage, premature aging and anxiety. Avoid excessive alcohol consumption as well.
5. **Count nutrients, not calories.** Focus on improving the overall quality of your diet and not getting hung up on calories. Achieve this by adding more fiber, protein and probiotics to your diet.

If you do just one thing in 2021, consider making time for yourself. Identify the activities that make you happy or fulfilled and prioritize them. Talk to your doctor or mental health professional for guidance and support with lifestyle changes. ■



Shout out to our amazing Recruiters, Jo Ann & Michelle, for organizing a Christmas toy drive for a local Foster Grandparent Program, and to all the drivers and employees who made such generous donations, leading to an incredible turnout!

Much gratitude was expressed from the Program Director, who sent us a letter expressing her gratitude: "There were happy tears in my eyes all day, and I will be forever grateful for it. Thank you for sending out inspiration and kindness to all our hearts this holiday. I believe it will last us long enough to get through to the other side of this pandemic."

A Reflection on 2020, and Looking Ahead

By Brian Gibala, Vice President of Sales

2020 was one for the record books and while I could fill up this page with stories of the hardships we faced, I want to focus on one key takeaway from the year before looking ahead to what will be a far better year for the LTI Family:

Emotional Intelligence & Growing Relationships through Empathy

Looking back to the confusing and chaotic days of April and May, dramatic shifts were taking place in people's daily lives. Child care options disrupted, working conditions and environment markedly different than expected, simple conveniences such as sitting down at a restaurant with a co-worker or customer or even shaking hands were no longer an option for many people. The pandemic brought our vulnerabilities as humans front and center and lines were blurred between home and office life.

"All else equal, people want to do business with people they like and respect."

Given these realities, building and fostering relationships became more challenging from afar over Zoom, phone, and email, and required a heightened focus on what others are going through in their daily lives to truly have an impact. All else equal, people want to do business with people they like and respect. Gaining

a deep understanding of our customers' ever-changing transportation related needs and pain points has always been key, but understanding the human element and showing empathy for what that person is also going through must be at the forefront as well as we continue in 2021.

Looking ahead to 2021, we will capitalize on the current state of capacity in the truckload market and while the challenges will be great, the rewards will be greater. Customer diversification initiatives were successful in 2020, and we will continue to have many options as to what freight to commit to and support moving forward. Our client base includes many of the largest food manufacturers in the nation



Brian Gibala and his son, Jay, testing out some new 2021 Freightliner Cascadias!

whose business is up due to pandemic related lifestyle changes.

LTI's value proposition does not include low rates. What we offer is dependable, consistent, safe capacity with quality equipment and quality drivers, Sales, and Operations employees.

Honoring commitments will be the most important metric our customers grade us on in 2021. It is crucial we all strive to understand what those commitments are and overcome challenges to meet them.

If we do what we say we're going to do and honor commitments, both to each other, within the LTI Family, and to our customers each and every day, 2021 will be the best year in a decade for the company and its people. ■

Logistics Set For Success

By Jason Hunter, Director of Logistics

The year 2020 has been an amazing year for the Logistics Team! We have completely streamlined our entire operation from communications to procedures and more. The primary focus has been on building an effective team that is defined by teamwork, cohesiveness, and hard work, and that is exactly what we did.

The market experienced extreme changes this year due to COVID-19, but in the face of adversity, LTI Logistics prevailed through creative thinking that yielded high margins with minimal losses, and most importantly, pulling together as a team.

The primary goal for 2021 will be to expand our team by 2 new members before the conclusion of the first quarter. Bringing on the right individuals that fit our aggressive, fast paced culture will be key to our continual growth. Expanding the team will allow us to form stronger bonds with our customers, improve solicitation efforts, grow our carrier base through nurtured relationships, and engage in continual training to bring out the full potential of each team member. 2020 was great, but 2021 will be amazing! Wishing everyone a profitable New Year! ■

Tire Pressure & Love's TirePass Program

By Camden Civello, Executive Vice President

Tire Pressure:

A fundamental part of maintaining a safe and high-performing truck is to watch your tires. It is a major misconception that tire blowouts are to be expected in trucking – it is within our control to prevent blowouts.

Look to have the correct air pressure on the various tire positions. Check the tires at the beginning of a trip, not after use. A “cold” reading will be the accurate one.

Steer Tires	115 – 120 PSI
Drive Tires	105 – 110 PSI
Trailer Tires	105 – 110 PSI

On tires that do not have PSI system tubes hooked up, you'll want to regularly place a gauge on your tire's air valve to ensure proper inflation. Do not disconnect the PSI system on

a wheel's air valve; the trailer's system is properly maintaining PSI levels.

At a minimum a driver should be thumping the tires before every trip. Use a hammer to hit against each tire. You are looking for bounce-back and want to hear a blunt ping as opposed to hollowed thump.

Love's TirePass Program:

Almost all of LTI's fleet of trailers have a PSI monitoring and inflation system on them. On these units, the driver does not need to measure the tire pressure with a gauge.

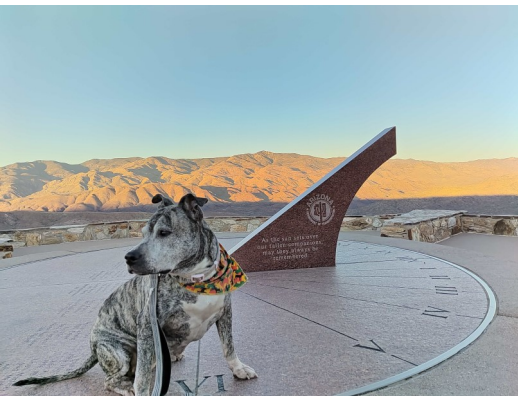
The exceptions are a few lease dry vans and LTI's “candy-wrapped” trailers (formerly those of Farley & Sathers); units 5370 through 5462. These units do not have the PSI system on them and the driver is responsible for ensuring the tire inflation is adequate.

“LTI has arranged for these select trailers to be enrolled in Love's TirePass Program”

To assist the drivers in this, LTI has arranged for these select trailers to be enrolled in Love's TirePass Program effective immediately.

Through this program, the driver will be able to have a Love's facility check the air pressure on the trailer's tires while they are fueling up.

These units will have a TirePass sticker on the side of the trailer, where the reefer fuel tank and landing gear is (see below). When you arrive at a Love's, pull into Lane 17 and these trailers can have their air pressure checked free of charge to the driver. ■



Photos from the Road

These Photos From The Road feature some incredible pictures taken by LTI Driver Justin Braneky! The pictures were taken in Arizona, Utah, and Oklahoma.



Driver's Guide: Winter Truck Maintenance

By Camden Civello, Executive Vice President

In the winter months, a number of maintenance factors arise. As a driver, if you are prepared and proactive, you will be able to safely and efficiently keep your equipment rolling this winter. Pay attention to these simple and impactful maintenance items this winter.

Tire Pressure: As temperatures drop, your tire pressure will decrease. Keep your tire pressure at optimal levels (see *Tire Pressure article, page 7*). By ensuring proper PSI levels, you will avoid tire blowouts – many of which are preventable.

Air Lines: A driver should always drain their air tanks to release the moisture that's built up. In the wintertime, this moisture can freeze. Just beneath the deck plate, at the end of the air tank is a drain chain valve; when this is pulled you will hear the air draining from the tank and towards the end will notice moisture sputtering out. This will expel all of the moisture, which will protect against frozen airlines.

Get Unstuck: The best thing you can do is avoid parking on ice. If that is not possible, then you need to find a way off without causing damage to the driveline. On the truck's dash, lock the second differential by flipping the switch (the truck must be in neutral or have the clutch pushed in). Slowly apply power to see if this gets you off the ice (in most cases it will). Once you are off, be sure to unlock the differential.



Stuck Brakes: Should your brakes freeze up while parked overnight, the driver can separate them simply by knocking a hammer against the brake drum. You'll need to shake loose the brake shoe from the drum to detach the two from being frozen together. Hit only the brake drum, not the brake shoe.



Additives: For 99% of the time, LTI drivers do not need to use anti-gel additives in their truck. LTI's fuel vendors already sufficiently treat their fuel and much of our truck's fuel system (including the fuel tanks) are heated. The exception is if temperatures are certainly going to be below zero degrees for the entire evening; in that situation a driver may supplement with an additive further.

Park Smart: Park on level surfaces, and if possible do not park on ice; should your tires spin on ice, it can cause the driveline to snap. If you're on level ground and there is ice in the overnight forecast, set your truck brakes but do not set your trailer brakes.

Idle Sometimes: When the temperatures are going to be below 10 degrees throughout an evening, it can be a good idea to idle the truck that one particular evening. Doing so will keep fluids circulating throughout the truck and can help the batteries from dying.

Keep Running: Diesel truck engines are designed to be operated at highway speeds, where the engine generates higher temperatures that keeps its systems clean, especially the emissions system. If you idle this winter or take more home time, your truck's DPF filters will clog up much quicker. Keep your vehicle running at highway speeds when conditions are safe. ■