



PROFICIENT AUTO LOGISTICS, INC.

**Proficient Auto Logistics, Inc.**  
**Related Party Transaction Policy**

May 6, 2024

## RELATED PARTY TRANSACTIONS POLICY

### Introduction

It is the policy of Proficient Auto Logistics, Inc. (the “Company”) that each Related Party Transaction (as defined herein) be reviewed and approved by the Company’s Board of Directors (the “Board”), acting through the Audit Committee (the “Audit Committee”), as provided herein.

This policy is intended to supplement, and not to supersede, the Company’s other policies that may be applicable to or involve transactions with related persons, including the Company’s Code of Business Conduct.

### Definitions

A “Related Party Transaction” is any transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company (including any of its subsidiaries) was, is or will be a participant and the amount involved exceeds \$120,000 in which any Related Party had, has or will have a direct or indirect material interest. For purposes of this policy, with respect to the monetary threshold referred to in the preceding sentence, a transaction will only be considered to be a Related Party Transaction if the amount involved exceeds \$120,000 in a particular year or if the Audit Committee determines that such monetary threshold is otherwise exceeded.

A “Related Party” means:

- any person who is, or at any time since the beginning of the Company’s last fiscal year was, a director or executive officer of the Company or a nominee to become a director of the Company;
- any person who is known by the Company to be the beneficial owner of more than 5% of any class of the Company’s voting securities<sup>1</sup>;
- any Immediate Family Member of any of the foregoing persons.

An “Immediate Family Member” of any person means a child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of such person and any person (other than a tenant or employee) sharing the household of such person.

### Identification of Related Parties

#### *Directors, Executive Officers and Nominees*

On an annual basis, each director and executive officer shall submit to the chief legal officer a list containing the following information:

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<sup>1</sup> For purposes of determining 5% owners, the Company may rely on the information included in any Schedule 13D or Schedule 13G filed by such owner with the Securities and Exchange Commission reporting beneficial ownership of 5% or more of the Company’s common stock unless the Company knows or has reason to believe that such information is not complete or accurate or that a statement or amendment should have been filed but was not.

- the name of his or her Immediate Family Members;
- for each director (and each of his or her Immediate Family Members), their employer and job title or brief job description;
- for each director or executive officer (and each of his or her Immediate Family Members), each firm, corporation or other entity in which the person is a partner or principal or in a similar position or in which such person has a 5% or greater beneficial ownership interest; and
- for each director or executive officer (and each of his or her Immediate Family Members), each charitable or non-profit organization for which the person is actively involved in fundraising or otherwise serves as a director, trustee or in a similar capacity.

Any person nominated to stand for election as a director shall submit to the Company's chief legal officer the information described above no later than the date of his or her nomination.

Any person who is appointed as a director or an executive officer shall submit to the Company's chief legal officer the information described above no later than the date of his or her appointment as a director or executive officer. If, due to the circumstances, it is not practicable for an executive officer to submit the information described above in advance, the information shall be submitted as soon as reasonably practicable following the appointment.

Directors and executive officers are expected to notify the Company's chief legal officer of any updates to the list of Related Parties, their employment and relationships with charitable organizations; including, for example, notification of the marriage of the director or executive officer, or the marriage of his or her sibling or child.

### ***Five Percent Owners***

At the time the Company becomes aware of a person's status as a beneficial owner of more than 5% of any class of the Company's voting securities (other than persons who report their beneficial ownership on a Schedule 13G filed with the Securities and Exchange Commission), and annually thereafter for so long as such ownership status is maintained, the Company's chief legal officer shall request (a) if the person is an individual, the same information as is requested of directors and executive officers under this policy and (b) if the person is a firm, corporation or other entity, a list of the principals or executive officers of the firm, corporation or entity.

## **Approval of Related Party Transactions**

### ***Prior Approval of Related Party Transactions***

Prior to entering into a Related Party Transaction, the Related Party, the director, executive officer, nominee or beneficial owner who is an Immediate Family Member of the Related Party, or the business unit leader responsible for the potential Related Party Transaction shall provide notice to the Company's chief legal officer of the facts and circumstances of the proposed Related Party Transaction, including:

- the Related Party's relationship to the Company and interest in the transaction;

- the material facts of the proposed Related Party Transaction, including the proposed aggregate value of such transaction or, in the case of indebtedness, the amount of principal that would be involved;
- the benefits to the Company of the proposed Related Party Transaction;
- if applicable, the availability of other sources of comparable products or services; and
- an assessment of whether the proposed Related Party Transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally.

The proposed Related Party Transaction shall be submitted to the Audit Committee for consideration at the next regularly scheduled Audit Committee meeting or, in those instances in which the Company's chief legal officer, in consultation with the Company's Chief Executive Officer or Chief Financial Officer, determines that it is not practicable or desirable to wait until the next regularly scheduled Audit Committee meeting, to the Chair of the Audit Committee (who by the terms of the Audit Committee Charter possesses delegated authority to act between Audit Committee meetings).

The Audit Committee shall review the information submitted to it to determine whether the Related Party involved has a direct or indirect material interest in the proposed transaction. If the Audit Committee determines that a submitted transaction is a Related Party Transaction, it shall proceed with its review as described below. The Audit Committee may conclude, upon review of all relevant information, that the submitted transaction does not constitute a Related Party Transaction, and thus that no further review is required under the policy.

The Audit Committee, or where submitted to the Chair of the Audit Committee, the Chair of the Audit Committee, shall consider all of the relevant facts and circumstances available to the Audit Committee or the Chair of the Audit Committee, including (if applicable) but not limited to:

- the benefits to the Company of the transaction;
- the impact on a director's independence in the event the Related Party is a director, an immediately family member of a director or an entity in which a director is a partner, shareholder or executive officer;
- the creation of an actual or apparent conflict of interest;
- the availability of other sources for comparable products or services;
- the terms of the transaction;
- the Related Party's interest in the transaction; and
- the terms available to unrelated third parties or to employees generally.

No member of the Audit Committee shall participate in any review, consideration or approval of any Related Party Transaction with respect to which such member or any of his or her Immediate Family Members is the Related Party.

The Audit Committee (or the Chair of the Audit Committee) shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of the Company and its shareholders, as the Audit Committee (or the Chair of the Audit Committee) determines in good faith. The Audit Committee or the Chair of the Audit Committee, as applicable, shall convey the decision to the Company's chief legal officer, who shall convey the decision to the appropriate persons within the Company. If the Chair of the Audit Committee acts

pursuant to the authority delegated to it under this policy, the Chair of the Audit Committee shall report to the Audit Committee at the next Audit Committee meeting any approval granted by the Chair of the Audit Committee under this policy.

### ***Ratification or Rescission of Related Party Transactions***

The Finance Department under the supervision of the Chief Financial Officer, shall produce quarterly reports of any amounts paid or payable to, or received or receivable from, any Related Party, and those reports shall be provided to the Company's Legal and Compliance Department to determine if there are any Related Party Transactions that were not previously approved or previously ratified under this policy.

If the Company's Chief Executive Officer, Chief Financial Officer or chief legal officer becomes aware of a Related Party Transaction that has not been previously approved or previously ratified under this policy and the transaction is pending or ongoing, the transaction shall be submitted to the Audit Committee or Chair of the Audit Committee promptly, and the Audit Committee or Chair shall consider all of the relevant facts and circumstances available to the Audit Committee or the Chair, including but not limited to those set forth in the fourth paragraph under "Approval and Ratification of Related Party Transactions — Prior Approval of Related Party Transactions." Based on the conclusions reached, the Audit Committee or the Chair shall evaluate all options, including but not limited to ratification, amendment or termination of the Related Party Transaction.

If the Company's Chief Executive Officer, Chief Financial Officer or chief legal officer becomes aware of a Related Party Transaction that has not been previously approved under this policy and the transaction is completed, the Audit Committee or Chair of the Audit Committee shall evaluate the transaction, taking into account the same factors described above, to determine if rescission of the transaction is feasible and/or appropriate and if any disciplinary actions is appropriate.

In the case of any Related Party Transaction that was not approved in advance as required under this policy, the Audit Committee shall request that the chief legal officer ascertain the reason the transaction was not submitted to the Audit Committee or Chair of the Audit Committee for prior approval and whether any changes to these procedures set forth in this policy are recommended.

### **Review of Ongoing Transactions**

At the Audit Committee's first meeting of each fiscal year, the Audit Committee shall review each previously approved Related Party Transactions that remains ongoing. Based on all relevant facts and circumstances, taking into consideration the Company's contractual obligations, the Audit Committee shall determine if it is in the best interests of the Company and its shareholders to continue, modify or terminate each Related Party Transaction.

### **Exceptions**

Notwithstanding the foregoing, the following types of transactions or series of transactions over the course of the year are deemed not to create or involve a direct or indirect material interest

on the part of the Related Person and will not be reviewed, nor will they require approval, under this policy:

- Transactions involving the purchase or sale of products or services in the ordinary course of business, not exceeding \$120,000.
- Transactions in which the Related Person's interest derives solely from his or her service as a director of another corporation or organization that is a party to the transaction.
- Transactions in which the Related Person's interest derives solely from his or her ownership of less than 10% of the equity interest in another person (other than a general partnership interest) which is a party to the transaction.
- Transactions in which the Related Person's interest derives solely from his or her service as a director or trustee (or similar position) of a not-for-profit organization or charity that receives donations from the Company, if any.
- Compensation arrangements of any "named executive officer" reported in the Company's proxy statement under Item 402 of Regulation S-K ("Regulation SK") promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and compensation arrangements of other executive officers (other than an individual who is an Immediate Family Member of a Related Person) that have been approved by the Company's Compensation Audit Committee and would have been reported under Item 402 of Regulation S-K had such executive officer been a named executive officer.
- Director compensation arrangements that have been approved by the Board and have been reported in the Company's proxy statement under Item 402(k) of Regulation S-K.
- Transactions with an entity and its affiliates that is considered a Related Person solely because the entity has reported beneficial ownership of more than five percent of the Company's common stock on a Schedule 13G if the entity is a bank, broker or dealer, insurance company, investment advisor, investment company, or other entity that qualifies to report its ownership on Schedule 13G pursuant to Rule 13d-1(b) of the Exchange Act, provided that such transaction is (i) in the ordinary course of business of each of the parties and (ii) on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliates.
- Such other exceptions as may be set forth in Item 402(a) of Regulation S-K.

## **Disclosure**

All Related Party Transactions that are required to be disclosed in the Company's filings with the Securities and Exchange Commission, as required by the Securities Act of 1933 and the Exchange Act and related rules and regulations, shall be so disclosed in accordance with such laws, rules and regulations.

The material features of this policy shall be disclosed in the Company's Annual Report on Form 10-K or in the Company's proxy statement, as required by applicable laws, rules and regulations.

## **Annual Review of Policy**

The Board shall review this policy and make changes as appropriate on an annual basis.