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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549  
FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15 (d)  
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2003

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: 1-10883

WABASH NATIONAL CORPORATION  
(EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

DELAWARE  
(STATE OR OTHER JURISDICTION OF  
INCORPORATION OR ORGANIZATION)

52-1375208  
(IRS EMPLOYER  
IDENTIFICATION NUMBER)

[WABASH NATIONAL LOGO]

1000 SAGAMORE PARKWAY SOUTH,  
LAFAYETTE, INDIANA  
(ADDRESS OF PRINCIPAL  
EXECUTIVE OFFICES)

47905  
(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 -----	Name of each exchange on which registered -----
Common Stock, \$.01 Par Value	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes  No

The aggregate market value of voting stock held by non-affiliates of the registrant as of June 30, 2003 was \$230,188,920 based upon the closing price of the Company's common stock as quoted on the New York Stock Exchange composite tape on such date.

The number of shares outstanding of the registrant's Common Stock as of February 6, 2004 was 26,914,517.

Part III of this Form 10-K incorporates by reference certain portions of the registrant's Proxy Statement for its Annual Meeting of Stockholders to be filed within 120 days after December 31, 2003.

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FORM 10-K FOR THE FISCAL  
YEAR ENDED DECEMBER 31, 2003

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FORWARD LOOKING STATEMENTS

This Report, including documents incorporated by reference, contains and incorporates by reference "forward-looking statements" within the meaning of Section 27A of 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 expected revenues, income or loss and capital expenditures;
- plans for future operations;
- financing needs, plans and liquidity;
- our ability to achieve sustained profitability;
- reliance on certain customers and corporate partnerships;
- shortages of raw materials, availability of capital;
- dependence on industry trends;
- the outcome of any pending litigation;
- export sales and new markets;
- acceptance of new technology and products; and
- government regulation, as well as 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 Report. Each forward-looking statement contained in this 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 report or to reflect the occurrence of unanticipated events.

Currently known risk factors that could cause actual results to differ materially from our expectations are described in the section of this Report entitled "Risk Factors." We urge you to carefully review that section for a more complete discussion of the risks of an investment in the notes and our common stock.

## PART I

### ITEM 1--BUSINESS

Wabash National Corporation ("Wabash," "Company," "us," "we" or "our") is one of North America's leaders in designing, manufacturing and marketing standard and customized truck trailers and related transportation equipment. Founded in 1985 as a start-up, we grew to over \$1.4 billion in sales in 1999, and had approximately \$900 million in sales in 2003. We believe our success has been the result of our longstanding relationships with our core customers, innovative product development, broad product line, large distribution and service network and corporate culture. Our management team is focused on becoming the low-cost producer in the truck trailer industry through continuous improvement and lean manufacturing initiatives.

We seek to identify and produce proprietary products that offer added value to customers with the potential to generate higher profit margins than those of standardized products. We believe that we have the engineering and manufacturing capability to produce these products efficiently. Our proprietary

which we introduced in 1996, has achieved widespread acceptance by our customers. In 2003 and 2002, sales of our DuraPlate(R) trailers represented approximately 80% of our total trailers shipped. We are also a competitive producer of standardized products, and are seeking to become a low-cost producer within our industry. We expect to continue a program of product development and selective acquisitions of quality proprietary products that further differentiate us from our competitors and increase profit opportunities.

We market our transportation equipment under the Wabash(R), FreightPro(R), Articlite(R), RoadRailer(R) and DuraPlate(R) trademarks directly to customers, through independent dealers and through our factory-owned retail branch network. Our factory-direct marketing effort focuses on our longstanding core customers that represent many of the largest companies in the trucking industry, including Schneider National, Inc., J.B. Hunt Transport Services, Inc., Swift Transportation Corporation, Werner Enterprises, Inc., U.S. Xpress Enterprises, Inc., Heartland Express, Inc., Safeway, Inc. and Yellow Roadway, Inc. Our relationship with our core customers has been central to our growth since inception. Our factory-owned retail branch network, which we acquired in 1997, provides additional opportunities to distribute our products and also offers national service and support capabilities for our customers. The retail sale of new and used trailers, aftermarket parts and maintenance service through our retail branch network generally provides enhanced margin opportunities.

Wabash was incorporated in Delaware in 1991 and is the successor by merger to a Maryland corporation organized in 1985. Wabash operates in two segments: (1) manufacturing and (2) retail and distribution. Financial results by segment and financial information regarding geographic areas and export sales are discussed in detail within Footnote 18, Segment Reporting, of the accompanying Consolidated Financial Statements. Additional information concerning the Company can be found on the Company's website at [www.wabashnational.com](http://www.wabashnational.com). The Company makes its electronic filings with the SEC, including its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to these reports, available on its website free of charge as soon as practicable after it files or furnishes them with the SEC. Information on the website is not part of this Form 10-K.

#### TURNAROUND INITIATIVES

A three-year industry downturn from 2000 through 2002, and its effects on our results, led us to implement a comprehensive plan to scale our operations to meet reduced demand, reduce our cost structure, and take aggressive actions to position us for the future. Among other things we have taken the following steps:

- changed senior management;
- rationalized our manufacturing capacity through the closure of two facilities that manufactured flatbed, van and dump trailers;
- reduced our cost structure through continuous improvement initiatives;
- reduced used trailer inventories from approximately \$110 million, or 11,500 units, as of September 30, 2000, to less than \$12 million, or 2,200 units as of December 31, 2003;
- significantly reduced our exposure to used trailer trade-in commitments;
- divested our European operations;
- instituted a program of rationalizing our retail distribution

channels by closing 12 retail locations;

- reduced total debt from \$460 million, including \$48 million of off balance sheet debt, at December 31, 2001, to \$239 million, including \$12 million of off balance sheet debt, at December 31, 2003;
- refinanced our debt through the sale of \$125 million of 3.25% senior unsecured convertible notes and a three-year \$222 million bank facility;
- sold certain assets of our rental and leasing business, wholesale aftermarket parts business and a large portion of our finance portfolio;

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- converted our outstanding preferred stock with a redemption value of \$17.6 million into approximately 823,000 shares of common stock; and
- improved our working capital management.

After two years of demand well below replacement levels, the industry showed improvement during 2003. Market and industry analysts are forecasting that improvements should continue into 2004.

#### STRATEGY

We are committed to an operating strategy that seeks to deliver profitability throughout industry cycles. We intend to achieve our goals by executing on the core elements of our strategic plans:

- continue our transition from an organization focused on revenue growth to one focused on earnings and cash flow;
- continue to provide differentiated products that generate enhanced profit margins;
- continue to reduce our cost structure by adhering to continuous improvement and lean manufacturing initiatives;
- continue to focus on our longstanding customer partnerships and create new revenue opportunities by offering tailored transportation solutions; and
- reduce debt to enhance financial flexibility and enable us to capitalize on future market opportunities.

#### INDUSTRY

Trucking in the United States, according to the American Trucking Association, was estimated to be a \$605 billion industry in 2002 (the latest date such information is available), leading all other modes of transportation. They estimate that approximately 69% of all freight tonnage is carried by truck at some point during its shipment, accounting for approximately 87% of freight industry revenues. Trailer demand is a direct function of the amount of freight to be transported. As the economy improves, it is forecasted that truck carriers will need to expand their fleets, which typically results in increased trailer orders. According to ACT Research Company, LLC (ACT), there are approximately 2.8 million trailers in use today and the trailer replacement demand is estimated at between 180,000 and 200,000 trailers per year.

In general, the trucking industry grew throughout the 1990's and peaked in 1999. A number of factors, including an economic downturn, fluctuations in fuel prices, declining asset values, limited capital, record trucking company failures and industry consolidation led to a historic reduction of 54% in

trailer purchases from 1999 to 2002. In early 2003, the trailer industry started seeing signs of gradual improvement. From a net order standpoint, each month in 2003 saw an improvement over the same month in 2002. As an indicator of future production, the year ended with November and December being two of the highest net order months in nearly three years for the industry. 2003 ended with approximately 183,000 units built by the industry, a 30% improvement over 2002. The truckload market continues to consolidate and failures reached an unprecedented number of approximately 3,000 per year from 2000 to 2002, it is believed that the top 10 carriers only haul approximately 11% of the truckload market, according to the ENO Foundation.

New truck emission regulations became effective on October 1, 2002, resulting in cleaner, yet less fuel-efficient and costlier engines. As a consequence, many trucking firms accelerated purchases of tractors prior to the effective date of the regulation, significantly reducing the historical trailer-to-tractor ratio of 1.5 to 1, to less than 1 to 1 during parts of 2002, according to ACT. We believe that a return to historical averages could result in a significant increased demand in trailers. Additional emission regulations are to become effective in 2007 and may result in similar purchasing patterns during 2006. In January 2004, regulations reducing driver hours (hours of service) for commercial motor vehicles that carry property became effective. While we expect that the effects of the regulations on our industry to be positive, it is too early to confirm.

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Wabash, Great Dane and Utility are generally viewed as the top three trailer manufacturers and have accounted for greater than 50% of new trailer market share in recent years. During the severe industry downturn in 2001 and 2002, a number of trailer manufacturers went out of business, resulting in greater industry consolidation. Despite market concentration, price competition is fierce and differentiation is primarily through superior products, customer relationships, service availability and cost.

The following table sets forth new trailer production for the Company, its largest competitors and for the trailer industry as a whole within North America:

	2003	2002	2001	2000	1999	1998
	-----	-----	-----	-----	-----	-----
WABASH(1)	36,000	27,000	32,000	66,000	70,000	61,000
Great Dane	41,000	33,000(2)	22,000	47,000	58,000	51,000
Utility	24,000	18,000	16,000	29,000	31,000	27,000
Stoughton	9,900	10,000	6,000	15,000	15,000	12,000
Other principal producers	34,000	28,000	32,000	63,000	68,000	51,000
Total Industry	183,000	140,000	140,000	271,000	306,000	279,000

(1) Does not include approximately 1,300 and 6,000 intermodal containers in 2003 and 2002, respectively.

(2) Data revised by publisher in 2004.

Sources: Individual manufacturer information, some of which is estimated, provided by Southern Motor Cargo Magazine (C)1999 (for 1998 data) and Trailer Body Builders Magazine (C)2003 (for 1999-2003 data). Industry totals provided by Southern Motor Cargo Magazine (C)1999 (for 1998 data) and A.C.T. Research Company, L.L.C. (for 1999-2003 data).

#### COMPETITIVE STRENGTHS

We believe our core competitive strengths include:

- LONG TERM CORE CUSTOMER RELATIONSHIPS - We are the exclusive provider of trailers to a significant number of top tier trucking companies, generating a revenue base that has helped to sustain us as one of the market leaders.
- INNOVATIVE PRODUCT OFFERINGS - Our DuraPlate(R) proprietary technology provides what we believe to be a superior trailer to our customers and commands premium pricing. A DuraPlate(R) trailer is a composite plate trailer constructed with material containing a high density polyethylene core bonded between a high-strength steel skin. We believe that the competitive advantages of our DuraPlate(R) trailers over standard trailers include the following:
  - operate three to five years longer;
  - less costly to maintain;
  - lighter weight; and
  - higher trade-in values.

We have also successfully introduced innovations in our refrigerated trailers and other product lines. For example, we introduced the Duraplate(R) HD trailer and the FreightPro(R) sheet and post trailer in 2003.
- EXTENSIVE DISTRIBUTION NETWORK - 26 factory-owned retail branch locations extend our sales network throughout North America, diversifying our factory direct sales and supporting our national service contracts.

#### REGULATION

Truck trailer length, height, width, maximum weight capacity and other specifications are regulated by individual states. The federal government also regulates certain safety features incorporated in the design of truck trailers, including regulations that require anti-lock braking systems (ABS) and that define rear impact guard standards. Manufacturing operations are subject to environmental laws enforced by federal, state and local agencies (See "Environmental Matters").

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#### PRODUCTS

Since our inception, we have expanded our product offerings from a single truck trailer product to a broad line of trailer related transportation equipment. Our manufacturing segment specializes in the development of innovative proprietary products for our key markets. Manufacturing segment sales represented approximately 70%, 60%, and 60% of consolidated net sales in 2003, 2002 and 2001, respectively. Our current transportation equipment products include the following:

- DuraPlate(R) Trailers. DuraPlate(R) trailers utilize a proprietary technology that consists of a composite plate wall for increased durability and greater strength. Our DuraPlate(R) trailers include our newly introduced DuraPlate(R) HD, a heavy duty version of our regular DuraPlate(R) trailers.
- DuraPlate(R) Domestic Containers. DuraPlate(R) domestic containers utilize a proprietary technology and consist of stackable containers, carried either on flat cars or stacked two-high on special "Double-Stack" railcars.

- Smooth Aluminum Trailers. Smooth aluminum trailers, commonly known as "sheet and post" trailers, are the standard trailer product purchased by the trucking industry. In 2003, we commercialized our new FreightPro(R) trailer to increase our focus on sheet and post trailers, which is the largest segment of the trailer market.
- Refrigerated Trailers. Refrigerated trailers have insulating foam in the sidewalls and roof, which improves both the insulation capabilities and durability of the trailers. Our refrigerated trailers use our proprietary SolarGuard(R) technology, which we believe enables customers to achieve lower costs through reduced fuel consumption and reduced operating hours.
- Aluminum Plate Trailers. Aluminum plate trailers utilize thicker and more durable sidewalls than standard trailers, which reduces maintenance costs and extends the trailer's life.
- RoadRailer(R) Equipment. The RoadRailer(R) intermodal system is a patented bimodal technology consisting of a truck trailer and detachable rail "bogie" which permits a trailer to run both over the highway and directly on railroad lines.
- Other. Our other transportation equipment includes container chassis, soft-sided trailers and converter dollies.

Our retail and distribution segment focuses on the sale of new and used trailers and providing parts and maintenance services as described below. In September 2003, we sold certain assets of our rental and leasing business and wholesale aftermarket parts business and in December 2003 we sold a large portion of our finance portfolio.

- New transportation equipment produced by the manufacturing segment. Additionally, we sell specialty trailers including tank trailers, dump trailers and platform trailers produced by third parties. Customers for this equipment typically purchase in smaller quantities for local or regional transportation needs. The sale of new transportation equipment through the retail branch network represented approximately 9.4%, 9.6% and 11.9% of net sales during 2003, 2002 and 2001, respectively.
- Replacement parts and accessories and maintenance service both for our own and competitors' trailers and related equipment. This business is less cyclical than trailer sales and generally has higher gross profit margins. Management expects that the sale of aftermarket parts and maintenance service will be a growing part of its product mix as the number and age of trailers in service increases. Sales of these products and service represented approximately 11%, 14% and 15% of net sales during 2003, 2002 and 2001, respectively.
- Used transportation equipment primarily taken in trade from our customers upon the sale of new trailers. The ability to remarket used equipment promotes new sales by permitting trade-in allowances and offering customers an outlet for the disposal of used equipment. The sale of used trailers

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represented approximately 7.3%, 11.3% and 8.5% of net sales during 2003, 2002 and 2001, respectively.

#### CUSTOMERS

Our customer base includes many of the nation's largest truckload

common carriers, leasing companies, private fleet carriers, less-than-truckload (LTL) common carriers, and package carriers. Our five largest customers accounted for 27%, 30% and 34% of our aggregate net sales in 2003, 2002 and 2001, respectively.

One customer, Schneider National, Inc., accounted for approximately 14% of net sales in 2003. In 2002 and 2001, J.B. Hunt Transportation Services, Inc. accounted for approximately 11% and 19% of net sales, respectively. International sales, primarily to Canadian customers, accounted for approximately 9% of net sales for each of the last three years. We have established relationships as a supplier to many large customers in the transportation industry, including the following:

- Truckload Carriers: Schneider National, Inc.; J.B. Hunt Transport Services, Inc.; Swift Transportation Corporation; Werner Enterprises, Inc.; Heartland Express, Inc.; Crete Carrier Corporation; U.S. Xpress Enterprises, Inc.; Knight Transportation, Inc.; and Interstate Distributor Co.
- Leasing Companies: Transport International Pool, Inc.; Penske Truck Leasing Co. LP; Wells Fargo Equipment Finance, Inc.; Xtra Lease, Inc.; and Transport Services, Inc.
- Private Fleets: Safeway, Inc.; The Home Depot, Inc.; The Kroger Co.; and Sysco Corporation.
- Less-Than-Truckload Carriers: Yellow Roadway, Inc.; Old Dominion Freight Lines, Inc.; SAIA Motor Freightlines, Inc.; and Vitran Express, Inc.

#### MARKETING AND DISTRIBUTION

We market and distribute our products through the following channels:

- factory direct accounts;
- our factory-owned distribution network; and
- independent dealerships.

Factory direct accounts are generally large fleets, over 5,000 trailers that are high volume purchasers. Historically, we have focused on the factory direct market where customers are highly aware of the life-cycle costs of trailer equipment and, therefore, are best equipped to appreciate the design and value-added features of our products. In 2003, we launched sales and marketing initiatives targeted at the mid-size fleet segment (operations with between 250 and 5,000 trailers) of the industry.

Our factory-owned distribution network generates retail sales of trailers to smaller fleets and independent operators located in geographic regions where our branches are located. This branch network enables us to provide maintenance and other services to customers. The branch network and our Used Trailer Centers provide an outlet for used trailers taken in trade upon the sale of new trailers, which is a common practice with fleet customers.

We also sell our products through a nationwide network of over 40 independent dealerships. The dealers primarily serve intermediate and smaller sized carriers and private fleets in the geographic region where the dealer is located and on occasion may sell to large fleets. The dealers may also perform service work for many of their customers.

#### RAW MATERIALS

We utilize a variety of raw materials and components including steel, polyethylene, aluminum, lumber, tires and suspensions, which we purchase from a limited number of suppliers. Significant price fluctuations or shortages in raw materials or finished components may adversely affect our results of operations. In 2003 and for the foreseeable future, we expect that the raw materials used in

the greatest quantity will be the steel, aluminum and

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polyethylene used in our dry freight and refrigerated trailers. Currently, all components are in ready supply. Price increases in our principal raw materials, aluminum, steel, plastic and timber, occurred during 2003 and are expected to continue into 2004. Our Harrison, Arkansas laminated hardwood floor facility provides the majority of our requirements for trailer floors.

#### BACKLOG

Orders that have been confirmed by the customer in writing and can be produced during the next 18 months are included in our backlog. Orders that comprise backlog may be subject to changes in quantities, delivery, specifications and terms. Our backlog of orders was approximately \$200 million and \$208 million at December 31, 2003 and 2002, respectively. We expect to complete the majority of our backlog orders during 2004.

#### PATENTS AND INTELLECTUAL PROPERTY

Wabash holds or has applied for 66 patents in the United States on various components and techniques utilized in our manufacture of truck trailers. In addition, we hold or have applied for 91 patents in 12 foreign countries including the European patent community. Our patents include our proprietary DuraPlate(R) product, which we believe offers us a significant competitive advantage.

Wabash also holds or has applied for 32 trademarks in the United States as well as 28 trademarks in foreign countries. These trademarks include the Wabash(R) brand name as well as trademarks associated with our proprietary products such as the DuraPlate(R) trailer and the RoadRailer(R) trailer.

#### RESEARCH AND DEVELOPMENT

Research and development expenses are charged to earnings as incurred and were approximately \$2 million in each of 2003, 2002 and 2001.

#### ENVIRONMENTAL MATTERS

Our facilities are subject to various environmental laws and regulations, including those relating to air emissions, wastewater discharges, the handling and disposal of solid and hazardous wastes, and occupational safety and health. Our operations and facilities have been and in the future may become the subject of enforcement actions or proceedings for non-compliance with such laws or for remediation of company-related releases of substances into the environment. Resolution of such matters with regulators can result in commitments to compliance abatement or remediation programs and in some cases the payment of penalties. (See Item 3 "Legal Proceedings.")

We believe that our facilities are in substantial compliance with applicable environmental laws and regulations. Our facilities have incurred, and will continue to incur, capital and operating expenditures and other costs in complying with these laws and regulations in both the United States and abroad. However, we currently do not anticipate that the future costs of environmental compliance will have a material adverse effect on our business, financial condition or results of operations.

#### EMPLOYEES

As of December 31, 2003, we had approximately 3,300 full-time associates, compared to approximately 3,600 full-time associates as of December 31, 2002. No full-time associates were under a labor union contract as of December 31, 2003. We place a strong emphasis on employee relations through educational programs and quality improvement teams. We believe our employee relations are good.

#### ITEM 2--PROPERTIES

## MANUFACTURING FACILITIES

We own two trailer manufacturing facilities in Lafayette, Indiana and a trailer floor manufacturing facility, 0.5 million sq. ft., in Harrison, Arkansas. Our main facility, 1.2 million sq. ft., houses truck trailer and composite material production, tool and die operations, research laboratories, management offices and headquarters. The

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second Lafayette facility is 0.6 million sq. ft. We have the capacity to produce approximately 75,000 trailers annually on a three-shift, five-day work week schedule.

We closed trailer manufacturing plants located in Ft. Madison, Iowa (255,000 sq. ft.) and Huntsville, Tennessee (287,000 sq. ft.) during 2001, and a flooring operation in Sheridan, Arkansas (117,000 sq. ft.) during 2000. These properties are held for sale and are classified in Prepaid Expenses and Other in the accompanying Consolidated Balance Sheets at both December 31, 2003 and 2002.

## RETAIL AND DISTRIBUTION FACILITIES

Retail and distribution facilities include 19 sales and service branches (three of which are leased), and seven locations that sell new and used trailers (six of which are leased). Each branch facility consists of an office, parts warehouse and service space, and each facility generally ranges in size from 20,000 to 50,000 square feet per facility. Nineteen branches are located in 13 states and seven branches are located in six Canadian provinces.

We own a 0.3 million sq. ft. distribution facility in Lafayette, Indiana that is currently leased.

At December 31, 2003, we have four branch properties held for sale and classified as Prepaid Expenses and Other in the accompanying Consolidated Balance Sheets.

Wabash owned properties are subject to security interests held by our bank lenders.

## ITEM 3--LEGAL PROCEEDINGS

There are certain lawsuits and claims pending against the Company that arose in the normal course of business. None of these claims are expected to have a material adverse effect on the Company's financial position or its results of operations.

### Brazil Joint Venture

In March 2001, Bernard Krone Industria e Comercio de Maquinas Agricolas Ltda. ("BK") filed suit against Wabash in the Fourth Civil Court of Curitiba in the State of Parana, Brazil. This action seeks recovery of damages plus pain and suffering. Because of the bankruptcy of BK, this proceeding is now pending before the Second Civil Court of Bankruptcies and Creditors Reorganization of Curitiba, State of Parana (No. 232/99).

This case grows out of a joint venture agreement between BK and Wabash related to marketing the RoadRailer(R) trailer in Brazil and other areas of South America. When BK was placed into the Brazilian equivalent of bankruptcy late in 2000, the joint venture was dissolved. BK subsequently filed its lawsuit against the Company alleging that it was forced to terminate business with other companies because of exclusivity and non-compete clauses purportedly found in the joint venture agreement. BK asserts damages of approximately \$8.4 million.

We answered the complaint in May 2001, denying any wrongdoing. We believe that the claims asserted by BK are without merit and we intend to defend our position. We believe that the resolution of this lawsuit will not have a

material adverse effect on our financial position, liquidity or future results of operations; however, at this stage of the proceeding, no assurance can be given as to the ultimate outcome of the case.

#### Environmental

In October 2003, the Company reached a verbal agreement with federal officials to resolve a federal environmental investigation related to its Huntsville, Tennessee facility. The plea agreement includes payment of a \$0.4 million fine and a plea to two misdemeanor violations of the Clean Water Act. The parties expect to submit the agreement to the court for resolution in the near future. The expected resolution of this matter does not have a material impact on the Company's financial position, liquidity or future results of operations.

In September 2003, the Company was noticed as a potentially responsible party (PRP) by the United States Environmental Protection Agency pertaining to the Motorola 52nd Street (Phoenix, Arizona) Superfund Site pursuant to the Comprehensive Environmental Response, Compensation and Liability Act. PRPs include current and former owners and operators of facilities at which hazardous substances were disposed of. EPA's allegation that the

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Company was a PRP arises out of the operation of a former branch facility located approximately five miles from the original site, which the Company acquired and subsequently disposed of. According to the notice, the site currently encompasses an area of groundwater contaminated by volatile organic compounds seven miles long and one mile wide. The site was placed on the National Priorities List in 1989. Motorola has been operating an interim groundwater containment remedy since 2001. The Company does not expect that these proceedings will have a material adverse effect on the Company's financial condition or results of operations.

#### ITEM 4--SUBMISSION OF MATTERS TO VOTE OF SECURITY HOLDERS

None to report.

#### PART II

#### ITEM 5--MARKET FOR REGISTRANT'S COMMON STOCK AND RELATED STOCKHOLDER MATTERS

The Company's common stock is traded on the New York Stock Exchange (ticker symbol: WNC). The number of record holders of the Company's common stock at February 6, 2004 was 898.

The Company has not paid cash dividends on common shares since the third quarter of 2001 and there is no assurance that dividend payments will resume in the future. Payments of cash dividends depend on future earnings, capital availability and financial condition.

High and low stock prices for the last two years were:

	High	Low
	-----	-----
2002		
First Quarter	\$ 12.15	\$ 7.16
Second Quarter	\$ 11.19	\$ 7.55
Third Quarter	\$ 9.94	\$ 4.18
Fourth Quarter	\$ 8.50	\$ 3.55
2003		
First Quarter	\$ 9.12	\$ 4.95
Second Quarter	\$ 15.11	\$ 6.08

Third Quarter      \$ 19.75      \$ 13.78  
Fourth Quarter     \$ 30.39      \$ 15.97

ITEM 6--SELECTED FINANCIAL DATA

The following selected consolidated financial data with respect to the Company for the five years in the period ended December 31, 2003, have been derived from the Company's consolidated financial statements. The following information should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the consolidated financial statements and notes thereto included elsewhere herein.

	Years Ended December 31,				
	2003	2002	2001 (1)	2000	1999
	(Dollar amounts in thousands, except per share data)				
STATEMENT OF OPERATIONS DATA:					
Net sales	\$ 887,940	\$ 819,568	\$ 863,392	\$ 1,332,172	\$ 1,454,570
Cost of sales	810,746	777,117 (4)	972,105 (2)	1,216,205 (3)	1,322,852
Loss on asset impairment	28,500	2,000	10,500	-	-
Gross profit (loss)	48,694	40,451	(119,213)	115,967	131,718
Selling, general and administrative expenses	57,716	77,398	82,325	55,874	50,796
Restructuring charge	-	1,813	37,864	36,338	-
Income (loss) from operations	(9,022)	(38,760)	(239,402)	23,755	80,922
Interest expense	(30,162)	(30,873)	(21,292)	(19,740)	(12,695)
Trade receivable facility costs	(1,022)	(4,072)	(2,228)	(7,060)	(5,804)
Foreign exchange gains and losses, net	5,291	5	(1,706)	-	-
Equity in losses of unconsolidated affiliate	-	-	(7,668)	(3,050)	(4,000)
Restructuring charges	-	-	(1,590)	(5,832)	-
Loss on debt extinguishment	(19,840)	(1,314)	-	-	-
Other, net	(2,472)	3,546	(1,139)	877	6,310
Income (loss) before income taxes	(57,227)	(71,468)	(275,025)	(11,050)	64,733
Income tax provision (benefit)	-	(15,278)	(42,857)	(4,314)	25,891
Net income (loss)	\$ (57,227)	\$ (56,190)	\$ (232,168)	\$ (6,736)	\$ 38,842
Basic earnings (loss) per common share	\$ (2.26)	\$ (2.43)	\$ (10.17)	\$ (0.38)	\$ 1.60
Diluted earnings (loss) per common share	\$ (2.26)	\$ (2.43)	\$ (10.17)	\$ (0.38)	\$ 1.59
Cash dividends declared per common share	\$ -	\$ -	\$ 0.09	\$ 0.16	\$ 0.1525

- (1) The 2001 amounts reflect the results of operations for the 10 branches acquired in January 2001.
- (2) Includes used trailer inventory valuation charges of \$62.1 million, a restructuring related charge of \$3.7 million, and loss contingencies related to the Company's leasing operations of \$27.4 million.
- (3) Includes a \$4.5 million charge related to the Company's restructuring activities.
- (4) Includes used trailer valuation charges of \$5.4 million and \$2.8 million for equipment impairment charges.

Years Ended December 31,				
2003	2002	2001	2000	1999
(Dollar amounts in thousands)				

BALANCE SHEET DATA:

Working capital	\$ 41,970	\$ 55,052	\$111,299	\$270,722	\$228,751
Total equipment leased to others & finance contracts	32,069	132,853	160,098	108,451	130,626
Total assets	397,036	565,569	692,504	781,614	791,291
Total debt and capital lease obligations	227,316	346,857	412,017	238,260	167,881
Stockholders' equity	22,162	73,984	130,985	367,233	379,365

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ITEM 7--MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") describes the matters that we consider to be important to understanding the results of our operations for each of the three years in the period ended December 31, 2003, and our capital resources and liquidity as of December 31, 2003 and 2002. Our discussion begins with our assessment of the condition of the North American trailer industry along with a summary of the actions we have taken to reposition the Company. We then analyze the results of our operations for the last three years, including the trends in the overall business and our operations segments, followed by a discussion of our cash flows and liquidity, capital markets events and transactions, our new credit facility, and contractual commitments. We then provide a review of the critical accounting judgments and estimates that we have made which we believe are most important to an understanding of our MD&A and our consolidated financial statements. These are the critical accounting policies that affect the recognition and measurement of our transactions and the balances in our consolidated financial statements. We conclude our MD&A with information on recent accounting pronouncements which we adopted during the year, as well as those not yet adopted that are expected to have an impact on our financial accounting practices.

The Company has two reportable segments: manufacturing and retail and distribution. The manufacturing segment produces trailers which are sold to customers who purchase trailers directly or through independent dealers and to the retail and distribution segment. The retail and distribution segment includes the sale and leasing of new and used trailers, as well as the sale of aftermarket parts and service through its retail branch network.

EXECUTIVE SUMMARY

The North American trailer industry rebounded in 2003 after three consecutive years of declining demand for new trailer units. The trucking industry confronting an economic downturn, dramatic increases in fuel, insurance, labor and EPA compliances cost and weak capitalization reduced trailer purchases from a high of approximately 306,000 in 1999 to approximately 140,000 units in 2002, a 54% decline in demand. Demand recovered to approximately 183,000 units in 2003, which as an annual rate approximates the industry replacement rate. During the last three years, our market share of new trailers declined from 23% in 2001 to 20% in 2003.

In response to the significant industry deterioration, we implemented a comprehensive plan to scale our operations to meet demand and to survive.

Actions included:

- changed senior management;
- rationalized manufacturing capacity - closing two plants;
- reduced manufacturing cost structure through continuous improvement initiatives that focused on safety, quality, productivity, and product and process standardization;
- reduced used trailer inventories - from approximately \$110 million or 11,500 units as of September 2000 to \$12 million or 2,200 units as of December 31, 2003;
- resolved legacy trade practices - reducing open trade

commitments to approximately \$6 million as of December 31, 2003;

- divested our European operations;
- rationalized retail and distribution capacity - closing 12 locations; and
- improved working capital management.

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These actions resulting in net losses of \$57 million in 2003, \$56 million in 2002 and \$232 million in 2001, set the stage for:

- selling certain assets of our rental and leasing business and our wholesale parts business, former branch properties and a large portion of our finance portfolio - proceeds totaling approximately \$75 million used to reduce on and off balance sheet debt;
- refinancing our debt through the sale of \$125 million of 3.25% senior unsecured convertible notes and the completion of a three-year \$222 million bank facility - extended required repayment terms and significantly reducing interest rates;
- continuing the streamlining of the retail and distribution organization - closing 12 locations; and
- achieving manufacturing margins exceeding those attained in 1999, the recent high point of the production cycle.

Charges totaling approximately \$51 million were incurred in connection with those initiatives.

Entering 2004, we believe that Wabash is well positioned to fully participate in improving general and trucking industry conditions.

#### OPERATING PERFORMANCE

We measure our operating performance in four key areas - Safety, Quality, Productivity and Cost Reduction. Our objective, be better tomorrow than we are today, is simple, straightforward and easily understood by all our associates.

- Safety. We have achieved a four-fold improvement in the total reportable incident rate since June 2002; our safety metrics have improved each quarter for six straight quarters. We believe improved safety translates into higher labor productivity and lower costs as a result of less time missed due to injuries.
- Quality. We measure our quality performance in terms of:
  - First pass yield: How many units pass all inspection criteria without requiring rework? Our first pass yield metrics have improved from 20% to 88% during 2003.
  - On Time Delivery: Are we meeting our delivery commitments to customers? In the third quarter of 2003, we attained 100% and continue to operate at that rate.
  - Warranty: We measure, among other things, the number and severity of warranty claims. While improvements are being noted and we are encouraged by the results, a longer term perspective is required before

declaring success.

- Productivity. We measure productivity on many fronts. Some key indicators include production line speed, man-hours per trailer and inventory levels. Improvements in these areas translate into:
  - Increased availability capacity which we estimated to be over 75,000 units annually based on a three-shift, five-day work week.
  - Reduced work in process inventory which is currently \$4 million compared to \$14 million at the beginning of the year.
  - Increased inventory turnover which is currently about nine turns per year compared to approximately six turns in 2002.

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- Cost Reduction. During 2002, we introduced our continuous improvement initiative (CI). As of December 2003, we believe CI has become a way of life. Since introduction, over 250 CI events have been completed.

#### INDUSTRY TRENDS

To monitor the state of the industry we evaluate a number of indicators related to trailer manufacturing and to the transportation industry. Information is obtained from sources such as ACT Research Co., LLC (ACT), American Trucking Association (ATA), Cass Logistics, and Eno Transportation Foundation. Trends we are currently seeing include:

- Improvement in the number of units shipped by the U.S. trailer industry. After reaching a high of over 300,000 units shipped in 1999, shipments declined to approximately 140,000 units in 2001. Unit shipments were approximately 183,000 in 2003 and ACT is estimating that 2004 shipments will be approximately 247,000 units.
- Increasing age of motor carrier trailer fleets. For the three-year period 2000 to 2002, the average age of trailer fleets have increased from approximately 44 months to 54 months as many motor carriers have deferred purchases. This trend suggests to us that there is a pent-up replacement demand for trailers.
- Increasing rate of new trailer orders. Quarterly industry order placements have been in the 10,000 to 15,000 units range for the last six quarters. In the fourth quarter of 2003, the rate was approximately 20,000 units.
- Other developments and our view of their potential impact on the industry include:
  - 2007 Emission Standards could result in improved demand for trailers in 2004, 2005 and part of 2006 in advance of motor carriers focusing capital spending on tractors in advance of the regulations going into effect. A similar pattern occurred in advance of the October 2002 enactment of emission standards.
  - Technology advances in trailer tracking and route management implemented by motor carriers are improving trailer utilization and lower

trailer-to-tractor ratios and could result in reduced trailer demand.

- Federal Hours-of-Service Rules became effective January 4, 2004. Based on the assessment of a large truck load carrier these will negatively impact driver productivity. In our view, this could result in increased demand for trailers but it is too early to confirm.

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## RESULTS OF OPERATIONS

The following table sets forth certain operating data as a percentage of net sales for the periods indicated:

	Percentage of Net Sales		
	Years Ended December 31,		
	2003	2002	2001
	-----	-----	-----
Net sales	100.0%	100.0%	100.0%
Cost of sales	91.3	94.8 (1)	112.6 (2)
Loss on asset impairment	3.2	0.3	1.2
	-----	-----	-----
Gross profit (loss)	5.5	4.9	(13.8)
General and administrative expense	4.2	6.6	6.6
Selling expense	2.3	2.8	2.9
Restructuring charge	-	0.2	4.4
	-----	-----	-----
Loss from operations	(1.0)	(4.7)	(27.7)
Interest expense	(3.4)	(3.8)	(2.5)
Trade receivables facility costs	(0.1)	(0.5)	(0.3)
Foreign exchange losses, net	0.6	-	(0.2)
Equity in losses of unconsolidated affiliate	-	-	(0.9)
Restructuring charge	-	-	(0.2)
Loss on extinguishment	(2.2)	(0.2)	-
Other income (expense), net	(0.3)	0.5	(0.1)
	-----	-----	-----
Loss before income taxes	(6.4)	(8.7)	(31.9)
Income tax benefit	-	(1.8)	(5.0)
	-----	-----	-----
Net loss	(6.4)%	(6.9)%	(26.9)%

(1) Includes used trailer valuation charges of \$5.4 million and \$2.8 million for loss contingencies.

(2) Includes used trailer inventory valuation charges of \$62.1 million (7.2%), a restructuring related charge of \$3.7 million (0.4%), and loss contingencies related to the Company's leasing operations of \$27.4 million (3.2%).

## 2003 COMPARED TO 2002

### NET SALES

Net sales improved 8% from 2002. Base upon ACT data, the first quarter of 2002 is believed to have been the low point of the industry downturn that

began in 2000. By business segment, net external sales and related units sold were as follows (dollars in millions):

	Years Ended December 31,		
	2003	2002	% Change
Net Sales by segment:			
Manufacturing	\$ 620.1	\$ 492.3	26%
Retail and Distribution	267.8	327.3	(18)
Total	\$ 887.9	\$ 819.6	8%
New trailer units:			
Manufacturing	36,900	30,900	19%
Retail and Distribution	4,100	3,600	14
Total	41,000	34,500	19%
Used trailer units	11,700	17,600	(34)%

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The manufacturing segment's sales improvement was driven by demand for new trailers and improved product mix. Average selling price increased 4.7% primarily due to product mix: for example, we sold approximately 5,000 fewer lower priced containers and chassis in 2003 compared to 2002.

The decrease in the retail and distribution segment's net sales reflects:

- used trailer sales decline of \$27.5 million as unit sales fell 34% due to completing the disposition of excess inventories during 2002 and the impact of closing certain locations;
- the sale of certain assets of the aftermarket parts distribution business and the trailer rental and leasing business in September 2003 primarily accounts for \$27.7 million of the sales decline;
- branch parts and services sales decline of \$8.7 million primarily due to closing full service branches; offset by
- new trailer sales increase of \$4.4 million due to a 19% increase in equivalent store units sold, offset partially by the impact of closing certain locations.

#### GROSS PROFIT (LOSS)

Gross profit as a percent of sales was 8.7% for 2003 compared to 5.2% in 2002, before asset impairment charges of \$28.5 million and \$2.0 million in 2003 and 2002, respectively. The 2003 asset impairment charge was taken on certain assets of the rental and leasing and aftermarket parts businesses. A summary of gross profit by segment follows (in millions):

Years Ended December 31,		
2003	2002	\$ Change

	-----	-----	-----
Gross Profit (Loss) by segment:			
Manufacturing	\$ 59.1	\$ 20.8	\$ 38.3
Retail and Distribution	(10.9)	19.7	(30.6)
Eliminations	0.5	0.0	0.5
	-----	-----	-----
Total Gross Profit	\$ 48.7	\$ 40.5	\$ 8.2
	=====	=====	=====

The manufacturing segment's gross profit increased due to higher volumes and improved product mix, coupled with realizing cost savings driven by our continuous improvement initiatives. The segment's 2003 gross profit percentage of 9.5% exceeded the 8.9% attained in 1999, the most recent production cycle peak.

The retail and distribution segment's gross profit for 2003 was negatively impacted by the \$28.5 million asset impairment charge and \$3.9 million in trailer valuation charges. Gross profit for 2002 was negatively impacted by \$4.8 million in loss contingencies and asset impairment charges related to equipment held for lease and \$5.4 million in used trailer valuation charges. Additionally, the lower gross profit resulted from lower margins on used trailer sales and the impact of selling certain assets of the rental and leasing and aftermarket parts businesses in September 2003. New trailers margins held steady in relation to 2002.

#### GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses decreased \$16.5 million to \$37.4 million for 2003, compared to \$53.9 million for the same period in 2002. The 2003 expense included \$2.6 million in debt restructuring costs, \$0.9 million related to the branch closings, offset in part by a \$0.8 million recovery of VAT taxes. The 2002 expense included \$10.6 million in bad debt expense mainly related to the finance and leasing businesses, \$2.2 million in severance accruals, \$1.9 million in write-downs related to the disposition of the Company's airplane and \$1.2 million in debt restructuring costs.

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#### SELLING EXPENSES

Selling expenses decreased \$3.2 million to \$20.3 million in 2003, compared to \$23.5 million in 2002. The decrease primarily reflects the impact of retail branch closings and the September 2003 sale of certain assets of our trailer rental and leasing and aftermarket parts businesses.

#### OTHER INCOME (EXPENSE)

Interest expense totaled \$30.2 million for 2003, a decrease of \$0.7 million from the prior year. Through the first three quarters of 2003, interest expense exceeded that of 2002 due to higher interest rates and increased amortization of debt costs resulting from debt restructurings in 2002 and 2003. The debt refinancing and assets sales during the second half of 2003 resulted in lower interest rates and average borrowings, respectively.

Trade receivables facility costs declined as 2002 included \$3.3 million in facility restructuring costs.

Foreign exchange gains and losses, net were gains of \$5.3 million for 2003, primarily occurring in the first six months of the year reflecting a strengthening of the Canadian dollar compared to the U.S. dollar.

Loss on debt extinguishment of \$19.8 million in 2003 primarily represents the additional costs associated with the early extinguishment of the Company's Senior Series Notes and Bank Debt.

Other, net for 2003 was a net expense of \$2.5 million compared to a net income of \$3.5 million for the same period in 2002. The 2003 period included a \$3.2 million loss on the sale of a large portion of the Company's finance portfolio, \$1.3 million charge for the settlement of a legacy RoadRailer(R) transaction and a \$0.8 million loss on the sale of certain assets, offset in part by gains of \$2.9 million on the sale of closed branch properties. The 2002 period included gains on the sale of closed branch properties.

INCOME TAXES

The Company recorded no income tax benefit in 2003 due to uncertainties surrounding the realizability of benefits associated with NOLs. The 2002 benefit recorded represents an additional realizable federal NOL carry-back claim filed and received under the provisions of the Job Creation and Worker Assistance Act of 2002, which revised the permitted carry-back period for NOLs generated during 2001 from two years to five years.

2002 COMPARED TO 2001

Net loss for 2002 was \$56.2 million compared to \$232.2 million in 2001. This improvement reflects a leveling off of new trailer sales and the impact on 2001 restructuring charges and losses related to used trailers.

NET SALES

The Company finished 2002 with consolidated net sales of approximately \$819.6 million compared to \$863.4 million in 2001. This decrease was the result of lower net sales in both the manufacturing and retail and distribution segments.

	Years Ended December 31,		
	2002	2001	% Change
	-----	-----	-----
	(Dollar amounts in millions)		
Net External Sales by segment:			
Manufacturing	\$ 492.3	\$ 518.2	(5%)
Retail and Distribution	327.3	345.2	(5%)
	-----	-----	
Total	\$ 819.6	\$ 863.4	(5%)
	=====	=====	
 New trailer units:			
Manufacturing	30,900	31,000	(0%)
Retail and Distribution	3,600	6,100	(41%)
	-----	-----	
Total	34,500	37,100	(7%)
	=====	=====	
 Used trailer units	17,600	11,500	53%
	=====	=====	

The manufacturing segment's net external sales decreased \$25.9 million in 2002 compared to 2001 primarily driven by a 4.8% decrease in the average selling price per new trailer sold from approximately \$16,700 in 2001 to approximately \$15,900 in 2002, reflecting a product mix that included approximately 7,400 units of lower priced containers and chassis. The selling price per unit in 2002 for non-container units was approximately \$16,900.

The retail and distribution segment's net external sales decreased \$17.9 million in 2002 compared to 2001. This decrease was primarily driven by a 41.0% decrease in new units. The decrease in new units sold reflects market conditions and the Company's focus on reducing used trailer inventories. This decrease was partially offset by increases in used units sold and the selling price per new unit (approximately \$21,900 in 2002 versus \$16,800 in 2001). The Company's emphasis on reducing used trailer inventory resulted in a 17.5% decrease in revenues per unit from approximately \$6,300 in 2001 to \$5,200 in 2002. The total number of branch locations as of December 31, 2002 was 39 as compared to 47 as of December 31, 2001.

#### GROSS PROFIT (LOSS)

The Company finished 2002 with gross profit (loss) as a percent of sales of 4.9% on a consolidated basis as compared to (13.8%) in 2001. As discussed below, both of the Company's segments contributed to this increase.

	Years Ended December 31,		
	2002	2001	\$ Change
	-----		
	(Dollar amounts in millions)		
Gross Profit (Loss) by Segment:			
Manufacturing	\$ 20.8	\$ (73.9)	\$ 94.7
Retail and Distribution	19.7	(47.6)	67.3
Eliminations	0.0	2.3	(2.3)
	-----		
Total Gross Profit (Loss)	\$ 40.5	\$ (119.2)	\$ 159.7
	=====		

The manufacturing segment's gross profit (loss) increased primarily as a result of the following factors:

- decrease of 19% in material costs per unit resulting from product mix including containers and continuous improvement initiatives introduced in the second half of 2002;
- new and used trailer inventory valuation adjustments of \$65.1 million in 2001 compared to \$2.7 million in 2002; and
- the impact of inventory write-downs related to the Company's 2001 restructuring actions of approximately \$3.7 million; partially offset by
- lower revenues per unit, as discussed previously; and
- higher labor costs resulting from temporary labor, time spent on training and continuous improvement initiatives.

The retail and distribution segment's gross profit (loss) increased primarily as a result of the following factors:

- impairment of equipment held for lease along with certain loss contingencies recognized related to its leasing activities totaling \$4.8 million and \$37.9 million in 2002 and 2001, respectively;
- improved used trailers margins, which were 6.4% in 2002 compared to (15.0%) in 2001;
- improved margins from our parts distribution business; and
- new trailer and aftermarket parts inventory valuation

adjustments of approximately \$3.5 million in 2001; partially offset by

- declines in new trailer and parts and service gross profit, in part due to fewer locations in 2002; and

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- used trailer inventory adjustments of \$5.4 million in 2002.

#### GENERAL AND ADMINISTRATIVE

General and administrative expenses decreased \$3.1 million to \$53.9 million in 2002, compared to \$57.0 million in 2001. This decrease was primarily due to a reduction of \$10.3 million in bad debt expense representing improved collection efforts and significant write-offs taken in 2001. The decrease in bad debt expense was offset in part by increases of \$3.6 million in professional fees and \$3.0 million in severance related to branch closings and former corporate employees.

#### RESTRUCTURING EXPENSE

Restructuring expenses decreased \$36.1 million to \$1.8 million in 2002, compared to \$37.9 million in 2001. The 2002 expense represented additional fair market value adjustments to closed manufacturing locations which are held for sale related to 2000 and 2001 restructuring actions. The 2001 expense primarily related to asset write-downs for the Scott County, Tennessee and Fort Madison, Iowa manufacturing facilities and Montebello, California parts distribution center taken as part of the 2001 restructuring.

#### OTHER INCOME (EXPENSE)

Interest expense totaled \$30.9 million and \$21.3 million for the years ended December 31, 2002 and 2001, respectively. This increase was primarily due to higher interest rates on the Company's Senior Notes and Bank debt resulting from the debt restructuring in April 2002, interest on capital leases that were entered into during the fourth quarter of 2001 and significantly higher amortization from deferred debt costs in connection with the debt restructuring, offset in part by reduced overall borrowings in 2002.

Trade receivables facility costs related to the Company's accounts receivable securitization facility, increased to \$4.1 million in 2002 from \$2.2 million in 2001 primarily as a result of \$3.3 million in costs incurred with restructuring the facility in April 2002, offset in part by an absence of borrowings under the restructured facility from April to December 2002.

Foreign currency transaction loss, net was \$1.7 million for the year ended December 31, 2001.

Loss on debt extinguishment of \$1.3 million in 2002 represents fees and the write-off of deferred debt issuance costs associated with the April 2002 debt restructuring.

Other, net was income of \$3.5 million in 2002 compared to expense of \$1.1 million in 2001. The increase primarily includes gains on sales of closed branch locations.

#### INCOME TAXES

Income tax benefit for 2002 and 2001 was \$15.3 million and \$42.9 million, respectively. The effective tax rate was 21.4% and 15.6% for 2002 and 2001, respectively. For 2002, the benefit recorded primarily represents an additional realizable federal net operating loss (NOL) carry-back claim filed and received under the provisions of the Job Creation and Worker Assistance Act of 2002, which revised the permitted carry-back period for NOLs generated during 2001 from two years to five years. In 2002, the effective rate differed from the U.S. federal statutory rate of 35% primarily due to the recognition of a

valuation allowance against deferred tax assets that the Company determined were more likely than not to be realized before expiration.

## LIQUIDITY AND CAPITAL RESOURCES

### CAPITAL STRUCTURE

Today, our capital structure is primarily supported by debt as a result of the significant losses incurred during the years 2000 through 2003. Significant improvements have been made over the last three years and in 2003 we were able to stabilize our financial footing through a series of asset sales, branch network reorganization, debt refinancing and the conversion of preferred shares. These actions, described below, resulted in repayment or refinancing of essentially all of our indebtedness, increased our financial flexibility and substantially reduced the

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effective rate on borrowings. Our objective is to generate operating cash flows sufficient to satisfy normal requirements for working capital and capital expenditures and to better balance the mix of debt and equity in our capital structure.

#### Asset Sales

On September 19, 2003, we completed the sale of certain of the assets of our trailer leasing and rental and aftermarket parts businesses for approximately \$53.5 million in cash. Net proceeds from the sale were used to repay a portion of the Company's outstanding indebtedness. Loss on the disposition amounted to \$29.3 million, including a \$28.5 million asset impairment charge recorded in the second quarter of 2003.

In the fourth quarter of 2003, we completed the sale of a large portion of our finance contracts. Proceeds of approximately \$12.2 million were used to reduce outstanding debt. The sale resulted in a loss of \$4.1 million, including a \$0.9 million debt extinguishment charge.

During 2003, we realized proceeds of approximately \$6 million from the sale of 6 branch properties.

#### Branch Network Reorganization

In the third quarter of 2003, we closed 12 retail branch locations and closed our Lafayette Modification Center in the fourth quarter. We currently operate 19 full service branches, four retail only branches and three used trailer centers. The closings reduced branch headcount by 20% and yielded an annualized cost savings of approximately \$5 million. We recorded a charge in the third quarter of approximately \$2 million in connection with the closings.

#### Debt Refinancing

On August 1, 2003, we completed the sale of \$125 million of 3.25% five-year senior unsecured convertible notes, which are currently convertible into approximately 6.5 million shares of the Company's common stock. The net proceeds were used to repay a portion of our outstanding indebtedness. The notes have a conversion price of \$19.20 or a rate of 52.0833 shares per \$1,000 principal amount of note. If the notes convert, the number of shares of our common stock outstanding would increase by approximately 24%. The notes bear interest at 3.25% per annum payable semi-annually on February 1 and August 1. If not converted, the balance will become due on August 1, 2008. Costs associated with the transaction amounted to approximately \$4.2 million and are being amortized over the term of the notes.

On September 23, 2003, we entered into a \$222.1 million three-year asset-based loan arrangement that includes a \$47.1 million term loan (bank term loan) and a \$175 million revolver (bank revolver). The new financing replaced existing indebtedness and is expected to substantially lower our cost of debt as

a result of lower interest rates on borrowings. Our current effective interest rate is approximately 4% compared to approximately 10% under our previous borrowing arrangements.

The bank term loan is secured by property, plant and equipment. The bank revolver is secured by inventory and accounts receivable and the amount available to borrow varies in relation to the balances of those accounts.

Interest on the bank term loan is variable, based on the London Interbank Offer Rate (LIBOR) plus 300 basis points, decreasing to 275 basis points after six months, or the bank's alternative rate, as defined in the agreement. Interest on the bank revolver is at LIBOR plus 275 basis points, decreasing to 250 basis points after six months, or the bank's alternative rate, as defined in the agreement. We pay a commitment fee on the unused portion of the facility at a rate of 37.5 basis points per annum. Costs associated with the transaction amounted to approximately \$4.4 million and are being amortized over the term of the loan.

The bank term loan requires a \$5.0 million principal payment on January 1, 2004 and quarterly principal payments of \$1.7 million commencing on January 1, 2004, with the balance due on September 23, 2006. The January 1, 2004 payments were made on December 31, 2003. The bank revolver is due on September 23, 2006. Beginning in March 2005, excess cash flow, as defined, is required to be used to reduce term loan indebtedness.

The refinancing resulted in debt extinguishment charges of approximately \$18.9 million.

#### Preferred Share Conversion

In December of 2003, we forced the conversion of preferred shares with a redemption value of approximately \$17.6 million into approximately 823,000 shares of common stock. The transaction will save approximately \$1 million in annual mandatory dividend payments.

#### Cash Flow

Operating activities provided \$41.8 million in cash during 2003 compared to providing \$104.3 million during 2002. Operating activities for 2003 saw further reductions in new and used trailer and work in process inventories, net cash flows from income after adjusting for non-cash items and accounts payable timing, offset by increased levels of accounts receivable associated with strong December sales. The 2002 period benefited from reduced accounts receivables, inventories, the collection of tax refunds and accounts payable timing. Accounts receivable, net were \$66.6 million and \$34.4 million as of December 31, 2003 and 2002, respectively. Days sales outstanding (DSO) were approximately 27 in 2003 compared to 15 in 2002 reflecting strong end-of-year sales. Inventory balances were reduced approximately \$50 million in 2003. Inventory turns increased to approximately nine in 2003 compared to approximately six in 2002.

Investing activities provided \$76.8 million in cash during 2003 primarily due to the asset sales discussed previously along with the impact of our decision not to reinvest in our financing and leasing businesses.

Net cash used in financing activities of \$141.7 million during 2003 was primarily for the repayment of debt from the proceeds of asset sales of \$75.5 million with the remainder coming from operating cash flows and available cash balances.

#### Capital Expenditures

Capital spending amounted to approximately \$6.5 million for 2003 and is anticipated to be approximately \$10 million for 2004. Spending is focused on productivity improvement and capacity maintenance.

Outlook

The industry recovery that began in 2003 is expected to accelerate in 2004 as production of trailers is anticipated to increase from approximately 183,000 units to approximately 247,000 units based on ACT estimates. The expansion in production is predicated on a number of factors including improving general economic conditions, pent-up trucking industry demand for replacement units as the average age of trailer fleets increases and Department of Transportation regulations regarding driver hours (hours of service) that may require additional trailers to maintain driver productivity.

We expect to participate in the industry growth because our core customers are among the dominant participants in the trucking industry, our DuraPlate(R) trailer continues to have increased market acceptance and penetration and we are expanding our presence into the middle market carriers - approximately 1,250 carriers with fleet sizes ranging from 250 to 5,000 units.

We believe that Wabash is well positioned to benefit from an increased demand for trailers because of the improvements that have been made over the last three years. As a result of our continuous improvement initiatives, we have reduced the total cost of producing a trailer and effectively increased production capacity. Additionally, we have become much more efficient in the use of working capital. Key to 2004 will be our ability to counter the effects of price volatility in our principal raw materials, aluminum, steel, plastic and timber with productivity gains and selective selling price increases.

As of December 31, 2003, our liquidity position, cash on hand and available borrowing capacity amounted to approximately \$44 million and debt and lease obligations, both on and off the balance sheet, amounted to approximately \$239 million (including \$12 million not on the balance sheet). We expect that in 2004, Wabash will be able to generate sufficient cash flow from operations to fund working capital and capital spending requirements and to further reduce indebtedness.

CONTRACTUAL OBLIGATIONS AND COMMERCIAL COMMITMENTS

A summary of payments of the Company's contractual obligations and commercial commitments, both on and off balance sheet, as of December 31, 2003 are as follows:

\$ Millions	2004	2005	2006	2007	2008	Thereafter	Total
<b>DEBT (excluding interest):</b>							
Senior Convertible Notes	\$ -	\$ -	\$ -	\$ -	\$ 125.0	\$ -	\$ 125.0
Bank Revolver	-	-	60.3	-	-	-	60.3
Bank Term Loan	5.1	6.7	25.0	-	-	-	36.8
Other Notes Payable	2.3	2.3	0.6	-	-	-	5.2
<b>TOTAL DEBT</b>	<b>\$ 7.4</b>	<b>\$ 9.0</b>	<b>\$ 85.9</b>	<b>\$ -</b>	<b>\$ 125.0</b>	<b>\$ -</b>	<b>\$ 227.3</b>
<b>OTHER:</b>							
Currency Forward Contracts	\$ 3.9	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.9
Operating Leases	6.1	3.8	3.1	1.9	1.5	0.1	16.5
<b>TOTAL OTHER</b>	<b>\$ 10.0</b>	<b>\$ 3.8</b>	<b>\$ 3.1</b>	<b>\$ 1.9</b>	<b>\$ 1.5</b>	<b>\$ 0.1</b>	<b>\$ 20.4</b>
<b>OTHER COMMERCIAL COMMITMENTS:</b>							
Letters of Credit	\$ 7.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7.0
Purchase Commitments	20.4	15.0	15.0	-	-	-	50.4
Residual Guarantees	5.3	5.0	9.7	5.0	-	-	25.0
<b>TOTAL OBLIGATIONS</b>	<b>\$ 50.1</b>	<b>\$ 32.8</b>	<b>\$ 113.7</b>	<b>\$ 6.9</b>	<b>\$ 126.5</b>	<b>\$ 0.1</b>	<b>\$ 330.1</b>

Residual Guarantees represent purchase commitments related to certain new and used trailer transactions as well as certain production equipment. We also have purchase options of \$78.0 million on the aforementioned trailers and equipment. To the extent that the value of the underlying property is less than the residual guarantee and the value is not expected to be recovered, we have recorded a loss contingency.

Purchase Commitments primarily represent minimum purchase commitments under a parts purchase agreement we entered into in connection with the sale of certain assets of our aftermarket parts distribution business. We are required to purchase \$45 million in parts over the next three years with a minimum of \$15 million per year. The purchase price for the parts will be at current market prices, will not exceed business requirements and is subject to certain performance requirements.

Operating leases represent the total future minimum lease payments for off balance sheet debt.

OFF-BALANCE SHEET TRANSACTIONS

We had no off-balance sheet financing transactions in 2002 and 2003. As of December 31, 2003, we have operating leases with future minimum lease payments of \$16.5 million, as disclosed in the preceding table.

SIGNIFICANT ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES

Our significant accounting policies are more fully described in Footnote 2 to our consolidated financial statements. Certain of our accounting policies require the application of significant judgment by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgments are subject to an inherent degree of uncertainty. These judgments are based on our historical experience, terms of existing contracts, our evaluation of trends in the industry, information provided by our customers and information available from other outside sources, as appropriate.

We consider an accounting estimate to be critical if:

- it requires us to make assumptions about matters that were uncertain at the time we were making the estimate; and
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- changes in the estimate or different estimates that we could have selected would have had a material impact on our financial or results of operations.

The table below presents information about the nature and rationale for Wabash's critical accounting estimates:

BALANCE SHEET CAPTION	CRITICAL ESTIMATE ITEM	NATURE OF ESTIMATES REQUIRED	ASSUMPTIONS/ APPROACHES USED	KEY FACTORS
Accrued liabilities and other long-term liabilities	Warranty	Estimating warranty requires us to forecast the resolution of existing claims and expected future claims on products sold.	We base our estimate on historical trends of units sold and payment amounts, combined with our current understanding of the status of existing claims, recall campaigns and discussions with our customers.	Failure rates and estimated repair costs
Accounts Receivable - allowance for doubtful accounts	Allowance for doubtful accounts	Estimating the allowance for doubtful accounts requires us to estimate the financial capability of customers to pay for products.	We base our estimates on historical experience, the time an account is outstanding, customer's financial condition and information from credit rating services.	Customer financial condition
Inventory	Lower of cost or market write-downs	We evaluate future demand for products, market conditions and incentive programs.	Estimates are based on recent sales data, historical experience, external market analysis and third party appraisal services.	Market conditions Product type
Property, plant and equipment, goodwill and	Valuation of long-lived	We are required from time-to-time to review the	We estimate cash flows using internal budgets based on recent sales data,	Future production estimates

other long-term assets	assets and investments	recoverability of certain of our assets based on projections of anticipated future cash flows, including future profitability assessments of various product lines.	and independent trailer production volume estimates.	Discount rate Asset carrying value
Deferred income taxes	Recoverability of deferred tax assets - in particular, net operating loss carry-forwards	We are required to estimate whether recoverability of our deferred tax assets is more likely than not based on forecasts of taxable earnings.	We use historical and projected future operating results, based upon our business plans, including a review of the eligible carry-forward period, tax planning opportunities and other relevant considerations.	Tax law changes Variances in future projected profitability, including by taxing entity

In addition, there are other items within our financial statements that require estimation, but are not as critical as those discussed above. Changes in estimates used in these and other items could have a significant effect on our consolidated financial statements. The determination of the market value of new and used trailers is subject to variation particularly in times of rapidly changing market conditions. A 5% change in the valuation of our inventories would be approximately \$4 million.

OTHER

INFLATION

We have historically been able to offset the impact of rising costs through productivity improvements as well as selective price increases. As a result, inflation has not had, and is not expected to have a significant impact on our business.

NEW ACCOUNTING PRONOUNCEMENTS

Variable Interest Entities

In 2003, the Financial Accounting Standards Board (FASB) issued Interpretation No. 46 (FIN 46), Consolidation of Variable Interest Entities. FIN 46 defines a variable interest entity (VIE) as a corporation, partnership, trust or any other legal structure that does not have equity investors with a controlling financial interest or has equity investors that do not provide sufficient financial resources for the entity to support its activities. The Company has evaluated its financial arrangements that had potential FIN 46 impact and determined that none of these arrangements are with a VIE and that the adoption will have no impact on its consolidated results of operations, financial position or liquidity.

Derivatives

In April 2003, the FASB issued Statement of Financial Accounting (SFAS) No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities. This statement amends and clarifies financial accounting and reporting for derivative instruments and hedging activities under FASB Statement No. 133, Accounting for Derivative Instruments and Hedging Activities, by requiring contracts with similar characteristics to be accounted for comparably. The adoption of SFAS No. 149, effective for contracts entered into or modified after June 30, 2003, did not have any effect on financial position, results of operations, or cash flow.

Financial Instruments

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. This statement changes the accounting for certain financial instruments that, under previous guidance, issuers could account for as equity. SFAS No. 150 may require that those instruments be classified as liabilities. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the interim period beginning after June 15, 2003. We currently have no such instruments.

## CUSTOMER CREDIT RISK

We sublease certain highly specialized RoadRailer(R) equipment to Grupo Transportation Marititma Mexicana SA (TMM), who is experiencing financial difficulties. Due to the nature of the equipment, recovery value is considered to be minimal. As of December 31, 2003, we have approximately \$5.6 million of leased equipment with TMM recorded as Equipment Leased to Others on the Consolidated Balance Sheets. The obligation is current and as a result no provision for loss has been recorded.

## ITEM 7A--QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

In addition to the risks inherent in its operations, the Company has 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 the Company's exposure to these risks.

### a. Commodity Price Risks

The Company is exposed to fluctuation in commodity prices through the purchase of raw materials that are processed from commodities such as aluminum, steel, wood and virgin plastic pellets. Given the historical volatility of certain commodity prices, this exposure can significantly impact product costs. The Company may manage aluminum price changes by entering into fixed price contracts with its suppliers. As of December 31, 2003, the Company had outstanding purchase commitments of approximately \$5.4 million. Because the Company typically does not set prices for its products in advance of its commodity purchases, it can take into account the cost of the commodity in setting its prices for each order. To the extent that the Company is unable to offset the increased commodity costs in its product prices, the Company's results would be materially and adversely affected.

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### b. Interest Rates

As of December 31, 2003, the Company had approximately \$97.1 million of floating rate debt outstanding under its various financing agreements. A hypothetical 100 basis-point increase in the floating interest rate from the current level would correspond to approximately a \$1.0 million increase in interest expense over a one-year period. This sensitivity analysis does not account for the change in the Company's competitive environment indirectly related to the change in interest rates and the potential managerial action taken in response to these changes.

### c. Foreign Exchange Rates

The Company is subject to fluctuations in the Canadian dollar exchange rate that impact intercompany transactions between the Company and its Canadian subsidiary, as well as U.S. denominated transactions between the Canadian subsidiaries and unrelated parties. A five cent change in the Canadian exchange rate would result in an approximately \$0.3 million impact on results of operations. In July 2003, the Company began purchasing Canadian dollar foreign currency forward contracts in an effort to mitigate potential Canadian currency fluctuation impact on working capital requirements. As of December 31, 2003, the Company had outstanding \$3.9 million in forward contracts to be settled in various increments over the next seven months. The contracts are marked-to-market and not subject to hedge accounting. The Company does not hold or issue derivative financial instruments for speculative purposes.

## ITEM 7B - RISK FACTORS

You should carefully consider the risks described below in addition to other information contained or incorporated by reference in this Report before investing in our securities. Realization of any of the following risks could have a material adverse effect on our business, financial condition, cash flows and results of operations.

RISKS RELATED TO OUR BUSINESS, STRATEGY AND OPERATIONS

WE HAVE NOT GENERATED PROFITABILITY IN RECENT PERIODS.

Wabash incurred significant net losses during the last three years. We have reported net losses of \$232.2 million, \$56.2 million and \$57.2 million for the years ended December 31, 2001, 2002 and 2003, respectively. Our ability to achieve and sustain profitability in the future will depend on the successful implementation of measures to reduce costs and achieve sales goals. While we have taken steps to improve cost performance, lower operating costs and reduce interest expense, and have seen our sales improve in the recent periods, we cannot assure you that our cost-reduction measures will be successful, sales will be sustained or increased or that we can achieve a sustained return to profitability.

OUR INVENTORIES ARE NOT MANAGED BY PERPETUAL INVENTORY CONTROL SYSTEMS.

Systems and processes used to manage and value our inventories require significant manual intervention and the verification of actual quantities requires a physical inventory which is taken once a year. Breakdowns of these systems and processes, and errors in inventory estimates derived from these systems and processes could go undetected until the next physical inventory and adversely affect our operations and financial results.

AN ADVERSE CHANGE IN OUR CUSTOMER RELATIONSHIPS OR IN THE FINANCIAL CONDITION OF OUR CUSTOMERS COULD ADVERSELY AFFECT OUR BUSINESS.

We have corporate partnering relationships with a number of customers where we supply the requirements of these customers. Our success is dependent, to a significant extent, upon the continued strength of these relationships and the growth of our corporate partners. We often are unable to predict the level of demand for our products from these partners, or the timing of their orders. In addition, the same economic condition that adversely affects us also often adversely affects our customers. As some of our customers are highly leveraged and have limited access to capital, their continued existence may be uncertain. One of our customers, Grupo Transportation Marititma Mexicana SA (TMM), located in Mexico is experiencing financial difficulties. Although this customer is current in its payment obligation to us, the customer owes us \$6.9 million secured by highly specialized RoadRailer(R) equipment, which due to the nature of the equipment has a minimal recovery value. The loss of a

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significant customer or unexpected delays in product purchases could adversely affect our business and results of operations.

OUR TECHNOLOGY AND PRODUCTS MAY NOT ACHIEVE MARKET ACCEPTANCE, WHICH COULD ADVERSELY AFFECT OUR COMPETITIVE POSITION.

We continue to introduce new products such as the DuraPlate(R) HD, and the FreightPro(R) trailer. We cannot assure you that these or other new products or technologies will achieve sustained market acceptance. In addition, new technologies or products that our competitors introduce may render our products obsolete or uncompetitive. We have taken steps to protect our proprietary rights in our new products. However, the steps we have taken to protect them may not be sufficient or may not be enforced by a court of law. If we are unable to protect our proprietary rights, other parties may attempt to copy or otherwise obtain or use our products or technology. If competitors are able to use our technology, our ability to compete effectively could be harmed.

WE HAVE A LIMITED NUMBER OF SUPPLIERS OF RAW MATERIALS; AN INCREASE IN THE PRICE OF RAW MATERIALS OR THE INABILITY TO OBTAIN RAW MATERIALS COULD ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

We currently rely on a limited number of suppliers for certain key components in the manufacturing of truck trailers, such as landing gear, axles,

and specialty steel coil used in Duraplate(R) panels. The loss of our suppliers or their inability to meet our price, quality, quantity and delivery requirements could have a significant impact on our results of operations.

DISRUPTION OF OUR MANUFACTURING OPERATIONS OR MANAGEMENT INFORMATION SYSTEMS WOULD HAVE AN ADVERSE EFFECT ON OUR FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

We manufacture our products at two facilities in Lafayette, Indiana, with our primary manufacturing facility accounting for approximately 85% of our manufacturing output. An unexpected disruption in our production at either of these facilities or in our management information systems for any length of time would have an adverse effect on our business, financial condition and results of operations.

THE LOSS OF KEY PERSONNEL COULD ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

Many of our executive officers, including our CEO William P. Greubel, CFO Mark R. Holden, and COO Richard J. Giromini, are critical to the management and direction of our business. Our future success depends, in large part, on our ability to retain these officers and other capable management personnel. The unexpected loss of the services of any of our key personnel could have an adverse effect on the operation of our business, as we may be unable to find suitable management to replace departing executives on a timely basis.

THE INABILITY TO REALIZE ADDITIONAL COST SAVINGS COULD WEAKEN OUR COMPETITIVE POSITION.

If we are unable to continue to successfully implement our program of cost reduction and continuous improvement, we may not realize additional anticipated cost savings, which could weaken our competitive position.

WE ARE SUBJECT TO CURRENCY EXCHANGE RATE FLUCTUATIONS, WHICH COULD ADVERSELY AFFECT OUR FINANCIAL PERFORMANCE.

We are subject to currency exchange rate risk related to sales through our factory-owned retail distribution centers in Canada. For the year ended December 31, 2003, currency exchange rate fluctuations had a favorable impact of \$5.3 million on our results of operations. However, we cannot assure you that we will continue to experience such benefits or that currency exchange rate fluctuations will not have an adverse affect on our results of operations.

RISKS PARTICULAR TO THE INDUSTRIES IN WHICH WE OPERATE

OUR BUSINESS IS HIGHLY CYCLICAL, WHICH COULD ADVERSELY AFFECT OUR SALES AND RESULTS OF OPERATIONS.

The truck trailer manufacturing industry historically has been and is expected to continue to be cyclical, as well as affected by overall economic conditions. New trailer production for the trailer industry as a whole was approximately 140,000 in both 2001 and 2002 and totaled approximately 183,000 in 2003. Customers historically

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have replaced trailers in cycles that run from five to twelve years, depending on service and trailer type. Poor economic conditions can adversely affect demand for new trailers and in the past have led to an overall aging of trailer fleets beyond this typical replacement cycle. Our business is likely to continue to be adversely affected unless economic conditions improve.

SIGNIFICANT COMPETITION IN THE INDUSTRIES IN WHICH WE OPERATE MAY RESULT IN OUR COMPETITORS OFFERING NEW OR BETTER PRODUCTS AND SERVICES OR LOWER PRICES, WHICH COULD RESULT IN A LOSS OF CUSTOMERS AND A DECREASE IN OUR REVENUES.

The truck trailer manufacturing industry is highly competitive. We compete with other manufacturers of varying sizes, some of which may have

greater financial resources than we do. Barriers to entry in the standard truck trailer manufacturing industry are low. As a result, it is possible that additional competitors could enter the market at any time. In addition, we believe that the manufacturing over-capacity and high leverage of some of our competitors, along with the recent bankruptcies and financial stresses that have affected the industry, have contributed to significant pricing pressures.

If we are unable to compete successfully with other trailer manufacturers, we could lose customers and our revenues may decline. In addition, competitive pressures in the industry may affect the market prices of our new and used equipment, which, in turn, may adversely affect our sales margins and results of operations.

WE ARE SUBJECT TO EXTENSIVE GOVERNMENTAL LAWS AND REGULATIONS, AND OUR COSTS RELATED TO COMPLIANCE WITH, OR OUR FAILURE TO COMPLY WITH, EXISTING OR FUTURE LAWS AND REGULATIONS COULD ADVERSELY AFFECT OUR BUSINESS AND RESULTS OF OPERATIONS.

The length, height, width, maximum weight capacity and other specifications of truck trailers are regulated by individual states. The federal government also regulates certain truck trailer safety features, such as lamps, reflective devices, tires, air-brake systems, and rear-impact guards. Changes or anticipation of changes in these regulations can have a material impact on our financial results, as our customers may defer customer purchasing decisions and we may have to reengineer products. In addition, we are subject to various environmental laws and regulations dealing with the transportation, storage, presence, use, disposal and handling of hazardous materials, discharge of storm water and underground fuel storage tanks, and may be subject to liability associated with operations of prior owners of acquired property. If we are found to be in violation of applicable laws or regulations, it could have an adverse effect on our business, financial condition and results of operations. Our costs of complying with these or any other current or future environmental regulations may be significant. In addition, if we fail to comply with existing or future laws and regulations, we may be subject to governmental or judicial fines or sanctions.

A DECLINE IN THE VALUE OF USED TRAILERS COULD ADVERSELY AFFECT OUR RESULTS OF OPERATIONS.

General economic and industry conditions, as well as the supply of used trailers, influence the value of used trailers. As part of our normal business practices, we maintain used trailer inventories and have entered into finance contracts secured by used trailers, as well as residual guarantees and purchase commitments for used trailers. Declines in the market value for used trailers or the need to dispose of excess inventories has had, and could in the future have, an adverse effect on our business, financial condition and results of operations.

RISKS RELATED TO OUR SUBSTANTIAL INDEBTEDNESS

OUR SUBSTANTIAL INDEBTEDNESS COULD ADVERSELY AFFECT OUR FINANCIAL CONDITION.

We are highly leveraged and have substantial debt in relation to our shareholders' equity. As of December 31, 2003, we had an aggregate of \$227 million of outstanding indebtedness. Although our recent sale in 2003 of our unsecured 3.25% Convertible Senior Notes due August 1, 2008, and the completion of a three-year \$222 million asset based debt refinancing strengthen our balance sheet, we continue to be highly leveraged.

Our high level of debt could have important consequences to our investors, including:

- we may not be able to secure additional funds for working capital, capital expenditures, debt service requirements or general corporate purposes;

- we will need to use a portion of our cash flow from operations to pay principal of and interest on our debt, which will reduce the amount of funds available to us for other purposes;
- we may be more highly leveraged than our competitors, which could put us at a competitive disadvantage; and
- we may not be able to adjust rapidly to changing market conditions, which may make us more vulnerable in the event of a downturn in general economic condition of our business.

RESTRICTIVE COVENANTS IN OUR DEBT INSTRUMENTS COULD LIMIT OUR FINANCIAL AND OPERATING FLEXIBILITY AND SUBJECT US TO OTHER RISKS.

The agreements governing our indebtedness include certain covenants that restrict, among other things, our ability to:

- incur additional debt;
- pay dividends on our equity or repurchase our equity;
- make certain investments;
- create certain liens; and
- consolidate, merge or transfer all or substantially all of our assets.

Our ability to comply with such agreements may be affected by events beyond our control, including prevailing economic, financial and industry conditions. In addition, upon the occurrence of an event of default under our debt agreements, the lenders could elect to declare all amounts outstanding under our debt agreements, together with accrued interest, to be immediately due and payable.

RISKS RELATED TO AN INVESTMENT IN OUR SECURITIES

OUR COMMON STOCK HAS EXPERIENCED, AND MAY CONTINUE TO EXPERIENCE, PRICE VOLATILITY AND A LOW TRADING VOLUME.

The trading price of our common stock has been and may continue to be subject to large fluctuations and, therefore, the trading price of the notes may fluctuate significantly, which may result in losses to investors. Our stock price may increase or decrease in response to a number of events and factors, including:

- trends in our industry and the markets in which we operate;
- changes in the market price of the products we sell;
- the introduction of new technologies or products by us or our competitors;
- changes in expectations as to our future financial performance, including financial estimates by securities analysts and investors;
- operating results that vary from the expectations of securities analysts and investors;
- announcements by us or our competitors of significant contracts, acquisitions, strategic partnerships, joint ventures, financings or capital commitments;
- changes in laws and regulations; and
- general economic and competitive conditions.

This volatility may adversely affect the prices of our common stock and the 3.25% Convertible Senior Notes (Notes) regardless of our operating performance. The price of our common stock also may be adversely affected by the amount of common stock issuable upon conversion of the notes. Assuming \$125 million in

aggregate principal amount of the notes are converted at a conversion price of \$19.20, the number of shares of our common stock outstanding would increase by approximately 6,510,416 shares, or approximately 24%.

In addition, our common stock has experienced low trading volume in the past.

THERE IS A LIMITED TRADING MARKET FOR THE NOTES.

There is limited market activity in the notes. Although the initial purchasers of the notes are currently making a market in the notes, they are not obligated to do so and may discontinue such market making at any time without notice. In addition, such market making activity will be subject to the limits imposed by the Securities Act of 1933, as amended and the Securities Exchange Act of 1934, as amended. Accordingly, there can be no assurance that any market for the notes will be maintained. If an active market for the notes fails to develop or be sustained, the trading price of the notes could be materially adversely affected. The notes are traded on the Portal Market; however, we do not intend to apply for listing of the notes on any securities exchange.

The liquidity of the trading market in these notes, and the market price quoted for these notes, may be materially adversely affected by:

- changes in the overall market for convertible subordinated securities;
- changes in our financial performance or prospects;
- the prospects for companies in our industry generally;
- the number of holders of the notes;
- the interest of securities dealers in making a market for the notes; and
- prevailing interest rates.

ITEM 8--FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

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## Report of Independent Auditors

To the Shareholders of Wabash National Corporation:

We have audited the accompanying consolidated balance sheets of Wabash National Corporation as of December 31, 2003 and 2002, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the two years in the period ended December 31, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. The consolidated financial statements of Wabash National Corporation for the year ended December 31, 2001, were audited by other auditors who have ceased operations. Those auditors expressed an unqualified opinion on those financial statements in their report dated April 12, 2002.

We conducted our audit in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Wabash National Corporation as of December 31, 2003 and 2002, and the consolidated results of its operations and its cash flows for each of the two years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States.

ERNST & YOUNG LLP

Indianapolis, Indiana  
February 5, 2004

This report is a copy of a report previously issued by Arthur Andersen LLP. The report has not been reissued by Arthur Andersen nor has Arthur Andersen LLP provided a consent to the inclusion of its report in this Form 10-K.

## Report of Independent Public Accountants

To the Shareholders of Wabash National Corporation:

We have audited the accompanying consolidated balance sheets of WABASH NATIONAL CORPORATION (a Delaware corporation) and subsidiaries as of December 31, 2001 and 2000, and the related consolidated statements of operations, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2001. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant



CONSOLIDATED STATEMENTS OF OPERATIONS  
(Dollars in thousands, except per share amounts)

	Years Ended December 31,		
	2003	2002	2001
NET SALES	\$ 887,940	\$ 819,568	\$ 863,392
COST OF SALES	810,746	777,117	972,105
LOSS ON ASSET IMPAIRMENT	28,500	2,000	10,500
Gross profit (loss)	48,694	40,451	(119,213)
GENERAL AND ADMINISTRATIVE EXPENSES	37,383	53,897	56,955
SELLING EXPENSES	20,333	23,501	25,370
RESTRUCTURING CHARGE	-	1,813	37,864
Loss from operations	(9,022)	(38,760)	(239,402)
OTHER INCOME (EXPENSE):			
Interest expense	(30,162)	(30,873)	(21,292)
Trade receivables facility costs	(1,022)	(4,072)	(2,228)
Foreign exchange gains and losses, net	5,291	5	(1,706)
Equity in losses of unconsolidated affiliate	-	-	(7,668)
Restructuring charges	-	-	(1,590)
Loss on debt extinguishment	(19,840)	(1,314)	-
Other, net	(2,472)	3,546	(1,139)
Loss before income taxes	(57,227)	(71,468)	(275,025)
INCOME TAX BENEFIT	-	(15,278)	(42,857)
Net loss	\$ (57,227)	\$ (56,190)	\$ (232,168)
PREFERRED STOCK DIVIDENDS	1,053	1,563	1,845
NET LOSS APPLICABLE TO COMMON STOCKHOLDERS	\$ (58,280)	\$ (57,753)	\$ (234,013)
BASIC AND DILUTED NET LOSS PER SHARE	\$ (2.26)	\$ (2.43)	\$ (10.17)
COMPREHENSIVE LOSS			
Net loss	\$ (57,227)	\$ (56,190)	\$ (232,168)
Foreign currency translation adjustment	1,256	42	(306)
NET COMPREHENSIVE LOSS	\$ (55,971)	\$ (56,148)	\$ (232,474)

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

WABASH NATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY  
(Dollars in thousands)

	Preferred Stock		Common Stock		Additional Paid-in Capital	Retained Earnings (Deficit)	Other Comprehensive Income (Loss)	Treasury Stock	Total
	Shares	Amount	Capital	Amount					
BALANCES, December 31, 2000	482,041	\$ 5	23,002,490	\$ 230	\$ 236,660	\$ 131,617	\$ -	\$ (1,279)	\$367,233
Net loss for the year	-	-	-	-	-	(232,168)	-	-	(232,168)

Foreign currency translation	-	-	-	-	-	-	(306)	-	(306)	
Cash dividends declared:										
Common stock (\$0.09 per share)	-	-	-	-	-	(2,073)	-	-	(2,073)	
Preferred stock	-	-	-	-	-	(1,845)	-	-	(1,845)	
Common stock issued under:										
Employee stock purchase plan	-	-	7,138	-	70	-	-	-	70	
Employee stock bonus plan	-	-	1,960	-	27	-	-	-	27	
Outside directors' plan	-	-	2,259	-	47	-	-	-	47	
-----										
BALANCES, December 31, 2001	482,041	\$ 5	23,013,847	\$ 230	\$ 236,804	\$(104,469)	\$	(306)	\$(1,279)	\$130,985
Net loss for the year	-	-	-	-	-	(56,190)	-	-	-	(56,190)
Foreign currency translation	-	-	-	-	-	-	42	-	-	42
Preferred stock dividends	-	-	-	-	-	(1,563)	-	-	-	(1,563)
Preferred stock conversion	(130,041)	(2)	2,589,687	26	334	-	-	-	-	358
Common stock issued under:										
Employee stock purchase plan	-	-	5,312	1	47	-	-	-	-	48
Employee stock bonus plan	-	-	10,300	-	89	-	-	-	-	89
Stock option plan	-	-	11,168	-	82	-	-	-	-	82
Outside directors' plan	-	-	16,746	-	133	-	-	-	-	133
-----										
BALANCES, December 31, 2002	352,000	\$ 3	25,647,060	\$ 257	\$ 237,489	\$(162,222)	\$	(264)	\$(1,279)	\$ 73,984
Net loss for the year	-	-	-	-	-	(57,227)	-	-	-	(57,227)
Foreign currency translation	-	-	-	-	-	-	1,256	-	-	1,256
Preferred stock dividends	-	-	-	-	-	(1,053)	-	-	-	(1,053)
Preferred stock conversion	(352,000)	(3)	823,256	8	(7)	-	-	-	-	(2)
Restricted stock amortization	-	-	-	-	225	-	-	-	-	225
Common stock issued under:										
Employee stock bonus plan	-	-	6,370	-	74	-	-	-	-	74
Stock option plan	-	-	360,114	4	4,800	-	-	-	-	4,804
Outside directors' plan	-	-	12,457	-	101	-	-	-	-	101
-----										
BALANCES, December 31, 2003	-	\$ -	26,849,257	\$ 269	\$ 242,682	\$(220,502)	\$	992	\$(1,279)	\$ 22,162

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

WABASH NATIONAL CORPORATION  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
(Dollars in thousands)

	Years Ended December 31,		
	2003	2002	2001
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net loss	\$ (57,227)	\$ (56,190)	\$ (232,168)
Adjustments to reconcile net cash provided by (used in) operating activities:			
Depreciation and amortization	23,788	28,626	32,143
Net (gain) loss on the sale of assets	723	(1,322)	(504)
Provision for losses on accounts receivable and finance contracts	474	9,773	20,959
Deferred income taxes	-	-	(14,441)
Equity in losses of unconsolidated affiliate	-	-	7,183
Cash used for restructuring activities	(3,372)	(373)	(6,988)
Restructuring and other related charges	-	1,813	41,067
Used trailer valuation charges	2,562	5,443	62,134
Loss contingencies	-	2,831	27,400
Loss on debt extinguishment	19,840	1,314	-
Loss on asset impairments	28,500	2,000	10,500
Change in operating assets and liabilities:			
Accounts receivable	(40,749)	19,695	1,790
Inventories	51,416	58,335	107,755
Refundable income taxes	824	24,762	(20,121)
Prepaid expenses and other	5,009	(4,016)	3,863
Accounts payable and accrued liabilities	11,286	9,776	(34,443)
Other, net	(1,280)	1,815	261
Net cash provided by (used in) operating activities	41,794	104,282	6,390
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Capital expenditures	(6,518)	(5,703)	(5,899)
Additions to equipment leased to others	-	(9,792)	(70,444)
Additions to finance contracts	-	(7,718)	(18,662)
Acquisitions, net of cash acquired	-	-	(6,336)
Investment in unconsolidated affiliate	-	-	(7,183)
Proceeds from Asset Sales	53,479	-	-
Proceeds from sale of leased equipment and finance contracts	15,189	5,337	60,556
Principal payments received on finance contracts	7,778	13,278	6,787
Proceeds from the sale of property, plant and equipment	6,861	16,617	426
Net cash provided by (used in) investing activities	76,789	12,019	(40,755)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issuance of bank term loan and revolving credit facility	135,309	80,402	-
Proceeds from convertible senior notes	125,000	-	-
Proceeds from exercise of stock options	4,804	351	144
Borrowings under trade receivables and revolving credit facilities	197,650	56,798	428,776
Payments under trade receivables and revolving credit facilities	(225,501)	(146,491)	(361,006)
Payments under long-term debt and capital lease obligations	(367,089)	(78,589)	(21,738)
Common stock dividends paid	-	-	(2,991)
Preferred stock dividends paid	(1,584)	(443)	(1,879)
Debt issuance costs paid	(10,279)	(3,805)	-

Net cash provided by (used in) financing activities	----- (141,690)	----- (91,777)	----- 41,306
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	----- (23,107)	----- 24,524	----- 6,941
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	----- 35,659	----- 11,135	----- 4,194
CASH AND CASH EQUIVALENTS AT END OF PERIOD	----- \$ 12,552	----- \$ 35,659	----- \$ 11,135
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest	\$ 21,774	\$ 27,913	\$ 20,230
Income taxes refunded, net	\$ (832)	\$ (38,153)	\$ (7,047)

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

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WABASH NATIONAL CORPORATION  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF THE BUSINESS, INDUSTRY AND FINANCIAL CONDITION

Wabash National Corporation (the Company) designs, manufactures and markets standard and customized truck trailers and intermodal equipment under the Wabash(R), FreightPro(R), Articlite(R) and RoadRailer(R) trademarks. The Company's wholly-owned subsidiary, Wabash National Trailer Centers, Inc. (WNTC), sells new and used trailers through its retail network and provides aftermarket parts and maintenance service for the Company's and competitors' trailers and related equipment.

After achieving the recent peak production of over 305,000 units in 1999, the North American trucking industry suffered three years of declining production bottoming at just under 140,000 units in 2002. As a result of these conditions, the Company implemented a comprehensive plan to scale its operations to meet demand and to survive.

Beginning in 2001 and continuing into 2002, the Company closed two of its three trailer assembly facilities, conducted an employee layoff for the first time in the Company's history, liquidated approximately \$110 million of used trailers under an aggressive liquidation plan, completed the divestiture of its European operations, closed approximately 10 of its 49 factory-owned branch locations, closed one of its two wood flooring facilities and closed one of two parts distribution centers. As a result of these steps, the Company increased its liquidity position (cash on hand and available borrowings under existing credit facilities) from approximately \$19 million as of September 30, 2001 to approximately \$78 million at the end of 2002. These actions also began to improve the results from operations during 2002. The net losses incurred in both 2001 and 2002 resulted in the Company being in technical violation of financial covenants with certain of its lenders on December 31, 2001 and on February 28, 2003. The Company received a waiver of the violation from its lenders and subsequently amended its debt agreements to cure the violations.

In 2003, the truck trailer industry rebounded with production reaching approximately 183,000 units. Buoyed by improving industry and general economic conditions the Company continued its operational and financial turnaround by:

- selling certain assets of the rental and leasing and wholesale parts businesses, former branch properties and a large portion of its finance portfolios - proceeds totaling approximately \$75 million used to reduce on and off balance sheet debt;
- refinancing the Company's debt through the sale of \$125 million of 3.25% senior unsecured convertible notes and the completion of a \$222 million bank facility - extending required repayment terms and significantly reducing interest rates; and
- continuing the streamlining of the retail and distribution organization - closing 12 locations.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Consolidation

The consolidated financial statements reflect the accounts of the Company and its wholly-owned and majority-owned subsidiaries with the exception of ETZ, which as discussed in Footnote 5 was divested in January 2002. Accordingly, ETZ's operating results are included in Equity in Losses of Unconsolidated Affiliate in the Consolidated Statements of Operations. All significant intercompany profits, transactions and balances have been eliminated in consolidation. Certain reclassifications have been made to prior periods to conform to the current year presentation. These reclassifications had no effect on net losses for the periods previously reported.

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b. Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that directly affect the amounts reported in its consolidated financial statements and accompanying notes. Actual results could differ from these estimates.

c. Foreign Currency Accounting

The financial statements of the Company's Canadian subsidiary have been translated into U.S. dollars in accordance with Financial Accounting Standards Board (FASB) Statement No. 52, Foreign Currency Translation. Assets and liabilities have been translated using the exchange rate in effect at the balance sheet date. Revenues and expenses have been translated using a weighted-average exchange rate for the period. The resulting translation adjustments are recorded as Accumulated Other Comprehensive Income (Loss) in Stockholders' Equity. Gains or losses resulting from foreign currency transactions are included in Foreign Exchange Gains and Losses, net on the Company's Consolidated Statements of Operations. The Company recorded foreign currency (gains) losses of (\$5.3) million in 2003, \$0 million in 2002 and \$1.7 million in 2001.

As a result of a reevaluation of the retail and distribution business, the Company concluded to close 12 locations, including two in Canada. In addition, the review resulted in management designating \$30 million CDN of intercompany loans to its Canadian subsidiary as a permanent investment. Accordingly, beginning July 1, 2003 gains and losses associated with the permanent investment were charged to Accumulated Other Comprehensive Income (Loss) on the Consolidated Balance Sheets. As of December 31, 2003, accumulated gains of \$0.9 million have been recorded related to this permanent investment.

d. Revenue Recognition

The Company recognizes revenue from the sale of trailers and aftermarket parts when the customer has made a fixed commitment to purchase the trailers for a fixed or determinable price, collection is reasonably assured under the Company's billing and credit terms and ownership and all risk of loss has been transferred to the buyer, which is normally upon shipment or pick up by the customer.

The Company recognizes revenue from direct finance leases based upon a constant rate of return while revenue from operating leases is recognized on a straight-line basis in an amount equal to the invoiced rentals.

e. Used Trailer Trade Commitments

The Company has commitments with certain customers to accept used trailers on trade for new trailer purchases. These commitments arise in the normal course of business related to future new trailer orders. The Company has accepted trade-ins from customers of approximately \$32.8 million, \$40.5 million, and \$135.5 million in 2003, 2002 and 2001, respectively. As of December 31, 2003

and 2002, the Company had approximately \$6.1 million and \$7.0 million, respectively, of outstanding trade commitments with customers. The net realizable value of these commitments was approximately \$6.1 million and \$6.4 million as of December 31, 2003 and 2002, respectively. The Company's policy is to recognize losses related to these commitments, if any, at the time the new trailer revenue is recognized.

f. Cash and Cash Equivalents

Cash equivalents consist of highly liquid investments, which are readily convertible into cash and have maturities of three months or less.

g. Accounts Receivable and Finance Contracts

Accounts receivable and finance contracts are shown net of allowance for doubtful accounts. Accounts receivable primarily includes trade receivables. The Company records and maintains a provision for doubtful accounts for customers based upon a variety of factors including the Company's historical experience, the length of time the account has been outstanding and the financial condition of the customer. If the circumstances related to specific customers were to change, the Company's estimates with respect to the collectibility of the related accounts

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could be further adjusted. Provisions to the allowance for doubtful accounts are charged to General and Administrative Expenses on the Consolidated Statements of Operations. The activity in the allowance for doubtful accounts was as follows (in thousands):

	Years Ended December 31,		
	2003	2002	2001
Balance at beginning of year	\$ 16,217	\$ 14,481	\$ 3,745
Provision	474	9,773	20,959
Write-offs, net	(12,531)	(8,037)	(10,223)
Balance at end of year	\$ 4,160	\$ 16,217	\$ 14,481

h. Inventories

Inventories are primarily stated at the lower of cost, determined on the first-in, first-out (FIFO) method, or market. The cost of manufactured inventory includes raw material, labor and overhead. Inventories consist of the following (in thousands):

	December 31,	
	2003	2002
Raw materials and components	\$ 24,189	\$ 27,646
Work in progress	4,364	14,447
Finished goods	38,198	55,523
Aftermarket parts	5,953	15,054
Used trailers	12,292	22,202
	\$ 84,996	\$134,872

=====

The Company continually reviews the valuation of the used trailer inventory and writes down the value of individual units when the carrying value exceeds the estimated market value. Write downs amounting to \$2.6 million, \$5.4 million and \$62.1 million were charged to Cost of Sales on the Consolidated Statement of Operations for 2003, 2002 and 2001, respectively.

i. Property, Plant and Equipment

Property, plant and equipment are recorded at cost. Maintenance and repairs are charged to expense as incurred, and expenditures that extend the useful life of the asset are capitalized. Depreciation is recorded using the straight-line method over the estimated useful lives of the depreciable assets. Estimated useful lives are 33 years for buildings and building improvements and range from three to 10 years for machinery and equipment. Depreciation expense on property plant and equipment was \$13.4 million, \$14.7 million and \$16.7 million for 2003, 2002 and 2001, respectively.

Property, plant and equipment consist of the following (in thousands):

	December 31,	
	2003	2002
Land	\$ 23,376	\$ 25,059
Buildings and building improvements	86,193	91,774
Machinery and equipment	114,498	112,796
Construction in progress	3,059	3,108
	227,126	232,737
Less--accumulated depreciation	(96,532)	(87,034)
	\$ 130,594	\$ 145,703

In the second quarter of 2003, as part of an evaluation of certain assets of its aftermarket parts business, the Company recorded a loss on asset impairment, which included \$5.1 million for property, plant and equipment. See Footnote 5 for further discussion of this impairment.

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j. Equipment Leased to Others

Equipment leased to others at December 31, 2003 and 2002 was \$21.2 million and \$100.8 million, net of accumulated depreciation of \$8.9 million and \$11.2 million, respectively. Additions to equipment leased to others are classified as investing activities on the Consolidated Statements of Cash Flows. The equipment leased to others is depreciated over the estimated life of the equipment or the term of the underlying lease arrangement, not to exceed 15 years, with a 20% residual value or a residual value equal to the estimated market value of the equipment at lease termination. Depreciation expense on equipment leased to others, including capital lease assets, was \$6.4 million, \$9.3 million and \$9.6 million for 2003, 2002 and 2001, respectively.

During the second quarter of 2003, the Company recorded an asset impairment charge of approximately \$22 million on certain assets of its trailer leasing and rental business and later on September 19, 2003, completed the sale of these assets, which were included in Equipment Leased to Others on the Consolidated Balance Sheets. See Footnote 5 for further discussion of this

transaction.

k. Goodwill

The changes in the carrying amount of goodwill, net of accumulated amortization of \$2.2 million and \$1.9 million, respectively, for the years ended December 31, 2002 and 2003 are as follows (in thousands):

	Manufacturing -----	Retail and Distribution -----	Total -----
Balance as of January 1, 2002	\$ 18,357	\$ 16,183	\$ 34,540
Effects of foreign currency	-	112	112
	-----	-----	-----
Balance as of December 31, 2002	\$ 18,357	\$ 16,295	\$ 34,652
	=====	=====	=====
Effects of foreign currency	-	2,743	2,743
Asset Impairment	-	(1,350)	(1,350)
	-----	-----	-----
Balance as of December 31, 2003	\$ 18,357	\$ 17,688	\$ 36,045
	=====	=====	=====

The Company adopted SFAS No. 142, Goodwill and Other Intangible Assets, as of January 1, 2002. This standard changes the accounting for goodwill from an amortization method to an impairment-only approach and introduces a new model for determining impairment charges. The new model involves the comparing of the carrying value of the goodwill to its fair value. The Company estimates fair value based upon the present value of future cash flows. In estimating the future cash flows, the Company takes into consideration the overall and industry economic conditions and trends, market risk of the Company and historical information. The Company completed the initial transition impairment test as of January 1, 2002 and has conducted annual impairment tests as of October 1, 2002 and 2003 and determined that no impairment of goodwill existed. The Company tests goodwill for impairment on an annual basis or more frequently if an event occurs or circumstances change that could more likely than not reduce the fair value of a reporting unit below its carrying amount. In the second quarter of 2003, as part of an evaluation of certain assets of its aftermarket parts business, the Company recorded a loss on asset impairment, which included \$1.4 million of goodwill related to its aftermarket parts business. See Footnote 5 for further discussion of this impairment.

The following table presents, on a pro forma basis, net loss and loss per share as if SFAS No. 142 had been in effect for all years presented (in thousands, except for loss-per-share amounts).

	Years Ended December 31, -----		
	2003 -----	2002 -----	2001 -----
Reported net loss	\$ (57,227)	\$ (56,190)	\$ (232,168)
Goodwill amortization (net of tax)	-	-	1,124
	-----	-----	-----
Adjusted net loss	\$ (57,227)	\$ (56,190)	\$ (231,044)
	=====	=====	=====
Basic and diluted loss per share:			
Reported net loss per share	\$ (2.26)	\$ (2.43)	\$ (10.17)
Goodwill amortization (net of tax) per share	-	-	0.05
	-----	-----	-----
Adjusted net loss per share	\$ (2.26)	\$ (2.43)	\$ (10.12)
	=====	=====	=====

## 1. Other Assets

The Company has other intangible assets including patents and licenses, non-compete agreements and technology costs which are being amortized on a straight-line basis over periods ranging from two to 12 years. As of December 31, 2003 and 2002, the Company had gross intangible assets of \$17.3 million (\$4.3 million net of amortization) and \$19.9 million (\$6.0 million net of amortization), respectively. Amortization expense for 2003, 2002 and 2001 was \$1.8 million, \$2.4 million and \$1.9 million, respectively, and is estimated to be \$1.4 million, \$0.9 million, \$0.7 million, \$0.5 million and \$0.3 million for 2004, 2005, 2006, 2007 and 2008, respectively.

The Company capitalizes the cost of computer software developed or obtained for internal use in accordance with Statement of Position No. 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use. Capitalized software is amortized using the straight-line method over three to five years. As of December 31, 2003 and 2002, the Company had software costs, net of amortization of \$2.1 million and \$4.1 million, respectively. Amortization expense for 2003, 2002 and 2001 was \$2.1 million, \$2.2 million and \$3.0 million, respectively.

## m. Long-Lived Assets

Long-lived assets are reviewed for impairment in accordance with SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, whenever facts and circumstances indicate that the carrying amount may not be recoverable. Specifically, this process involves comparing an asset's carrying value to the estimated undiscounted future cash flows the asset is expected to generate over its remaining life. If this process were to result in the conclusion that the carrying value of a long-lived asset would not be recoverable, a write-down of the asset to fair value would be recorded through a charge to operations. Fair value is determined based upon discounted cash flows or appraisals as appropriate.

## n. Other Accrued Liabilities

The following table presents the major components of Other Accrued Liabilities (in thousands):

	Years Ended December 31,	
	2003	2002
	-----	-----
Payroll and related taxes	\$12,980	\$11,066
Warranty accruals	10,614	12,587
Accrued taxes	8,131	8,840
Self-insurance accruals	7,446	6,738
All other	22,250	22,193
	-----	-----
	\$61,421	\$61,424
	=====	=====

The following table presents the changes in certain significant accruals included in Other Accrued Liabilities as follows (in thousands):

Warranty Accruals	Self-Insurance Accruals
-----	-----

Balance as of January 1, 2002	\$ 11,313	\$ 7,428
Accruals	7,951	19,767
Payments	(6,677)	(20,457)
	-----	-----
Balance as of December 31, 2002	\$ 12,587	\$ 6,738
Accruals	6,310	23,728
Payments	(8,283)	(23,020)
	-----	-----
Balance as of December 31, 2003	\$ 10,614	\$ 7,446
	=====	=====

The Company's warranty policy generally provides coverage for components of the trailer the Company produces or assembles. Typically, the coverage period is five years. The Company's policy is to accrue the estimated cost of warranty coverage at the time of the sale.

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The Company is self-insured up to specified limits for medical and workers' compensation coverage. The self-insurance reserves have been recorded to reflect the undiscounted estimated liabilities, including claims incurred but not reported, as well as catastrophic claims as appropriate.

The Company recognizes a loss contingency for used trailer residual commitments for the difference between the equipment's purchase price and its fair market value when it becomes probable that the purchase price at the guarantee date will exceed the equipment's fair market value at that date.

o. Income Taxes

The Company determines its provision or benefit for income taxes under the asset and liability method. The asset and liability method measures the expected tax impact at current enacted rates of future taxable income or deductions resulting from differences in the tax and financial reporting basis of assets and liabilities reflected in the Consolidated Balance Sheets. Future tax benefits of tax losses and credit carryforwards are recognized as deferred tax assets. Deferred tax assets are reduced by a valuation allowance to the extent the Company concludes there is uncertainty as to their realization.

p. Stock-Based Compensation

The Company follows APB No. 25, Accounting for Stock Issued to Employees, in accounting for its stock options and, accordingly, no compensation cost has been recognized for stock options in the consolidated financial statements. However, SFAS No. 123, Accounting for Stock-Based Compensation, as amended requires pro forma presentation as if compensation costs had been expensed under the fair value method. For purposes of pro forma disclosure, the estimated fair value of the options at the date of grant is amortized to expense over the vesting period. Additional information regarding stock-based compensation is included in Footnote 13. The following table illustrates the effect on net loss and loss per share as if compensation expense had been recognized (in thousands, except for loss-per-share amounts):

	Years Ended December 31,		
	2003	2002	2001
	-----	-----	-----
Reported net loss	\$ (57,227)	\$ (56,190)	\$ (232,168)
Stock- based compensation expense (net of tax)	(2,445)	(1,671)	(1,871)
	-----	-----	-----
Adjusted net loss	\$ (59,672)	\$ (57,861)	\$ (234,039)
	=====	=====	=====

Basic and diluted loss per share:

Reported net loss per share	\$ (2.26)	\$ (2.43)	\$ (10.17)
Stock- based compensation expense (net of tax) per share	(0.10)	(0.07)	(0.08)
	-----	-----	-----
Adjusted net loss per share	\$ (2.36)	\$ (2.50)	\$ (10.25)
	=====	=====	=====

q. New Accounting Pronouncements

Variable Interest Entities

In January 2003, the Financial Accounting Standards Board (FASB) issued Interpretation No. 46 (FIN 46), Consolidation of Variable Interest Entities. FIN 46 defines a variable interest entity (VIE) as a corporation, partnership, trust or any other legal structure that does not have equity investors with a controlling financial interest or has equity investors that do not provide sufficient financial resources for the entity to support its activities. The Company has evaluated its financial arrangements that had potential FIN 46 impact and determined that none of these arrangements are with a VIE and that the adoption has no impact on its consolidated results of operations, financial position or liquidity.

Derivatives

In April 2003, the FASB issued Statement of Financial Accounting (SFAS) No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities. This statement amends and clarifies financial accounting and reporting for derivative instruments and hedging activities under FASB Statement No. 133, Accounting for Derivative Instruments and Hedging Activities, by requiring contracts with similar characteristics to

be accounted for comparably. The adoption of SFAS No. 149, effective for contracts entered into or modified after June 30, 2003, did not have a material effect on financial position, results of operations, or cash flow.

Financial Instruments

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. This statement changes the accounting for certain financial instruments that, under previous guidance, issuers could account for as equity. SFAS No. 150 may require that those instruments be classified as liabilities. SFAS No. 150 is effective for financial instruments entered into or modified after May 31, 2003, and otherwise is effective at the interim period beginning after June 15, 2003. The Company currently has no such instruments.

3. FAIR VALUE OF FINANCIAL INSTRUMENTS

SFAS No. 107, Disclosures About Fair Value of Financial Instruments, requires disclosure of fair value information for certain financial instruments. The differences between the carrying amounts and the estimated fair values, using the methods and assumptions listed below, of the Company's financial instruments at December 31, 2003, and 2002 were immaterial, with the exception of the Senior Convertible Notes.

Cash and Cash Equivalents, Accounts Receivable and Accounts Payable. The carrying amounts reported in the Consolidated Balance Sheets approximate fair value.

Long-Term Debt. The fair value of long-term debt, including the current portion, is estimated based on current quoted market prices for similar issues or debt with the same maturities. The interest rates on the Company's bank borrowings under its Bank Facility are adjusted regularly to reflect current market rates. The estimated fair value of the Company's Senior Convertible Notes, based on market quotes, is approximately \$214 million compared to a carrying value of \$125 million as of December 31, 2003. The carrying values of

the remainder of the Company's long-term borrowings approximate fair value.

Foreign Currency Forward Contracts. As of December 31, 2003, the Company has \$3.9 million in outstanding foreign currency forward contracts that are not in a material gain or loss position.

4. RESTRUCTURING AND OTHER RELATED CHARGES

a. 2001 Restructuring Plan

In 2001, the Company recorded restructuring and other related charges totaling \$40.5 million primarily related to the closure of the Company's flatbed trailer manufacturing facility in Huntsville, Tennessee, and its dry van facility in Fort Madison, Iowa. In addition, the Company closed a parts distribution facility in Montebello, California. In 2002, additional charges totaling \$1.6 million were recorded for asset impairment of the aforementioned manufacturing facilities. The provisions were fully utilized by December 31, 2002. During 2003, the Company recorded an additional asset impairment charge of \$0.5 million on the Huntsville, Tennessee property which is included in Other, net on the Consolidated Statements of Operations.

The Company continues to pursue the disposal of the two manufacturing facilities. The assets have an estimated fair market value of \$4.2 million and \$4.7 million as of December 31, 2003 and 2002, respectively, and are classified in Prepaid Expenses and Other on the Consolidated Balance Sheets. Depreciation has been discontinued on the assets pending their disposal. In accordance with SFAS No. 144, the Company continues to review the assets for potential impairment and appropriate classification as assets held for sale.

b. 2000 Restructuring Plan

In December 2000, the Company recorded restructuring and other related charges totaling \$46.6 million, \$40.8 million as a component of Income from Operations and \$5.8 million as Other Income (Expense), primarily related to the Company's exit from manufacturing products for export to markets outside of North America, international leasing and financing activities and the consolidation of certain domestic operations.

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The Company continues to pursue the sale of the Sheridan, Arkansas facility, which had a fair market value of \$0.8 million at December 31, 2003 and 2002, and is classified in Prepaid Expenses and Other on the Consolidated Balance Sheets. In accordance with SFAS No. 144, the Company continues to review the assets for potential impairment and appropriate classification as an asset held for sale.

In January 2002, the Company completed its divestiture of ETZ, which resulted in the Company increasing its restructuring reserve by \$1.4 million to recognize the assumption of certain financial guarantees.

Details of the restructuring charges and reserve for the 2000 Restructuring Plan are as follows (in thousands):

	Original Provision	Additional Provision	Utilized		Balance 12/31/03
			2000-2002	2003	
Restructuring of majority-owned operations:					
Impairment of long-lived assets	\$ 20,819	\$ 227	\$ (21,046)	\$ -	\$ -
Loss related to equipment guarantees	8,592	-	(2,902)	(3,179)	2,511
Write-down of other assets & other charges	6,927	-	(5,941)	(561)	425
	36,338	227	(29,889)	(3,740)	2,936

Restructuring of minority interest operations:

ETZ equity interest	5,832	-	(5,832)	-	-
Financial guarantees	-	1,381	(307)	159	1,233
	-----	-----	-----	-----	-----
	5,832	1,381	(6,139)	159	1,233
	-----	-----	-----	-----	-----
Inventory write-down and other charges	4,480	-	(4,480)	-	-
	-----	-----	-----	-----	-----
Total restructuring and other related charges	\$ 46,650	\$ 1,608	\$ (40,508)	\$ (3,581)	\$ 4,169
	=====	=====	=====	=====	=====

The Company's total restructuring reserves were \$4.2 million and \$7.8 million at December 31, 2003 and 2002, respectively. These reserves are included in Other Accrued Liabilities on the Consolidated Balance Sheets. During 2003, the Company was required to fund \$3.1 million of guarantees and has been notified that an additional \$1.2 million will be required in early 2004. The Company anticipates that these reserves will be adequate to cover the remaining charges to be incurred through 2004, which is the anticipated completion date for this restructuring plan.

5. DIVESTITURES

a. ETZ

In January 2002, the Company completed the divestiture of its equity interest in Europäische Trailerzug Beteiligungsgesellschaft mbH (ETZ). During 2001, the Company recognized approximately \$7.7 million for its share of ETZ losses which is recorded as Equity in Losses of Unconsolidated Affiliate on the accompanying Consolidated Statements of Operations.

b. Asset Sale

In September 2003, the Company completed the sale of certain of the assets of its trailer leasing and rental and wholesale aftermarket parts businesses for approximately \$53.5 million in cash. Net proceeds from the sale were used to repay a portion of the Company's outstanding indebtedness. Loss on the disposition amounted to \$29.3 million, including a \$28.5 million asset impairment charge recorded in the second quarter of 2003 to recognize that estimated cash flows were insufficient to support the carrying value. The additional \$0.8 million loss was derived as follows (in thousands):

Assets sold	\$52,801
Transaction costs	1,503
Less proceeds	53,479
	-----
	\$ 825
	=====

The pro forma impact of the asset sale is presented in Footnote 20.

c. Finance Portfolio Sale

In the fourth quarter of 2003, the Company completed the sale of a large portion of the remaining finance contracts in its finance portfolio. Proceeds approximated \$12.2 million and resulted in a charge of approximately \$4.1 million, reflecting the Company's loss on the sale, including \$0.9 million for debt extinguishment charges.

6. PER SHARE OF COMMON STOCK

Per share results have been computed based on the average number of common shares outstanding. The computation of basic and diluted loss per share

is determined using net loss applicable to common stockholders as the numerator and the number of shares included in the denominator as follows (in thousands):

	Years Ended December 31,		
	2003	2002	2001
Average shares outstanding basic	25,778	23,791	23,006
Options	-	-	-
Preferred Stock	-	-	-
Average shares outstanding diluted	25,778	23,791	23,006

Average shares outstanding diluted exclude the antidilutive effects of convertible preferred stock and redeemable stock options totaling approximately 1.1 million shares, 850,000 shares and 1.2 million shares in 2003, 2002 and 2001, respectively.

Effective January 1, 2004, 6.5 million shares from the Convertible Notes will be included in the calculation of diluted per share amounts having met the criteria. See Footnote 11 for a discussion of the Convertible Notes.

#### 7. EQUIPMENT LEASED TO OTHERS

The Company has equipment on lease under both short-term and long-term lease arrangements with its customers. This equipment includes trailers manufactured by the Company and used trailers acquired on trade. Equipment on short-term lease represents lease contracts that are less than one year and typically run month-to-month, while long-term leases have terms ranging from one to five years in duration. Items being leased include both Company-owned equipment, which is reflected on the Consolidated Balance Sheets, as well as equipment that was sold by the Company and then simultaneously leased back to the Company which are accounted for as operating leases.

##### a. Equipment On Balance Sheet

The Company's equipment leased to others, net was approximately \$21.2 million and \$100.8 million at December 31, 2003 and 2002, respectively.

Impairment charges related to this equipment amounting to \$22.0 million, \$2.0 million and \$10.5 million were recorded in 2003, 2002 and 2001, respectively. These charges were determined based upon the Company's estimate of the equipment's fair value.

The future minimum lease payments to be received by the Company under these lease transactions as of December 31, 2003 are as follows (in thousands):

	Receipts
2004	\$ 1,437
2005	1,095
2006	1,095
2007	1,095
2008	1,095
Thereafter	1,275
	\$ 7,092

b. Equipment Off Balance Sheet

In certain situations, the Company sold equipment leased to others to independent financial institutions and simultaneously leased the equipment back under operating leases. All of this equipment had been subleased to customers under long-term arrangements, typically five years. In December 2003, all remaining sublease arrangements were sold to a third party as discussed further in Footnote 5, and the residual leaseback obligations were paid off. Rental payments made by the Company totaled \$1.3 million, \$1.3 million and \$4.9 million during 2003, 2002 and 2001, respectively.

8. CAPITAL LEASES

In conjunction with the asset sale discussed in Footnote 5, the remaining capital lease obligations were paid off. Assets recorded under capital lease arrangements included in Equipment Leased to Others, net were \$43.6 million in 2002 and none in 2003. Accumulated depreciation recorded on leased assets at December 31, 2002 was \$2.1 million. Depreciation expense recorded on leased assets in 2003 and 2002 was \$1.6 million and \$2.2 million, respectively.

In April 2002, a sale and leaseback facility with an independent financial institution related to its rental equipment was amended which resulted in a new lease. Rent expense related to this lease was approximately \$9.2 million in 2001. In accordance with SFAS No. 13, Accounting for Leases, the new lease was accounted for as a capital lease. The \$23.0 million difference between the unamortized lease value (\$65.2 million) and the fair value of the leased equipment (\$42.2 million) was recorded as a charge to Cost of Sales in the Consolidated Statement of Operations for the year ended December 31, 2001. As of December 31, 2002, the Company had \$36.1 million of equipment financed and \$50.1 million under the capital lease obligation for this facility.

During the fourth quarter of 2002, sale and leaseback arrangements with independent financial institutions related to certain of its other rental equipment were amended, resulting in new leases. Rent expense related to these leases was approximately \$4.3 million in 2002 and \$4.4 million in 2001. In accordance with SFAS No. 13, the new leases have been accounted for as capital leases with the unamortized lease value and the fair value of leased equipment reflected in the Consolidated Balance Sheets as of December 31, 2002. The \$7.2 million difference between the unamortized lease value (\$14.7 million) and the fair value of the leased equipment (\$7.5 million) was recorded as a charge to Cost of Sales in the Consolidated Statements of Operations with \$4.4 million being recorded as a loss contingency as of December 31, 2001, and the remaining \$2.8 million being recorded in 2002. The capital lease obligation of this equipment was paid off in the fourth quarter of 2003.

During the second quarter of 2002, the decision was made to dispose of the Company airplane which was accounted for as a capital lease in accordance with SFAS No. 13. In accordance with SFAS No. 144, the capital lease asset was written down to fair market value and reclassified, as an asset held for sale, to Prepaid Expenses and Other in the Consolidated Balance Sheets. Adjustments to reduce the fair value of the aircraft of \$1.1 million and \$0.8 million were recognized in the second and third quarters of 2002, respectively, as charges to General and Administrative Expense in the Consolidated Statements of Operations. The airplane was sold in December 2002, and the remaining lease liability of \$11.3 million was paid off.

9. OTHER LEASE ARRANGEMENTS

a. Equipment Financing

The Company has entered into agreements for the sale and leaseback of certain production equipment at its manufacturing locations. As of December 31, 2003, the unamortized lease values related to these agreements are approximately \$11.9 million. Under these agreements, the initial lease terms expired during

2001. The Company elected to renew these agreements and anticipates renewing them through their maximum lease terms (2004-2008). Future minimum lease payments related to these arrangements are \$4.2 million, \$2.5 million, \$2.3 million, \$1.5 million and \$1.4 million for 2004, 2005, 2006, 2007 and 2008, respectively. The end of term residual guarantees and purchase options are \$2.4 million and \$3.6 million, respectively. These agreements contain no financial covenants; however, they do contain non-financial covenants including cross default provisions which could be triggered if the Company is not in compliance with covenants in other debt or leasing arrangements.

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Total rent expense for these leases in 2003, 2002 and 2001 were \$4.2 million, \$4.4 million and \$4.1 million, respectively.

b. Other Lease Commitments

The Company leases office space, manufacturing, warehouse and service facilities and equipment under operating leases, the majority of which expire through 2006. Future minimum lease payments required under these other lease commitments as of December 31, 2003 are as follows (in thousands):

	Amounts
	-----
2004	\$ 1,930
2005	1,376
2006	789
2007	378
2008	146
Thereafter	52
	-----
	\$ 4,671
	=====

Total rental expense under operating leases was \$4.0 million, \$5.4 million and \$5.8 million for 2003, 2002 and 2001, respectively.

10. FINANCE CONTRACTS

The Company previously provided financing for the sale of new and used trailers to its customers. The Company no longer originates finance contracts. The financing is principally structured in the form of finance leases, typically for a five-year term.

Finance Contracts, as shown on the accompanying Consolidated Balance Sheets, are as follows (in thousands):

	December 31,	
	2003	2002
	-----	-----
Lease payments receivable	\$ 11,439	\$ 34,817
Estimated residual value	801	5,636
	-----	-----
	12,240	40,453
Unearned finance charges	(1,479)	(6,881)
	-----	-----
	10,761	33,572

Other, net	121	(1,556)
	-----	-----
	10,882	32,016
Less: current portion	(4,727)	(9,528)
	-----	-----
	\$ 6,155	\$ 22,488
	=====	=====

Other, net at December 31, 2002 includes an asset of \$0.9 million related to the sale of certain finance contracts. In addition, other, net at December 31, 2002 included \$2.5 million for loss contingencies on finance contracts recorded as charges to General and Administrative Expenses on the Company's Consolidated Statements of Operations. The future minimum lease payments to be received from finance contracts as of December 31, 2003 are as follows (in thousands):

	Amounts
	-----
2004	\$ 5,561
2005	2,957
2006	2,661
2007	230
2008	30
Thereafter	-
	-----
	\$11,439
	=====

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11. DEBT

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

	December 31,	
	-----	-----
	2003	2002
	-----	-----
Bank Revolver (due 2006)	\$ 60,358	\$ -
Bank Term Loan (due 2006)	36,766	-
Senior Convertible Notes (due 2008)	125,000	-
Other Notes Payable (3.0% - 7.25%, due 2004-2006)	5,192	16,962
Bank Term Loan	-	75,273
Series A and C-I Senior Notes	-	182,047
Make Whole and Deferral Fee Notes	-	7,722
	-----	-----
	\$ 227,316	\$ 282,004
Less: Current maturities	(7,337)	(42,961)
	-----	-----
	\$ 219,979	\$ 239,043
	=====	=====

b. Maturities of long-term debt at December 31, 2003, are as follows (in thousands):

	Amounts
	-----
2004	\$ 7,337
2005	9,031
2006	85,948
2007	-
2008	125,000
Thereafter	-
	-----
	\$227,316
	=====

c. Debt Refinancing

On August 1, 2003, the Company completed the sale of \$125 million of 3.25% five-year senior unsecured convertible notes (convertible notes), which are currently convertible into approximately 6.5 million shares of the Company's common stock. The Company used the net proceeds to repay a portion of its outstanding indebtedness. The convertible notes have a conversion price of \$19.20 or a rate of 52.0833 shares per \$1,000 principal amount of note. The convertible notes bear interest at 3.25% per annum payable semi-annually on February 1 and August 1. If not converted, the balance is due on August 1, 2008. Costs associated with the transaction amounted to approximately \$4.2 million and are being amortized over the term of the convertible notes.

On September 23, 2003, the Company entered into a \$222.1 million three-year asset-based loan that includes a \$47.1 million term loan (bank term loan) and a \$175 million revolver (bank revolver). The new financing replaced the existing Trade Receivables Facility, Bank and Senior Series Notes.

The bank term loan is secured by the Company's property, plant and equipment. The bank revolver is secured by inventory and accounts receivable and the amount available to borrow varies in relation to the balances of those accounts among other things, as defined in the agreements.

Interest on the bank term loan is variable, based on the London Interbank Offer Rate (LIBOR) plus 300 basis points, decreasing to 275 basis points after six months, or the bank's alternative rate, as defined in the agreement. Interest on the bank revolver is at LIBOR plus 275 basis points, decreasing to 250 basis points after six months or the bank's alternative rate, as defined in the agreement. The Company pays a commitment fee on the unused portion of the facility at a rate of 37.5 basis points per annum. Costs associated with the transaction amounted to approximately \$4.4 million and are being amortized over the term of the loan. All interest and fees are paid monthly. The rate in effect at December 31, 2003 was 4.75% for the revolver and 5.00% for the term loan, based on the bank's alternative rate.

The term loan requires a \$5.0 million payment on January 1, 2004 and quarterly principal payments of \$1.7 million commencing on January 1, 2004, with the balance due on September 23, 2006. The January 1, 2004

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payments were made on December 31, 2003. The revolver is due on September 23, 2006. Beginning in March 2005, excess cash flow, as defined, is required to be used to reduce term loan indebtedness.

The debt refinancing resulted in a loss on debt extinguishment of approximately \$18.9 million, including prepayment penalties, payment deferral fees and the write-off of previously deferred debt costs.

d. Covenants

The bank term loan and revolver contain covenants that require, among

other things, minimum fixed charge coverage and maximum senior debt to EBITDA coverage. Also, the agreement places limits on capital expenditures and additional borrowings and prohibits the payment of dividends on its common stock. As of December 31, 2003, the Company was in compliance with its financial covenants.

12. STOCKHOLDERS' EQUITY

a. Capital Stock

On December 29, 2003, the Company converted its issued and outstanding shares of Series B 6% Cumulative Convertible Exchangeable Preferred Stock (Series B Stock) into approximately 823,300 shares, including 1,916 from accrued and unpaid dividends, of the Company's common stock. The Series B Stock converted into common stock at the rate of approximately 2.3 shares of common stock for each full share of Series B Stock based on the conversion price of \$21.375.

In September 2002, the Company converted its Series C Preferred Stock, along with accrued and unpaid dividends and applicable interest, into approximately 2.6 million shares of the Company's common stock.

As of December 31, 2003 and 2002, the Company had 300,000 shares of Series A Junior Participating Preferred Shares authorized with no shares issued and outstanding.

The Board of Directors has the authority to issue up to 25 million shares of unclassified preferred stock and to fix dividends, voting and conversion rights, redemption provisions, liquidation preferences and other rights and restrictions.

b. Stockholders' Rights Plan

In November 1995, our Board of Directors adopted a Stockholders' Rights Plan (the "Rights Plan"). The Rights Plan is designed to deter coercive or unfair takeover tactics in the event of an unsolicited takeover attempt. It is not intended to prevent a takeover of Wabash on terms that are favorable and fair to all stockholders and will not interfere with a merger approved by the Board of Directors. Each right entitles stockholders to buy one one-thousandth of a share of Series A Junior Participating Preferred Stock at an exercise price of \$120. The rights will be exercisable only if a person or a group acquires or announces a tender or exchange offer to acquire 20% or more of our Common Stock or if we enter into other business combination transactions not approved by the Board of Directors. In the event the rights become exercisable, the rights plan allows for our stockholders to acquire stock of Wabash or the surviving corporation, whether or not Wabash is the surviving corporation having a value twice that of the exercise price of the rights. The rights will expire December 28, 2005 or are redeemable for \$0.01 per right by our Board under certain circumstances.

13. STOCK-BASED INCENTIVE PLANS

a. Stock Option and Stock Related Plans

The Company has stock incentive plans that provide for the issuance of stock appreciation rights (SAR) and the granting of common stock options to officers and other eligible employees.

SARs. During 2001, the Company adopted a SAR Plan giving eligible participants the right to receive, upon exercise thereof, the excess of the fair market value of one share of stock on the date of exercise over the exercise price of the SAR as determined by the Company. All SARs granted expire ten years after the date of grant.

SARs were granted by the Company in 2002 or 2003. During 2001 and 2002, expense related to SARs was not material.

Restricted Stock. From time-to-time, the Company has granted to certain key employees and outside directors shares of the Company's stock to be earned over time. These shares are granted at par value and recorded at the market price on the date of grant with an offsetting balance representing the unearned portion. These grants have been made under the 2000 Stock Option Plan. The grants generally vest over periods ranging from one to three years. As of December 31, 2003, there were 55,467 shares of restricted stock grants outstanding and not fully vested with an unearned balance of \$0.3 million included in additional paid-in-capital. In 2003, the Company recorded amortization expense of \$0.2 million related to restricted stock.

Stock Options. The Company has two non-qualified stock option plans (the 1992 and 2000 Stock Option Plans) which allow eligible employees to purchase shares of common stock at a price not less than market price at the date of grant. Under the terms of the Stock Option Plans, up to an aggregate of 3,750,000 shares are reserved for issuance, subject to adjustment for stock dividends, recapitalizations and the like. Options granted to employees under the Stock Option Plans generally become exercisable in annual installments over three years for options granted under the 2000 Plan and five years for options granted under the 1992 Plan. Options granted to non-employee directors of the Company are fully vested on the date of grant and are exercisable six months thereafter. All options granted expire ten years after the date of grant.

A summary of stock option activity and weighted-average exercise prices for the periods indicated are as follows:

	Number of Options	Weighted-Average Exercise Price
	-----	-----
Outstanding at December 31, 2000	1,919,625	\$19.59
Granted	89,500	9.47
Exercised	-	-
Cancelled	(231,400)	16.79
	-----	
Outstanding at December 31, 2001	1,777,725	19.39
Granted	375,000	10.01
Exercised	(11,168)	7.38
Cancelled	(294,981)	17.37
	-----	
Outstanding at December 31, 2002	1,846,576	17.93
Granted	953,250	8.46
Exercised	(360,114)	13.34
Cancelled	(563,360)	25.16
	-----	
Outstanding at December 31, 2003	1,876,352	\$11.83
	=====	

The following table summarizes information about stock options outstanding at December 31, 2003:

Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Life	Weighted Average Exercise Price	Number Exercisable at 12/31/03	Weighted Average Exercise Price
-----	-----	-----	-----	-----	-----
\$ 6.68 to \$10.01	1,454,652	8.9 yrs.	\$ 8.63	85,069	\$ 8.45

\$10.02 to \$13.35	4,500	7.4 yrs.	\$ 12.95	4,500	\$ 12.95
\$13.36 to \$16.69	58,200	4.9 yrs.	\$ 15.35	58,200	\$ 15.35
\$16.70 to \$20.03	32,150	3.0 yrs.	\$ 18.91	32,150	\$ 18.91
\$20.04 to \$23.36	209,350	4.7 yrs.	\$ 21.77	163,700	\$ 21.84
\$26.70 to \$30.04	85,000	3.3 yrs.	\$ 28.75	85,000	\$ 28.75
\$30.05 to \$33.38	32,500	1.4 yrs.	\$ 33.38	32,500	\$ 33.38

Using the Black-Scholes option valuation model, the estimated fair values of options granted during 2003, 2002 and 2001 were \$4.61, \$5.67 and \$5.20 per option, respectively. Principal assumptions used in applying the Black-Scholes model were as follows:

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Black-Scholes Model Assumptions	2003	2002	2001
Risk-free interest rate	4.02%	5.11%	5.07%
Expected volatility	53.50%	49.40%	45.58%
Expected dividend yield	1.30%	1.26%	1.26%
Expected term	10 yrs.	10 yrs.	10 yrs.

b. Other Stock Plans

The 1993 Employee Stock Purchase Plan enabled eligible employees of the Company to purchase shares of the Company's \$0.01 par value common stock. Employees may contribute up to 15% of their eligible compensation toward the semi-annual purchase of common stock. The purchase price is based on the fair market value of the common stock on the date of purchase. No compensation expense is recorded in connection with the plan. During 2002, 5,312 shares were issued to employees at an average price of \$8.88 per share. The plan was discontinued effective December 31, 2002.

The Company has a Stock Bonus Plan (the "Bonus Plan"). Under the terms of the Bonus Plan, common stock may be granted to employees under terms and conditions as determined by the Board of Directors. During 2003 and 2002, 6,370 and 10,300 shares, respectively, were issued to employees at an average price of \$11.58 and \$8.64, respectively. The expense associated with the grants is recognized when the shares are granted and amounted to \$74,000, \$89,000 and \$27,000 in 2003, 2002 and 2001, respectively. At December 31, 2003 and 2002, there were 460,010 and 466,380 shares, respectively, available for offering under the Bonus Plan.

14. EMPLOYEE 401(k) SAVINGS PLAN

Substantially all of the Company's employees are eligible to participate in a defined contribution plan that qualifies under Section 401(k) of the Internal Revenue Code. The Plan provides for the Company to match, in cash, a percentage of each employee's contributions up to certain limits. On January 1, 2003, Plan amendments went into effect that among other things increased the potential Company matching contribution and changed the vesting period of those contributions. The Plan was also amended to be a Safe Harbor Plan and thus subject to those restrictions. The Company's matching contribution and related expense for the plan was approximately \$2.6 million, \$1.0 million and \$1.0 million for 2003, 2002 and 2001, respectively.

15. SUPPLEMENTAL CASH FLOW INFORMATION

Selected cash payments and non-cash activities were as follows (in thousands):

	December 31,		
	2003	2002	2001
Non-cash transactions:			
Capital lease obligation incurred	\$ -	\$ 14,731	\$ 77,363
Purchase option exercised related to equipment guarantees	6,746	-	13,825
Receivable Securitization Facility	-	-	17,700
Acquisitions, net of cash acquired:			
Fair value of assets acquired	-	-	59,012
Liabilities assumed	-	-	(52,676)
Net cash paid	\$ -	\$ -	\$ (6,336)

16. INCOME TAXES

a. Income Tax (Benefit) Provision

The consolidated income tax (benefit) provision for 2003, 2002 and 2001 consists of the following components (in thousands):

	2003	2002	2001
Current:			
U.S. Federal	\$ -	\$ (13,789)	\$ (27,597)
Foreign	-	979	(819)
State	-	(2,468)	-
Deferred	-	-	(14,441)
Total consolidated provision (benefit)	\$ -	\$ (15,278)	\$ (42,857)

The Company's effective tax rate differed from the U.S. Federal statutory rate of 35% as follows:

	2003	2002	2001
Pretax book loss	\$ (57,227)	\$ (71,468)	\$ (275,025)
Federal tax benefit at 35% statutory rate	(20,029)	(25,014)	(96,259)
State and local income taxes		(1,604)	(554)
Foreign income taxes - rate differential		-	(142)
Valuation allowance	18,857	12,706	55,305
Other	1,172	(1,366)	(1,207)
Total income tax expense/(benefit)	\$ -	\$ (15,278)	\$ (42,857)

b. Deferred Taxes

Deferred income taxes are primarily due to temporary differences between financial and income tax reporting for the depreciation of property, plant and equipment and equipment under lease, the recognition of income from

assets under finance leases, charges the Company recorded in 2003, 2002 and 2001 related to the restructuring of certain operations, and tax credits and losses carried forward.

The Company has a federal tax net operating loss carryforward of approximately \$250 million, which will expire beginning in 2022, if unused, and which may be subject to other limitations under IRS rules. The Company has various tax credit carryforwards which will expire beginning in 2013, if unused. Under SFAS No. 109, Accounting for Income Taxes, deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company has determined that a valuation allowance is necessary and, accordingly, has recorded a valuation allowance for all deferred tax assets as of December 31, 2003 and 2002, respectively. In future periods, the Company will evaluate the income tax valuation allowance and adjust (reduce) the allowance when management has determined that impairment to realizability of the related deferred tax assets, or a portion thereof, has been removed.

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The components of deferred tax assets and deferred tax liabilities as of December 31, 2003 and 2002 were as follows (in thousands):

	2003	2002
	-----	-----
Deferred tax (assets):		
Rentals on finance leases	\$ -	\$ (22,998)
Leasing difference	-	(11,989)
Operations restructuring	(22,852)	(26,799)
Tax credits and loss carryforwards	(104,814)	(53,360)
Other	(52,328)	(85,280)
Deferred tax liabilities:		
Book-tax basis differences-property, plant and equipment	68,979	73,557
Earned finance charges on finance leases	-	10,770
Other	24,147	48,088
	-----	-----
Net deferred tax liability/(asset), before valuation allowance	\$ (86,868)	\$ (68,011)
	-----	-----
Valuation allowance	\$ 86,868	\$ 68,011
	-----	-----
Net deferred tax asset	\$ -	\$ -
	=====	=====

17. COMMITMENTS AND CONTINGENCIES

a. Litigation

Various lawsuits, claims and proceedings have been or may be instituted or asserted against the Company arising in the ordinary course of business, including those pertaining to product liability, labor and health related matters, successor liability, environmental and possible tax assessments. While the amounts claimed could be substantial, the ultimate liability cannot now be determined because of the considerable uncertainties that exist. Therefore, it is possible that results of operations or liquidity in a particular period could be materially affected by certain contingencies. However, based on facts currently available, management believes that the disposition of matters that are currently pending or asserted will not have a material adverse effect on the Company's financial position, liquidity or results of operations.

Brazil Joint Venture

In March 2001, Bernard Krone Industria e Comercio de Maquinas Agricolas

Ltda. ("BK") filed suit against the Company in the Fourth Civil Court of Curitiba in the State of Parana, Brazil. This action seeks recovery of damages plus pain and suffering. Because of the bankruptcy of BK, this proceeding is now pending before the Second Civil Court of Bankruptcies and Creditors Reorganization of Curitiba, State of Parana (No.232/99).

This case grows out of a joint venture agreement between BK and the Company, which was generally intended to permit BK and the Company to market the RoadRailer(R) trailer in Brazil and other areas of South America. When BK was placed into the Brazilian equivalent of bankruptcy late in 2000, the joint venture was dissolved. BK subsequently filed its lawsuit against the Company alleging among other things that it was forced to terminate business with other companies because of the exclusivity and non-compete clauses purportedly found in the joint venture agreement. In its complaint, BK asserts that it has been damaged by these alleged wrongs by the Company in the approximate amount of \$8.4 million.

The Company answered the complaint in May 2001, denying any wrongdoing. The Company believes that the claims asserted against it by BK are without merit and intends to defend itself vigorously against those claims. The Company believes that the resolution of this lawsuit will not have a material adverse effect on its financial position, liquidity or future results of operations; however, at this early stage of the proceeding, no assurance can be given as to the ultimate outcome of the case.

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#### Environmental

In October 2003, the Company reached a verbal agreement with federal officials to resolve a federal environmental investigation related to its Huntsville, Tennessee facility. The plea agreement includes payment of a \$0.4 million fine and a plea to two misdemeanor violations of the Clean Water Act. The parties expect to submit the agreement to the court for resolution in the near future. The expected resolution of this matter does not have a material impact on the Company's financial position, liquidity or future results of operations.

In September 2003, the Company was noticed as a potentially responsible party (PRP) by the United States Environmental Protection Agency pertaining to the Motorola 52nd Street, Phoenix, Arizona Superfund Site pursuant to the Comprehensive Environmental Response, Compensation and Liability Act. PRPs include current and former owners and operators of facilities at which hazardous substances were disposed of. EPA's allegation that the Company was a PRP arises out of the operation of a former branch facility located approximately five miles from the original site. The Company does not expect that these proceedings will have a material adverse effect on the Company's financial condition or results of operations.

#### b. Environmental

The Company generates and handles certain material, wastes and emissions in the normal course of operations that are subject to various and evolving federal, state and local environmental laws and regulations.

The Company assesses its environmental liabilities on an on-going basis by evaluating currently available facts, existing technology, presently enacted laws and regulations as well as experience in past treatment and remediation efforts. Based on these evaluations, the Company estimates a lower and upper range for the treatment and remediation efforts and recognizes a liability for such probable costs based on the information available at the time. As of December 31, 2003, the Company was not aware of any of its branch or manufacturing locations where remediation activities would be required in its current state and usage and therefore has no reserves. The \$0.9 million environmental reserve at December 31, 2002 was related to sites disposed of in 2003.

c. Used Trailer Restoration Program

During 1999, the Company reached a settlement with the IRS related to federal excise tax on certain used trailers restored by the Company during 1996 and 1997. The Company has continued the restoration program with the same customer since 1997. The customer has indemnified the Company for any potential excise tax assessed by the IRS for years subsequent to 1997. As a result, the Company has recorded a liability and a corresponding receivable of approximately \$9.0 and \$8.6 million in the accompanying Consolidated Balance Sheets at December 31, 2003 and 2002, respectively. During 2001, the IRS completed its federal excise tax audit of 1999 and 1998 resulting in an assessment of approximately \$5.4 million. The Company believes it is fully indemnified for this liability and that the related receivable is fully collectible.

d. Letters of Credit

As of December 31, 2003, the Company had standby letters of credit totaling approximately \$7.0 million issued in connection with workers compensation claims and surety bonds.

e. Royalty Payments

The Company is obligated to make quarterly royalty payments in accordance with a licensing agreement related to the development of the Company's composite plate material used on its proprietary DuraPlate(R) trailer. The amount of the payments varies with the production volume of usable material, but requires minimum royalties of \$0.5 million annually through 2005. Annual payments for the last three years were approximately \$1 million.

f. Used Trailer Residual Guarantees and Purchase Commitments

In connection with certain historical new trailer sale transactions, the Company had entered into agreements to guarantee end-of-term residual value, which contain an option to purchase the used equipment at a pre-determined price. By policy, the Company no longer provides used trailer residual guarantees.

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Under these agreements, future payments which may be required as of December 31, 2003 are as follows (in thousands):

	Purchase Option -----	Guarantee Amount -----
2004	\$ 51,679	\$ 4,465
2005	22,758	4,976
2006	-	9,680
2007	-	3,527
Thereafter	-	-
	-----	-----
	\$ 74,437	\$ 22,648
	=====	=====

In relation to the guarantees, as of December 31, 2003 and 2002, the Company recorded loss contingencies of \$1.4 million and \$1.2 million, respectively.

g. Purchase Commitments

As part of the sale of certain assets of our aftermarket parts business, as discussed in Footnote 5, the Company entered into a parts purchase agreement with the buyer that requires the Company to purchase \$45 million in

parts over the next three years with a minimum of \$15 million per year. The purchase price for the parts will be at current market prices, will not exceed business requirements and is subject to certain performance requirements.

18. SEGMENTS AND RELATED INFORMATION

a. Segment Reporting

Under the provisions of SFAS No. 131, Disclosures about Segments of an Enterprise and Related Information, the Company has two reportable segments: manufacturing and retail and distribution. The manufacturing segment produces and sells new trailers to the retail and distribution segment or to customers who purchase trailers direct or through independent dealers. The retail and distribution segment includes the sale, leasing and financing of new and used trailers, as well as the sale of aftermarket parts and service through its retail branch network. In addition, the retail and distribution segment includes the sale of aftermarket parts through Wabash National Parts.

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 income from operations. The Company has not allocated certain corporate related charges such as administrative costs, interest and income taxes from the manufacturing segment to the Company's other reportable segment. The Company accounts for intersegment sales and transfers at cost plus a specified mark-up. Reportable segment information is as follows (in thousands):

	Manufacturing	Retail and Distribution	Combined Segments	Eliminations	Consolidated Total
	-----	-----	-----	-----	-----
2003					
Net sales					
External customers	\$ 620,120	\$ 267,820	\$ 887,940	\$ -	\$ 887,940
Intersegment sales	52,172	878	53,050	(53,050)	-
	-----	-----	-----	-----	-----
Total net sales	\$ 672,292	\$ 268,698	\$ 940,990	\$ (53,050)	\$ 887,940
	-----	-----	-----	-----	-----
Depreciation and amortization	13,843	9,945	23,788	-	23,788
Loss from operations	27,828	(37,283)	(9,455)	433	(9,022)
Reconciling items to net loss:					
Interest income					(406)
Interest expense					30,162
Foreign exchange gains and losses, net					(5,291)
Trade receivables facility costs					1,022
Loss on debt extinguishment					19,840
Other (income) expense					2,878
					-----
Net loss					\$ (57,227)
					-----
Capital expenditures	\$ 5,672	\$ 846	\$ 6,518	\$ -	\$ 6,518
Assets	\$ 370,325	\$ 188,477	\$ 558,802	\$ (161,766)	\$ 397,036
2002					
Net sales					
External customers	\$ 492,267	\$ 327,301	\$ 819,568	\$ -	\$ 819,568
Intersegment sales	37,793	4,188	41,981	(41,981)	-
	-----	-----	-----	-----	-----
Total net sales	\$ 530,060	\$ 331,489	\$ 861,549	\$ (41,981)	\$ 819,568
	-----	-----	-----	-----	-----
Depreciation and amortization	15,152	13,474	28,626	-	28,626
Restructuring charge from operations	1,813	-	1,813	-	1,813
Loss from operations	(16,566)	(22,287)	(38,853)	93	(38,760)
Reconciling items to net loss:					
Interest income					(282)
Interest expense					30,873
Foreign exchange gains and losses, net					(5)
Trade receivables facility costs					4,072
Loss on debt extinguishment					1,314
Other (income) expense					(3,264)
Income tax benefit					(15,278)
					-----
Net loss					\$ (56,190)
					-----
Capital expenditures	\$ 4,514	\$ 1,189	\$ 5,703	\$ -	\$ 5,703
Assets	\$ 387,263	\$ 340,505	\$ 727,768	\$ (162,199)	\$ 565,569
2001					
Net sales					
External customers	\$ 518,212	\$ 345,180	\$ 863,392	\$ -	\$ 863,392
Intersegment sales	61,854	2,427	64,281	(64,281)	-
	-----	-----	-----	-----	-----
Total net sales	\$ 580,066	\$ 347,607	\$ 927,673	\$ (64,281)	\$ 863,392

Depreciation and amortization	18,191	13,952	32,143	-	32,143
Restructuring charge from operations	37,493	371	37,864	-	37,864
Loss from operations	(148,727)	(92,975)	(241,702)	2,300	(239,402)
Reconciling items to net loss:					
Interest income					(349)
Interest expense					21,292
Equity in losses of unconsolidated affiliate					7,668
Restructuring charges					1,590
Foreign exchange gains and losses, net					1,706
Trade receivables facility costs					2,228
Other (income) expense					1,488
Income tax benefit					(42,857)
Net loss					\$ (232,168)
Capital expenditures	\$ 4,463	\$ 1,436	\$ 5,899	\$ -	\$ 5,899
Assets	\$ 449,012	\$ 348,155	\$ 797,167	\$ (104,663)	\$ 692,504

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b. Geographic Information

International sales, primarily to Canadian customers, accounted for approximately 9% in each of the last three years.

At December 31, 2003 and 2002, the amount reflected in property, plant and equipment, net of accumulated depreciation related to the Company's Canadian subsidiary was approximately \$2.0 million.

c. Product Information

The Company offers products primarily in three general categories of new trailers, used trailers and parts. Other sales include trailer service work performed at branch locations, leasing revenues, interest income from finance contracts and freight. The following table sets forth the major product category sales and their percentage of consolidated net sales (dollars in thousands):

	2003		2002		2001	
	-----		-----		-----	
New Trailers	\$690,465	77.8%	\$563,496	68.8%	\$614,363	71.2%
Used Trailers	64,843	7.3	92,317	11.3	73,287	8.5
Parts	81,710	9.2	99,447	12.1	103,694	12.0
Other	50,922	5.7	64,308	7.8	72,048	8.3
	-----	-----	-----	-----	-----	-----
Total Sales	\$887,940	100.0%	\$819,568	100.0%	\$863,392	100.0%
	=====	=====	=====	=====	=====	=====

d. Major Customers

The Company had one customer that represented 14% of consolidated net sales in 2003, and another customer that represented 11% and 19% of consolidated net sales in 2002 and 2001, respectively. The Company's consolidated net sales in the aggregate to its five largest customers were 27%, 30% and 34% of its consolidated net sales in 2003, 2002 and 2001, respectively.

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19. CONSOLIDATED QUARTERLY FINANCIAL DATA (UNAUDITED)

The following is a summary of the unaudited quarterly results of operations for fiscal years 2003, 2002 and 2001 (Dollars in thousands except per share amounts).

First                      Second                      Third                      Fourth

	Quarter	Quarter	Quarter	Quarter
	-----	-----	-----	-----
2003				
Net sales	\$ 222,508	\$ 230,231	\$ 215,450	\$ 219,751
Gross profit	22,341	(4,811)	15,905	15,259
Net loss	1,430	(27,268) (4)	(29,641) (5)	(1,748) (6)
Basic and diluted loss per share(1)	\$ 0.05	\$ (1.07)	\$ (1.16)	\$ (0.08)
2002				
Net sales	\$ 161,952	\$ 210,251	\$ 241,474	\$ 205,891
Gross profit	39	6,227	21,731	12,454
Net loss	(14,589)	(21,677)	(8,319)	(11,605)
Basic and diluted loss per share(1)	\$ (0.65)	\$ (0.96)	\$ (0.37)	\$ (0.46)
2001				
Net sales	\$ 242,629	\$ 212,172	\$ 241,945	\$ 166,646
Gross loss	(1,743)	(26)	(32,733)	(84,711)
Net loss	(17,730)	(18,117)	(61,373) (2)	(134,948) (3)
Basic and diluted loss per share(1)	\$ (0.79)	\$ (0.81)	\$ (2.69)	\$ (5.88)

- (1) Earnings (loss) per share are computed independently for each of the quarters presented. Therefore, the sum of the quarterly earnings per share may differ from annual earnings per share due to rounding.
- (2) The third quarter 2001 results include restructuring and other related charges of \$40.5 million (\$25.6 million, net of tax).
- (3) The fourth quarter 2001 results include loss contingencies and impairment charge related to the Company's leasing operations of \$37.9 million and used trailer inventory valuation of \$18.6 million.
- (4) The second quarter 2003 results include a \$28.5 million loss on asset impairment, as discussed in Footnote 5.
- (5) The third quarter 2003 results include a \$18.9 million loss on debt extinguishment, related to its debt refinancing, as discussed in Footnote 11.
- (6) The fourth quarter 2003 results includes a \$4.1 million loss on the sale of a large portion of the Company's finance contracts.

## 20. PRO FORMA FINANCIAL INFORMATION

The Company has prepared the following Unaudited Pro Forma Consolidated Statement of Operations for the twelve months ended December 31, 2003 to illustrate the estimated effects of the sale (the "Asset Sale") of certain of the assets of its trailer leasing and rental, and wholesale aftermarket parts distribution businesses to Aurora Trailer Holdings, LLC and the refinancing of its capital structure through the sale of \$125 million of 3.25% five-year senior unsecured convertible notes and entering into a \$222 million three-year asset-based loan arrangement (the "Refinancing"). The Company believes the pro forma data to be useful in understanding the operating results in view of the recently completed transactions. The Unaudited Pro Forma Consolidated Statements of Operations give effect to the transactions, described in Footnotes 5 and 11, as if they had occurred as of the beginning of the year. The Pro Forma Financial Statement is based upon available information and certain assumptions that management believes are reasonable. The Pro Forma Financial Statement does not purport to represent what the Company's results of operations or financial condition would actually have been had the transactions in fact occurred on such dates or to project the Company's results of operations or financial condition for any future period or date.

Dollars in Thousands, Except Per Share Amounts

	Adjustments			Pro Forma
	Historical	Asset Sale	Refinancing	
Net sales	\$ 887,940	\$ (58,904)	\$ -	\$ 829,036
Cost of sales	810,746	(48,639)	-	762,107
Loss on asset impairment	28,500	(28,500)	-	-
Gross profit	48,694	18,235	-	66,929
General and administrative expenses	37,383	(1,498)	(1,576)	34,309
Selling expenses	20,333	(1,920)	-	18,413
Income (loss) from operations	(9,022)	21,653	1,576	14,207
Other income (expense):				
Interest expense	(30,162)	1,745	13,663	(14,754)
Trade receivable facility costs	(1,022)	-	1,022	-
Foreign exchange gains and losses, net	5,291	-	-	5,291
Loss on debt extinguishment	(19,840)	-	18,940	(900)
Other, net	(2,472)	853	-	(1,619)
Income (loss) before income taxes	(57,227)	24,251	35,201	2,225
Income tax (benefit) expense	-	-	-	-
Net income (loss)	(57,227)	24,251	35,201	2,225
Preferred stock dividends	1,053			1,053
Net income (loss) applicable to common stockholders	\$ (58,280)	\$ 24,251	\$ 35,201	\$ 1,172
Basic and diluted net income (loss) per share	\$ (2.26)			\$ 0.05
Weighted average shares outstanding	25,778			25,778

ITEM 9--CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None

ITEM 9A--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 (Exchange Act)) were effective as of December 31, 2003 to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission's rules and forms.

There were no changes in the Company's internal control over financial reporting identified in management's evaluation during the fourth quarter of fiscal 2003 that have materially affected or are reasonably likely to materially affect the Company's internal control over financial reporting.

PART III

ITEM 10--EXECUTIVE OFFICERS OF THE REGISTRANT

The Company hereby incorporates by reference the information contained under the heading "Election of Directors" from its definitive Proxy Statement to be delivered to stockholders of the Company in connection with the 2004 Annual

Meeting of Stockholders to be held May 13, 2004.

The following are the executive officers of the Company:

NAME	AGE	POSITION
William P. Greubel	52	President, Chief Executive Officer and Director
Rodney P. Ehrlich	57	Senior Vice President - Chief Technology Officer
Richard J. Giromini	50	Senior Vice President - Chief Operating Officer
Mark R. Holden	44	Senior Vice President - Chief Financial Officer
Timothy J. Monahan	52	Senior Vice President - Human Resources

William P. Greubel. Mr. Greubel has been President, Chief Executive Officer and Director of the Company since May 2002. As a Director he also serves on the Executive Committee of the Board. Mr. Greubel was a Director and Chief Executive Officer of Accuride Corporation, a manufacturer of wheels for trucks and trailers, from 1998 until May 2002 and served as President of Accuride Corporation from 1994 to 1998. Previously, Mr. Greubel was employed by AlliedSignal Corporation from 1974 to 1994 in a variety of positions of increasing responsibility, most recently as Vice President and General Manager of the Environmental Catalysts and Engineering Plastics business units.

Rodney P. Ehrlich. Mr. Ehrlich has been Senior Vice President--Chief Technology Officer of the Company since January 2004. From 2001-2003, Mr. Ehrlich was Senior Vice President of Product Development. Mr. Ehrlich was in charge of the Company's engineering operations since the Company's founding.

Richard J. Giromini. Mr. Giromini has been Senior Vice President - Chief Operating Officer since joining the Company on July 15, 2002. He also serves as President, and is Director of Wabash National Trailer Center, Inc. since January 2004.. Prior to that, Mr. Giromini was with Accuride Corporation from April 1998 to July 2002, where he served in capacities as Senior Vice President - Technology and Continuous Improvement; Senior Vice President and General Manager - Light Vehicle Operations; and President and CEO of AKW LP. Previously, Mr. Giromini was employed by ITT Automotive, Inc. from 1996 to 1998 serving as the Director of Manufacturing.

Mark R. Holden. Mr. Holden has been Senior Vice President--Chief Financial Officer since October 2001. In addition, Mr. Holden served in office of the CEO during 2001 and 2002. Mr. Holden served as Vice President--Chief Financial Officer and Director of the Company from May 1995 to October 2001 and Vice President--Controller of the Company from 1992 until May 1995.

Timothy J. Monahan. Mr. Monahan has been Senior Vice President - Human Resources since joining the Company on October 15, 2003. Prior to that, Mr. Monahan was with Textron Fastening Systems from 1999 to October 2003 where he served as Vice President - Human Resources. Previously, Mr. Monahan served as Vice President - Human Resources at Beloit Corporation.

As part of our system of corporate governance, our Board of Directors has adopted a code of ethics that is specifically applicable to our Chief Executive Officer and Senior Financial Officers. This code of ethics is available on our website at [www.wabashnational.com/about](http://www.wabashnational.com/about).

#### ITEM 11--EXECUTIVE COMPENSATION

The Company hereby incorporates by reference the information contained under the heading "Compensation" from its definitive Proxy Statement to be delivered to the stockholders of the Company in connection with the 2004 Annual Meeting of Stockholders to be held May 13, 2004.

ITEM 12--SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The Company hereby incorporates by reference the information contained under the heading "Beneficial Ownership of Common Stock" from its definitive Proxy Statement to be delivered to the stockholders of the Company in connection with the 2004 Annual Meeting of Stockholders to be held on May 13, 2004.

ITEM 13--CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company hereby incorporates by reference the information contained under the heading "Related Party Transactions" from its definitive Proxy Statement to be delivered to the stockholders of the Company in connection with the 2004 Annual Meeting of Stockholders to be held on May 13, 2004.

ITEM 14--PRINCIPAL ACCOUNTANT FEES AND SERVICES

Information required by Item 14 of this form and the audit committees pre-approval policies and procedures regarding the engagement of the principal accountant are incorporated herein by reference from its definitive Proxy Statement to be delivered to the stockholders of the Company in connection with the 2004 Annual Meeting of Stockholders to be held on May 13, 2004 under the caption "Audit Committee Report - Independent Auditor Fees"

PART IV

ITEM 15--EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K

(a) Financial Statements: The Company has included all required financial statements in Item 8 of this Form 10-K. The financial statement schedules have been omitted as they are not applicable or the required information is included in the Notes to the consolidated financial statements.

(b) Reports on Form 8-K:

None.

(c) Exhibits: The following exhibits are filed with this Form 10-K or incorporated herein by reference to the document set forth next to the exhibit listed below:

- 2.01 Purchase Agreement dated March 31, 1997, as amended(1)
- 2.02 Asset Purchase Agreement dated July 22, 2003(14)
- 2.03 Amendment No. 1 to the Asset Purchase Agreement dated September 19, 2003(14)
- 3.01 Certificate of Incorporation of the Company(2)
- 3.02 Certificate of Designations of Series A Junior Participating Preferred Stock(2)
- 3.03 Amended and restated By-laws of the Company(9)
- 4.01 Specimen Stock Certificate(7)
- 4.02 Rights Agreement between the Company and Harris Trust and Savings Bank as Rights Agent dated December 4, 1995(2)
- 4.03 First Amendment to Shareholder Rights Agreement dated October 21, 1998 (3)
- 4.04 Second Amendment to Shareholder Rights Agreement dated December 18, 2000(5)
- 4.05 Indenture for the 3.25% Convertible Senior Notes due August 1, 2008, between the registrant, as issuer, and Wachovia Bank, National Association, as Trustee, dated as of August 1, 2003(13)

- 4.06 Registration Rights Agreement for 3.25% Convertible Senior Notes due August 1, 2008, dated August 1, 2003(13)
- 10.01 1992 Stock Option Plan(2)
- 10.02 Indemnification Agreement between the Company and Roadway Express, Inc. (4)
- 10.03 2000 Stock Option Plan(6)
- 10.04 Consulting and Non-Competition Agreement dated July 16, 2001 between Donald J. Ehrlich and Wabash National Corporation(7)
- 10.05 2001 Stock Appreciation Rights Plan(8)
- 10.06 Executive Employment Agreement dated April 2002 between the Company and William P. Greubel(9)
- 10.07 Executive Employment Agreement dated June 28, 2002 between the Company and Richard J. Giromini(10)
- 10.08 Nonqualified Stock Option Agreement dated July 15, 2002 between the Company and Richard J. Giromini(10)
- 10.09 Restricted Stock Agreement between the Company and Richard J. Giromini (10)
- 10.10 Executive Employment Agreement dated June 14, 2002 between the Company and Mark R. Holden(10)
- 10.11 Nonqualified Stock Option Agreement dated May 6, 2002 between the Company and Mark R. Holden(10)
- 10.12 Non-qualified Stock Option Agreement between the Company and William P. Greubel(10)
- 10.13 First Amendment to Executive Employment Agreement dated December 4, 2002 between the Company and William P. Greubel(11)
- 10.14 Restricted Stock Agreement between the Company and William P. Greubel (11)
- 10.15 Second Amendment to Executive Employment Agreement dated June 2, 2003 between the Company and William P. Greubel(12)
- 10.16 Loan and Security Agreement dated September 23, 2003(15)
- 10.17 Amendment No. 1 to Loan and Security Agreement dated October 23, 2003 (15)
- 10.18 Amendment No. 3 to Loan and Security Agreement dated December 11, 2003 (15)
- 21.00 List of Significant Subsidiaries(15)
- 23.01 Consent of Ernst & Young LLP(15)

- 23.02 Notice Regarding Consent of Arthur Andersen LLP(15)
- 31.01 Certification of Principal Executive Officer(15)
- 31.02 Certification of Principal Financial Officer(15)
- 32.01 Written Statement of Chief Executive Officer and Chief Financial Officer Pursuant to Section 9.06 of the Sarbanes-Oxley Act of 2002(18 U.S.C. Section 1350) (15)

(1) Incorporated by reference to the Registrant's Form 8-K filed on May 1, 1997

(2) Incorporated by reference to the Registrant's Registration

Statement on Form S-1 (No. 33-42810) or the Registrant's Registration Statement on Form 8-A filed December 6, 1995 (item 3.02 and 4.02)

- (3) Incorporated by reference to the Registrant's Form 8-K filed on October 26, 1998
- (4) Incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 1999
- (5) Incorporated by reference to the Registrant's Amended Form 8-A filed January 18, 2001
- (6) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended March 31, 2001
- (7) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended June 30, 2001
- (8) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended September 30, 2001
- (9) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended March 31, 2002
- (10) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended June 30, 2002
- (11) Incorporated by reference to the Registrant's Form 10-K for the year ended December 31, 2002
- (12) Incorporated by reference to the Registrant's Form 10-Q for the quarter ended June 30, 2003
- (13) Incorporated by reference to the Registrant's registration statement Form S-3 (Registration No. 333-109375) filed on October 1, 2003
- (14) Incorporated by reference to the Registrant's Form 8-K filed on September 29, 2003
- (15) Filed herewith

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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

February 9, 2004

By: /s/ Mark R. Holden

-----  
Mark R. Holden  
Senior Vice President and Chief Financial Officer  
(Principal Financial Officer and Principal  
Accounting Officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the date indicated.

Date  
----

Signature and Title  
-----

February 9, 2004	By: /s/ William P. Greubel ----- William P. Greubel President and Chief Financial Officer and Director (Principal Executive Officer)
February 9, 2004	By: /s/ Mark R. Holden ----- Mark R. Holden Senior Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
February 9, 2004	By: /s/ John T. Hackett ----- John T. Hackett Chairman of the Board of Directors
February 9, 2004	By: /s/ David C. Burdakin ----- David C. Burdakin Director
February 9, 2004	By: /s/ Ludvik F. Koci ----- Ludvik F. Koci Director
February 9, 2004	By: /s/ Martin C. Jischke ----- Dr. Martin C. Jischke Director

-----  
WABASH NATIONAL CORPORATION  
AND  
THE SUBSIDIARIES OF WABASH NATIONAL CORPORATION  
IDENTIFIED ON THE SIGNATURE PAGES HERETO,  
AS BORROWERS  
-----  
-----  
-----

LOAN AND SECURITY AGREEMENT

Dated: September 23, 2003

\$222,100,000  
-----  
-----  
-----

FLEET CAPITAL CORPORATION,  
INDIVIDUALLY AND AS AGENT FOR ANY LENDER WHICH IS  
OR BECOMES A PARTY HERETO,

NATIONAL CITY COMMERCIAL FINANCE, INC.,  
INDIVIDUALLY AND AS SYNDICATION AGENT,

GENERAL ELECTRIC CAPITAL CORPORATION,  
INDIVIDUALLY AND AS A DOCUMENTATION AGENT,

WACHOVIA BANK, NATIONAL ASSOCIATION,  
INDIVIDUALLY AND AS A DOCUMENTATION AGENT,

FLEET SECURITIES, INC.,  
AS ARRANGER, AND

THE ADDITIONAL LENDERS NOW AND FROM  
TIME TO TIME PARTY HERETO  
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#### LOAN AND SECURITY AGREEMENT

THIS LOAN AND SECURITY AGREEMENT is made as of this 23rd day of September, 2003, by and among FLEET CAPITAL CORPORATION ("Fleet"), a Rhode Island corporation with an office at One South Wacker Drive, Suite 1400, Chicago, Illinois 60606, individually as a Lender, as Agent ("Agent") for itself and any other financial institution which is or becomes a party hereto (each such financial institution, including Fleet, is referred to hereinafter individually as a "Lender" and collectively as the "Lenders"), the LENDERS, NATIONAL CITY COMMERCIAL FINANCE, INC., individually as a Lender and as Syndication Agent for Lenders, GENERAL ELECTRIC CAPITAL CORPORATION, individually as a Lender and as a Documentation Agent for Lenders, WACHOVIA BANK, NATIONAL ASSOCIATION, individually as a Lender and as a Documentation Agent for Lenders, FLEET SECURITIES, INC., as arranger ("Arranger"), and each of WABASH NATIONAL CORPORATION, a Delaware corporation with its chief executive office and principal place of business at 1000 Sagamore Parkway South, Lafayette, Indiana 47905 ("Wabash") and EACH SUBSIDIARY OF WABASH THAT IS IDENTIFIED ON THE SIGNATURE PAGES HERETO AS A BORROWER; Wabash and each such Subsidiary are hereafter referred to collectively, as "Borrowers" and individually, as "Borrower". Capitalized terms used in this Agreement have the meanings assigned to them in Appendix A, General Definitions. Accounting terms not otherwise specifically defined herein shall be construed in accordance with GAAP consistently applied.

#### SECTION 1. CREDIT FACILITY

Subject to the terms and conditions of, and in reliance upon the representations and warranties made in, this Agreement and the other Loan Documents, Lenders agree to make a Total Credit Facility of up to \$222,100,000 available to Borrowers upon a Borrower's request therefor, as follows:

##### 1.1. Loans.

1.1.1. Revolving Credit Loans. Each Lender agrees, severally and not jointly, for so long as no Default or Event of Default exists, to make Revolving Credit Loans to Borrowers from time to time during the period from the date hereof to but not including the last day of the Term, as requested by Borrowers in the manner set forth in Section

1.4 and subsection 3.1.1 hereof, up to a maximum principal amount at any time outstanding equal to the lesser of (i) such Lender's Revolving Loan Commitment minus the product of such Lender's Revolving Loan Percentage and the sum of the Dollar Equivalent of the LC Amount and LC Obligations minus the product of such Lender's Revolving Loan Percentage and reserves, if any and (ii) the product of (a) such Lender's Revolving Loan Percentage and (b) an amount equal to the sum of the Borrowing Base at such time minus the sum of the Dollar Equivalent of the LC Amount and LC Obligations minus reserves, if any. Agent shall have the right to establish reserves in such amounts, and with respect to such matters as Agent shall deem necessary or appropriate in its reasonable credit judgment, against the

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amount of Revolving Credit Loans which Borrowers may otherwise request under this subsection 1.1.1 including without limitation with respect to (i) price adjustments, damages, unearned discounts, returned products or other matters for which credit memoranda are issued in the ordinary course of a Borrower's business; (ii) potential dilution related to Accounts; (iii) shrinkage, spoilage and obsolescence of Inventory; (iv) slow moving Inventory; (v) other sums chargeable against a Borrower's Loan Account as Revolving Credit Loans under any section of this Agreement; (vi) amounts owing by a Borrower to any Person to the extent secured by a Lien on, or trust over, any Property of such Borrower, including without limitation Prior Claims; (vii) amounts owing by a Borrower in connection with Product Obligations and relating to currency exchange rate risk; (viii) the Rebuild Reserve and (ix) such other specific events, conditions or contingencies as to which Agent, in its reasonable credit judgment as is customary for asset based facilities of this type, determines reserves should be established from time to time hereunder. The reserves in place as of the Closing Date shall be equal to \$92,500 in the aggregate. Notwithstanding the foregoing, Agent shall not establish any reserves in respect of any matters relating to any items of Collateral that have been taken into account in determining Eligible Inventory, Eligible Trailer Inventory, Eligible Bill and Hold Inventory or Eligible Accounts, as applicable. The Revolving Credit Loans shall be repayable in accordance with the terms of the Revolving Notes and as set forth in subsection 3.2.1, and shall be secured by, among other things, all of the Collateral.

1.1.2. Overadvances. Insofar as a Borrower may request and Agent or Majority Lenders (as provided below) may be willing in their sole and absolute discretion to make Revolving Credit Loans to such Borrower at a time when the unpaid balance of Revolving Credit Loans plus the sum of the Dollar Equivalent of the LC Amount plus the Dollar Equivalent of the amount of LC Obligations that have not been reimbursed by Borrowers or funded with a Revolving Credit Loan, plus reserves, exceeds, or would exceed with the making of any such Revolving Credit Loan, the Borrowing Base (such Loan or Loans being herein referred to individually as an "Overadvance" and collectively, as "Overadvances"), Agent shall enter such Overadvances as debits in the Loan Account. All Overadvances shall be repaid on demand, shall be secured by the Collateral and shall bear interest as provided in this Agreement for Revolving Credit Loans generally. Any Overadvance made pursuant to the terms hereof shall be made by all Lenders ratably in accordance with their respective Revolving Loan Percentages. Overadvances in the aggregate amount of \$5,000,000 or less may, unless a Default or Event of Default has occurred and is continuing (other than a Default or an Event of Default caused by the existence or making of such Overadvance), be made in the sole and absolute discretion of Agent. Overadvances in an aggregate amount of more than \$5,000,000 but less than \$7,500,000 may, unless a Default or an Event of Default has occurred and is continuing (other than a Default or Event of Default caused by the existence or making of such Overadvance), be made in the sole and absolute discretion of the Majority Lenders. Overadvances in

an aggregate amount of \$7,500,000 or more and Overadvances to be made after the occurrence and during the continuation of a

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Default or an Event of Default (other than a Default or Event of Default caused by the existence or making of such Overadvance) shall require the consent of all Lenders. The foregoing notwithstanding, in no event, unless otherwise consented to by all Lenders, (w) shall any Overadvances be outstanding for more than thirty (30) consecutive days, (x) after all outstanding Overadvances have been repaid, shall Agent or Lenders make any additional Overadvances unless sixty (60) days or more have expired since the last date on which any Overadvances were outstanding, (y) shall Overadvances be outstanding for more than sixty (60) days within any one hundred eighty day (180) period or (z) shall Agent make Revolving Credit Loans on behalf of Lenders under this subsection 1.1.2 to the extent such Revolving Credit Loans would cause a Lender's share of the Revolving Credit Loans to exceed such Lender's Revolving Loan Commitment minus such Lender's Revolving Loan Percentage of the sum of the Dollar Equivalent of the LC Amount and the LC Obligations.

1.1.3. Use of Proceeds. The Revolving Credit Loans shall be used solely for (i) the satisfaction of existing Indebtedness of Borrowers, (ii) the payment of fees and expenses associated with the transactions contemplated hereby, (iii) Borrowers' general operating capital needs (including Capital Expenditures permitted hereunder) in a manner consistent with the provisions of this Agreement and all applicable laws, (iv) the funding of Permitted Acquisitions and (v) other purposes permitted under this Agreement.

1.1.4. Swingline Loans. In order to reduce the frequency of transfers of funds from Lenders to Agent for making Revolving Credit Loans and for so long as no Default or Event of Default exists, Agent shall be permitted (but not required) to make Revolving Credit Loans to Borrowers upon request by Borrowers (such Revolving Credit Loans to be designated as "Swingline Loans") provided that the aggregate amount of Swingline Loans outstanding at any time will not (i) exceed \$10,000,000; (ii) when added to the principal amount of Agent's other Revolving Credit Loans then outstanding plus Agent's Revolving Loan Percentage of the sum of the Dollar Equivalent of the LC Amount and the LC Obligations, exceed Agent's Revolving Credit Commitment; or (iii) when added to the principal amount of all other Revolving Credit Loans then outstanding plus the sum of the Dollar Equivalent of the LC Amount and the LC Obligations plus reserves, exceed the Borrowing Base. Within the foregoing limits, each Borrower may borrow, repay and reborrow Swingline Loans. All Swingline Loans shall be treated as Revolving Credit Loans for purposes of this Agreement, except that (a) all Swingline Loans shall be Base Rate Revolving Portions and (b) notwithstanding anything herein to the contrary (other than as set forth in the next succeeding sentence), all principal and interest paid with respect to Swingline Loans shall be for the sole account of Agent in its capacity as the lender of Swingline Loans. Notwithstanding the foregoing, not more than 2 Business Days after (1) Lenders receive notice from Agent that a Swingline Loan has been advanced in respect of a drawing under a Letter of Credit or LC Guaranty or (2) in any other circumstance, demand is made by Agent during the continuance of an Event

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of Default, each Lender shall irrevocably and unconditionally purchase and receive from Agent, without recourse or warranty from Agent, an undivided interest and participation in each Swingline Loan to the extent of such Lender's Revolving Loan Percentage thereof, by paying to Agent, in same day funds, an amount equal to such Lender's Revolving

Loan Percentage of such Swingline Loan. Swingline Loans will be settled between the Agent and the Lenders in the manner set forth in subsection 3.1.3.

1.1.5. Agent Loans. Upon the occurrence and during the continuance of an Event of Default, Agent, in its sole discretion, may make Revolving Credit Loans on behalf of Lenders, in an aggregate amount not to exceed \$5,000,000, if Agent, in its reasonable business judgment, deems that such Revolving Credit Loans are necessary or desirable (i) to protect all or any portion of the Collateral, (ii) to enhance the likelihood, or maximize the amount of, repayment of the Loans and the other Obligations, or (iii) to pay any other amount chargeable to any Borrower pursuant to this Agreement, including without limitation costs, fees and expenses as described in Sections 2.8 and 2.9 (hereinafter, "Agent Loans"); provided, that in no event shall (a) the maximum principal amount of the Revolving Credit Loans exceed the aggregate Revolving Loan Commitments and (b) Majority Lenders may at any time revoke Agent's authorization to make Agent Loans. Any such revocation must be in writing and shall become effective prospectively upon Agent's receipt thereof. Each Lender shall be obligated to advance its Revolving Loan Percentage of each Agent Loan. If Agent Loans are made pursuant to the preceding sentence, then (a) the Borrowing Base shall be deemed increased by the amount of such permitted Agent Loans, but only for so long as Agent allows such Agent Loans to be outstanding, and (b) all Lenders that have committed to make Revolving Credit Loans shall be bound to make, or permit to remain outstanding, such Agent Loans based upon their Revolving Loan Percentages in accordance with the terms of this Agreement.

1.2. Letters of Credit; LC Guaranties.

1.2.1. Issuance of Letters of Credit and LC Guarantees. Agent agrees, for so long as no Default or Event of Default exists and if requested by a Borrower, to (i) issue its, or cause to be issued by Bank or another Affiliate of Agent, on the date requested by such Borrower, Letters of Credit (sight drafts only) for the account of a Borrower or (ii) execute LC Guaranties by which Agent, Bank, or another Affiliate of Agent, on the date requested by a Borrower, shall guaranty the payment or performance by a Borrower of its reimbursement obligations with respect to letters of credit issued for a Borrower's account by other Persons; provided that (a) the Dollar Equivalent of the LC Amount shall not exceed \$15,000,000 at any time and (b) at no time will a Letter of Credit or LC Guaranty be issued if doing so could cause a violation of subsection 1.1.1. No Letter of Credit or LC Guaranty may have an expiration date (a) after the last day of the Term, (b) in the case of standby Letters of Credit or LC Guaranties supporting standby letters of credit, more than 1 year after the issuance date thereof or (c) in the case of documentary Letters of Credit or LC

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Guaranties supporting documentary letters of credit, more than 180 days after the issuance date hereof.

1.2.2. Lender Participation. Immediately upon the issuance of a Letter of Credit or an LC Guaranty under this Agreement, each Lender shall be deemed to have irrevocably and unconditionally purchased and received from Agent, without recourse or warranty, an undivided interest and participation therein equal to the sum of the Dollar Equivalent of the applicable LC Amount and the applicable LC Obligations multiplied by such Lender's Revolving Loan Percentage. Agent will notify each Lender on a weekly basis, or if determined by Agent, a more frequent basis, upon presentation to it of a draw under a Letter of Credit or a demand for payment under a LC Guaranty. On a weekly basis, or more frequently if requested by Agent, each Lender shall make payment to Agent in immediately available funds in Dollars,

of an amount equal to such Lender's pro rata share (based on such Lender's Revolving Loan Percentage) of the amount of any payment made by Agent in respect to any Letter of Credit or LC Guaranty. The obligation of each Lender to reimburse Agent under this subsection 1.2.2 shall be unconditional, continuing, irrevocable and absolute, except in respect of indemnity claims arising out of Agent's willful misconduct or gross negligence. In the event that any Lender fails to make payment to Agent of any amount due under this subsection 1.2.2, Agent shall be entitled to receive, retain and apply against such obligation the principal and interest otherwise payable to such Lender hereunder until Agent receives such payment from such Lender or such obligation is otherwise fully satisfied; provided, however, that nothing contained in this sentence shall relieve such Lender of its obligation to reimburse the Agent for such amount in accordance with this subsection 1.2.2.

1.2.3. Reimbursement. Notwithstanding anything to the contrary contained herein, Borrowers, Agent and Lenders hereby agree that all LC Obligations and all obligations of each Borrower relating thereto shall be satisfied by the prompt issuance of one or more Revolving Credit Loans in Dollars that are Base Rate Revolving Portions, which Borrowers hereby acknowledge are requested and Lenders hereby agree to fund. In the event that Revolving Credit Loans are not, for any reason, promptly made to satisfy all then existing LC Obligations, each Lender hereby agrees to pay to Agent, on demand, an amount equal to the Dollar Equivalent of such LC Obligations multiplied by such Lender's Revolving Loan Percentage, and until so paid, such amount shall be secured by the Collateral and shall bear interest and be payable at the same rate and in the same manner as Base Rate Revolving Portions. In no event shall Agent or any Lender make any Revolving Credit Loan in respect of any Obligation that has already been satisfied by any Borrower.

1.3. Term Loan.

Each Lender, severally and not jointly, agrees to make a term loan (collectively, the "Term Loan") to Borrowers on the Closing Date, in the aggregate principal amount of such Lender's Term Loan Commitment, which shall be repayable in accordance with the terms of the Term Notes and as set forth in subsection 3.2.1, and shall be secured by, among other things, all

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of the Collateral. The proceeds of the Term Loan shall be used solely for the purposes for which the proceeds of the Revolving Credit Loans are authorized to be used. The aggregate amount of the Term Loan Commitments on the Closing Date shall be equal to \$47,100,000.

1.4. Borrowing Agent.

For ease of administration of this Agreement, each Borrower other than Wabash hereby appoints Wabash as its borrowing agent hereunder. In such capacity, Wabash will request all Revolving Credit Loans to be made pursuant to Section 1.1, will request all Letters of Credit and LC Guaranties to be issued pursuant to Section 1.2 and will submit all LIBOR Requests with respect to obtaining any LIBOR Portion pursuant to subsection 3.1.7, converting any Base Rate Portion into a LIBOR Portion pursuant to subsection 3.1.8 or continuing any LIBOR Portion into a subsequent Interest Period pursuant to subsection 3.1.9, in each case pursuant to the procedures set forth in Section 3.1. Notwithstanding anything to the contrary contained in this Agreement, no Borrower other than Wabash shall be entitled to directly request any Revolving Credit Loans, Letters of Credit or LC Guaranties or to submit any LIBOR Requests hereunder and such requests shall be directed through Wabash, as borrowing agent hereunder, for any requesting Borrower. The proceeds of all Revolving Credit Loans made hereunder shall be advanced to or at the direction of Wabash and used solely for the purposes described in subsection 1.1.3.

1.5. Alternate Currencies.

After the Closing Date, Borrowers may request that Letters of Credit and/or LC Guaranties be issued in any lawful currency other than Dollars that is at such time freely traded in the offshore interbank foreign exchange and foreign deposit market in which Bank customarily funds loans in currencies other than Dollars, by means of a written request received by Agent at least 7 Business Days prior to the issuance date for the Letter of Credit or LC Guaranty. Agent may accept or reject such request in the exercise of its sole discretion and shall promptly inform Borrowers thereof. If Agent accepts any such request, the currency designated shall be referred to as an "Agreed Alternate Currency". Notwithstanding the foregoing, any otherwise Agreed Alternate Currency shall automatically cease being an Agreed Alternate Currency at such time that, in Agent's determination, such currency could not reasonably be converted by Agent into Dollars within 3 Business Days. Upon any draw upon a Letter of Credit or LC Guaranty, the amount of such draw shall be immediately converted into Dollars in the manner provided in Section 1.6. All reserves against Availability relating to the LC Amount or LC Obligations shall be adjusted at a frequency determined by Agent (but no less frequently than monthly) on the basis of a mark-to-market conversion completed in the manner set forth in Section 1.6.

1.6. Dollars; Conversion to Dollars.

Unless otherwise specifically set forth in this Agreement, all monetary amounts shall be in Dollars. All valuations or computations of monetary amounts set forth in this Agreement shall include the Dollar Equivalent of amounts designated in Canadian Dollars or any Agreed Alternate Currency. In connection with all Dollar amounts set forth in this

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Agreement, all Canadian Dollars or amounts in any Agreed Alternate Currency shall be converted to Dollars in accordance with prevailing exchange rates, as determined by Agent in its sole discretion, on the applicable date.

1.7. Judgment Currency; Contractual Currency.

(i) If, for the purpose of obtaining or enforcing judgment against any Borrower or Guarantor or any other party to this Agreement in any court in any jurisdiction, it becomes necessary to convert into any other currency (such other currency being hereinafter in this Section 1.7 referred to as the "Judgment Currency") an amount due under any Loan Document in any currency (the "Obligation Currency") other than the Judgment Currency, the conversion shall be made at the rate of exchange prevailing on the Business Day immediately preceding (a) the date of actual payment of the amount due, in the case of any proceeding in the courts of any jurisdiction that will give effect to such conversion being made on such date, or (b) the date on which the judgment is given, in the case of any proceeding in the courts of any other jurisdiction (the applicable date as of which such conversion is made pursuant to this Section 1.7 being hereinafter in this Section 1.7 referred to as the "Judgment Conversion Date").

(ii) If, in the case of any proceeding in the court of any jurisdiction referred to in subsection 1.7(i), there is a change in the rate of exchange prevailing between the Judgment Conversion Date and the date of actual receipt for value of the amount due, the applicable Borrower or Guarantor shall pay such additional amount (if any, but in any event not a lesser amount) as may be necessary to ensure that the amount actually received in the Judgment Currency, when converted at the rate of exchange prevailing on the date of payment, will produce the amount of the Obligation Currency

which could have been purchased with the amount of the Judgment Currency stipulated in the judgment or judicial order at the rate of exchange prevailing on the Judgment Conversion Date. Any amount due from a Borrower or Guarantor under this subsection 1.7(ii) shall be due as a separate debt and shall not be affected by judgment being obtained for any other amounts due under or in respect of any of the Documents.

(iii) The term "rate of exchange" in this Section 1.7 means the rate of exchange at which Agent would, on the relevant date at or about 12:00 noon (Chicago time), be prepared to sell the Obligation Currency against the Judgment Currency.

(iv) Any amount received or recovered by Agent in respect of any sum expressed to be due to it (whether for itself or as trustee for any other person) from any Borrower or Guarantor of any other party under this Agreement or under any of the other Loan Documents in a currency other than the currency (the "contractual currency") in which such sum is so expressed to

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be due (whether as a result of or from the enforcement of, any judgment or order of a court or tribunal of any jurisdiction, the winding-up of a Borrower or Guarantor or otherwise) shall only constitute a discharge of such Borrower or Guarantor to the extent of the amount of the contractual currency that Agent is able, in accordance with its usual practice, to purchase with the amount of the currency so received or recovered on the date of receipt or recovery (or, if later, the first date on which such purchase is practicable). If the amount of the contractual currency so purchased is less than the amount of the contractual currency so expressed to be due, such Borrower or Guarantor shall indemnify Agent against any loss sustained by it as a result, including the cost of making any such purchase.

#### 1.8. Common Enterprise.

Wabash is the direct or indirect and beneficial owner and holder of all of the issued and outstanding shares of stock or other equity interests in each other Borrower and Subsidiary Guarantor. Borrowers and Subsidiary Guarantors make up a related organization of various entities constituting a single economic and business enterprise so that Borrowers and Subsidiary Guarantors share a substantial identity of interests such that any benefit received by any one of them benefits the others. Borrowers and certain of the Subsidiary Guarantors render services to or for the benefit of Borrowers and/or the other Subsidiary Guarantors, as the case may be, purchase or sell and supply goods to or from or for the benefit of the others, make loans, advances and provide other financial accommodations to or for the benefit of Borrowers and Subsidiary Guarantors (including inter alia, the payment by Borrowers and Subsidiary Guarantors of creditors of the Borrowers or Subsidiary Guarantors and guarantees by Borrowers and Subsidiary Guarantors of indebtedness of Borrowers and Subsidiary Guarantors and provide administrative, marketing, payroll and management services to or for the benefit of Borrowers and Subsidiary Guarantors). Borrowers and Subsidiary Guarantors have centralized accounting, common officers and directors and are in certain circumstances, identified to creditors as a single economic and business enterprise.

### SECTION 2. INTEREST, FEES AND CHARGES

#### 2.1. Interest.

2.1.1. Rates of Interest. Interest shall accrue on the principal amount of the Base Rate Revolving Portions and the Base Rate

Term Portions outstanding at the end of each day at a fluctuating rate per annum equal to the Applicable Margin then in effect plus the Base Rate. Said rate of interest shall increase or decrease by an amount equal to any increase or decrease in the Base Rate, effective as of the opening of business on the day that any such change in the Base Rate occurs. If a Borrower exercises its LIBOR Option as provided in Section 3.1, interest shall accrue on the principal amount of the LIBOR Revolving Portions and the LIBOR Term Portions outstanding at the end of each day at a rate per annum equal to the Applicable Margin then in effect plus the LIBOR applicable to each LIBOR Portion for the corresponding Interest Period.

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2.1.2. Default Rate of Interest. At the option of Agent or the Majority Lenders, upon and after the occurrence of an Event of Default and during the continuation thereof, the principal amount of all Loans shall bear interest at a rate per annum equal to 2.0% plus the interest rate otherwise applicable thereto (the "Default Rate").

2.1.3. Maximum Interest. In no event whatsoever shall the aggregate of all amounts deemed interest hereunder or under the Notes and charged or collected pursuant to the terms of this Agreement or pursuant to the Notes exceed the highest rate permissible under any law which a court of competent jurisdiction shall, in a final determination, deem applicable hereto. If any provisions of this Agreement or the Notes are in contravention of any such law, such provisions shall be deemed amended to conform thereto (the "Maximum Rate"). If at any time, the amount of interest paid hereunder is limited by the Maximum Rate, and the amount at which interest accrues hereunder is subsequently below the Maximum Rate, the rate at which interest accrues hereunder shall remain at the Maximum Rate, until such time as the aggregate interest paid hereunder equals the amount of interest that would have been paid had the Maximum Rate not applied.

## 2.2. Computation of Interest and Fees.

Interest, Letter of Credit and LC Guaranty fees and Unused Line Fees hereunder shall be calculated daily and shall be computed on the actual number of days elapsed over a year of 360 days.

## 2.3. Fee Letter.

Borrowers shall jointly and severally pay to Agent certain fees and other amounts in accordance with the terms of the fee letter among Borrowers and Agent (the "Fee Letter").

## 2.4. Letter of Credit and LC Guaranty Fees.

Borrowers shall jointly and severally pay to Agent:

(i) for standby Letters of Credit and LC Guaranties of standby letters of credit, for the ratable benefit of Lenders a per annum fee equal to the Applicable Margin then in effect for LIBOR Revolving Portions of the aggregate undrawn available amount of such Letters of Credit and LC Guaranties outstanding from time to time during the term of this Agreement, plus all normal and customary charges associated with the issuance, processing and administration thereof, which fees and charges shall be deemed fully earned upon issuance (or as advised by Agent or Bank) of each such Letter of Credit or LC Guaranty, shall be due and payable in arrears on the first Business Day of each month (or as advised by Agent or Bank) and shall not be subject to rebate or proration upon the termination of this Agreement

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for any reason; provided, that at any time that the Default Rate is in effect, the fee applicable under this subsection shall be equal to the otherwise applicable fee plus 2.00%;

(ii) for documentary Letters of Credit and LC Guaranties of documentary letters of credit, for the ratable benefit of Lenders a per annum fee equal to the Applicable Margin then in effect for LIBOR Revolving Portions of the aggregate undrawn available amount of such Letters of Credit and LC Guaranties outstanding from time to time during the term of this Agreement, plus all normal and customary charges associated with the issuance, processing and administration of each such Letter of Credit or LC Guaranty (which fees and charges shall be fully earned upon issuance, renewal or extension (as the case may be) of each such Letter of Credit or LC Guaranty (or as advised by Agent or Bank), shall be due and payable in arrears on the first Business Day of each month (or as advised by Agent or Bank), and shall not be subject to rebate or proration upon the termination of this Agreement for any reason); provided, that at any time that the Default Rate is in effect, the fee applicable under this subsection shall be equal to the otherwise applicable fee plus 2.00%; and

(iii) with respect to all Letters of Credit and LC Guaranties, for the account of Agent only, a per annum fronting fee equal to 0.25% of the aggregate undrawn available amount of such Letters of Credit and LC Guaranties outstanding from time to time during the term of this Agreement, which fronting fees shall be due and payable monthly in arrears on the first Business Day of each month and shall not be subject to rebate or proration upon the termination of this Agreement for any reason.

2.5. Unused Line Fee.

Borrowers shall jointly and severally pay to Agent, for the ratable benefit of Lenders and Agent (as lender of the Swingline Loans), a fee (the "Unused Line Fee") equal to the Applicable Margin per annum for the Unused Line Fee multiplied by the average daily amount by which the Revolving Credit Maximum Amount exceeds the sum of (i) the outstanding principal balance of the Revolving Credit Loans and the Swingline Loans plus (ii) the sum of the Dollar Equivalent of the LC Amount and the LC Obligations; provided, that for purposes of allocating the Unused Line Fee among Lenders (other than Agent), outstanding Swingline Loans shall not be included as part of the outstanding balance of the Loans for purposes of calculating such fees owed to Lenders other than Agent. The Unused Line Fee shall be payable monthly in arrears on the first day of each month hereafter.

2.6. Intentionally omitted.

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2.7. Audit Fees.

Borrowers shall jointly and severally pay to Agent commercially reasonable audit fees in accordance with Agent's current schedule of fees in effect from time to time in connection with audits of the books and records and Properties of each Borrower and its Subsidiaries and such other matters as Agent shall deem appropriate in its reasonable credit judgment, plus all reasonable out-of-pocket expenses incurred by Agent in connection with such audits, whether such audits are conducted by employees of Agent or by third parties hired by Agent. Such audit fees and out-of-pocket expenses shall be payable on the first day of the month following the date of issuance by Agent of a request for payment thereof to Wabash. Agent may, in its discretion, provide for the payment of such amounts by making appropriate Revolving Credit Loans to one or more Borrowers and charging the appropriate Loan Account or Loan Accounts

therefor. So long as no Event of Default is in existence, such audit fees shall not exceed \$75,000 in the aggregate in any calendar year.

#### 2.8. Reimbursement of Expenses.

If, at any time or times regardless of whether or not an Event of Default then exists, (i) Agent or Arranger incurs reasonable legal or accounting expenses or any other costs or out-of-pocket expenses in connection with (1) the negotiation and preparation of this Agreement or any of the other Loan Documents, any amendment of or modification of this Agreement or any of the other Loan Documents, or any syndication or attempted syndication of the Obligations (including, without limitation, printing and distribution of materials to prospective Lenders and all costs associated with bank meetings, but excluding any closing fees paid to Lenders in connection therewith) or (2) the administration of this Agreement or any of the other Loan Documents and the transactions contemplated hereby and thereby; or (ii) Agent or any Lender incurs reasonable legal or accounting expenses or any other costs or out-of-pocket expenses in connection with (1) any litigation, contest, dispute, suit, proceeding or action (whether instituted by Agent, any Lender, any Borrower or any other Person) relating to the Collateral, this Agreement or any of the other Loan Documents or any Borrower's, any Subsidiary's or any Guarantor's affairs; (2) any amendment, modification, waiver or consent with respect to the Loan Documents requested of any Lender at a time when an Event of Default is in existence; (3) any attempt to enforce any rights of Agent or any Lender against any Borrower or any other Person which may be obligated to Agent or any Lender by virtue of this Agreement or any of the other Loan Documents, including, without limitation, the Account Debtors; or (4) any attempt to inspect, verify, protect, preserve, restore, collect, sell, liquidate or otherwise dispose of or realize upon the Collateral; then all such reasonable legal and accounting expenses, other costs and out of pocket expenses of Agent or any Lender, as applicable, shall be charged to Borrowers on a joint and several basis; provided, that Borrowers shall not be responsible for such expenses, costs and out-of-pocket expenses to the extent incurred because of the gross negligence or willful misconduct of Agent or any Lender. All amounts chargeable to Borrowers under this Section 2.8 shall be Obligations secured by all of the Collateral, shall be payable on demand to Agent or such Lender, as the case may be, and shall bear interest from the date such demand is made until paid in full at the rate applicable to Base Rate Revolving Portions from time to time. Borrowers shall also jointly and severally

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reimburse Agent and Lenders for expenses incurred by Agent in its administration of the Collateral to the extent and in the manner provided in Sections 2.9 and 2.10 hereof.

#### 2.9. Bank Charges.

Borrowers shall jointly and severally pay to Agent and each applicable Lender, on demand, any and all fees, costs or expenses which Agent or such Lender pays to a bank or other similar institution arising out of or in connection with (i) the forwarding to any Borrower or any other Person on behalf of any Borrower, by Agent or any Lender, of proceeds of Loans made to any Borrower pursuant to this Agreement and (ii) the depositing for collection by Agent or any Lender of any check or item of payment received or delivered to Agent or any Lender on account of the Obligations.

#### 2.10. Collateral Protection Expenses; Appraisals.

All commercially reasonable out-of-pocket expenses incurred in protecting, storing, warehousing, insuring, handling, maintaining and shipping the Collateral, and any and all excise, property, sales, and use taxes imposed by any state, federal, or local authority on any of the Collateral or in respect of the sale thereof shall be jointly and severally borne and paid by Borrowers. If Borrowers fail to promptly pay any portion thereof when due, Agent may, at its option, but shall not be required to, pay the same and charge one or more Borrowers therefor. On an annual basis, at Borrowers' joint and several expense,

Agent shall (i) obtain a desk top appraisal of the Inventory, the Bill and Hold Inventory and the Trailer Inventory of the Companies conducted by an employee of Agent or a third party appraiser reasonably acceptable to Agent and (ii) obtain an appraisal of the Inventory, the Bill and Hold Inventory and the Trailer Inventory of the Companies from a third party appraiser reasonably acceptable to Agent, each of which appraisals shall include an assessment of the net orderly liquidation percentage of each category or type of Inventory, Bill and Hold Inventory and Trailer Inventory. Additionally, from time to time, if Agent or any Lender determines that obtaining appraisals is necessary in order for it to comply with applicable laws or regulations, and at any time if a Default or an Event of Default shall have occurred and be continuing, Agent may, and at the direction of the applicable Lender, Agent shall, at Borrowers' joint and several expense, obtain appraisals from appraisers (who may be personnel of Agent), stating the then current fair market value of all or any portion of the real Property or personal Property of any Company, including without limitation the Inventory of any Company.

2.11. Payment of Charges.

All amounts chargeable to any Borrower under this Agreement shall be Obligations secured by all of the Collateral, shall be, unless specifically otherwise provided, payable on demand and shall bear interest from the date demand was made or such amount is due, as applicable, until paid in full at the rate applicable to Base Rate Revolving Portions from time to time.

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2.12. No Deductions.

Any and all payments or reimbursements made hereunder shall be made free and clear of and without deduction for any and all taxes, levies, imposts, deductions, charges or withholdings, and all liabilities with respect thereto; excluding, however, the following: taxes imposed on the income of Agent or any Lender or franchise taxes by the jurisdiction under the laws of which Agent or any Lender is organized or doing business or any political subdivision thereof and taxes imposed on its income by the jurisdiction of Agent's or such Lender's applicable lending office or any political subdivision thereof or franchise taxes (all such taxes, levies, imposts, deductions, charges or withholdings and all liabilities with respect thereto excluding such taxes imposed on net income, herein "Tax Liabilities"). If any Borrower shall be required by law to deduct any such Tax Liabilities from or in respect of any sum payable hereunder to Agent or any Lender, then the sum payable hereunder by Borrowers shall be increased as may be necessary so that, after all required deductions are made, Agent or such Lender receives an amount equal to the sum it would have received had no such deductions been made.

2.13. Joint and Several Obligations.

Each Borrower acknowledges that it is jointly and severally liable for all of the Obligations and as a result hereby unconditionally guaranties the full and prompt payment when due, whether at maturity or earlier, by reason of acceleration or otherwise, and at all times thereafter, of all indebtedness, liabilities and obligations of every kind and nature of each other Borrower to Agent and Lenders and, howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, joint or several, now or hereafter existing, or due or to become due, and howsoever owned, held or acquired by Agent or any Lender. Each Borrower agrees that if this guaranty, or any Liens securing this guaranty, would, but for the application of this sentence, be unenforceable under applicable law, this guaranty and each such Lien shall be valid and enforceable to the maximum extent that would not cause this guaranty or such Lien to be unenforceable under applicable law, and this guaranty shall automatically be deemed to have been amended accordingly at all relevant times.

Each Borrower hereby agrees that its obligations under this guaranty shall be unconditional, irrespective of (a) the validity or enforceability of the Obligations or any part thereof, or of any promissory note

or other document evidencing all or any part of the Obligations, (b) the absence of any attempt to collect the Obligations from any other Borrower or any Guarantor or other action to enforce the same, (c) the waiver or consent by Agent or any Lender with respect to any provision of any agreement, instrument or document evidencing or securing all or any part of the Obligations, or any other agreement, instrument or document now or hereafter executed by any other Borrower and delivered to Agent or any Lender (other than a waiver, forgiveness or consent by Agent and Lenders that reduces the amount of any of the Obligations), (d) the failure by Agent or any Lender to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or Collateral for the Obligations, for its benefit, (e) Agent's or any Lender's election, in any proceeding instituted under the United States Bankruptcy Code or any other similar

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bankruptcy or insolvency legislation, of the application of Section 1111(b)(2) of the United States Bankruptcy Code or any other similar bankruptcy or insolvency legislation, (f) any borrowing or grant of a security interest by any Borrower as debtor-in-possession, under Section 364 of the United States Bankruptcy Code or any other similar bankruptcy or insolvency legislation, (g) the disallowance, under Section 502 of the United States Bankruptcy Code or any other similar bankruptcy or insolvency legislation, of all or any portion of Agent's or any Lender's claim(s) for repayment of the Obligations or (h) any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a borrower or a guarantor.

Each Borrower hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of receivership or bankruptcy of any Borrower, protest or notice with respect to the Obligations and all demands whatsoever, and covenants that this guaranty will not be discharged, except by complete and irrevocable payment and performance of the Obligations. No notice to any Borrower or any other party shall be required for Agent or any Lender to make demand hereunder. Such demand shall constitute a mature and liquidated claim against the applicable Borrower. Upon the occurrence of any Event of Default, Agent or any Lender may, in its sole election, proceed directly and at once, without notice, against all or any Borrower to collect and recover the full amount or any portion of the Obligations, without first proceeding against any other Borrower or any other Person, or any security or collateral for the Obligations. During the existence of an Event of Default, Agent and each Lender shall have the exclusive right to determine the application of payments and credits, if any from any Borrower, any other Person or any security or collateral for the Obligations, on account of the Obligations or of any other liability of any Borrower to Agent or any Lender.

At any time after and during the continuance of an Event of Default, Agent and each Lender may, in its sole discretion, without notice to any Borrower and regardless of the acceptance of any collateral for the payment hereof, appropriate and apply toward payment of the Obligations (i) any indebtedness due or to become due from Agent or any Lender to such Borrower and (ii) any moneys, credits or other property belonging to such Borrower at any time held by or coming into the possession of Agent or any Lender or any Affiliates thereof, whether for deposit or otherwise.

Notwithstanding anything to the contrary set forth in this Section 2.13, it is the intent of the parties hereto that the liability incurred by each Borrower in respect of the Obligations of the other Borrowers (and any Lien granted by each Borrower to secure such Obligations), not constitute a fraudulent conveyance under Section 548 of the United States Bankruptcy Code or a fraudulent conveyance or fraudulent transfer under the provisions of any applicable law of any state or other governmental unit ("Fraudulent Conveyance"). Consequently, each Borrower, Agent and each Lender hereby agree that if a court of competent jurisdiction determines that the incurrence of liability by any Borrower in respect of the Obligations of any other Borrower (or any Liens granted by such Borrower to secure such Obligations) would, but for the application of this sentence, constitute a Fraudulent Conveyance, such liability (and such Liens) shall be valid and enforceable only to the maximum

extent that would not cause the same to constitute a Fraudulent Conveyance, and this Agreement and the other Loan Documents shall automatically be deemed to have been amended accordingly.

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Each Borrower expressly waives all rights it may have now or in the future under any statute, or at common law, or at law or in equity, or otherwise, to compel Agent or Lenders to marshal assets or to proceed in respect of the Obligations guaranteed hereunder against any other Borrower or any Guarantor, any other party or against any security for the payment and performance of the Obligations before proceeding against, or as a condition to proceeding against, such Borrower. It is agreed among each Borrower, Agent and Lenders that the foregoing waivers are of the essence of the transaction contemplated by this Agreement and the other Loan Documents and that, but for the provisions of this Section 2.13 and such waivers, Agent and Lenders would decline to enter into this Agreement.

Each Borrower agrees that the provisions of this Section 2.13 are for the benefit of Agent and Lenders and their respective successors, transferees, endorsees and assigns, and nothing herein contained shall impair, as between any other Borrower and Agent or Lenders, the obligations of such other Borrower under the Loan Documents.

Notwithstanding anything to the contrary in this Agreement or in any other Loan Document, and except as set forth in Section 2.13, each Borrower hereby expressly and irrevocably subordinates to payment of the Obligations any and all rights at law or in equity to subrogation, reimbursement, exoneration, contribution, indemnification or set off (including those set forth in Section 2.14) and any and all defenses available to a surety, guarantor or accommodation co-obligor until the Obligations are indefeasibly paid in full in cash. Each Borrower acknowledges and agrees that this subordination is intended to benefit Agent and Lenders and shall not limit or otherwise affect such Borrower's liability hereunder or the enforceability of this Section 2.13, and that Agent, Lenders and their respective successors and assigns are intended third party beneficiaries of the waivers and agreements set forth in this Section 2.13.

If Agent or any Lender may, under applicable law, proceed to realize its benefits under any of the Loan Documents giving Agent or such Lender a Lien upon any Collateral, whether owned by any Borrower or by any other Person, either by judicial foreclosure or by non-judicial sale or enforcement, Agent or any Lender may, at its sole option, determine which of its remedies or rights it may pursue without affecting any of its rights and remedies under this Section 2.13. If, in the exercise of any of its rights and remedies, Agent or any Lender shall forfeit any of its rights or remedies, including its right to enter a deficiency judgment against any Borrower or any other Person, whether because of any applicable laws pertaining to "election of remedies" or the like, each Borrower hereby consents to such action by Agent or such Lender and waives any claim based upon such action, even if such action by Agent or such Lender shall result in a full or partial loss of any rights of subrogation that each Borrower might otherwise have had but for such action by Agent or such Lender. Any election of remedies that results in the denial or impairment of the right of Agent or any Lender to seek a deficiency judgment against any Borrower shall not impair any other Borrower's obligation to pay the full amount of the Obligations. In the event Agent or any Lender shall bid at any foreclosure or trustee's sale or at any private sale permitted by law or the Loan Documents, Agent or such Lender may bid all or less than the amount of the Obligations and the amount of such bid need not be paid by Agent or such Lender but shall be credited against the Obligations. The amount of the successful bid at any such sale, whether Agent, Lender or any other party is the

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successful bidder, shall be conclusively deemed to be the fair market value of the Collateral and the difference between such bid amount and the remaining

balance of the Obligations shall be conclusively deemed to be the amount of the Obligations guaranteed under this Section 2.13, notwithstanding that any present or future law or court decision or ruling may have the effect of reducing the amount of any deficiency claim to which Agent or any Lender might otherwise be entitled but for such bidding at any such sale.

The liability of Borrowers under this Section 2.13 is in addition to and shall be cumulative with all liabilities of each Borrower to Agent and Lenders under this Agreement and the other Loan Documents to which such Borrower is a party or in respect of any Obligations or obligation of the other Borrower, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

#### 2.14. Subrogation and Contribution.

Each Borrower agrees that if any other Borrower or any Guarantor makes a payment in respect of the Obligations, subject to Section 2.13, it shall be subrogated to the rights of the payees thereof against the other Borrowers and Guarantors with respect to such payment and shall have the rights of contribution set forth below against the other Borrowers and Guarantors. Subject to Section 2.13, each Borrower or Guarantor shall make payments in respect of the Obligations or contribution payments to the other Borrowers and Guarantors such that, taking into account all payments received on account of subrogation or contribution rights: (a) each Borrower or Guarantor shall have repaid at some time after the date hereof all Obligations the benefit of which have been received by it or, if the aggregate of all such repayments would exceed the outstanding Obligations, its pro rata share of the outstanding Obligations, in accordance with the benefit received by it and (b) if there remain Obligations unpaid after application of the payments referred to above, the deficiency shall be shared by Borrowers and Guarantors pro rata in preparation to their respective net worths on the Closing Date.

### SECTION 3. LOAN ADMINISTRATION.

#### 3.1. Manner of Borrowing Revolving Credit Loans/LIBOR Option.

Borrowings under the credit facility established pursuant to Section 1 hereof shall be as follows:

3.1.1. Loan Requests. A request for a Revolving Credit Loan shall be made, or shall be deemed to be made, in the following manner: (a) subject to the terms of Section 1.4, Wabash (on behalf of Borrowers) may give Agent notice of its intention to borrow, in which notice Wabash shall specify the amount of the proposed borrowing of a Revolving Credit Loan (which shall be no less than \$500,000 or an integral multiple of \$100,000) and the proposed borrowing date, which shall be a Business Day, no later than 11:00 a.m. (Chicago, Illinois time) on the proposed borrowing date (or in accordance with subsection 3.1.7, 3.1.8 or 3.1.9, as applicable, in the case of a request for a LIBOR Revolving Portion), provided, however, that no

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such request may be made at a time when there exists a Default or an Event of Default; and (b) the becoming due of any amount required to be paid under this Agreement, or the Notes, whether as interest or for any other Obligation, shall be deemed irrevocably to be a request by a Borrower for a Revolving Credit Loan on the due date in the amount required to pay such interest or other Obligation.

3.1.2. Disbursement. Each Borrower hereby irrevocably authorizes Agent to disburse the proceeds of each Loan requested, or deemed to be requested, pursuant to subsection 3.1.1 as follows: (i) the proceeds of each Revolving Credit Loan requested under subsection 3.1.1(a) shall be disbursed by Agent in lawful money of the United States of America in immediately available funds, in the case of the

initial borrowing, in accordance with the terms of the written disbursement letter from Borrowers, and in the case of each subsequent borrowing, by wire transfer to such bank account as may be agreed upon by Borrowers and Agent from time to time or elsewhere if pursuant to a written direction from a Borrower and (ii) the proceeds of each Revolving Credit Loan deemed requested under subsection 3.1.1(b) shall be disbursed by Agent by way of direct payment of the relevant interest or other Obligation. If at any time any Loan is funded by Agent or Lenders in excess of the amount requested or deemed requested by a Borrower, such Borrower agrees to repay the excess to Agent immediately upon the earlier to occur of (a) such Borrower's discovery of the error and (b) notice thereof to such Borrower from Agent or any Lender.

3.1.3. Payment by Lenders. Agent shall give to each Lender prompt written notice by facsimile, telex or cable of the receipt by Agent from Wabash of any request for a Revolving Credit Loan. Each such notice shall specify the requested date and amount of such Revolving Credit Loan, whether such Revolving Credit Loan shall be subject to the LIBOR Option, and the amount of each Lender's advance thereunder (in accordance with its applicable Revolving Loan Percentage). Each Lender shall, not later than 12:00 p.m. (Chicago time) on such requested date, wire to a bank designated by Agent the amount of that Lender's Revolving Loan Percentage of the requested Revolving Credit Loan. The failure of any Lender to make the Revolving Credit Loans to be made by it shall not release any other Lender of its obligations hereunder to make its Revolving Credit Loan. Neither Agent nor any other Lender shall be responsible for the failure of any other Lender to make the Revolving Credit Loan to be made by such other Lender. The foregoing notwithstanding, Agent, in its sole discretion, may from its own funds make a Revolving Credit Loan on behalf of any Lender. In such event, the Lender on behalf of whom Agent made the Revolving Credit Loan shall reimburse Agent for the amount of such Revolving Credit Loan made on its behalf, on a weekly (or more frequent, as determined by Agent in its sole discretion) basis. In addition, Agent shall notify Lenders on a weekly (or more frequent, as determined by Agent in its sole discretion) basis regarding settlement of the Swingline Loans, and promptly following such notice, each Lender shall reimburse Agent (in accordance with its applicable Revolving Loan Percentage) for the amount of the Swingline Loans outstanding. On each such settlement date, Agent will pay to each Lender the net amount owing to such Lender in connection with such

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settlement, including without limitation amounts relating to Loans, fees, interest and other amounts payable hereunder. The entire amount of interest attributable to such Revolving Credit Loan or Swingline Loan for the period from the date on which such Revolving Credit Loan or Swingline Loan was made by Agent on such Lender's behalf until Agent is reimbursed by such Lender, shall be paid to Agent for its own account.

3.1.4. Authorization. Each Borrower hereby irrevocably authorizes Agent, in Agent's sole discretion, to advance to Wabash or another Borrower, and to charge to the appropriate Borrower's Loan Account hereunder as a Revolving Credit Loan (which shall be a Base Rate Revolving Portion), a sum sufficient to pay all interest accrued on the Obligations during the immediately preceding month, to pay all principal due and payable at any time and to pay all fees, costs and expenses and other Obligations at any time owed by each Borrower to Agent or any Lender hereunder.

3.1.5. Letter of Credit and LC Guaranty Requests. A request for a Letter of Credit or LC Guaranty shall be made in the following manner: Wabash (on behalf of Borrowers) shall give Agent and Bank a written notice of its request for the issuance of a Letter of Credit or LC Guaranty, not later than 11:00 a.m. (Chicago, Illinois time), at

least one Business Day before the proposed issuance date thereof, in which notice such Borrower shall specify the proposed issuer, issuance date and format and wording for the Letter of Credit or LC Guaranty being requested (which shall be satisfactory to Agent and the Person being asked to issue such Letter of Credit or LC Guaranty); provided, that no such request may be made at a time when there exists a Default or Event of Default. Such request shall be accompanied by an executed application and reimbursement agreement in form and substance satisfactory to Agent and the Person being asked to issue the Letter of Credit or LC Guaranty, as well as any required corporate resolutions or other documents reasonably requested by Agent or Bank.

3.1.6. Method of Making Requests. As an accommodation to Borrowers, unless a Default or an Event of Default is then in existence, (i) Agent shall permit telephonic or electronic requests for Revolving Credit Loans to Agent, (ii) Agent and Bank may, in their discretion, permit electronic transmittal of requests for Letters of Credit and LC Guaranties to them, and (iii) Agent may, in Agent's discretion, permit electronic transmittal of instructions, authorizations, agreements or reports to Agent. Unless a Borrower specifically directs Agent or Bank, as applicable in writing not to accept or act upon telephonic or electronic communications from such Borrower (which direction shall only be applicable to the Persons who have received the same in writing), neither Agent, Bank nor any Lender shall have any liability to any Borrower for any loss or damage suffered by any Borrower as a result of Agent's or Bank's honoring of any requests, execution of any instructions, authorizations or agreements or reliance on any reports communicated to it telephonically or electronically and purporting to have been sent to Agent or Bank by any Borrower, and neither Agent or Bank shall have any duty to verify the origin of any such

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communication or the authority of the Person sending it. Each telephonic request for a Letter of Credit or LC Guaranty accepted by Agent or Bank hereunder shall be promptly followed by a written confirmation of such request from the applicable Borrower to Agent and Bank.

3.1.7. LIBOR Portions. Provided that as of both the date of the LIBOR Request and the first day of the Interest Period, no Default or Event of Default exists, in the event a Borrower desires to obtain a LIBOR Portion, Wabash (on behalf of such Borrower) shall give Agent a LIBOR Request no later than 11:00 a.m. (Chicago, Illinois time) on the third Business Day prior to the requested borrowing date. Each LIBOR Request shall be irrevocable and binding on Borrowers. In no event shall Borrowers be permitted to have outstanding at any one time LIBOR Portions with more than six (6) different Interest Periods.

3.1.8. Conversion of Base Rate Portions. Provided that as of both the date of the LIBOR Request and the first day of the Interest Period, no Default or Event of Default exists, a Borrower may, on any Business Day, convert any Base Rate Portion of such Borrower into a LIBOR Portion. If a Borrower desires to convert a Base Rate Portion, Wabash (on behalf of such Borrower) shall give Agent a LIBOR Request no later than 11:00 a.m. (Chicago, Illinois time) on the third Business Day prior to the requested conversion date. After giving effect to any conversion of Base Rate Portions to LIBOR Portions, Borrowers shall not be permitted to have outstanding at any one time LIBOR Portions with more than six (6) different Interest Periods.

3.1.9. Continuation of LIBOR Portions. Provided that as of both the date of the LIBOR Request and the first day of the Interest Period, no Default or Event of Default exists, a Borrower may, on any Business Day, continue any LIBOR Portions of such Borrower into a subsequent Interest Period of the same or a different permitted

duration. If a Borrower desires to continue a LIBOR Portion, Wabash (on behalf of such Borrower) shall give Agent a LIBOR Request no later than 11:00 a.m. (Chicago, Illinois time) on the second Business Day prior to the requested continuation date. After giving effect to any continuation of LIBOR Portions, Borrowers shall not be permitted to have outstanding at any one time LIBOR Portions with more than six (6) different Interest Periods. If a Borrower shall fail to give timely notice of its election to continue any LIBOR Portion or portion thereof as provided above, or if such continuation shall not be permitted, such LIBOR Portion or portion thereof, unless such LIBOR Portion shall be repaid, shall automatically be converted into a Base Rate Portion at the end of the Interest Period then in effect with respect to such LIBOR Portion.

3.1.10. Inability to Make LIBOR Portions. Notwithstanding any other provision hereof, if any applicable law, treaty, regulation or directive, or any change therein or in the interpretation or application thereof, shall make it unlawful for any Lender (for purposes of this subsection 3.1.10, the term "Lender" shall include the office or branch where such Lender or any corporation or bank then controlling such Lender makes or maintains any LIBOR Portions) to make or maintain its LIBOR

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Portions, or if with respect to any Interest Period, Agent is unable to determine the LIBOR relating thereto, or adverse or unusual conditions in, or changes in applicable law relating to, the London interbank market make it, in the reasonable judgment of Agent, impracticable to fund therein any of the LIBOR Portions, or make the projected LIBOR unreflective of the actual costs of funds therefor to any Lender, the obligation of Agent and Lenders to make or continue LIBOR Portions or convert Base Rate Portions to LIBOR Portions hereunder shall forthwith be suspended during the pendency of such circumstances and the applicable Borrower shall, if any affected LIBOR Portions are then outstanding, promptly upon request from Agent, convert such affected LIBOR Portions into Base Rate Portions.

### 3.2. Payments.

Except where evidenced by Notes issued by one or more Borrowers to any Lender and accepted by such Lender specifically containing payment instructions that are in conflict with this Section 3.2 (in which case the conflicting provisions of said notes or other instruments shall govern and control), the Obligations shall be payable as follows:

#### 3.2.1. Principal.

(i) Revolving Credit Loans. Principal on account of Revolving Credit Loans shall be payable by Borrowers to Agent for the ratable benefit of Lenders immediately upon the earliest of (i) at all times during a Dominion Period, the receipt by Agent, any Company or any Guarantor of any proceeds of any of the Collateral (except as otherwise provided herein), including without limitation pursuant to subsections 3.3.1 and 6.2.4, to the extent of said proceeds, subject to Borrowers' rights to reborrow such amounts in compliance with subsection 1.1.1 hereof; (ii) the occurrence of an Event of Default in consequence of which Agent or Majority Lenders elect to accelerate the maturity and payment of the Obligations, (iii) subject to the provisions of subsection 1.1.2, at all times that the calculations set forth in subsection 1.1.1 reflect a negative amount, to the extent of such amount, or (iv) termination of this Agreement pursuant to Section 4 hereof; provided, however, that, if an Overadvance shall exist at any time, Borrowers shall, on demand, jointly and severally repay the Overadvance. Each payment (including

principal prepayment) on account of principal of the Revolving Credit Loans shall be applied first to Base Rate Revolving Portions and then to LIBOR Revolving Portions.

(ii) Term Loan. Principal on account of the Term Loan shall be payable jointly and severally by Borrowers as follows: (i) as required pursuant to subsections 3.3.1, 3.3.2, 3.3.3 and 3.3.4, (ii) in 11 consecutive quarterly installments on each January 1, April 1, July 1 and October 1 commencing on January 1, 2004, each in the amount of \$1,682,143, and (iii) a final installment in the amount of the remaining principal balance of the Term Loan on September 30, 2006. Notwithstanding the foregoing, the entire unpaid

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principal balance of the Term Loan shall be due and payable upon the termination of this Agreement.

3.2.2. Interest.

(i) Base Rate Portion. Interest accrued on Base Rate Portions shall be due and payable on the earliest of (1) the first calendar day of each month (for the immediately preceding month), computed through the last calendar day of the preceding month, (2) the occurrence of an Event of Default in consequence of which Agent or Majority Lenders elect to accelerate the maturity and payment of the Obligations or (3) termination of this Agreement pursuant to Section 4 hereof.

(ii) LIBOR Portion. Interest accrued on each LIBOR Portion shall be due and payable on each LIBOR Interest Payment Date and on the earlier of (1) the occurrence of an Event of Default in consequence of which Agent or Majority Lenders elect to accelerate the maturity and payment of the Obligations or (2) termination of this Agreement pursuant to Section 4 hereof.

3.2.3. Costs, Fees and Charges. Costs, fees and charges payable pursuant to this Agreement shall be jointly and severally payable by Borrowers to Agent, as and when provided in Section 2 or Section 3 hereof, as applicable to Agent or a Lender, as applicable, or to any other Person designated by Agent or such Lender in writing.

3.2.4. Other Obligations. The balance of the Obligations requiring the payment of money, if any, shall be jointly and severally payable by Borrowers to Agent for distribution to Lenders, as appropriate, as and when provided in this Agreement, the Other Agreements or the Security Documents, or on demand, whichever is later.

3.2.5. Prepayment of/Failure to Borrow LIBOR Portions. Borrowers may prepay a LIBOR Portion only upon at least three (3) Business Days prior written notice to Agent (which notice shall be irrevocable). In the event of (i) the payment of any principal of any LIBOR Portion other than on the last day of the Interest Period applicable thereto (including as a result of an Event of Default), (ii) the conversion of any LIBOR Portion other than on the last day of the Interest Period applicable thereto, or (iii) the failure to borrow, convert, continue or prepay any LIBOR Portion on the date specified in any notice delivered pursuant hereto, then, in any such event, Borrowers shall jointly and severally compensate each Lender for the loss, cost and expense attributable to such event, as determined by such Lender in a manner consistent with its customs and practices.

3.3. Mandatory and Optional Prepayments.

3.3.1. Proceeds of Sale, Loss, Destruction or Condemnation

of Collateral. Except for (a) dispositions of assets permitted by subsection 8.2.9(ii) and dispositions

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in accordance with this Agreement of assets that are subject to a Lien permitted by subsection 8.2.5(iv) (in each case, the proceeds of which shall be applied to reduce the outstanding principal balance of the Revolving Credit Loans, but shall not permanently reduce the Revolving Loan Commitments), (b) as otherwise provided in subsection 8.2.9(vi) and (c) proceeds of Collateral received during the existence of a Event of Default (which shall be applied as set forth in subsection 3.4.2), if any Company or any Guarantor sells any of the Collateral or if any of the Collateral is lost, damaged or destroyed or taken by condemnation, the applicable Company or Guarantor shall, unless otherwise agreed by Majority Lenders, pay to Agent for the ratable benefit of Lenders as and when received by such Company or Guarantor and as a mandatory prepayment of the Loans, as herein provided, a sum equal to the proceeds (including insurance payments but net of costs and taxes incurred in connection with such sale or event) received by such Company or Guarantor from such sale, loss, damage, destruction or condemnation.

To the extent that the Collateral sold, lost, damaged, destroyed or condemned consists of Equipment, real Property, or other Property other than Accounts or Inventory, the applicable prepayment shall be applied first, to Agent's costs and expenses relating to the relevant transaction, second, to the installments of principal due under the Term Notes ratably, to be applied to future installment payments in the inverse order of maturity until paid in full and third, to repay outstanding principal of Revolving Credit Loans, but not as a permanent reduction of the Revolving Loan Commitments; provided, that in the case of a sale of (i) the real Property of WNC Cloud located at 606 East Center Street, Sheridan, Arkansas 72150; the real Property of WNTC located at 2727 South East Avenue, Fresno, California 93725; or the real Property of WNTC located at 9426 8th Avenue, Seattle, Washington, such proceeds shall be applied first, to Agent's costs and expenses relating to the relevant transaction, second, 50% of the remaining amount to the installments of principal due under the Term Notes ratably, to be applied to future installment payments in the inverse order of maturity until paid in full, and third, to repay outstanding principal of Revolving Credit Loans, but not as a permanent reduction of the Revolving Loan Commitments and (ii) any Subject Equipment, such proceeds shall be applied first, to repayment of the Other Indebtedness secured by such Subject Equipment and second, in the manner set forth in the first clause of this sentence.

To the extent that the Collateral sold, lost, damaged, destroyed or condemned consists of Accounts or Inventory, the applicable prepayment shall be applied to reduce the outstanding principal balance of the Revolving Credit Loans, but shall not permanently reduce the Revolving Loan Commitments. In addition, if the Collateral subject to such sale, loss, damage, destruction or condemnation consists of Eligible Accounts, Eligible Inventory, Eligible Bill and Hold Inventory or Eligible Trailer Inventory, such prepayment shall be specifically applied against any limits or sublimits contained in the Borrowing Base that are predicated on such Collateral.

Notwithstanding the foregoing, if the proceeds of insurance (net of costs and taxes incurred) with respect to any loss or destruction of Equipment or real Property,

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together with the aggregate amount of any other such proceeds during

the then current fiscal year of Borrowers, (i) are less than \$2,500,000, unless an Event of Default is then in existence, Agent shall remit such proceeds to the applicable Company or Guarantor for use in replacing or repairing the applicable Property, so long as the applicable Company or Guarantor has committed to acquire replacement Property within 180 days of such loss, damage or destruction and has actually acquired replacement Property within such 360 days of such loss, damage or destruction (free and clear of Liens other than Permitted Liens that are not Purchase Money Liens) (and if the applicable Company or Guarantor fails to commit to replace or rebuild the damaged Property within such 180 day period or fails to actually replace or rebuild such damaged Property within such 360 day period, Borrowers shall prepay the Obligations in the manner specified in the second sentence of this subsection 3.3.1), (ii) are greater than or equal to \$2,500,000 and less than \$5,000,000, unless an Event of Default is then in existence, such amounts shall be provisionally applied to reduce the outstanding principal balance of the Revolving Credit Loans (and a Rebuild Reserve shall be created in the amount of such proceeds), until the earliest of (1) Borrowers' decision not to repair or replace the damaged Property, (2) the expiration of one hundred eighty days (180) days from the receipt of such amount, if the applicable Company or Guarantor has not yet committed to acquire replacement Collateral or (3) the expiration of three hundred sixty (360) days from the receipt of such amount (with such amount being applied to the Obligations in the manner specified in the second sentence of this subsection 3.3.1 until payment thereof in full in the event that the foregoing period ends pursuant to clause (1) or clause (2)), or (iii) are equal to or greater than \$5,000,000, and Borrowers have requested that Agent and all Lenders agree to permit the applicable Company or Guarantor to repair or replace the damaged Property, such amounts shall be provisionally applied to reduce the outstanding principal balance of the Revolving Credit Loans (and a Rebuild Reserve shall be created in the amount of such proceeds), until the earliest of (1) Agent's and all Lenders' decision with respect thereto, (2) the expiration of one hundred eighty (180) days from the date of such request, unless the applicable Company or Guarantor has committed to replace or rebuild the damaged Property, or (3) the expiration of three hundred sixty (360) days from such request. If Borrowers decide and commit to repair or replace the applicable Property as provided in clause (ii) above or if Agent and all Lenders agree, in their reasonable judgment, to permit any such repair or replacement under clause (iii) above, the applicable amount shall, unless an Event of Default is in existence, be released from the Rebuild Reserve to the applicable Company or Guarantor as needed for use in replacing or repairing the damaged Property during such three hundred sixty (360) day period, with any remaining amount at the end of such three hundred sixty (360) day period applied to the Obligations in the manner specified in the second sentence of this subsection 3.3.1 until payment thereof in full; and in the case of clause (iii) above, if either Agent or any Lender declines to permit any such repair or replacement or fails to respond to Borrowers within such three hundred sixty (360) day period, or if the applicable Company or Guarantor has failed to commit to replace or rebuild the damaged Property within such one hundred eighty (180) day period, such amount shall be

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released from the Rebuild Reserve and applied to the Obligations in the manner specified in the second sentence of this subsection 3.3.1 until payment thereof in full.

3.3.2. Excess Cash Flow Recapture. Borrowers shall jointly and severally prepay the Loans in amounts equal to Wabash's Excess Cash Flow with respect to each fiscal year of Wabash during the Term hereof, commencing with the fiscal year ending December 31, 2004, such prepayments to be based upon, and made within 30 days following the due date for delivery by Borrowers to Agent of the annual financial

statements required by subsection 8.1.3(i) hereof and each such prepayment shall be applied to the Loans in the manner specified in the second sentence of subsection 3.3.1 until payment thereof in full.

3.3.3. Proceeds from Issuance of Additional Indebtedness. If any Borrower or any Guarantor issues any additional Indebtedness, Borrowers shall jointly and severally pay to Agent for the ratable benefit of Lenders, when and as received by any Borrower or any Guarantor and as a mandatory prepayment of the Obligations, a sum equal to 100% of the net proceeds to such Borrower or such Guarantor of the issuance of such Indebtedness; provided, that at any time that both (i) the outstanding principal balance of the Term Loan is less than or equal to \$25,000,000 and (ii) the Senior Leverage Ratio is 2.00:1.0 or less, such percentage shall be equal to 50%. Any such prepayment shall be applied to the Loans in the manner specified in the second sentence of subsection 3.3.1 until payment thereof in full.

3.3.4. Proceeds from Issuance of Additional Equity. If any Borrower or any Guarantor issues any additional equity (excluding (i) equity issued upon conversion of the Convertible Notes to equity Securities and (ii) equity issued upon exercise of employee options), Borrowers shall jointly and severally pay to Agent for the ratable benefit of Lenders, when and as received by any Borrower or any Guarantor, and as a mandatory prepayment of the Obligations, a sum equal to 50% of the net proceeds to such Borrower or such Guarantor of the issuance of such equity. Any such prepayment shall be applied to the Loans in the manner specified in the second sentence of subsection 3.3.1 until payment thereof in full.

3.3.5. Other Mandatory Prepayments. If any Borrower or any Guarantor receives any proceeds from any tax refunds, indemnity payments or pension plan reversions, Borrowers shall jointly and severally pay to Agent for the benefit of Lenders, when and as received by such Borrower or such Guarantor, and as a mandatory prepayment of the Obligations, a sum equal to 100% of such proceeds of such tax refund, indemnity payment or pension plan reversions; provided, however, that at any time that both (i) the outstanding principal balance of the Term Loan is less than or equal to \$25,000,000 and (ii) the Senior Leverage Ratio is 2.00 to 1.0 or less, such percentage shall be 50%. Any such prepayment shall be applied to the Obligations in the manner specified in the third sentence of subsection 3.3.1 until payment thereof in full.

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3.3.6. LIBOR Portions. If the application of any payment made in accordance with the provisions of this Section 3.3 at a time when no Event of Default has occurred and is continuing would result in termination of a LIBOR Portion prior to the last day of the Interest Period for such LIBOR Portion, the amount of such prepayment shall not be applied to such LIBOR Portion, but will, at Borrowers' option, be held by Agent in a non-interest bearing account at a Lender or another bank satisfactory to Agent in its discretion, which account is in the name of Agent and from which account only Agent can make any withdrawal, in each case to be applied as such amount would otherwise have been applied under this Section 3.3 at the earlier to occur of (i) the last day of the relevant Interest Period or (ii) the occurrence of a Default or an Event of Default.

3.3.7. Optional Prepayments. Borrowers may, at their option from time to time upon not less than 1 day's prior written notice to Agent, prepay installments of the Term Notes, provided that the amount of any such prepayment is at least \$500,000 and in integral multiples of \$100,000 above \$500,000, and that such prepayments are made ratably with respect to all Term Notes. Each such prepayment shall be applied to the installments of principal due under the Term Notes on a ratable basis. Except for charges applicable to prepayments of LIBOR Term

Portions, such prepayments shall be without premium or penalty.

3.3.8. Optional Reductions of Revolving Loan Commitments. Borrowers may, at their option from time to time but not more than once in any 12 month period upon not less than 30 Business Days' prior written notice to Agent, terminate in whole or permanently reduce ratably in part, the unused portion of the Revolving Loan Commitments, provided, however, that (i) each such partial reduction shall be in an amount of \$1,000,000 or integral multiples of \$1,000,000 in excess thereof and (ii) the aggregate of all optional reductions to the Revolving Credit Commitments may not exceed \$20,000,000 during any 12 month period or \$50,000,000 during the Term. Except for charges under subsection 3.2.5 applicable to prepayments of LIBOR Revolving Portions, such prepayments shall be without premium or penalty.

3.3.9. Special Mandatory Prepayment of Term Loan. Borrowers will make an additional mandatory prepayment of the Term Loan on January 1, 2004 in the amount of \$5,000,000. Such prepayment shall be applied to the Term Notes ratably, and to installments due thereunder in the inverse order of maturity until paid in full.

#### 3.4. Application of Payments and Collections.

3.4.1. Collections. All items of payment received by Agent in immediately available funds by 12:00 noon, Chicago, Illinois, time, on any Business Day shall be deemed received on that Business Day. All items of payment received after 12:00 noon, Chicago, Illinois, time, on any Business Day shall be deemed received on the following Business Day. If as the result of collections of Accounts as authorized by subsection 6.2.4 hereof or otherwise, a credit balance exists in the Loan Account, such credit balance shall not accrue interest in favor of Borrowers, but shall be

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disbursed to a Borrower or otherwise at a Borrower's direction in the manner set forth in subsection 3.1.2, upon a Borrower's request at any time, so long as no Default or Event of Default then exists. Agent may at its option, offset such credit balance against any of the Obligations upon and during the continuance of an Event of Default.

3.4.2. Apportionment, Application and Reversal of Payments. Principal and interest payments shall be apportioned ratably among Lenders (according to the unpaid principal balance of the Loans to which such payments relate held by each Lender). All payments shall be remitted to Agent and all such payments not relating to principal or interest of specific Loans, or not constituting payment of specific fees, and all proceeds of Accounts, or, except as provided in subsection 3.3.1, other Collateral received by Agent, shall be applied, ratably, subject to the provisions of this Agreement, first, to pay any fees, indemnities, or expense reimbursements (other than amounts related to Product Obligations) then due to Agent or Lenders from any Borrower; second, to pay interest due from Borrowers in respect of all Loans, including Swingline Loans and Agent Loans; third, to pay or prepay principal of Swingline Loans and Agent Loans; fourth, to pay or prepay principal of the Revolving Credit Loans (other than Swingline Loans and Agent Loans) and unpaid reimbursement obligations in respect of Letters of Credit; fifth, to pay an amount to Agent equal to all outstanding Letter of Credit Obligations to be held as cash Collateral for such Obligations (in an amount of 105% of the aggregate amount thereof); sixth, to pay or prepay principal of the Term Loan; seventh, to the payment of any other Obligation (other than amounts related to Product Obligations) due to the Agent or any Lender by any Borrower; and eighth, to pay any amounts owing in respect of Product Obligations. As between Agent and Borrowers, after the occurrence and during the continuance of an Event of Default, Agent shall have the continuing exclusive right to apply and reapply any and all such payments and

collections received at any time or times hereafter by Agent or its agent against the Obligations, in such manner as Agent may deem advisable, notwithstanding any entry by Agent or any Lender upon any of its books and records.

3.5. All Loans to Constitute One Obligation.

The Loans, Letters of Credit and LC Guarantees shall constitute one general joint and several Obligation of Borrowers, and shall be secured by Agent's Lien upon all of the Collateral.

3.6. Loan Account.

Agent shall enter all Loans as debits to one or more loan accounts (each, a "Loan Account") and shall also record in the Loan Account all payments made by or on behalf of each Borrower on any Obligations and all proceeds of Collateral which are finally paid to Agent, and may record therein, in accordance with customary accounting practice, other debits and credits, including interest and all charges and expenses properly chargeable to each Borrower.

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3.7. Statements of Account.

Agent will account to Borrowers monthly with a statement of Loans, charges and payments made pursuant to this Agreement during the immediately preceding month, and such account rendered by Agent shall be deemed final, binding and conclusive upon Borrowers absent demonstrable error unless Agent is notified by Borrowers in writing to the contrary within 30 days of the date each accounting is received by Borrowers. Such notice shall only be deemed an objection to those items specifically objected to therein.

3.8. Increased Costs.

If any law or any governmental or quasi-governmental rule, regulation, policy, guideline or directive (whether or not having the force of law) adopted or implemented after the date of this Agreement and having general applicability to all banks or finance companies within the jurisdiction in which any Lender operates (excluding, for the avoidance of doubt, the effect of and phasing in of capital requirements or other regulations or guidelines passed prior to the date of this Agreement), or any interpretation or application thereof by any governmental authority charged with the interpretation or application thereof, or the compliance of such Lender therewith, shall:

(i) (1) subject such Lender to any tax with respect to this Agreement (other than (a) any tax based on or measured by net income or otherwise in the nature of a net income tax, including, without limitation, any franchise tax or any similar tax based on capital, net worth or comparable basis for measurement and (b) any tax collected by a withholding on payments and which neither is computed by reference to the net income of the payee nor is in the nature of an advance collection of a tax based on or measured by the net income of the payee) or (2) change the basis of taxation of payments to such Lender of principal, fees, interest or any other amount payable hereunder or under any Loan Documents (other than in respect of (a) any tax based on or measured by net income or otherwise in the nature of a net income tax, including, without limitation, any franchise tax or any similar tax based on capital, net worth or comparable basis for measurement and (b) any tax collected by a withholding on payments and which neither is computed by reference to the net income of the payee nor is in the nature of an advance collection of a tax based on or measured by the net income of the payee);

(ii) impose, modify or hold applicable any reserve (except any reserve taken into account in the determination of the applicable LIBOR), special deposit, assessment or similar requirement against assets held by, or deposits in or for the account of, advances or loans by, or other credit extended by, any office of such Lender, including (without limitation) pursuant to Regulation D; or

(iii) impose on such Lender or the London interbank market any other condition with respect to any Loan Document;

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and the result of any of the foregoing is to increase the cost to such Lender of making, renewing or maintaining Loans hereunder or the result of any of the foregoing is to reduce the rate of return on such Lender's capital as a consequence of its obligations hereunder, or the result of any of the foregoing is to reduce the amount of any payment (whether of principal, interest or otherwise) in respect of any of the Loans, then, in any such case, Borrowers shall jointly and severally pay such Lender, upon demand and certification not later than sixty (60) days following its receipt of notice of the imposition of such increased costs, such additional amount as will compensate such Lender for such additional cost or such reduction, as the case may be, to the extent such Lender has not otherwise been compensated, with respect to a particular Loan, for such increased cost as a result of an increase in the Base Rate or the LIBOR. An officer of the applicable Lender shall determine the amount of such additional cost or reduced amount using reasonable averaging and attribution methods and shall certify the amount of such additional cost or reduced amount to Borrowers, which certification shall include a written explanation of such additional cost or reduction to Borrowers. Such certification shall be conclusive absent manifest error. If a Lender claims any additional cost or reduced amount pursuant to this Section 3.8, then such Lender shall use reasonable efforts (consistent with legal and regulatory restrictions) to designate a different lending office or to file any certificate or document reasonably requested by Borrowers if the making of such designation or filing would avoid the need for, or reduce the amount of, any such additional cost or reduced amount and would not, in the sole discretion of such Lender, be otherwise disadvantageous to such Lender.

### 3.9. Basis for Determining Interest Rate Inadequate.

In the event that Agent or any Lender shall have determined that:

(i) reasonable means do not exist for ascertaining the LIBOR for any Interest Period; or

(ii) Dollar deposits in the relevant amount and for the relevant maturity are not available in the London interbank market with respect to a proposed LIBOR Portion, or a proposed conversion of a Base Rate Portion into a LIBOR Portion; then

Agent or such Lender shall give Borrowers prompt written, telephonic or electronic notice of the determination of such effect. If such notice is given, (i) any such requested LIBOR Portion shall be made as a Base Rate Portion, unless Borrowers shall notify Agent no later than 11:00 a.m. (Chicago, Illinois time) three (3) Business Days prior to the date of such proposed borrowing that the request for such borrowing shall be canceled or made as an unaffected type of LIBOR Portion, and (ii) any Base Rate Portion which was to have been converted to an affected type of LIBOR Portion shall be continued as or converted into a Base Rate Portion, or, if Borrowers shall notify Agent, no later than 11:00 a.m. (Chicago, Illinois time) three (3) Business Days prior to the proposed conversion, shall be maintained as an unaffected type of LIBOR Portion.

3.10. Sharing of Payments, Etc.

If any Lender shall obtain any payment (whether voluntary, involuntary, through the exercise of any right of set-off, or otherwise) on account of any Loan made by it in excess of its ratable share of payments on account of Loans made by all Lenders, such Lender shall forthwith purchase from each other Lender such participation in such Loan as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each other Lender; provided, that if all or any portion of such excess payment is thereafter recovered from such purchasing Lender, such purchase from each Lender shall be rescinded and such Lender shall repay to the purchasing Lenders the purchase price to the extent of such recovery, together with an amount equal to such Lender's ratable share (according to the proportion of (i) the amount of such Lender's required repayment to (ii) the total amount so recovered from the purchasing Lender) of any interest or other amount paid or payable by the purchasing Lender in respect of the total amount so recovered. Borrowers agree that any Lender so purchasing a participation from another Lender pursuant to this Section 3.10 may, to the fullest extent permitted by law, exercise all its rights of payment (including the right of set-off) with respect to such participation as fully as if such Lender were the direct creditor of each Borrower in the amount of such participation. Notwithstanding anything to the contrary contained herein, all purchases and repayments to be made under this Section 3.10 shall be made through Agent.

SECTION 4. TERM AND TERMINATION

4.1. Term of Agreement.

Subject to the right of Lenders to cease making Loans to Borrowers during the continuance of any Default or Event of Default, this Agreement shall be in effect from the date hereof through and including September 30, 2006 (the "Term"), unless terminated as provided in Section 4.2 hereof.

4.2. Termination.

4.2.1. Termination by Lenders. Agent may, and at the direction of Majority Lenders shall, terminate this Agreement upon notice during the continuance of an Event of Default.

4.2.2. Termination by Borrowers. Upon at least 30 days' prior written notice to Agent and Lenders, Borrowers may, at their option, terminate this Agreement; provided, however, no such termination shall be effective until Borrowers have paid or collateralized to Agent's reasonable satisfaction all of the Obligations in immediately available funds, all Letters of Credit and LC Guaranties have expired, terminated or have been cash collateralized (in an amount equal to 105% of the Dollar Equivalent of the LC Amount) to Agent's reasonable satisfaction and Borrowers have complied with subsection 3.2.5. Any notice of termination given by Borrowers shall be irrevocable unless all Lenders otherwise agree in writing and no Lender shall have any obligation to make any Loans or issue or procure any Letters of Credit or LC Guaranties on or after the termination date stated in such notice. Without limiting

Borrowers' right to reduce the amount of the Revolving Loan Commitments pursuant to subsection 3.3.8, Borrowers may elect to terminate this Agreement in its entirety only. No section of this Agreement or type of Loan available hereunder may be terminated singly.

4.2.3. Effect of Termination. All of the Obligations shall

be immediately due and payable upon the termination date stated in any notice of termination of this Agreement. All undertakings, agreements, covenants, warranties and representations of Borrowers contained in the Loan Documents shall survive any such termination and Agent shall retain its Liens in the Collateral and Agent and each Lender shall retain all of its rights and remedies under the Loan Documents notwithstanding such termination until all Obligations have been discharged or paid, in full, in immediately available funds, including, without limitation, all Obligations under subsection 3.2.5 resulting from such termination. Notwithstanding the foregoing or the payment in full of the Obligations, Agent shall not be required to terminate its Liens in the Collateral unless, with respect to any loss or damage Agent may incur as a result of dishonored checks or other items of payment received by Agent from any Borrower or any Account Debtor and applied to the Obligations, Agent shall, at its option, (i) have received a written agreement satisfactory to Agent, executed by Borrowers and by any Person whose loans or other advances to any Borrower are used in whole or in part to satisfy the Obligations, indemnifying Agent and each Lender from any such loss or damage or (ii) have retained cash Collateral or other Collateral for such period of time as Agent, in its reasonable discretion, may deem necessary to protect Agent and each Lender from any such loss or damage.

#### SECTION 5. SECURITY INTERESTS

##### 5.1. Security Interest in Collateral.

To secure the prompt payment and performance to Agent, each Lender and each Affiliate of Agent and each Lender of the Obligations, each Borrower hereby grants to Agent for the benefit of itself, each Lender and each Affiliate of Agent and each Lender a continuing Lien upon all of such Borrower's assets, including all of the following Property and interests in Property of such Borrower, whether now owned or existing or hereafter created, acquired or arising and wheresoever located:

- (i) Accounts;
- (ii) Certificated Securities;
- (iii) Chattel Paper;
- (iv) Computer Hardware and Software and all rights with respect thereto, including, any and all licenses, options, warranties, service contracts, program services, test rights, maintenance rights, support rights, improvement

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rights, renewal rights and indemnifications, and any substitutions, replacements, additions or model conversions of any of the foregoing;

- (v) Contract Rights;
- (vi) Deposit Accounts;
- (vii) Documents;
- (viii) Equipment;
- (ix) Financial Assets;
- (x) Fixtures;
- (xi) General Intangibles, including Payment Intangibles and Software;

- (xii) Goods (including all of its Equipment, Fixtures and Inventory), and all accessions, additions, attachments, improvements, substitutions and replacements thereto and therefor;
- (xiii) Instruments;
- (xiv) Intellectual Property;
- (xv) Inventory (including without limitation Bill and Hold Inventory and Trailer Inventory);
- (xvi) Investment Property;
- (xvii) money (of every jurisdiction whatsoever);
- (xviii) Letter-of-Credit Rights;
- (xix) Payment Intangibles;
- (xx) Security Entitlements;
- (xxi) Software;
- (xxii) Supporting Obligations;
- (xxiii) Uncertificated Securities; and
- (xxiv) to the extent not included in the foregoing, all other personal property of any kind or description;

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together with all books, records, writings, data bases, information and other property relating to, used or useful in connection with, or evidencing, embodying, incorporating or referring to any of the foregoing, and all Proceeds, products, offspring, rents, issues, profits and returns of and from any of the foregoing; provided, that to the extent that the provisions of any lease or license of Computer Hardware and Software or Intellectual Property expressly prohibit (which prohibition is enforceable under applicable law) any assignment thereof, and the grant of a security interest therein, Agent will not enforce its security interest in the applicable Borrower's rights under such lease or license (other than in respect of the Proceeds thereof) for so long as such prohibition continues, it being understood that upon request of Agent, such Borrower will in good faith use reasonable efforts to obtain consent for the creation of a security interest in favor of Agent (and to Agent's enforcement of such security interest) in Agent's rights under such lease or license, excluding licenses to use JD Edwards World and One World software, for which no Lien or consent shall be requested or obtained.

## 5.2. Other Collateral.

5.2.1. Commercial Tort Claims. The applicable Borrower shall promptly notify Agent in writing upon incurring or otherwise obtaining a Commercial Tort Claim after the Closing Date against any third party and, upon request of Agent, promptly enter into an amendment to this Agreement and do such other acts or things deemed appropriate by Agent to give Agent a security interest in any such Commercial Tort Claim. Each Borrower represents and warrants that as of the date of this Agreement, to its knowledge, it does not possess any Commercial Tort Claims other than as described on Exhibit 5.2.1 hereto.

5.2.2. Other Collateral. The applicable Borrower shall promptly notify Agent in writing upon acquiring or otherwise obtaining any Collateral after the date hereof consisting of Deposit Accounts, Investment Property, Letter-of-Credit Rights or Electronic Chattel Paper and, upon the request of Agent, promptly execute such other

documents, and do such other acts or things deemed appropriate by Agent to deliver to Agent control with respect to such Collateral; promptly notify Agent in writing upon acquiring or otherwise obtaining any Collateral after the date hereof consisting of Documents or Instruments and, upon the request of Agent, will promptly execute such other documents, and do such other acts or things deemed appropriate by Agent to deliver to Agent possession of such Documents which are negotiable and Instruments, and, with respect to nonnegotiable Documents, to have such nonnegotiable Documents issued in the name of Agent; and with respect to Collateral in the possession of a third party, other than Certificated Securities and Goods covered by a Document, obtain an acknowledgement from the third party that it is holding the Collateral for the benefit of Agent.

5.2.3. Apex Trailer Leases. Upon request by Agent, the applicable Borrower shall promptly take such action as is reasonably required by Agent to perfect Agent's Lien on the Apex Trailer Leases, which shall include without limitation, delivery to Agent of all original Apex Trailer Leases and the addition to each Apex Trailer Lease of a stamped legend indicating that such Apex Trailer Lease

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is subject to a Lien in favor of Agent. The applicable Borrower shall promptly deliver to Agent such information as Agent may reasonably request from time to time with respect to each Apex Trailer Lease.

5.3. Lien Perfection; Further Assurances.

Each Borrower shall execute such instruments, assignments or documents as are necessary to perfect Agent's Lien upon any of the Collateral and shall take such other action as may be required to perfect or to continue the perfection of Agent's Lien upon the Collateral. Unless prohibited by applicable law, each Borrower hereby authorizes Agent to execute and file any UCC, PPSA or similar financing statement, including, without limitation, financing statements that indicate the Collateral (i) as all assets of such Borrower or words of similar effect, or (ii) as being of an equal or lesser scope, or with greater or lesser detail, than as set forth in Section 5.1, on such Borrower's behalf. Each Borrower also hereby ratifies its authorization for Agent to have filed in any jurisdiction any like financing statements or amendments thereto if filed prior to the date hereof. The parties agree that a carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement and may be filed in any appropriate office in lieu thereof. At Agent's request, each Borrower shall also promptly execute or cause to be executed and shall deliver to Agent any and all documents, instruments and agreements deemed necessary by Agent, to give effect to or carry out the terms or intent of the Loan Documents.

5.4. Lien on Realty.

In addition to the Property described in Sections 5.1 and 5.2 and the Property of each Guarantor described in the applicable Collateral Documents, the due and punctual payment and performance of the Obligations shall also be secured by the Lien created by Mortgages upon all real Property of each Borrower or Guarantor now or hereafter owned. Each Mortgage shall be executed by the applicable Borrower or Guarantor in favor of Agent. Each Mortgage shall be duly recorded, at Borrowers' joint and several expense, in each office where such recording is required to constitute a fully perfected first Lien on the real Property covered thereby. If so requested by Agent, the applicable Borrower or Guarantor shall deliver to Agent, at Borrowers' joint and several expense, (i) with respect to each individual parcel of real Property with an appraised value of \$1,000,000 or less, title tract searches performed by a title insurance company reasonably satisfactory to Agent and (ii) with respect to each individual parcel of real Property with an appraised value in excess of \$1,000,000, mortgagee title insurance policies issued by a title insurance company reasonably satisfactory to Agent, which policies shall be in form and substance reasonably satisfactory to Agent and shall insure a valid first Lien

in favor of Agent, for the benefit of itself and the Lenders, on the Property covered by each Mortgage, subject only to those exceptions reasonably acceptable to Agent and its counsel. If so requested by Agent, with respect to each individual parcel of real Property with an appraised value in excess of \$1,000,000, the applicable Borrower or Guarantor shall deliver to Agent an ALTA as-built plat of survey prepared by a surveyor licensed in the state in which such real Property is located (which surveys may be delivered within 30 days after the Closing Date). The applicable Borrower or Guarantor shall deliver to Agent such other documents as Agent and its counsel may reasonably request relating to the real Property subject to the

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Mortgages. Notwithstanding the foregoing, Borrowers shall not be required to deliver a Mortgage, title policy or survey with respect to the real Property of WNTC located at 9426 8th Avenue, Seattle, Washington until September 30, 2003 and then, only to the extent that such real Property has not been sold prior to such date.

## SECTION 6. COLLATERAL ADMINISTRATION

### 6.1. General.

6.1.1. Location of Collateral. All Collateral, other than (i) Inventory in transit, (ii) motor vehicles not included in Trailer Inventory or Apex Trailer Inventory, (iii) the Apex Trailer Inventory or (iv) Collateral in the possession of Agent, will at all times be kept by a Borrower or one of its Subsidiaries at one or more of the business locations set forth in Exhibit 6.1.1 hereto, as updated by Borrowers providing prior written notice to Agent of any new location. Apex Trailer Inventory shall be located either (a) at one or more of the business locations set forth in Exhibit 6.1.1 hereto, as updated by Borrowers providing prior written notice to Agent of any new location, or (b) at a location of a customer of the applicable Borrower, pursuant to a Apex Trailer Lease, as set forth in Exhibit 6.3.2 hereto, as updated by Borrowers providing prior written notice to Agent of any new location.

6.1.2. Insurance of Collateral. Borrowers shall maintain and pay for insurance upon all Collateral wherever located and with respect to the business of each Borrower and each of its Subsidiaries, covering casualty, hazard, public liability, workers' compensation, business interruption and such other risks in such amounts and with such insurance companies as are reasonably satisfactory to Agent. Borrowers shall deliver certified copies of such policies to Agent as promptly as practicable, with satisfactory lender's loss payable endorsements, naming Agent as a loss payee, assignee or additional insured, as appropriate, as its interest may appear, showing only such other loss payees, assignees and additional insureds (i) as required under contractual arrangements customary to Borrowers' operations (but not involving Indebtedness for Money Borrowed) or (ii) as otherwise are satisfactory to Agent and with respect to business interruption insurance, an executed collateral assignment thereof. Each policy of insurance or endorsement shall contain a clause requiring the insurer to give not less than 10 days' prior written notice to Agent in the event of cancellation of the policy for nonpayment of premium and not less than 30 days' prior written notice to Agent in the event of cancellation of the policy for any other reason whatsoever and a clause specifying that the interest of Agent shall not be impaired or invalidated by any act or neglect of any Borrower, any of its Subsidiaries or the owner of the Property or by the occupation of the premises for purposes more hazardous than are permitted by said policy. All proceeds of business interruption insurance (if any) of each Borrower and its Subsidiaries shall be remitted to Agent for application to the outstanding balance of the Revolving Credit Loans, but shall not permanently reduce the Revolving Loan Commitments.

Unless Borrowers provide Agent with evidence of the insurance coverage required by this Agreement, Agent may, but need not, purchase insurance at Borrowers' joint and several expense to protect Agent's interests in the Properties of each Borrower and its Subsidiaries. This insurance may, but need not, protect the interests of each Borrower and its Subsidiaries. The coverage that Agent purchases may not pay any claim that a Borrower or any Subsidiary of such Borrower makes or any claim that is made against a Borrower or any such Subsidiary in connection with said Property. Borrowers may later cancel any insurance purchased by Agent, but only after providing Agent with evidence that Borrowers and their Subsidiaries have obtained insurance as required by this Agreement. If Agent purchases insurance, Borrowers will be jointly and severally responsible for the costs of that insurance, including interest and any other charges Agent may impose in connection with the placement of insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Obligations. The costs of the insurance may be more than the cost of insurance that Borrowers and the Subsidiaries may be able to obtain on their own.

6.1.3. Protection of Collateral. Neither Agent nor any Lender shall be liable or responsible in any way for the safekeeping of any of the Collateral or for any loss or damage thereto (except for reasonable care in the custody thereof while any Collateral is in Agent's or any Lender's actual possession) or for any diminution in the value thereof, or for any act or default of any warehouseman, carrier, forwarding agency, or other person whomsoever, but the same shall be at Borrowers' sole risk.

6.2. Administration of Accounts.

6.2.1. Records, Schedules and Assignments of Accounts. Each Company shall keep accurate and complete records of its Accounts and all payments and collections thereon and shall submit to Agent on such periodic basis as Agent shall request a sales and collections report for the preceding period, in form consistent with the reports currently prepared by such Company with respect to such information. Concurrently with the delivery of each Borrowing Base Certificate described in subsection 8.1.4, or more frequently as reasonably requested by Agent, from and after the date hereof, each Company shall deliver to Agent a detailed aged trial balance of all of its Accounts, specifying the names, face values, dates of invoices and due dates for each Account Debtor obligated on an Account so listed ("Schedule of Accounts"), and upon Agent's request therefor, copies of proof of delivery and the original copy of all documents, including, without limitation, repayment histories and present status reports relating to the Accounts so scheduled and such other matters and information relating to the status of then existing Accounts as Agent shall reasonably request. Concurrently with the delivery of the financial statements to be delivered pursuant to subsection 8.1.3(i), or more frequently if so requested by Agent, a listing of Account Debtors, showing all names and addresses. If requested by Agent, each Company shall execute and deliver to Agent formal written assignments of all of its Accounts weekly or daily, which shall include all Accounts that have been created since the

date of the last assignment, together with copies of invoices or invoice registers related thereto.

6.2.2. Discounts, Allowances, Disputes. If a Company grants any discounts, allowances or credits that are not shown on the face of the invoice for the Account involved, such Company shall report such

discounts, allowances or credits, as the case may be, to Agent as part of the next required Schedule of Accounts.

6.2.3. Account Verification. Any of Agent's officers, employees or agents shall have the right, at any time or times hereafter, in the name of Agent, any designee of Agent or a Company, to verify the validity, amount or any other matter relating to any Accounts by mail, telephone, electronic communication or otherwise. Each Company shall cooperate fully with Agent in an effort to facilitate and promptly conclude any such verification process.

6.2.4. Maintenance of Dominion Account. Each Company shall maintain a Dominion Account or Accounts pursuant to lockbox and blocked account arrangements acceptable to Agent with Bank and such other banks as may be selected by such Company. Each Company shall obtain the agreement by the applicable banks in favor of Agent to waive any recoupment, setoff rights, and any security interest in, or against, the funds so deposited. Each Company shall issue to any such banks an irrevocable letter of instruction directing such banks to deposit all payments or other remittances received in the lockbox and blocked accounts to the Dominion Account. All funds deposited in the Dominion Account shall be available to Borrowers at their discretion unless a Dominion Period is in effect. Upon the occurrence of a Dominion Event, Agent may, and at the direction of Majority Lenders Agent shall, send the appropriate notice to Borrowers to commence a Dominion Period. If a Dominion Period is in effect, all funds in the Dominion Account shall (i) immediately become the property of Agent, for the ratable benefit of Lenders and (ii) be applied on account of the Obligations as provided in subsection 3.2.1. Agent shall have the right to invoke three separate Dominion Periods hereunder; once a third Dominion Period has been commenced, it shall remain in effect until the repayment in full of the Obligations. Agent assumes no responsibility for such lockbox and blocked account arrangements, including, without limitation, any claim of accord and satisfaction or release with respect to deposits accepted by any bank thereunder. Notwithstanding anything to the contrary contained herein, all such lockbox and blocked account arrangements will be in place and operational on or before October 23, 2003.

6.2.5. Collection of Accounts, Proceeds of Collateral. To expedite collection, each Company shall endeavor in the first instance to make collection of its Accounts for Agent. If no Default or Event of Default is in existence, (i) each Company shall directly collect remittances on account of its Accounts owing from retail customers at its branch locations and (ii) each Company agrees that all invoices rendered and other requests made by such Company for payment in respect of Accounts other than retail Accounts shall contain a written statement directing payment in respect of such Accounts to be paid to a lockbox established pursuant to

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subsection 6.2.4. All remittances received by each Company on account of Accounts, together with the proceeds of any other Collateral, shall be held as Agent's property, for its benefit and the benefit of Lenders, by such Company as trustee of an express trust for Agent's benefit and such Company shall immediately deposit same in kind in a blocked account or in the Dominion Account. Upon the occurrence of a Default or an Event of Default, each Company agrees that all Accounts (including retail Accounts) shall be collected by payment to a lockbox in the manner described in clause (ii) above. Agent retains the right at all times after the occurrence and during the continuance of a Default or an Event of Default to notify Account Debtors that each Company's Accounts have been assigned to Agent and to collect each Company's Accounts directly in its own name, or in the name of Agent's agent, and to charge the collection costs and expenses, including attorneys' fees, jointly and severally to Borrowers.

6.2.6. Taxes. If an Account includes a charge for any tax payable to any governmental taxing authority, Agent is authorized, in its sole discretion, to pay the amount thereof to the proper taxing authority for the account of any Borrower and to charge any Borrower therefor, except for taxes that (i) are being actively contested in good faith and by appropriate proceedings and with respect to which the applicable Company maintains reasonable reserves on its books therefor and (ii) would not reasonably be expected to result in any Lien other than a Permitted Lien. In no event shall Agent or any Lender be liable for any taxes to any governmental taxing authority that may be due by any Company.

6.3. Administration of Inventory.

6.3.1. Recordkeeping; Physicals. Each Company shall keep separate records of its Inventory, Trailer Inventory, Bill and Hold Inventory and Apex Trailer Inventory, which records shall be complete and accurate and complete in all material respects. Borrowers shall furnish to Agent separate Inventory, Trailer Inventory and Bill and Hold Inventory reports for each Company concurrently with the delivery of each Borrowing Base Certificate described in subsection 8.1.4 or more frequently as reasonably requested by Agent, which reports will be in such other format and detail as Agent shall reasonably request and shall include a current list separately showing all locations of such Company's Inventory, Trailer Inventory and Bill and Hold Inventory. Each Company shall conduct a physical inventory no less frequently than annually (or, if an Event of Default is in existence, quarterly if so requested by Agent), and, in each case, shall provide to Agent a report based on each such physical inventory promptly thereafter, together with such supporting information as Agent shall reasonably request.

6.3.2. Apex Trailer Leases. Each Apex Trailer Lease in existence as of the Closing Date is listed on Exhibit 6.3.2. Exhibit 6.3.2 also shows the name of each lessee. All lease payments will be directed to the lockbox and blocked account system in the manner set forth in subsection 6.2.5. As of the Closing Date, all of the Apex Trailer Leases are in full force and effect without default by any party thereto.

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Apex has unencumbered title to each item of Apex Trailer Inventory subject to an Apex Trailer Lease and the unencumbered right to subject such item of Apex Trailer Inventory to such Apex Trailer Lease.

6.3.3. Vehicle Titles. Each Borrower that maintains Trailer Inventory or Apex Trailer Inventory shall at all times maintain in place its current system for processing and safekeeping of certificates of title for used trailers constituting part of the Trailer Inventory or the Apex Trailer Inventory.

6.4. Administration of Equipment.

Each Company shall keep records of its Equipment which shall be complete and accurate in all material respects itemizing and describing the kind, type, quality, quantity and book value of its Equipment and all dispositions made in accordance with subsection 8.2.9 hereof, and each Company shall, and shall cause each of its Subsidiaries to, furnish Agent with a current schedule containing the foregoing information on at least an annual basis and more often if reasonably requested by Agent. Promptly after the request therefor by Agent, each Company shall deliver to Agent any and all evidence of ownership, if any, of any of its Equipment.

6.5. Payment of Charges.

All amounts chargeable to any Borrower under Section 6 hereof

shall be Obligations secured by all of the Collateral, shall be payable on demand and shall bear interest from the date such advance was made until paid in full at the rate applicable to Base Rate Revolving Portions from time to time.

## SECTION 7. REPRESENTATIONS AND WARRANTIES

### 7.1. General Representations and Warranties.

To induce Agent and each Lender to enter into this Agreement and to make advances hereunder, each Borrower warrants, represents and covenants to Agent and each Lender that:

7.1.1. Qualification. Each Borrower and each of its Subsidiaries is a corporation, limited partnership or limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization. Each Borrower, Wabash Canada and each of each Borrower's Domestic Subsidiaries is duly qualified and is authorized to do business and is in good standing as a foreign limited liability company, limited partnership or corporation, as applicable, in (a) as of the date hereof, each state or jurisdiction listed on Exhibit 7.1.1 hereto and (b) all states and jurisdictions in which the failure of such Borrower or any of its Subsidiaries to be so qualified could reasonably be expected to have a Material Adverse Effect.

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7.1.2. Power and Authority. Each Borrower and each of its Subsidiaries is duly authorized and empowered to enter into, execute, deliver and perform this Agreement and each of the other Loan Documents to which it is a party. The execution, delivery and performance of this Agreement and each of the other Loan Documents have been duly authorized by all necessary corporate, partnership or other relevant action and do not and will not (i) require any consent or approval of the shareholders, partners or members of such Borrower or any of the shareholders, partners or members, as the case may be, of any Subsidiary of such Borrower; (ii) contravene such Borrower's or any of its Subsidiaries' charter, articles or certificate of incorporation, partnership agreement, certificate of formation, by-laws, limited liability agreement, operating agreement or other organizational documents (as the case may be); (iii) violate, or cause such Borrower or any of its Subsidiaries to be in default under, any provision of any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award in effect having applicability to such Borrower or any of its Subsidiaries, the violation of which could reasonably be expected to have a Material Adverse Effect; (iv) result in a breach of or constitute a default under any indenture or loan or credit agreement or any other agreement, lease or instrument to which such Borrower or any of its Subsidiaries is a party or by which it or its Properties may be bound or affected, the breach of or default under which could reasonably be expected to have a Material Adverse Effect; or (v) result in, or require, the creation or imposition of any Lien (other than Permitted Liens) upon or with respect to any of the Properties now owned or hereafter acquired by such Borrower or any of its Subsidiaries.

7.1.3. Legally Enforceable Agreement. This Agreement is, and each of the other Loan Documents when delivered under this Agreement will be, a legal, valid and binding obligation of each Borrower and each of its Subsidiaries party thereto, enforceable against it in accordance with its respective terms.

7.1.4. Capital Structure. Exhibit 7.1.4 hereto states, as of the date hereof, (i) the correct name of each of the Subsidiaries of each Borrower, its jurisdiction of incorporation or organization and the percentage of its Voting Stock owned by such Borrower, (ii) the name of each Borrower's and each of its Subsidiaries' corporate or

joint venture relationships and the nature of the relationship, (iii) the number, nature and holder of all outstanding Securities of each Borrower other than Wabash and the holder of Securities of each Subsidiary of such Borrower and (iv) the number of authorized, issued and treasury Securities of each Borrower other than Wabash. Each Borrower has good title to all of the Securities it purports to own of each of such Subsidiaries, free and clear in each case of any Lien other than Permitted Liens. All such Securities have been duly issued and are fully paid and non-assessable. Except as set forth on Exhibit 7.1.4, as of the date hereof, there are no outstanding options to purchase, or any rights or warrants to subscribe for, or any commitments or agreements to issue or sell any Securities or obligations convertible into, or any powers of attorney relating to any Securities of any Borrower or any of its Subsidiaries. Except as set forth on Exhibit 7.1.4, as of the date hereof, there are no

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outstanding agreements or instruments binding upon any of any Borrower's or any of its Subsidiaries' partners, members or shareholders, as the case may be, relating to the ownership of its Securities.

7.1.5. Names; Organization. As of the date hereof, neither any Borrower nor any of its Subsidiaries has been known as or has used any legal, fictitious or trade names except those listed on Exhibit 7.1.5 hereto. Except as set forth on Exhibit 7.1.5, as of the date hereof neither any Borrower nor any of its Subsidiaries has been the surviving entity of a merger or consolidation or has acquired all or substantially all of the assets of any Person. As of the date hereof, each Borrower's and each of its Subsidiaries' state(s) of incorporation or organization, Type of Organization and Organizational I.D. Number is set forth on Exhibit 7.1.5. As of the date hereof, the exact legal name of each Borrower and each of its Subsidiaries is set forth on Exhibit 7.1.5.

7.1.6. Business Locations; Agent for Process. Each Borrower's and each of its Subsidiary's chief executive office, location of books and records and other places of business are as listed on Exhibit 6.1.1 hereto, as updated from time to time by Borrowers in accordance with the provisions of subsection 6.1.1. During the preceding one-year period, neither any Borrower nor any of its Subsidiaries has had an office, place of business or agent for service of process, other than as listed on Exhibit 6.1.1. All tangible Collateral is and will at all times be kept by a Borrower and its Subsidiaries in accordance with subsection 6.1.1 or subsection 6.3.2. Except as shown on Exhibit 6.1.1 and Exhibit 6.3.2, as of the date hereof, no Inventory is stored with a bailee, distributor, warehouseman or similar party, nor is any Inventory consigned to any Person.

7.1.7. Title to Properties; Priority of Liens. Each Borrower and each of its Subsidiaries has good, indefeasible and marketable title to and fee simple ownership of, or valid and subsisting leasehold interests in, all of its real Property, and good title to all of the Collateral and all of its other Property, in each case, free and clear of all Liens except Permitted Liens. Each Borrower and each of its Subsidiaries has paid or discharged all lawful claims which, if unpaid, might become a Lien against any of such Borrower's or such Subsidiary's Properties that is not a Permitted Lien. The Liens granted to Agent under Section 5 hereof are first priority Liens, subject only to Permitted Liens.

7.1.8. Accounts. Agent may rely, in determining which Accounts are Eligible Accounts, on all statements and representations made by each Company with respect to any Account or Accounts. With respect to each of each Company's Eligible Accounts, unless otherwise disclosed to Agent in writing:

(i) it is genuine and in all respects what it purports to be, and it is not evidenced by a judgment;

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(ii) it arises out of a completed, bona fide sale and delivery of goods or rendition of services by such Company, in the ordinary course of its business and in accordance with the terms and conditions of all purchase orders, contracts or other documents relating thereto and forming a part of the contract between such Company and the Account Debtor;

(iii) it is for a liquidated amount maturing as stated in the duplicate invoice covering such sale or rendition of services, a copy of which has been furnished or is available to Agent;

(iv) there are no facts, events or occurrences which in any way impair the validity or enforceability of any Accounts or tend to reduce the amount payable thereunder from the face amount of the invoice and statements delivered or made available to Agent with respect thereto;

(v) to the best of such Company's knowledge, the Account Debtor thereunder (1) had the capacity to contract at the time any contract or other document giving rise to the Account was executed and (2) such Account Debtor is Solvent; and

(vi) to the best of such Company's knowledge, there are no proceedings or actions which are threatened or pending against the Account Debtor thereunder which might result in any material adverse change in such Account Debtor's financial condition or the collectibility of such Account.

7.1.9. Equipment. The Equipment of each Borrower and each of its Subsidiaries is maintained pursuant to customary industry standards established by Borrowers prior to the Closing Date, and all necessary replacements of and repairs thereto shall be made so that the operating efficiency thereof shall be maintained and preserved, reasonable wear and tear excepted. Neither any Borrower nor any of its Subsidiaries will permit any Equipment to become affixed to any real Property leased to any Borrower or any of its Subsidiaries so that an interest arises therein under the real estate laws of the applicable jurisdiction unless the landlord of such real Property has executed a landlord waiver or leasehold mortgage in favor of and in form reasonably acceptable to Agent, and no Borrower will permit any of the Equipment of any Borrower or any of its Subsidiaries to become an accession to any personal Property other than Equipment that is subject to first priority (except for Permitted Liens) Liens in favor of Agent.

7.1.10. Financial Statements; Fiscal Year. The Consolidated balance sheets of Wabash and its Subsidiaries (including the accounts of all Subsidiaries of Wabash and their respective Subsidiaries for the respective periods during which a Subsidiary relationship existed) as of December 31, 2002, and the related statements of income, changes in shareholder's equity, and changes in financial position for the period ended on such date delivered to Agent and Lenders, have been prepared in accordance with GAAP, and present fairly in all material respects the financial positions of Wabash

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and such Persons, taken as a whole, at such date and the results of

Wabash's and such Persons' operations, taken as a whole, for such period. As of the date hereof, since June 30, 2003, there has been no material adverse change in the financial position of Wabash and such other Persons, taken as a whole, as reflected in the balance sheets as of such date delivered to Agent and Lenders. For purposes of such representation, the charges described on Exhibit 7.1.10 hereto shall not constitute material adverse changes. As of the date hereof, the fiscal year of Wabash and each of its Subsidiaries ends on December 31 of each year.

7.1.11. Full Disclosure. The financial statements referred to in subsection 7.1.10 hereof do not, nor does this Agreement or any other written statement of any Borrower to Agent or any Lender contain any untrue statement of a material fact or omit a material fact necessary to make the statements contained therein or herein not misleading. There is no fact which any Borrower has failed to disclose to Agent or any Lender in writing which could reasonably be expected to have a Material Adverse Effect.

7.1.12. Solvent Financial Condition. After giving effect to the initial Loans to be made and the initial Letters of Credit and LC Guaranties to be issued hereunder, and the consummation of the other transactions contemplated hereby, each of Wabash, each other Borrower and each of their respective Subsidiaries will be Solvent.

7.1.13. Surety Obligations. Except as set forth on Exhibit 7.1.13, as of the date hereof, neither any Borrower nor any of its Subsidiaries is obligated as surety or indemnitor under any surety or similar bond or other contract or has issued or entered into any agreement to assure payment, performance or completion of performance of any undertaking or obligation of any Person.

7.1.14. Taxes. The federal tax identification number of each Borrower and each of its Subsidiaries is shown on Exhibit 7.1.14 hereto, as updated from time to time by notice to Agent. Each Borrower and each of its Subsidiaries has filed all applicable federal, state and local tax returns and other reports relating to taxes it is required by law to file, and has paid, or made provision for the payment of, all taxes, assessments, fees, levies and other governmental charges upon it, its income and Properties as and when such taxes, assessments, fees, levies and charges are due and payable, unless and to the extent any thereof are being actively contested in good faith and by appropriate proceedings, each Borrower and each of its Subsidiaries maintains reasonable reserves on its books therefor, no Lien has arisen to secure such amounts and no Collateral has become subject to forfeiture or loss as a result of such contest. The provision for taxes on the books of each Borrower and its Subsidiaries is adequate for all years not closed by applicable statutes, and for the current fiscal year.

7.1.15. Brokers. Except as shown on Exhibit 7.1.15 hereto, there are no claims for brokerage commissions, finder's fees or investment banking fees payable

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by any Borrower or any of its Subsidiaries in connection with the transactions contemplated by this Agreement.

7.1.16. Patents, Trademarks, Copyrights and Licenses. Each Borrower and each of its Subsidiaries owns, possesses or licenses or has the right to use all the patents, trademarks, service marks, trade names, copyrights, licenses and other Intellectual Property necessary for the present and planned future conduct of its business without any known conflict with the rights of others, except for such conflicts as could not reasonably be expected to have a Material Adverse Effect. All such patents, trademarks, service marks, tradenames, copyrights,

licenses, and other similar rights as of the date hereof are listed on Exhibit 7.1.16 hereto, as updated from time to time by notice to Agent. As of the date hereof, no claim has been asserted to any Borrower or any of its Subsidiaries which is currently pending that their use of their Intellectual Property or the conduct of their business does or may infringe upon the Intellectual Property rights of any third party. To the knowledge of each Borrower and except as set forth on Exhibit 7.1.16 hereto, as of the date hereof, no Person is engaging in any activity that infringes in any material respect upon any Borrower's or any of its Subsidiaries material Intellectual Property. Except as set forth on Exhibit 7.1.16, each Borrower's and each of its Subsidiaries (i) material trademarks, service marks, and copyrights are registered with the U.S. Patent and Trademark Office or in the U.S. Copyright Office, as applicable, or similarly registered in Canada and (ii) material license agreements and similar arrangements relating to its Inventory (1) permits, and does not restrict, the assignment by any Borrower or any of its Subsidiaries to Agent, or any other Person designated by Agent, of all of such Borrower's or such Subsidiary's, as applicable, rights, title and interest pertaining to such license agreement or such similar arrangement and (2) would permit the continued use by such Borrower or such Subsidiary, or Agent or its assignee, of such license agreement or such similar arrangement and the right to sell Inventory subject to such license agreement for a period of no less than 6 months after a default or breach of such agreement or arrangement. The consummation and performance of the transactions and actions contemplated by this Agreement and the other Loan Documents, including without limitation, the exercise by Agent of any of its rights or remedies under Section 10, will not result in the termination or impairment of any of any Borrower's or any of its Subsidiaries ownership or rights relating to its Intellectual Property, except for such Intellectual Property rights the loss or impairment of which could not reasonably be expected to have a Material Adverse Effect. Except as listed on Exhibit 7.1.16 and except as could not reasonably be expected to have a Material Adverse Effect, (i) neither any Borrower nor any of its Subsidiaries is in breach of, or default under, any term of any license or sublicense with respect to any of its Intellectual Property and (ii) to the knowledge of each Borrower, no other party to such license or sublicense is in breach thereof or default thereunder, and such license is valid and enforceable.

7.1.17. Governmental Consents. Each Borrower and each of its Subsidiaries has, and is in good standing with respect to, all governmental consents, approvals,

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licenses, authorizations, permits, certificates, inspections and franchises necessary to continue to conduct its business as heretofore or proposed to be conducted by it and to own or lease and operate its Properties as now owned or leased by it, except where the failure to obtain, possess or so maintain such rights could not reasonably be expected to have a Material Adverse Effect.

7.1.18. Compliance with Laws. Each Borrower and each of its Subsidiaries has duly complied, and its Properties, business operations and leaseholds are in compliance with, the provisions of all federal, state and local laws, rules and regulations applicable to such Borrower or such Subsidiary (including without limitation Environmental Laws), as applicable, its Properties or the conduct of its business, except for such non-compliance as could not reasonably be expected to have a Material Adverse Effect, and there have been no citations, notices or orders of noncompliance issued to any Borrower or any of its Subsidiaries under any such law, rule or regulation, except where such noncompliance could not reasonably be expected to have a Material Adverse Effect. Each Borrower and each of its Subsidiaries has established and maintains an adequate monitoring system to insure that it remains in compliance in all material respects with all federal,

state and local rules, laws and regulations applicable to it. No Inventory has been produced in violation of the Fair Labor Standards Act (29 U.S.C. Section.201 et seq.), as amended.

7.1.19. Restrictions. Neither any Borrower nor any of its Subsidiaries is a party or subject to any contract or agreement which restricts its right or ability to incur Indebtedness, other than as set forth on Exhibit 7.1.19 hereto, none of which prohibit the execution of or compliance with this Agreement or the other Loan Documents by any Borrower or any of its Subsidiaries, as applicable.

7.1.20. Litigation. Except as set forth on Exhibit 7.1.20 hereto, there are no actions, suits, proceedings or investigations pending, or to the knowledge of any Borrower, threatened, against or affecting any Borrower or any of its Subsidiaries, or the business, operations, Properties, prospects, profits or condition of any Borrower or any of its Subsidiaries which, singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect. Neither any Borrower nor any of its Subsidiaries is in default with respect to any order, writ, injunction, judgment, decree or rule of any court, governmental authority or arbitration board or tribunal, which, singly or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

7.1.21. No Defaults. No event has occurred and no condition exists which would, upon or after the execution and delivery of this Agreement or any Borrower's performance hereunder, constitute a Default or an Event of Default. Neither any Borrower nor any of its Subsidiaries is in default in (and no event has occurred and no condition exists which constitutes, or which the passage of time or the giving of notice or both would constitute, a default in) the payment of any Indebtedness to any Person for Money Borrowed in excess of \$1,000,000.

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7.1.22. Leases. Exhibit 7.1.22 hereto is a complete listing as of the date hereof of all capitalized and operating personal Property leases with aggregate payments in excess of \$500,000 per lease in any calendar year of each Borrower and its Subsidiaries and all real Property leases of each Borrower and its Subsidiaries. Each Borrower and each of its Subsidiaries is in full compliance with all of the terms of each of its respective capitalized and operating leases, except where the failure to so comply could not reasonably be expected to have a Material Adverse Effect.

7.1.23. Pension Plans. As of the date hereof, except as disclosed on Exhibit 7.1.23 hereto (as updated from time to time by notice to Agent), neither any Borrower nor any of its Subsidiaries has any Plan, or any other employee benefit plan established under the laws of any jurisdiction, including without limitation the laws of Canada. Each Borrower and each of its Subsidiaries is in compliance with the requirements of ERISA and the regulations promulgated thereunder with respect to each Plan, except where the failure to so comply could not reasonably be expected to have a Material Adverse Effect. No fact or situation that could reasonably be expected to result in a material adverse change in the financial condition of each Borrower and its Subsidiaries exists in connection with any Plan. Neither any Borrower nor any of its Subsidiaries has any withdrawal liability in connection with a Multiemployer Plan.

7.1.24. Trade Relations. There exists no actual or, to each Borrower's knowledge, threatened termination, cancellation or limitation of, or any modification or change in, the business relationship between any Borrower or any of its Subsidiaries and any customer or any group of customers whose purchases individually or in the aggregate are material to the business of such Borrower and its

Subsidiaries, or with any material supplier, except in each case, where the same could not reasonably be expected to have a Material Adverse Effect, and there exists no present condition or state of facts or circumstances which would prevent any Borrower or any of its Subsidiaries from conducting such business after the consummation of the transactions contemplated by this Agreement in substantially the same manner in which it has heretofore been conducted.

7.1.25. Labor Relations. Except as described on Exhibit 7.1.25 hereto, as of the date hereof, neither any Borrower nor any of its Subsidiaries is a party to any collective bargaining agreement. There are no material grievances, disputes or controversies with any union or any other organization of any Borrower's or any of its Subsidiaries employees, or threats of strikes, work stoppages or any asserted pending demands for collective bargaining by any union or organization, except those that could not reasonably be expected to have a Material Adverse Effect.

7.1.26. Business Activity. No Inactive Subsidiary engages in any business activity or has any material assets, or has or incurs any Indebtedness, other than the performance of its obligations under intercompany agreements and agreements with its shareholders that have been disclosed to Agent in writing.

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7.1.27. Apex Sale. The Apex Sale has been consummated pursuant to the terms of the Apex Sale Documents and in compliance with all applicable laws, with gross cash proceeds to Borrowers of not less than \$55,000,000, prior to making any purchase price adjustment calculations based on changes to working capital, as provided in the Apex Sale Documents, all of which were used to repay existing Indebtedness for Money Borrowed and transaction fees and expenses.

7.1.28. Environmental Protection. No event or condition has occurred or is occurring with respect to any Borrower or any of its Subsidiaries relating to any Environmental Law, any Hazardous Materials, or any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive by any governmental authority or any other person relating to any Environmental Law or Hazardous Materials, which individually or in the aggregate has had or could reasonably be expected to have a Material Adverse Effect. Compliance with all requirements under current Environmental Laws or pending federal and/or state environmental laws and regulations, will not, individually or in the aggregate, have a reasonable possibility of giving rise to a Material Adverse Effect.

7.1.29. Government Regulation. Neither any Borrower nor any of its Subsidiaries is an "investment company" or an "affiliated person" of, or "promoter" or "principal underwriter" for, an "investment company," as such terms are defined in the Investment Company Act of 1940. Neither any Borrower nor any of its Subsidiaries is subject to regulation under the Public Utility Holding Company Act of 1935, the Federal Power Act, or any other federal or state statute that restricts or limits its ability to incur Indebtedness or to perform its obligations hereunder. The making of the Loans by Lenders to Borrowers, the incurrence of the LC Obligations on behalf of Borrowers, the application of the proceeds thereof and payment thereof will not violate any provision of any such statute or any rule, regulation or order issued by the Securities and Exchange Commission.

7.1.30. Margin Regulations. Neither any Borrower nor any of its Subsidiaries is engaged, principally or as one of its important activities, in the business of extending credit for the purpose of "purchasing" or "carrying" and "margin stock" as such terms are defined in Regulation U of the Federal Reserve Board as now and from time to time hereafter in effect (such securities being referred to herein as

"Margin Stock"). Neither any Borrower nor any of its Subsidiaries owns any Margin Stock, and none of the proceeds of the Loans or other extensions of credit under this Agreement will be used, directly or indirectly, for the purpose of purchasing or carrying any Margin Stock, for the purpose of reducing or retiring any Indebtedness that was originally incurred to purchase or carry any Margin Stock or for any other purpose that might cause any of the Loans or other extensions of credit under this Agreement to be considered a "purpose credit" within the meaning of Regulations T, U or X of the Federal Reserve Board. Neither any Borrower nor any of its Subsidiaries will take or permit to be taken any action that might cause any Loan Document to violate any regulation of the Federal Reserve Board.

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7.1.31. Wind Down Subsidiaries. As of the Closing Date, Borrowers are in the process of winding down the business and operations of each of the Wind Down Subsidiaries.

7.1.32. Vehicles. Each Borrower or Guarantor that at any time holds title to any used vehicles returned to it on a trade-in basis or otherwise is primarily in the business of selling new and used vehicles.

7.1.33. Joint Venture Investments. Each of the joint venture investments of each Borrower and its Subsidiaries on the Closing Date are listed on Exhibit 7.1.33 hereto. All of such joint ventures are being wound down. None of such joint ventures has any material assets, operations or liabilities, contingent or otherwise. Neither any Borrower nor any Subsidiary has any ongoing funding obligations (contingent or otherwise) in respect of any such joint venture.

7.2. Continuous Nature of Representations and Warranties.

Each representation and warranty contained in this Agreement and the other Loan Documents shall be deemed to have been remade at the time of each request for a Loan, Letter of Credit or LC Guaranty hereunder and at the time that any Loan is deemed to have been made under subsection 3.1.1. Each such request for a Loan, Letter of Credit or LC Guaranty (and the making of any Loan deemed to have been made under subsection 3.1.1) shall constitute a representation by Borrowers that such representations and warranties remain accurate, complete and not misleading at such time, except to the extent that such representations and warranties relate solely to an earlier date and except for changes in the nature of a Borrower's or one of such Borrower's Subsidiary's business or operations that would render the information in any exhibit attached hereto or to any other Loan Document either inaccurate, incomplete or misleading, so long as Majority Lenders have consented to such changes or such changes are expressly permitted by this Agreement.

7.3. Survival of Representations and Warranties.

All representations and warranties of each Borrower contained in this Agreement or any of the other Loan Documents shall survive the execution, delivery and acceptance thereof by Agent and each Lender and the parties thereto and the closing of the transactions described therein or related thereto.

## SECTION 8. COVENANTS AND CONTINUING AGREEMENTS

8.1. Affirmative Covenants.

During the Term, and thereafter for so long as there are any Obligations outstanding, Borrowers jointly and severally covenant that they shall:

8.1.1. Visits and Inspections; Lender Meeting. Permit (i) representatives of Agent (who may be accompanied by representatives of

each Lender), and during the continuation of any Default or Event of Default any Lender, from time to time, as

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often as may be reasonably requested, but only during normal business hours, to visit and inspect the Properties of each Borrower and each of its Subsidiaries, inspect, audit and make extracts from its books and records, and discuss with its officers, its employees and its independent accountants, each Borrower's and each of its Subsidiaries' business, assets, liabilities, financial condition, business prospects and results of operations and (ii) appraisers engaged pursuant to Section 2.10 (whether or not personnel of Agent), from time to time, as often as may be reasonably requested, but only during normal business hours, to visit and inspect the Properties of each Borrower and each of its Subsidiaries, for the purpose of completing appraisals pursuant to Section 2.10. Agent, if no Default or Event of Default then exists, shall give the applicable Borrower reasonable prior notice of any such inspection or audit. Without limiting the foregoing, Borrowers will participate and will cause their key management personnel to participate in a meeting with Agent and Lenders once during each year (except that during the continuation of an Event of Default such meetings may be held more frequently as requested by Agent or Majority Lenders), which meeting(s) shall be held at such times and such places as may be reasonably requested by Agent.

8.1.2. Notices. Promptly notify Agent in writing of the occurrence of any event or the existence of any fact which renders any representation or warranty in this Agreement or any of the other Loan Documents inaccurate, incomplete or misleading in any material respect as of the date made or remade. In addition, each Borrower agrees to provide Agent with prompt written notice of any change in the information disclosed in any Exhibit hereto, in each case after giving effect to the materiality limits and Material Adverse Effect qualifications contained therein.

8.1.3. Financial Statements. Keep, and cause each of its Subsidiaries, to keep, adequate records and books of account with respect to its business activities in which proper entries are made in accordance with customary accounting practices reflecting all its financial transactions; and cause to be prepared and furnished to Agent and each Lender, the following, all to be prepared in accordance with GAAP applied on a consistent basis, unless Wabash's certified public accountants concur in any change therein and such change is disclosed to Agent and is consistent with GAAP:

(i) not later than 90 days after the close of each fiscal year of Wabash, audited financial statements of Wabash and its Subsidiaries as of the end of such year, on a Consolidated basis, certified by a firm of independent certified public accountants of recognized standing selected by Wabash but acceptable to Agent, prepared in accordance with GAAP, fairly presenting in all material respects the financial position and results of operations of Wabash and its Subsidiaries for such fiscal year and presented without qualification (except for a qualification for a change in accounting principles with which the accountant concurs) and without any going concern qualification, exception or assumption or any qualification, exception or assumption relating to the scope

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of the audit; and, within a reasonable time thereafter a copy

of any management letter issued in connection therewith;

(ii) not later than 30 days after the end of each month hereafter (45 days after the end of each month ending a fiscal quarter), including the last month of each fiscal year of Wabash, unaudited interim financial statements of Wabash and its Subsidiaries as of the end of such month and of the portion of the fiscal year then elapsed, on a Consolidated basis, certified by the Treasurer of Wabash as prepared in accordance with GAAP and fairly presenting in all material respects the financial position and results of operations of Wabash and its Subsidiaries for such month and period subject only to changes from audit and year-end adjustments and except that such statements need not contain notes;

(iii) together with each delivery of financial statements pursuant to clauses (i) and (ii) of this subsection 8.1.3, a management report (1) setting forth in comparative form the corresponding figures for the corresponding periods of the previous fiscal year and the corresponding figures from the most recent Projections for the current fiscal year delivered pursuant to subsection 8.1.7 and (2) identifying the reasons for any significant variations. The information above shall be presented in reasonable detail and shall be certified by the Treasurer of Wabash to the effect that such information fairly presents in all material respects the results of operation and financial condition of Wabash and its Subsidiaries as at the dates and for the periods indicated;

(iv) upon request by Agent, promptly after the sending or filing thereof, as the case may be, copies of any proxy statements, financial statements or reports which Wabash, any other Borrower or any of any Borrower's Subsidiaries has made available to its Securities holders and copies of any regular, periodic and special reports or registration statements which Wabash, any other Borrower or any Subsidiary of any Borrower files with the Securities and Exchange Commission or any governmental authority which may be substituted therefor, or any national securities exchange;

(v) upon request of Agent, copies of any annual report to be filed with ERISA in connection with each Plan; and

(vi) such other data and information (financial and otherwise) as Agent or any Lender, from time to time, may reasonably request, bearing upon or related to the Collateral or Wabash's, any other Borrower's or any of any Borrower's Subsidiaries' financial condition or results of operations.

Concurrently with the delivery of the financial statements described in clause (i) of this subsection 8.1.3, Borrowers shall forward to Agent a copy of the accountants' letter to Wabash's management that is prepared in connection with such financial statements. Concurrently with the delivery of the financial statements

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described in paragraph (i) and (ii) (but solely for the last month of each fiscal quarter of Borrowers) of this subsection 8.1.3, or more frequently if reasonably requested by Agent, Borrowers shall cause to be prepared and furnished to Agent a Compliance Certificate in the form of Exhibit 8.1.3 hereto executed by the Treasurer of Wabash (a "Compliance Certificate").

8.1.4. Borrowing Base Certificates. On or before the 20th

day of each month from and after the date hereof, Borrowers shall deliver to Agent, in form acceptable to Agent, a Borrowing Base Certificate as of the last day of the immediately preceding month, with such supporting materials as Agent shall reasonably request. If (a) Borrowers deem it advisable, (b) Agent so requests in its reasonable discretion or (c) Availability is less than \$15,000,000, Borrowers shall execute and deliver to Agent Borrowing Base Certificates updating on a weekly basis Eligible Accounts information, Eligible Inventory information relating to finished goods and work-in process, Eligible Trailer Inventory information and Eligible Bill and Hold Inventory information. All Borrowing Base Certificates shall reflect all information for each Borrower on a Consolidated and consolidating basis.

8.1.5. Landlord, Processor and Storage Agreements. Provide Agent with copies of all agreements between any Borrower or any of its Subsidiaries and any landlord, processor, distributor, warehouseman or consignee which owns any premises at which any Collateral may, from time to time, be kept.

8.1.6. Guarantor Financial Statements. Deliver or cause to be delivered to Agent financial statements, if any, for each Guarantor (to the extent not consolidated with the financial statements delivered to Agent under subsection 8.1.3) in form and substance satisfactory to Agent at such intervals and covering such time periods as Agent may request.

8.1.7. Projections. No later than the last day of each fiscal year of Borrowers, deliver to Agent and each Lender Projections of Wabash and its Subsidiaries for the forthcoming fiscal year, on a month-by-month basis and for the following 2 years, on a year-by-year basis.

8.1.8. Subsidiaries. Cause each of its Domestic Subsidiaries (other than Inactive Subsidiaries), whether now or hereafter in existence, promptly upon Agent's request therefor, to execute and deliver to Agent a Guaranty Agreement, in form and substance reasonably acceptable to Agent and, in the case of each such Subsidiary, a security agreement, in form and substance reasonably acceptable to Agent, pursuant to which such Subsidiary grants to Agent a first priority Lien (subject only to Permitted Liens) on all of its Properties of the types described in Section 5. Additionally, each Borrower and each applicable Subsidiary shall execute and deliver to Agent a Pledge Agreement, in form and substance reasonably acceptable to Agent, pursuant to which such Person grants to Agent a first priority Lien (subject only to Permitted Liens) with respect to all of the issued and outstanding Securities of each Subsidiary of such Person, other than foreign Subsidiaries that are Inactive

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Subsidiaries or Wind Down Subsidiaries. In connection with the foregoing documentation, Borrowers shall also cause Agent to be provided with such legal opinions, certificates and corporate authority materials that Agent may reasonably request, in each case in form and substance reasonably acceptable to Agent. Notwithstanding the foregoing, Cloud Oak Flooring Company, Inc. shall not be required to deliver such a Guaranty Agreement or security agreement until the time specified in subsection 8.1.16.

8.1.9. Deposit and Brokerage Accounts. For each deposit account or brokerage account that any Borrower at any time opens or maintains, such Borrower shall, at Agent's request and option, pursuant to an agreement in form and substance reasonably satisfactory to Agent, cause the depository bank or securities intermediary, as applicable, to agree to comply at any time with instructions only from Agent to such

depository bank or securities intermediary, as applicable, and not from a Borrower, directing the disposition of funds from time to time credited to such deposit or brokerage account, without further consent of such Borrower.

8.1.10. Intercompany Loans. Upon request by Agent from time to time, promptly provide Agent with written statements, with reasonable detail, of the current balances of the Intercompany Loans. At all times, cause the Intercompany Loans to be evidenced by revolving promissory notes, in form and substance reasonably satisfactory to Agent, which notes are assigned to Agent as security for the Obligations.

8.1.11. Updated Information. Promptly notify Agent in writing of (a) each state or jurisdiction in which any Borrower or any Subsidiary qualifies to do business after the date hereof, (b) the use by any Borrower or any Subsidiary of a legal, fictitious or trade name not listed on Exhibit 7.1.5 hereto, (c) any change after the date hereof in the tax identification number of any Borrower or any Domestic Subsidiary, (d) the ownership by any Borrower or any Subsidiary of any U.S. or Canadian registered patent, registered trademark, registered service mark, registered tradename, copyright, license or other similar rights not listed on Exhibit 7.1.16, (e) the assertion by any Person of a claim against any Borrower or any Subsidiary that its use of its Intellectual Property or the conduct of its business does or may infringe upon the Intellectual Property rights of any third party, (f) any change after the date hereof in the list of capitalized and operating personal Property leases and real Property leases of any Borrower or any Subsidiary listed on Exhibit 7.1.22 hereto and (g) any change after the date hereof in the list of Plans listed on Exhibit 7.1.23 hereto.

8.1.12. Utilization of Bank. Maintain, and cause their Subsidiaries to maintain, their primary lockbox collection account at Bank.

8.1.13. Dissolution of Subsidiaries. Within 360 days after the Closing Date, provide Agent with satisfactory evidence of the dissolution of WNC Receivables LLC, a Delaware limited liability company and WNC Receivables Management Corp., a Delaware corporation.

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8.1.14. LCM Used Inventory Analysis. Not later than 30 days after the end of each fiscal quarter hereafter, deliver to Agent and each Lender a quarterly lower-of-cost-or-market analysis prepared by Wabash with respect to its Trailer Inventory and Apex Trailer Inventory, in the form currently used by Wabash and reasonably acceptable to Agent, certified by the Treasurer of Wabash as containing an accurate valuation of such Inventory.

8.1.15. Environmental Matters.

(i) Take all actions necessary or required by Lenders in order to obtain the Phase II environmental site assessments described in subsection 10.3.6;

(ii) Deliver to Agent, as soon as practicable following receipt thereof: (i) copies of all notices, claims, actions, suits, proceedings, orders, audits, investigations, analyses, or written communications of any kind or character, whether prepared by a Borrower or by independent consultants, governmental authorities or any other Persons, with respect to Environmental Laws or Hazardous Materials, which, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect; and (ii) promptly upon the

occurrence thereof, written notice describing in reasonable detail any detection of Hazardous Materials released at any Property or detected in soil or groundwater at any Property, the existence of which has a reasonable possibility, individually or in the aggregate, of resulting in a Material Adverse Effect; and

(iii) Promptly undertake any and all investigations, remediation or other response actions necessary to remove, remediate, clean up or abate any Hazardous Materials as required by any governmental agency or where failure to do so could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. Borrowers shall promptly take any and all actions necessary to (i) cure any material violation of applicable Environmental Laws by Borrowers and (ii) make an appropriate response to any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive by any governmental authority or any other person relating to any Environmental Law or Hazardous Materials, in each case where failure to do so could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

8.1.16. Cloud Debt; Subsidiary Guarantor. On May 1, 2004, (i) pay, or cause to be paid, the Cloud Debt in full and (ii) cause Cloud Oak Flooring Company, Inc. to comply in all respects with the provisions of subsection 8.1.8 (other than the last sentence thereof).

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## 8.2. Negative Covenants.

During the Term, and thereafter for so long as there are any Obligations outstanding, Borrowers jointly and severally covenant that they shall not:

8.2.1. Mergers; Consolidations; Dissolutions; Acquisitions; Structural Changes. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with any Person; not dissolve or permit any of its Subsidiaries to dissolve or otherwise terminate operations or existence; nor change its or any of its Subsidiaries' state of incorporation or organization, Type of Organization or Organizational I.D. Number; nor change its or any of its Subsidiaries' legal name; nor acquire, nor permit any of its Subsidiaries to acquire, all or any substantial part of the Properties of any Person, except for:

(i) with notice to Agent, mergers of any wholly-owned Subsidiary of a Borrower into such Borrower or another wholly-owned Subsidiary of such Borrower; provided, that (a) if a Borrower is a party to any such merger, such Borrower shall be the survivor and (b) if a Guarantor (other than a Borrower) is a party to any such merger, such Guarantor shall be the survivor;

(ii) acquisitions of assets consisting of fixed assets or real property that constitute Capital Expenditures permitted under subsection 8.2.8;

(iii) with notice to Agent, dissolution or other termination of existence of any Inactive Subsidiary, any Wind Down Subsidiary, or any of Apex, Cloud Oak Flooring Company, Inc., FTSI Distribution Company, L.P., Wabash National Services, L.P., Wabash Technology Corporation and WTSI Technology Corporation; and

(iv) Permitted Acquisitions.

8.2.2. Loans. Make, or permit any of its Subsidiaries to make, any loans or other advances of money to any Person, other than

(i) for salary, travel advances, advances against commissions and other similar advances to employees in the ordinary course of business;

(ii) extensions of trade credit in the ordinary course of business;

(iii) deposits with governmental entities, ADP for payroll services or financial institutions permitted under this Agreement;

(iv) prepaid expenses; and

(v) loans by a Borrower to another Borrower or a Subsidiary of a Borrower that is a Subsidiary Guarantor and is not an Inactive Subsidiary or a Wind Down Subsidiary ("Intercompany Loans").

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8.2.3. Total Indebtedness. Create, incur, assume, or suffer to exist, or permit any of its Subsidiaries to create, incur or suffer to exist, any Indebtedness, except:

(i) Obligations owing to Agent or any Lender under this Agreement or any of the other Loan Documents;

(ii) Indebtedness evidenced by the Convertible Notes and the other Convertible Note Documents (each as in effect as of the date hereof);

(iii) Indebtedness existing as of the date of this Agreement and listed on Exhibit 8.2.3;

(iv) the Other Indebtedness;

(v) Permitted Purchase Money Indebtedness;

(vi) Subordinated Debt;

(vii) contingent liabilities arising out of endorsements of checks and other negotiable instruments for deposit or collection in the ordinary course of business;

(viii) guaranties of any Indebtedness permitted under this subsection 8.2.3;

(ix) Indebtedness in respect of Intercompany Loans;

(x) obligations to pay Rentals permitted by subsection 8.2.18;

(xi) Derivative Obligations entered into in order to hedge interest rate or currency risk and not for speculative purposes;

(xii) to the extent not included above, trade payables, accruals and accounts payable in the ordinary course of business (in each case to the extent not overdue) not for

Money Borrowed; and

(xiii) Indebtedness not included in paragraphs (i) through (xii) above which does not exceed at any time, in the aggregate, \$5,000,000.

8.2.4. Affiliate Transactions. Enter into, or be a party to, or permit any of its Subsidiaries to enter into or be a party to, any transaction with any Affiliate of any Borrower or any holder of any Securities of any Borrower or any of its Subsidiaries, including without limitation any management, consulting or similar fees, except:

(i) in the ordinary course of and pursuant to the reasonable requirements of such Borrower's or such Subsidiary's business and upon fair and reasonable terms which are fully disclosed to Agent and are no less favorable to such Borrower or such Subsidiary than would be obtained in a

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comparable arms-length transaction with a Person not an Affiliate or Security holder of such Borrower;

(ii) employment agreements and other incentive compensation with management shareholders approved from time to time by the board of directors of such Borrower and employee arrangements and related incentive compensation arrangements entered into with other full time employees of such Borrower or such Subsidiary in the ordinary course of business;

(iii) reasonable directors' fees and expenses approved from time to time by the board of directors of such Borrower;

(iv) with respect to Intercompany Loans; and

(v) as otherwise permitted under this Agreement.

8.2.5. Limitation on Liens. Create or suffer to exist, or permit any of its Subsidiaries to create or suffer to exist, any Lien upon any of its Property, income or profits, whether now owned or hereafter acquired, except:

(i) Liens at any time granted in favor of Agent for the benefit of Agent and Lenders;

(ii) Liens for taxes, assessments or governmental charges (excluding any Lien imposed pursuant to any of the provisions of ERISA) not yet due, or being contested in the manner described in subsection 7.1.14 hereto, but only if in Agent's judgment such Lien would not reasonably be expected to adversely effect Agent's rights or the priority of Agent's lien on any Collateral;

(iii) Liens arising in the ordinary course of the business of such Borrower or any of its Subsidiaries by operation of law or regulation, but only if payment in respect of any such Lien is not at the time required and such Liens do not, in the aggregate, materially detract from the value of the Property of such Borrower or any of its Subsidiaries or materially impair the use thereof in the operation of the business of such Borrower or any of its Subsidiaries;

(iv) Purchase Money Liens securing Permitted Purchase Money Indebtedness;

(v) such other Liens as appear on Exhibit 8.2.5 hereto;

(vi) Liens incurred or deposits made in the ordinary course of business in connection with (1) worker's compensation, social security, unemployment insurance and other like laws or (2) sales contracts, leases, statutory obligations, work in progress advances and other similar obligations

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not incurred in connection with the borrowing of money or the payment of the deferred purchase price of property;

(vii) reservations, easements, covenants, zoning and other land use regulations, title exceptions or encumbrances granted in the ordinary course of business, affecting real Property owned or leased by a Borrower or any of its Subsidiaries; provided that such exceptions do not in the aggregate materially interfere with the use of such Property in the ordinary course of such Borrower's or such Subsidiary's business;

(viii) judgment Liens that do not give rise to an Event of Default under subsection 10.1.16;

(ix) Liens in favor of customs and revenues authorities which secure payment of customs duties in connection with the importation of Inventory;

(x) Liens on insurance policies and the proceeds thereof securing the financing of the premiums with respect thereto;

(xi) Liens consisting of rights of set-off of a customary nature or banker's liens on amounts on deposit in accounts of such Borrower or any of its Subsidiaries (other than in a Dominion Account), whether arising by contract or operation of law, incurred in the ordinary course of business; and

(xii) Liens arising from the filing of UCC financing statements for precautionary purposes relating solely to operating leases under which such Borrower or any of its Subsidiaries is a lessee.

#### 8.2.6. Payments and Amendments of Certain Debt.

(i) make or permit any of its Subsidiaries to make any payment of any part or all of the Indebtedness evidenced by the Convertible Notes and the other Convertible Note Documents (including, without limitation, any mandatory or voluntary prepayment, purchase or redemption, including a repurchase upon a "Change of Control" (as defined in the Convertible Note Indenture as in effect on the date hereof)), except regularly scheduled cash payments of interest pursuant to the Convertible Note Documents (each as in effect as of the date hereof) at a rate of 3.25% per annum and except for conversion of the Convertible Notes to common stock Securities of Wabash as provided in the Convertible Note Documents (as in effect on the date hereof);

(ii) make or permit any of its Subsidiaries to make any payment of all or any part of the Other Indebtedness

(including, without limitation, any mandatory or voluntary prepayment, purchase or redemption), except (a) regularly scheduled cash payments of principal and interest pursuant to the Other Indebtedness Documents (each as in effect on the date hereof) and (b) so long as no Default or Event of Default is then in existence or would be caused

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thereby, voluntary prepayments of the Other Indebtedness from time to time so long as either (1) after giving effect to each such prepayment, Availability is at least \$50,000,000 or (2) with respect to all Other Indebtedness other than the Breadner Debt, such prepayment is made with the proceeds of the sale of the Subject Equipment, plus an aggregate amount of up to \$5,000,000 of Revolving Credit Loans, and after giving effect to each such prepayment, Availability is at least \$15,000,000;

(iii) with respect to any Subordinated Debt, make or permit any of its Subsidiaries to make any payment of any part or all of any Subordinated Debt or take any other action or omit to take any other action in respect of any Subordinated Debt, except in accordance with any subordination agreement relative thereto or the subordination provisions thereof;

(iv) amend or modify any Convertible Note Document, Other Indebtedness Document or any agreement, instrument or document evidencing or relating to any other Subordinated Debt, in each case to the extent that any such amendment or modification would (a) increase the interest rate on such Indebtedness or the principal amount of such Indebtedness; (b) move forward the dates upon which any payments of principal or interest on such Indebtedness are due; (c) add any event of default or make more restrictive any existing event of default with respect to such Indebtedness; (d) add or make more restrictive any covenant with respect to such Indebtedness; (e) move forward any redemption or prepayment dates with respect to such Indebtedness or increase any redemption or prepayment amounts; (f) change the subordination provisions applicable to such Indebtedness; (g) change or amend any other term if such change or amendment would materially increase the obligations of the obligor or confer additional material rights on the holder of such Indebtedness in a manner adverse to any Borrower or Lenders; or (h) require to be paid in cash any interest which may be paid in kind instead of cash; or

(v) amend or modify any Apex Sale Document in any material respect.

8.2.7. Distributions. Declare or make, or permit any of its Subsidiaries to declare or make, any Distributions, except for:

(i) Distributions by any Wholly-Owned Subsidiary of a Borrower to such Borrower;

(ii) Distributions paid solely in Securities of a Borrower or any of its Subsidiaries;

(iii) Distributions by each Borrower in amounts necessary to permit such Borrower to repurchase Securities of such Borrower from employees of

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such Borrower or any of its Subsidiaries upon the termination of their employment, so long as no Default or Event of Default exists at the time of or would be caused by the making of such Distributions and the aggregate cash amount of all such Distributions by all Borrowers, measured at the time when made, does not exceed \$2,500,000 in any fiscal year of Borrowers;

(iv) so long as no Default or Event of Default exists at the time of or would be caused by the making of such Distributions, dividends by Wabash in respect of the Series B Preferred Stock in the amount of \$0.75 per share, (a) on September 15, 2003, in the aggregate amount of \$1,584,000, in respect of dividends to be paid on such date and all other accrued and unpaid dividends as of such date and (b) on each December 15, March 15, June 15 and September 15 commencing on December 15, 2003, in each case as provided in Wabash's Certificate of Incorporation (as in effect on the date hereof); and

(v) redemption by Wabash of all or a portion of the Series B Preferred Stock so long as (a) no Default or Event of Default exists at the time of or would be caused by the making of such Distribution, (b) after giving effect to such Distribution, Availability is at least \$50,000,000, and (c) the Leverage Ratio, determined as of the most recently ended calendar quarter, for the 12 months then ended, after giving pro forma effect to such Distribution, is 2.00:1.0 or less.

In no event shall Wabash exercise any right or option on its part to convert any or all of the Series B Preferred Stock (or any other preferred stock of Wabash) into Indebtedness.

8.2.8. Capital Expenditures. Make Capital Expenditures (including, without limitation, by way of capitalized leases) which, in the aggregate, as to all Borrowers and all of Borrowers' Subsidiaries, exceed (i) \$10,000,000 during the fiscal year ending December 31, 2003, (ii) \$10,000,000 during the fiscal year ending December 31, 2004, or (iii) \$15,000,000 during any subsequent fiscal year, except that 50% of the unused portion of the Capital Expenditure allowance for any fiscal year may be carried over to the immediately succeeding fiscal year only, to be used in such succeeding fiscal year after all of the Capital Expenditure allowance for that year has been used.

8.2.9. Disposition of Assets. Sell, lease or otherwise dispose of any of, or permit any of its Subsidiaries to sell, lease or otherwise dispose of any of, its Properties, including any disposition of Property as part of a sale and leaseback transaction, to or in favor of any Person, except for:

(i) sales of Inventory in the ordinary course of business;

(ii) transfers of Property to a Borrower by a wholly-owned Subsidiary of such Borrower;

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(iii) dispositions of investments described in paragraphs (iv), (v), (vi) and (vii) of the definition of the term "Restricted Investments";

(iv) sales, leases and other dispositions of Subject Equipment;

(v) sales, leases and other dispositions of Property with a fair market value of up to \$10,000,000 in the aggregate in any one calendar year, in each case so long as (a) no Default or Event of Default is in existence or would result therefrom, (b) the consideration received in respect thereof is all cash, and (c) in the case of individual items of Property with a book value in excess of \$250,000, the consideration received in respect thereof is at least equal to the portion of the Loans predicated on the value of such Property;

(vi) so long as no Default or Event of Default exists, sales, leases or other dispositions of Equipment or other fixed assets that are substantially worn, damaged or obsolete and that are replaced with Equipment or other fixed assets of like kind, function and value; provided, that (i) until so replaced, the proceeds of each such disposition shall be applied against the Revolving Credit Loans (but shall not permanently reduce the Revolving Loan Commitments), (ii) a Rebuild Reserve shall be established in the amount thereof, until such time as such amounts are to be used by Borrowers to replace the Property sold and (iii) the applicable Borrower or Subsidiary shall commit to acquire within 180 days after such disposition and shall actually acquire replacement Property, free and clear of Liens (other than Permitted Liens that are not Purchase Money Liens), within 360 days of such disposition; and provided further, that any such amount that it is not timely used to commit to purchase or to purchase replacement Property as provided herein shall be released from the Rebuild Reserve and applied to the Obligations as provided in the second sentence of subsection 3.3.1;

(vii) dissolutions permitted under subsection 8.2.1;

(viii) other dispositions expressly authorized by this Agreement; and

(ix) sales of any finance contracts assets, including the National Trailer Funding portfolio finance contracts and the former Apex Finance portfolio contracts.

8.2.10. Securities of Subsidiaries. Permit any of its Subsidiaries to issue any additional Securities except to such Borrower and except for director's qualifying Securities.

8.2.11. Bill-and-Hold Sales, Etc. Make, or permit any of its Subsidiaries to make, a sale to any customer on a guaranteed sale, sale and return, sale on approval, repurchase or return or consignment basis; or make, or permit any of its Subsidiaries

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to make, a sale to any customer on a bill and hold basis, except in a manner consistent with such Person's ordinary business practices as conducted prior to the Closing Date.

8.2.12. Restricted Investment. Make or have, or permit any of its Subsidiaries of such Borrower to make or have, any Restricted Investment.

8.2.13. Subsidiaries and Joint Ventures. Create, acquire or otherwise suffer to exist, or permit any Subsidiary of such Borrower to

create, acquire or otherwise suffer to exist, any Subsidiary or joint venture arrangement not in existence as of the date hereof, except in connection with a Permitted Acquisition.

8.2.14. Tax Consolidation. File or consent to the filing of any consolidated income tax return with any Person other than Borrowers and Borrowers' Subsidiaries.

8.2.15. Organizational Documents. Agree to, or suffer to occur, any amendment, supplement or addition to its or any of its Subsidiaries' charter, articles or certificate of incorporation, certificate of formation, limited partnership agreement, bylaws, limited liability agreement, operating agreement or other organizational documents (as the case may be), that (i) would alter or modify in any way any rights relating to preferred stock (including without limitation the Series B Preferred Stock) or create any new class of preferred stock or (ii) could reasonably be expected to have a material adverse effect on the interests of Agent and Lenders. Notwithstanding the foregoing, Borrowers and their Subsidiaries may take such action as is necessary to dissolve the Inactive Subsidiaries, the Wind Down Subsidiaries and the other Subsidiaries described in subsection 8.2.1(iii).

8.2.16. Fiscal Year End. Change, or permit any of its Subsidiaries to change, its fiscal year end.

8.2.17. Negative Pledges. Enter into any agreement limiting the ability of such Borrower or any of its Subsidiaries to (i) voluntarily create Liens upon any of its Property, (ii) pay dividends or make any other Distributions on its Securities; (iii) make loans or advances to any Borrower or any Subsidiary; or (iv) transfer any of its Property to any Borrower or any Subsidiary.

8.2.18. Leases. Become, or permit any of its Subsidiaries to become, a lessee under any operating lease (other than a lease under which such Borrower or such Subsidiary is lessor) of Property if the aggregate Rentals payable during any current or future period of twelve (12) consecutive months under the lease in question and all other leases under which any Borrowers or any of its Subsidiaries is then lessee would exceed \$5,000,000. The term "Rentals" means, as of the date of determination, all payments which the lessee is required to make by the terms of any lease.

8.2.19. Leases and Financing Arrangements. Except for the Apex Trailer Leases and the trailer financing arrangements described on Exhibit 8.2.19, after the

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Closing Date, enter into, or permit any of its Subsidiaries to enter into, any new trailer lease as lessor or any new financing arrangement as lender in excess of \$500,000 in the aggregate in any calendar year.

8.2.20. Change in Business. Change, or permit any of its Subsidiaries to change, in any material respect, the nature of its business as conducted on the Closing Date.

8.3. Specific Financial Covenants.

During the Term, and thereafter for so long as there are any Obligations outstanding, each Borrower covenants that it shall comply with all of the financial covenants set forth in Exhibit 8.3 hereto. If GAAP changes from the basis used in preparing the audited financial statements delivered to Agent by Borrowers on or before the Closing Date, Borrowers will provide Agent with certificates demonstrating compliance with such financial covenants and will include, at the election of Borrowers or upon the request of Agent, calculations

setting forth the adjustments necessary to demonstrate how Borrowers are also in compliance with such financial covenants based upon GAAP as in effect on the Closing Date.

#### SECTION 9. CONDITIONS PRECEDENT

##### 9.1. Conditions Precedent to Initial Loans and Other Initial Credit Accommodations.

Notwithstanding any other provision of this Agreement or any of the other Loan Documents, and without affecting in any manner the rights of Agent or any Lender under the other sections of this Agreement, no Lender shall be required to make any Loan on the Closing Date, nor shall Agent be required to issue or procure any Letter of Credit or LC Guaranty on the Closing Date unless and until each of the following conditions has been and continues to be satisfied in a manner satisfactory to Agent and each Lender party to this Agreement on the Closing Date:

9.1.1. Documentation. Agent and the Lenders shall have received, in form and substance satisfactory to Agent and its counsel and the Lenders, a duly executed copy of this Agreement and the other Loan Documents, together with such additional documents, instruments, opinions and certificates as Agent and its counsel shall require in connection therewith from time to time (including, without limitation, the Convertible Note Documents and the Apex Sale Documents), all in form and substance satisfactory to Agent and its counsel and the Lenders.

9.1.2. No Default. No Default or Event of Default shall exist.

9.1.3. Other Conditions. Each of the conditions precedent set forth in the Loan Documents shall have been satisfied.

9.1.4. Availability. Agent shall have determined that immediately after Lenders have made the initial Loans and after Agent has issued or procured the initial

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Letters of Credit and LC Guaranties contemplated hereby, and Borrowers have paid (or, if accrued, treated as paid), all closing costs incurred in connection with the transactions contemplated hereby, Availability shall not be less than \$25,000,000.

9.1.5. No Litigation. No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any court, governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain damages in respect of, or which is adversely related to or arises out of this Agreement, the Convertible Note Documents or the Apex Sale Documents or the consummation of the transactions contemplated hereby or thereby.

9.1.6. Material Adverse Effect. As of the Closing Date, since August 8, 2003, there has not been any (i) material adverse change in its business, assets, financial condition, income or prospects and no event or condition exists which would be reasonably likely to result in any Material Adverse Effect or (ii) materially adverse change or material disruption in the financial banking or capital markets, which could reasonably be expected to have a material adverse effect on the syndication of the Total Credit Facility. In no event shall the charges described on Exhibit 7.1.10 hereto be deemed to have resulted in a Material Adverse Effect.

9.1.7. Audits, Appraisals and Environmental Reports. All of the appraisals and audits of the real and personal Property of

Borrowers being conducted by Agent (or a third party designated by Agent) prior to the Closing Date, and all of the environmental assessments of the real Property of Borrowers being conducted by Agent (or a third party designated by Agent) prior to the Closing Date, shall have been completed to Agent's satisfaction.

9.1.8. Apex Sale. The Apex Sale shall have been consummated pursuant to the terms of the Apex Sale Documents.

9.1.9. Closing Fees. Borrowers shall have paid all fees and expenses owing to Agent, Arranger or any Lender that are to be paid on the Closing Date.

9.2. Conditions Precedent to all Loans and other Credit Accommodations.

Notwithstanding any other provision of this Agreement or any other Loan Documents, and without affecting in any manner the rights of any Agent or any Lender under the other sections of this Agreement, no Lender shall be required to make any Loan, nor shall Agent be required to issue or procure any Letter of Credit or LC Guaranty unless and until each of the following conditions has been and continues to be satisfied:

9.2.1. No Default. No Default or Event of Default shall exist.

9.2.2. No Litigation. No action, proceeding, investigation, regulation or legislation shall have been instituted, threatened or proposed before any governmental agency or legislative body to enjoin, restrain or prohibit, or to obtain damages in respect of, or which is related to or arises out of, any of the Loan Documents

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## SECTION 10. EVENTS OF DEFAULT; RIGHTS AND REMEDIES ON DEFAULT

### 10.1. Events of Default.

The occurrence of one or more of the following events shall constitute an "Event of Default":

10.1.1. Payment of Obligations. Borrowers shall fail to pay any of the Obligations hereunder or under any Note on the due date thereof (whether due at stated maturity, on demand, upon acceleration or otherwise).

10.1.2. Misrepresentations. Any material representation, warranty or other statement made or furnished to Agent or any Lender by or on behalf of any Borrower, any of its Subsidiaries or any Guarantor in this Agreement, any of the other Loan Documents or any instrument, certificate or financial statement furnished in compliance with or in reference thereto proves to have been false or misleading in any material respect when made, furnished or reaffirmed pursuant to Section 7.2 hereof.

10.1.3. Breach of Specific Covenants. Borrowers shall fail or neglect to perform, keep or observe any covenant contained in Section or subsection (i) 6.1.2, 6.2.4, 6.2.5, 8.1.1, 8.1.2, 8.1.3 (other than 8.1.3(ii)), 8.1.4, 8.2 or 8.3 hereof on the date that Borrowers are required to perform, keep or observe such covenant or (ii) 5.2, 5.3, 5.4, 6.1.1, 8.1.3(ii), 8.1.9 or 8.1.11 hereof within 5 Business Days following the date on which Borrowers are required to perform, keep or observe such covenant.

10.1.4. Breach of Other Covenants. Borrowers shall fail or neglect to perform, keep or observe any covenant contained in this

Agreement (other than a covenant which is dealt with specifically elsewhere in Section 10.1 hereof) and the breach of such other covenant is not cured to Agent's satisfaction within 30 days after the sooner to occur of Borrowers' receipt of notice of such breach from Agent or the date on which such failure or neglect first becomes known to any officer of any Borrower.

10.1.5. Default Under Security Documents or Other Agreements. Any event of default shall occur under, or any Borrower, any of its Subsidiaries or any Guarantor shall default in the performance or observance of any term, covenant, condition or agreement applicable to such Person contained in, any of the Security Documents or the Other Agreements and such default shall continue beyond any applicable grace period.

10.1.6. Other Defaults. There shall occur (a) any default or event of default on the part of any Borrower, any of its Subsidiaries or any Guarantor under any agreement, document or instrument to which such Borrower, such Subsidiary or such Guarantor is a party or by which such Borrower, such Subsidiary or such Guarantor or any of its Property is bound, evidencing or relating to any Indebtedness (other than the Obligations) with an outstanding principal balance in excess of \$5,000,000, if the

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payment or maturity of such Indebtedness is or could be accelerated in consequence of such event of default or demand for payment of such Indebtedness is made or could be made in accordance with the terms thereof or (b) any default or event of default under any Convertible Note Document or any Other Indebtedness Document (to the extent that such default or event of default does not otherwise result in an Event of Default under Subsection 10.1.6(a)).

10.1.7. Uninsured Losses. Any material loss, theft, damage or destruction of any portion of the Collateral having a fair market value of \$3,000,000, in the aggregate, if not fully covered (subject to such deductibles and self-insurance retentions as Agent shall have permitted) by insurance.

10.1.8. Insolvency and Related Proceedings. Any Borrower, any of its Subsidiaries or any Guarantor shall cease to be Solvent or shall suffer the appointment of a receiver, trustee, custodian or similar fiduciary, or shall make an assignment for the benefit of creditors, or any petition for an order for relief shall be filed by or against any Borrower, any of its Subsidiaries or any Guarantor under U.S. federal bankruptcy laws, the Insolvency Laws of Canada or any similar laws (if against any Borrower, any of its Subsidiaries or any Guarantor the continuation of such proceeding for more than 30 days), or any Borrower, any of its Subsidiaries or any Guarantor shall make any offer of settlement, extension or composition to their respective unsecured creditors generally.

10.1.9. Business Disruption; Condemnation. There shall occur a cessation of a substantial part of the business of any Borrower, any of its Subsidiaries or any Guarantor for a period which materially adversely affects such Borrower's, such Subsidiary's or such Guarantor's capacity to continue its business on a profitable basis; or any Borrower, any of its Subsidiaries or any Guarantor shall suffer the loss or revocation of any material license or permit now held or hereafter acquired by such Borrower, such Subsidiary or such Guarantor which is necessary to the continued or lawful operation of its business; or any Borrower, any of its Subsidiaries or any Guarantor shall be enjoined, restrained or in any way prevented by court, governmental or administrative order from conducting all or any material part of its business affairs; or any material lease or

agreement pursuant to which any Borrower, any of its Subsidiaries or any Guarantor leases, uses or occupies any Property shall be canceled or terminated prior to the expiration of its stated term, except any such lease or agreement the cancellation or termination of which could not reasonably be expected to have a Material Adverse Effect; or any material portion of the Collateral shall be taken through condemnation or the value of such Property shall be impaired through condemnation.

10.1.10. Change of Ownership. (a) any "Change of Control" under and as defined in the Convertible Note Indenture, as in effect on the date hereof, shall occur; (b) a majority of the members of the board of directors as of the date hereof of Wabash cease to be members of the board of directors of such Person; (c) Wabash shall cease to own and control, beneficially and of record (directly or indirectly),

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100% of the issued and outstanding Securities and Voting Stock of each other Borrower; or (d) a Borrower or a Subsidiary of a Borrower shall cease to own and control, beneficially and of record (directly or indirectly), 100% of the issued and outstanding Securities and Voting Stock of each of its Subsidiaries that it owns on the date hereof.

10.1.11. Business Activity. Any Inactive Subsidiary engages in any business activity, owns any material assets, or incurs any Indebtedness other than the performance of its obligations under the Loan Documents to which it is a party and the performance of its obligations under intercompany agreements and agreements with its shareholders that have been disclosed to Agent in writing

10.1.12. ERISA. A Reportable Event shall occur which, in Agent's determination, constitutes grounds for the termination by the Pension Benefit Guaranty Corporation of any Plan or for the appointment by the appropriate United States district court of a trustee for any Plan, or if any Plan shall be terminated or any such trustee shall be requested or appointed, or any Borrower, any of its Subsidiaries or any Guarantor is in "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan resulting from such Borrower's, such Subsidiary's or such Guarantor's complete or partial withdrawal from such Plan and any such event could reasonably be expected to have a Material Adverse Effect.

10.1.13. Challenge to Agreement. Any Borrower, any Subsidiary of any Borrower or any Guarantor, or any Affiliate of any of them, shall challenge or contest in any action, suit or proceeding the validity or enforceability of this Agreement or any of the other Loan Documents, the legality or enforceability of any of the Obligations or the perfection or priority of any Lien granted to Agent.

10.1.14. Repudiation of or Default Under Guaranty Agreement. Any Guarantor shall revoke or attempt to revoke the Guaranty Agreement signed by such Guarantor, or shall repudiate such Guarantor's liability thereunder or shall be in default under the terms thereof.

10.1.15. Criminal Forfeiture. Any Borrower, any of its Subsidiaries or any Guarantor shall be criminally indicted or convicted under any law that could lead to a forfeiture of any Property of such Borrower, such Subsidiary or such Guarantor.

10.1.16. Judgments. Any money judgments, writ of attachment or similar processes (collectively, "Judgments") in excess of amounts covered by insurance (not including self-insurance or other retentions) are issued or rendered against any Borrower, any of its Subsidiaries or any Guarantor, or any of their respective Property (i) in the case of money judgments, in an amount of \$2,500,000 or more for any single judgment, attachment or process or \$5,000,000 or more for all such

judgments, attachments or processes in the aggregate, in each case in excess of any applicable insurance with respect to which the insurer has admitted liability, and (ii) in the case of non-monetary Judgments, such Judgment or Judgments (in the aggregate) could

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reasonably be expected to have a Material Adverse Effect, in each case which Judgment is not stayed, released or discharged within 30 days.

10.1.17. Material Adverse Effect. Any event occurs which reasonably could be expected to have a Material Adverse Effect.

10.2. Acceleration of the Obligations.

Upon or at any time after the occurrence and during the continuance of an Event of Default, (i) Agent may, and upon the direction of Majority Lenders, Agent shall, declare the Revolving Loan Commitments terminated and/or (ii) Agent may, and upon the direction of Majority Lenders, Agent shall, declare all or any portion of the Obligations at once due and payable without presentment, demand protest or further notice by Agent or any Lender, and Borrowers shall forthwith pay to Agent, the full amount of such Obligations, provided, that upon the occurrence of an Event of Default specified in subsection 10.1.8 hereof, the Revolving Loan Commitments shall automatically be terminated and all of the Obligations shall become automatically due and payable, in each case without declaration, notice or demand by Agent or any Lender.

10.3. Other Remedies.

Upon the occurrence and during the continuance of an Event of Default, Agent shall have and may exercise from time to time the following other rights and remedies:

10.3.1. All of the rights and remedies of a secured party under the UCC or under other applicable law, and all other legal and equitable rights to which Agent or Lenders may be entitled, all of which rights and remedies shall be cumulative and shall be in addition to any other rights or remedies contained in this Agreement or any of the other Loan Documents, and none of which shall be exclusive.

10.3.2. The right to take immediate possession of the Collateral, and to (i) require each Borrower and each of its Subsidiaries to assemble the Collateral, at Borrower's joint and several expense, and make it available to Agent at a place designated by Agent which is reasonably convenient to both parties, and (ii) enter any premises where any of the Collateral shall be located and to keep and store the Collateral on said premises until sold (and if said premises be the Property of any Borrower or any of its Subsidiaries, such Borrower agrees not to charge, or permit such Subsidiary to charge, Agent for storage thereof).

10.3.3. The right to sell or otherwise dispose of all or any Collateral in its then condition, or after any further manufacturing or processing thereof, at public or private sale or sales, with such notice as may be required by law, in lots or in bulk, for cash or on credit, all as Agent, in its sole discretion, may deem advisable. Agent may, at Agent's option, disclaim any and all warranties regarding the Collateral in connection with any such sale. Each Borrower agrees that 10 days' written notice to such Borrower or any of its Subsidiaries of any public or private sale or other

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disposition of Collateral shall be reasonable notice thereof, and such sale shall be at such locations as Agent may designate in said notice. Agent shall have the right to conduct such sales on any Borrower's or any of its Subsidiaries' premises, without charge therefor, and such sales may be adjourned from time to time in accordance with applicable law. Agent shall have the right to sell, lease or otherwise dispose of the Collateral, or any part thereof, for cash, credit or any combination thereof, and Agent, on behalf of Lenders, may purchase all or any part of the Collateral at public or, if permitted by law, private sale and, in lieu of actual payment of such purchase price, may set off the amount of such price against the Obligations. The proceeds realized from the sale of any Collateral shall be applied, after allowing 2 Business Days for collection, in the manner provided in subsection 3.4.2. If any deficiency shall arise, each Borrower and each Guarantor shall remain jointly and severally liable to Agent and Lenders therefor.

10.3.4. Agent is hereby granted a license or other right to use, without charge, each Borrower's and each of its Subsidiaries' labels, patents, copyrights, licenses, rights of use of any name, trade secrets, tradenames, trademarks and advertising matter, or any Property of a similar nature, as it pertains to the Collateral, in completing, advertising for sale and selling any Collateral and each Borrower's and each of its Subsidiaries' rights under all licenses and all franchise agreements shall inure to Agent's benefit.

10.3.5. Agent may, at its option, require Borrowers to deposit with Agent funds equal to 105% of the Dollar Equivalent of the LC Amount and, if Borrowers fail to promptly make such deposit, Agent may advance such amount as a Revolving Credit Loan (whether or not an Overadvance is created thereby). Each such Revolving Credit Loan shall be secured by all of the Collateral and shall constitute a Base Rate Portion. Any such deposit or advance shall be held by Agent as a reserve to fund future payments on such LC Guaranties and future drawings against such Letters of Credit. At such time as all LC Guaranties have been paid or terminated and all Letters of Credit have been drawn upon or expired, any amounts remaining in such reserve shall be applied against any outstanding Obligations, or, if all Obligations have been indefeasibly paid in full, returned to Borrowers.

10.3.6. Notwithstanding any provision of this Agreement or any other Loan Document to the contrary, Agent shall not take any action to foreclose upon, acquire or take possession of or occupy, or exercise any remedies by which it will take title or otherwise come into ownership in respect of Collateral consisting of real Property listed on Exhibit 10.3.6 (the "Affected Collateral") or purchase or otherwise acquire (including in lieu of actual payment of a purchase price) any stock or other equity interest in any Company or other Person that owns the Affected Collateral unless and until (i) Lenders have obtained, at Borrowers' joint and several expense, a Phase II environmental site assessment with respect to the Affected Collateral, prepared by an environmental consultant reasonably acceptable to Lenders and (ii) each Lender has confirmed that no remediation is required by such Lender or that any remediation has

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been completed to the satisfaction of such Lender with respect to the Affected Collateral.

#### 10.4. Set Off and Sharing of Payments.

In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, during the continuance of any Event of Default, each Lender is hereby authorized by each Borrower at any time or from time to time, with prior written consent of Agent

and with reasonably prompt subsequent notice to such Borrower (any prior or contemporaneous notice to such Borrower being hereby expressly waived) to set off and to appropriate and to apply any and all (i) balances held by such Lender at any of its offices for the account of such Borrower or any of its Subsidiaries (regardless of whether such balances are then due to such Borrower or its Subsidiaries), and (ii) other property at any time held or owing by such Lender to or for the credit or for the account of such Borrower or any of its Subsidiaries, against and on account of any of the Obligations. Any Lender exercising a right to set off shall, to the extent the amount of any such set off exceeds its Revolving Loan Percentage of the amount set off, purchase for cash (and the other Lenders shall sell) interests in each such other Lender's pro rata share of the Obligations as would be necessary to cause such Lender to share such excess with each other Lender in accordance with their respective Revolving Loan Percentages. Each Borrower agrees, to the fullest extent permitted by law, that any Lender may exercise its right to set off with respect to amounts in excess of its pro rata share of the Obligations and upon doing so shall deliver such excess to Agent for the benefit of all Lenders in accordance with the Revolving Loan Percentages.

10.5. Remedies Cumulative; No Waiver.

All covenants, conditions, provisions, warranties, guaranties, indemnities, and other undertakings of each Borrower contained in this Agreement and the other Loan Documents, or in any document referred to herein or contained in any agreement supplementary hereto or in any schedule or in any Guaranty Agreement given to Agent or any Lender or contained in any other agreement between any Lender and such Borrower or between Agent and such Borrower, heretofore, concurrently, or hereafter entered into, shall be deemed cumulative to and not in derogation or substitution of any of the terms, covenants, conditions, or agreements of such Borrower herein contained. The failure or delay of Agent or any Lender to require strict performance by any Borrower of any provision of this Agreement or to exercise or enforce any rights, Liens, powers, or remedies hereunder or under any of the aforesaid agreements or other documents or security or Collateral shall not operate as a waiver of such performance, Liens, rights, powers and remedies, but all such requirements, Liens, rights, powers, and remedies shall continue in full force and effect until all Loans and other Obligations owing or to become owing from such Borrower to Agent and each Lender have been fully satisfied. None of the undertakings, agreements, warranties, covenants and representations of any Borrower contained in this Agreement or any of the other Loan Documents and no Default or Event of Default by any Borrower under this Agreement or any other Loan Documents shall be deemed to have been suspended or waived by Lenders, unless such suspension or waiver is by an instrument in writing specifying such suspension or waiver and is signed by a duly authorized representative of Agent and directed to Borrowers.

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SECTION 11. THE AGENT

11.1. Authorization and Action.

Each Lender hereby appoints and authorizes Agent to take such action on its behalf and to exercise such powers under this Agreement and the other Loan Documents as are delegated to Agent by the terms hereof and thereof, together with such powers as are reasonably incidental thereto. Each Lender hereby acknowledges that Agent shall not have by reason of this Agreement assumed a fiduciary relationship in respect of any Lender. In performing its functions and duties under this Agreement, Agent shall act solely as agent of Lenders and shall not assume, or be deemed to have assumed, any obligation toward, or relationship of agency or trust with or for, any Borrower. As to any matters not expressly provided for by this Agreement and the other Loan Documents (including without limitation enforcement and collection of the Notes), Agent may, but shall not be required to, exercise any discretion or take any action, but shall be required to act or to refrain from acting (and shall be fully protected in so acting or refraining from acting) upon the instructions of

the Majority Lenders, whenever such instruction shall be requested by Agent or required hereunder, or a greater or lesser number of Lenders if so required hereunder, and such instructions shall be binding upon all Lenders; provided, that Agent shall be fully justified in failing or refusing to take any action which exposes Agent to any liability or which is contrary to this Agreement, the other Loan Documents or applicable law, unless Agent is indemnified to its satisfaction by the other Lenders against any and all liability and expense which it may incur by reason of taking or continuing to take any such action. If Agent seeks the consent or approval of the Majority Lenders (or a greater or lesser number of Lenders as required in this Agreement), with respect to any action hereunder, Agent shall send notice thereof to each Lender and shall notify each Lender at any time that the Majority Lenders (or such greater or lesser number of Lenders) have instructed Agent to act or refrain from acting pursuant hereto.

11.2. Agent's Reliance, Etc.

Neither Agent, any Affiliate of Agent, nor any of their respective directors, officers, agents or employees shall be liable for any action taken or omitted to be taken by it or them under or in connection with this Agreement or the other Loan Documents, except for its or their own gross negligence or willful misconduct. Without limitation of the generality of the foregoing, Agent: (i) may treat each Lender party hereto as the holder of Obligations until Agent receives written notice of the assignment or transfer of such Lender's portion of the Obligations signed by such Lender and in form reasonably satisfactory to Agent; (ii) may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken in good faith by it in accordance with the advice of such counsel, accountants or experts, (iii) makes no warranties or representations to any Lender and shall not be responsible to any Lender for any recitals, statements, warranties or representations made in or in connection with this Agreement or any other Loan Documents; (iv) shall not have any duty beyond Agent's customary practices in respect of loans in which Agent is the only lender to ascertain or to inquire as to the performance or observance of any of the terms, covenants or conditions of this Agreement or

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the other Loan Documents on the part of any Borrower, to inspect the property (including the books and records) of any Borrower, to monitor the financial condition of any Borrower or to ascertain the existence or possible existence or continuation of any Default or Event of Default; (v) shall not be responsible to any Lender for the due execution, legality, validity, enforceability, genuineness, sufficiency or value of this Agreement or the other Loan Documents or any other instrument or document furnished pursuant hereto or thereto; (vi) shall not be liable to any Lender for any action taken, or inaction, by Agent upon the instructions of Majority Lenders pursuant to Section 11.1 hereof or refraining to take any action pending such instructions; (vii) shall not be liable for any apportionment or distributions of payments made by it in good faith pursuant to Section 3 hereof; (viii) shall incur no liability under or in respect of this Agreement or the other Loan Documents by acting upon any notice, consent, certificate, message or other instrument or writing (which may be by telephone, facsimile, telegram, cable or telex) believed in good faith by it to be genuine and signed or sent by the proper party or parties; and (ix) may assume that no Event of Default has occurred and is continuing, unless Agent has actual knowledge of the Event of Default, has received notice from a Borrower or a Borrower's independent certified public accountants stating the nature of the Event of Default, or has received notice from a Lender stating the nature of the Event of Default and that such Lender considers the Event of Default to have occurred and to be continuing. In the event any apportionment or distribution described in clause (vii) above is determined to have been made in error, the sole recourse of any Person to whom payment was due but not made shall be to recover from the recipients of such payments any payment in excess of the amount to which they are determined to have been entitled.

11.3. Fleet and Affiliates.

With respect to its commitment hereunder to make Loans, Fleet shall have the same rights and powers under this Agreement and the other Loan Documents as any other Lender and may exercise the same as though it were not Agent; and the terms "Lender," "Lenders" or "Majority Lenders" shall, unless otherwise expressly indicated, include Fleet in its individual capacity as a Lender. Fleet and its Affiliates may lend money to, and generally engage in any kind of business with, each Borrower, and any Person who may do business with or own Securities of each Borrower all as if Fleet were not Agent and without any duty to account therefor to any other Lender.

11.4. Lender Credit Decision.

Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender and based on the financial statements referred to herein and such other documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under this Agreement. Agent shall not have any duty or responsibility, either initially or on an ongoing basis, to provide any Lender with any credit or other similar information regarding any Borrower.

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11.5. Indemnification.

Lenders agree to indemnify Agent and Arranger (to the extent not reimbursed by Borrowers or Guarantors), in accordance with their respective Aggregate Percentages, from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by, or asserted against Agent or Arranger in any way relating to or arising out of this Agreement or any other Loan Document or any action taken or omitted by Agent or Arranger under this Agreement; provided that no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from Agent's or Arranger's gross negligence or willful misconduct. Without limitation of the foregoing, each Lender agrees to reimburse Agent and Arranger promptly upon demand for its ratable share, as set forth above, of any out-of-pocket expenses (including reasonable attorneys' fees) incurred by Agent or Arranger in connection with the preparation, execution, delivery, administration, modification, amendment or enforcement (whether through negotiation, legal proceedings or otherwise) of, or legal advice in respect of rights or responsibilities under, this Agreement and each other Loan Document, to the extent that Agent or Arranger, as applicable, is not reimbursed for such expenses by Borrowers. The obligations of Lenders under this Section 11.5 shall survive the payment in full of all Obligations and the termination of this Agreement. If after payment and distribution of any amount by Agent to Lenders, any Lender or any other Person, including any Borrower, any creditor of any Borrower, a liquidator, administrator or trustee in bankruptcy, recovers from Agent or Arranger any amount found to have been wrongfully paid to Agent or Arranger or disbursed by Agent or Arranger to Lenders, then Lenders, in accordance with their respective Aggregate Percentages, shall reimburse Agent or Arranger, as applicable, for all such amounts.

11.6. Rights and Remedies to be Exercised by Agent Only.

Each Lender agrees that, except as set forth in Section 10.4, no Lender shall have any right individually (i) to realize upon the security created by this Agreement or any other Loan Document, (ii) to enforce any provision of this Agreement or any other Loan Document, or (iii) to make demand for payment by any Borrower under this Agreement or any other Loan Document.

11.7. Agency Provisions Relating to Collateral.

Each Lender authorizes and ratifies Agent's entry into this Agreement and the Security Documents for the benefit of Lenders. Each Lender agrees that any action taken by Agent with respect to the Collateral in accordance with the provisions of this Agreement or the Security Documents, and the exercise by Agent of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all Lenders. Agent is hereby authorized on behalf of all Lenders, without the necessity of any notice to or further consent from any Lender to take any action with respect to any Collateral or the Loan Documents which may be necessary to perfect and maintain perfected Agent's Liens upon the Collateral, for its benefit and the ratable benefit of Lenders.

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Lenders hereby irrevocably authorize Agent, at its option and in its discretion, to release any Lien granted to or held by Agent upon any Collateral (i) upon termination of the Agreement and payment and satisfaction of all Obligations; or (ii) constituting property being sold or disposed of in compliance with subsection 8.2.9 hereof and if Borrowers certify to Agent that the sale or disposition is made in compliance with subsection 8.2.9 hereof, as it may be amended from time to time in accordance with the provisions of Section 11.10 (and Agent may rely conclusively on any such certificate, without further inquiry); or (iii) constituting property in which no Borrower owned any interest at the time the Lien was granted or at any time thereafter; or (iv) in connection with any foreclosure sale or other disposition of Collateral after the occurrence and during the continuation of an Event of Default or (v) if approved, authorized or ratified in writing by Agent at the direction of all Lenders. Upon request by Agent at any time, Lenders will confirm in writing Agent's authority to release particular types or items of Collateral pursuant hereto. Agent shall have no obligation whatsoever to any Lender or to any other Person to assure that the Collateral exists or is owned by any Borrower or is cared for, protected or insured or has been encumbered or that the Liens granted to Agent herein or pursuant to the Security Documents have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise at all or in any particular manner or under any duty of care, disclosure or fidelity, or to continue exercising, any of its rights, authorities and powers granted or available to Agent in this Section 11.7 or in any of the Loan Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, Agent may act in any manner it may deem appropriate, in its sole discretion, but consistent with the provisions of this Agreement, including given Agent's own interest in the Collateral as a Lender and that Agent shall have no duty or liability whatsoever to any Lender.

11.8. Agent's Right to Purchase Commitments.

Agent shall have the right, but shall not be obligated, at any time upon written notice to any Lender and with the consent of such Lender, which may be granted or withheld in such Lender's sole discretion, to purchase for Agent's own account all of such Lender's interests in this Agreement, the other Loan Documents and the Obligations, for the face amount of the outstanding Obligations owed to such Lender, including without limitation all accrued and unpaid interest and fees.

11.9. Right of Sale, Assignment, Participations.

Each Borrower hereby consents to any Lender's participation, sale, assignment, transfer or other disposition, at any time or times hereafter, of this Agreement and any of the other Loan Documents, or of any portion hereof or thereof, including, without limitation, such Lender's rights, title, interests, remedies, powers, and duties hereunder or thereunder subject to the terms and conditions set forth below:

11.9.1. Sales, Assignments. Each Lender hereby agrees that,

with respect to any sale or assignment (i) no such sale or assignment shall be for an amount of less than \$5,000,000 or any integral multiple of \$1,000,000 in excess thereof, or, if less,

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the entire Revolving Loan Commitment and outstanding Term Loan of such Lender, (ii) Agent, Arranger and, in the absence of a Default or Event of Default, Borrowers, must consent, such consent not to be unreasonably withheld, to each such assignment to a Person that is not an original signatory to this Agreement or a Lender or an Affiliate of such Person or Lender, (iii) the assigning Lender shall pay to Agent a processing and recordation fee of \$3,500, (iv) Agent, the assigning Lender and the assignee Lender shall each have executed and delivered an Assignment and Acceptance Agreement and (v) in the case of an assignment of the type described in subsection 11.11.2, Bank and Majority Lenders must consent thereto. After such sale or assignment has been consummated (x) the assignee Lender thereupon shall become a "Lender" for all purposes of this Agreement and (y) the assigning Lender shall have no further liability for funding the portion of Revolving Loan Commitments assumed by such other Lender.

11.9.2. Participations. Any Lender may grant participations in its extensions of credit hereunder to any other Lender or other lending institution (a "Participant"), provided that (i) no such participation shall be for an amount of less than \$5,000,000 or any integral multiple of \$1,000,000 in excess thereof, other than participations to Affiliates of such Lender, which may be in any amount, (ii) no Participant shall thereby acquire any direct rights under this Agreement, (iii) no Participant shall be granted any right to consent to any amendment, except to the extent any of the same pertain to (1) reducing the aggregate principal amount of, or interest rate on, or fees applicable to, any Loan or (2) extending the final stated maturity of any Loan or the stated maturity of any portion of any payment of principal of, or interest or fees applicable to, any of the Loans; provided, that the rights described in this subclause (2) shall not be deemed to include the right to consent to any amendment with respect to or which has the effect of requiring any mandatory prepayment of any portion of any Loan or any amendment or waiver of any Default or Event of Default, (iv) no sale of a participation in extensions of credit shall in any manner relieve the originating Lender of its obligations hereunder, (v) the originating Lender shall remain solely responsible for the performance of such obligations, (vi) Borrowers and Agent shall continue to deal solely and directly with the originating Lender in connection with the originating Lender's rights and obligations under this Agreement and the other Loan Documents, (vii) in no event shall any financial institution purchasing the participation grant a participation in its participation interest in the Loans without the prior written consent of Agent and Arranger, and, in the absence of a Default or an Event of Default, Borrowers, which consents shall not unreasonably be withheld and (viii) all amounts payable by Borrowers hereunder shall be determined as if the originating Lender had not sold any such participation.

11.9.3. Certain Agreements of Borrowers. Each Borrower agrees that (i) it will use its best efforts to assist and cooperate with each Lender in any manner reasonably requested by such Lender to effect the sale of participation in or assignments of any of the Loan Documents or any portion thereof or interest therein, including, without limitation, assisting in the preparation of appropriate disclosure

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documents and making members of management available at reasonable

times to meet with and answer questions of potential assignees and Participants; and (ii) subject to the provisions of Section 12.14 hereof, such Lender may disclose credit information regarding each Borrower to any potential Participant or assignee.

11.9.4. Non U.S. Resident Transferees. If, pursuant to this Section 11.9, any interest in this Agreement or any Loans is transferred to any transferee which is organized under the laws of any jurisdiction other than the United States or any state thereof, the transferor Lender shall cause such transferee (other than any Participant), and may cause any Participant, concurrently with and as a condition precedent to the effectiveness of such transfer, to (i) represent to the transferor Lender (for the benefit of the transferor Lender, Agent, and Borrowers) that under applicable law and treaties no taxes will be required to be withheld by Agent, Borrowers or the transferor Lender with respect to any payments to be made to such transferee in respect of the interest so transferred, (ii) furnish to the transferor Lender, Agent and Wabash either United States Internal Revenue Service Form W-8BEN or United States Internal Revenue Service Form W-8ECI (wherein such transferee claims entitlement to complete exemption from United States federal withholding tax on all interest payments hereunder), and (iii) agree (for the benefit of the transferor Lender, Agent and Borrowers) to provide the transferor Lender, Agent and Wabash a new Form W-8BEN or Form W-8ECI upon the obsolescence of any previously delivered form and comparable statements in accordance with applicable United States laws and regulations and amendments duly executed and completed by such transferee, and to comply from time to time with all applicable United States laws and regulations with regard to such withholding tax exemption.

11.10. Amendment.

No amendment or waiver of any provision of this Agreement or any other Loan Document (including without limitation any Note), nor consent to any departure by any Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Majority Lenders and Borrowers, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, that no amendment, waiver or consent shall be effective, unless (i) in writing and signed by each Lender, if it does any of the following: (1) increase or decrease the aggregate Loan Commitments, or any Lender's Revolving Loan Commitment or Term Loan Commitment, (2) reduce the principal of, or interest on, any amount payable hereunder or under any Note, other than those payable only to Fleet in its capacity as Agent, which may be reduced by Fleet unilaterally, (3) decrease any interest rate payable hereunder, the Unused Line Fee or any other fee payable to Lenders (as opposed to Agent or Arranger) or the rate at which any such fee is calculated, (4) postpone any date fixed for any payment of principal of, or interest on, any amounts payable hereunder or under any Note, or any fees payable to the Lenders, other than those payable only to Fleet in its capacity as Agent, which may be postponed by Fleet unilaterally, (5) modify the definition of the term Borrowing Base if the effect of such modification is to increase the amount available to be borrowed hereunder, (6) extend the period during which the percentages in effect in clause (b) of the definition of the term

Borrowing Base are increased by any of 10% and 5% beyond the 180 day period after the Closing Date, (7) modify the definitions of any of the terms Eligible Account, Eligible Inventory, Eligible Bill and Hold Inventory and Eligible Trailer Inventory, if the effect of such modification is to increase the amount available to be borrowed in respect of the Revolving Loans, (8) reduce the number of Lenders that shall be required for Lenders or any of them to take any action hereunder, (9) release or discharge any Person liable for the performance of any obligations of any Borrower hereunder or under any of the Loan Documents, (10) amend any provision of this Agreement that requires the consent of all

Lenders or consent to or waive any breach thereof, (11) amend the definition of the term "Majority Lenders", (12) amend Section 1.1.2, subsection 1.1.4(i), subsection 3.4.2, this Section 11.10 or subsection 10.3.6, (13) amend the definitions of either of the terms Dominion Event or Dominion Period, (14) release any of the Collateral, unless otherwise permitted pursuant to Section 11.7 hereof or (15) subordinate the Obligations to any other Indebtedness for Money Borrowed or subordinate any of the Liens on the Collateral securing the Obligations to any other Liens, except in the case of subordination of Agent's Liens on Equipment subject to Permitted Purchase Money Indebtedness (which Agent shall be permitted to effect without the consent of any other Lender); (ii) in writing and signed by Agent in addition to the Lenders required above to affect the rights or duties of Agent under this Agreement, any Note or any other Loan Document; or (iii) in writing and signed by the Person party thereto, and neither Agent nor any of the other Lenders, to amend or modify any agreement or instrument evidencing or relating to any Product Obligations. If a fee is to be paid by Borrowers in connection with any waiver or amendment hereunder, the agreement evidencing such amendment or waiver may, at the discretion of Agent (but shall not be required to), provide that only Lenders executing such agreement by a specified date may share in such fee (and in such case, such fee shall be divided among the applicable Lenders on a pro rata basis without including the interests of any Lenders who have not timely executed such agreement).

11.11. Resignation of Agent; Appointment of Successor.

11.11.1. Resignation and Appointment. Agent may resign as Agent by giving not less than thirty (30) days' prior written notice to Lenders and Borrowers. If Agent shall resign under this Agreement, then, (i) subject to the consent of Borrowers (which consent shall not be unreasonably withheld and which consent shall not be required during any period in which a Default or an Event of Default exists), Majority Lenders shall appoint from among Lenders and their Affiliates a successor agent for Lenders or (ii) if a successor agent shall not be so appointed and approved within the thirty (30) day period following Agent's notice to Lenders and Borrowers of its resignation, then Agent shall appoint a successor agent who shall serve as Agent until such time as Majority Lenders appoint a successor agent, subject to Borrowers' consent as set forth above. Upon its appointment, such successor agent shall succeed to the rights, powers and duties of Agent and the term "Agent" shall mean such successor effective upon its appointment, and the former Agent's rights, powers and duties as Agent shall be terminated without any other or further act or deed on the part of such former Agent or any of the parties to this Agreement. After the resignation of

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any Agent hereunder, the provisions of this Section 11 shall inure to the benefit of such former Agent and such former Agent shall not by reason of such resignation be deemed to be released from liability for any actions taken or not taken by it while it was an Agent under this Agreement.

11.11.2. Borrowers' Request. At any time after the second anniversary of the Closing Date, Borrowers may request that Fleet resign as Agent hereunder and that (i) Fleet transfer all of its interests in the Agreement and the Loan Documents to Bank and (ii) Majority Lenders appoint Bank as successor Agent hereunder. If Bank and Majority Lenders consent to the foregoing, in their reasonable judgment, such resignation, transfer and appointment will take place in the manner set forth in subsections 11.9.1 and 11.11.1 hereof.

11.12. Audit and Examination Reports; Disclaimer by Lenders.

By signing this Agreement, each Lender:

(a) is deemed to have requested that Agent furnish such Lender, promptly after it becomes available, a copy of each audit or examination report (each a "Report" and collectively, "Reports") prepared by or on behalf of Agent;

(b) expressly agrees and acknowledges that Agent (i) does not make any representation or warranty as to the accuracy of any Report, and (ii) shall not be liable for any information contained in any Report;

(c) expressly agrees and acknowledges that the Reports are not comprehensive audits or examinations, that Agent or other party performing any audit or examination will inspect only specific information regarding each Borrower and will rely significantly upon each Borrower's books and records, as well as on representations of each Borrower's personnel;

(d) agrees to keep all Reports confidential and strictly for its internal use, and not to distribute except to its assignees or participants, or use any Report in any other manner, in accordance with the provisions of Section 12.14; and

(e) without limiting the generality of any other indemnification provision contained in this Agreement, agrees: (i) to hold Agent and any such other Lender preparing a Report harmless from any action the indemnifying Lender may take or conclusion the indemnifying Lender may reach or draw from any Report in connection with any loans or other credit accommodations that the indemnifying Lender has made or may make to any Borrower, or the indemnifying Lender's participation in, or the indemnifying Lender's purchase of, a loan or loans of any Borrower; and (ii) to pay and protect, and indemnify, defend and hold Agent and any such other Lender preparing a Report harmless

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from and against, the claims, actions, proceedings, damages, costs, expenses and other amounts (including reasonable attorney's fees and expenses) incurred by Agent and any such other Lender preparing a Report as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

#### 11.13. Syndication Agent; Documentation Agents.

The Syndication Agent and each Documentation Agent identified in the introductory paragraph of this Agreement, in its capacity as such, shall not have any rights, powers, duties or responsibilities, and no rights, powers, duties or responsibilities shall be read into this Agreement or any other Loan Document or otherwise exist on behalf of or against such entity, in its capacity as such. If the Syndication Agent or either Documentation Agent resigns, in its capacity as such, no successor Syndication Agent or Documentation Agent, as applicable, shall be appointed.

#### 11.14. Quebec Security.

For greater certainty, and without limiting the powers of Agent hereunder or under any of the other Loan Documents, Borrowers hereby acknowledge that, for purposes of holding any security granted by any Borrower or any Guarantor on movable or immovable property pursuant to the laws of the Province of Quebec to secure obligations of any Borrower or any Guarantor under any bond or debenture issued by any Borrower or any Guarantor, Agent shall be the holder of an irrevocable power of attorney (fonde de pouvoir within the meaning of Article 2692 of the Civil Code of Quebec) for and on behalf of (i) all present and future Lenders, (ii) Agent, and (iii) Bank or any other Affiliate of Agent that may from time to time issue Letters of Credit to any Borrower or execute LC Guaranties in favour of any Borrower. Each Lender, Bank

or any other Affiliate of Agent that may from time to time issue Letters of Credit to any Borrower or execute LC Guaranties in favour of any Borrower hereby (i) irrevocably constitutes, to the extent necessary the Agent as the holder of an irrevocable power of attorney (fonde de pouvoir within the meaning of Article 2692 of the Civil Code of Quebec) in order to hold hypothecs and security granted by any Borrower or any Guarantor on movable or immovable property pursuant to the laws of the Province of Quebec to secure obligations of any Borrower or any Guarantor under any bond or debenture issued by any Borrower or any Guarantor, and (ii) appoints and agrees that Agent may act as the bondholder and mandatory with respect to any bond or debenture that may be issued and pledged from time to time for the benefit of Lenders, Agent, Bank or any other Affiliate of Agent that may from time to time issue Letters of Credit to any Borrower or execute LC Guaranties in favour of any Borrower.

The constitution of Agent as the holder of such irrevocable power of attorney (fonde de pouvoir) and Agent as bondholder and mandatory with respect to any bond or debenture that may be issued and pledged from time to time for the benefit of Lenders, Agent, Bank or any other Affiliate of Agent that may from time to time issue Letters of Credit to any Borrower or execute LC Guaranties in favour of any Borrower, shall be deemed to have been ratified and confirmed as follows:

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(i) by any assignee of a Lender by the execution of an Assignment and Acceptance Agreement;

(ii) by Bank or any other Affiliate of Agent by the issuance or execution, as the case may be, of Letters of Credit or LC Guaranties; and

(iii) by any assignee of Agent by the execution of an assignment agreement.

Notwithstanding the provisions of Section 32 of the An Act respecting the special powers of legal persons (Quebec), Agent may purchase, acquire and be the holder of any bond or debenture issued by any Borrower or any Guarantor (i.e. the fonde de pouvoir may acquire and hold the first bond or debenture issued under any deed of hypothec by any Borrower or any Guarantor).

Agent herein appointed as fonde de pouvoir shall have the same rights, powers and immunities as the Agent as stipulated herein, including under this Section 11, which shall apply mutatis mutandis. Without limitation, the provisions of Section 11.11 shall apply mutatis mutandis to the resignation and appointment of a successor Agent acting as fonde de pouvoir.

## SECTION 12. MISCELLANEOUS

### 12.1. Power of Attorney.

Each Borrower hereby irrevocably designates, makes, constitutes and appoints Agent (and all Persons designated by Agent) as such Borrower's true and lawful attorney (and agent-in-fact), solely with respect to the matters set forth in this Section 12.1, and Agent, or Agent's agent, may, without notice to any Borrower and in such Borrower's or Agent's name, but at the cost and expense of such Borrower:

12.1.1. At such time or times as Agent or said agent, in its sole discretion, may determine, endorse such Borrower's name on any checks, notes, acceptances, drafts, money orders or any other evidence of payment or proceeds of the Collateral which come into the possession of Agent or under Agent's control.

12.1.2. At such time or times upon or after the occurrence and during the continuance of an Event of Default (provided that the occurrence of an Event of Default shall not be required with respect to

clauses (iv), (vi), (viii) and (ix) below), as Agent or its agent in its sole discretion may determine: (i) demand payment of the Accounts from the Account Debtors, enforce payment of the Accounts by legal proceedings or otherwise, and generally exercise all of such Borrower's rights and remedies with respect to the collection of the Accounts; (ii) settle, adjust, compromise, discharge or release any of the Accounts or other Collateral or any legal proceedings brought to collect any of the Accounts or other Collateral; (iii) sell or assign any of the Accounts and other Collateral upon such terms, for such amounts and at such time or times as Agent deems advisable, and at Agent's option, with all warranties regarding the Collateral disclaimed; (iv) take control, in any manner, of

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any item of payment or proceeds relating to any Collateral; (v) prepare, file and sign such Borrower's name to a proof of claim in bankruptcy or similar document against any Account Debtor or to any notice of lien, assignment or satisfaction of lien or similar document in connection with any of the Collateral; (vi) receive, open and dispose of all mail addressed to such Borrower and notify postal authorities to change the address for delivery thereof to such address as Agent may designate; (vii) endorse the name of such Borrower upon any of the items of payment or proceeds relating to any Collateral and deposit the same to the account of Agent on account of the Obligations; (viii) endorse the name of such Borrower upon any chattel paper, document, instrument, invoice, freight bill, bill of lading or similar document or agreement relating to the Accounts, Inventory and any other Collateral; (ix) use such Borrower's stationery and sign the name of such Borrower to verifications of the Accounts and notices thereof to Account Debtors; (x) use the information recorded on or contained in any data processing equipment and Computer Hardware and Software relating to the Accounts, Inventory, Equipment and any other Collateral; (xi) make and adjust claims under policies of insurance; and (xii) do all other acts and things necessary, in Agent's determination, to fulfill such Borrower's obligations under this Agreement.

The power of attorney granted hereby shall constitute a power coupled with an interest and shall be irrevocable.

#### 12.2. Indemnity.

Each Borrower hereby agrees to jointly and severally indemnify Agent, Arranger and each Lender (and each of their Affiliates), and each of their respective officers, directors, employees, agents and advisors and hold Agent, Arranger and each Lender (and each of their Affiliates) and each of their respective officers, directors, employees, agents and advisors, harmless from and against any liability, loss, damage, suit, action or proceeding ever suffered or incurred by any such Person (including reasonable attorneys fees and legal expenses) as the result of such Borrower's failure to observe, perform or discharge such Borrower's duties hereunder or arising from or relating to this Agreement, the other Loan Documents or the transactions contemplated hereby or thereby, except those determined by a court of competent jurisdiction in a final nonappealable judgment to have arisen out of the gross negligence or willful misconduct of any such Person. In addition, Borrowers shall jointly and severally defend Agent, Arranger and each Lender (and each of their Affiliates), and each of their respective officers, directors, employees, agents and advisors against and save it harmless from all claims of any Person with respect to the Collateral (except those determined by a court of competent jurisdiction in a final nonappealable judgment to have arisen out of the gross negligence or intentional misconduct of any such Person). Without limiting the generality of the foregoing, Borrowers shall jointly and severally indemnify and hold harmless Agent and each Lender (and each of their Affiliates), and each of their respective officers, directors, employees, agents and advisors from and against any loss, damage, cost, expense or liability directly or indirectly arising out

of or under the Environmental Laws, or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence of any Hazardous Materials, except for those losses, damages, costs, expenses or liabilities determined

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by a court of competent jurisdiction in a final nonappealable judgment to have arisen out of the gross negligence or willful misconduct of any such Person. Notwithstanding any contrary provision in this Agreement, the obligation of each Borrower under this Section 12.2 shall survive the payment in full of the Obligations and the termination of this Agreement.

12.3. Sale of Interest.

No Borrower may sell, assign or transfer any interest in this Agreement, any of the other Loan Documents, or any of the Obligations, or any portion thereof, including, without limitation, such Borrower's rights, title, interests, remedies, powers, and duties hereunder or thereunder.

12.4. Severability.

Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

12.5. Successors and Assigns.

This Agreement, the Other Agreements and the Security Documents shall be binding upon and inure to the benefit of the successors and assigns of Borrowers, Agent and each Lender permitted under Section 11.9 hereof.

12.6. Cumulative Effect; Conflict of Terms.

The provisions of the Other Agreements and the Security Documents are hereby made cumulative with the provisions of this Agreement. Except as otherwise provided in any of the other Loan Documents by specific reference to the applicable provision of this Agreement, if any provision contained in this Agreement is in direct conflict with, or inconsistent with, any provision in any of the other Loan Documents, the provision contained in this Agreement shall govern and control.

12.7. Execution in Counterparts.

This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts taken together shall constitute but one and the same instrument.

12.8. Notice.

Except as otherwise provided herein, all notices, requests and demands to or upon a party hereto, to be effective, shall be in writing, return receipt requested, by personal delivery against receipt, by overnight courier or by facsimile and, unless otherwise expressly

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provided herein, shall be deemed to have been validly served, given, delivered or received, as applicable, immediately when delivered against receipt, one Business Day after deposit with an overnight courier or, in the case of

facsimile notice, when sent, addressed as follows:

If to Agent: Fleet Capital Corporation  
One South Wacker Drive  
Suite 1400  
Chicago, Illinois 60606  
Attention: Loan Administration Manager  
Facsimile No.: (312) 827-4222

With a copy to: Goldberg, Kohn, Bell, Black,  
Rosenbloom & Moritz, Ltd.  
55 East Monroe Street  
Suite 3700  
Chicago, Illinois 60603  
Attention: David L. Dranoff, Esq.  
Facsimile No.: (312) 332-2196

If to any Borrower: c/o Wabash National Corporation  
1000 Sagamore Parkway South  
Lafayette, Indiana 47905  
Attention: Christopher A. Black  
Facsimile No.: (765) 771-5308

With a copy to: Baker & Daniels  
600 East 96th Street  
Suite 600  
Indianapolis, Indiana 46240  
Attention: Robert S. Wynne, Esq.  
Facsimile No.: (317) 569-4800

or to such other address as each party may designate for itself by notice given in accordance with this Section 12.8; provided, however, that any notice, request or demand to or upon Agent or a Lender pursuant to subsection 3.1.1 or 4.2.2 hereof shall not be effective until received by Agent or such Lender.

12.9. Consent.

Whenever Agent's, Majority Lenders' or all Lenders' consent is required to be obtained under this Agreement, any of the Other Agreements or any of the Security Documents as a condition to any action, inaction, condition or event, except as otherwise specifically provided herein, Agent, Majority Lenders or all Lenders, as applicable, shall be authorized to give or withhold such consent in their sole and absolute discretion and to condition its consent upon the giving of additional Collateral security for the Obligations, the payment of money or any other matter.

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12.10. Credit Inquiries.

Each Borrower hereby authorizes and permits Agent and each Lender to respond to usual and customary credit inquiries from third parties concerning such Borrower or any of its Subsidiaries.

12.11. Time of Essence.

Time is of the essence of this Agreement, the Other Agreements and the Security Documents.

12.12. Entire Agreement.

This Agreement and the other Loan Documents, together with all other instruments, agreements and certificates executed by the parties in connection therewith or with reference thereto, embody the entire understanding and agreement between the parties hereto and thereto with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings and

inducements, whether express or implied, oral or written.

12.13. Interpretation.

No provision of this Agreement or any of the other Loan Documents shall be construed against or interpreted to the disadvantage of any party hereto by any court or other governmental or judicial authority by reason of such party having or being deemed to have structured or dictated such provision.

12.14. Confidentiality.

Agent and each Lender shall hold all nonpublic information obtained pursuant to the requirements of this Agreement in accordance with Agent's and such Lender's customary procedures for handling confidential information of this nature and in accordance with safe and sound banking practices and in any event may make disclosure reasonably required by a prospective participant or assignee in connection with the contemplated participation or assignment or as required or requested by any governmental authority or representative thereof or pursuant to legal process or in connection with the exercise of remedies and shall require any such participant or assignee to agree to comply with this Section 12.14. In any event, however, Agent, each Lender, Borrowers and their Affiliates may disclose to any and all Persons, without limitation of any kind, the tax treatment and tax structure of the transactions contemplated hereby and by the other Loan Documents and all materials of any kind (including opinions or other tax analyses) that are provided to Agent, any Lender, any Borrower or their Affiliates relating to such tax treatment and tax structure; it being understood that this authorization is retroactively effective to the commencement of the first discussions between or among any of the parties regarding the transactions contemplated hereby and by the other Loan Documents.

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12.15. GOVERNING LAW; CONSENT TO FORUM.

THIS AGREEMENT HAS BEEN NEGOTIATED, EXECUTED AND DELIVERED IN AND SHALL BE DEEMED TO HAVE BEEN MADE IN CHICAGO, ILLINOIS. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS; PROVIDED, HOWEVER, THAT IF ANY OF THE COLLATERAL SHALL BE LOCATED IN ANY JURISDICTION OTHER THAN ILLINOIS, THE LAWS OF SUCH JURISDICTION SHALL GOVERN THE METHOD, MANNER AND PROCEDURE FOR FORECLOSURE OF AGENT'S LIEN UPON SUCH COLLATERAL AND THE ENFORCEMENT OF AGENT'S OTHER REMEDIES IN RESPECT OF SUCH COLLATERAL TO THE EXTENT THAT THE LAWS OF SUCH JURISDICTION ARE DIFFERENT FROM OR INCONSISTENT WITH THE LAWS OF ILLINOIS. AS PART OF THE CONSIDERATION FOR NEW VALUE RECEIVED, AND REGARDLESS OF ANY PRESENT OR FUTURE DOMICILE OR PRINCIPAL PLACE OF BUSINESS OF ANY BORROWER, AGENT OR ANY LENDER, EACH BORROWER HEREBY CONSENTS AND AGREES THAT THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS, OR, AT AGENT'S OPTION, THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION, SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN BORROWERS ON THE ONE HAND AND AGENT OR ANY LENDER ON THE OTHER HAND PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATED TO THIS AGREEMENT; PROVIDED, THAT AGENT AND LENDERS ACKNOWLEDGE THAT ANY APPEALS FROM THOSE COURTS MAY HAVE TO BE HEARD BY A COURT LOCATED OUTSIDE OF SUCH JURISDICTION AND; PROVIDED, FURTHER THAT NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO PRECLUDE AGENT FROM BRINGING SUIT OR TAKING OTHER LEGAL ACTION IN ANY OTHER JURISDICTION TO REALIZE ON THE COLLATERAL OR ANY OTHER SECURITY FOR THE OBLIGATIONS OR TO ENFORCE A JUDGMENT OR OTHER COURT ORDER IN FAVOR OF AGENT. EACH BORROWER EXPRESSLY SUBMITS AND CONSENTS IN ADVANCE TO SUCH JURISDICTION IN ANY ACTION OR SUIT COMMENCED IN ANY SUCH COURT, AND EACH BORROWER HEREBY WAIVES ANY OBJECTION WHICH SUCH BORROWER MAY HAVE BASED UPON LACK OF PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS AND HEREBY CONSENTS TO THE GRANTING OF SUCH LEGAL OR EQUITABLE RELIEF AS IS DEEMED APPROPRIATE BY SUCH COURT. EACH BORROWER HEREBY WAIVES PERSONAL SERVICE OF THE SUMMONS, COMPLAINT AND OTHER PROCESS ISSUED IN ANY SUCH ACTION OR SUIT AND AGREES THAT SERVICE OF SUCH SUMMONS, COMPLAINT AND OTHER PROCESS MAY BE MADE BY

REGISTERED OR CERTIFIED MAIL ADDRESSED TO SUCH BORROWER AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND THAT SERVICE SO MADE SHALL BE DEEMED COMPLETED UPON THE EARLIER OF SUCH BORROWER'S ACTUAL RECEIPT THEREOF OR 3 DAYS

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AFTER DEPOSIT IN THE U.S. MAILS, PROPER POSTAGE PREPAID. NOTHING IN THIS AGREEMENT SHALL BE DEEMED OR OPERATE TO AFFECT THE RIGHT OF AGENT OR ANY LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW, OR TO PRECLUDE THE ENFORCEMENT BY AGENT OR ANY LENDER OF ANY JUDGMENT OR ORDER OBTAINED IN SUCH FORUM OR THE TAKING OF ANY ACTION UNDER THIS AGREEMENT TO ENFORCE SAME IN ANY OTHER APPROPRIATE FORUM OR JURISDICTION.

12.16. WAIVERS BY BORROWERS.

EACH BORROWER WAIVES (I) THE RIGHT TO TRIAL BY JURY (WHICH AGENT AND EACH LENDER HEREBY ALSO WAIVES) IN ANY ACTION, SUIT, PROCEEDING OR COUNTERCLAIM OF ANY KIND ARISING OUT OF OR RELATED TO ANY OF THE LOAN DOCUMENTS, THE OBLIGATIONS OR THE COLLATERAL; (II) PRESENTMENT, DEMAND AND PROTEST AND NOTICE OF PRESENTMENT, PROTEST, DEFAULT, NON PAYMENT, MATURITY, RELEASE, COMPROMISE, SETTLEMENT, EXTENSION OR RENEWAL OF ANY OR ALL COMMERCIAL PAPER, ACCOUNTS, CONTRACT RIGHTS, DOCUMENTS, INSTRUMENTS, CHATTEL PAPER AND GUARANTIES AT ANY TIME HELD BY AGENT OR ANY LENDER ON WHICH SUCH BORROWER MAY IN ANY WAY BE LIABLE AND HEREBY RATIFIES AND CONFIRMS WHATEVER AGENT OR ANY LENDER MAY DO IN THIS REGARD; (III) NOTICE PRIOR TO AGENT'S TAKING POSSESSION OR CONTROL OF THE COLLATERAL OR ANY BOND OR SECURITY WHICH MIGHT BE REQUIRED BY ANY COURT PRIOR TO ALLOWING AGENT TO EXERCISE ANY OF AGENT'S REMEDIES; (IV) THE BENEFIT OF ALL VALUATION, APPRAISEMENT AND EXEMPTION LAWS; (V) NOTICE OF ACCEPTANCE HEREOF AND (VI) EXCEPT AS PROHIBITED BY LAW, ANY RIGHT TO CLAIM OR RECOVER ANY SPECIAL, EXEMPLARY, PUNITIVE OR CONSEQUENTIAL DAMAGES OR ANY DAMAGES OTHER THAN, OR IN ADDITION TO, ACTUAL DAMAGES. EACH BORROWER ACKNOWLEDGES THAT THE FOREGOING WAIVERS ARE A MATERIAL INDUCEMENT TO AGENT'S AND EACH LENDER'S ENTERING INTO THIS AGREEMENT AND THAT AGENT AND EACH LENDER IS RELYING UPON THE FOREGOING WAIVERS IN ITS FUTURE DEALINGS WITH SUCH BORROWER. EACH BORROWER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THE FOREGOING WAIVERS WITH ITS LEGAL COUNSEL AND HAS KNOWINGLY AND VOLUNTARILY WAIVED ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

12.17. Advertisement.

Each Borrower hereby authorizes Agent to publish the name of such Borrower and the amount of the credit facility provided hereunder in any "tombstone" or comparable

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advertisement which Agent elects to publish. In addition, each Borrower agrees that, notwithstanding the provisions of Section 12.14, Agent may provide lending industry trade organizations with information necessary and customary for inclusion in league table measurements after the Closing Date.

12.18. English Language.

The parties hereby confirm their express wish that this Agreement and all documents and agreements directly and indirectly related thereto, including notices, be drawn up in English. Notwithstanding such express wish, the parties agree that any of such documents, agreements and notices or any part thereof or of this Agreement may be drawn up in French. Les parties reconnaissent leur volonte expresse que la presente convention ainsi que tous les documents et conventions qui s'y rattachent directement ou indirectement, y compris les avis, soient rediges en langue anglaise. Nonobstant telle volonte expresse, les parties conviennent que n'importe quelle desdits documents, conventions et avis ou toute partie de ceux-ci ou de cette convention puissent

etre rediges en langue francaise.

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IN WITNESS WHEREOF, this Agreement has been duly executed on the day and year specified at the beginning of this Agreement.

BORROWERS:

WABASH NATIONAL CORPORATION

By \_\_\_\_\_  
Christopher A. Black  
Its Vice President and Treasurer

WABASH NATIONAL, L.P.

By \_\_\_\_\_  
Christopher A. Black  
Its Vice President and Treasurer

WNC CLOUD MERGER SUB, INC.

By \_\_\_\_\_  
Christopher A. Black  
Its Authorized Representative

FTSI DISTRIBUTION COMPANY, L.P.

By \_\_\_\_\_  
Christopher A. Black  
Its Authorized Representative

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

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FLEET CAPITAL CORPORATION,  
as Agent and as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$39,396,668.16  
Term Loan Commitment: \$10,603,331.84

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

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NATIONAL CITY COMMERCIAL  
FINANCE, INC.,  
as Syndication Agent and as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$29,941,467.81  
Term Loan Commitment: \$8,058,532.19

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

GENERAL ELECTRIC  
CAPITAL CORPORATION,  
as a Documentation Agent and as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$27,577,667.72  
Term Loan Commitment: \$7,422,332.28

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

WACHOVIA BANK,  
NATIONAL ASSOCIATION,  
as a Documentation Agent and as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$27,577,677.72  
Term Loan Commitment: \$7,422,332.28

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

MERRILL LYNCH CAPITAL, a Division of  
Merrill Lynch Business Financial  
Services, Inc. as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$18,201,260.69  
Term Loan Commitment: \$4,898,739.31

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

WASHINGTON MUTUAL BANK,  
as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$8,667,267.00  
Term Loan Commitment: \$2,332,733.00

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

FIFTH THIRD BANK,  
as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$11,819,000.45  
Term Loan Commitment: \$3,180,999.55

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

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LASALLE BANK NATIONAL ASSOCIATION,  
as a Lender

By \_\_\_\_\_  
Title \_\_\_\_\_

Revolving Loan Commitment: \$11,819,000.45  
Term Loan Commitment: \$3,180,999.55

[SIGNATURE PAGES TO WABASH - LOAN AND SECURITY AGREEMENT]

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#### APPENDIX A

#### GENERAL DEFINITIONS

When used in the Loan and Security Agreement dated as of September 23, 2003, by and among FLEET CAPITAL CORPORATION, individually as a Lender and as Agent for Lenders, NATIONAL CITY COMMERCIAL FINANCE, INC., individually as a Lender and as Syndication Agent for Lenders, GENERAL ELECTRIC CAPITAL CORPORATION, as a Documentation Agent and as a Lender, WACHOVIA BANK, NATIONAL ASSOCIATION, as a Documentation Agent and as a Lender, FLEET SECURITIES, INC., as Arranger, the other financial institutions which are or become parties thereto as Lenders and WABASH NATIONAL CORPORATION AND EACH SUBSIDIARY OF WABASH NATIONAL CORPORATION IDENTIFIED ON THE SIGNATURES PAGES THERETO AS A BORROWER, (a) the terms Account, Certificated Security, Chattel Paper, Commercial Tort Claims, Deposit Account, Document, Electronic Chattel Paper, Equipment, Financial Asset, Fixture, General Intangibles, Goods, Instruments, Inventory, Investment Property, Letter-of-Credit Rights, Payment Intangibles, Proceeds, Security Entitlement, Software, Supporting Obligations, Tangible Chattel Paper and Uncertificated Security have the respective meanings assigned thereto under the UCC; (b) all terms reflecting Collateral having the meanings assigned thereto under the UCC shall be deemed to mean such Property, whether now owned or hereafter created or acquired by a Borrower or in which such Borrower now has or hereafter acquires any interest; (c) capitalized terms which are not otherwise defined have the respective meanings assigned thereto in said Loan and Security Agreement; and (d) the following terms shall have the following meanings (terms defined in the singular to have the same meaning when used in the plural and vice versa):

Account Debtor - any Person who is or may become obligated under or on account of any Account, Contract Right, Chattel Paper or General Intangible.

Affiliate - a Person (other than a Subsidiary): (i) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, a Person; (ii) which beneficially owns or holds 5% or more of any class of the Voting Stock of a Person; or (iii) 5% or more of the Voting Stock (or in the case of a Person which is not a corporation, 5% or more of the equity interest) of which is beneficially owned or held by a Person or a Subsidiary of a Person.

Agent - Fleet Capital Corporation in its capacity as agent for the Lenders under the Agreement and any successor in that capacity appointed pursuant to Section 11.11 of the Agreement.

Agent Loans - as defined in subsection 1.1.5 of the Agreement.

Aggregate Percentage - with respect to each Lender, the percentage equal to the quotient of (i) such Lender's Loan Commitment divided by (ii) the aggregate of all Loan Commitments.

Agreed Alternate Currency - as defined in Section 1.5 of the Agreement.

Agreement - the Loan and Security Agreement referred to in the first sentence of this Appendix A, all Exhibits and Schedules thereto and this Appendix A, as each of the same may be amended from time to time.

Apex - Apex Trailer Leasing & Rentals, L.P., a Delaware limited partnership.

Apex Trailer Inventory - Inventory of Apex consisting of trailers subject to a lease to a third Person.

Apex Trailer Leases - lease agreements whereby Apex has leased Apex Trailer Inventory to a third Person.

Apex Sale - the sale of substantially all of the assets, properties and rights of Apex, WNTC, Wabash and WTSI Technology Corp. related to the business of renting and leasing over-the-road and storage trailers and the business of wholesaling, retailing, distributing and marketing aftermarket, replacement and warranty parts and accessories for trailers.

Apex Sale Documents - that certain Asset Purchase Agreement, dated as of July 22, 2003, by and among Apex, WNTC, Wabash and WTSI Technology Corp., on the one hand, and Apex Trailer Leasing & Rental LLC, Aurora Parts & Accessories LLC and Aurora Trailers Holdings LLC, on the other hand, and each agreement, instrument or document entered into in connection therewith.

Applicable Margin - from the Closing Date to, but not including, the first Adjustment Date (as hereinafter defined) the percentages set forth below with respect to the Base Rate Revolving Portion, the Base Rate Term Portion, the LIBOR Revolving Portion, the LIBOR Term Portion and the Unused Line Fee:

Base Rate Revolving Portion	0.50%
Base Rate Term Portion	0.75%
LIBOR Revolving Portion	2.50%
LIBOR Term Portion	2.75%
Unused Line Fee	0.375%

Notwithstanding the foregoing, each percentage listed above (other than that applicable to the Unused Line Fee) shall be increased by 0.25% for the first 180 day period after the Closing Date.

The percentages set forth above will be adjusted 3 days following delivery by Borrowers to Agent of the financial statements required to be delivered pursuant to subsection 8.1.3(ii) of the Agreement for each March 31, June 30, September 30 and December 31

during the Term, commencing with the financial statements required to be delivered for the month ending March 31, 2004 (each such date, an "Adjustment Date"), effective prospectively on the first day of the month immediately following

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such delivery, by reference to the applicable "Financial Measurement" (as defined below) for the four quarters most recently ending in accordance with the following:

Financial Measurement	Base Rate Revolving Portion	Base Rate Term Portion	LIBOR Revolving Portion	LIBOR Term Portion	Unused Line Fee
Less than 1.75 to 1.00	0.50%	0.75%	2.50%	2.75%	0.500%
Greater than or equal to 1.75 to 1.00 and less than 2.50 to 1.00	0.25%	0.50%	2.25%	2.50%	0.375%
Greater than or equal to 2.50 to 1.00	0.00%	0.25%	2.00%	2.25%	0.375%

provided that, (i) if Borrowers' audited financial statements for any fiscal year delivered pursuant to subsection 8.1.3(i) of the Agreement reflect a Financial Measurement that yields a higher Applicable Margin than that yielded by the monthly financial statements previously delivered pursuant to subsection 8.1.3(ii) of the Agreement for the last month of such fiscal year, the Applicable Margin shall be readjusted retroactively for the period that was incorrectly calculated, (ii) if Borrowers fail to deliver the financial statements required to be delivered pursuant to subsection 8.1.3(i) or subsection 8.1.3(ii) of the Agreement on or before the due date thereof, the Applicable Margin shall automatically adjust to the highest pricing tier set forth above, effective prospectively from such due date until the next Adjustment Date and (iii) if on any Adjustment Date an Event of Default is in existence, the Applicable Margin shall not be lowered regardless of the Financial Measurement on such Adjustment Date. For purposes hereof, "Financial Measurement" shall mean the Fixed Charge Coverage Ratio.

Arranger - Fleet Securities, Inc., in its capacity as Arranger under the Agreement.

Assignment and Acceptance Agreement - an assignment and acceptance agreement in the form attached hereto as Exhibit A-2, pursuant to which a Lender assigns to another Lender all or any portion of any of such Lender's Revolving Loan Commitment, Term Loan or Term Loan Commitment, as permitted pursuant to the terms of this Agreement.

Availability - the aggregate amount of additional money which Borrowers are entitled to borrow from time to time as Revolving Credit Loans, such amount being the difference derived when the sum of the principal amount of Revolving Credit Loans then outstanding (including any amounts which Agent or any Lender may have paid for the account of any Borrower pursuant to any of the Loan Documents and which have not been reimbursed by Borrowers), the sum of the Dollar Equivalent of the LC Amount and the LC Obligations and any reserves is subtracted from the Borrowing Base. If the amount outstanding is equal to or greater than the Borrowing Base, Availability is 0.

Bank - Fleet National Bank.

Base Rate - the rate of interest announced or quoted by Bank from time to time as its prime rate for commercial loans, whether or not such rate is the lowest rate charged by Bank to its most preferred borrowers (and, if such prime rate for commercial loans is discontinued by Bank as a standard, a comparable reference rate designated by Bank as a substitute therefor).

Base Rate Portion - a Base Rate Term Portion or a Base Rate Revolving Portion.

Base Rate Revolving Portion - that portion of the Revolving Credit Loans that is not subject to a LIBOR Option.

Base Rate Term Portion - that portion of the Term Loan that is not subject to a LIBOR Option.

Bill and Hold Inventory - finished goods Inventory of a Company as to which a Company has issued an invoice for payment to the customer, but which, pursuant to such customers' instructions or such Company's normal business practices, has not yet been shipped to such customer and title to which has not yet passed to such customer.

Borrowing Base - as at any date of determination thereof, an amount equal to the lesser of:

- (i) the Revolving Credit Maximum Amount; or
- (ii) an amount equal to the sum of
  - (a) 85% of the net amount of Eligible Accounts outstanding at such date; plus
  - (b) the least of (i) \$120,000,000, (ii) the sum of (A) 85% of the net orderly liquidation percentage of Eligible Inventory at such date and (B) the lesser of (1) 30% of the total amount of the Borrowing Base derived from this clause (b) and (2) 85% of the net orderly liquidation value of Eligible Trailer Inventory at such date or (iii) the sum of (A) 75% of the value of Eligible Bill and Hold Inventory at such date, plus (B) 65% of the value of Eligible Inventory consisting of raw materials, parts, or finished goods (including Bill and Hold Inventory not constituting Eligible Bill and Hold Inventory) at such date plus (C) 40% of the value of Eligible Inventory consisting of work-in-process at such date.

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Notwithstanding the foregoing, each percentage contained in clause (b) above shall be increased by 10% for the first 90 day period after the Closing Date and 5% for the second 90 day period after the Closing Date. The limitations set forth in the immediately preceding sentence may be adjusted downward by Agent, as Agent shall deem necessary or appropriate in its reasonable credit judgment. For

purposes hereof, (1) the net amount of Eligible Accounts at any time shall be the face amount of such Eligible Accounts less any and all returns, rebates, discounts (which may, at Agent's option, be calculated on shortest terms), credits, allowances or excise taxes of any nature at any time issued, owing, claimed by Account Debtors, granted, outstanding or payable in connection with such Accounts at such time, (2) the amount of Eligible Inventory, Eligible Bill and Hold Inventory and Eligible Trailer Inventory shall each be determined on a first-in, first-out, lower of cost or market basis in accordance with GAAP, net of intercompany charges, (3) the net orderly liquidation percentage of Eligible Inventory shall be determined by a third party appraiser reasonably acceptable to Agent and shall be as reflected in the most recent appraisal delivered to Agent under this Agreement and (4) the net orderly liquidation value of Eligible Trailer Inventory shall be determined by a third party appraiser reasonably acceptable to Agent and shall be reflected in the most recent appraisal delivered to Agent under this Agreement.

Borrowing Base Certificate - a certificate by a responsible officer of Wabash, substantially in the form of Exhibit 8.1.4 (or another form reasonably acceptable to Agent) setting forth in Dollars the calculation of the Borrowing Base, including a calculation of each component thereof, all in such detail as shall be reasonably satisfactory to Agent. All calculations of the Borrowing Base in connection with the preparation of any Borrowing Base Certificate shall originally be made by Wabash and certified to Agent; provided, that Agent shall have the right to review and adjust, in the exercise of its reasonable credit judgment, any such calculation after giving notice thereof to Wabash, (1) to reflect its reasonable estimate of declines in value of any of the Collateral described therein, and (2) to the extent that Agent determines that such calculation is not in accordance with this Agreement.

Breadner Debt - Indebtedness of Wabash Canada to Robert Breadner in the amount of \$5,000,000 maturing on January 15, 2006.

Business Day - any day excluding Saturday, Sunday and any day which is a legal holiday under the laws of the State of Wisconsin, the State of Connecticut, the State of Illinois or the State of Indiana or is a day on which banking institutions located in any of such states are closed.

Canadian Dollars - the lawful currency of Canada.

Capital Expenditures - expenditures made or liabilities incurred for the acquisition of any fixed assets or improvements, replacements, substitutions or additions thereto which have a useful life of more than one year, including the total principal portion of Capitalized Lease Obligations.

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Capitalized Lease Obligation - any Indebtedness represented by obligations under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP.

Closing Date - the date on which all of the conditions precedent in Section 9 of the Agreement are satisfied or waived by Agent and all Lenders and the initial Loan is made or the initial Letter of Credit or LC Guaranty is issued under the Agreement.

Cloud Debt - Indebtedness of WNC Cloud and Cloud Oak Flooring Company, Inc. in the amount of \$826,495, comprising bond issuances by the Arkansas Development Finance Authority as evidenced by those certain loan agreements, (i) by and between Cloud Corporation and the Arkansas Development Finance Authority, dated February 1, 1994,

maturing on January 25, 2004 and (ii) by and between Cloud Corporation and the Arkansas Development Finance Authority dated May 1, 1996, maturing on April 25, 2006.

Collateral - all of the Property and interests in Property described in Section 5 of the Agreement, and all other Property and interests in Property of any Person that now or hereafter secure the payment and performance of any of the Obligations.

Company - individually, each of each Borrower and Wabash Canada.

Compliance Certificate - as defined in subsection 8.1.3 of the Agreement.

Computer Hardware and Software - all of each Borrower's rights (including rights as licensee and lessee) with respect to (i) computer and other electronic data processing hardware, including all integrated computer systems, central processing units, memory units, display terminals, printers, computer elements, card readers, tape drives, hard and soft disk drives, cables, electrical supply hardware, generators, power equalizers, accessories, peripheral devices and other related computer hardware; (ii) all Software and all software programs designed for use on the computers and electronic data processing hardware described in clause (i) above, including all operating system software, utilities and application programs in any form (source code and object code in magnetic tape, disk or hard copy format or any other listings whatsoever); (iii) any firmware associated with any of the foregoing; and (iv) any documentation for hardware, Software and firmware described in clauses (i), (ii) and (iii) above, including flow charts, logic diagrams, manuals, specifications, training materials, charts and pseudo codes.

Consolidated - the consolidation in accordance with GAAP of the accounts or other items as to which such term applies.

Contract Right - any right of each Borrower to payment under a contract for the sale or lease of goods or the rendering of services, which right is at the time not yet earned by performance.

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Convertible Note Documents - (i) the Convertible Note Indenture, (ii) the Convertible Notes, (iii) the Registration Rights Agreement relating to the Convertible Notes and (iv) the Purchase Agreement relating to the Convertible Notes, together with such other documents, agreements and instruments executed and delivered from time to time in connection with the foregoing, in each case as amended from time to time.

Convertible Note Indenture - that certain Indenture providing for the issuance of the Convertible Notes between Wabash, as issuer and the Convertible Note Trustee, dated as of August 1, 2003.

Convertible Note Trustee - Wachovia Bank, National Association.

Convertible Notes - the 3 1/4% Convertible Senior Notes due 2008 of Wabash issued as of August 1, 2003 pursuant to the Convertible Bond Documents in the original principal amount of \$125,000,000.

Current Assets - at any date means the amount at which all of the current assets of a Person would be properly classified as current assets shown on a balance sheet at such date in accordance with GAAP.

Default - an event or condition the occurrence of which would,

with the lapse of time or the giving of notice, or both, become an Event of Default.

Default Rate - as defined in subsection 2.1.2 of the Agreement.

Derivative Obligations - every obligation of a Person under any forward contract, futures contract, exchange contract, swap, option or other financing agreement or arrangement (including, without limitation, caps, floors, collars and similar agreement), the value of which is dependent upon interest rates, currency exchange rates, commodities or other indices.

Distribution - in respect of any Person means and includes: (i) the payment of any dividends or other distributions on Securities (except distributions in such Securities) and (ii) the redemption (including by way of conversion to another debt or equity Security) or acquisition of Securities of such Person, as the case may be, unless made contemporaneously from the net proceeds of the sale of Securities.

Documentation Agents - each of General Electric Capital Corporation and Wachovia Bank, National Association, in its capacity as a Documentation Agent for the Lenders under this Agreement.

Dollar Equivalent - the amount of Dollars as of any date of determination into which Canadian Dollars or amounts denominated in any Agreed Alternate Currency can be converted or determined in accordance with Section 1.6 of the Agreement.

Dollars - the lawful currency of the United States.

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Domestic Subsidiary - a Subsidiary incorporated under the laws of a state of the United States or the District of Columbia.

Dominion Account - a special bank account or accounts of Agent established by a Company pursuant to subsection 6.2.4 of the Agreement at banks selected by such Company, but acceptable to Agent in its reasonable discretion, and over which Agent shall have sole and exclusive access and control for withdrawal purposes.

Dominion Event - the occurrence of any one of the following: (a) Availability is less than \$15,000,000 for 5 consecutive days; (b) Availability is at any time less than \$10,000,000; (c) an Event of Default occurs under subsection 10.1.3 because of a breach of Section 8.3 or (d) an Event of Default occurs under subsection 10.1.1.

Dominion Period - the period commencing with prior written notice by Agent to Borrowers of the occurrence of a Dominion Event and ending (a) no less than 60 days thereafter and (b) only after such Dominion Event is no longer in existence or has been waived by Majority Lenders for a period of at least 60 consecutive days, provided, that no other Dominion Event has been in existence during such 60 consecutive day period.

EBITDA - as defined in Exhibit 8.3 to the Agreement.

Eligible Account - an Account arising in the ordinary course of the business of a Company from the sale of goods or rendition of services which Agent, in its reasonable credit judgment, deems to be an Eligible Account. Without limiting the generality of the foregoing, no Account shall be an Eligible Account if:

(i) it arises out of a sale made or services rendered by a Company to a Subsidiary of a Company or an

Affiliate of Company or to a Person controlled by an Affiliate of a Company; or

(ii) it is owing to Wabash Canada to the extent that the aggregate amount of such Accounts exceed \$7,500,000 in the aggregate; or

(iii) it remains unpaid more than 105 days after the original invoice date shown on the invoice or more than 60 days after the original due date shown on the invoice; or

(iv) the total unpaid Accounts of the Account Debtor exceed (a) 30% of the net amount of all Eligible Accounts in the case of Schneider National, Inc. and its Affiliates, (b) 30% of the net amount of all Eligible Accounts in the case of any Account Debtor rated 5A2 or better by Dun & Bradstreet, and the Affiliates of such Account Debtor or (c) 20% of the net amount of all Eligible Accounts in the case of any other Account Debtor, but in each case only to the extent of such excess; or

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(v) any covenant, representation or warranty contained in the Agreement with respect to such Account has been breached; or

(vi) except with respect to Accounts owing by an Account Debtor listed on Exhibit A-1 and as to which Borrowers have provided Agent with evidence that such Account Debtor has contractually waived such rights, the Account Debtor is also a creditor or supplier of a Company or any Subsidiary of a Company, or the Account Debtor has disputed liability with respect to such Account, or the Account Debtor has made any claim with respect to any other Account due from such Account Debtor to a Company or any Subsidiary of a Company, or the Account otherwise is or may become subject to right of setoff by the Account Debtor, provided, that any such Account shall be eligible to the extent such amount thereof exceeds such contract, dispute, claim, setoff or similar right; or

(vii) the Account Debtor has commenced a voluntary case under the federal bankruptcy laws or the Insolvency Laws of Canada, as now constituted or hereafter amended, or made an assignment for the benefit of creditors, or a decree or order for relief has been entered by a court having jurisdiction in the premises in respect of the Account Debtor in an involuntary case under the federal bankruptcy laws or the Insolvency Laws of Canada, as now constituted or hereafter amended, or any other petition or other application for relief under the federal bankruptcy laws or the Insolvency Laws of Canada, as now constituted or hereafter amended, has been filed against the Account Debtor, or if the Account Debtor has failed, suspended business, ceased to be Solvent, or consented to or suffered a receiver, trustee, liquidator or custodian to be appointed for it or for all or a significant portion of its assets or affairs; or

(viii) it arises from a sale made or services rendered to an Account Debtor outside the United States or Canada, unless the sale is on letter of credit, guaranty or acceptance terms (with the rights thereunder having been assigned to Agent), in each case acceptable to Agent in its reasonable credit judgment; or

(ix) (1) it arises from a sale to the Account

Debtor on a bill-and-hold, guaranteed sale, sale-or-return, sale-on-approval, consignment, or any other repurchase or return basis; or (2) it is subject to a reserve established by a Company for potential returns or refunds, to the extent of such reserve; or

(x) the Account Debtor is the United States of America or any department, agency or instrumentality thereof, unless the applicable Company assigns its right to payment of such Account to Agent, in a manner satisfactory to Agent, in its reasonable credit judgment, so as to comply with the Assignment of Claims Act of 1940 (31 U.S.C. Section 203 et seq., as amended); or

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(xi) it is not at all times subject to Agent's duly perfected, first priority security interest or is subject to a Lien that is not a Permitted Lien; or

(xii) the goods giving rise to such Account have not been delivered to and accepted by the Account Debtor or the services giving rise to such Account have not been performed by the applicable Borrower and accepted by the Account Debtor or the Account otherwise does not represent a final sale; or

(xiii) the Account is evidenced by chattel paper (including without limitation an Apex Trailer Lease) or an instrument of any kind, or has been reduced to judgment; or

(xiv) a Company or a Subsidiary of a Company has made any agreement with the Account Debtor for any extension, compromise, settlement or modification of the Account or deduction therefrom, except for discounts or allowances which are made in the ordinary course of business for prompt payment and which discounts or allowances are reflected in the calculation of the face value of each invoice related to such Account; or

(xv) 50% or more of the Accounts owing from the Account Debtor are not Eligible Accounts hereunder; or

(xvi) a Company has made an agreement with the Account Debtor to extend the time of payment thereof; or

(xvii) it represents service charges, late fees or similar charges; or

(xviii) an invoice has been issued by a Company with respect thereto, but the underlying Inventory has not yet been shipped; or

(xix) it represents U.S. federal excise taxes, state sales or use taxes or Canadian federal GST or similar provincial sales or service taxes; or

(xx) it arises pursuant to an Apex Trailer Lease; or

(xxi) it is not otherwise acceptable to Agent in its reasonable credit judgment.

Eligible Bill and Hold Inventory - Bill and Hold Inventory that (a) would constitute "Eligible Inventory" without the application of the requirements of clause (i) of the definition thereof, (b) does

not remain on Wabash National, L.P.'s premises for more than 30 days prior to shipment to the customer thereof and (c) is owned by Wabash National, L.P.

Eligible Inventory - Inventory of a Company (other than packaging materials and supplies, tooling, patterns, samples and literature) which Agent, in its reasonable

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credit judgment, deems to be Eligible Inventory. Without limiting the generality of the foregoing, no Inventory shall be Eligible Inventory if:

(i) it consists of Bill and Hold Inventory, Apex Trailer Inventory or Trailer Inventory;

(ii) it is not raw materials, work in process that is, in Agent's opinion, readily marketable in its current form or finished goods which meet the specifications of the purchase order or contract for such Inventory, if any; or

(iii) it is not in good, new and saleable condition; or

(iv) it is slow-moving, obsolete or unmerchantable; or

(v) it does not meet all standards imposed by any governmental agency or authority; or

(vi) it does not conform in all respects to any covenants, warranties and representations set forth in the Agreement; or

(vii) it is not at all times subject to Agent's duly perfected, first priority security interest or is subject to a Lien that is not a Permitted Lien; or

(viii) it is not situated at a location in compliance with the Agreement, provided that Inventory situated at a location not owned by a Company, other than Inventory located at a storage lot, as reported on the most recent Borrowing Base Certificate delivered to Agent, will be Eligible Inventory only if Agent has received a satisfactory landlord's agreement or bailee's letter, as applicable, with respect to such location; or

(ix) it has been consigned to a Company's customer; or

(x) it is located outside of the continental United States of America or Canada; or

(xi) it is in transit; or

(xii) if it is owned by Wabash Canada, its aggregate value, together with the aggregate value of Eligible Trailer Inventory owned by Wabash Canada, exceeds \$30,000,000; or

(xiii) it is not otherwise acceptable to Agent in its reasonable credit judgment.

Eligible Trailer Inventory - Trailer Inventory that would (i) constitute "Eligible Inventory" without the application of the

requirements of clause (i) of the

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definition thereof and (ii) if it is owned by Wabash Canada, not exceed \$30,000,000 in aggregate value, together with the aggregate value of Eligible Inventory owned by Wabash Canada.

Environmental Laws - all United States, Canadian and other federal, state, provincial and local laws, rules, regulations, ordinances, orders and consent decrees relating to health, safety and environmental matters.

ERISA - the Employee Retirement Income Security Act of 1974, as amended, and any successor statute, and all rules and regulations from time to time promulgated thereunder.

Event of Default - as defined in Section 10.1 of the Agreement.

Excess Cash Flow - with respect to any fiscal year of Wabash, commencing with the fiscal year ending December 31, 2004, 25% of the amount equal to the sum of EBITDA minus the sum of cash taxes paid, preferred stock dividends paid, regularly scheduled payments of principal on Indebtedness for Money Borrowed, cash interest payments made and Capital Expenditures which are not financed for such fiscal year, all determined for Wabash and its Subsidiaries on a Consolidated basis in accordance with GAAP.

Fee Letter - as defined in Section 2.3 of the Agreement.

Fixed Charge Coverage Ratio - as defined in Exhibit 8.3 to the Agreement.

Fleet Amtrak Debt - Indebtedness of Apex to Fleet in the amount of \$4,187,311 pursuant to that certain Master Lease Agreement by and between BancBoston Leasing Inc. and Wabash National Finance Corporation dated as of September 5, 1997, and that certain Equipment Schedule No. C-03, by and between BancBoston Leasing Inc. and Wabash National Finance Corporation dated as of September 5, 1997, maturing on March 31, 2005.

Fleet Rocor Debt - Indebtedness of Apex to Fleet in the amount of \$688,984 pursuant to that certain Master Lease Agreement by and between BancBoston Leasing Inc. and Wabash National Finance Corporation dated as of September 5, 1997, that certain Equipment Schedule No. A-01, by and between BancBoston Leasing Inc. and Wabash National Finance Corporation dated as of September 5, 1997, and that certain Equipment Schedule No. B-02, by and between BancBoston Leasing Inc. and Wabash National Finance Corporation dated as of September 5, 1997, and maturing on September 5, 2004 as it relates to Equipment Schedule No. A-01 and August 5, 2005 as it relates to Equipment Schedule No. B-02.

GAAP - generally accepted accounting principles in the United States of America in effect from time to time.

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Guarantors - each Subsidiary Guarantor and each other Person who now or hereafter guarantees payment or performance of the whole or any part of the Obligations.

Guaranty Agreements - the Continuing Guaranty Agreement which is to be executed on the Closing Date by each Subsidiary Guarantor, in

form and substance satisfactory to Agent, together with each other guaranty hereafter executed by any Guarantor.

Hazardous Materials - any chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority or which may or could pose a hazard to the health and safety of the owners, occupants or any persons in the vicinity of any Property or to the indoor or outdoor environment.

Inactive Subsidiaries - collectively, WNC Receivables Management Corp., WNC Receivables LLC, Wabash Financing, LLC and Wabash do Brasil.

Indebtedness - as applied to a Person means, without duplication:

(i) all items which in accordance with GAAP would be included in determining total liabilities as shown on the liability side of a balance sheet of such Person as at the date as of which Indebtedness is to be determined, including, without limitation, Capitalized Lease Obligations;

(ii) all obligations of other Persons which such Person has guaranteed;

(iii) all reimbursement obligations in connection with letters of credit or letter of credit guaranties issued for the account of such Person;

(iv) Derivative Obligations; and

(v) in the case of Borrowers (without duplication), the Obligations.

Insolvency Laws of Canada - each of the Bankruptcy and Insolvency Act (Canada) and the Companies Creditors' Arrangement Act (Canada), each as now and hereafter in effect, any successors to such statutes and any other applicable insolvency or other similar law of any jurisdiction including, without limitation, any law of any jurisdiction permitting a debtor to obtain a stay or a compromise of the claims of its creditors against it.

Intellectual Property - all past, present and future: trade secrets, know-how and other proprietary information; trademarks, internet domain names, service marks, trade dress, trade names, business names, designs, logos, slogans (and all translations, adaptations, derivations and combinations of the foregoing) indicia and other source and/or business identifiers, and the goodwill of the business relating thereto and all registrations or applications for registrations which have heretofore been or may hereafter be issued thereon throughout the world; copyrights (including copyrights for

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computer programs) and copyright registrations or applications for registrations which have heretofore been or may hereafter be issued throughout the world and all tangible property embodying the copyrights, unpatented inventions (whether or not patentable); patent applications and patents; industrial design applications and registered industrial designs; license agreements related to any of the foregoing and income therefrom; books, records, writings, computer tapes or disks, flow diagrams, specification sheets, computer software, source codes, object codes, executable code, data, databases and other physical manifestations, embodiments or incorporations of any of the foregoing; the right to sue for all past, present and future infringements of any of the foregoing; all other intellectual property;

and all common law and other rights throughout the world in and to all of the foregoing.

Intercompany Loans - as defined in subsection 8.2.2 of the Agreement.

Interest Period - as applicable to any LIBOR Portion, a period commencing on the date such LIBOR Portion is advanced, continued or converted, and ending on the date which is one (1) month, two (2) months, three (3) months, or six (6) months later, as may then be requested by Borrowers; provided that unless Agent notifies Borrowers that the initial syndication of the Loan commitments has been completed, each Interest Period commencing (a) within the first 60 days after the Closing Date shall be a period of 1 month and (b) thereafter shall be a period of 7 days; and provided further that (i) any Interest Period which would otherwise end on a day which is not a Business Day shall end in the next preceding or succeeding Business Day as is Agent's custom in the market to which such LIBOR Portion relates (as communicated by Agent to Lenders from time to time); (ii) there remains a minimum of one (1) month, two (2) months, three (3) months or six (6) months (depending upon which Interest Period a Borrower selects) in the Term, unless Borrowers and Lenders have agreed to an extension of the Term beyond the expiration of the Interest Period in question; (iii) all Interest Periods of the same duration which commence on the same date shall end on the same date; and (iv) with respect to any LIBOR Term Portion, no applicable Interest Period shall extend beyond the scheduled installment payment date for such LIBOR Term Portion.

Judgment Conversion Date - as defined in Section 1.7 of the Agreement.

Judgment Currency - as defined in Section 1.7 of the Agreement.

LC Amount - at any time, the aggregate undrawn available amount of all Letters of Credit and LC Guaranties then outstanding.

LC Guaranty - any guaranty pursuant to which Agent or any Affiliate of Agent shall guaranty the payment or performance by a Borrower of its reimbursement obligation under any letter of credit.

LC Obligations - Any Obligations that arise from any draw against any Letter of Credit or against any letter of credit supported by an LC Guaranty.

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Letter of Credit - any standby or documentary letter of credit issued by Agent or any Affiliate of Agent for the account of a Borrower.

Leverage Ratio - as defined in Exhibit 8.3 to the Agreement.

LIBOR - as applicable to any LIBOR Portion, for the applicable Interest Period, the rate per annum (rounded upward, if necessary, to the nearest 1/8 of one percent) as determined on the basis of the offered rates for deposits in U.S. dollars, for a period of time comparable to such Interest Period which appears on the Telerate page 3750 as of 11:00 a.m. (London time) on the day that is two (2) London Banking Days preceding the first day of such Interest Period; provided, however, if the rate described above does not appear on the Telerate System on any applicable interest determination date, the LIBOR shall be the rate (rounded upwards as described above, if necessary) for deposits in U.S. dollars for a period substantially equal to the Interest Period on the Reuters Page "LIBO" (or such other page as may replace the LIBO Page on that service for the purpose of displaying

such rates), as of 11:00 a.m. (London Time), on the day that is two (2) London Banking Days prior to the first day of such Interest Period. If both the Telerate and Reuters systems are unavailable, then the rate for that date will be determined on the basis of the offered rates for deposits in U.S. dollars for a period of time comparable to such Interest Period which are offered by four (4) major banks in the London interbank market at approximately 11:00 a.m. (London time), on the day that is two (2) London Banking Days preceding the first day of such Interest Period as selected by Agent. The principal London office of each of the major London banks so selected will be requested to provide a quotation of its U.S. dollar deposit offered rate. If at least two (2) such quotations are provided, the rate for that date will be the arithmetic mean of the quotations. If fewer than two quotations are provided as requested, the rate for that date will be determined on the basis of the rates quoted for loans in U.S. dollars to leading European banks for a period of time comparable to such Interest Period offered by major banks in New York City at approximately 11:00 a.m. (New York City time), on the day that is two (2) London Banking Days preceding the first day of such Interest Period. In the event that Agent is unable to obtain any such quotation as provided above, it will be determined that LIBOR pursuant to a Interest Period cannot be determined. In the event that the Board of Governors of the Federal Reserve System shall impose a Reserve Percentage with respect to LIBOR deposits of Bank then for any period during which such Reserve Percentage shall apply, LIBOR shall be equal to the amount determined above divided by an amount equal to 1 minus the Reserve Percentage.

LIBOR Interest Payment Date - the first day of each calendar month during the applicable Interest Period and the last day of the applicable Interest Period.

LIBOR Option - the option granted pursuant to Section 3.1 of the Agreement to have the interest on all or any portion of the principal amount of the Revolving Credit Loans or the Term Loan based on the LIBOR.

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LIBOR Portion - a LIBOR Revolving Portion or a LIBOR Term Portion.

LIBOR Request - a notice in writing (or by telephone confirmed electronically or by telecopy or other facsimile transmission on the same day as the telephone request) from a Borrower to Agent requesting that interest on a Revolving Credit Loan or all or any portion of the Term Loan be based on the LIBOR, specifying: (i) the first day of the Interest Period (which shall be a Business Day); (ii) the length of the Interest Period; (iii) whether the LIBOR Portion is a new Loan, a conversion of a Base Rate Portion, or a continuation of a LIBOR Portion, and (iv) the dollar amount of the LIBOR Portion, which shall be in an amount not less than \$1,000,000 or an integral multiple of \$100,000 in excess thereof.

LIBOR Revolving Portion - that portion of the Revolving Credit Loans specified in a LIBOR Request (including any portion of Revolving Credit Loans which is being borrowed by a Borrower concurrently with such LIBOR Request) which, as of the date of the LIBOR Request specifying such LIBOR Revolving Portion, has met the conditions for basing interest on the LIBOR in Section 3.1 of the Agreement and the Interest Period of which has not terminated.

LIBOR Term Portion - that portion of the Term Loan specified in a LIBOR Request which, as of the date of the LIBOR Request specifying such LIBOR Term Portion, has met the conditions for basing interest on the LIBOR in Section 3.1 of the Agreement and the Interest Period of which has not terminated.

Lien - any interest in Property (whether legal or equitable) securing an obligation owed to, or a claim by, a Person other than the owner of the Property, whether such interest is based on common law, statute or contract. The term "Lien" shall also include rights of set off, rights of seller under conditional sales contracts or title retention agreements, reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other title exceptions, encumbrances and security interests affecting Property. For the purpose of the Agreement, each Borrower shall be deemed to be the owner of any Property which it has acquired or holds subject to a conditional sale agreement or other arrangement pursuant to which title to the Property has been retained by or vested in some other Person for security purposes.

Loan Account - each loan account established on the books of Agent pursuant to Section 3.6 of the Agreement.

Loan Commitment - with respect to any Lender, the amount of such Lender's Revolving Loan Commitment plus such Lender's Term Loan Commitment.

Loan Documents - the Agreement, the Other Agreements and the Security Documents.

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Loans - all loans and advances of any kind made by Agent, any Lender, or any Affiliate of Agent or any Lender, pursuant to the Agreement.

London Banking Day - any date on which commercial banks are open for business in London, England.

Majority Lenders - as of any date, Lenders holding 51% of the Term Loan and Revolving Loan Commitments determined on a combined basis and following the termination of the Revolving Loan Commitments, Lenders holding 51% or more of the outstanding Loans, LC Amounts and LC Obligations not yet reimbursed by a Borrower or funded with a Revolving Credit Loan; provided, that (i) in each case, if there are 2 or more Lenders with outstanding Loans, LC Amounts, unfunded and unreimbursed LC Obligations or Revolving Loan Commitments, at least 2 Lenders shall be required to constitute Majority Lenders; and (ii) prior to termination of the Revolving Loan Commitments, if any Lender breaches its obligation to fund any requested Revolving Credit Loan, for so long as such breach exists, its voting rights hereunder shall be calculated with reference to its outstanding Loans, LC Amounts and unfunded and unreimbursed LC Obligations, rather than its Revolving Loan Commitment.

Material Adverse Effect - (i) a material adverse effect on the business, condition (financial or otherwise), operation, performance or properties of Borrowers and their Subsidiaries taken as a whole, (ii) a material adverse effect on the rights and remedies of Agent or Lenders under the Loan Documents, or (iii) the material impairment of the ability of any Borrower or any of its Subsidiaries to perform its obligations hereunder or under any Loan Document.

Money Borrowed - (i) Indebtedness arising from the lending of money by any Person to any Borrower or any of its Subsidiaries; (ii) Indebtedness, whether or not in any such case arising from the lending by any Person of money to any Borrower or any of its Subsidiaries, (1) which is represented by notes payable or drafts accepted that evidence extensions of credit, (2) which constitutes obligations evidenced by bonds, debentures, notes or similar instruments, or (3) upon which interest charges are customarily paid (other than accounts payable) or that was issued or assumed as full or partial payment for Property;

(iii) Indebtedness that constitutes a Capitalized Lease Obligation; (iv) reimbursement obligations with respect to letters of credit or guaranties of letters of credit and (v) Indebtedness of any Borrower or any of its Subsidiaries under any guaranty of obligations that would constitute Indebtedness for Money Borrowed under clauses (i) through (iii) hereof, if owed directly by a Borrower or any of its Subsidiaries. Money Borrowed shall not include trade payables or accrued expenses.

Mortgage - each mortgage, deed of trust or comparable document now or at any time hereafter executed and delivered to Agent creating a Lien on real Property of a Borrower, a Subsidiary Guarantor or any other Person as security for all or any part of the Obligations.

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Multiemployer Plan - has the meaning set forth in Section 4001(a)(3) of ERISA.

Northern Trust Amtrak Debt - Indebtedness of Apex in the amount of \$9,347,053 to The Northern Trust Company pursuant to that certain Term Loan Agreement by and between Wabash National Finance Corporation and The Northern Trust Company dated March 31, 2000, maturing on May 31, 2008.

Notes - the Revolving Notes and the Term Notes.

Obligations Currency - as defined in Section 1.6 of the Agreement.

Obligations - all Loans, all LC Obligations, Letters of Credit, LC Guaranties and all other advances, debts, liabilities, obligations, covenants and duties, together with all interest, fees and other charges thereon, owing, arising, due or payable from each Borrower to Agent, for its own benefit, from each Borrower to Agent for the benefit of any Lender, from each Borrower to any Lender or any Affiliate of any Lender, and from each Borrower to Bank or any other Affiliate of Agent, of any kind or nature, present or future, whether or not evidenced by any note, guaranty or other instrument, whether arising under the Agreement, any of the other Loan Documents or any agreements evidencing the Product Obligations, whether direct or indirect (including those acquired by assignment), absolute or contingent, primary or secondary, due or to become due, now existing or hereafter arising and however acquired, and including, without limitation, any Product Obligations.

Organizational I.D. Number - with respect to any Person, the organizational identification number assigned to such Person by the applicable governmental unit or agency of the jurisdiction of organization of such Person.

Other Agreements - any and all agreements, instruments and documents (other than the Agreement and the Security Documents), heretofore, now or hereafter executed by any Borrower, any of its Subsidiaries or any Guarantor and delivered to Agent, Bank or any Lender or any of their respective Affiliates in respect of the transactions contemplated by the Agreement or any Product Obligations.

Other Indebtedness - collectively, the Breadner Debt, the Northern Trust Amtrak Debt, the Pitney Bowes Rocor Debt, the Fleet Rocor Debt and the Fleet Amtrak Debt.

Other Indebtedness Documents - collectively, the agreements, instruments and documents evidencing and securing the Breadner Debt, the Northern Trust Amtrak Debt, the Cloud Debt, the Pitney Bowes Rocor Debt, the Fleet Rocor Debt and the Fleet Amtrak Debt, respectively.

Overadvance - as defined in subsection 1.1.2 of the Agreement.

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Permitted Acquisition - any acquisition after the Closing Date by any Borrower or any Subsidiary formed by such Borrower for such purpose (a "New Subsidiary"), by any means, of all or substantially all of the assets or capital stock, an operating division or a business unit, of any Person that is a going concern, that has been incorporated or organized under the laws of a State within the United States or a Province within Canada and that is in a similar or related field of business to a Borrower as of the date hereof, and so long as Agent and Lenders shall have received evidence at least 3 Business Days prior to the closing date of such acquisition that such acquisition satisfies the following conditions:

- (a) no Default or Event of Default is in existence at the time of such acquisition or would be caused thereby after giving effect thereto;
- (b) after giving effect to the proposed acquisition, Borrowers are in compliance with each of the financial covenants set forth in Section 8.3 on a pro forma, but unadjusted, basis through the termination of the Agreement;
- (c) the Person or business to be acquired has shown an unadjusted positive EBITDA for the twelve month period ended immediately prior to the date of acquisition, as determined by Agent;
- (d) the Board of Directors and/or owners of the entity whose business is to be acquired have approved the proposed transaction;
- (e) Agent has received at least ten (10) days' prior written notice thereof and, as soon as available, copies of all agreements delivered in connection therewith;
- (f) subsection 8.1.8 of the Agreement has been satisfied with respect to such assets, Person or New Subsidiary and, as a result thereof, Agent has obtained a first priority Lien (subject only to Permitted Liens) on the applicable stock and assets;
- (g) Agent has received a certificate from Wabash's Treasurer certifying that all of the applicable conditions contained herein to treating such acquisition as a Permitted Acquisition have been satisfied;
- (h) if the total consideration (including cash, notes and other debt, maximum earnouts, consulting and non-compete payments and the like) (i) for such acquisition exceeds \$10,000,000 or (ii) for such acquisition, together with all other acquisitions completed in the current calendar year, exceeds \$10,000,000, in each case Agent and Majority Lenders have consented in writing to such acquisition;
- (i) immediately after completing such acquisition, Borrowers have Availability of at least \$25,000,000; and

- (j) consents have been obtained in favor of Agent to the collateral assignment of rights and indemnities under the related acquisition documents.

In no event shall any Accounts, Inventory, Bill and Hold Inventory or Trailer Inventory acquired in connection with a Permitted Acquisition be deemed eligible for advance hereunder unless and until Agent has completed (at Borrowers' expense) a Collateral audit and appraisal of such Property so acquired or to be acquired.

Permitted Liens - any Lien of a kind specified in subsection 8.2.5 of the Agreement.

Permitted Purchase Money Indebtedness - Purchase Money Indebtedness of any Borrower incurred after the date hereof which is secured by a Purchase Money Lien and the principal amount of which, when aggregated with the principal amount of all other such Indebtedness and Capitalized Lease Obligations of Borrowers and the Borrowers' Subsidiaries at the time outstanding, does not exceed \$5,000,000. For the purposes of this definition, the principal amount of any Purchase Money Indebtedness consisting of capitalized leases (as opposed to operating leases) shall be computed as a Capitalized Lease Obligation.

Person - an individual, partnership, corporation, limited liability company, joint stock company, land trust, business trust, or unincorporated organization, or a government or agency or political subdivision thereof.

Pitney Bowes Rocor Debt - Indebtedness of Apex to Pitney Bowes Credit Corporation in the amount of \$2,082,386 pursuant to that certain Master Equipment Lease Agreement No. 0000136 by and between Pitney Bowes Credit Corporation and Wabash National Finance Corporation, dated as of September 30, 1997, and those certain Equipment Schedules A-E, by and between Pitney Bowes Credit Corporation and Wabash National Finance Corporation, dated as of September 30, 1997, maturing August 30, 2004.

Plan - an employee benefit plan now or hereafter maintained for employees of any Borrower or any of its Subsidiaries that is covered by Title IV of ERISA.

Pledge Agreements - collectively, (i) the Pledge Agreement executed by Wabash on or about the Closing Date in favor of Agent, for the benefit of itself and Lenders, by which Wabash has granted to Agent, as security for the Obligations, a Lien on the 100% of the Securities of each other Borrower owned by Wabash and 100% of the portion of the Securities of each of its other direct Subsidiaries owned by Wabash and (ii) all other pledge agreements and comparable documents now or at any time hereafter securing the whole or any part of the Obligations.

PPSA - the Personal Property Security Act in force in the Province of Ontario; provided, that in the event that, by reason of mandatory provisions of law, the

validity, perfection and effect of perfection or non-perfection of a security interest or other applicable Lien is governed by other personal property security laws, the term "PPSA" means such other personal property security laws.

Prior Claims - Liens on the Collateral that pursuant to applicable law are prior to or pari passu with Agent's Liens.

Product Obligations - every obligation of each Borrower under and in respect of any one or more of the following types of services or facilities extended to any Borrower by Bank, Agent, any Lender or any Affiliate of Bank, Agent or any Lender: (i) credit cards, (ii) cash management or related services including the automatic clearing house transfer of funds for the account of any Borrower pursuant to agreement or overdraft, (iii) controlled disbursement services and (iv) Derivative Obligations.

Projections - Wabash's forecasted Consolidated and consolidating (i) balance sheets, (ii) profit and loss statements, (iii) cash flow statements, and (iv) capitalization statements, all prepared on a consistent basis with the historical financial statements of Wabash and its Subsidiaries, together with appropriate supporting details and a statement of underlying assumptions.

Property - any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

Purchase Money Indebtedness - means and includes (i) Indebtedness (other than the Obligations) for the payment of all or any part of the purchase price of any fixed assets, (ii) any Indebtedness (other than the Obligations) incurred at the time of or within 10 days prior to or after the acquisition of any fixed assets for the purpose of financing all or any part of the purchase price thereof, and (iii) any renewals, extensions or refinancings thereof, but not any increases in the principal amounts thereof outstanding at the time.

Purchase Money Lien - a Lien upon fixed assets which secures Purchase Money Indebtedness, but only if such Lien shall at all times be confined solely to the fixed assets the purchase price of which was financed through the incurrence of the Purchase Money Indebtedness secured by such Lien.

Rebuild Reserve - a reserve created under subsection 1.1.1 of the Agreement in the amount of (a) all proceeds of insured losses or destruction to Equipment or real Property being held by Agent pursuant to subsection 3.3.1(a) pending possible repair or replacement of such Property subject to the original loss or destruction and (b) all proceeds of dispositions under subsection 8.2.9(vi) being held by Agent pending possible replacement of the Property subject to the disposition.

Regulation D - Regulation D of the Board of Governors of the Federal Reserve System.

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Rentals - as defined in subsection 8.2.19 of the Agreement.

Reportable Event - any of the events set forth in Section 4043(c) of ERISA.

Reserve Percentage - the maximum aggregate reserve requirement (including all basic, supplemental, marginal and other reserves) which is imposed on member banks of the Federal Reserve System against "Euro-currency Liabilities" as defined in Regulation D.

Restricted Investment - any investment made in cash or by delivery of Property to any Person, whether by acquisition of stock, Indebtedness or other obligation or Security, or by loan, advance or capital contribution, or otherwise, or in any Property except the following:

(i) investments by a Borrower, to the extent said investments exist on the Closing Date, in one or more Subsidiaries of such Borrower;

(ii) investments in Property to be used in the ordinary course of business;

(iii) investments in Current Assets arising from the sale of goods and services in the ordinary course of business of any Borrower or any of its Subsidiaries;

(iv) investments in direct obligations of the United States of America, or any agency thereof or obligations guaranteed by the United States of America, provided that such obligations mature within one year from the date of acquisition thereof;

(v) investments in certificates of deposit maturing within one year from the date of acquisition and fully insured by the Federal Deposit Insurance Corporation;

(vi) investments in commercial paper given the highest rating by a national credit rating agency and maturing not more than 270 days from the date of creation thereof;

(vii) investments in money market, mutual or similar funds having assets in excess of \$100,000,000 and the investments of which are limited to investment grade securities;

(viii) Intercompany Loans;

(ix) investments made in exchange for Accounts arising in the ordinary course of business which have not been collected for 120 days and which are, in the good faith judgment of such Borrower or one of its Subsidiaries, substantially uncollectible, provided that the instrument

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evidencing such investment is delivered to Agent to be held as security for the Obligations pursuant to the terms of the Agreement;

(x) investments in evidence of Indebtedness, securities or other Property received from another Person by such Borrower or any of its Subsidiaries in connection with any bankruptcy case or by reason of a composition or a readjustment of debt or reorganization of such Person as a result of foreclosure, perfection or enforcement of any Lien in exchange for evidence of Indebtedness, securities or other Property of such Person; and

(xi) investments existing on the date hereof and listed on Exhibit 8.2.12 hereto;

(xii) investments otherwise expressly permitted pursuant to the Agreement.

Revolving Credit Loan - a Loan made by any Lender pursuant to Section 1.1 of the Agreement.

Revolving Credit Maximum Amount - \$175,000,000, as such amount may be reduced from time to time pursuant to the terms of the Agreement.

Revolving Loan Commitment - with respect to any Lender, the amount of such Lender's Revolving Loan Commitment pursuant to subsection 1.1.1 of the Agreement, as set forth below such Lender's name on the signature page hereof or any Assignment and Acceptance Agreement executed by such Lender.

Revolving Loan Percentage - with respect to each Lender, the percentage equal to the quotient of such Lender's Revolving Loan Commitment divided by the aggregate of all Revolving Loan Commitments.

Revolving Notes - the Secured Promissory Notes to be jointly and severally executed by Borrowers on or about the Closing Date in favor of each Lender to evidence the Revolving Credit Loans, which shall be in the form of Exhibit 1.1 to the Agreement, together with any replacement or successor notes therefor.

Security - all shares of stock, partnership interests, membership interests, membership units or other ownership interests in any other Person and all warrants, options or other rights to acquire the same.

Security Documents - the Guaranty Agreements, the Mortgages, the Pledge Agreements, any applicable hypothecs, and all other instruments and agreements now or at any time hereafter securing the whole or any part of the Obligations.

Senior Leverage Ratio - at any date, the ratio of (i) Indebtedness for Money Borrowed as of such date, other than Subordinated Debt, to (ii) EBITDA for the 12 month period ending on such date (in the case of testing dates prior to September 30,

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2004, the period from September 1, 2003 to and including such testing date), all as determined for Wabash and its Subsidiaries on a Consolidated basis and in accordance with GAAP.

Series B Preferred Stock - the Series B 6% Cumulative Convertible Exchangeable Preferred Stock of Wabash.

Solvent - as to any Person, that such Person (i) owns Property whose fair saleable value is greater than the amount required to pay all of such Person's Indebtedness (including contingent debts), (ii) is able to pay all of its Indebtedness as such Indebtedness matures and (iii) has capital sufficient to carry on its business and transactions and all business and transactions in which it is about to engage.

Subject Equipment - with respect to each portion of the Other Indebtedness, the Equipment listed on Exhibit 8.2.9 opposite such Other Indebtedness.

Subordinated Debt - Indebtedness of any Borrower or any of its Subsidiaries that is subordinated to the Obligations in a manner satisfactory to Majority Lenders, and contains terms, including without limitation, payment terms, satisfactory to Majority Lenders.

Subsidiary - any Person of which another Person owns, directly or indirectly through one or more intermediaries, more than 50% of the Voting Stock at the time of determination.

Subsidiary Guarantors - each Subsidiary of Wabash that now or hereafter executes a Guaranty Agreement.

Swingline Loans - as defined in subsection 1.1.4 of the Agreement.

Syndication Agent - National City Commercial Finance, Inc. in its capacity as Syndication Agent for the Lenders under the Agreement.

Term - as defined in Section 4.1 of the Agreement.

Term Loan - the Loan described in Section 1.3 of the Agreement.

Term Loan Commitment - with respect to any Lender, the amount of such Lender's Term Loan Commitment pursuant to Section 1.3 of the Agreement, as set forth below such Lender's name on the signature pages hereof or any Assignment and Acceptance Agreement executed by such Lender, minus all Term Loan payments paid to such Lender.

Term Notes - the Secured Promissory Notes to be executed by Borrower on or about the Closing Date in favor of each applicable Lender to evidence its Term Loan, which shall be in the form of Exhibit 1.3 to the Agreement, together with any replacement or successor notes therefor.

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Total Credit Facility - \$222,100,000, as such amount may be reduced from time to time pursuant to the terms of the Agreement.

Trailer Inventory - Inventory of a Company (other than Apex Trailer Inventory) consisting of new and used trailers held by such Company for sale or lease.

Type of Organization - with respect to any Person, the kind or type of entity by which such Person is organized, such as a corporation or limited liability company.

UCC - the Uniform Commercial Code as in effect in the State of Illinois on the date of this Agreement, as it may be amended or otherwise modified.

Unused Line Fee - as defined in Section 2.5 of the Agreement.

Voting Stock - Securities of any class or classes of a corporation, limited partnership or limited liability company or any other entity the holders of which are ordinarily, in the absence of contingencies, entitled to vote with respect to the election of corporate directors (or Persons performing similar functions).

Wabash - as defined in the Preamble to the Agreement.

Wabash Canada - FTSI Canada, Ltd., a corporation organized under the laws of the Province of New Brunswick.

Wind Down Subsidiaries - collectively, National Trailer Funding, LLC; Roadrailer Bimodel Ltd.; Roadrailer Mercosul, Ltda.; Roadrailer Technology Development Co., Ltd.; and Wabash National, GmbH.

WNC Cloud - WNC Cloud Merger Sub, Inc., an Arkansas corporation.

WNLP - Wabash National, L.P., a Delaware limited partnership.

WNTC - Wabash National Trailer Centers, Inc., a Delaware corporation.

OTHER TERMS. All other terms contained in the Agreement shall have, when the context so indicates, the meanings provided for by the UCC to the extent the same are used or defined therein.

CERTAIN MATTERS OF CONSTRUCTION. The terms "herein", "hereof" and "hereunder" and other words of similar import refer to the Agreement as a whole and not to any particular section, paragraph or subdivision. Any pronoun used shall be deemed to cover all genders. The section titles, table of contents and list of exhibits appear as a matter of convenience only and shall not affect the interpretation of the Agreement. All references to statutes and related regulations shall include any amendments of same and any successor statutes and regulations. All references to any of the Loan Documents shall include any and all modifications thereto and any and all extensions or renewals thereof.

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LIST OF EXHIBITS

Exhibit 1.1	Form of Revolving Note
Exhibit 1.3	Form of Term Note
Exhibit 5.2.1	Commercial Tort Claims
Exhibit 6.1.1	Business Locations
Exhibit 6.3.2	Apex Trailer Leases
Exhibit 7.1.1	Jurisdictions in which each Borrower, Wabash Canada and each of the Domestic Subsidiaries is Authorized to do Business
Exhibit 7.1.4	Capital Structure of each Borrower and each of its Subsidiaries
Exhibit 7.1.5	Names; Organization
Exhibit 7.1.10	Charges
Exhibit 7.1.13	Surety Obligations
Exhibit 7.1.14	Tax Identification Numbers of each Borrower and each of its Subsidiaries
Exhibit 7.1.15	Brokers' Fees
Exhibit 7.1.16	Patents, Trademarks, Copyrights and Licenses
Exhibit 7.1.19	Contracts Restricting Right to Incur Debts
Exhibit 7.1.20	Litigation
Exhibit 7.1.22	Capitalized and Operating Leases
Exhibit 7.1.23	Pension Plans
Exhibit 7.1.25	Labor Relations
Exhibit 7.1.33	Joint Ventures
Exhibit 8.1.3	Form of Compliance Certificate
Exhibit 8.1.4	Form of Borrowing Base Certificate
Exhibit 8.2.3	Existing Indebtedness
Exhibit 8.2.5	Permitted Liens
Exhibit 8.2.9	Subject Equipment
Exhibit 8.2.12	Permitted Investments
Exhibit 8.2.19	Lease Financing Arrangements
Exhibit 8.3	Financial Covenants
Exhibit 10.3.6	Real Property Subject to Phase II Environmental Reports
Exhibit A-1	Account Debtors that have Waived Setoff Rights
Exhibit A-2	Form of Assignment and Acceptance

List of Exhibits

EXHIBIT 1.1

FORM OF REVOLVING NOTE

Exhibit 1.1 - Page 1

EXHIBIT 1.3

FORM OF TERM NOTE

Exhibit 1.3 - Page 1

EXHIBIT 7.1.10

CHARGES

1. \$22,000,000 make whole payment to existing private placement lenders made in the third quarter of 2003.
2. \$3,000,000 write down of assets in connection with the Fleet Amtrak Debt and the Northern Trust Amtrak Debt, taken in the third quarter of 2003.
3. \$2,000,000 retail alignment/closure charges taken in the third quarter of 2003.
4. \$2,000,000 Apex Sale charges taken in the third quarter of 2003.

Exhibit 7.1.10 - Page 1

EXHIBIT 8.1.3

COMPLIANCE CERTIFICATE

[\_\_\_\_\_]

\_\_\_\_\_, \_\_\_\_\_

Fleet Capital Corporation, as Agent  
 One South Wacker Drive  
 Suite 1400  
 Chicago, Illinois 60606

The undersigned, the Treasurer of Wabash National Corporation ("Wabash"), gives this certificate to Fleet Capital Corporation, in its capacity as Agent ("Agent") in accordance with the requirements of subsection 8.1.3 of that certain Loan and Security Agreement dated September 23, 2003 among Wabash, as a Borrower, the Subsidiaries of Wabash party thereto as Borrowers, Agent, Fleet Securities, Inc., as Arranger, National City Commercial Finance, Inc., as Syndication Agent, General Electric Capital Corporation, as a Documentation Agent, Wachovia Bank, National Association, as a Documentation Agent and the Lenders party thereto ("Loan Agreement"). Capitalized terms used in this Certificate, unless otherwise defined herein, shall have the meanings ascribed to them in the Loan Agreement.

1. Based upon my review of the balance sheets and statements of income of Wabash and its Subsidiaries for the [\_\_\_\_\_] period ending \_\_\_\_\_, \_\_\_\_\_, copies of which are attached hereto, I hereby certify that:

(i) Capital Expenditures during the period and for the fiscal year to date total \$\_\_\_\_\_ and \$\_\_\_\_\_, respectively.

(ii) The Fixed Charge Coverage Ratio as of the last day of the period is \_\_\_\_\_:1.0.

(iii) The Leverage Ratio as of the last day of the period is \_\_\_\_\_:1.0.

2. No Default exists on the date hereof, other than:  
 \_\_\_\_\_ [IF NONE, SO STATE]; and

3. No Event of Default exists on the date hereof, other than \_\_\_\_\_ [IF NONE, SO STATE].

Very truly yours,

\_\_\_\_\_  
Treasurer

EXHIBIT 8.1.3 - Page 2

EXHIBIT 8.1.4

FORM OF BORROWING BASE CERTIFICATE

Exhibit 8.1.4 - Page 1

EXHIBIT 8.3

FINANCIAL COVENANTS

#### DEFINITIONS

EBITDA - with respect to any period, the sum of net earnings (or loss) before Interest Expense, income taxes, depreciation, amortization and other non-cash charges (including (i) gains and losses from currency fluctuations, (ii) impairment charges relating to fixed assets or intangibles and (iii) the amount by which obligations in respect of financing contracts exceeds the cash proceeds of liquidation of such financing contracts to the extent in excess of \$5,000,000) for such period (but excluding any extraordinary gains for such period and the charges described on Exhibit 7.1.10 to the Agreement), all as determined for Wabash and its Subsidiaries on a Consolidated basis and in accordance with GAAP; provided, that for the 3 month period ended March 31, 2003, EBITDA shall be deemed to be equal to \$12,169,000 and for the 3 month period ended June 30, 2003, EBITDA shall be deemed to be equal to \$14,861,000.

FIXED CHARGE COVERAGE RATIO - with respect to any period, the ratio of (i) EBITDA for such period minus the sum of (a) any provision for (plus any benefit from) income taxes included in the determination of net earnings (or loss) for such period plus (b) non-financed Capital Expenditures during such period plus (c) preferred stock dividends paid during such period, to (ii) Fixed Charges for such period, all as determined for Wabash and its Subsidiaries on a Consolidated basis and in accordance with GAAP.

FIXED CHARGES - with respect to any period, the sum of: (i) scheduled principal payments required to be made during such period in respect to Indebtedness for Money Borrowed (including the principal portion of Capitalized Lease Obligations), excluding the mandatory prepayment of the Term Loan made pursuant to subsection 3.3.9 of the Agreement, plus (ii) Interest Expense for such period, all as determined for Wabash and its Subsidiaries on a Consolidated basis and in accordance with GAAP.

INTEREST EXPENSE - with respect to any period, cash interest expense paid or accrued for such period, including without limitation the interest portion of Capitalized Lease Obligations, plus the Letter of Credit and LC Guaranty fees owing for such period, all as determined for Wabash and its Subsidiaries on a Consolidated basis and in accordance with GAAP.

LEVERAGE RATIO - at any date, the ratio of (i) Indebtedness for Money Borrowed as of such date, other than Indebtedness existing on the Closing Date in respect of the Convertible Notes, to (ii) EBITDA for the 12 month period ending on such date, all as determined for Wabash and its

Subsidiaries on a Consolidated basis and in accordance with GAAP.

Exhibit 8.3 - Page 1

COVENANTS

1. FIXED CHARGE COVERAGE RATIO. Borrowers shall not permit the Fixed Charge Coverage Ratio for any period set forth below to be less than the ratio set forth below opposite such period:

PERIOD -----	RATIO -----
Three (3) month period ending on December 31, 2003	1.00 to 1.0
Six (6) month period ending on March 31, 2004	1.05 to 1.0
Nine (9) month period ending on June 30, 2004	1.10 to 1.0
Twelve (12) month period ending on September 30, 2004 and each December 31, March 31, June 30 and September 30 thereafter	1.25 to 1.0

2. LEVERAGE RATIO. Borrowers shall not permit the Leverage Ratio for any period set forth below to be more than the ratio set forth below opposite such period:

PERIOD -----	RATIO -----
Twelve (12) month period ending on December 31, 2003	4.50 to 1.0
Twelve (12) month period ending on March 31, 2004	4.25 to 1.0
Twelve (12) month period ending on June 30, 2004	4.00 to 1.0
Twelve (12) month period ending on September 30, 2004	3.75 to 1.0
Twelve (12) month period ending on December 31, 2004	3.50 to 1.0
Twelve (12) month period ending on March 31, 2005	3.25 to 1.0
Twelve (12) month period ending on June 30, 2005 and each September 30, December 31, March 31 and June 30 thereafter	3.00 to 1.0

Exhibit 8.3 - Page 2

EXHIBIT 10.3.6

REAL PROPERTY SUBJECT TO PHASE II ENVIRONMENTAL REPORTS

1. Phoenix, Arizona
2. Harrison, Arkansas
3. Sheridan, Arkansas
4. Sacramento, California
5. Denver, Colorado
6. Miami, Florida
7. Atlanta (Conley), Georgia
8. Lafayette, Indiana (North Plant)
9. Lafayette, Indiana (South Plant)
10. Des Moines, Iowa
11. Fort Madison, Iowa

12. Shreveport, Louisiana
13. St. Paul, Minnesota
14. St. Louis, Missouri
15. Charlotte, North Carolina (23rd St. Yard)
16. Charlotte, North Carolina (Dalton Avenue)
17. Huntsville, Tennessee
18. Memphis, Tennessee
19. Roanoke, Virginia
20. Seattle, Washington

Exhibit 10.3.6 - Page 1

EXHIBIT A-2

FORM OF ASSIGNMENT AND ACCEPTANCE

Exhibit A-2

AMENDMENT NO. 1  
TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 1 TO LOAN AND SECURITY AGREEMENT ("Amendment") is dated as of October 23, 2003 and is by and among FLEET CAPITAL CORPORATION, a Rhode Island corporation, and the other parties identified as Lenders on the signature pages hereto (collectively, "Lenders"), on the one hand, and WABASH NATIONAL CORPORATION, a Delaware corporation, WABASH NATIONAL, L.P., a Delaware limited partnership, WNC CLOUD MERGER SUB, INC., an Arkansas corporation, and FTSI DISTRIBUTION COMPANY, L.P., a Delaware limited partnership (collectively, "Borrowers"), on the other hand. Capitalized terms used herein but not otherwise defined herein shall have the respective meanings assigned to such terms in the Loan Agreement referred to herein below.

W I T N E S S E T H:

WHEREAS, Lenders and Borrowers are parties to a Loan and Security Agreement, dated as of September 23, 2003 (as the same has been and may be amended or modified from time to time, the "Loan Agreement"), pursuant to which the Lenders have agreed to make certain loans and other financial accommodations to or for the account of Borrower;

WHEREAS, Borrowers have requested that Lenders amend the Loan Agreement in certain respects; and

WHEREAS, the Majority Lenders have agreed to amend the Loan Agreement on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the respective parties hereto hereby agree as follows:

1. Amendments. Subject to the satisfaction of the conditions set forth in Section 4 below, and in reliance upon the representations and warranties of Borrowers set forth herein, the Loan Agreement is hereby amended as follows:

(a) The reference to "October 23, 2003" in the final sentence of Section 6.2.4 shall be deleted and replaced with "November 30, 2003."

(b) The parenthetical in the fifth sentence of Section 5.4 shall be deleted and replaced with "(which surveys may be delivered within 30 days after the Closing Date for all such parcels of real Property except for those parcels of real Property located at 2000 Cooper Lane, Jeffersonville, Indiana and R.R. #1, Box 90D, Smithton, Pennsylvania for which surveys may be delivered within 60 days after the Closing Date)."

2. Scope of Amendment. Subject to the satisfaction of the conditions set forth in Section 4 below and in reliance upon the representations and warranties of Borrowers set forth therein, this Amendment shall have the effect of amending the Loan Agreement as appropriate to express the agreements contained herein. In all other respects, the Loan Agreement and the other Loan Documents shall remain in full force and effect in accordance with their respective terms.

3. Conditions to Effectiveness. The effectiveness of this Amendment and the amendments contained herein are subject to the satisfaction of the following conditions precedent or concurrent:

(a) Agent shall have received a fully executed copy of

this Amendment.

(b) No Default or Event of Default shall be in existence.

4. Representations, Warranties and Covenants. To induce Lenders to execute and deliver this Amendment, Borrowers hereby represent and warrant to Lenders that, after giving effect to this Amendment:

(a) All representations and warranties contained in the Loan Agreement and the other Loan Documents are true and correct in all material respects on and as of the date of this Amendment, in each case as if then made, other than representations and warranties that expressly relate solely to an earlier date (in which case such representations and warranties remain true and accurate on and as of such earlier date).

(b) No Default or Event of Default has occurred which is continuing.

(c) This Amendment, and the Loan Agreement, as amended hereby, constitute legal, valid and binding obligations of Borrowers and are enforceable against Borrowers in accordance with their respective terms.

(d) The execution and delivery by Borrowers of this Amendment does not require the consent or approval of any Person, except such consents and approvals as have been obtained.

5. Governing Law. THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS AND DECISIONS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

6. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when

so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any such counterpart which may be delivered by facsimile transmission shall be deemed the equivalent of an originally signed counterpart and shall be fully admissible in any enforcement proceedings regarding this Amendment.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the date first set forth above.

LENDERS:

FLEET CAPITAL CORPORATION, as Lender

By:

-----

Title: Sr. Vice President

NATIONAL CITY COMMERCIAL  
FINANCE, INC., as Lender

By: /s/

-----  
Title: Vice President

GENERAL ELECTRIC  
CAPITAL CORPORATION, as Lender

By: /s/  
-----

Title: Vice President

WACHOVIA BANK,  
NATIONAL ASSOCIATION, as Lender

By: /s/  
-----

Title: VP

MERRILL LYNCH CAPITAL, a Division of  
Merrill Lynch Business Financial Services,  
Inc., as Lender

By: /s/  
-----

Title: Vice President

WASHINGTON MUTUAL BANK, as Lender

By: /s/  
-----

Title: Vice President

FIFTH THIRD BANK, as Lender

By: /s/  
-----

Title: Vice President

LASALLE BANK NATIONAL ASSOCIATION,  
as Lender

By: /s/  
-----

Title: FVP

BORROWERS:

WABASH NATIONAL CORPORATION

By /s/  
-----

Title: V. P. & TREASURER

WABASH NATIONAL, L.P.

By /s/  
-----

Title: Authorized Rep.

WNC CLOUD MERGER SUB, INC.

By /s/  
-----

Title: Authorized Rep.

FTSI DISTRIBUTION COMPANY, L.P.

By /s/

-----  
Title: Authorized Rep.

REAFFIRMATION

Wabash National Trailer Centers, Inc., a Delaware corporation, Wabash Financing LLC, a Delaware limited liability company, National Trailer Funding, L.L.C., a Delaware limited liability company, Apex Trailer Leasing & Rentals, L.P., a Delaware limited partnership, Continental Transit Corporation, an Indiana corporation, WTSI Technology Corp., a Delaware corporation, Wabash Technology Corp., a Delaware corporation, and Wabash National Services, L.P., a Delaware limited partnership, (each "Guarantor" and collectively, "Guarantors") hereby (i) acknowledge receipt of a copy of the foregoing Amendment No. 1 to Loan and Security Agreement (the "Amendment"); (ii) affirm that nothing contained in the Amendment shall modify in any respect whatsoever any Loan Document to which any Guarantor is a party; and (iii) reaffirm that such Loan Documents and all obligations of the Guarantors thereunder shall continue to remain in full force and effect.

IN WITNESS WHEREOF, Guarantors have executed this Reaffirmation on and as of the date of the Amendment.

WABASH NATIONAL TRAILER CENTERS,  
INC.

By /s/

-----  
Title Authorized Representative

WABASH FINANCING LLC

By /s/

-----  
Title Authorized Representative

NATIONAL TRAILER FINANCING, L.L.C

By /s/

-----  
Title Authorized Representative

APEX TRAILER LEASING & RENTALS, L.P.

By /s/

-----  
Title Authorized Representative

CONTINENTAL TRANSIT CORPORATION

By /s/

-----  
Title Authorized Representative

WTSI TECHNOLOGY CORP.

By /s/

-----  
Title Authorized Representative

WABASH TECHNOLOGY CORP.

By /s/

-----  
Title Authorized Representative

WABASH NATIONAL SERVICES, L.P.

By /s/

-----  
Title Authorized Representative

AMENDMENT NO. 3  
TO LOAN AND SECURITY AGREEMENT

THIS AMENDMENT NO. 3 TO LOAN AND SECURITY AGREEMENT ("Amendment") is dated as of December 11, 2003 and is by and among FLEET CAPITAL CORPORATION, a Rhode Island corporation, and the other parties identified as Lenders on the signature pages hereto (collectively, "Lenders"), on the one hand, and WABASH NATIONAL CORPORATION, a Delaware corporation, WABASH NATIONAL, L.P., a Delaware limited partnership, WNC CLOUD MERGER SUB, INC., an Arkansas corporation, and FTSI DISTRIBUTION COMPANY, L.P., a Delaware limited partnership (collectively, "Borrowers"), on the other hand. Capitalized terms used herein but not otherwise defined herein shall have the respective meanings assigned to such terms in the Loan Agreement referred to herein below. This Amendment shall be effective retroactive to November 30, 2003.

W I T N E S S E T H:

WHEREAS, Lenders and Borrowers are parties to a Loan and Security Agreement, dated as of September 23, 2003 (as the same has been and may be amended, or modified from time to time, the "Loan Agreement"), pursuant to which the Lenders have agreed to make certain loans and other financial accommodations to or for the account of Borrower;

WHEREAS, Borrowers have requested that Lenders amend the Loan Agreement in certain respects; and

WHEREAS, the Majority Lenders have agreed to amend the Loan Agreement on the terms and subject to the conditions hereinafter set forth;

NOW, THEREFORE, in consideration of the premises set forth above, the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the respective parties hereto hereby agree as follows:

1. Amendments. Subject to the satisfaction of the conditions set forth in Section 3 below, and in reliance upon the representations and warranties of Borrowers set forth herein, the Loan Agreement is hereby amended as follows:

(a) The parenthetical phrase contained in the fifth sentence of Section 5.4 of the Loan Agreement shall be deleted and replaced with the following: "(which surveys shall be delivered on or before January 31, 2004)."

(b) Subsection 6.2.4 of the Loan Agreement is hereby amended and restated in its entirety, as follows:

"Maintenance of Dominion Account. Each Company shall maintain a Dominion Account or Dominion Accounts pursuant to lockbox and blocked

account arrangements acceptable to Agent with Bank and such other banks as may be selected by such Company. Each Company shall obtain the agreement by the applicable banks in favor of Agent to waive any recoupment, setoff rights, and any security interest in, or against, the funds deposited at such banks. Each Company shall issue to any such banks an irrevocable letter of instruction directing (i) such banks located outside Canada to deposit all payments or other remittances received (other than (a) funds in the Excluded Accounts and (b) prior to February 1, 2004, funds in the Legacy Account) to the Dominion Account, (ii) such banks located in Canada to deposit

all payments or other remittances received ("Canadian Deposits") to the Dominion Account immediately upon the receipt of notice from Agent that a Dominion Period is in effect and (iii) Bank One, N.A. to deposit all payments or other remittances received in the Legacy Account ("Legacy Deposits") to the Dominion Account upon the earlier to occur of (A) receipt of notice from Agent that a Dominion Period is in effect and (B) February 1, 2004. All funds deposited in the Dominion Account shall be available to Borrowers at their discretion unless a Dominion Period is in effect. Upon the occurrence of a Dominion Event, Agent may, and at the direction of Majority Lenders Agent shall, send the appropriate notice to Borrowers to commence a Dominion Period. If a Dominion Period is in effect, (a) all Canadian Deposits and Legacy Deposits shall immediately become the property of Agent in the ratable benefit of Lenders and shall immediately be deposited to the Dominion Account and (b) all funds in the Dominion Account shall (I) immediately become the property of Agent, for the ratable benefit of Lenders and (II) be applied on account of the Obligations as provided in subsection 3.2.1. Agent shall have the right to invoke three separate Dominion Periods hereunder; once a third Dominion Period has been commenced, it shall remain in effect until the repayment in full of the Obligations. Agent assumes no responsibility for such lockbox and blocked account arrangements, including, without limitation, any claim of accord and satisfaction or release with respect to deposits accepted by any bank thereunder. Notwithstanding anything to the contrary contained herein, all such lockbox and blocked account arrangements will be in place and operational on or before January 31, 2004."

(c) Subsection 8.2.1 (iii) of the Loan Agreement is hereby amended and restated in its entirety, as follows:

"(iii) with notice to Agent, dissolution or other termination of existence of any Inactive Subsidiary, any Wind Down Subsidiary, or any of Apex, Continental Transit Corporation, Cloud Oak Flooring Company, Inc., FTSI Distribution Company, L.P., Wabash National Services, L.P., Wabash Technology Corporation and WTSI Technology Corporation; and"

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(d) Appendix A to the Loan Agreement is hereby amended by inserting the following definitions therein, in appropriate alphabetical order:

Canadian Deposits - as defined in subsection 6.2.4 of the Agreement.

Excluded Accounts - those certain Deposit Accounts of Wabash National Services, L.P. at Bank of America, N.A. (account number 3752179833) and WNTC at Bank of America, N.A. (account number 3752180013).

Legacy Account - that certain Deposit Account of Wabash at Bank One, N.A. (account number 56900.21).

Legacy Deposits - as defined in subsection 6.2.4 of the Agreement.

2. Scope of Amendment. Subject to the satisfaction of the conditions set forth in Section 3 below and in reliance upon the representations and warranties of Borrowers set forth therein, this Amendment shall have the effect of amending the Loan Agreement effective retroactively to November 30, 2003 as appropriate to express the agreements contained herein. In all other respects, the Loan Agreement and the other Loan Documents shall remain

in full force and effect in accordance with their respective terms.

3. Conditions to Effectiveness. The effectiveness of this Amendment and the amendments contained herein are subject to the satisfaction of the following conditions precedent or concurrent:

(a) Agent shall have received a copy of this Amendment executed by Borrowers and the Majority Lenders, together with a reaffirmation of Guaranty Agreement executed by each Guarantor.

(b) No Default or Event of Default shall be in existence.

4. Representations and Warranties. To induce Lenders to execute and deliver this Amendment, Borrowers hereby represent and warrant to Lenders that, after giving effect to this Amendment:

(a) All representations and warranties contained in the Loan Agreement and the other Loan Documents are true and correct in all material respects on and as of the date of this Amendment, in each case as if then made, other than representations and warranties that expressly relate solely to an earlier date (in which case such representations and warranties remain true and accurate on and as of such earlier date).

(b) No Default or Event of Default has occurred which is continuing.

(c) This Amendment, and the Loan Agreement, as amended hereby, constitute legal, valid and binding obligations of Borrowers and are enforceable against Borrowers in accordance with their respective terms.

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(d) The execution and delivery by Borrowers of this Amendment does not require the consent or approval of any Person, except such consents and approvals as have been obtained.

5. Governing Law. THE VALIDITY, INTERPRETATION AND ENFORCEMENT OF THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS AND DECISIONS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES.

6. Headings. Section headings in this Amendment are included herein for convenience of reference only and shall not constitute a part of this Amendment for any other purpose.

7. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument. Any such counterpart which may be delivered by facsimile transmission shall be deemed the equivalent of an originally signed counterpart and shall be fully admissible in any enforcement proceedings regarding this Amendment.

[SIGNATURE PAGES TO FOLLOW]

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the date first set forth above.

LENDERS:

FLEET CAPITAL CORPORATION, as Lender

By: /s/

-----  
Title: Sr. Vice President

NATIONAL CITY COMMERCIAL  
FINANCE, INC., as Lender

By: /s/

-----  
Title: Vice President

GENERAL ELECTRIC  
CAPITAL CORPORATION, as Lender

By: /s/

-----  
Title: Vice President

WACHOVIA BANK,  
NATIONAL ASSOCIATION, as Lender

By: /s/

-----  
Title: VP

MERRILL LYNCH CAPITAL, a Division of  
Merrill Lynch Business Financial Services,  
Inc., as Lender

By: /s/

-----  
Title: VP

WASHINGTON MUTUAL BANK, as Lender

By: /s/

-----  
Title: Vice President

FIFTH THIRD BANK, as Lender

By: /s/

-----  
Title: Vice President

LASALLE BANK NATIONAL ASSOCIATION,  
as Lender

By: /s/

-----  
Title: FVP

BORROWERS:

WABASH NATIONAL CORPORATION

By /s/

-----  
Title: Vice President & Treasurer

WABASH NATIONAL, L.P.

By /s/

-----  
Title: Authorized Representative

WNC CLOUD MERGER SUB, INC.

By /s/

-----  
Title: Authorized Representative

FTSI DISTRIBUTION COMPANY, L.P.

By /s/

-----  
Title: Authorized Representative

REAFFIRMATION

Wabash National Trailer Centers, Inc., a Delaware corporation, Wabash Financing LLC, a Delaware limited liability company, National Trailer Funding, L.L.C., a Delaware limited liability company, Apex Trailer Leasing & Rentals, L.P., a Delaware limited partnership, Continental Transit Corporation, an Indiana corporation, WTSI Technology Corp., a Delaware corporation, Wabash Technology Corp., a Delaware corporation, and Wabash National Services, L.P., a Delaware limited partnership, (each "Guarantor" and collectively, "Guarantors") hereby (i) acknowledge receipt of a copy of the foregoing Amendment No. 3 to Loan and Security Agreement (the "Amendment"); (ii) affirm that nothing contained in the Amendment shall modify in any respect whatsoever any Loan Document to which any Guarantor is a party; and (iii) reaffirm that such Loan Documents and all obligations of the Guarantors thereunder shall continue to remain in full force and effect.

IN WITNESS WHEREOF, Guarantors have executed this Reaffirmation on and as of the date of the Amendment.

WABASH NATIONAL TRAILER CENTERS, INC.

By /s/

-----  
Title Authorized Representative

WABASH FINANCING LLC

By /s/

-----  
Title Authorized Representative

NATIONAL TRAILER FINANCING, L.L.C.

By /s/

-----  
Title Authorized Representative

APEX TRAILER LEASING & RENTALS, L.P.

By /s/

-----  
Title Authorized Representative

CONTINENTAL TRANSIT CORPORATION

By /s/

-----  
Title Authorized Representative

WTSI TECHNOLOGY CORP.

By /s/

-----  
Title Authorized Representative

WABASH TECHNOLOGY CORP.

By /s/

-----  
Title Authorized Representative

WABASH NATIONAL SERVICES, L.P.

By /s/

-----  
Title Authorized Representative

SUBSIDIARIES OF THE COMPANY AND  
OWNERSHIP OF SUBSIDIARY STOCK

NAME OF SUBSIDIARY	STATE/COUNTRY OF INCORPORATION	% OF SHARES OWNED BY THE CORPORATION*
Wabash National GmbH	Germany	100%
Wabash National Trailer Centers, Inc	Delaware	100%
WNC Cloud Merger Sub, Inc	Arkansas	100%
Cloud Oak Flooring Company, Inc	Arkansas	100%
Wabash National L.P.	Delaware	100%
Apex Trailer Leasing & Rentals, L.P.	Delaware	100%
Wabash National Services L.P.	Delaware	100%
Wabash Financing LLC	Delaware	100%
RoadRailer Bimodal Ltd.	United Kingdom	100%
RoadRailer Mercosal, Ltda	Brazil	50%
Wabash do Brazil	Brazil	100%
RoadRailer Technology Development Company, Ltd.	China	81%
National Trailer Funding LLC	Delaware	100%
Continental Transit Corp	Indiana	100%
FTSI Canada, Ltd.	Canada	100%
Wabash Receivables, LLC	Delaware	100%
WNC Receivables Management Corp.	Delaware	100%
FTSI Distribution Company, L.P.	Delaware	100%

\* Includes both direct and indirect ownership by the parent, Wabash National Corporation

CONSENT OF INDEPENDENT PUBLIC ACCOUNTANTS

We consent to the incorporation by reference in the Registration Statement (Form S-3 No. 333-102350) and in the Registration Statements (Form S-8 No. 333-54714) pertaining to the 2000 Stock Option and Incentive Plan, (Form S-8 No. 333-29309) pertaining to the 1992 Stock Option Plan and Stock Bonus Plan, (Form S-8 No. 33-49256) pertaining to the Wabash National Corporation 1992 Stock Option Plan, (Form S-8 No. 33-65698) pertaining to the 1993 Employee Stock Purchase Plan and (Form S-8 No. 33-90826) pertaining to the Wabash National Corporation Directors and Executives Deferred Compensation Plan of Wabash National Corporation of our report dated February 5, 2004, with respect to the consolidated financial statements of Wabash National Corporation included in this Annual Report (Form 10-K) for the year ended December 31, 2003.

/s/ ERNST & YOUNG LLP

Indianapolis, Indiana  
February 11, 2004

## NOTICE REGARDING CONSENT OF ARTHUR ANDERSEN LLP

Section 11(a) of the Securities Act provides that if part of a registration statement at the time it becomes effective contains an untrue statement of a material fact, or omits a material fact required to be stated therein or necessary to make the statements therein not misleading, any person acquiring a security pursuant to such registration statement (unless it is proved that at the time of such acquisition such person knew of such untruth or omission) may assert a claim against, among others, an accountant who has consented to be named as having certified any part of the registration statement or as having prepared any report for use in connection with the registration statement.

On May 30, 2002, Wabash National Corporation (the "Company") dismissed Arthur Andersen LLP as its independent auditors. On May 30, 2002, the Company appointed Ernst & Young LLP to replace Arthur Andersen LLP as the independent auditor of the Company. Prior to the date of this Form 10-K (which is incorporated by reference into the Company's previously filed Registration Statement File Nos. 33-49256, 33-65988, 33-90826, 333-29309, 333-54714 and 333-102350 (the "Registration Statements")), the Arthur Andersen partner responsible for the audit of audited financial statements of the Company as of December 31, 2001 and for the year then ended resigned from Arthur Andersen. As a result, after reasonable efforts, the Company has been unable to obtain Arthur Andersen's written consent to the incorporation by reference into the Registration Statements of its audit reports with respect to the Company's financial statements as of December 31, 2001 and for the two years in the period then ended. Under these circumstances, Rule 437a under the Securities Act permits the Company to file this Form 10-K without a written consent from Arthur Andersen. However, as a result, Arthur Andersen will not have any liability under Section 11(a) of the Securities Act for any untrue statements of a material fact contained in the financial statements audited by Andersen LLP or any omissions of a material fact required to be stated therein. Accordingly, you would be unable to assert a claim against Arthur Andersen under Section 11(a) of the Securities Act because it has not consented to the incorporation by reference of its previously issued report into the Registration Statements.

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

I, William P. Greubel, certify that:

1. I have reviewed this annual report on Form 10-K of Wabash National Corporation;

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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)) for the registrant and we 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 annual report is being prepared;

b) 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 annual report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter 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, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

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: February 9, 2004

/s/William P. Greubel

-----  
William P. Greubel  
President and Chief Executive Officer  
(Principal Executive Officer)



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

I, Mark R. Holden, certify that:

1. I have reviewed this annual report on Form 10-K of Wabash National Corporation;

2. Based on my knowledge, this annual 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 annual report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual 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 annual 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)) for the registrant and we 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 annual report is being prepared;

b) 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 annual report based on such evaluation; and

c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter 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, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):

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: February 9, 2004

/s/Mark R. Holden

-----  
Mark R. Holden  
Senior Vice President and Chief Financial Officer  
(Principal Financial Officer)



EXHIBIT 32.01

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 Chief Executive Officer and the Chief Financial Officer of Wabash National Corporation (the "Company"), each hereby certifies that, to his knowledge, on February 9, 2004:

- (a) the Annual Report on Form 10K of the Company for the year ended December 31, 2003 filed 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/ William P. Greubel  
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William P. Greubel  
Chief Executive Officer  
February 9, 2004

/s/ Mark R. Holden  
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Mark R. Holden  
Chief Financial Officer  
February 9, 2004