

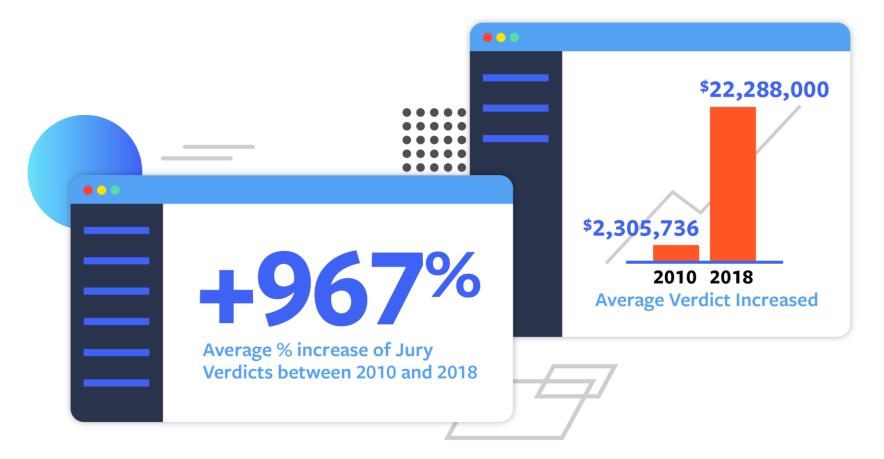
Bluewire Angels in the Outfield



Steve Bryan, CEO & Co-Founder

September 19, 2024

An Exponential Rise in Nuclear Verdicts





2020 Study by ATRI Understanding Nuclear Verdicts



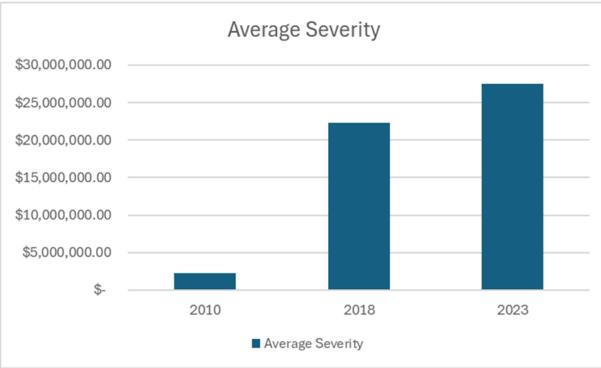
Rise in Severity – Average \$27M (2023)

Business Truck Driving Job News

Nuclear reaction: Report shows trucking companies 'under siege' by costly lawsuits

By John Worthen - July 26, 2023

WASHINGTON — A report from the U.S. Chamber of Commerce's Institute for Legal Reform s the trucking industry is under siege by litigation.



The Strategic Plan – The Reptile Theory





The Tactical Application of the Reptile Theory

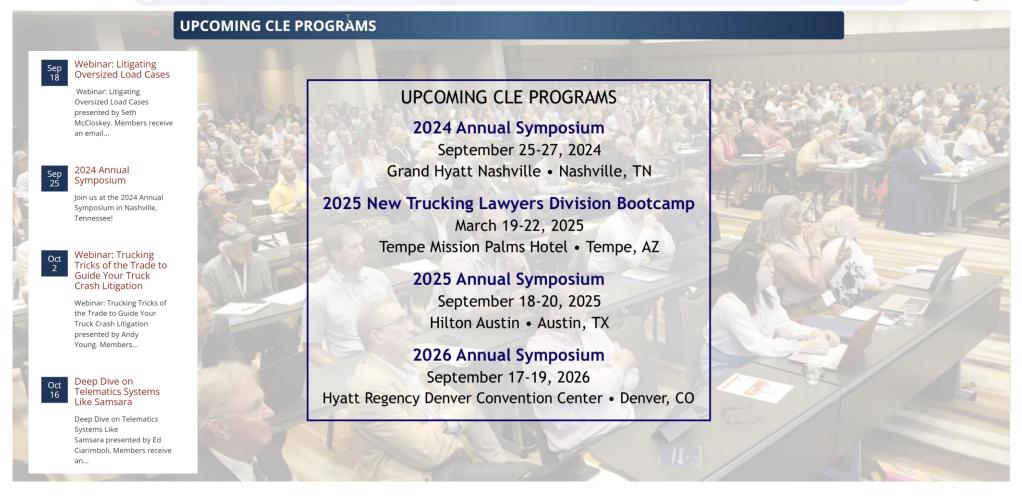




Opponent is smart, well trained, highly motivated

→ C A academyoftruckaccidentattorneys.org/upcoming_cle_programs.php

२ 🛧 🖸 🚺





ATAA trains members to seek out Systemic Failures

Table 2. Percent of Cases that Yielded a Plaintiff Verdict by the Issues Brought Against the Defendant in Court (Cases above \$1M)

HOS / Log Book100.0%Driver History100.0%Controlled Substances100.0%	26 14 13
Controlled Substances 100.0%	
	13
Left Coope of the Creek / Foiled to Coll out	<u> </u>
Left Scene of the Crash / Failed to Call 911100.0%	8
Health Related Issue	5
Sleep/Fatigue 91.7%	36
Driver on Their Phone 91.7%	12
Rear End Collision 89.2%	66
Work Zone / Construction 88.9%	18
Unfavorable Hiring Practices 87.5%	24

KEY: Systemic Failures



2020 Study by ATRI Understanding Nuclear Verdicts



Huge Volume of Data that fuels the reptile – seeking Systemic Failures in MC's data

SEVERITY CATE	GORY	R	eset 🔨	BLUEWIRE							R	elease Date: 08/01/2024
	Min	Max										
Crash		to	%	DOT #	COMPA	6,013,471 Driver Count	90.45 Average BLUEWIRE G	AP SCORE				Results Fie
Violation		to	%	1		00 - 79.99 80.00 - 89.99 IERABLE →	90.00 - 100 PROTECTED					
CSA BASIC's		to	%			-	CLASSIFICATION	STATUS	AUTHORITY DATE	SAFETY RATING	POWER UNITS	BLUEWIRE GAP SCORE
				64	CHEROKE		HL	A	1974-05-31		4	72.50
Driver OOS		to	%	174		10	C	A	1974-05-31	s	6	66.35
			%	174	CWT FARM	15	A	A	1974-05-31	S	650	80.81
Critical Acute		to		198	TRANSPO	R	A	A	1974-05-31		9	78.98
New Entrant		to	%			D SERVICES	AL	A	1974-05-31	S	150	97.07
				206	C & K TRA		С	А	1974-05-31	S	4	95.40
MCS - 150		to	%				AB	А	1974-05-31	S	255	79.53
			%	222	ALAS		В	A	1974-05-31	S	3	83.44
Judicial Hellholes		to	10		STIN TRUCK	KING	BC	A	1974-05-31	S	2	100.00
afety Rating		to	%	227	9		с	A	1974-05-31	S	1	96.76
tiety Kating		10	_		BERRY METAL	COMPANY	с	A	1974-05-31	S	2	93.04
				INC.			A	A	1974-05-31	S	2	94.35

Systemic Failures Packaged into Insurance Co. Book of Business

Filter by:	Apply Filters	LICENSE AND INSURANCE	₽ ₽							Release Date: 08	01/2024 Export Excel -
GAP SCORE Min Ma	×	INSURANCE COMPANY NAME: Progressive X BLUEWIRE									
1 to		Showing Results For: 54,967	54,960 s DOTs	99,310 Power Units		90.42 Average BLUEWIRE GAP SC	CORE				Results Fields 👻
SEVERITY CATEGORY	Reset V	SIVE PREFERRED INS		00 - 79.99 80.00 - 89.9 NERABLE →	9 90.00 - 100 PROTECTED						
POWER UNIT	PROGRES	SIVE PREFERRED INS		CRASH SCORE	VIOLATION SCORE	CSA BASICS SCORE	DRIVER OOS SCORE	CRITICAL ACUTE SCORE	NEW ENTRANT SCORE	MCS 150 SCORE	JUDICIAL HELLHOLES(C) SC
COMPANY PROFILE				100.00	100.00	<u>100.00</u>	100.00	100.00	100.00	100.00	1
AUTHORITY	PROGRES	SIVE CASUALTY INSU		100.00	100.00	100.00	100.00	100.00	100.00	100.00	1
				00.00	<u>100.00</u>	100.00	100.00	<u>100.00</u>	100.00	100.00	1
INSURANCE COM	PROGRES	SIVE PREFERRED INS		1.00	100.00	100.00	100.00	<u>100.00</u>	100.00	100.00	3
INSURANCE COM				00	100.00	100.00	100.00	<u>100.00</u>	100.00	100.00	3
Progressive	PROGRES	SIVE PREFERRED INS		1100	<u>100.00</u>	100.00	100.00	<u>100.00</u>	<u>100.00</u>	100.00	3
ATTENTION NAME				00	100.00	100.00	100.00	<u>100.00</u>	100.00	100.00	1
INSURANCE STREET	PROGRES	SIVE PREFERRED INS		<u>0.00</u>	100.00	100.00	<u>100.00</u>	100.00	<u>100.00</u>	100.00	1
				00.00	<u>100.00</u>	100.00	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	100.00	1
INSURANCE CITY	PROGRES	SIVE PREFERRED INS		100.00	<u>100.00</u>	100.00	100.00	100.00	<u>100.00</u>	100.00	1
				100.00	<u>100.00</u>	100.00	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	1
INSURANCE STATE	ROGRES	SIVE CASUALTY INSU	/	100.00	100.00	100.00	100.00	<u>100.00</u>	100.00	100.00	1
				<u>100.00</u>	<u>100.00</u>	100.00	100.00	<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	1
INSURANCE COUNTRY	*	NORTHERN INSU	100.00	100.00	<u>100.00</u>	100.00	100.00	100.00	100.00	100.00	1
		PROGRESSIVE PREFERRED INS	100.00	100.00	<u>100.00</u>	100.00	<u>100.00</u>	100.00	<u>100.00</u>	100.00	1
INSURANCE ZIP		PROGRESSIVE PREFERRED INS	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	1



Reptile has been detecting Systemic Failures since 2009





How do you evaluate Systemic Failures in inspections, violations, crashes, MCS-150, Safety Rating, OOS, New Entrant and Judicial Hellholes?

MCSA deral Motor Carrier Safety Administration								
CSA Fry & Accountability		Wor	king Tog	ether for S	Safe			
Safety Measurement System	A&I CSA SM	S TOOLS F	IELP SEARCH	QUICK SEARCH Enter Carrier Name or	r U.S. DOT#			
SEARCH for Carrier	\ <u>y</u>							
To define your search, please select from the cri	teria below.							
• U.S. DOT# 1271322								
🔿 Carrier Name]				
U.S. DOT# 1271322 is inactive at the time of the Filter carrier name by location.	last SMS update. For the	most up-to-date i	nformation, please visit	the <u>SAFER</u> system.				
O Service Center Select a Service Cen	ter 🗸							
OU.S. State Select a State	\checkmark							
Outside U.S. Select a Country	~							
SEARCH DOWNLOAD								
	Your search return	ed no results.						



CSA Fails at the Task of Severity Risk Analysis



vs



CSA is a tool designed by FMCSA to conduct audits



The Carrier Safety Measurement System (CSMS) Effectiv by Behavior Analysis and Safety Improvement Categories January 2014

Prepared by:

Systems Center

55 Broadway Cambridge, MA 02142

John A. Volpe National

Executive Summary Background Purpose of this Paper The 2012 CSMS Effectiveness Test (ET) Effectiveness Test Results 20 Analysis 1: Carriers Identified and Prioritized for CSA Interventions 20 Analysis 2: Carriers Identified as "High-Risk" for Congressionally Mandated Investigations.......24 Analysis 3: Crash Rate Trends by BASIC Percentile26 Summary of the Analyses50 Conclusion. . 52 .53 Appendix A: ET Screening Explanation . Appendix B: Calculation of Adjusted Crash Rate .59 Appendix C: For-Hire Combination Analysis .61 Appendix D: Safety Event Group BASIC Analysis . .68

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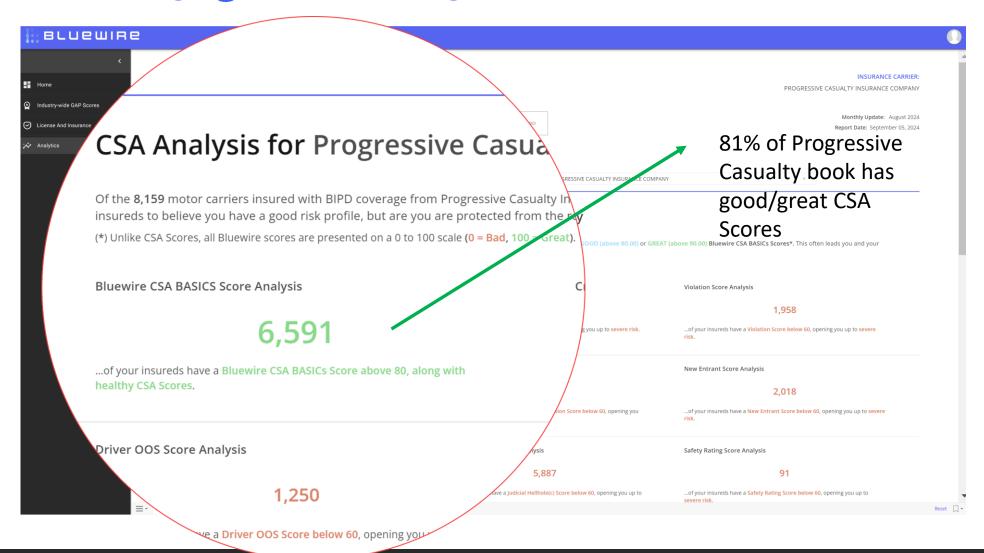
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Prepared for: Federal Motor Carrier Safety Administration 1200 New Jersey Avenue, SE Washington, DC 20590

Prepared on: January 24, 2014

CSA is utterly ignorant of Systemic Failures

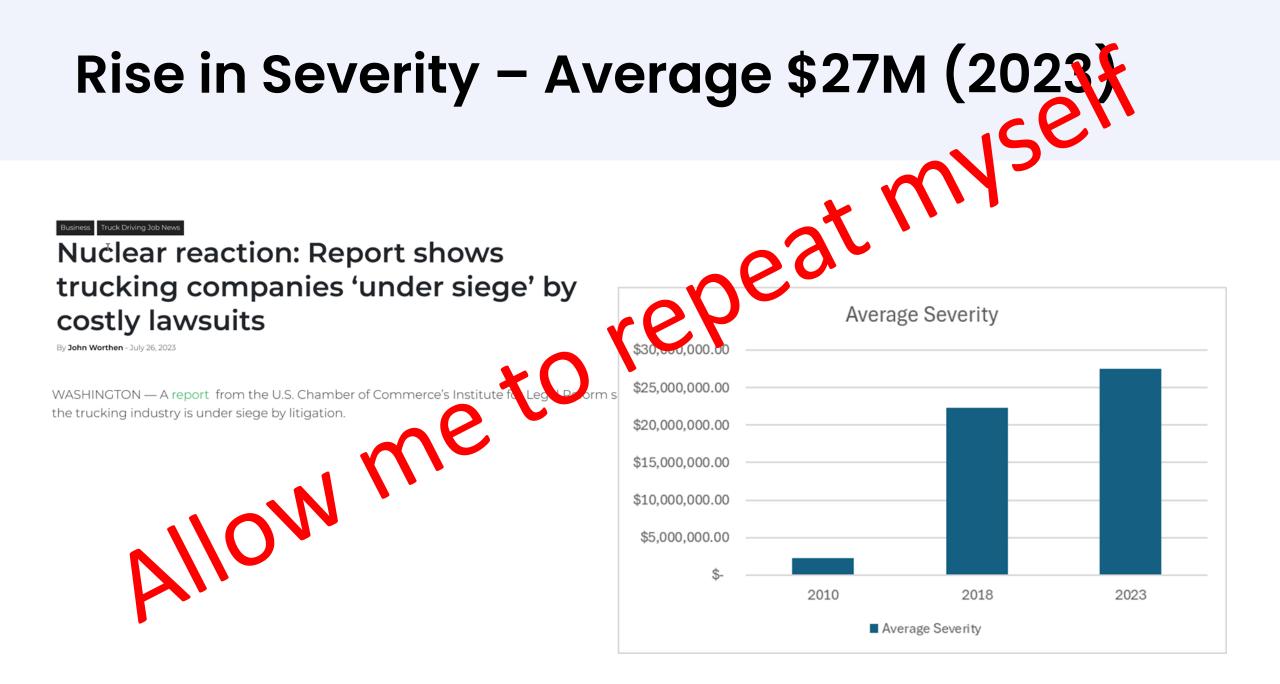


CSA identifies a \$26.9M problem

Summary of Closed Enforcement Cases

	FY 2018			FY 2019 FY 2020				FY 2021	FY 2022	FY 2023	2023 FY 2024			
Subject Type	# Cases	Amount Settled	# Cases	Amount Settled	# Cases	Amount Settled	# Cases	Amount Settled	# Cases	Amount Settled	# Cases	Amount Settled	# Cases	Amount Settled
Broker	0	\$0	0	\$0	0	\$0	1	\$3,880	0	\$0	2	\$26,829	9	\$84,95
Cargo Tank Facility	33	\$676,990	17	\$219,660	9	\$122,050	1	\$12,173,000	6	\$82,820	9	\$259,580	5	\$35,74
Carrier	4319	\$30,939,363	3647	\$24,191,220	2802	\$16,941,016	2327	\$15,022,885	3360	\$23,566,661	3626	\$24,316,623	1818	\$12,519,47
Drug Consortium	0	\$0	1	\$5 <i>,</i> 890	0	\$0	0	\$0	0	\$0	0	\$0	0	ç
Freight Forwarder	64	\$847,662	61	\$725,045	9	\$33,660	14	\$72,380	14	\$90,330	14	\$113,340	5	\$23,65
HM Carrier	171	\$2,149,000	112	\$1,212,080	69	\$531,189	37	\$404,060	73	\$792,450	83	\$1 <mark>,</mark> 044,980	32	\$401,06
HM Carrier (Not Placarded)	0	\$0	0	\$0	1	\$3,110	0	\$0	0	\$0	0	\$0	0	ç
HM Carrier/Shipper	85	\$1,055,550	67	\$675,460	27	\$381,650	26	\$205 <mark>,</mark> 600	42	\$341,940	34	\$291,720	14	\$224,85
HM Carrier/Shipper (Not Placarded)	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$
Not Carrier (45-Day)	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$
Other	4	\$16,486	3	\$21,770	0	\$0	0	\$0	0	\$0	0	\$0	0	\$
Passenger Carrier	115	\$1,196,732	65	\$533 <mark>,</mark> 569	49	\$282,520	10	\$62,379	19	\$75,820	28	\$143,522	18	\$132,68
Shipper	4	\$46,310	0	\$0	0	\$0	0	\$0	1	\$29,390	0	\$0	1	\$15,12
Small Passenger Carrier	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0	0	\$
Total	4795	\$36,928,093	3973	\$27,584,694	2966	\$18,295,195	2416	\$27,944,184	3515	\$24,979,411	3796	\$26,196,594	1902	\$13,437,52
Average												\$26,988,029		
Report Filters:														
Report Focus - National														

Data Source: FMCSA's Enforcement Management Information System (EMIS) data snapshot as of 3/29/2024.

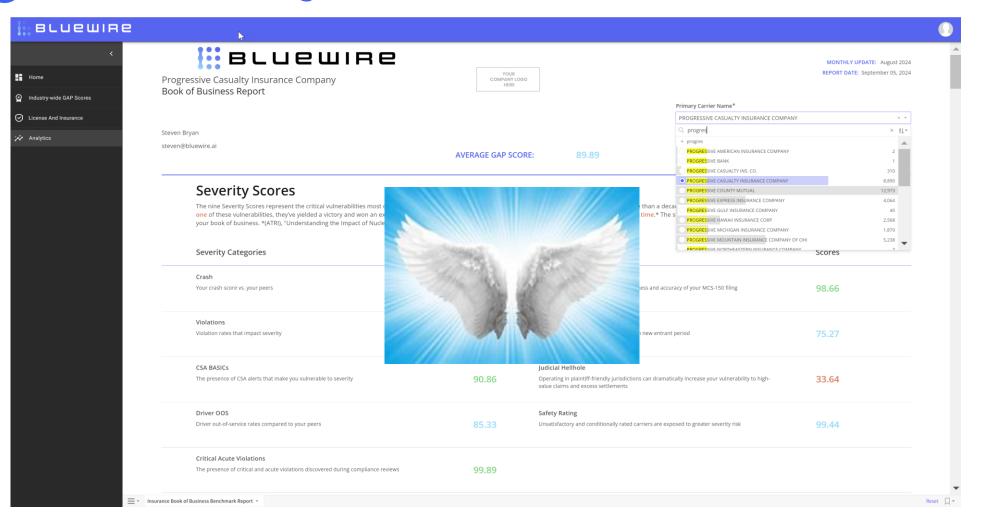


Systemic Failures result in AVERAGE Verdict of \$27M

BLUEWIRE	2								
<	ł	BLU	е ш і	Re					INSURANCE CARRIER: PROGRESSIVE CASUALTY INSURANCE COMPANY
Industry-wide GAP Scores License And Insurance	Of the 6,5 risk in one	CSA Abuse I 91 motor carriers insured v e or more of eight critical vu	ith BIPD coverage Inerability catego	from Progr	ressi	THE OF		GREAT (above 90.00) Blue	wire CSA BASICs Scores, 3,070 (or 47%) are currently harboring medium or severe to manage severity risk, you're looking in the wrong place.
Xnalytics	71% of P	rogress	ive 🦯	GAP 👻	Crash 👻	Violation \bullet	Driver OOS 👻	Critical	Customia Failuna
	Casualty	book h	as	76.90 90.32	58.89 100.00	33.49 100.00	100.00 100.00	100.00	Systemic Failures
	identifia	ble Syst	emic	84.67 84.62	100.00	25.51 93.96	100.00 0.10	100.00	•
	Failures	Legal Name ↓ FIELD VIEW TRANSPORTATIO FILKINS TRANSPORT FION	89.61	84.14	100.00	18.09	100.00	100.00	les Safety Rating Company Rep 1 Company Rep 2 Telephone Email Address 100.00 WALTER S. HINE mull (203) 795-0571 mull 50000 ANN COOPER mull (413) 657-8554 FLKINSTRAL
	56003 63980 81743 81974	WHITE EAGLE TRANSPORT K E KRINER TRUCKING INC BOTKINS TRUCKING LLC HOMER L HARVEY	80.63 100.00	81.63 89.73	72.60 100.00	48.12 100.00	100.00	100.00 100.00	100.00 CARDL STARVISH JAMES STARVISH (B60) 623-0150 CARDL-STAF 100.00 BUTT VKINER LODI KRINER (D01) 988-357 KRINERETT 100.00 COURTNEY BURRUS STEVE BOTKINS (B60) 263-1078 DTINNSTR 100.00 HOMER L HARPEY IR mill (E60) 263-1078 DTINNSTR
	87276 89306 101997	GRIFFITHS TRUCKING LL HAWK TRUCK LEASING L CHALLENGER FREIGHTW	88.08 90.43	77.24 85.22	100.00	18.86 82.71	100.00	100.00	5000 ROBERT GRIFFITHS mult (400)468-2532 mult 5000 IAMES HAWK PENNY HAWK (610)232-9160 HAWKTRUC 5000 THEODORE REVISH mult (203)537-1880 TREVENSING
	107080 209436 213600 217634	J R CHRISTONI INC S L RHOTON INC HUDSON RIVER BULK INC INCE MOTOR FREIGHT INC	93.75	89.82	100.00	57.43	100.00	100.00	100.00 JOSEPH CHRISTONI STEVE GALE (203) 265-0921 TRUCKSIGAT 100.00 STEVEN BHOTON DAME RHOTON (201) 223-2539 null 100.00 JOHN DESCHARRE null (518) 828-9360 ADSCHARR 90.00 BONALD PLINCE RONALD PLINCE (131) 432-536 PDISCHARR
	217634 241036 271386 278953	NATIONAL HORSE TRANSP SCHATZ TRANSPORT INC HAROLD E GRAVES	94.14 82.08	94.84 83.51	100.00 84.63	67.77 43.20	100.00 100.00	100.00 100.00	S0.00 RONALD W INCE RONALD H INCE (31) 452-5546 FOLK2220/ POLK220/ D INF020ANAI S0.00 WILLMAN A INCHOLS mull (31) 673-5546 TOLK220/ D INF020ANAI 100.00 MLRED F SCHATZ III DIANE LSCHATZ (86) 228-1438 SCHATZTRA 100.00 HARDLD E GRAVES mull (814) 645-836 mull
	292551 298834 301567	HMB ART TRANSFER M M & R TRANSPORTATION IN DAVID G LAPELL	98.95 97.95	86.63 86.60	87.67 100.00	98.39 81.38	100.00	100.00 100.00	100.00 WILLMA HILL null (202) 439-8172 HMBARTR7 100.00 RANDY DUKES null (573) 545-441 THEDUKES- 5000 DAVID G LAPELL null (518) 654-8679 GLOETRAL
	316447 331017 331048 331207	MACYS LIGHT DELIVERY INC G N S TRUCKING LLC R & R FREIGHT SERVICES LLC BRYAN W BENDER	90.12 22	87.68 85.65	100.00	44.95 25.48	100.00	100.00	5000 58000 RAYMOND MACY JAMES MACY (51) 588-0613 MLDTMUCK 303 100.00 SHARDN SPRUECKCK mull (41) 563-5711 FRANKSHAF 000 100.00 RUSSELL DAGOSTINO TIMOTHY GREINE (20) 208-7537 OPERATION 00.00 100.00 REVAN WARD BENDER mull (20) 12.68-5580 BRYANGENE
	331539 332706 337221	SIROB IMPORTS INC ROBERT E BURCHELL INC VAN GO EXPRESS LLC		87.93	100.00	20.19	100.00	100.0 32 54	50.00 50.00 NINCLACS BOBORIS HOPE LOWINE (631) 957.9888 HOPEIOWIN 2276 100.00 ROSERT BURCHELL MICHAEL BURCHELL (417) 664-5875 RBURCHELL 415 5000 OCHALD MARCHETTO null (214) 503-5600 VANGOSTLé
	347439 348135 357366 371124	K & S IRRIGATION INC JEFFREY PAUL RIVARD SCHULTZ & SONS SALVAGE INC DAVID D AND DONNA M MANN		77.07	34.56 29.76	65.36 94.63	100.00	100.00 25 100.00 100	I30 0.00 ROBERT W KIETZMAN (HOLT TANAN (HOLT TANAN) (HOLT TANAN (HOLT TANAN (HOLT TANAN) (HOLT TANAN (HOLT TANAN) (HOLT TANAN (HOLT TANAN) (HOLT TANANAN) (HOLT TANAN) <t< th=""></t<>
	374130	K & T BOWMAN TRUCKING INC		1	100.00	100.00 86.30	100.00		Case Totolog David MANY David M MANY D31 393-3375 DMANKUD Sol Totolog KEVIN 65 00MAN mill (200 845) SSE
					KEY: Be	low 59.99 60.00 -	69.99 70.00 - 79.99	80.00 - 89.99 90.00	0 - 100
	CSA Abuse Report				_				Reset



Progressive Casualty Insurance – Book of Business

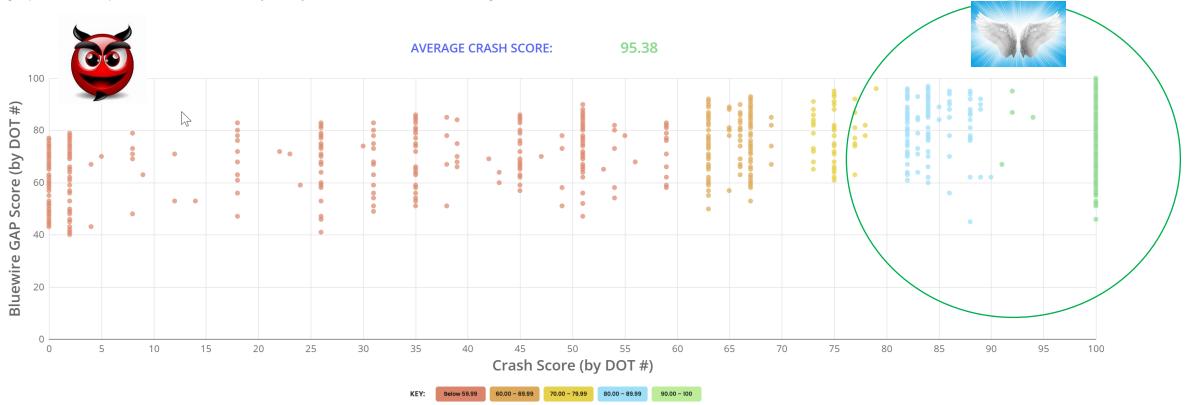




Systemic Failures- Crash

Crash Score Benchmark

This is a dynamic group, as opposed to the defective static peer groups of CSA. Bluewire's proprietary Al scores every industry DOT# based on size, new entrant status, de-authorizations, and data sufficiency. Within each size group, scores are computed based on the count, recency, severity, citations, and hazmat release, then weighted to focus on similar-sized carriers.



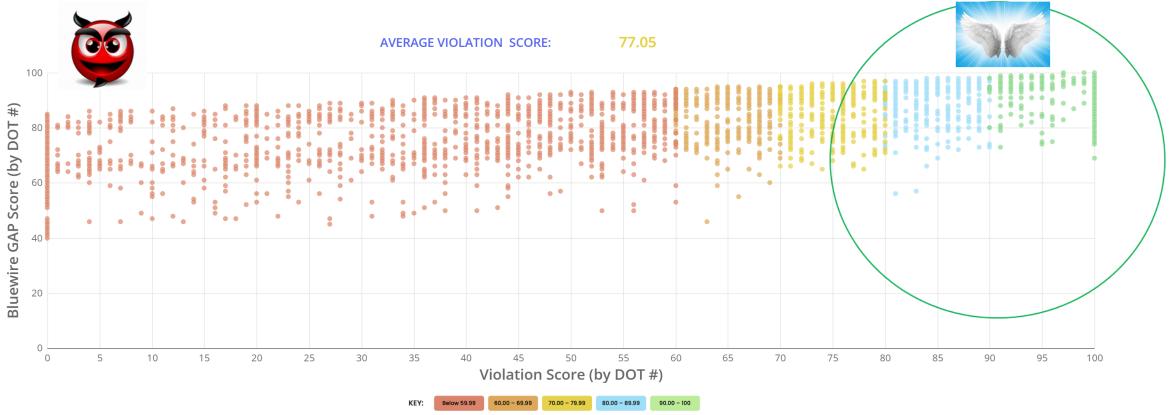
SEVERE RISK \leftarrow MEDIUM RISK \leftarrow VULNERABLE \rightarrow LESS PROTECTED \rightarrow PROTECTED



Systemic Failures- Violations

Violation Score Benchmark

Hundreds of claims and cases have been studied to correlate violations to outcomes adverse to the motor carrier. Research shows that violations in the categories of Speeding, HOS, Driver Fitness and Drug & Alcohol inflame the reptile and lead to extraordinary financial punishment. Bluewire weights and scores looking for these inflammatory exposure points.



SEVERE RISK - MEDIUM RISK - VULNERABLE - LESS PROTECTED - PROTECTED



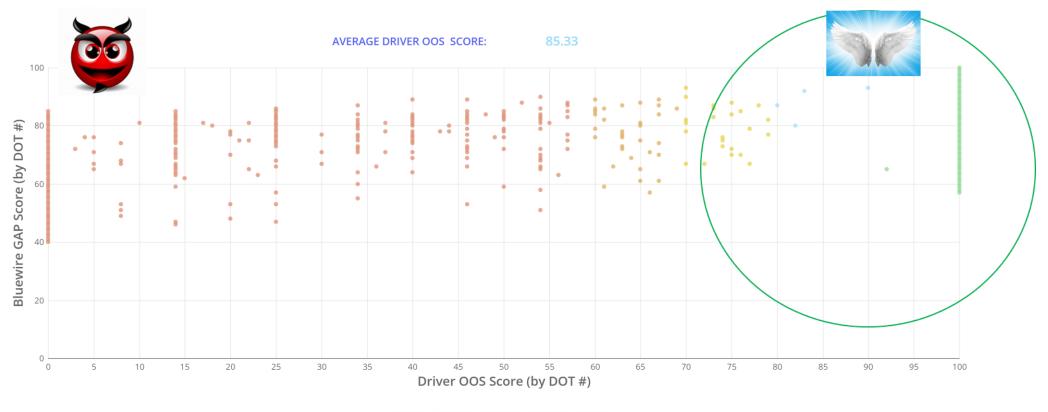
Systemic Failures- Driver OOS

Driver OOS Score Benchmark

Many insurance carriers focus on Driver Out of Service rates as a key indicator of poor safety culture at a motor carrier. The narrative of a driver who is prohibited from operating due to HOS, Driver Credentials, or Substance abuse are triggers for the reptile. Driver OOS violations can be found across multiple CSA BASIC's. A few OOS violations can be masked by CSA, Bluewire exposes them.

KEY:

Below 59.99



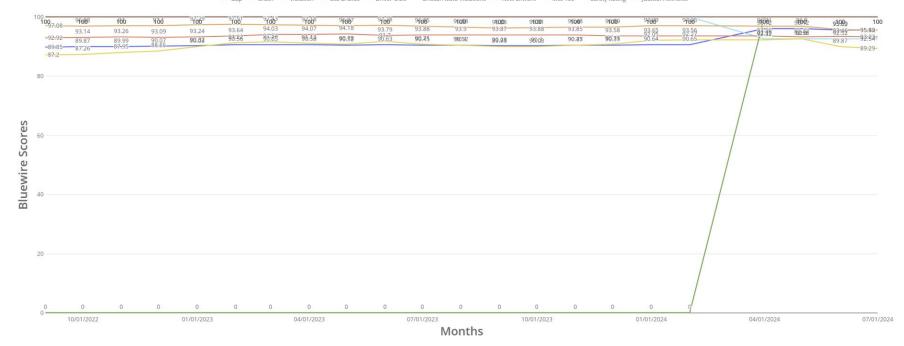
60.00 - 69.99 70.00 - 79.99 80.00 - 89.99

90.00 - 100









- Gap - Crash - Violation - Csa BASICs - Driver OOS - Critical Acute Violations - New Entrant - Mcs 150 - Safety Rating - Judicial Hellholes

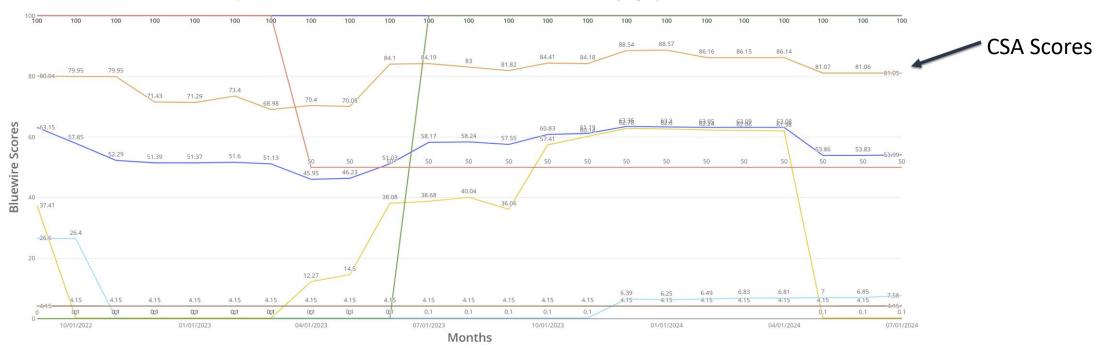
An Angel Select a DOT#: × * Select a Date Range: 🛛 🗐 Select date range Crash and Violation Detail Report for

of AK

Bluewire GAP Scores and Severity Scores by Month



Bluewire GAP Scores and Severity Scores by Month



- Gap - Crash - Violation - Csa BASICs - Driver OOS - Critical Acute Violations - New Entrant - Mcs 150 - Safety Rating - Judicial Hellholes

Page 1 of 5

Thank You





STEVE BRYAN CEO & CO-FOUNDER STEVE@BLUEWIRE.AI 503.367.7196

BLUEWIRE.AI