AMERCO Announces Corporate Name Change, Non-Voting Common Stock Dividend and Other Actions Taken by the Board’s Independent Special Committee

October 2022
Background: Independent Special Committee

On April 6, 2022, the Company’s Board of Directors approved the creation of an Independent Special Committee to consider various matters and actions. The Board appointed the following three independent directors to the Committee: James J. Grogan, Roberta “Sissie” R. Shank and Richard J. Herrera.

Mr. Grogan serves as the Chair of the Independent Special Committee.

Mr. Grogan served as a Director of the Company from 1998 to 2005 and was re-elected to serve as a Director in 2016. An attorney and successful businessman, Mr. Grogan has served in leadership positions in both public and private companies. He serves on the National Board of Cancer Treatment Centers of America. He served on the National Board of Cancer Treatment Centers of America for 12 years, from 2009 until it was sold to the City of Hope Cancer Hospital and Research Center. Mr. Grogan is also a recognized real estate investor and developer with expertise in a wide range of asset classes. In 2000, he was appointed by the Governor of Arizona to the Board of the Arizona Tourism and Sports Authority, voted Chair by his peers, and oversaw the multi-million-dollar design, siting, and construction of what is now State Farm Stadium, annually one of the most used multi-purpose stadiums in North America. He served as a member of the 2015 Arizona Super Bowl Host Committee. From 1998 to 2000, Mr. Grogan also served as President of Sterling Financial/Samoth Capital, a publicly traded, Toronto Stock Exchange company. From 1991 through 1996, Mr. Grogan was the managing attorney of Gallagher and Kennedy, a full-service business law firm in Phoenix, Arizona. He currently serves on the board of Drees Homes, one of the country’s largest privately held homebuilding companies. Mr. Grogan is an NACD Board Leadership Fellow and has completed the rigorous NACD certification program, passing the exam to become a NACD Board Certified Director.

James J. Grogan
Ms. Shank has served as a Director of the Company since December 2019. Ms. Shank is the Chief Executive Officer and President of Chas Roberts A/C and Plumbing, an Arizona air conditioning and plumbing contractor, and possesses extensive executive management experience. Ms. Shank also serves on the board and chairs the Compensation Committee of Knight-Swift Transportation Holdings Inc., a NYSE-traded company. She has experience in leading her company through the rapid growth, downturn, and comeback of the construction market, while adjusting its scale and improving profitability. Moreover, she is experienced in managing a workforce with distributed, mobile employees and substantial hiring and retention challenges. In 2014, Ms. Shank was named CEO of the Year by the Arizona Corporate Excellence Awards for the state’s largest private businesses, and in 2013, she received the Greater Phoenix Chamber of Commerce Impact Award. Ms. Shank is the past Chairman of the City of Phoenix Planning Commission and has also served on several non-profit boards, including the Boys and Girls Club of Metro Phoenix. Ms. Shank’s extensive executive-level leadership and business experience through a variety of economic environments makes her a valuable asset for the Board. Ms. Shank has a CERT Certificate in Cybersecurity Oversight and is a member of the NACD.

Mr. Herrera has served as a Director of the Company since 2017. Mr. Herrera also serves as a member of the Board of Directors of Real Estate, a subsidiary of AMERCO. Mr. Herrera was employed as Marketing Vice President/Retails Sales Manager for U-Haul from 1988 to 2001 and served on the Company’s Board from 1993 to 2001 and the U-Haul Board of Directors from 1990 to 2001. Mr. Herrera also served on the AMERCO Advisory Board from 2007 to 2013. From 1973 to 1988, Mr. Herrera worked in the Fluid Power Industry (application of hydraulic and pneumatic components). Products were used in machine automation and motion control solutions for all forms of manufacturing, agriculture, military, textile, general industrial applications, and transportation sector applications. Additionally, Mr. Herrera has a long history in the retail industry, including serving as Executive Vice President of Eastern Seaboard Packaging and Executive Vice President of ABUS Lock USA. From 2015 to 2017, Mr. Herrera worked as a sales representative for Fastenal and was recently a sales consultant for BMW Santa Fe. Mr. Herrera is retired but enjoys being a professional ski instructor, certified by the Professional Ski Instructors of America, in Santa Fe, New Mexico. Mr. Herrera is also an automotive racing enthusiast and maintains, repairs, develops and drives a closed course racing sedan. Mr. Herrera is a member of the NACD.
Financial Advisors

The Committee retained financial advisors Moelis & Company, LLC and Richard C. Breeden & Company, LLC.

- Moelis & Company, LLC (NYSE: MC) is a leading global independent investment bank that provides innovative strategic advice and solutions to a diverse client base, including corporations, governments and financial sponsors.

- Richard C. Breeden & Company, LLC operates as a professional services firm specializing in strategic consulting, financial restructuring, and corporate governance advisory services.

Scope of Work

The Committee examined multiple options aimed at enhancing the marketability and liquidity of the Company’s stock, with a particular focus on actions intended to make stock ownership more inclusive and accessible for retail investors, including team members and customers of the Company.

“The committee set out to evaluate a variety of corporate actions aiming to attract and retain stockholders who align with the Company’s long-term outlook and to respond to input received from Company stockholders,” stated James J. Grogan, who was elected chair of the Independent Special Committee by his fellow committee members. “The actions we are directing are designed to enhance the marketability of the stock without consuming significant Company resources that should otherwise be deployed to provide a higher level of service to our customers and the do-it-yourself moving and self-storage public.”
Action 1: Name Change

Long-term shareholders have encouraged the Company to change its name to attract new shareholders who may be unaware that AMERCO is the parent company of one of the most recognized brands in North America.

The Committee has approved changing the name of the Company to **U-Haul Holding Company** to help alleviate any perceived disconnect by institutional or retail investors alike.

AMERCO will change its name to U-Haul Holding Company by the end of calendar year 2022.

“The Independent Special Committee has thoughtfully responded to feedback from Company stockholders while directing actions that support long-term value creation for customers and the organization,” **stated Joe Shoen, chairman of AMERCO.** “As a Company stockholder myself, I am excited by the potential effects of the Committee’s decisions.”
Action 2: Creation of Non-Voting Common Stock

The Committee has authorized the creation of a new series of Common Stock, designated as Series N Non-Voting Common Stock.

They have determined that this new series of stock would enhance liquidity and marketability while preserving the Company’s current voting structure and long-term orientation.

- The Non-Voting Common Stock will have a par value of $0.001 per share.

- Application to the Nasdaq Global Select Market has been made to list the new Non-Voting Common Stock under the ticker symbol Nasdaq: UHALB.

- Shares of the Company’s Voting Common Stock will continue to trade under the ticker symbol Nasdaq: UHAL.

The Company’s articles of incorporation provide the Board with the authority to issue this additional series of Common Stock. The Board delegated this authority to the Committee.
Certificate of Designation

The specific terms of the Non-Voting Common Stock are set forth in the Certificate of Designation that the Company filed with the Nevada Secretary of State, which created this series of common stock. A copy of the Certificate of Designation is attached as an exhibit to our recently filed Form 8-A.

Voting Rights

The holder of each share of Non-Voting Common Stock has no voting power to vote on any matter that is submitted to a vote or for the consent of the stockholders of the Corporation, except as to certain amendments to the Certificate of Designation, such as the designation of the Non-Voting Common Stock, the number of the authorized shares of the series and the voting powers, designations, preferences, limitations, restrictions and relative rights of the Non-Voting Common Stock, which require the approval of holders of shares of Non-Voting Common Stock representing a majority of the outstanding shares of Non-Voting Common Stock.
Distributions and Dividends

Subject to preferences that may apply to any shares of preferred stock or any other series of common stock of the Company outstanding at the time, the holders of shares of Non-Voting Common Stock are entitled to share equally, on a per share basis, in any dividends or distributions that our Board may authorize and we may pay from time to time on the Voting Common Stock. Our Board may authorize, and we may make, distributions to the holders of Non-Voting Common Stock as a separate series without the Voting Common Stock, or the holders thereof, being entitled to receive such distributions (on a per share basis or otherwise). The Board may not authorize, and we may not make, distributions to the holders of Voting Common Stock as a separate series unless the Non-Voting Common Stock, or the holders thereof, are entitled to receive at a minimum, on a per share basis or otherwise, the same form and amount of dividends and other distributions. If a dividend or distribution is paid in the form of shares of Company stock, or rights to acquire shares of Company stock, then the holders of Voting Common Stock will receive shares of Voting Common Stock, or rights to acquire Voting Common Stock, and the holders of Non-Voting Common Stock will receive an equivalent number of shares of Non-Voting Common Stock, or rights to acquire an equivalent number of shares of Non-Voting Common Stock.

Equal Treatment

The Certificate of Designation provides that the Non-Voting Common Stock has the same rights and privileges and ranks equally, shares ratably and is identical in all respects to the Voting Common Stock as to all matters except as and to the extent expressly provided in the Certificate of Designation (including, without limitation, as to the voting powers of, and distributions with respect to, the Non-Voting Common Stock).
**Action 3: 9-for-1 Stock Dividend Involving Non-Voting Common Stock**

The Committee has approved issuance of shares of the Non-Voting Common Stock through a stock dividend, on a 9-for-1 basis, to all existing holders of the Company’s Voting Common Stock.

The stock dividend is intended to have the same general effects as a 10-for-1 stock split.

Every holder of Voting Common will subsequently have ten (10) Common shares for every one (1) share held as of the record date. Nine (9) shares will be Non-Voting Common. One (1) share will be Voting Common. Together they will constitute exactly the same proportional ownership interest as the original one share.

The holders of shares of Non-Voting Common Stock are entitled to receive on a per share basis dividends or distributions no less than the Company may pay from time to time on the Voting Common Stock.

The shares of Non-Voting Common Stock will be distributed after the close of trading on, or about, November 9, 2022 to stockholders of record of Voting Common Stock at the close of business on November 3, 2022.

**Declaration Date:** October 24, 2022

**Record Date:** November 3, 2022

**Distribution Date:** November 9, 2022

We anticipate trading of the 176,470,092 shares of Non-Voting Common Stock to begin on **November 10, 2022**.
Past Shareholder Advisory Vote

The dual series of stock concept is not new to long-term shareholders of the Company. In August 2015, the following proposal was voted on, and passed by shareholders, at the annual meeting.

Shareholder Proposal 6 (July 2015)

“Resolved, that the shareholders of AMERCO recommend to the Board of Directors and management to act expeditiously to declare and issue a dividend of 7 (seven) shares of nonvoting common stock for each common share held to all AMERCO shareholders of record as of a to-be determined record date in the reasonably foreseeable future, and to take all steps appropriate or incident to such a transaction, including without limitation the listing of such separate class of shares on a national securities exchange. Such nonvoting common stock to have rights identical to the existing voting common in all matters other than voting.”

Supporting Statement by Shareholder Proponent

“I am proposing that Stockholders adopt this resolution on a nonbinding advisory basis at the Annual Meeting in order to demonstrate to the Board that Stockholders support the declaration of a dividend of nonvoting common shares identical with the present common in all rights other than voting.”

Reason for the Proposal by Shareholder Proponent

“I submit this Shareholder Proposal because shareholders other than myself have indicated to the Corporation an interest in a split of the existing AMERCO common stock. I believe this dividend proposal addresses their interests and will generate support by a majority of the present holders of AMERCO common stock. It is my understanding that the Corporation presently has the authorized serial common stock necessary for such a dividend.”
Dividend Policy

Subsequent to the decisions made by the Independent Special Committee, the Board of Directors convened and adopted the following dividend policy for the Non-Voting Common Stock (Nasdaq: UHALB).

“Series N Non-Voting Common Stock: Unless the Board of Directors in its sole discretion determines otherwise, it shall be the policy of the Company to declare and pay a quarterly cash dividend on each share of the Company’s Series N Non-Voting Common Stock, in the amount of $0.04 per share, commencing with the third (3rd) quarter of fiscal year 2023. A special quarterly dividend declared for voting stock shall only create additional dividend rights in the non-voting stock to the extent it exceeds the quarterly dividend described in this dividend policy.”

The policy may be reviewed, modified or terminated from time to time by the Board of Directors.

Summary

- On April 6, 2022, the Company’s Board of Directors approved the creation of an Independent Special Committee consisting of three independent directors to consider various matters and actions. The Committee retained financial advisors Moelis & Company, LLC and Richard C. Breeden & Co., LLC.

- The Committee examined multiple options aimed at enhancing the marketability and liquidity of the Company’s stock, with a particular focus on actions intended to make stock ownership more inclusive and accessible for retail investors, including team members and customers of the Company.

- The Committee has approved changing the name of the Company to U-Haul Holding Company to help alleviate any perceived disconnect by institutional or retail investors alike. The change will take place by the end of calendar 2022.
• The Committee authorized the creation of a new series of Common Stock, designated as Series N Non-Voting Common Stock.

• The new Non-Voting Common Stock will trade under the ticker symbol Nasdaq: UHALB. Shares of the Company’s Voting Common Stock will continue to trade under the ticker symbol Nasdaq: UHAL.

• The Committee has approved issuance of shares of the Non-Voting Common Stock through a stock dividend, on a 9-for-1 basis, to all existing holders of the Company’s Voting Common Stock. The stock dividend is intended to have the same general effects as a 10-for-1 stock split.

• Every holder of Voting Common will subsequently have ten (10) Common shares for every one (1) share held as of the record date. Nine (9) shares will be Non-Voting Common. One (1) share will be Voting Common. Together they will constitute exactly the same proportional ownership interest as the original one share.

• The holders of shares of Non-Voting Common Stock are entitled to receive on a per share basis dividends or distributions no less than the Company may pay from time to time on the Voting Common Stock.

• The Non-Voting Common Stock has the same rights and privileges and ranks equally, shares ratably and is identical in all respects to the Voting Common Stock as to all matters except as and to the extent expressly provided in the Certificate of Designation.

• Subsequent to the Independent Special Committee’s decisions and actions, the Board of Directors created a dividend policy for the Non-Voting Common Stock. Unless the Board of Directors in its sole discretion determines otherwise, it shall be the policy of the Company to declare and pay a quarterly cash dividend on each share of the Company’s Series N Non-Voting Common Stock, in the amount of $0.04 per share, commencing with the third quarter of fiscal year 2023.
About AMERCO

AMERCO is the parent company of U-Haul International, Inc., Oxford Life Insurance Company, Repwest Insurance Company and Amerco Real Estate Company. U-Haul is in the shared use business and was founded on the fundamental philosophy that the division of use and specialization of ownership is good for both U-Haul customers and the environment.

AMERCO will change its name to U-Haul Holding Company by the end of calendar year 2022.

About U-Haul

Founded in 1945, U-Haul is the No. 1 choice of do-it-yourself movers, with a network of more than 23,000 locations across all 50 states and 10 Canadian provinces. U-Haul Truck Share 24/7 offers secure access to U-Haul trucks every hour of every day through the customer dispatch option on their smartphones and our proprietary Live Verify technology. Our customers’ patronage has enabled the U-Haul fleet to grow to approximately 186,000 trucks, 128,000 trailers and 46,000 towing devices. U-Haul is the third largest self-storage operator in North America and offers 895,000 rentable storage units and 76.6 million square feet of self-storage space at owned and managed facilities. U-Haul is the largest retailer of propane in the U.S., and continues to be the largest installer of permanent trailer hitches in the automotive aftermarket industry. U-Haul has been recognized repeatedly as a leading “Best for Vets” employer and was recently named one of the 15 Healthiest Workplaces in America.

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