

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-3

**REGISTRATION STATEMENT UNDER
THE SECURITIES ACT OF 1933**

HUB GROUP, INC.

(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

36-4007085
(I.R.S. Employer
Identification No.)

**3050 Highland Parkway, Suite 100
Downers Grove, IL 60515
(630) 271-3600**

(Address, Including Zip Code, and
Telephone Number, Including Area Code,
of Registrant's Principal Executive Offices)

**David C. Zeilstra
Hub Group, Inc.
3050 Highland Parkway, Suite 100
Downers Grove, IL 60515
(630) 271-3600**

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

with copies to:

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190 South LaSalle Street
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(312) 782-0600

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6225 Smith Avenue
Baltimore, MD 21209
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Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered (1)	Proposed maximum offering price per share (2)	Proposed maximum aggregate offering price (1)(2)	Amount of registration fee
Class A common stock, par value \$0.01 per share	2,185,000 shares	\$ 33.56	\$ 73,328,600	\$ 9,290.73

(1) Includes an aggregate of 285,000 shares of Class A common stock that may be purchased by the underwriters to cover over-allotments, if any.

(2) Estimated pursuant to Rule 457(c) under the Securities Act solely for the purpose of calculating the registration fee based upon the average of the high and low reported sale prices of the Class A common stock on The Nasdaq National Market on June 4, 2004.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information in this prospectus is not complete and may be changed. We and the selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED JUNE 9, 2004

Prospectus

1,900,000 shares



Class A Common Stock

We are selling 1,800,000 shares of Class A common stock and the selling stockholders are selling 100,000 shares of Class A common stock.

Our Class A common stock is traded on The Nasdaq National Market under the symbol "HUBG." On June 8, 2004, the last reported sale price of our Class A common stock was \$33.76 per share.

Investing in our Class A common stock involves risks. See "Risk Factors" beginning on page 7.

	Per Share	Total
Public Offering Price	\$	\$
Underwriting Discounts and Commissions	\$	\$
Proceeds, Before Expenses, to Hub Group	\$	\$
Proceeds to Selling Stockholders	\$	\$

Certain selling stockholders have granted the underwriters a 30-day option to purchase up to an additional 285,000 shares of our Class A common stock to cover any over-allotments.

Delivery of the shares will be made on or about _____, 2004.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Bear, Stearns & Co. Inc.

BB&T Capital Markets

The date of this prospectus is _____, 2004.

PROSPECTUS SUMMARY

The following is a brief summary of the information that is included in this prospectus. This summary may not contain all the information that may be important to you. You should read the entire prospectus, including the financial statements and reports included or incorporated by reference in this prospectus, before making an investment decision. The terms “Hub Group,” “we,” “us” and “our” as used in this prospectus refer to Hub Group, Inc. and its subsidiaries as a combined entity, except where the context indicates that such term means only Hub Group, Inc.

Our Company

We are one of North America’s leading non-asset based freight transportation management companies. We offer comprehensive intermodal, truck brokerage, logistics and distribution services. Since our founding in 1971, we have grown to become the largest intermodal marketing company (“IMC”) in the United States and one of the largest truck brokers. We operate through a network of 21 operating centers throughout the United States and Canada. Each operating center is strategically located in a market with a significant concentration of shipping customers and one or more rail heads. Through our network, we have the ability to move freight in and out of every major city in the United States, Canada and Mexico. We service a large and diversified customer base in a broad range of industries, including consumer products, retail, paper products, manufactured products, automotive parts and electronic equipment. We utilize a non-asset based strategy in order to minimize our investment in equipment and facilities and reduce our working capital requirements. We arrange freight movements for our customers through transportation carriers and equipment providers. Through this strategy, we have substantial control over transportation equipment without actually owning it.

Over the last three years, we have taken several steps to improve our operations, including the realignment of our operating structure, centralization of our pricing activities, significant cost reductions and the implementation of our Network Management System. Largely as a result of these actions, our operating income has increased 118.1% from \$11.1 million in 2002 to \$24.3 million in 2003. The primary focus of these initiatives to date has been to improve our operating performance and margins. While this continues to be our key priority, we also believe that these initiatives will better enable us to focus on growing our revenue.

Intermodal. As an IMC, we arrange for the movement of our customers’ freight in containers and trailers, typically over distances of 750 miles or more. We contract with railroads to provide transportation over the long-haul portion of the shipment and with local trucking companies, known as “drayage companies,” for pickup and delivery. In markets where adequate quality service is not available, we supplement third-party drayage services with company-owned drayage operations. As part of our intermodal services, we negotiate rail and drayage rates, electronically track shipments in transit, consolidate billing and handle claims for freight loss or damage on behalf of our customers. We use our network to access containers and trailers owned by leasing companies, railroads and steamship lines. Through our Premier Service Network, we also have exclusive access to 6,860 containers for our dedicated use on the Burlington Northern Santa Fe and the Norfolk Southern rail networks. Our extensive network has enabled us to provide reliable and cost-effective services tailored to meet the individual needs of our customer base. Our intermodal services represented 70.0% of our revenue in 2003.

Truck Brokerage (Highway Services). We are one of the largest truck brokers in the United States. We arrange for the transportation of our customers’ freight by truck by matching customers’ needs with carriers’ capacity to provide the appropriate service and price combination. Our truck brokerage services represented 15.5% of our revenue in 2003.

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Logistics. We perform complex transportation management services, including load consolidation, mode optimization and carrier management. These service offerings are designed to take advantage of the increasing trend among shippers to outsource all or a greater portion of their transportation needs. Our logistics services represented 10.6% of our revenue in 2003.

Distribution Services. We also operate through our subsidiary, Hub Group Distribution Services, LLC, which provides specialized distribution services such as installation of point-of-sale merchandise displays and time sensitive delivery of pharmaceutical samples. Distribution services represented 3.9% of our revenue in 2003.

Our Recent Operating Initiatives

Over the last three years, we have taken several steps to improve the profitability of our business. The benefits of these initiatives, which we summarize below, are beginning to positively affect our operating results. These major initiatives include:

- ÿ A realignment of our operations, completed in February 2004, from a decentralized model, managed locally, to a network model, managed regionally and nationally. This change has simplified our structure by making us a single profit center and standardized our service offerings across our network. This allows us to strategically price our services to benefit our entire network, not just one local office.
- ÿ The centralization of the management of our transportation purchasing and pricing activities in April 2003, compared to our prior system where each of our operating centers purchased its transportation requirements and priced its services independently.
- ÿ The implementation of a significant cost reduction plan that we initiated in 2002 to streamline our operations, which included considerable headcount and other cost reductions.
- ÿ The development of a new information technology system, completed in 2001, which links all of our operating centers under a single state-of-the-art Network Management System.

Our Operating Strategy

We intend to focus on our competitive advantages to increase our profits and returns to stockholders. The key elements of our strategy are:

- ÿ *Continue to Improve Operating Efficiencies.* We believe the initiatives we began implementing over the last several years will result in further cost savings as they continue to be implemented throughout our network. Additionally, we believe these initiatives have positioned us for future revenue growth.
- ÿ *Capitalize on Strong Industry Fundamentals.* We expect to benefit from the strong projected growth characteristics in the markets in which we compete. The U.S. intermodal market, driven primarily by increasing international trade and intermodal's cost advantage relative to truckload, is expected to grow at a 7.7% average annual rate through 2009, according to the American Trucking Associations. The U.S. trucking market is expected to grow at a 5.2% average annual rate through 2009, according to the American Trucking Associations. This growth, according to the American Trucking Associations, will be driven primarily by a continuation of the trend among manufacturers and retailers to minimize inventory levels. This typically requires smaller and more frequent movement of goods, a condition that trucking is better suited to handle than either rail or water. The North American third-party logistics services market, driven primarily by increased outsourcing of logistics functions by shippers, grew at a 14.2 % compound annual rate between 1998 and 2003, according to Armstrong & Associates.

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- *Continue our Non-Asset Based Business Strategy.* We intend to continue our non-asset based strategy. This allows us to limit our investment in equipment and facilities and reduce our working capital requirements through relationships and operating arrangements with rail carriers, trucking companies, other transportation providers and leasing companies.
- *Leverage our Leading Nationwide Network.* We intend to take advantage of our nationwide network, including our dedicated fleet of containers, to increase the volume of freight transported through our network.
- *Utilize our Superior Information Systems.* We believe we have one of the most technologically advanced information systems in the intermodal industry, providing us with a major competitive advantage.
- *Maintain our Strong Partnerships with Railroads.* Over the last 30 years, we have developed strong relationships with all of the major U.S. railroads by providing them with significant revenue, helping them maximize returns on their assets and reducing their costs. We believe that as railroads continue to seek to cut costs and focus on their core operations, our relationship with them will become even more important.

Company Information

We are incorporated in Delaware. Our principal executive offices are located at 3050 Highland Parkway, Suite 100, Downers Grove, Illinois 60515, and our telephone number is (630) 271-3600. Our website address is www.hubgroup.com. The information contained on our website is not a part of this prospectus.

The Offering

Class A common stock offered by Hub Group	1,800,000 shares
Class A common stock offered by selling stockholders	100,000 shares
Common stock to be outstanding immediately after this offering:	
Class A common stock	9,324,372 shares
Class B common stock	662,296 shares
Total	9,986,668 shares

Use of Proceeds

We intend to use all of the net proceeds that we receive from this offering, along with existing resources, to prepay all \$50.0 million of our outstanding 9.14% senior notes with a final maturity in 2009, including approximately \$ of make-whole premiums and accrued interest. We will not receive any proceeds from the sale of our stock by the selling stockholders. See "Use of Proceeds."

Nasdaq National Market symbol

HUBG

The number of shares of Class A common stock to be outstanding after this offering is based on 7,524,372 shares of our Class A common stock outstanding as of May 31, 2004 and excludes:

- 1,645,178 shares of our Class A common stock that may be issued under our 1996 Long-Term Incentive Plan, 1997 Long-Term Incentive Plan, 1999 Long-Term Incentive Plan and 2002 Long-Term Incentive Plan, including 1,200,050 shares issuable upon exercise of outstanding stock options as of May 31, 2004, with a weighted average exercise price of \$10.73 per share; and
- 662,296 shares of our Class A common stock issuable upon conversion of our outstanding Class B common stock.

Unless we indicate otherwise, the share information in this prospectus assumes that the underwriters' option to cover over-allotments is not exercised. Certain selling stockholders have granted the underwriters a 30-day option to purchase up to an additional 285,000 shares of our Class A common stock to cover any over-allotments. See "Underwriting."

Summary Consolidated Financial and Other Data

The following table sets forth, for the periods and at the dates indicated, our summary consolidated financial and other data. The information set forth below is qualified by reference to, and should be read in conjunction with, our consolidated financial statements and notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which are incorporated by reference into this prospectus.

	Year Ended December 31,			Three Months Ended March 31,	
	2001	2002	2003	2003	2004
(in thousands, except per share amounts)					
Statement of Operations Data:					
Revenue	\$ 1,319,331	\$ 1,335,660	\$ 1,359,614	\$ 329,284	\$ 328,302
Transportation costs	1,140,368	1,172,848	1,188,932	287,234	286,498
Gross margin	178,963	162,812	170,682	42,050	41,804
Costs and expenses:					
Salaries and benefits	94,982	93,476	89,980	23,328	22,342
Selling, general and administrative	53,613	46,824	45,650	11,788	10,281
Depreciation and amortization of property and equipment	10,678	11,371	10,757	2,561	2,884
Amortization of goodwill (1)	5,741	—	—	—	—
Impairment of property and equipment (2)	3,401	—	—	—	—
Total costs and expenses	168,415	151,671	146,387	37,677	35,507
Operating income	10,548	11,141	24,295	4,373	6,297
Interest expense	10,345	9,453	7,691	2,084	1,713
Other (income), net	(699)	(327)	(291)	(14)	(94)
Minority interest (3)	151	(524)	—	—	—
Income before provision for income taxes	751	2,539	16,895	2,303	4,678
Provision for income taxes	308	1,041	8,465	944	1,965
Net income	\$ 443	\$ 1,498	\$ 8,430	\$ 1,359	\$ 2,713
Earnings per common share:					
Basic	\$ 0.06	\$ 0.19	\$ 1.09	\$ 0.18	\$ 0.35
Diluted	\$ 0.06	\$ 0.19	\$ 1.07	\$ 0.18	\$ 0.33
Weighted average number of shares outstanding:					
Basic	7,708	7,709	7,712	7,709	7,746
Diluted	7,716	7,714	7,865	7,722	8,294
Other Data:					
Capital expenditures	\$ 10,319	\$ 6,538	\$ 4,384	\$ 477	\$ 460
Net cash provided by operating activities	\$ 27,634	\$ 12,563	\$ 31,498	\$ 2,501	\$ 6,148
Net cash used in investing activities	(10,319)	(10,538)	(4,384)	(477)	(460)
Net cash flow before financing activities	\$ 17,315	\$ 2,025	\$ 27,114	\$ 2,024	\$ 5,688

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As of March 31, 2004

Actual As Adjusted(5)

(in thousands)

Balance Sheet Data:

Working capital (4)	\$ (7,615)
Total assets	383,018
Total debt	70,023
Total stockholders' equity	146,032

- (1) On January 1, 2002, we adopted Financial Accounting Standards Board Statement No. 142, "Goodwill and Other Intangible Assets" ("Statement 142"). Under Statement 142, goodwill is no longer amortized.
- (2) Represents a \$3.4 million pretax charge due to the impairment of Hub Group Distribution Services's e-Logistics software based on management's decision to exit the Internet home delivery business.
- (3) Represents the minority interest of a partner in Hub Distribution. Hub Distribution was a 65% owned partnership until August of 2002 when we purchased the minority partner's interest.
- (4) Working capital is calculated by subtracting current liabilities from current assets.
- (5) The as adjusted balance sheet information gives effect to our receipt of the net proceeds from the sale of 1,800,000 shares of our Class A common stock in this offering at an assumed public offering price of \$ per share and the application of the assumed net proceeds as described under "Use of Proceeds."

Revenue by Business Line:

	Year Ended December 31,			Three Months Ended March 31,	
	2001	2002	2003	2003	2004
	(in thousands)				
Revenue (1):					
Intermodal services	\$ 924,768	\$ 958,273	\$ 951,394	\$ 227,980	\$ 230,573
Truck brokerage services	212,254	216,467	210,492	50,590	50,959
Logistics services	71,366	79,927	143,931	35,243	39,662
Total transportation services revenue	1,208,388	1,254,667	1,305,817	313,813	321,194
Distribution services	110,943	80,993	53,797	15,471	7,108
Total revenue	\$ 1,319,331	\$ 1,335,660	\$ 1,359,614	\$ 329,284	\$ 328,302

- (1) During 2004, in connection with our realignment, we revised our revenue classifications by transportation mode. Accordingly, the 2001, 2002 and 2003 revenue amounts have been reclassified to conform to the current year presentation.

RISK FACTORS

Investing in our Class A common stock involves risks. You should carefully consider the following risk factors and all other information contained in this prospectus and in the documents incorporated by reference in this prospectus before deciding to purchase our Class A common stock. See “Cautionary Notice Regarding Forward-Looking Statements.” If any of the following risks actually occur, our business, financial condition and results of operations could be materially harmed, the trading price of our Class A common stock could decline and you may lose all or part of your investment.

Risks Related to Our Business

Since our business is concentrated on intermodal marketing, any decrease in demand for intermodal transportation services compared to other transportation services could have an adverse effect on our results of operations.

In 2002 and 2003 and the first quarter of 2004, we derived 71.7%, 70.0% and 70.2%, respectively, of our revenue from our intermodal services. As a result, any decrease in demand for intermodal transportation services compared to other transportation services could have an adverse effect on our results of operations.

Because we depend on railroads for our operations, our operating results and financial condition are likely to be adversely affected by any reduction or deterioration in rail service.

We depend on the major railroads in the United States for virtually all of the intermodal services we provide. In many markets, rail service is limited to one or a few railroads. Consequently, a reduction in, or elimination of, rail service to a particular market is likely to adversely affect our ability to provide intermodal transportation services to some of our customers. In addition, the railroads are relatively free to adjust shipping rates up or down as market conditions permit. Rate increases would result in higher intermodal transportation costs, reducing the attractiveness of intermodal transportation compared to truck or other transportation modes, which could cause a decrease in demand for our services. Further, our ability to continue to expand our intermodal transportation business is dependent upon the railroads' ability to increase capacity for intermodal freight and provide consistent service. Our business could also be adversely affected by a work stoppage at one or more railroads or by adverse weather conditions or other factors that hinder the railroads' ability to provide reliable transportation services. In the past, there have been service issues when railroads have merged. As a result, we cannot predict what effect, if any, further consolidation among railroads may have on intermodal transportation services or our results of operations.

Because our relationships with the major railroads are critical to our ability to provide intermodal transportation services, our business may be adversely affected by any change to those relationships.

We have important relationships with each of the major U.S. railroads. To date, the railroads have chosen to rely on us, other IMCs and other intermodal competitors to market their intermodal services rather than fully developing their own marketing capabilities. If one or more of the major railroads were to decide to reduce their dependence on us, the volume of intermodal shipments we arrange would likely decline, which could adversely affect our results of operations and financial condition.

Because we rely on drayage companies in our intermodal operations, our ability to expand our business or maintain our profitability may be adversely affected by a shortage of drayage capacity.

In nearly all of the markets we serve, we use third-party drayage companies for pickup and delivery of intermodal containers. Most drayage companies operate relatively small fleets and have limited access to capital for fleet expansion. In some of our markets, there are a limited number of drayage companies that can meet our

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quality standards. This could limit our ability to expand our intermodal business or require us to establish our own drayage operations in some markets, which could increase our operating costs and could adversely affect our profitability and financial condition. Also, the trucking industry chronically experiences a shortage of available drivers, which may limit the ability of third-party drayage companies to expand their fleets. This shortage also may require them to increase drivers' compensation, thereby increasing our cost of providing drayage services to our customers. Therefore, the driver shortage could also adversely affect our profitability and limit our ability to expand our intermodal business.

Because we depend on trucking companies for our truck brokerage services, our ability to maintain or expand our truck brokerage business may be adversely affected by a shortage of trucking capacity.

In 2002 and 2003 and the first quarter of 2004, we derived 16.2%, 15.5% and 15.5%, respectively, of our revenue from our truck brokerage services. We depend upon various third-party trucking companies for the transportation of our customers' loads. Particularly during periods of economic expansion, trucking companies may be unable to expand their fleets due to capital constraints or chronic driver shortages, and these trucking companies also may raise their rates. If we face insufficient capacity among our third-party trucking companies, we may be unable to maintain or expand our truck brokerage business. Also, we may be unable to pass rate increases on to our customers, which could adversely affect our profitability.

We depend on third parties for equipment essential to operate our business, and if we fail to secure sufficient equipment, we could lose customers and revenue.

We depend on third parties for transportation equipment, such as containers and trailers, necessary for the operation of our business. Our industry has experienced equipment shortages in recent years, particularly during the peak shipping season in the Fall. A substantial amount of intermodal freight originates at or near the major West Coast ports, which has historically caused these equipment shortages to be most severe at or near these locations. If we cannot secure sufficient transportation equipment at a reasonable price from third parties to meet our customers' needs, our customers may seek to have their transportation needs met by other providers. This could have an adverse effect on our business, results of operations and financial position.

Our business could be adversely affected by strikes or work stoppages by draymen, truckers, longshoremen and railroad workers.

There has been recent labor unrest, including work stoppages, among draymen. We could lose business from any significant work stoppage or slowdown and, if labor unrest results in increased rates for draymen, we may not be able to pass these cost increases on to our customers. In the Fall of 2002, all of the West Coast ports were shut down as a result of a dispute with the longshoremen. The ports remained closed for nearly two weeks, until reopened as the result of a court order under the Taft-Hartley Act. Our operations were adversely affected by the shutdown. In January 2003, a new six-year contract was agreed to by the International Longshoremen and Warehouse Union and the Pacific Maritime Association. In the past several years, there have been strikes involving railroad workers. Future strikes by railroad workers in the United States, Canada or anywhere else that our customers' freight travels by railroad could adversely affect our business and results of operations. Any significant work stoppage, slowdown or other disruption involving ports, railroads, truckers or draymen could adversely affect our business and results of operations.

We face substantial competition from numerous sources, including other IMCs, logistics providers, truck brokers, trucking companies and railroads.

The transportation services industry is highly competitive. We compete against other IMCs, as well as logistics companies, truck brokers, trucking companies and railroads that provide their own intermodal services. Several large trucking companies have agreements with various railroads to market intermodal services

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nationwide. Competition is based primarily on freight rates, capacity availability, quality of service, reliability, transit time and scope of operations. Some of our competitors, and all of the major railroads, have substantially greater financial and other resources than we do.

Our results of operations are susceptible to changes in general economic conditions and cyclical fluctuations.

Economic recession, customers' business cycles, changes in fuel prices and supply, interest rate fluctuations, increases in fuel or energy taxes and other general economic factors affect the demand for transportation services and the operating costs of railroads, trucking companies and drayage companies. We have little or no control over any of these factors or their effects on the transportation industry. Increases in the operating costs of railroads, trucking companies or drayage companies can be expected to result in higher freight rates. Our operating margins could be adversely affected if we were unable to pass through to our customers the full amount of higher freight rates. Economic recession or a downturn in customers' business cycles also may have an adverse effect on our results of operations and growth by reducing demand for our services. Therefore, our results of operations, like the entire freight transportation industry, are cyclical and subject to significant period-to-period fluctuations.

If we are unable to execute our operating strategy, our business and future results of operations are likely to suffer.

Over the past three years, we have embarked on an operating strategy designed to improve the profitability of our business and enable us to expand our business. The key elements of this new strategy are the realignment of our operations from a decentralized model (managed locally) to a network model (managed regionally and nationally), significant cost reductions, a new information technology system and centralized pricing and accounting. Because we have only recently implemented some of these elements, we cannot be certain that our new strategy will have the desired effects of improving the profitability of our business or its rate of growth.

Relatively small increases in our transportation costs that we are unable to pass through to our customers are likely to have a significant effect on our gross margin and operating income.

Transportation costs represented 87.8%, 87.4% and 87.3% of our consolidated revenue in 2002 and 2003 and the first quarter of 2004, respectively. Because transportation costs represent such a significant portion of our costs, even relatively small increases in these transportation costs, if we are unable to pass them through to our customers, are likely to have a significant effect on our gross margin and operating income.

The installation services provided by Hub Distribution are project-based and provided to only a few customers. The loss of any one of these customers or variability in the timing of these projects could significantly affect our results of operations.

Our installation services business is a project-based business with significant customer concentration and higher margins than our other business lines. Any decrease in the demand from these customers or our failure to secure new project business could have a material adverse effect on our results of operations. A prolonged downturn in Hub Distribution's business could adversely affect the value of its assets.

Our business could be adversely affected by heightened security measures, actual or threatened terrorist attacks, efforts to combat terrorism, military action against a foreign state or other similar event.

We cannot predict the effects on our business of heightened security measures, actual or threatened terrorist attacks, efforts to combat terrorism, military action against a foreign state or other similar events. It is possible

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that one or more of these events could be directed at U.S. or foreign ports, borders, railroads or highways. Heightened security measures or other events are likely to slow the movement of freight through U.S. or foreign ports, across borders or on U.S. or foreign railroads or highways and could adversely affect our business and results of operations. Any of these events could also negatively affect the economy and consumer confidence, which could cause a downturn in the transportation industry.

If we fail to maintain and enhance our information technology systems, we may be at a competitive disadvantage and lose customers.

Our information technology systems are critical to our operations and our ability to compete effectively as an IMC, truck broker and logistics provider. We expect our customers to continue to demand more sophisticated information technology applications from their suppliers. If we do not continue to enhance our Network Management System to meet the increasing demands of our customers, we may be placed at a competitive disadvantage and could lose customers.

Our information technology systems are subject to risks that we cannot control.

Our information technology systems are dependent upon global communications providers, web browsers, telephone systems and other aspects of the Internet infrastructure that have experienced significant system failures and electrical outages in the past. Our systems are susceptible to outages from fire, floods, power loss, telecommunications failures, break-ins and similar events. Our servers are vulnerable to computer viruses, break-ins and similar disruptions from unauthorized tampering with our computer systems. The occurrence of any of these events could disrupt or damage our information technology systems and inhibit our internal operations, our ability to provide services to our customers and the ability of our customers and vendors to access our information technology systems. This could result in our loss of customers or a reduction in demand for our services.

The transportation industry is subject to government regulation, and regulatory changes could have a material adverse effect on our operating results or financial condition.

Hub Highway Services, our truck brokerage subsidiary, and one of our other subsidiaries are licensed by the Department of Transportation as motor carrier freight brokers. The Department of Transportation prescribes qualifications for acting in this capacity, including surety bonding requirements. To date, compliance with these regulations has not had a material adverse effect on our results of operations or financial condition. However, the transportation industry is subject to legislative or regulatory changes that can affect the economics of the industry by requiring changes in operating practices or influencing the demand for, and cost of providing, transportation services. For example, in January 2004, the revised Department of Transportation hours of service regulations became effective. These revised regulations reduce the practical amount of time that drivers can spend driving. If these changes increase the freight rates of the carriers we engage and we cannot pass the additional costs through to our customers, our operating costs will increase without a corresponding increase in revenue. Future laws and regulations may be more stringent and require changes in operating practices, influence the demand for transportation services or increase the cost of providing transportation services, any of which could adversely affect our business.

Our operations are subject to various environmental laws and regulations, the violation of which could result in substantial fines or penalties.

From time to time, we arrange for the movement of hazardous materials at the request of our customers. As a result, we are subject to various environmental laws and regulations relating to the handling of hazardous materials. If we are involved in a spill or other accident involving hazardous materials, or if we are found to be in violation of applicable laws or regulations, we could be subject to substantial fines or penalties and to civil and criminal liability, any of which could have an adverse effect on our business and results of operations.

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We derive a significant portion of our revenue from our largest customers and the loss of several of these customers could have a material adverse effect on our revenue and business.

For 2003, our largest 20 customers, based on revenue, accounted for 33.9% of our revenue. A reduction in or termination of our services by several of our largest customers could have a material adverse effect on our revenue and business.

Our success depends upon our ability to recruit and retain key personnel.

Our success depends upon attracting and retaining the services of our management team as well as our ability to attract and retain a sufficient number of other qualified personnel to run our business. There is substantial competition for qualified personnel in the transportation services industry. As all key personnel devote their full time to our business, the loss of any member of our management team or other key person could have an adverse effect on us. We do not have written employment agreements with any of our executive officers and do not maintain key man insurance on any of our executive officers.

Risks Related to Our Class A Common Stock

The Yeager family has the ability to significantly influence the vote of our stockholders on significant corporate actions.

Each share of Class A common stock is entitled to one vote, while each share of Class B common stock is entitled to 20 votes on all matters submitted to a vote of our stockholders, including the election of directors. Except as otherwise required by law or expressly provided in our certificate of incorporation, the Class A common stock and Class B common stock vote together as a single class.

Following this offering, the Yeager family members will continue to own a total of 814,250 shares of Class A common Stock (529,250 shares if the underwriters' over-allotment option is exercised in full), representing 8.7% of the outstanding shares of our Class A common stock (5.7% if the underwriters' over-allotment option is exercised in full), and 662,296 shares of Class B common stock, representing all of the outstanding shares of our Class B common stock. Consequently, the Yeager family will continue to control about 62.3% of the voting power of Hub Group (61.0% if the underwriters' over-allotment option is exercised in full) on all matters presented for stockholder action. The Yeager family members are parties to a stockholders' agreement, under which they have agreed to vote all of their shares of Class B common stock in accordance with the vote of the holders of a majority of those shares. As a result, the Yeager family members will continue to be able to elect our entire Board of Directors, thereby controlling the management, policy and conduct of our business, as well as all corporate actions requiring stockholder approval, including mergers, share exchanges or sales of all or substantially all of our assets. With this voting power, the Yeager family has the ability to delay or prevent a change in control, even though holders of our Class A common stock may deem the transaction to be in their best interests.

The market price of our Class A common stock has been and may continue to be volatile, which could cause the value of your investment to decline.

From time to time, the stock markets experience significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, may cause a decline in the market price of our Class A common stock regardless of our operating performance. In addition, our operating results, or those of other public companies in the transportation industry, may be below the expectations of securities analysts and investors. In response, the market price of our Class A common stock could decrease significantly.

You may not be able to seek remedies against Arthur Andersen LLP, our former independent accountant.

Our 2001 financial statements and schedules incorporated by reference in this prospectus and elsewhere in the registration statement have been audited by Arthur Andersen, LLP independent accountants, to the extent and for the periods indicated in their report. Arthur Andersen ceased its audit practice before the SEC on August 31, 2002. Arthur Andersen has not consented to the incorporation by reference of their report and we have not complied with the requirement to file their consent in reliance upon SEC Rule 437a. Because Arthur Andersen has not consented to the incorporation by reference of their report, it may become more difficult for you to seek remedies against Arthur Andersen. In particular, and without limitation, you may not be able to recover from Arthur Andersen under Section 11 of the Securities Act for any untrue statement of a material fact contained in the financial statements audited by Arthur Andersen or any omission of a material fact required to be stated in those financial statements. In addition, relief in connection with claims that may be available to stockholders under the federal securities laws against auditing firms may not be available against Arthur Andersen as a practical matter due to the diminished amount of assets of Arthur Andersen that are or may in the future be available for claims.

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS

The information contained in this prospectus and in the documents incorporated by reference contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Words such as “expects,” “hopes,” “believes,” “intends,” “estimates,” “anticipates” and variations of these words and similar expressions are intended to identify these forward-looking statements. Forward-looking statements are inherently uncertain and subject to risks. Such statements should be viewed with caution. Actual results or experience could differ materially from the forward-looking statements as a result of many factors. We assume no liability to update any such forward-looking statements contained in this prospectus or in the documents incorporated by reference. Factors that could cause our actual results to differ materially include those described under “Risk Factors,” as well as:

- the degree and rate of market growth in the intermodal, truck brokerage and logistics markets served by us;
- deterioration in our relationships with existing railroads;
- changes in rail service conditions or adverse weather conditions;
- further consolidation of railroads;
- the impact of competitive pressures in the marketplace, including the entry of new competitors, direct marketing efforts by the railroads or marketing efforts of asset-based carriers;
- changes in rail, drayage and trucking company capacity;
- equipment shortages;
- changes in the cost of services from rail, drayage, truck or other vendors;
- labor unrest in the rail, drayage or trucking company communities;
- general economic and business conditions;
- fuel shortages or prices;
- increases in interest rates;
- decrease in demand for our distribution services;
- changes in homeland security or terrorist activity;
- difficulties in maintaining or enhancing our information technology systems;
- changes to or new governmental regulations;
- loss of several of our largest customers; and
- inability to recruit and retain key personnel.

USE OF PROCEEDS

We intend to use all of the net proceeds that we receive from this offering, along with existing cash and borrowings under our credit facility, to prepay all \$50.0 million of our outstanding 9.14% senior notes, including approximately \$ of make-whole premiums and accrued interest. These notes have an annual interest rate of 9.14% with a final maturity in 2009; however \$10.0 million of the principal amount of these notes is payable annually beginning in 2005. Pending application of the net proceeds, we intend to invest them in short-term interest bearing securities. We will not receive any proceeds from the sale of our stock by the selling stockholders.

DIVIDEND POLICY

We were incorporated in 1995 and have never paid cash dividends on either the Class A common stock or the Class B common stock. The declaration and payment of dividends by us are subject to the discretion of our Board of Directors. Any determination as to the payment of dividends will depend upon our results of operations, capital requirements and financial condition and such other factors as our Board of Directors may deem relevant. Accordingly, there can be no assurance that our Board of Directors will declare or pay dividends on the shares of common stock in the future. Our certificate of incorporation requires that any cash dividends must be paid equally on each outstanding share of Class A common stock and Class B common stock. Our credit facility prohibits us from paying dividends on the common stock if there has been, or immediately following the payment of a dividend would be, a default or an event of default under our credit facility. We are currently in compliance with the covenants contained in our credit facility.

CAPITALIZATION

The following table sets forth our actual short-term debt and consolidated capitalization as of March 31, 2004 and on an as adjusted basis to give effect to the sale of the shares of Class A common stock offered by us at an assumed public offering price of \$ _____ per share and the application of the assumed net proceeds as described above under “Use of Proceeds.” You should read the information set forth below in conjunction with our consolidated financial statements and the notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” which are incorporated by reference into this prospectus.

	As of March 31, 2004	
	Actual	As Adjusted
	(Dollars in thousands, except per share amounts)	
Short-term debt	\$ 8,012	\$ _____
Long-term debt:		
9.14% senior notes	\$ 50,000	\$ _____
Term debt under credit facility (excluding current portion of \$8,000)	9,000	
Revolving line of credit under credit facility	3,000	
Other debt (excluding current portion of \$12)	11	
Total long-term debt	62,011	
Stockholders’ equity:		
Preferred stock, \$0.01 par value; 2,000,000 shares authorized; no shares issued or outstanding	—	
Class A common stock, \$0.01 par value; 12,337,700 shares authorized; 7,552,977 shares issued and 7,436,277 outstanding, actual; 9,352,977 shares issued and 9,236,277 outstanding, as adjusted (1)	74	
Class B common stock, \$0.01 par value; 662,300 shares authorized; 662,296 shares issued and outstanding	7	
Additional paid-in-capital	118,925	
Purchase price in excess of predecessor basis, net of tax benefit of \$10,306	(15,458)	
Retained earnings	50,045	
Unearned compensation	(4,502)	
Treasury stock, at cost (116,700 shares)	(3,059)	
Total stockholders’ equity	146,032	
Total capitalization	\$ 208,043	\$ _____

- (1) The number of shares of Class A common stock to be outstanding after this offering is based on the number of shares of our Class A common stock outstanding as of March 31, 2004. The total number of shares to be outstanding after this offering does not reflect:
- 1,735,073 shares of our Class A common stock that may be issued under our 1996 Long-Term Incentive Plan, 1997 Long-Term Incentive Plan, 1999 Long-Term Incentive Plan and 2002 Long-Term Incentive Plan, including 1,296,300 shares issuable upon exercise of outstanding stock options as of March 31, 2004, with a weighted average exercise price of \$10.96 per share;
 - 662,296 shares of our Class A common stock issuable upon conversion of our outstanding Class B common stock; and
 - 7,745 shares of restricted Class A common stock that we issued to certain of our employees and 83,350 shares of Class A common stock that we issued upon the exercise of outstanding options, in each case from April 1 to May 31, 2004.

BUSINESS

Our Company

We are one of North America's leading non-asset based freight transportation management companies. We offer comprehensive intermodal, truck brokerage, logistics and distribution services. Since our founding in 1971, we have grown to become the largest IMC in the United States and one of the largest truck brokers. We operate through a network of 21 operating centers throughout the United States and Canada. Each operating center is strategically located in a market with a significant concentration of shipping customers and one or more rail heads. Through our network, we have the ability to move freight in and out of every major city in the United States, Canada and Mexico. We service a large and diversified customer base in a broad range of industries, including consumer products, retail, paper products, manufactured products, automotive parts and electronic equipment. We utilize a non-asset based strategy in order to minimize our investment in equipment and facilities and reduce our working capital requirements. We arrange freight movements for our customers through transportation carriers and equipment providers. Through this strategy, we have substantial control over transportation equipment without actually owning it.

Services Provided

Our transportation services can be broadly placed into the following categories:

Intermodal. As an IMC, we arrange for the movement of our customers' freight in containers and trailers, typically over distances of 750 miles or more. We contract with railroads to provide transportation over the long-haul portion of the shipment and with local trucking companies, known as "drayage companies," for pickup and delivery. In markets where adequate quality service is not available, we supplement third-party drayage services with company-owned drayage operations. As part of our intermodal services, we negotiate rail and drayage rates, electronically track shipments in transit, consolidate billing and handle claims for freight loss or damage on behalf of our customers.

We use our network, connected through our proprietary Network Management System, to access containers and trailers owned by leasing companies, railroads and steamship lines. Each operating center is able to track containers and trailers entering its service area and reuse that equipment to fulfill its customers' outbound shipping requirements. This effectively allows us to control containers and trailers and keep them within the network without having to make a capital investment in transportation equipment. Through our Premier Service Network, we also have exclusive access to 6,860 containers for our dedicated use on the Burlington Northern Santa Fe and the Norfolk Southern rail networks.

Truck Brokerage (Highway Services). We arrange for the transportation of freight by truck, providing customers another option for their transportation needs. This is accomplished by matching customers' needs with carriers' capacity to provide the appropriate service and price combination. We have contracts with a substantial base of carriers that allow us to meet the varied needs of our customers. We negotiate rates, arrange pickups and deliveries, track shipments in transit and handle claims for freight loss and damage on behalf of our customers.

Our brokerage operation also provides customers with specialized programs. Through our Dedicated Trucking program, a number of carriers have informally agreed to move freight for our customers on a continuous basis. This arrangement allows us to effectively meet our customers' needs without owning the equipment. Through our Core Carrier-Plus One program, we assume the responsibility for over-the-road truckload shipments that the customers' core carriers cannot handle. This service supplements our customers' core carrier programs and helps ensure the timely delivery of our customers' freight.

Logistics. We currently offer a wide range of transportation management services, including load consolidation, mode optimization and carrier management. When providing complete transportation services, we essentially replace the customer's transportation department. Once we are hired as a single source logistics

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provider, we negotiate with intermodal, railcar, truckload and less-than-truckload carriers to move the customer's freight through the supply chain and then dispatch each shipment for the customer.

We have expanded our service capabilities as customers increasingly outsource their transportation needs. We have established Logistics Centers of Excellence at certain of our operating locations. These locations, which service customers throughout the country, have experienced logistics personnel exclusively dedicated to selling our logistics service offerings and servicing our logistics customers.

Distribution Services. We also operate through our subsidiary, Hub Group Distribution Services, LLC, which provides specialized distribution services such as installation of point-of-sale merchandise displays and time-sensitive delivery of pharmaceutical samples. Hub Distribution is responsible for its own operations, customer service, accounting, marketing and management information systems support.

Our Recent Operating Initiatives

Over the last three years, we have taken several steps to improve the profitability of our business. The benefits of these initiatives, which we summarize below, are beginning to positively affect our operating results. These major initiatives include:

- A realignment of our operations, completed in February 2004, from a decentralized model, managed locally, to a network model, managed regionally and nationally. This change has simplified our structure by making us a single profit center and standardizing our service offerings across our network, which allows us to strategically price our services to benefit our entire network, not just one local office. Previously, we had a president at each operating center who was responsible for all functions of that center's business (*e.g.*, operations, sales and administrative). As part of our new network model, we created five new Executive Vice President positions (intermodal, highway (truck brokerage), logistics, sales and strategy and yield management). These individuals focus on their respective area of expertise. The Executive Vice Presidents of our business lines (intermodal, highway (truck brokerage) and logistics), working with our Executive Vice President—Strategy and Yield Management and our Executive Vice President—Sales, focus on growing their business lines and improving company-wide profitability.
- The centralization of our pricing in April 2003. Our Executive Vice President—Strategy and Yield Management is now responsible for all transportation purchasing and pricing activities. We have centralized the management of our transportation purchasing and pricing activities, compared to our prior system where each of our operating centers purchased its transportation requirements and priced its services independently. Pricing centralization allows us to optimize our mix of transportation carriers to ensure that we are utilizing the lowest cost provider. This allows us to better manage rate increases, more competitively price our services and improve pricing performance reporting and tracking. As part of this initiative, we have also centralized our bidding activities, which we believe gives us a competitive advantage by better allowing us to respond to bid requests from major shippers seeking transportation services to and from multiple locations. Centralized pricing enables direct participation by our senior management team and allows us to take full advantage of our extensive data resources to produce competitive pricing.
- The implementation of a significant cost reduction plan, which we initiated in 2002, to streamline our operations. We have reduced our headcount by 23.5% from 1,538 at December 31, 2001 to 1,176 at March 31, 2004.
- The development of a new information technology system, completed in 2001, which links all of our operating centers under a single state-of-the-art Network Management System. As part of this process we created a new database to hold all of our strategic operating information, thereby giving us ready access to a wide variety of key management reports. We also implemented a new accounting and general ledger system that links all of our operating centers, except Hub Distribution, under a single system.

Our Operating Strategy

We intend to focus on our competitive advantages to increase our profits and returns to stockholders. The key elements of our strategy are:

Continue to Improve Operating Efficiencies. We believe the initiatives we began implementing over the last several years will result in further cost savings and future revenue growth. These programs, which began with the reengineering of our Network Management System in 2001, also include our company-wide cost reduction plan to improve the efficiency of our operations and the realignment of our operations to a network model focused on the overall profitability of our business rather than the profitability of individual offices. As part of our realignment, we also have segregated operating responsibilities so that our intermodal, brokerage and logistics operations as well as our pricing activities are standardized across our network and managed by one of our Executive Vice Presidents. In addition, we enhanced our formal management processes and measures to increase the efficiency of each of our lines of business in order to reduce our overall costs per load.

Capitalize on Strong Industry Fundamentals. We expect to benefit from the strong projected growth characteristics in the markets in which we compete. The U.S. intermodal market is expected to grow at a 7.7% average annual rate through 2009, according to the American Trucking Associations. This growth is expected to result from the ongoing conversion of more shipments from truckload to intermodal primarily due to intermodal's cost advantages (estimated at 10% to 40%, depending on length of haul and rail ramp proximity) as well as trucking capacity issues due to various factors, including chronic driver shortages and high fuel prices. According to the American Trucking Associations, the U.S. trucking market is expected to grow at a 5.2% average annual rate through 2009. This growth, according to the American Trucking Associations, will be driven primarily by a continuation of the trend among manufacturers and retailers to minimize inventory levels. This typically requires smaller and more frequent movement of goods, a condition that trucking is better suited to handle than either rail or water. The North American third-party logistics services market grew at a 14.2% compound annual rate between 1998 and 2003, according to Armstrong & Associates. We believe the primary reason for this growth is greater outsourcing of logistic functions by shippers due to increasing supply chain complexity through globalization and lean inventory techniques. We believe that our established market position and longstanding relationships with rail carriers and trucking companies, coupled with our comprehensive range of services, will enable us to benefit from the expected strong growth of the intermodal, trucking and logistics industries.

Continue our Non-Asset Based Business Strategy. We intend to continue our non-asset based strategy. This allows us to limit our investment in equipment and facilities and reduce our working capital requirements through relationships and operating arrangements with rail carriers, drayage companies, trucking companies, other transportation providers and leasing companies. In our intermodal, truck brokerage and logistics businesses, we arrange freight transportation for our customers with third-party equipment providers, railroads, drayage companies and trucking companies. Our relationships and operating arrangements provide us with access to freight terminals and facilities and control of transportation equipment without owning them. As a non-asset based third-party provider of intermodal, truck brokerage and logistics services, we are able to select the transportation mode and service that best meets our customers' individual needs. By not being tied to owned equipment, we are able to offer a broad array of options and cost-effective services to our customers. We intend to continue to leverage our scale and experience managing large fleets to optimize the utilization of the equipment we control and the rates we receive from our third-party providers.

Leverage our Leading Nationwide Network. We intend to take advantage of our nationwide network, including our dedicated fleet of containers, to increase the volume of freight transported through our network. In 2003, we used our dedicated containers for 25.7% of our intermodal loads. We can now offer competitive prices through network pricing while continuing to provide local shipping and market expertise for our customers. We are one of the few large transportation service providers with expertise in intermodal, truck brokerage and logistics services. Therefore, we believe we offer shippers more complete and cost-effective solutions to their transportation needs than most of our competitors.

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Utilize our Superior Information Systems. We believe we have one of the most technologically advanced information systems in the intermodal industry. Through our Network Management System, our intermodal operations have timely access to critical information, including the flow of freight into our service areas, rail and drayage rates and rail schedules. With this information, we are better able to meet our customers' transportation needs in a timely and cost-effective manner while also providing the railroads with increased equipment utilization and balanced freight flows through network optimization (or yield management). Our Network Management System provides a real time environment for transmitting data among our operating centers and headquarters, as well as with our customers and vendors. Our Network Management System provides connectivity with each of the major rail carriers, enabling us to electronically tender and track shipments in a real time environment. We believe that our Network Management System provides us with a major competitive advantage in the intermodal industry.

Maintain our Strong Partnerships with Railroads. Over the last 30 years, we have developed strong relationships with all of the major U.S. railroads by providing them with significant revenue, helping them maximize returns on their assets and reducing their costs. We aggressively market intermodal transportation services to shippers and often convince shippers to utilize intermodal services for freight that might otherwise have been transported by truck. Through our marketing efforts, we believe that we are the top revenue-producing IMC for each of the four largest U.S. railroads. Through our network, we help the railroads balance the flow of inbound and outbound freight from specific geographic areas, thereby enhancing utilization of intermodal containers and trailers. By relying on us, other IMCs and other intermodal competitors to act as their marketing agents, railroads avoid the substantial overhead costs associated with large sales and marketing staffs. We believe that as railroads continue to seek to cut costs and focus on their core operations, our relationship with them will become even more important.

Industry Background

We operate in the U.S. commercial freight transportation market. This market includes trucking/highway (both for-hire and private carriers); rail (including intermodal); water; air; and pipeline. According to the American Trucking Associations' U.S. freight transportation forecast, the market totaled \$701.9 billion in 2003 and is expected to grow to \$917.7 billion in 2009, representing a 5.1% average annual growth rate. We primarily operate in the intermodal and trucking segments of this market. The market is dominated by trucking, which represented \$610.1 billion (or 86.9%) of the industry in 2003.

Intermodal. Intermodal transportation is primarily used for long-haul shipments (typically 750 miles or more) where rail has a significant cost advantage over trucking. This cost advantage is estimated at 10% to 40%, depending on the length of haul and rail ramp proximity. The American Trucking Associations estimated the intermodal market to be \$7.6 billion, or approximately 1.1% of the U.S. commercial freight transportation market, in 2003. Over the last several years, growth of intermodal transportation has been constrained by real and perceived service issues with railroads, much of which has been attributed to the significant consolidation among the railroads in the 1990s. Future growth in this segment is expected to result from the ongoing conversion of shipments to intermodal, primarily due to cost advantages as well as trucking capacity issues due to various factors, including chronic driver shortages and high fuel prices. The American Trucking Associations projects, on average, intermodal volumes will grow 5.4% and revenue will grow 7.7% per year through 2009.

Trucking/Highway. The trucking/highway segment is divided into the truckload and less-than-truckload sectors, each of which is highly fragmented. Trucking enjoys an excellent reputation among shippers for its history of on-time delivery and flexibility. In short-haul routes, trucking represents the least expensive mode of transportation. As a result, about 70% of all truckload hauls are 500 miles or less. On longer hauls, trucking is often at a cost disadvantage versus other modes of transportation, such as rail, due to capacity limitations and high variable costs related to fuel and labor. Also, the trucking industry has experienced several regulatory changes over the last few years, including the U.S. Environmental Protection Agency's stricter emissions

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standards for diesel engines, effective in October 2002, and the Department of Transportation's new hours of service rules, effective in January 2004, which limit drivers' driving hours. The American Trucking Associations estimates, on average, trucking volumes will grow 2.8% and revenue will grow 5.2% per year through 2009.

Truck brokerage represents a subsegment of the trucking/highway market and involves shippers' outsourcing of trucking services to a third-party broker who acts on behalf of the shipper. Truck brokerage allows the broker to offer trucking services without owning the equipment, thereby facilitating a low investment in transportation equipment and greater operating flexibility. Truck brokers also provide advantages to trucking companies because they enable trucking companies to obtain additional loads without added sales efforts while reducing empty miles, idle equipment and freight lane imbalances.

Logistics. According to Armstrong & Associates, North American third-party logistics service providers represented approximately \$76.9 billion of shippers' expenditures in 2003, an 8.2% increase over 2002, and grew at a compound annual rate of approximately 14.2% between 1998 and 2003. We believe the primary reason for this growth can be attributed to outsourcing of logistics functions by shippers due to increasing supply chain complexity through globalization and lean inventory techniques. We believe this outsourcing trend will continue as more shippers recognize the cost benefits of outsourcing supply chain activities, increase their global trade and sourcing, need more time definite delivery of goods as well as automated shipment tracking, shipment optimization and data processing that require sophisticated information technology systems.

Network

We currently have 21 operating centers in our network. They are located in the following metropolitan areas:

Atlanta	Indianapolis	Pittsburgh	Seattle
Baltimore	Kansas City	Portland	Toledo
Boston	Los Angeles	Rochester	Toronto, Canada
Chicago	Memphis	St. Louis	
Cleveland	Milwaukee	Salt Lake City	
Houston	New York City	San Francisco	

Our entire network is interactively connected through our proprietary Network Management System. This enables us to move freight into and out of every major city in the United States, Canada and Mexico.

Each operating center manages the freight originating in its service area. In a typical intermodal transaction, the customer contacts the local operating center to place an order. The operating center consults with the centralized pricing group, obtains the necessary intermodal equipment, arranges for it to be delivered to the customer by a drayage company and, after the freight is loaded, arranges for the transportation of the container or trailer to the rail ramp. Relevant information is entered into our Network Management System by the assigned operating center. Our predictive track and trace technology then monitors the shipment to ensure that it arrives as scheduled and alerts the customer service personnel if there are service delays. The assigned operating center then arranges for and confirms delivery by a drayage company at destination. After unloading, the empty equipment is made available for reloading by the local operating center in the delivery market.

We provide brokerage services to our customers in a similar manner. In a typical brokerage transaction, the customer contacts the local operating center to obtain a price quote for a particular freight movement. The customer then provides appropriate shipping information to the local operating center. The local operating center makes the delivery appointment and arranges with the appropriate carrier to pick up the freight. Once it receives confirmation that the freight has been picked up, the local operating center monitors the movement of the freight until it reaches its destination and the delivery has been confirmed. If the carrier notifies us that after delivering

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the load it will need additional freight, we may notify the operating center located nearest the destination of the carrier's availability. Although under no obligation to do so, the local operating center then may attempt, if requested by the carrier, to secure freight for the carrier.

Marketing and Customers

We believe that fostering long-term customer relationships is critical to our success. Through these long-term relationships, we are able to better understand our customers' needs and tailor our transportation services to the specific customer, regardless of the customer's size or volume. We currently have full-time marketing representatives at each operating center and sales office with primary responsibility for servicing local, regional and national accounts. These sales representatives directly or indirectly report to our Executive Vice President—Sales. This model allows us to provide our customers with both a local marketing contact and access to our competitive rates as a result of being a large, national transportation services provider.

Our marketing effort has produced a large, diverse customer base, with no customer representing more than 5.0% of our total revenue in 2003. We service customers in a wide variety of industries, including consumer products, retail, paper products, manufactured products, automotive parts and electronic equipment.

We have a joint marketing relationship with TMM Logistics, a wholly owned subsidiary of Grupo TMM, a Mexican logistics and transportation company. TMM Logistics provides sales support and operating execution within Mexico, and we furnish the same capabilities in Canada and the United States for TMM Logistics.

Management Information Systems

A primary component of our business strategy is the continued improvement of our Network Management System and other technology to ensure that we will remain a leader among transportation providers in information processing for transportation services. Our Network Management System consists of proprietary software running on IBM AS/400 computers located at a secure offsite data center. All of our operating centers are linked together with these AS/400 computers using a frame relay network. This configuration provides a real-time environment for transmitting data among our operating centers and headquarters. We also make extensive use of electronic data interchange, allowing each operating center to communicate electronically with each railroad, many drayage companies, certain trucking companies and those customers with EDI capabilities.

Our Network Management System is the primary mechanism used by our operating centers to handle our intermodal and truck brokerage (highway services) businesses. The Network Management System processes customer transportation requests, tenders and tracks shipments, prepares customer billing, establishes account profiles and retains critical information for analysis. The Network Management System provides connectivity with each of the major rail carriers, enabling us to electronically tender and track shipments in a real-time environment. In addition, the Network Management System's EDI features offer EDI-capable customers a completely paperless process, including load tendering, shipment tracking, billing and remittance processing. We aggressively pursue opportunities to establish EDI interfaces with our customers, railroads, trucking companies and drayage companies.

To better manage our logistics business, we use specialized software that includes planning and execution solutions. This sophisticated transportation management software enables us to offer supply chain planning and logistics managing, modeling, optimizing and monitoring for our customers. We use this software when offering logistics management services to customers that ship via multiple modes, including intermodal, truckload and less-than-truckload, allowing us to optimize mode and carrier selection and routing for our customers. This software is integrated with our Network Management System and our accounting system.

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Our website, www.hubgroup.com, is designed to allow our customers and vendors to do business with us easily online. Through Vendor Interface, we tender loads to drayage companies using the Internet rather than phones or faxes. Vendor Interface also captures event status information, allows vendors to view outstanding paperwork requirements and helps facilitate paperless invoicing. We currently tender substantially all of our drayage loads using Vendor Interface or EDI. Customer Advantage allows customers to receive immediate pricing, place orders, track shipments and review historical shipping data through a variety of reports we can provide them over the Internet. All of our current Internet applications are integrated with the Network Management System.

Relationship with Railroads and other Service Providers

A key element of our business strategy is to strengthen our close working relationship with each of the major intermodal railroads in the United States. We view our relationship with the railroads as a partnership. Due to our size and relative importance, many railroads have dedicated support personnel to focus on our day-to-day service requirements. On a regular basis, senior executives of Hub Group and each of the railroads meet to discuss major strategic issues concerning intermodal transportation. Several of our executive officers, including both our Chairman and President, are former railroad employees, which makes them well-suited to understand the railroads' service capabilities.

We have relationships with each of the following major railroads:

Burlington Northern Santa Fe	Florida East Coast
Canadian National	Kansas City Southern
Canadian Pacific	Norfolk Southern
CSX	Union Pacific

We also have relationships with each of the following major service providers:

Hanjin Shipping	Mitsui O.S.K. Lines (America)
K-Line America	Pacer International
Maersk Sea-Land	

These relationships govern the transportation services and payment terms by which our intermodal shipments are handled by the railroads. Transportation rates are market driven and are typically negotiated between us and the railroads or other major service providers on a route or customer specific basis. Consistent with industry practice, many of the rates we negotiate are special commodity quotations ("SCQs"), which provide discounts from published price lists based on competitive market factors and are designed by the railroads or major service providers to attract new business or to retain existing business. SCQ rates are generally issued for the account of a single IMC. SCQ rates apply to specific customers in specified shipping lanes for a specific period of time, usually six to 12 months.

We also manage a fleet of containers under our Premier Service Network with the Burlington Northern Santa Fe and Norfolk Southern rail networks. Under agreements with both railroads, we managed, as of May 31, 2004, 5,568 containers owned by Burlington Northern Santa Fe and 1,292 containers owned by Norfolk Southern. These containers are for our dedicated use on the respective rail systems and are fully interchangeable across both rail networks.

Relationship with Drayage Companies

We have a "Quality Drayage Program," which consists of agreements and rules that govern the framework by which many drayage companies perform services for us. Participants in the program commit to provide high quality service along with clean and safe equipment, maintain a defined on-time performance level and follow specified procedures designed to minimize freight loss and damage. We negotiate drayage rates for transportation between specific origin and destination points.

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In markets where adequate quality drayage service is not available, we supplement third-party drayage services with our own drayage operations, which we operate through our subsidiaries. Our drayage operations employ their own drivers and also contract with owner-operators who supply their own trucks.

Relationship with Trucking Companies

Our truck brokerage operation has a large and growing number of active trucking companies that we use to transport freight. The local operating centers deal daily with these trucking companies on an operating level. Our corporate headquarters handles the administrative and regulatory aspects of the trucking company relationship. Our relationships with these trucking companies are important since these relationships determine pricing, load coverage and overall service.

Risk Management and Insurance

We require all drayage companies participating in our Quality Drayage Program to carry at least \$1.0 million in general liability insurance, \$1.0 million in truckman's auto liability insurance and a minimum of \$100,000 in cargo insurance. Railroads, which are self-insured, provide limited cargo protection, generally up to \$250,000 per shipment. To cover freight loss or damage when a carrier's liability cannot be established or a carrier's insurance is insufficient to cover the claim, we carry our own cargo insurance with a limit of \$1.0 million per container or trailer and a limit of \$20.0 million in the aggregate. We also carry general liability insurance with limits of \$1.0 million per occurrence and \$2.0 million in the aggregate with a companion \$25.0 million umbrella liability policy.

We maintain separate insurance policies to cover potential exposure from our company-owned drayage operations. We have general liability insurance with limits of \$1.0 million per occurrence and \$2.0 million in the aggregate, truckman's auto liability with limits of \$1.0 million and a companion \$20.0 million umbrella liability policy.

Government Regulation

Hub Highway Services and one of our subsidiaries are licensed by the Department of Transportation as brokers in arranging for the transportation of general commodities by motor vehicle. To the extent that the operating centers perform truck brokerage services, they do so under these licenses. The Department of Transportation prescribes qualifications for acting in this capacity, including a \$10,000 surety bond that we have posted. To date, compliance with these regulations has not had a material adverse effect on our results of operations or financial condition. However, the transportation industry is subject to legislative or regulatory changes that can affect the economics of the industry by requiring changes in operating practices or influencing the demand for, and cost of providing, transportation services.

Competition

The transportation services industry is highly competitive. We compete against other IMCs, as well as logistics companies, third-party brokers, trucking companies and railroads that market their own intermodal services. Several larger trucking companies have entered into agreements with railroads to market intermodal services nationwide. Competition is based primarily on freight rates, quality of service, reliability, transit time and scope of operations. Several transportation service companies and trucking companies, and all of the major railroads, have substantially greater financial and other resources than we do.

Employees

As of March 31, 2004, we had 1,176 employees. We are not a party to any collective bargaining agreement and consider our relationship with our employees to be satisfactory.

MANAGEMENT

The following table presents information about our directors and management as of May 31, 2004.

<u>Name</u>	<u>Age</u>	<u>Position</u>
Phillip C. Yeager	76	Chairman of the Board of Directors
David P. Yeager	51	Vice Chairman of the Board of Directors and Chief Executive Officer
Thomas L. Hardin	58	President
Mark A. Yeager	39	President-Field Operations, Chief Operating Officer and Director
Thomas M. White	46	Senior Vice President, Chief Financial Officer and Treasurer
James B. Gaw	54	Executive Vice President-Sales
Daniel F. Hardman	55	Executive Vice President-Intermodal
Christopher R. Kravas	38	Executive Vice President-Strategy and Yield Management
Donald G. Maltby	49	Executive Vice President-Logistics
David L. Marsh	37	Executive Vice President-Highway
Dennis R. Polsen	50	Executive Vice President of Information Services
Terri A. Pizzuto	45	Vice President of Finance
David C. Zeilstra	34	Vice President, Secretary and General Counsel
Gary D. Eppen	68	Director
Charles R. Reaves	65	Director
Martin P. Slark	49	Director

Phillip C. Yeager, our founder, has been our Chairman of the Board since October 1985. From April 1971 to October 1985, Mr. Yeager served as President of Hub Chicago. Mr. Yeager became involved in intermodal transportation in 1959, five years after the introduction of intermodal transportation in the United States, as an employee of the Pennsylvania and Pennsylvania Central Railroads. He spent 19 years with the Pennsylvania and Pennsylvania Central Railroads, 12 of which involved intermodal transportation. In 1991, Mr. Yeager was named Man of the Year by the Intermodal Transportation Association. In 1995, he received the Salzburg Practitioners Award from Syracuse University in recognition of his lifetime achievements in the transportation industry. In October 1996, Mr. Yeager was inducted into the Chicago Area Entrepreneurship Hall of Fame sponsored by the University of Illinois at Chicago. In March 1997, he received the Presidential Medal from Dowling College for his achievements in transportation services. In September 1998, he received the Silver Kingpin award from the Intermodal Association of North America and, in February 1999, he was named Transportation Person of the Year by the New York Traffic Club. Mr. Yeager graduated from the University of Cincinnati in 1951 with a Bachelor of Arts in Economics. Mr. Yeager is the father of David P. Yeager and Mark A. Yeager.

David P. Yeager has served as our Vice Chairman of the Board since January 1992 and as our Chief Executive Officer since March 1995. From October 1985 through December 1991, Mr. Yeager was President of Hub Chicago. From 1983 to October 1985, he served as Vice President, Marketing of Hub Chicago. Mr. Yeager founded the St. Louis Hub in 1980 and served as its President from 1980 to 1983. Mr. Yeager founded the Pittsburgh Hub in 1975 and served as its President from 1975 to 1977. Mr. Yeager received a Masters in Business Administration from The University of Chicago in 1987 and a Bachelor of Arts from the University of Dayton in 1975. Mr. Yeager is the son of Phillip C. Yeager and the brother of Mark A. Yeager.

Thomas L. Hardin has served as our President since October 1985 and served as our Chief Operating Officer and Director from March 1995 through May 2004. From January 1980 to September 1985, Mr. Hardin was Vice President-Operations and, from June 1972 to December 1979, he was our General Manager. Prior to joining us, Mr. Hardin worked for the Missouri Pacific Railroad where he held various marketing and pricing positions. Mr. Hardin is the former Chairman of the Intermodal Association of North America.

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Mark A. Yeager has been our President-Field Operations since July 1999 and has served as our Chief Operating Officer and Director since May 2004. From November 1997 through June 1999, Mr. Yeager was Division President, Secretary and General Counsel. From March 1995 to November 1997, Mr. Yeager was Vice President, Secretary and General Counsel. From May 1992 to March 1995, Mr. Yeager served as our Vice President-Quality. Prior to joining us in 1992, Mr. Yeager was an associate at the law firm of Grippo & Elden from January 1991 through May 1992 and an associate at the law firm of Sidley & Austin from May 1989 through January 1991. Mr. Yeager received a Juris Doctor from Georgetown University in 1989 and a Bachelor of Arts from Indiana University in 1986. Mr. Yeager is the son of Phillip C. Yeager and the brother of David P. Yeager.

Thomas M. White has been our Senior Vice President, Chief Financial Officer and Treasurer since June 2002. Prior to joining us, Mr. White was a Managing Partner-Business Process Outsourcing at Arthur Andersen, LLP. Mr. White worked for Arthur Andersen, LLP for 23 years, holding various positions, including Managing Partner of the Kansas City, Missouri office and Omaha, Nebraska office. Mr. White received a Masters in Science and Industrial Administration from Purdue University in 1985 and a Bachelor of Business Administration from Western Michigan University in 1979. Mr. White is a CPA and a member of the American Institute of Certified Public Accountants.

James B. Gaw has been our Executive Vice President-Sales since February 2004. From December 1996 through January 2004, Mr. Gaw was President of Hub North Central, located in Milwaukee. From 1990 through late 1996, he was Vice President and General Manager of Hub Chicago. Mr. Gaw joined Hub Chicago as Sales Manager in 1988. Mr. Gaw's entire career has been spent in the transportation industry, including 13 years of progressive leadership positions at Itofca, an intermodal marketing company, and Flex Trans. Mr. Gaw received a Bachelor of Science from Elmhurst College in 1973.

Daniel F. Hardman has been our Executive Vice President-Intermodal since February 2004. Mr. Hardman has been employed by us since 1982, serving as President of Hub Chicago, the largest Hub office, from December 1992 to January 2004. From 1982 to late 1992, Mr. Hardman held various positions with us, including General Manager of Sales and Vice President for Hub Chicago and President of Hub Charlotte. Mr. Hardman is a former director of the Intermodal Transportation Association and is a member of the Chicago Traffic Club and the Chicago Intermodal Transportation Association. Mr. Hardman is a 1991 graduate of the Certificate Program in Business Administration from the University of Illinois.

Christopher R. Kravas has been our Executive Vice President-Strategy and Yield Management since December 2003. From February 2002 through November 2003, Mr. Kravas served as President of Hub Highway Services. From February 2001 through December 2001, Mr. Kravas was Vice President-Enron Freight Markets. Mr. Kravas joined Enron after it acquired Webmodal, an intermodal business he founded. Mr. Kravas was Chief Executive Officer of Webmodal from July 1999 through February 2001. From 1989 through June 1999, Mr. Kravas worked for the Burlington Northern and Santa Fe Railway Company in various positions in the intermodal business unit and finance department. Mr. Kravas received a Masters in Business Administration in 1994 from the University of Chicago and a Bachelor of Arts in 1987 from Indiana University.

Donald G. Maltby has been our Executive Vice President-Logistics since February 2004. Mr. Maltby previously served as President of Hub Online, our e-commerce division from February 2000 through January 2004. Mr. Maltby also served as President of Hub Cleveland from July 1990 through January 2000 and from April 2002 to January 2004. Prior to joining us, Mr. Maltby served as President of Lyons Transportation, a wholly owned subsidiary of Sherwin Williams Company, from 1988 to 1990. In his career at Sherwin Williams, which began in 1981 and continued until he joined us in 1990, Mr. Maltby held a variety of management positions including Vice—President of Marketing and Sales for the Transportation Division. Mr. Maltby has been in the transportation and logistics industry since 1976, holding various executive and management positions. Mr. Maltby received a Masters in Business Administration from Baldwin Wallace College in 1982 and a Bachelor of Science from the State University of New York in 1976.

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David L. Marsh has been our Executive Vice President-Highway since February 2004. Mr. Marsh previously served as President of Hub Ohio from January 2000 through January 2004. Mr. Marsh joined us in March 1991 and became General Manager of Hub Indianapolis in 1993, a position he held through December 1999. Prior to joining us, Mr. Marsh worked for Carolina Freight Corporation, a less-than-truckload carrier, starting in January 1990. Mr. Marsh received a Bachelor of Science in Marketing and Physical Distribution from Indiana University-Indianapolis in December 1989. Mr. Marsh has been a member of the American Society of Transportation and Logistics, the Indianapolis Traffic Club, the Council for Logistics Management and served as an advisor to the Indiana University-Indianapolis internship program for transportation and logistics. Mr. Marsh was honored as the Indiana Transportation Person of the Year for 1999.

Dennis R. Polsen has been our Executive Vice President of Information Services since February 2004. From September 2001 to January 2004, Mr. Polsen was our Vice President-Chief Information Officer and, from March 2000 through August 2001, Mr. Polsen was our Vice-President of Application Development. Prior to joining us, Mr. Polsen was Director of Applications for Humana, Inc. from September 1997 through February 2000 and spent 14 years prior to that developing, implementing and directing transportation logistics applications at Schneider National, Inc. Mr. Polsen received a Masters in Business Administration in May of 1983 from the University of Wisconsin Graduate School of Business and a Bachelor of Business Administration in May of 1976 from the University of Wisconsin, Milwaukee. Mr. Polsen is a past member of the American Trucking Association.

Terri A. Pizzuto has been our Vice President of Finance since July 2002. Prior to joining us, Ms. Pizzuto was a Partner in the Assurance and Business Advisory Group at Arthur Andersen LLP. Ms. Pizzuto worked for Arthur Andersen LLP for 22 years, holding various positions and serving numerous transportation companies. Ms. Pizzuto received a Bachelor of Science in Accounting from the University of Illinois in 1981. Ms. Pizzuto is a CPA and a member of the American Institute of Certified Public Accountants.

David C. Zeilstra has been our Vice President, Secretary and General Counsel since July 1999. From December 1996 through June 1999, Mr. Zeilstra was our Assistant General Counsel. Prior to joining us, Mr. Zeilstra was an associate with the law firm of Mayer, Brown & Platt from September 1994 through November 1996. Mr. Zeilstra received a Juris Doctor from Duke University in 1994 and a Bachelor of Arts from Wheaton College in 1990.

Gary D. Eppen has been our director since February 1996. Now retired, Mr. Eppen was formerly the Ralph and Dorothy Keller Distinguished Service Professor of Operations Management and Deputy Dean for part-time programs in the Graduate School of Business at The University of Chicago. He received a Ph.D. in Operations Research from Cornell University in 1964, a Master of Science in Industrial Engineering from the University of Minnesota in 1960, a Bachelor of Science from the University of Minnesota in 1959 and an Associate in Arts degree in Pre-Engineering from Austin Junior College in 1956.

Charles R. Reaves has been our director since February 1996. Since 1994, Mr. Reaves has been President and Chief Executive Officer of Reaves Enterprises, Inc., a real estate development company. From April 1962 until November 1994, Mr. Reaves worked for Sears, Roebuck and Co. in various positions, most recently as President and Chief Executive Officer of Sears Logistics Services, Inc., a transportation, distribution and home delivery subsidiary of Sears, Roebuck and Co. Mr. Reaves received a Bachelor of Science in Business Administration from Arkansas State University in 1961.

Martin P. Slark has been our director since February 1996. Since 1976, Mr. Slark has been employed by Molex Incorporated, a manufacturer of electronic, electrical and fiber optic interconnection products and systems. Having worked for Molex Incorporated in Europe, the United States and Asia, Mr. Slark is presently a Director and President and Chief Operating Officer of Molex Incorporated. Mr. Slark is a fellow of the British Institute of Management and received a Masters in Business Administration from the University of East London in 1993, a Post-Graduate Diploma in Management Studies from Portsmouth University and a Bachelor of Science in Engineering from Reading University in 1977.

SELLING STOCKHOLDERS

The following table presents information with respect to the beneficial ownership by the selling stockholders of our Class A common stock and Class B common stock as of May 31, 2004 and as adjusted to reflect this offering. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission. In computing the number of shares of Class A common stock beneficially owned by a person and the percentage ownership of that person, shares of Class A common stock that are subject to options held by that person that are currently exercisable or exercisable within 60 days of May 31, 2004 are deemed outstanding. These shares are not, however, deemed outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, each stockholder shown on the table has sole voting and investment power with respect to the shares beneficially owned by him or her. The shares of Class B common stock are convertible on a one-for-one basis at any time into shares of Class A common stock. However, we include the shares of Class B common stock under the headings “Common Stock Beneficially Owned Prior to Offering-Class B” and “Common Stock Beneficially Owned After Offering-Class B,” but not under the headings “Common Stock Beneficially Owned Prior to Offering-Class A” and “Common Stock Beneficially Owned After Offering-Class A.” Unless otherwise indicated, the address of all selling stockholders is c/o Hub Group, Inc., 3050 Highland Parkway, Suite 100, Downers Grove, Illinois 60515.

Name	Common Stock Beneficially Owned Prior to Offering				Number of Shares of Class A Common Stock Offered Hereby	Class Stock Beneficially Owned After Offering			
	Class A		Class B			Class A		Class B	
	No. of Shares	Percent of Class	No. of Shares	Percent of Class		No. of Shares	Percent of Class	No. of Shares	Percent of Class
David P. Yeager(1)(2)	426,018	5.6%	662,296	100%	40,000	386,018	4.1%	662,296	100%
Mark A. Yeager(1)(3)	431,567	5.7%	662,296	100%	40,000	391,567	4.2%	662,296	100%
Thomas L. Hardin(4)	96,484	1.3%	—	—	20,000	76,484	0.8%	—	—

- (1) Members of the Yeager family own all of the shares of Class B common stock. The Yeager family members are parties to a stockholder’s agreement pursuant to which they have agreed to vote all of their shares of Class B common stock in accordance with the vote of the holders of a majority of such shares. Except as provided in notes 2 and 3 below, each of the Yeager family members disclaims beneficial ownership of the shares of Class B common stock held by the other Yeager family members. The Class B common stock represents approximately 58.7% of the total votes allocable to the common stock after the offering.
- (2) Includes (a) 46,794 shares of Class B common stock owned by the Laura C. Yeager 1994 GST Trust, (b) 46,794 shares of Class B common stock owned by the Matthew D. Yeager 1994 GST Trust, (c) 46,794 shares of Class B common stock owned by the Phillip D. Yeager 1994 GST Trust and (d) 54,909 shares of Class A common stock owned by the David P. Yeager Perpetual Trust, for which, in the case of (a), (b), (c) and (d), David P. Yeager serves as sole trustee and has sole investment and voting discretion, (e) 419,127 shares of Class B common stock as to which David P. Yeager may be deemed to have shared voting discretion pursuant to the Yeager family stockholders agreement (see Note 1 above), (f) 63,334 shares of Class A common stock issuable upon exercise of options and (g) 32,800 shares of restricted stock. The amount shown under the heading “Number of Shares of Class A Common Stock Offered Hereby” includes 20,000 shares of Class A common stock to be sold by the David P. Yeager Perpetual Trust. If the underwriters exercise their over-allotment option in full, David P. Yeager will beneficially own 231,109 shares of the Class A common stock, representing 2.5% of the Class A common stock following the offering.
- (3) Includes (a) 43,758 shares of Class A common stock and 36,794 shares of Class B common stock owned by the Alexander B. Yeager 1994 GST Trust, (b) 43,758 shares of Class A common stock and 36,794 shares of Class B common stock owned by the Samantha N. Yeager 1994 GST Trust and (c) 54,908 shares of Class A common stock owned by the Mark A. Yeager Perpetual Trust, for which, in the case of (a), (b) and (c), Mark A. Yeager serves as sole trustee and has sole investment and voting discretion, (d) 501,914 shares of

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Class B common stock as to which Mark A. Yeager may be deemed to have shared voting discretion pursuant to the Yeager family stockholders agreement (see Note 1 above), (e) 46,334 shares of Class A common stock issuable upon exercise of options and (f) 21,150 shares of restricted stock. The amount shown under the heading "Number of Shares of Class A Common Stock Offered Hereby" includes 20,000 shares of Class A common stock to be sold collectively by the Alexander B. Yeager 1994 GST Trust, the Samantha N. Yeager and the Mark A. Yeager Perpetual Trust. If the underwriters exercise their over-allotment option in full, Mark A. Yeager will beneficially own 261,476 shares of the Class A common stock, representing 2.8% of the Class A common stock following the offering.

- (4) Includes 55,334 shares of Class A common stock issuable upon exercise of options and 21,150 shares of restricted stock.

DESCRIPTION OF CAPITAL STOCK

In this section we describe the material features and rights of our capital stock. This summary does not purport to be exhaustive and is qualified in its entirety by reference to applicable Delaware law and our amended certificate of incorporation and bylaws, each of which is incorporated by reference as an exhibit to the registration statement of which this prospectus forms a part.

General

Our authorized capital stock consists of 12,337,700 shares of Class A common stock, 662,300 shares of Class B common stock and 2,000,000 shares of preferred stock. Upon completion of the offering, there will be 9,324,372 shares of Class A common stock outstanding, 662,296 shares of Class B common stock outstanding and no shares of preferred stock outstanding.

Common Stock

Voting Rights. The holders of Class A common stock have one vote per share and the holders of the Class B common stock have 20 votes per share. Except as otherwise required by law, the holders of the Class A common stock and the Class B common stock vote together as a single class with respect to all matters submitted for a vote of stockholders. Under Delaware's corporation law, any proposal to amend our certificate of incorporation to change the rights, preferences and limitations of the Class A common stock must be approved by the holders of Class A common stock, voting together as a single class, and any proposal to amend our certificate of incorporation to change the rights, preferences and privileges and limitations of the Class B common stock must be approved by the holders of Class B common stock, voting together as a single class. Shares of Class A common stock and Class B common stock do not have cumulative voting rights.

Until such time as sufficient shares of Class B common stock are converted to shares of Class A common stock or we issue sufficient shares of Class A common stock to dilute the voting power of the holders of the Class B common stock, the holders of Class B common stock will have the power to defeat any attempt to acquire control of Hub Group even though such a change in control may be favored by stockholders holding substantially more than a majority of our outstanding shares of Class A common stock. This may have the effect of precluding holders of Class A common stock from receiving any premium above market price for their shares which may be offered in connection with any such attempt to acquire control. The holders of Class B common stock will also generally have the power to effect certain fundamental corporate changes, such as a sale of substantially all of our assets, a merger involving us, or an amendment to our certificate of incorporation that does not directly affect the rights of holders of Class A common stock, without the approval of holders of Class A common stock. The holders of the Class B common stock have agreed to vote their shares of Class B common stock in accordance with the vote of the holders of a majority of such shares.

Dividend Rights. Each share of Class A common stock and Class B common stock is entitled to dividends if, as and when dividends are declared by our Board of Directors. Any dividend declared and payable in cash, our capital stock (other than Class A common stock or Class B common stock) or other property must be paid equally on a share-for-share basis on Class A common stock and Class B common stock. Dividends and distributions payable in shares of Class A common stock may be paid only on shares of Class A common stock, and dividends and distributions payable in shares of Class B common stock may be paid only on shares of Class B common stock. If a dividend or distribution payable in Class A common stock is made on Class A common stock, the number of votes per share to which the holders of Class B common stock are entitled will be adjusted in order to keep the voting power of the Class B common stock consistent with the voting power of the Class B common stock prior to the dividend or distribution of shares of Class A common stock. If a dividend or distribution payable in Class B common stock is made on Class B common stock, a simultaneous and equivalent dividend or distribution in Class A common stock must be made on Class A common stock.

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Conversion Rights. The Class A common stock is not convertible. Each share of Class B common stock is convertible into one share of Class A common stock at any time at the option of and without cost to the holder thereof. In addition, the Class B common stock automatically converts on a share-for-share basis into a Class A common stock in the event of a transfer of the Class B common stock to any person other than Phillip C. Yeager, Chairman of our Board of Directors, or members of his immediate family. For purposes of the preceding sentence, immediate family means the descendants (whether natural or adopted) of Mr. Yeager, the spouse of Mr. Yeager or any descendant (whether natural or adopted) of Mr. Yeager, an estate of any of the foregoing, any trust for the primary benefit of any one or more of the foregoing and any corporation, proprietorship, firm, partnership, limited partnership, trust, association or other entity, all of the outstanding equity securities of which are owned by any one or more of the foregoing.

Liquidation Rights. The holders of the Class A common stock and the holders of the Class B common stock are entitled to participate equally on a share-for-share basis in all distributions to the holders of common stock in any liquidation, distribution or winding up of Hub Group, subject to the rights of the holders of any series of preferred stock. If a dividend or distribution payable in Class A common stock is made on the Class A common stock, the liquidation preference on the Class B common stock will be adjusted proportionately.

Preemptive Rights. Neither the holders of Class A common stock nor the holders of Class B common stock have preemptive rights to purchase shares of any class of our capital stock.

Redemption and Sinking Fund Privileges. Neither the holders of the Class A common stock nor the holders of the Class B common stock have any redemption or sinking fund privileges.

Other Terms. Upon any subdivision, consolidation, reclassification or other change in the Class A common stock, the Class B common stock will be adjusted proportionately such that the Class B common stock retains the same relative voting power as prior to the subdivision, consolidation, reclassification or other change. The Class B common stock may not be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the Class A common stock is subdivided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

In any merger, consolidation or business combination, the consideration to be received per share by holders of either Class A common stock or Class B common stock must be identical to that received by holders of the other class of common stock, except that in any such transaction in which shares of capital stock are distributed, such shares may differ as to voting rights only to the extent that voting rights now differ between Class A common stock and Class B common stock.

The rights, preferences and privileges of holders of both classes of common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

Registrar and Transfer Agent. LaSalle Bank in Chicago, Illinois is the registrar and transfer agent for our common stock.

Listing. Our common stock is traded on The Nasdaq National Market under the symbol "HUBG."

Preferred Stock

Our certificate of incorporation authorizes our Board of Directors to create and issue one or more series of preferred stock and determine the rights and preferences of each series, to the extent permitted by the certificate of incorporation and applicable law. Among other rights, our Board of Directors may determine:

- the number of shares constituting the series and the distinctive designation of the series;
- the rate of dividend, if any, and whether (and if so, on what terms and conditions) dividends shall be cumulative (and, if so, whether unpaid dividends shall compound or accrue interest) or shall be payable

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- in preference or in any other relation to the dividends payable on any other class or classes of stock or any other series of the preferred stock;
- whether the series shall have voting rights in addition to the voting rights provided by law and, if so, the terms and extent of such voting rights;
- whether the shares shall be issued with the privilege of conversion or exchange and, if so, the terms and conditions of such conversion or exchange (including, without limitation, the price or prices or the rate or rates of conversion or exchange or any terms for adjustment thereof);
- whether the shares may be redeemed and, if so, the terms and conditions on which they may be redeemed (including, without limitation, the dates upon or after which they may be redeemed and the price or prices at which they may be redeemed, which price or prices may be different in different circumstances or at different redemption dates);
- the amounts, if any, payable upon the shares in the event of voluntary liquidation, dissolution or winding up of Hub Group in preference of shares of any other class or series and whether the shares shall be entitled to participate generally in distributions on the common stock under such circumstances;
- the amounts, if any, payable under the shares thereof in the event of involuntary liquidation, dissolution or winding up of Hub Group in preference of shares of any other class or series and whether the shares shall be entitled to participate generally in distributions on the common stock under such circumstances;
- sinking fund provisions, if any, for the redemption or purchase of the shares; and
- any other relative rights, preferences, limitations and powers of that series.

Anti-Takeover Effects of Delaware Law and Certificate of Incorporation and By-Laws

Our certificate of incorporation and by-laws and Section 203 of the Delaware corporate law contain certain provisions that may make more difficult the acquisition of control of Hub Group by means of a tender offer, open market purchase, a proxy fight or otherwise. These provisions are designed to encourage persons seeking to acquire control of us to negotiate with our Board of Directors. However, these provisions could have the effect of discouraging a prospective acquiror from making a tender offer or otherwise attempting to obtain control of us. To the extent that these provisions discourage takeover attempts, they could deprive stockholders of opportunities to realize takeover premiums for their shares or could depress the market price of the shares.

Delaware General Corporation Law and Business Combination Provision. Section 203 of the Delaware corporate law prohibits certain “business combination” transactions between a publicly-held Delaware corporation, such as Hub Group, and any “interested stockholder” for a period of three years after the date on which the latter became an interested stockholder, unless:

- prior to that date, either the proposed business combination or the proposed acquisition of stock resulting in its becoming an interested stockholder is approved by the Board of Directors;
- in the same transaction in which it becomes an interested stockholder, the interested stockholder acquires at least 85% of those shares of the voting stock of the corporation that are not held by the directors, officers or certain employee stock plans; or
- the business combination with the interested stockholder is approved by the Board of Directors and also approved at a stockholders’ meeting by the affirmative vote of the holders of at least two-thirds of the outstanding shares of our voting stock other than shares held by the interested stockholder.

An “interested stockholder” is defined in Section 203 of the corporation law, with certain exceptions, as any person that:

- is the owner of 15% or more of the outstanding voting stock of a corporation; or

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Ÿ is an affiliate or associate of the corporation and was the owner of 15% or more of the outstanding voting stock of the corporation at any time within the three-year period immediately prior to the date on which the determination is to be made as to such person's status as an interested stockholder.

Availability of Shares of Capital Stock for Future Issuance. The availability for issue of shares of preferred stock and Class A common stock by us without further action by stockholders (except as may be required by applicable stock exchange or Nasdaq National Market regulations) could be viewed as enabling the Board of Directors to make more difficult a change in control of Hub Group, including by issuing warrants or rights to acquire shares of preferred stock or Class A common stock to discourage or defeat unsolicited stock accumulation programs and acquisition proposals and by issuing shares in a private placement or public offering to dilute or deter stock ownership of persons seeking to obtain control of us. We have no present plans to issue any shares of preferred stock or Class A common stock other than as offered hereby or as contemplated under our Long-Term Incentive Plans.

Special Meetings. The certificate of incorporation provides that, except as otherwise required by law, special meetings of the stockholders can only be called by a majority of our entire Board of Directors, the Chairman of the Board of Directors, the Chief Executive Officer or the holders of our stock having at least a majority of the votes entitled to vote at such meeting. Any call for a special meeting must specify the matters to be acted upon at the meeting.

Other Constituencies Provision. Our certificate of incorporation provides that, in addition to any other consideration that the Board of Directors may lawfully take into account, in determining whether to take or refrain from taking corporate action on any matter, including proposing any matter to our stockholders, the Board of Directors may take into account the long-term as well as short-term interests of us and our stockholders (including the possibility that these interests may be best served by our continued independence), customers, employees and our other constituencies and our subsidiaries, including the effect upon communities in which we and our subsidiaries do business. In considering the foregoing and other pertinent factors, the Board of Directors is not required, in considering our best interest, to regard any particular corporate interest or the interest of any particular group affected by such action as controlling.

The foregoing provisions of our certificate of incorporation may be changed only by the affirmative vote of the holders of two-thirds of the votes that could be cast by the holders of all shares of our capital stock entitled to vote on such matters at a meeting duly called for such purpose.

Stockholder Proposals. Our by-laws provide that, if a stockholder desires to submit a proposal at an annual or special stockholders' meeting or to nominate persons for election to the Board of Directors, the stockholder must submit written notice to us at least 60 days prior to the anniversary date of the prior meeting or within 10 days after notice of a special meeting is sent or given to stockholders by us. The notice must describe the proposal or nomination and set forth the name and address of, the stock held of record and beneficially by, the stockholder. Notices of stockholder proposals must set forth the reasons for conducting such business and any material interest of the stockholder in such business. Director nomination notices must set forth the name and address of the nominee, arrangements between the stockholder and the nominee and other information as would be required under Regulation 14A of the Exchange Act. The presiding officer of the meeting may refuse to acknowledge a proposal or nomination not made in compliance with the procedures contained in the by-laws.

The advance notice requirements regulating stockholder nominations and proposals may have the effect of precluding a contest for the election of directors or the introduction of a stockholder proposal if the established procedures are not followed.

The foregoing provisions of our by-laws may be changed by the stockholders only upon the affirmative vote of the holders of two-thirds of the votes that could be cast by the holders of all shares of our capital stock entitled to vote on such matters at a meeting duly called for such purpose.

UNDERWRITING

We and the selling stockholders intend to offer the shares through the underwriters. Subject to the terms and conditions described in an underwriting agreement between us, the selling stockholders and Bear, Stearns & Co. Inc. and BB&T Capital Markets, Inc., a division of Scott & Stringfellow, Inc., we and the selling stockholders have agreed to sell to the underwriters, and the underwriters severally have agreed to purchase from us and the selling stockholders the number of shares of Class A common stock listed opposite their names below.

Underwriter	Number of Shares
Bear, Stearns & Co. Inc.	
BB&T Capital Markets, Inc., a division of Scott & Stringfellow, Inc.	
Total	1,900,000

The underwriters have agreed to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased. If either underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriter may be increased or the underwriting agreement may be terminated.

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments the underwriters may be required to make in respect of those liabilities.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the shares, and other conditions contained in the underwriting agreement, such as the receipt by the underwriters of officers' certificates and legal opinions. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Commissions and Discounts

The underwriters have advised us that they propose initially to offer the shares to the public at the public offering price on the cover page of this prospectus and to dealers at that price less a concession not in excess of \$ _____ per share. The underwriters may allow, and the dealers may reallow, a discount not in excess of \$ _____ per share to other dealers. After the public offering, the public offering price, concession and discount may be changed.

The following table shows the public offering price, underwriting discounts and commissions and proceeds before expenses to us and the selling stockholders. The information assumes either no exercise or full exercise by the underwriters of their over-allotment option.

	Per Share	Without Option	With Option
Public offering price	\$ _____	\$ _____	\$ _____
Underwriting discounts and commissions	\$ _____	\$ _____	\$ _____
Proceeds, before expenses, to Hub Group, Inc.	\$ _____	\$ _____	\$ _____
Proceeds, before expenses, to the selling stockholders	\$ _____	\$ _____	\$ _____

The expenses of the offering, excluding the underwriting discount and commissions and related fees, are estimated at \$ _____ and are payable by us, except that the selling stockholders will pay their pro rata portion of the SEC registration fee based on the number of shares being sold by the selling stockholders.

Over-allotment Option

Certain of the selling stockholders have granted the underwriters an option, exercisable for 30 days from the date of this prospectus, to purchase up to 285,000 additional shares at the public offering price less the underwriting discount and commission. The underwriters may exercise this option solely to cover any over-allotments, if any, made in connection with this offering. To the extent the underwriters exercise this option in whole or in part, each will be obligated, subject to conditions contained in the underwriting agreement, to purchase a number of additional shares approximately proportionate to that underwriter's initial commitment amount reflected in the table above.

No Sales of Similar Securities

In connection with this offering, we, each of our executive officers and directors, and each of the selling stockholders have agreed, with limited exceptions, not to sell or transfer any shares of our Class A or Class B common stock for 90 days after the date of the final prospectus without first obtaining the written consent of Bear, Stearns & Co. Inc. Specifically, we and these other individuals have agreed not to directly or indirectly:

- offer, pledge, sell or contract to sell any Class A or Class B common stock;
- sell any option or contract to purchase any Class A or Class B common stock;
- purchase any option or contract to sell any Class A or Class B common stock;
- grant any option, right or warrant covering any Class A or Class B common stock;
- lend or otherwise dispose of or transfer any Class A or Class B common stock;
- request or demand that we file a registration statement related to the Class A or Class B common stock; or
- enter into any swap or other agreement that transfers, in whole or in part, the economic consequences of ownership of any Class A or Class B common stock, whether any such swap or transaction is to be settled by delivery of shares or other securities, in cash or otherwise.

These lock-up provisions do not limit our ability to grant options to purchase Class A common stock, issue Class A common stock upon the exercise of options, grant or sell shares of Class A common stock, including restricted shares, under our stock incentive plans or issue shares of Class A common stock in connection with the conversion of any of our outstanding shares of Class B common stock.

Bear, Stearns & Co. Inc. may waive these lock-up arrangements without public notice. Bear, Stearns & Co. Inc. has advised us that it does not have any current intention to release any portion of the securities subject to the lock-up arrangements.

Quotation on The Nasdaq National Market

Our common stock is quoted on The Nasdaq National Market under the symbol "HUBG."

Price Stabilization, Short Positions

Until the distribution of the shares is completed, SEC rules may limit the underwriters from bidding for and purchasing our Class A common stock. However, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the price of our Class A common stock during and after this offering.

If the underwriters over-allot or otherwise create a short position in our Class A common stock in connection with the offering, *i.e.*, if they sell more shares than are listed on the cover of this prospectus, the underwriters may reduce that short position by purchasing shares in the open market. The underwriters may also

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elect to reduce any short position by exercising all or part of the over-allotment option described above. In addition, the underwriters may impose penalty bids, under which selling concessions allowed to syndicate members or other broker-dealers participating in this offering are reclaimed if shares of our Class A common stock previously distributed in this offering are repurchased in connection with stabilization transactions or otherwise. These transactions to stabilize or maintain the market price may cause the price of our Class A common stock to be higher than it might be in the absence of such transactions. The imposition of a penalty bid may also affect the price of our Class A common stock to the extent that it discourages resales.

Neither we nor any of the underwriters make any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of our Class A common stock. In addition, neither we nor any of the underwriters make any representation that the underwriters will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice.

Passive Market Making

In connection with this offering, the underwriters may engage in passive market making transactions in our Class A common stock on The Nasdaq National Market in accordance with Rule 103 of Regulation M under the Securities Exchange Act of 1934 during a period before the commencement of offers or sales of Class A common stock and extending through the completion of distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, that bid must then be lowered when specified purchase limits are exceeded.

Other Relationships

The underwriters and their respective affiliates have, from time to time, performed, and may in the future perform, financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

LEGAL MATTERS

The validity of shares of Class A common stock to be sold in the offering will be passed upon for us by Mayer, Brown, Rowe & Maw LLP, Chicago, Illinois. Certain legal matters relating to the offering will be passed upon for the underwriters by Piper Rudnick LLP, Baltimore, Maryland.

EXPERTS

The consolidated financial statements and schedule of Hub Group, Inc. as of and for the years ended December 31, 2003 and 2002 included in Hub Group, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2003, have been audited by Ernst & Young LLP, independent auditors, as set forth in their report thereon included therein and incorporated herein by reference. Such consolidated financial statements and schedule are incorporated herein by reference in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

The consolidated financial statements and schedule as of and for the year ended December 31, 2001 incorporated by reference in this prospectus have been audited by Arthur Andersen LLP, independent public accountants. Effective May 13, 2002, we dismissed Arthur Andersen LLP as our independent auditors. As representatives of Arthur Andersen LLP were not available, we were unable to obtain Arthur Andersen LLP's written consent to the inclusion of Arthur Andersen LLP's audit report with respect to our financial statements for the year ended December 31, 2001 in our Annual Report on Form 10-K for the fiscal year ended December 31, 2003.

Under these circumstances, we are not complying with the requirement under Section 7 of the Securities Act to file Arthur Andersen LLP's consent as an exhibit to our Annual Report on Form 10-K for the year ended December 31, 2003, in reliance on Rule 437a under the Securities Act. Because we were unable to obtain the consent of Arthur Andersen to the inclusion of their audit report, Arthur Andersen LLP will not have any liability under Section 11(a) of the Securities Act in the event that the above-mentioned financial statements contain any untrue statements of a material fact or omit to state a material fact required to be stated therein, in each case by virtue of their inclusion in this prospectus. Accordingly, you would be unable to assert a claim against Arthur Andersen LLP under Section 11(a) of the Securities Act.

WHERE YOU CAN FIND MORE INFORMATION

We file reports, proxy statements and other information with the SEC that you can read at the SEC's website at <http://www.sec.gov> or on our website at www.hubgroup.com. You can also read these documents at the SEC's public reference room, Room 1024, 450 Fifth Street, N.W., Judiciary Plaza, Washington, D.C. 20549. Please call the SEC toll free at 1-800-SEC-0330 for information about its public reference room.

We have filed a registration statement with the SEC on Form S-3 under the Securities Act. This prospectus does not contain all of the information in the registration statement. We have omitted certain parts of the registration statement as permitted by the rules and regulations of the SEC. You may inspect and copy the registration statement, including exhibits, at the SEC's website and public reference facilities. Our statements in this prospectus about the contents of any contract or other document are not necessarily complete. You should refer to the copy of each contract or other document we have filed or incorporated by reference as an exhibit to the registration statement for complete information.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to “incorporate by reference” information into this prospectus. This means that we can disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is considered to be part of this prospectus, except for any information that is superseded by information that is included directly in this document or in a more recent incorporated document.

This prospectus incorporates by reference the documents listed below that we have previously filed with the SEC. The documents contain important information about us and our financial condition.

- Our Annual Report on Form 10-K for the fiscal year ended December 31, 2003.
- Our Quarterly Report on Form 10-Q for the quarter ended March 31, 2004.
- The description of our Class A common stock contained in our Registration Statement on Form 8-A.

We incorporate by reference any future filings we make with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act between the date of this prospectus and the date all of the securities offered hereby are sold (other than Current Reports on Form 8-K containing only Regulation FD disclosure furnished under Item 9 or Item 12 of Form 8-K and exhibits relating to such disclosures, unless otherwise specifically stated in such Current Report on Form 8-K).

You can obtain any of the documents incorporated by reference in this prospectus from us, or from the SEC through the SEC’s website as described above. Documents incorporated by reference are available from us without charge, excluding any exhibits to those documents, unless the exhibit is specifically listed as an exhibit to the registration statement of which this prospectus is a part. You can obtain any of these documents from us by requesting them in writing or by telephone at the following address: Hub Group, Inc., 3050 Highland Parkway, Suite 100, Downers Grove, Illinois 60515, Attention: Secretary, telephone number (630) 271-3600.

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No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this prospectus. You must not rely on any unauthorized information or representations. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.

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1,900,000 shares



Class A Common Stock

PROSPECTUS

, 2004

Bear, Stearns & Co. Inc.

BB&T Capital Markets

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution.

The following is an itemization of all fees and expenses incurred or expected to be incurred by the Registrant in connection with the issuance and distribution of the securities being registered hereby, other than underwriting discounts and commissions. All but the SEC registration fee and NASD filing fee are estimates and remain subject to future contingencies.

SEC registration fee	\$ 9,291*
NASD filing fee	7,833
Printing expenses	75,000
Legal fees and expenses	100,000
Accounting fees and expenses	50,000
Nasdaq listing fee	18,000
Transfer agent fees	10,000
Miscellaneous fees and expenses	29,876
Total	\$300,000

* The selling stockholders will pay their pro rata portion of the SEC registration fee based on the number of shares being sold by the selling stockholders.

Item 15. Indemnification of Directors and Officers.

Section 145 of the Delaware General Corporation Law (a) gives Delaware corporations broad powers to indemnify their present and former directors and officers and those of affiliated corporations against expenses incurred in the defense of any lawsuit to which they are made parties by reason of being or having been such directors or officers, subject to specified conditions and exclusions, (b) gives a director or officer who successfully defends an action the right to be so indemnified, and (c) authorizes a corporation to buy directors' and officers' liability insurance. Such indemnification is not exclusive of any other rights to which those indemnified may be entitled under any by-laws, agreement, vote of stockholders or otherwise.

Article Eleventh of our amended certificate of incorporation permits, and Article VI of our by-laws provides for, indemnification of directors, officers, employees and agents to the fullest extent permitted by law.

In accordance with Section 102(b)(7) of the Delaware General Corporation Law, our amended certificate of incorporation provides that directors shall not be liable for monetary damages for breaches of their fiduciary duty as directors except to the extent such exemption from liability or limitation thereof is not permitted under the Delaware General Corporation Law as the same exists or may be amended.

Item 16. Exhibit Index.

See the Exhibit Index which is hereby incorporated herein by reference.

Item 17. Undertakings.

The undersigned registrant hereby undertakes:

ÿ For purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

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- ÿ Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.
- ÿ For purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.
- ÿ For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Downers Grove, State of Illinois, on June 9, 2004.

HUB GROUP, INC.

By: /S/ DAVID P. YEAGER

David P. Yeager
Vice Chairman, Chief Executive Officer

POWER OF ATTORNEY

Each of the undersigned, a Director and/or Officer of Hub Group, Inc., a Delaware corporation (the "Corporation"), does hereby constitute and appoint David P. Yeager, David C. Zeilstra and Mark A. Yeager, and each of them severally, his or her true and lawful attorney-in-fact with power of substitution and resubstitution to sign in his or her name, place and stead, in any and all capacities, to do any and all things and execute any and all instruments that the attorney may deem necessary or advisable under the Securities Act of 1933, and any rules, regulations and requirements of the Securities and Exchange Commission in connection with this Registration Statement, including specifically, but without limiting the generality of the foregoing, the power and authority to sign his or her name in his or her respective capacity as a member of the Board of Directors or Officer of the Corporation, the Registration Statement and/or any other form or forms as may be appropriate to be filed with the Securities and Exchange Commission as any of them may deem appropriate in respect of the Class A common stock of the Corporation, to any and all amendments thereto, including post-effective amendments, to such Registration Statement, to any related Rule 462(b) Registration Statement and to any other documents filed with the Securities and Exchange Commission, as fully for all intents and purposes as he or she might or could do in person, and hereby ratifies and confirms all said attorneys-in-fact and agents, each acting alone, and his or her substitute or substitutes, may lawfully do or cause to be done by virtue of this prospectus.

Under the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities indicated below on June 9, 2004.

<u>Signature</u>	<u>Title</u>
/S/ PHILLIP C. YEAGER _____ Phillip C. Yeager	Chairman and Director
/S/ DAVID P. YEAGER _____ David P. Yeager	Vice Chairman, Chief Executive Officer and Director
/S/ MARK A. YEAGER _____ Mark A. Yeager	President-Field Operations, Chief Operating Officer and Director
/S/ THOMAS M. WHITE _____ Thomas M. White	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial and Accounting Officer)
/S/ GARY D. EPPEN _____ Gary D. Eppen	Director
/S/ CHARLES R. REAVES _____ Charles R. Reaves	Director
/S/ MARTIN P. SLARK _____ Martin P. Slark	Director

EXHIBIT INDEX

<u>EXHIBIT</u>	<u>DESCRIPTION</u>
1.1	Form of Underwriting Agreement
4.1	Amended Certificate of Incorporation (incorporated by reference to Exhibits 3.1 and 3.3 to Registration Statement on Form S-1 File No. 33-90210)
4.2	By-laws (incorporated by reference to Exhibit 3.2 to Registration Statement on Form S-1, File No. 33-90210)
5.1	Opinion of Mayer, Brown, Rowe & Maw LLP concerning the legality of the securities being offered
10.1	Amendment to Credit Agreement.
23.1	Consent of Ernst & Young LLP
23.2	Consent of Mayer, Brown, Rowe & Maw LLP (included in Exhibit 5.1)
24.1	Power of Attorney (included on the signature page to this registration statement)

1,900,000 Shares of Class A Common Stock

HUB GROUP, INC.

UNDERWRITING AGREEMENT

_____, 2004

BEAR, STEARNS & CO. INC.
BB&TCAPITAL MARKETS,
a division of Scott & Stringfellow, Inc.
As Representatives of the
Several Underwriters
c/o Bear, Stearns & Co. Inc.
383 Madison Avenue
New York, New York 10179

Gentlemen:

Hub Group, Inc., a Delaware corporation (the "Company"), proposes to sell to the several underwriters (the "Underwriters") named in Schedule I hereto, for whom you are acting as representatives (the "Representatives"), 1,800,000 shares (the "Company Shares") of the Company's Class A Common Stock, \$.01 par value (the "Class A Common Stock"). The stockholders of the Company listed on Schedule II hereto (the "Selling Stockholders") severally propose to sell to the Underwriters an aggregate of 100,000 shares of Class A Common Stock (the "Selling Stockholders Shares" and together with the Company Shares, the "Firm Shares"). The respective amounts of the Firm Shares to be so purchased by the several Underwriters are set forth opposite their names in Schedule I hereto. Certain of the Selling Stockholders also propose to sell to the Underwriters up to 285,000 additional shares of Class A Common Stock (the "Option Shares").

As the Representatives, you have advised the Company and the Selling Stockholders (a) that you are authorized to enter into this Agreement on behalf of the several Underwriters and (b) that the several Underwriters are willing, acting severally and not jointly, to purchase the numbers of Firm Shares set forth opposite their respective names in Schedule I, plus their pro rata portion of the Option Shares if you elect to exercise the over-allotment option in whole or in part for the accounts of the several Underwriters. The Firm Shares and the Option Shares (to the

extent the option is exercised) are herein collectively called the "Shares." If the Underwriters listed on Schedule I include only the Representatives, then references herein to the Representatives shall mean the Underwriters. The Company and the Selling Stockholders are sometimes referred to herein collectively as the "Sellers."

In consideration of the mutual agreements contained herein and of the interests of the parties in the transactions contemplated hereby, the parties hereto agree as follows:

1. REPRESENTATIONS AND WARRANTIES OF THE COMPANY.

(a) The Company represents and warrants to each of the Underwriters as follows:

(i) A registration statement on Form S-3 (File No. 333-) with respect to the Shares has been prepared by the Company in conformity in all material respects with the requirements of the Securities Act of 1933, as amended (the "Act"), and the Rules and Regulations (the "Rules and Regulations") of the Securities and Exchange Commission (the "Commission") thereunder and has been filed with the Commission. The Company has complied with the conditions for the use of Form S-3. Copies of such registration statement, including any amendments thereto, the preliminary prospectuses (meeting the requirements of the Rules and Regulations in all material respects) contained therein and the exhibits, financial statements and schedules, as finally amended and revised, have heretofore been delivered by the Company to you. Such registration statement, together with any registration statement filed by the Company pursuant to Rule 462(b) of the Act, herein referred to as the "Registration Statement," which shall be deemed to include all information omitted therefrom in reliance upon Rule 430A and contained in the Prospectus referred to below, has become effective under the Act, and no post-effective amendment to the Registration Statement has been filed as of the date of this Agreement. As used in this Agreement, "Prospectus" means the form of prospectus first filed with the Commission pursuant to Rule 424(b). Each preliminary prospectus included in the Registration Statement prior to the time it becomes effective is herein referred to as a "Preliminary Prospectus." Any reference herein to the Registration Statement, any Preliminary Prospectus or to the Prospectus shall be deemed to refer to and include any documents incorporated by reference therein as of the date hereof or the date of the Prospectus and, in the case of any reference herein to any Prospectus, also shall be deemed to include any documents incorporated by reference therein as of the date of the Prospectus, and any supplements or amendments thereto, filed with the Commission after the date of filing of the Prospectus under Rules 424(b) or 430A, and prior to the termination of the offering of the Shares by the Underwriters.

(ii) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own or lease its properties and conduct its business as described in the Registration Statement. Each of the subsidiaries of the Company is listed on Exhibit A hereto (collectively, the "Subsidiaries"). Each of the Subsidiaries has been duly organized and is validly existing as a

corporation, limited liability company, limited partnership or general partnership in good standing, if applicable, under the laws of the jurisdiction of its incorporation or organization with power and authority to own or lease its properties and conduct its business as described in the Registration Statement. The Company and each of the Subsidiaries are duly qualified to transact business in all jurisdictions in which the conduct of their business requires such qualification, except where the failure to be so qualified would not result in any material adverse change in the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole. The outstanding shares of capital stock of the corporate Subsidiaries, the partnership interests in the partnership Subsidiaries and the membership interests in the limited liability company Subsidiaries have been duly authorized, if applicable, and validly issued, except for general partnership interests and membership interests, are fully paid and non-assessable, and, except to the extent reflected in the Registration Statement, such capital stock, partnership interests and membership interests owned by the Company, directly or indirectly, are owned free and clear of all liens, encumbrances and equities and claims; and no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligations into shares of capital stock or ownership interests in the Subsidiaries are outstanding.

(iii) The outstanding shares of Class A Common Stock, including the Shares to be sold by the Selling Stockholders, and the Class B Common Stock, \$.01 par value (the "Class B Common Stock"), of the Company are duly authorized, validly issued, fully paid and non-assessable; the Company Shares have been duly authorized and when issued and paid for as contemplated herein will be validly issued, fully paid and non-assessable; and no preemptive rights of stockholders of the Company exist with respect to any of the Shares or the issue and sale thereof. Neither the filing of the Registration Statement nor the offering or sale of the Shares as contemplated by this Agreement gives rise to any rights for or relating to the registration of any shares of Class A Common Stock or Class B Common Stock.

(iv) The information set forth under the caption "Capitalization" in the Prospectus is true and correct as of the dates presented. All of the Shares conform to the description thereof contained in the Registration Statement in all material respects. The form of certificates for the Shares conforms to the corporate law of the State of Delaware.

(v) The Commission has not issued an order preventing or suspending the use of any Prospectus relating to the proposed offering of the Shares nor, to the knowledge of the Company, instituted proceedings for that purpose. The Registration Statement, when it was declared effective, the Prospectus, when it is filed with the Commission pursuant to Rule 424(b) and any amendment or supplement thereto, when it is filed with the Commission, contained or will contain, all statements which are required to be stated therein by, and will conform in all material respects to, the requirements of the Act and the Rules and Regulations. The documents incorporated by reference in the Prospectus, at the time such documents were filed with the Commission, conformed in all respects, to the requirements of the Securities Exchange Act of 1934 (the "Exchange Act") or the Act, as applicable, and the rules and regulations of the

Commission thereunder. When declared effective and as of the date hereof, the Registration Statement and any amendment thereto did not contain, and does not contain, any untrue statement of a material fact and did not omit, and does not omit, to state any material fact required to be stated therein or necessary to make the statements therein not misleading. As of the date it is first filed with the Commission and as of the date hereof, each of the Preliminary Prospectus and the Prospectus and any amendments and supplements thereto did not contain, and will not contain, any untrue statement of material fact; and did not omit, and will not omit, to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the Company makes no representations or warranties as to information contained in or omitted from the Registration Statement or the Prospectus, or any such amendment or supplement, in reliance upon, and in conformity with, written information furnished to the Company by or on behalf of any Underwriter through the Representatives, specifically for use in the preparation thereof.

(vi) The summary consolidated financial statements of the Company and the Subsidiaries, together with related notes and schedules incorporated by reference in the Registration Statement, present fairly the financial position and the results of operations and cash flows of the Company and the Subsidiaries, as the case may be, at the indicated dates and for the indicated periods. Such financial statements and related schedules have been prepared in accordance with generally accepted accounting principles, consistently applied throughout the periods involved, except as disclosed therein, and all adjustments necessary for a fair presentation of results for such periods have been made. Except as described in the Registration Statement, the summary financial and statistical data included in the Registration Statement present fairly the information shown therein and such data has been compiled on a basis consistent with the financial statements presented therein and the books and records of the Company. The as adjusted financial information included in the Registration Statement and the Prospectus present fairly the information shown therein, have been properly compiled on the as- adjusted bases described therein, and, in the opinion of the Company, the assumptions used in the preparation thereof are reasonable and the adjustments used therein are appropriate to give effect to the transactions or circumstances referred to therein.

(vii) Ernst & Young LLP, who have certified certain of the financial statements filed with the Commission as part of the Registration Statement, are independent public accountants as required by the Act and the Rules and Regulations.

(viii) There is no action, suit, claim or proceeding pending or, to the knowledge of the Company, threatened against the Company or any of the Subsidiaries before any court or administrative agency or otherwise which if determined adversely to the Company or any of its Subsidiaries might result in any material adverse change in the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole or to prevent the consummation of the transactions contemplated hereby.

(ix) The Company and the Subsidiaries have good and marketable title to all of the properties and assets reflected in the financial statements (or as described in the Registration Statement) hereinabove described, subject to no lien, mortgage, pledge, charge or encumbrance of any kind (a "Lien") except those reflected in such financial statements (or as described in the Registration Statement) or which are not material in amount. The Company and each Subsidiary owns or leases all such properties as are necessary to the conduct of its business as presently operated and as proposed to be operated as described in the Registration and the Prospectus, except for properties the lack of which would not reasonably be expected to have a material adverse effect on the Company and the Subsidiaries, taken as a whole. The Company and the Subsidiaries occupy their leased properties under valid and binding leases conforming in all material respects to the description thereof set forth in the Registration Statement.

(x) The Company and the Subsidiaries have filed all Federal, State, local and foreign income tax returns which have been required to be filed and have paid all taxes indicated by said returns and all assessments received by them or any of them to the extent that such taxes have become due and are not being contested in good faith. All tax liabilities have been adequately provided for in the financial statements of the Company and the Subsidiaries, as the case may be, in accordance with generally accepted accounting principles.

(xi) Since the respective dates as of which information is given in the Registration Statement, as it may be amended or supplemented, there has not been any material adverse change or any development involving a prospective material adverse change in or affecting the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole, whether or not occurring in the ordinary course of business, and there has not been any material transaction entered into or any material transaction that is probable of being entered into by the Company or the Subsidiaries, other than transactions in the ordinary course of business and changes and transactions described in the Registration Statement, as it may be amended or supplemented. The Company and the Subsidiaries have no material contingent obligations which are not disclosed in the financial statements which are reflected in the Registration Statement.

(xii) None of the Company nor any of the Subsidiaries is or with the giving of notice or lapse of time or both, will be, in violation of or in default under its (A) Charter, By-Laws, partnership agreement or operating agreement or (B) under any material agreement, lease, contract, indenture or other instrument or obligation to which it is a party or by which it, or any of its properties, is bound and, solely with respect to clause (B), which violation or default is of material significance in respect of the business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole. The execution and delivery of this Agreement and the consummation of the transactions herein contemplated and the fulfillment of the terms hereof will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other material agreement or instrument to which the Company or any Subsidiary is a party, or of the Charter, By-Laws, partnership agreement or operating agreement of the Company

or any Subsidiary or any order, rule or regulation applicable to the Company or any Subsidiary of any court or of any regulatory body or administrative agency or other governmental body having jurisdiction. This Agreement has been duly authorized, executed and delivered by the Company.

(xiii) Each approval, consent, order, authorization, designation, declaration or filing by or with any regulatory, administrative or other governmental body necessary in connection with the execution and delivery by the Company of this Agreement and the consummation of the transactions herein contemplated (except such additional steps as may be required by the Commission, the National Association of Securities Dealers, Inc. (the "NASD") or such additional steps as may be necessary to qualify the Shares for public offering by the Underwriters under state securities or Blue Sky laws) has been obtained or made and is in full force and effect.

(xiv) The Company and each of the Subsidiaries holds all material licenses, certificates and permits from governmental authorities which are necessary to the conduct of their businesses. The Company and each Subsidiary owns or possesses adequate right to use all patents, patent applications, trademarks, service marks, trade names, trademark registrations, service mark registrations, copyrights, licenses, formulae, customer lists, and know-how and other intellectual property (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures, "Intellectual Property") necessary for the conduct of their respective businesses as being conducted and as described in the Registration Statement and Prospectus, except for Intellectual Property the lack of which would not reasonably be expected to have a material adverse effect on the Company and the Subsidiaries, taken as a whole. Neither the Company nor any of the Subsidiaries has infringed any patents, patent rights, trade names, trademarks or copyrights, which infringement is material to the business of the Company and the Subsidiaries taken as a whole. The Company knows of no material infringement by others of patents, patent rights, trade names, trademarks or copyrights owned by or licensed to the Company.

(xv) Neither the Company, nor to the Company's best knowledge, any of its affiliates, has taken or may take, directly or indirectly, any action designed to cause or result in, or which has constituted or which might reasonably be expected to constitute, the stabilization or manipulation of the price of the shares of Class A Common Stock to facilitate the sale or resale of the Shares. The Company acknowledges that the Underwriters may engage in passive market making transactions in the Shares on The Nasdaq National Market in accordance with Rule 103 under Regulation M of the Exchange Act.

(xvi) None of the Company nor any Subsidiary is an "investment company" within the meaning of such term under the Investment Company Act of 1940 and the rules and regulations of the Commission thereunder.

(xvii) The Company maintains a system of internal accounting controls sufficient to provide reasonable assurances that (i) transactions are executed in accordance with management's general or specific authorization; (ii) transactions are recorded as necessary to

permit preparation of financial statements in conformity with generally accepted accounting principles and to maintain accountability for assets; (iii) access to assets is permitted only in accordance with management's general or specific authorization; and (iv) the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(xviii) The Company and each of the Subsidiaries carry, or are covered by, insurance in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and as is customary for companies engaged in similar industries.

(xix) The Company is in compliance in all material respects with all presently applicable provisions of the Employee Retirement Income Security Act of 1974, as amended, including the regulations and published interpretations thereunder ("ERISA"); no "reportable event" (as defined in ERISA) has occurred with respect to any "pension plan" (as defined in ERISA) that is subject to Title IV of ERISA for which the 30 day advance notice requirements have not been waived and for which the Company would have any material liability; the Company has not incurred and does not expect to incur any material liability under (i) Title IV of ERISA with respect to termination of, or withdrawal from, any "pension plan" or (ii) Sections 412 or 4971 of the Internal Revenue Code of 1986, as amended, including the regulations and published interpretations thereunder (the "Code"); and each "pension plan" for which the Company would have any liability that is intended to be qualified under Section 401(a) of the Code has received a favorable determination letter or opinion letter from the Internal Revenue Service with respect to its qualified status and nothing has occurred, whether by action or by failure to act, that would reasonably be expected to cause the loss of such qualification.

(xx) No labor disturbance by the employees of the Company or any Subsidiary exists or, to the Company's knowledge, is imminent which might have a material adverse effect on the Company and the Subsidiaries, taken as a whole.

(xxi) There has been no storage, generation, transportation, handling, treatment, disposal, discharge, emission or other release of any kind of toxic or other wastes or other hazardous substances by, due to, or caused by the Company or any Subsidiary (or, to the Company's knowledge, any other entity for whose acts or omissions the Company is or may be liable) upon any other property now or previously owned or leased by the Company or any Subsidiary, or upon any other property, which would be a violation of or give rise to any liability under any applicable law, rule, regulation, order, judgment, decree or permit relating to pollution or protection of human health and the environment ("Environmental Law"), except for violations and liabilities which would not reasonably be expected to have a material adverse effect on the Company and the Subsidiaries, taken as a whole. There is no pending or, to the Company's knowledge, threatened administrative, regulatory or judicial action, claim or notice of noncompliance or violation, investigation or proceedings relating to any Environmental Law against the Company or any Subsidiary, except for actions, claims, noncompliance, violations,

investigations or proceedings which would not reasonably be expected to have a material adverse effect on the Company and the Subsidiaries, taken as a whole.

(xxii) Neither the Company, any Subsidiary nor, to the Company's knowledge, any of its executive officers has at any time during the last five years (A) made any unlawful contribution to any candidate for foreign office, or failed to disclose fully any contribution in violation of law, or (B) made any payment to any federal or state governmental officer or official, or other person charged with similar public or quasi-public duties, other than payments required or permitted by the laws of the United States of any jurisdiction thereof. Neither the Company nor, to the knowledge of the Company, any executive officer of the Company is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("OFAC"); and the Company will not directly or indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(xxiii) Except as disclosed in the Registration Statement and the Prospectus, there are no contracts, agreements or understandings between the Company and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with the transactions contemplated by this Agreement, the Registration Statement and the Prospectus or, to the Company's knowledge, any arrangements, agreements, understandings, payments or issuance with respect to the Company or any of its officers, directors, shareholders, partners, employees, Subsidiaries or affiliates that may affect the Underwriters' compensation as determined by the NASD.

(xxiv) The Company is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act and files reports with the Commission on EDGAR. The Class A Common Stock is registered pursuant to Section 12(g) of the Exchange Act and the outstanding shares of Class A Common Stock (including the Selling Stockholder Shares and the Option Shares) are listed for quotation on The Nasdaq National Market ("Nasdaq"), the Company Shares have been approved for quotation on the Nasdaq upon issuance or sale and the Company has taken no action designed to, or likely to have the effect of, terminating the registration of the Class A Common Stock under the Exchange Act or de-listing the Class A Common Stock from the Nasdaq, nor has the Company received after January 1, 2003 any notification that the Commission or the Nasdaq is contemplating terminating such registration or listing.

(xxv) The Company is in compliance in all material respects with applicable provisions of the Sarbanes-Oxley Act or 2002 (the "Sarbanes-Oxley Act") that are effective and is actively taking steps to ensure that it will be in compliance in all material respects with other applicable provisions of the Sarbanes-Oxley Act upon the effectiveness of such provisions.

(xxvi) The Company has implemented the "disclosure controls and procedures" (as defined in Rules 13a-14(c) and 15d-14(c) of the Exchange Act) required in order for the Chief

Executive Officer and Chief Financial Officer of the Company to engage in the review and evaluation process mandated by the Exchange Act. The Company's "disclosure controls and procedures" are reasonably designed to ensure that all information (both financial and non financial) required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Rules and Regulations, and that all such information is accumulated and communicated to the Company's management as appropriate to allow timely decisions regarding required disclosure and to make the certifications of the Chief Executive Officer and Chief Financial Officer of the Company required under the Exchange Act with respect to such reports.

(b) Each Selling Stockholder severally represents and warrants as follows:

(i) Such Selling Stockholder has full power and authority to execute and deliver this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated by this Agreement, the Registration Statement and the Prospectus. To the extent such Selling Stockholder is an entity, this Agreement and the transactions contemplated by this Agreement, the Registration Statement and the Prospectus have been duly authorized by such Selling Stockholder. This Agreement has been duly executed and delivered by such Selling Stockholder.

(ii) Such Selling Stockholder has full power and authority to execute and deliver a Custody Agreement and Power of Attorney in substantially the form set forth in Exhibit B hereto (such Selling Stockholder's "Custody Agreement" and "Power of Attorney", respectively) to perform its obligations thereunder and to consummate the transactions contemplated by thereby. To the extent such Selling Stockholder is an entity, the Custody Agreement and Power of Attorney and the transactions contemplated thereby have been duly authorized by such Selling Stockholder. The Custody Agreement and Power of Attorney have each been duly executed and delivered by such Selling Stockholder and constitute the legal, valid and binding obligation of such Selling Stockholder, enforceable in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights generally or by general equitable principles.

(iii) Such Selling Stockholder agrees that the Firm Shares and Option Shares, if any, to be sold by such Selling Stockholder, whether or not on deposit with the Custodian, are subject to the interests of the Underwriters, that the arrangements made for such custody are to that extent irrevocable, and that the obligations of such Selling Stockholder hereunder shall not be terminated by any act of such Selling Stockholder, except as provided (a) in this Agreement or in the Custody Agreement and Power of Attorney, (b) by operation of law or (c) by any court in connection with any bankruptcy or similar proceeding. If such Selling Stockholder should die or become incapacitated, or if any other event should occur affecting the legal status or capacity of such Selling Stockholder before the delivery of the Firm Shares and the Option Shares, if any, to be sold by a Selling Stockholder hereunder, the documents evidencing the Firm Shares and the Option Shares, if any, to be sold by such Selling Stockholder then on deposit with the Custodian

shall be delivered by the Custodian in accordance with the terms and conditions of this Agreement as if such event had not occurred, regardless of whether or not the Custodian shall have received notice thereof.

(iv) Such Selling Stockholder has, and on the Closing Date and the Option Closing Date, if applicable, will have, valid and unencumbered title to the Firm Shares and Option Shares, if any, to be delivered by such Selling Stockholder on such Closing Date or Option Closing Date, and upon the delivery of, and payment for, such Firm Shares and Option Shares on the Closing Date or the Option Closing Date, if applicable, as provided herein, assuming such Underwriters have no notice of any adverse claim, the Underwriters will acquire valid and unencumbered title to the Firm Shares and Option Shares, if any, to be delivered by such Selling Stockholder on the Closing Date or the Option Closing Date.

(v) No consent of, from or with any judicial, regulatory or other legal or governmental agency or body or any third party, foreign or domestic, is required for the execution, delivery and performance by the Selling Stockholder of this Agreement or its Custody Agreement and Power of Attorney, or consummation by the Selling Stockholders of the transactions contemplated herein or therein, except such as have been obtained under the Securities Act and such as may be required under the state or foreign securities laws, the blue sky laws of any jurisdiction or the NASD in connection with the purchase and distribution of such Selling Stockholder's Firm Shares and such Selling Stockholder's Option Shares by the Underwriters.

(vi) Such Selling Stockholder does not have any registration or other similar rights to have any equity or debt securities registered for sale by the Company under the Registration Statement or included in the offering of the Firm Shares and the Option Shares.

(vii) Such Selling Stockholder does not have any preemptive right, co-sale right or right of first refusal or other similar right to purchase any of the Shares that are to be sold by the Company or any other Selling Stockholder to the Underwriters pursuant to this Agreement.

(viii) Except as disclosed in the Prospectus, there are no contracts, agreements or understandings between such Selling Stockholder and any person that would give rise to a valid claim against the Company or any Underwriter for a brokerage commission, finder's fee or other like payment in connection with this offering.

(ix) The execution, delivery and performance of this Agreement, the Power of Attorney and the Custody Agreement by such Selling Stockholder and consummation of any of the other transactions contemplated herein and therein by the Selling Stockholder or the fulfillment of the terms hereof by the Selling Stockholder will not result in any violation or breach of any judgment, order, decree, statute, rule or regulation applicable to such Selling Stockholder of any court or any public, governmental or regulatory agency or body, administrative agency or arbitrator having jurisdiction over such Selling Stockholder.

(x) Such Selling Stockholder has not taken and will not take, directly or indirectly, any action designed to, or that could be reasonably expected to, cause or result in stabilization or manipulation of the price of the Class A Common Stock to facilitate the sale or resale of the Firm Shares or Option Shares, if any.

(c) Each of David P. Yeager, Mark A. Yeager and Thomas L. Hardin severally represents and warrants that, when declared effective and as of the date hereof, the Registration Statement and any amendment thereto did not contain, and does not contain, any untrue statement of a material fact and did not omit, and does not omit, to state any material fact required to be stated therein or necessary to make the statements therein not misleading. As of the date it is filed with the Commission and as of the date hereof, the Preliminary Prospectus and the Prospectus and any amendments and supplements thereto did not contain, and will not contain, any untrue statement of material fact; and did not omit, and will not omit, to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided, however, that the such Selling Stockholder makes no representations or warranties as to information contained in or omitted from the Registration Statement or the Prospectus, or any such amendment or supplement, in reliance upon, and in conformity with, written information furnished to the Company by or on behalf of any Underwriter through the Representatives, specifically for use in the preparation thereof.

(d) Each of the David P. Yeager Perpetual Trust, the Alexander B. Yeager 1994 GST Trust, the Samantha N. Yeager 1994 GST Trust and the Mark A. Yeager Perpetual Trust severally represents and warrants that the information pertaining to such Selling Stockholder under the captions "Selling Stockholders" and "Underwriting" in the Prospectus is complete and accurate in all material respects.

2. PURCHASE, SALE AND DELIVERY OF THE FIRM SHARES.

(a) On the basis of the representations, warranties and covenants herein contained, and subject to the conditions herein set forth, the Company and each Selling Stockholder, severally and not jointly, agree to sell to the Underwriters and each Underwriter agrees, severally and not jointly, to purchase, at a price of \$ _____ per share, the number of Firm Shares set forth opposite the name of each Underwriter in Schedule I hereof, subject to adjustments in accordance with Sections 9 and 12 hereof.

(b) Payment for the Firm Shares to be sold hereunder is to be made in same day funds via wire transfer to the order of the Company and the Custodian, as the case may be, in each case against delivery of the Firm Shares to the Representatives through the facilities of The Depository Trust Company for the several accounts of the Underwriters. Such payment and delivery are to be made at the offices of Mayer, Brown, Rowe & Maw LLP, 190 S. LaSalle Street, Chicago, IL 60603, at 10:00 a.m., New York City time, on the third business day after the date of this Agreement or at such other time and date not later than five business days thereafter as you and the Company shall agree upon, such time and date being herein referred to as the

“Closing Date.” As used herein, “business day” means a day on which the New York Stock Exchange is open for trading and on which banks in New York are open for business and not permitted by law or executive order to be closed. The Firm Shares will be delivered in such denominations and in such registrations as the Representatives request in writing not later than the second full business day prior to the Closing Date, and will be made available for inspection by the Representatives at least one business day prior to the Closing Date.

(c) In addition, on the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Selling Stockholders listed on Schedule II hereto as selling Option Shares hereby grant an option to the several Underwriters to purchase the Option Shares at the price per share as set forth in the first paragraph of this Section 2. The option granted hereby may be exercised in whole or in part by giving written notice (i) at any time before the Closing Date and (ii) only once thereafter within 30 days after the date of this Agreement, by you, as Representatives of the several Underwriters, to the Company and the Selling Stockholders setting forth the number of Option Shares as to which the several Underwriters are exercising the option, the names and denominations in which the Option Shares are to be registered and the time and date at which such certificates are to be delivered. If the option is exercised in part, the Selling Stockholders will sell the amount that is proportional to the total number of Option Shares listed on Schedule II. The time and date at which certificates for Option Shares are to be delivered shall be determined by the Representatives but shall not be earlier than three nor later than 10 full business days after the exercise of such option, nor in any event prior to the Closing Date (such time and date being herein referred to as the “Option Closing Date”). If the date of exercise of the option is three or more days before the Closing Date, the notice of exercise shall set the Closing Date as the Option Closing Date. The number of Option Shares to be purchased by each Underwriter shall be in the same proportion to the total number of Option Shares being purchased as the number of Firm Shares being purchased by such Underwriter bears to the total number of Firm Shares, adjusted by you in such manner as to avoid fractional shares. The option with respect to the Option Shares granted hereunder may be exercised only to cover over-allotments in the sale of the Firm Shares by the Underwriters. You, as Representatives of the several Underwriters, may cancel such option at any time prior to its expiration by giving written notice of such cancellation to the Company and the Selling Stockholders. To the extent, if any, that the option is exercised, payment for the Option Shares shall be made on the Option Closing Date in same day funds via wire transfer to the order of the Custodian, as custodian for the Selling Stockholders, against delivery of the Option Shares to the Representatives through the facilities of The Depository Trust Company for the several accounts of the Underwriters at the offices of Mayer, Brown, Rowe & Maw LLP, 190 S. LaSalle Street, Chicago, IL 60603, at 10:00 a.m., New York City time.

(d) Each Selling Stockholder hereby agrees that the Custodian is authorized to deduct any transfer taxes, stamp duties and other similar taxes with respect to the Shares, if any, to be sold by such Selling Stockholder from the proceeds to such Selling Stockholder hereunder and to hold such amounts for the account of such Selling Stockholder with the Custodian under the Custody Agreement and Power of Attorney.

3. OFFERING BY THE UNDERWRITERS.

It is understood that the several Underwriters are to make a public offering of the Firm Shares as soon as the Representatives deem it advisable to do so. The Firm Shares are to be initially offered to the public at the initial public offering price set forth in the Prospectus. The Representatives may from time to time thereafter change the public offering price and other selling terms. To the extent, if at all, that any Option Shares are purchased pursuant to Section 2 hereof, the Underwriters will offer them to the public on the foregoing terms.

It is further understood that you will act as the Representatives for the Underwriters in the offering and sale of the Shares in accordance with a Master Agreement Among Underwriters entered into by you and the several other Underwriters.

4. COVENANTS OF THE SELLERS.

(a) The Company covenants and agrees with the several Underwriters that:

(i) The Company will (A) use all commercially reasonable efforts to cause the Registration Statement to become effective or, if the procedure in Rule 430A of the Rules and Regulations is followed, to prepare and timely file with the Commission under Rule 424(b) of the Rules and Regulations a Prospectus in a form approved by the Representatives containing information previously omitted at the time of effectiveness of the Registration Statement in reliance on Rule 430A of the Rules and Regulations and (B) not file any amendment to the Registration Statement or supplement to the Prospectus or document incorporated by reference therein of which the Representatives shall not previously have been advised and furnished with a copy or to which the Representatives shall have reasonably objected in writing or which is not in compliance in all material respects with the Rules and Regulations and (C) file on a timely basis all reports and any definitive proxy or information statements required to be filed by the Company with the Commission subsequent to the date of the Prospectus and prior to the termination of the offering of the Shares by the Underwriters.

(ii) The Company will advise the Representatives promptly (A) when the Registration Statement or any post-effective amendment thereto shall have become effective, (B) of receipt of any comments from the Commission, (C) of any request of the Commission for amendment of the Registration Statement or for supplement to the Prospectus or for any additional information, and (D) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or the use of the Prospectus or of the institution of any proceedings for that purpose. The Company will use its best efforts to prevent the issuance of any such stop order preventing or suspending the use of the Prospectus and to obtain as soon as possible the lifting thereof, if issued.

(iii) The Company will cooperate with the Representatives in endeavoring to qualify or exempt the Shares for sale under the securities laws of such jurisdictions as the Representatives may reasonably have designated in writing and will make such applications, file such documents,

and furnish such information as may be reasonably required for that purpose, provided the Company shall not be required to qualify as a foreign corporation or to file a general consent to service of process in any jurisdiction where it is not now so qualified or required to file such a consent. The Company will, from time to time, prepare and file such statements, reports, and other documents, as are or may be required to continue such qualifications or exemptions in effect for so long a period as the Representatives may reasonably request for distribution of the Shares.

(iv) The Company will deliver to, or upon the order of, the Representatives, from time to time, as many copies of any Preliminary Prospectus as the Representatives may reasonably request. The Company will deliver to, or upon the order of, the Representatives during the period when delivery of a Prospectus is required under the Act, as many copies of the Prospectus in final form, or as thereafter amended or supplemented, as the Representatives may reasonably request. The Company will deliver to the Representatives at or before the Closing Date, four signed copies of the Registration Statement and all amendments thereto including all exhibits filed therewith, and will deliver to the Representatives such number of copies of the Registration Statement (including such number of copies of the exhibits filed therewith that may reasonably be requested), including documents incorporated by reference therein, and of all amendments thereto, as the Representatives may reasonably request.

(v) The Company will comply with the Act and the Rules and Regulations, and the Exchange Act, and the rules and regulations of the Commission thereunder in all material respects, so as to permit the completion of the distribution of the Shares as contemplated in this Agreement and the Prospectus. If during the period in which a prospectus is required by law to be delivered by an Underwriter or dealer, any event shall occur as a result of which, in the judgment of the Company or in the reasonable opinion of the Underwriters, it becomes necessary to amend or supplement the Prospectus in order to make the statements therein, in the light of the circumstances existing at the time the Prospectus is delivered to a purchaser, not misleading, or, if it is necessary at any time to amend or supplement the Prospectus to comply with any law, the Company promptly will either (i) prepare and file with the Commission an appropriate amendment to the Registration Statement or supplement to the Prospectus or (ii) prepare and file with the Commission an appropriate filing under the Exchange Act which shall be incorporated by reference in the Prospectus so that the Prospectus as so amended or supplemented will not, in the light of the circumstances when it is so delivered, be misleading, or so that the Prospectus will comply with the law in all material respects.

(vi) The Company will make generally available to its security holders, as soon as it is practicable to do so, but in any event not later than 15 months after the effective date of the Registration Statement, an earning statement (which need not be audited) in reasonable detail, covering a period of at least 12 consecutive months beginning after the effective date of the Registration Statement, which earning statement shall satisfy the requirements of Section 11(a) of the Act and Rule 158 of the Rules and Regulations.

(vii) The Company will, for a period of five years from the Closing Date, deliver to the Representatives copies of annual reports and copies of all other documents, reports and information furnished by the Company to its stockholders or filed with any securities exchange pursuant to the requirements of such exchange or with the Commission pursuant to the Act or the Exchange Act, unless any such report, document or information is filed with the Commission through EDGAR.

(viii) During the period of 90 days from the date of the Prospectus, without the prior written consent of the Bear, Stearns & Co. Inc., the Company will not (A) directly or indirectly, issue, offer, sell, agree to issue, offer or sell, solicit offers to purchase, grant any call option, warrant or other right to purchase, purchase any put option or other right to sell, pledge, borrow or otherwise dispose of any Class A Common Stock or other security of the Company or any Subsidiary or any security convertible into, or exercisable or exchangeable for, Class A Common Stock or any other such security (any "Relevant Security"), or make any announcement of any of the foregoing, (B) establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" (in each case within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder) with respect to any Relevant Security, and (C) otherwise enter into any swap, derivative or other transaction or arrangement that transfers to another, in whole or in part, any economic consequence of ownership of a Relevant Security, whether or not such transaction is to be settled by delivery of Relevant Securities, other securities, cash or other consideration, except for (1) the sale by the Company and the Selling Stockholders of Shares as contemplated by this Agreement and (2) the Company's issuance of Class A Common Stock upon (a) the conversion or exchange of convertible or exchangeable securities outstanding on the date hereof, (b) the exercise of currently outstanding options and the vesting of currently outstanding restricted stock in accordance with their respective terms and (c) the grant and exercise of options under, or the issuance of shares, including restricted shares, pursuant to, employee stock option plans in effect on the date hereof, each as described in the Registration Statement and the Prospectus. The Company will not file a registration statement under the Securities Act in connection with any transaction by the Company or any person that is prohibited pursuant to the foregoing, except for registration statements on Form S-8 relating to employee benefit plans.

(ix) The Company will use all commercially reasonable efforts to list, subject to notice of issuance, the Company Shares on the Nasdaq National Market.

(x) The Company has caused each executive officer and director, each Selling Stockholder and each of its stockholders listed on Schedule III attached hereto to furnish to you, on or prior to the date of this Agreement, an undertaking in substantially the form of Annex I hereto (the "Lockup Agreements"). Notwithstanding the foregoing, members of the Yeager family shall not be prohibited from completing (a) intra-family transfers of shares of Class A Common Stock or Class B Common Stock, (b) bona fide gifts of shares of Class A Common Stock or Class B Common Stock or (c) converting shares of Class B Common Stock into shares of Class A Common Stock; provided that, in the case of (a) and (b) above, each resulting

transferee executes and delivers to you an agreement satisfactory to you certifying that such transferee is bound by the terms of the Lockup Agreement with respect to the transferred shares and will comply with the terms thereof with respect to the transferred shares as if it had been an original party thereto.

(xi) The Company shall not invest, or otherwise use the proceeds received by the Company from its sale of the Company Shares in such a manner as would require the Company to register as an investment company under the Investment Company Act of 1940, as amended.

(xii) The Company will maintain a transfer agent and, if necessary under the jurisdiction of incorporation of the Company, a registrar for the Class A Common Stock.

(xiii) The Company will not take, directly or indirectly, any action designed to cause or result in, or that has constituted or might reasonably be expected to constitute, the stabilization or manipulation of the price of any securities of the Company.

(xiv) The Company consents to the use and delivery of the Preliminary Prospectus by the Underwriters in accordance with Rule 430 and Section 5(b) of the Act.

(xv) So long as the Company is subject to the provisions of the Sarbanes-Oxley Act, the Company will actively take steps to ensure that it will be in compliance in all material respects with the applicable provisions of the Sarbanes-Oxley Act upon the effectiveness of such provisions.

(b) Each Selling Stockholder, severally and not jointly, covenants and agrees with the several Underwriters that:

(i) To deliver to the Representatives prior to the Closing Date, a properly completed and executed United States Treasury Department Form W-9, which may be replaced by any other applicable form or statement specified by Treasury Department regulations in lieu thereof.

(ii) To notify promptly the Company and the Representatives if, at any time prior to the date on which the distribution of the Shares as contemplated herein and in the Prospectus has been completed, as determined by the Representatives, such Selling Stockholder has knowledge of the occurrence of any event as a result of which the Prospectus or the Registration Statement, in each case as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

(iii) To cooperate to the extent reasonably necessary to cause the Registration Statement or any post-effective amendment thereto to become effective at the earliest possible time and to do and perform all things to be done and performed under this Agreement prior to the Closing Date and the Option Closing Date, if any, and to satisfy all conditions precedent to the delivery of the Shares pursuant to this Agreement.

(iv) To pay or to cause to be paid all transfer taxes, stamp duties and other similar taxes with respect to the Shares, if any, to be sold by such Selling Stockholder.

5. COSTS AND EXPENSES.

The Company and the Selling Stockholders will pay all costs, expenses and fees incident to the performance of their obligations under this Agreement, including, without limiting the generality of the foregoing, the following: accounting fees of the Company; the fees and disbursements of counsel for the Company; the cost of printing and delivering to, or as requested by, the Underwriters copies of the Registration Statement, Preliminary Prospectuses and the Prospectus; the costs of reproducing and delivering to, or as requested by the Underwriters copies of, this Agreement and the Underwriters' Invitation Letter; the filing fees of the Commission; the filing fees of the NASD in connection with securing any required review by the NASD of the terms of the offering of the Shares; and the listing fee of the Nasdaq. The Company shall not, however, be required to pay for any of the Underwriters' expenses; provided that, if this Agreement shall not be consummated because the conditions in Section 6 hereof (other than paragraph (d) thereof) are not satisfied or by reason of any failure, refusal or inability on the part of the Company or any Selling Stockholder to perform any undertaking or satisfy any condition of this Agreement or to comply with any of the terms hereof on their part to be performed, as applicable, unless such failure to satisfy said condition or to comply with said terms is due to the default or omission of any Underwriter, then the Company shall reimburse the several Underwriters for reasonable out-of-pocket expenses, including fees and disbursements of counsel, reasonably incurred in connection with investigating, marketing and proposing to market the Shares or in contemplation of performing their obligations hereunder; but the Company shall not in any event be liable to any of the several Underwriters for damages on account of loss of anticipated profits from the sale by them of the Shares.

6. CONDITIONS OF OBLIGATIONS OF THE UNDERWRITERS.

The several obligations of the Underwriters to purchase the Firm Shares on the Closing Date and the Option Shares, if any, on the Option Closing Date are subject to the accuracy in all material respects, as of the Closing Date or the Option Closing Date, as the case may be, of the representations and warranties of the Company and each Selling Stockholder contained herein, and to the performance by the Company and each Selling Stockholder of their covenants and obligations hereunder in all material respects and to the following additional conditions:

(a) The Registration Statement and all post-effective amendments thereto shall have become effective and any and all filings required by Rule 424 and Rule 430A of the Rules and Regulations shall have been made, and any request of the Commission for additional information (to be included in the Registration Statement or otherwise) shall have been disclosed to the Representatives and complied with to the Representatives' reasonable satisfaction. No stop order suspending the effectiveness of the Registration Statement, as amended from time to time, shall have been issued and no proceedings for that purpose shall have been taken or, to the knowledge

of the Company or any Selling Stockholder, shall be threatened by the Commission and no injunction, restraining order, or order of any nature by a Federal or state court of competent jurisdiction shall have been issued as of the Closing Date which would prevent the issuance of the Shares.

(b) The Representatives shall have received on the Closing Date or the Option Closing Date, as the case may be, the opinion of Mayer, Brown, Row & Maw LLP, counsel for the Company, dated the Closing Date or the Option Closing Date, as the case may be, addressed to the Underwriters (and stating that it may be relied upon by counsel to the Underwriters) to the effect that:

(i) The Company has been duly organized and is validly existing as a corporation in good standing under the laws of the State of Delaware, with corporate power and authority to own or lease its properties and conduct its business as described in the Registration Statement; each of the Subsidiaries has been duly organized and is validly existing as a corporation, limited liability company, limited partnership or general partnership, as the case may be, in good standing, if applicable, under the laws of the jurisdiction of its incorporation or organization, with power and authority to own or lease its properties and conduct its business as described in the Registration Statement; the Company and each of the Subsidiaries are duly qualified to transact business in all jurisdictions in which the conduct of their business requires such qualification, except where the failure to be so qualified would not result in any material adverse change in the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole; and the outstanding shares of capital stock of each of the corporate Subsidiaries, the partnership interests in each of the partnership Subsidiaries and membership interests in limited liability company Subsidiaries have been duly authorized, if applicable, and validly issued and, except for general partnership interests and the membership interests, are fully paid and non-assessable, and are owned by the Company or a Subsidiary; and, to the best of such counsel's knowledge, the outstanding shares of capital stock of each of the corporate Subsidiaries and the partnership interests in each of the Hub Partnerships owned by the Company, directly or indirectly, are owned free and clear of all liens, encumbrances and equities and claims, and no options, warrants or other rights to purchase, agreements or other obligations to issue or other rights to convert any obligations into any shares of capital stock or of ownership interests in the Subsidiaries are outstanding.

(ii) The Company has authorized and outstanding capital stock as set forth under the caption "Capitalization" in the Prospectus; the outstanding shares of the Company's Class A Common Stock, including the Shares to be sold by the Selling Stockholders, and Class B Common Stock are duly authorized, validly issued, fully paid and non-assessable; the Shares conform in all material respects to the description thereof contained in the Prospectus; the certificates for the Shares are in due and proper form; the shares of Class A Common Stock to be sold by the Company pursuant to this Agreement have been duly authorized and will be validly issued, fully paid and non-assessable when issued and paid for as contemplated by this

Agreement; and no preemptive rights of stockholders of the Company exist with respect to any of the Shares or the issue or sale thereof.

(iii) Except as described in or contemplated by the Prospectus, to the knowledge of such counsel, there are no outstanding securities of the Company convertible or exchangeable into or evidencing the right to purchase or subscribe for any shares of capital stock of the Company and there are no outstanding or authorized options, warrants or rights of any character obligating the Company to issue any shares of its capital stock or any securities convertible or exchangeable into or evidencing the right to purchase or subscribe for any shares of such stock; and except as described in the Prospectus, to the knowledge of such counsel, no holder of any securities of the Company or any other person has the right, contractual or otherwise, to cause the Company to sell or otherwise issue to them, or to permit them to underwrite the sale of, any of the Shares or the right to have any Class A Common Stock or Class B Common Stock or other securities of the Company included in the Registration Statement or the right, as a result of the filing of the Registration Statement, to require registration under the Act of any shares of Class A Common Stock and Class B Common Stock or other securities of the Company.

(iv) The Registration Statement has become effective under the Act and, to the best of the knowledge of such counsel, no stop order proceedings with respect thereto have been instituted or are pending or threatened under the Act.

(v) The Registration Statement, the Prospectus and each amendment or supplement thereto and document incorporated by reference therein comply as to form in all material respects with the requirements of the Act and the applicable rules and regulations thereunder (except that such counsel need express no opinion as to the financial statements and related schedules therein).

(vi) Such counsel does not know of any contracts or documents required to be filed or incorporated by reference as exhibits to the Registration Statement or described in the Registration Statement or the Prospectus which are not so filed, incorporated by reference, or described as required, and such contracts and documents as are summarized in the Registration Statement or the Prospectus are fairly summarized in all material respects. The statements under the caption "Description of Capital Stock" in the Prospectus, insofar as such statements constitute a summary of the legal matters, documents or proceedings referred to therein, fairly present the information called for with respect to such legal matters, documents and proceedings.

(vii) Such counsel knows of no material legal or governmental proceedings pending or threatened against the Company or any of the Subsidiaries except as set forth in the Prospectus.

(viii) The execution and delivery of this Agreement and the consummation of the transactions herein contemplated do not and will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, the Charter, By-Laws, partnership agreements or operating agreements of the Company or any Subsidiary or any material agreement or instrument known to such counsel to which the Company or any Subsidiary is a party or by

which the Company or any Subsidiary may be bound or, to such counsel's knowledge, violate or conflict with any judgment, decree, order, statute, rule or regulation of any court or any judicial, regulatory or other legal or governmental agency or body.

(ix) This Agreement has been duly authorized, executed and delivered by the Company.

(x) No approval, consent, order, authorization, designation, declaration or filing by or with any regulatory, administrative or other governmental body is necessary in connection with the execution and delivery of this Agreement and the consummation of the transactions herein contemplated (other than as may be required by the NASD or as required by State securities and Blue Sky laws as to which such counsel need express no opinion) except such as have been obtained or made, specifying the same.

(xi) The Company is not, and will not become, as a result of the consummation of the transactions contemplated by this Agreement, and application of the net proceeds therefrom as described in the Prospectus, required to register as an investment company under the 1940 Act.

In rendering such opinion Mayer, Brown, Rowe & Maw LLP may rely as to matters governed by the laws of states other than Delaware or Illinois or Federal laws on local counsel in such jurisdictions, provided that in each case Mayer, Brown, Rowe & Maw LLP shall state that they believe that they and the Underwriters are justified in relying on such other counsel. In rendering such opinions, Mayer, Brown, Rowe & Maw LLP may rely, as to matters of fact, upon certificates of public officials and officers of the Company and its Subsidiaries. In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel which leads them to believe that (i) the Registration Statement, at the time it became effective under the Act (but after giving effect to any modifications incorporated therein pursuant to Rule 430A under the Act) and as of the Closing Date or the Option Closing Date, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and (ii) the Prospectus, or any supplement thereto, on the date it was filed pursuant to the Rules and Regulations and as of the Closing Date or the Option Closing Date, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements, in the light of the circumstances under which they are made, not misleading (except that such counsel need express no view as to financial statements, schedules and related statistical information therein). With respect to such statement, Mayer, Brown, Rowe & Maw LLP may state that their belief is based upon the procedures set forth therein, but is without independent check and verification.

(c) The Representatives shall have received on the Closing Date or the Option Closing Date, as the case may be, the opinion of Mayer, Brown, Rowe & Maw LLP, counsel for the Selling Stockholders, dated the Closing Date or the Option Closing Date, as the case may be, addressed to the Underwriters (and stating that it may be relied upon by counsel to the Underwriters) to the effect that:

(i) The Selling Stockholder has full power and authority to enter into the Agreement, the Custody Agreement and the Power of Attorney executed by such Selling Stockholder and to sell, assign, transfer and deliver the Shares and the Option Shares to be sold by such Selling Stockholder in the manner provided in the Agreement.

(ii) Upon (i) payment for the Shares to be sold by the Selling Shareholder in accordance with the Underwriting Agreement, and (ii) physical delivery to the Underwriters in the State of Illinois of certificates evidencing such Shares endorsed to such Underwriters or in blank by an effective endorsement, assuming that each Underwriter does not have “notice” (within the meaning of Section 8-105 of the Uniform Commercial Code as currently in effect in the State of Illinois (the “UCC”)) of any “adverse claim” (as defined in Section 8-102 of the UCC) to such Shares, the Underwriters will have the status of a “protected purchaser” with respect to such Shares under Section 8-303 of the UCC and will acquire such Shares free of any “adverse claim” (as defined in Section 8-102 of the UCC).

(iii) The Selling Stockholder has the legal right and power, and, to the extent such Selling Stockholder is an entity, all authorizations and approvals required under its charter and by-laws, partnership agreement, limited liability company agreement, trust agreement or other organizational documents, as the case may be, to enter into this Agreement and its Custody Agreement and Power of Attorney, to sell, transfer and deliver all of the Shares which may sold by such Selling Stockholder under this Agreement and to comply with its other obligations under this Agreement and its Custody Agreement and Power of Attorney.

(iv) This Agreement has been duly authorized (to the extent such Selling Stockholder is an entity), executed and delivered by the Selling Stockholder.

(iv) The Custody Agreement and Power of Attorney appointing _____ as the Custodian and _____ as such Selling Stockholder’s Attorney-In-Fact, with regard to the transactions contemplated hereby and by the Registration Statement, have been duly authorized (to the extent such Selling Stockholder is an entity), executed and delivered by or on behalf of such Selling Stockholder and are the valid and binding agreements of the Selling Stockholder, enforceable in accordance with their terms, except as rights to indemnification thereunder may be limited by applicable law and except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors’ rights generally or by general equitable principles, and pursuant to such power of attorney, such Selling Stockholder has authorized such Attorney-In-Fact to execute and deliver on such Selling Stockholder’s behalf the Agreement and any other document necessary or desirable in connection with the transactions contemplated hereby and to deliver the Firm Shares and the Option Shares to be sold by such Selling Stockholder pursuant to this Agreement.

(v) The execution, delivery and performance of this Agreement and the Custody Agreement and Power of Attorney by the Selling Stockholder, compliance by the Selling Stockholder with all the provisions hereof and thereof and consummation of the transactions

contemplated hereby and thereby will not, to such counsel's knowledge, (A) require any consent, approval, authorization or other order of any court, regulatory body, administrative agency or other governmental body (except such as may be required under the Securities Act, state securities laws or Blue Sky laws) or (B) violate, contravene or conflict with any provision of applicable law or regulation, statute, administrative regulation or ruling, and will not or violate, result in a breach of or constitute a default under any judgment, order or decree applicable to such Selling Stockholder of any court, regulatory body, administrative agency, governmental body or arbitrator applicable to such Selling Stockholder or property of such Selling Stockholder.

In rendering such opinion such counsel may rely as to matters governed by the laws of states other than Delaware or Illinois or Federal laws on local counsel in such jurisdictions, provided that in each case such counsel shall state that they believe that they and the Underwriters are justified in relying on such other counsel. In rendering such opinions, such counsel may rely, as to matters of fact, upon certificates of public officials and officers of the Selling Stockholders.

(d) The Representatives shall have received from Piper Rudnick LLP, counsel for the Underwriters, a favorable written opinion, dated as of the Closing Date, with respect to the issuance and sale of the Shares, the Registration Statement and the Prospectus and such other related matters as the Representatives may require, and the Company shall have furnished to such counsel such documents as they may reasonably request for the purpose of enabling them to pass upon such matters. In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel which leads them to believe that (i) the Registration Statement, or any amendment thereto, as of the time it became effective under the Act (but after giving effect to any modifications incorporated therein pursuant to Rule 430A under the Act) as of the Closing Date or the Option Closing Date, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein not misleading, and (ii) the Prospectus, or any supplement thereto, on the date it was filed pursuant to the Rules and Regulations and as of the Closing Date or the Option Closing Date, as the case may be, contained an untrue statement of a material fact or omitted to state a material fact, necessary in order to make the statements, in the light of the circumstances under which they are made, not misleading (except that such counsel need express no view as to financial statements, schedules or related statistical information therein). With respect to such statement, Piper Rudnick LLP may state that their belief is based upon the procedures set forth therein, but is without independent check and verification.

(e) You shall have received, on each of the dates hereof, the Closing Date or the Option Closing Date, as the case may be, a letter dated the date hereof, the Closing Date or the Option Closing Date, as the case may be, in form and substance reasonably satisfactory to you, of Ernst & Young LLP confirming that they are independent public accountants within the meaning of the Act and the applicable published Rules and Regulations thereunder and stating that in their opinion the financial statements and schedules examined by them and included in the

Registration Statement comply in form in all material respects with the applicable accounting requirements of the Act and the related published Rules and Regulations; and containing such other statements and information as is ordinarily included in accountants' "comfort letters" to Underwriters with respect to the financial statements and certain financial and statistical information contained in the Registration Statement and Prospectus.

(f) The Representatives shall have received on the Closing Date or the Option Closing Date, as the case may be, a certificate or certificates of the Chief Executive Officer and the Senior Vice President-Finance, Chief Financial Officer and Treasurer of the Company to the effect that, as of the Closing Date or the Option Closing Date, as the case may be, each of them severally represents, to the best of his knowledge after reasonable investigation, as follows:

(i) The Registration Statement has become effective under the Act and no stop order suspending the effectiveness of the Registration Statement has been issued, and no proceedings for such purpose have been taken or, to his knowledge, are contemplated by the Commission;

(ii) The representations and warranties of the Company contained in Section 1 hereof are true and correct as of the Closing Date or the Option Closing Date, as the case may be, and, as of the Closing Date, all agreements and obligations of the Company to be performed or complied with hereunder on or prior thereto have been duly performed or complied with in all material respects and all conditions have been complied with;

(iii) All filings required to have been made pursuant to Rules 424 or 430A under the Act have been made;

(iv) He has examined the Registration Statement and the Prospectus and, in his opinion, as of the effective date of the Registration Statement and the date the Prospectus was filed with the Commission pursuant to Rule 424(b), the Registration Statement and the Prospectus, respectively, did not contain an untrue statement of material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein not misleading, and since the effective date of the Registration Statement, no event has occurred which should have been set forth in a supplement to or an amendment of the Prospectus which has not been so set forth in such supplement or amendment; and

(v) Since the respective dates as of which information is given in the Registration Statement and Prospectus (exclusive of any amendment or supplement thereto after the date of this Agreement), there has not been any material adverse change or any development involving a prospective material adverse change in or affecting the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole, whether or not arising in the ordinary course of business.

(g) The Company and each Selling Stockholder shall have furnished to the Representatives such further certificates and documents confirming the representations and

warranties, covenants and conditions contained herein and related matters as the Representatives may reasonably have requested.

(h) The Company Shares have been approved for quotation upon notice of issuance on the Nasdaq National Market.

(i) You shall have received a duly executed lock-up agreement from each person who is a director or officer of the Company, each Selling Stockholder and each person listed on Schedule III hereto, in each case substantially in the form attached hereto as Annex I and each such agreement shall be in full force and effect.

(j) Subsequent to the execution and delivery of this Agreement or, if earlier, the dates as of which information is given in the Registration Statement (exclusive of any amendment thereof) and the Prospectus (exclusive of any supplement thereto), there shall not have been any material adverse change or any development involving a prospective material adverse change in or affecting the earnings, business, management, properties, assets, rights, operations or condition (financial or otherwise) of the Company and the Subsidiaries taken as a whole, whether or not arising in the ordinary course of business, the effect of which, is, in the judgment of Bear, Stearns & Co. Inc., so material and adverse as to make it impracticable or inadvisable to proceed with the offering of the Shares on the terms and in the manner contemplated in the Prospectus (exclusive of any supplement).

The opinions and certificates mentioned in this Agreement shall be deemed to be in compliance with the provisions hereof only (i) if they are in the form specified herein or (ii) if not in the form specified herein, if they are in all material respects satisfactory to the Representatives and to Piper Rudnick LLP.

If any of the conditions hereinabove provided for in this Section 6 shall not have been fulfilled when and as required by this Agreement to be fulfilled, the obligations of the Underwriters hereunder may be terminated by the Representatives by notifying the Company and the Selling Stockholders of such termination in writing at or prior to the Closing Date or the Option Closing Date, as the case may be.

In such event, the Company, the Selling Stockholders and the Underwriters shall not be under any obligation to each other (except to the extent provided in Sections 5 and 8 hereof).

7. CONDITIONS OF THE OBLIGATIONS OF THE SELLERS.

The obligations of each Seller to sell and deliver the portion of the Shares required to be delivered by such Seller as and when specified in this Agreement are subject to the conditions that at the Closing Date or the Option Closing Date, as the case may be, no stop order suspending the effectiveness of the Registration Statement shall have been issued and in effect or proceedings therefor initiated or threatened.

8. INDEMNIFICATION.

(a) The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act, against any losses, claims, damages or liabilities to which such Underwriter or any such controlling person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any Preliminary Prospectus, the Prospectus or any amendment or supplement thereto, or (ii) the omission or alleged omission to state in the Registration Statement, as originally filed or any amendment thereof, or any related Preliminary Prospectus or the Prospectus, or in any supplement thereto or amendment thereof, a material fact required to be stated therein or necessary to make the statements therein not misleading; and will reimburse each Underwriter and each such controlling person upon demand for any legal or other expenses reasonably incurred by such Underwriter or such controlling person in connection with investigating or defending any such loss, claim, damage or liability, action or proceeding or in responding to a subpoena or governmental inquiry related to the offering of the Shares, whether or not such Underwriter or controlling person is a party to any action or proceeding; provided, however, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Prospectus, or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or through the Representatives specifically for use in the preparation thereof. The foregoing indemnity agreement with respect to any Preliminary Prospectus shall not inure to the benefit of any Underwriter who failed to deliver a Prospectus (as then amended or supplemented, provided by the Company to the several Underwriters in the requisite quantity and on a timely basis to permit proper delivery on or prior to the Closing Date) to the person asserting any losses, claims, damages and liabilities and judgments caused by any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, if such material misstatement or omission or alleged material misstatement or omission was cured, as determined by a court of competent jurisdiction in a decision not subject to further appeal, in such Prospectus and such Prospectus was required by law to be delivered at or prior to the written confirmation of sale to such person. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Each Selling Stockholder agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of the Act, against any losses, claims, damages or liabilities to which such Underwriter or any such controlling person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Registration

Statement, any Preliminary Prospectus, the Prospectus or any amendment or supplement thereto, or (ii) the omission or alleged omission to state in the Registration Statement, as originally filed or any amendment thereof, or any related Preliminary Prospectus or the Prospectus, or in any supplement thereto or amendment thereof, a material fact required to be stated therein or necessary to make the statements therein not misleading; and will reimburse each Underwriter and each such controlling person upon demand for any legal or other expenses reasonably incurred by such Underwriter or such controlling person in connection with investigating or defending any such loss, claim, damage or liability, action or proceeding or in responding to a subpoena or governmental inquiry related to the offering of the Shares, whether or not such Underwriter or controlling person is a party to any action or proceeding; provided, however, that such Selling Stockholder will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement, or omission or alleged omission made in the Registration Statement, any Preliminary Prospectus, the Prospectus, or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or through the Representatives specifically for use in the preparation thereof. The foregoing indemnity agreement with respect to any Preliminary Prospectus shall not inure to the benefit of any Underwriter who failed to deliver a Prospectus (as then amended or supplemented, provided by the Company to the several Underwriters in the requisite quantity and on a timely basis to permit proper delivery on or prior to the Closing Date) to the person asserting any losses, claims, damages and liabilities and judgments caused by any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, or caused by any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, if such material misstatement or omission or alleged material misstatement or omission was cured, as determined by a court of competent jurisdiction in a decision not subject to further appeal, in such Prospectus and such Prospectus was required by law to be delivered at or prior to the written confirmation of sale to such person. In no event, however, shall the liability of any Selling Stockholder for indemnification under this Section 8(b) exceed the lesser of (i) that proportion of the total of such losses, claims, damages or liabilities indemnified against equal to the proportion of the total Shares sold hereunder that is being sold by the Selling Stockholder, or (ii) the proceeds received by such Selling Stockholder from the Underwriters in the offering. This indemnity agreement will be in addition to any liability which such Selling Stockholder may otherwise have.

(c) Each Underwriter, severally and not jointly, will indemnify and hold harmless the Company, each of its directors, each of its officers who have signed the Registration Statement, the Selling Stockholders and each person, if any, who controls the Company within the meaning of the Act, against any losses, claims, damages or liabilities to which the Company or any such director, officer, the Selling Stockholders or controlling person may become subject under the Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) arise out of or are based upon (i) any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, any Preliminary Prospectus, the Prospectus or any amendment or supplement thereto or (ii) the omission or the

alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading in the light of the circumstances under which they were made; and will reimburse any legal or other expenses reasonably incurred by the Company or any such director, officer or controlling person in connection with investigating or defending any such loss, claim, damage, liability, action or proceeding, whether or not the applicable party or controlling person is a party to any action or proceeding; provided, however, that each Underwriter will be liable in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission has been made in the Registration Statement, any Preliminary Prospectus, the Prospectus or such amendment or supplement, in reliance upon and in conformity with written information furnished to the Company by or through the Representatives specifically for use in the preparation thereof. This indemnity agreement will be in addition to any liability which such Underwriter may otherwise have.

(d) In case any proceeding (including any governmental investigation) shall be instituted involving any person in respect of which indemnity may be sought pursuant to this Section 8, such person (the "indemnified party") shall promptly notify the person against whom such indemnity may be sought (the "indemnifying party") in writing. No indemnification provided for in Section 8(a), (b) or (c) shall be available to any party who shall fail to give notice as provided in this Section 8(d) if the party to whom notice was not given was unaware of the proceeding to which such notice would have related and was materially prejudiced by the failure to give such notice, but the failure to give such notice shall not relieve the indemnifying party or parties from any liability which it or they may have to the indemnified party for contribution or otherwise than on account of the provisions of Section 8(a), (b) or (c). In case any such proceeding shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party and shall pay as incurred the fees and disbursements of such counsel related to such proceeding. In any such proceeding, any indemnified party shall have the right to retain its own counsel at its own expense. Notwithstanding the foregoing, the indemnifying party shall pay as incurred (or within 30 days of presentation) the fees and expenses of the counsel retained by the indemnified party in the event (i) the indemnifying party and the indemnified party shall have mutually agreed to the retention of such counsel, (ii) the named parties to any such proceeding (including any impleaded parties) include both the indemnifying party and the indemnified party and representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or (iii) the indemnifying party shall have failed to assume the defense and employ counsel acceptable to the indemnified party within a reasonable period of time after notice of commencement of the action. It is understood that the indemnifying party shall not, in connection with any proceeding or related proceedings in the same jurisdiction, be liable for the reasonable fees and expenses of more than one separate firm for all such indemnified parties. Such firm shall be designated in writing by you in the case of parties indemnified pursuant to Section 8(a) or (b) and by the Company and the Selling Stockholders in the case of parties

indemnified pursuant to Section 8(c). The indemnifying party shall not be liable for any settlement of any proceeding effected without its written consent, but if settled with such consent or if there be a final judgment for the plaintiff, the indemnifying party agrees to indemnify the indemnified party from and against any loss or liability by reason of such settlement or judgment. In addition, the indemnifying party will not, without the prior written consent of the indemnified party, settle or compromise or consent to the entry of any judgment in any pending or threatened claim, action or proceeding of which indemnification may be sought hereunder (whether or not any indemnified party is an actual or potential party to such claim, action or proceeding) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action or proceeding.

(e) If the indemnification provided for in this Section 8 is applicable by its terms but is otherwise unavailable to or insufficient to hold harmless an indemnified party under Section 8(a), (b) or (c) above in respect of any losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions or proceedings in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other from the offering of the Shares. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company and the Selling Stockholders on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities, (or actions or proceedings in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company and the Selling Stockholders on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Company and the Selling Stockholders bear to the total underwriting discounts and commissions received by the Underwriters, in each case as set forth in the table on the cover page of the Prospectus. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company and the Selling Stockholders on the one hand or the Underwriters on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 8(e) were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 8(e). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions or proceedings in respect thereof) referred to

above in this Section 8(e) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (e), (i) no Underwriter shall be required to contribute any amount in excess of the underwriting discounts and commissions applicable to the Shares purchased by such Underwriter, (ii) no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation and (iii) any Selling Stockholder shall not be required to contribute any amount in excess of the lesser of (A) that proportion of the total of such losses, claims, damages or liabilities indemnified or contributed against equal to the proportion of the total Shares sold hereunder that are being sold by such Selling Stockholder or (B) the proceeds received by such Selling Stockholder from the Underwriters in the offering. The Underwriters' obligations in this Section 8(e) to contribute are several in proportion to their respective underwriting obligations and not joint.

(f) In any proceeding relating to the Registration Statement, any Preliminary Prospectus, the Prospectus or any supplement or amendment thereto, each party against whom contribution may be sought under this Section 8 hereby consents to the jurisdiction of any court having jurisdiction over any other contributing party, agrees that process issuing from such court may be served upon him or it by any other contributing party and consents to the service of such process and agrees that any other contributing party may join him or it as an additional defendant in any such proceeding in which such other contributing party is a party.

(g) Any losses, claims, damages, liabilities or expenses for which an indemnified party is entitled to indemnification or contribution under this Section 8 shall be paid by the indemnifying party to the indemnified party as such losses, claims, damages, liabilities or expenses are incurred. The indemnity and contribution agreements contained in this Section 8 and the representations and warranties of the Company set forth in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigation made by or on behalf of any Underwriter or any person controlling any Underwriter, the Company, its directors or officers or any persons controlling the Company, (ii) acceptance of any Shares and payment therefor hereunder and (iii) any termination of this Agreement. A successor to any Underwriter, or to the Company, the Selling Stockholders, the Company's directors or officers, or any person controlling the Company, shall be entitled to the benefits of the indemnity, contribution and reimbursement agreements contained in this Section 8.

9. DEFAULT BY UNDERWRITERS.

If on the Closing Date or the Option Closing Date, as the case may be, any Underwriter shall fail to purchase and pay for the portion of the Shares which such Underwriter has agreed to purchase and pay for on such date (otherwise than by reason of any default on the part of the Company or the Selling Stockholders), you, as Representatives of the Underwriters, shall use your reasonable efforts to procure within 36 hours thereafter one or more of the other Underwriters, or any others, to purchase from the Company and each Selling Stockholder such

amounts as may be agreed upon and upon the terms set forth herein, the Firm Shares or Option Shares, as the case may be, which the defaulting Underwriter or Underwriters failed to purchase. If during such 36 hours you, as such Representatives, shall not have procured such other Underwriters, or any others, to purchase the Firm Shares or Option Shares, as the case may be, agreed to be purchased by the defaulting Underwriter or Underwriters, then (a) if the aggregate number of shares with respect to which such default shall occur does not exceed 10% of the Firm Shares or Option Shares, as the case may be, covered hereby, the other Underwriters shall be obligated, severally, in proportion to the respective numbers of Firm Shares or Option Shares, as the case may be, which they are obligated to purchase hereunder, to purchase the Firm Shares or Option Shares, as the case may be, which such defaulting Underwriter or Underwriters failed to purchase or (b) if the aggregate number of Firm Shares or Option Shares, as the case may be, with respect to which such default shall occur exceeds 10% of the Firm Shares or Option Shares, as the case may be, covered hereby, the Company, the Selling Stockholders or you as the Representatives of the Underwriters will have the right, by written notice given within the next 36-hour period to the parties to this Agreement, to terminate this Agreement without liability on the part of the non-defaulting Underwriters or of the Company or of the Selling Stockholders except to the extent provided in Section 8 hereof. In the event of a default by any Underwriter or Underwriters, as set forth in this Section 9, the Closing Date or Option Closing Date, as the case may be, may be postponed for such period, not exceeding seven days, as you, as Representatives, may determine in order that the required changes in the Registration Statement or in the Prospectus or in any other documents or arrangements may be effected. The term "Underwriter" includes any person substituted for a defaulting Underwriter. No action taken pursuant to this Section 9 shall relieve any defaulting Underwriter from liability in respect of any default of such Underwriter under this Agreement.

10. NOTICES.

All communications hereunder shall be in writing and, except as otherwise provided herein, will be mailed, delivered, telecopied or telegraphed and confirmed as follows: if to the Underwriters, to Bear, Stearns & Co. Inc., 383 Madison Avenue, New York, New York 10179, Attention: Stephen Parish, Senior Managing Director, Equity Capital Markets, and to Piper Rudnick LLP, 6225 Smith Avenue, Baltimore, Maryland 21209, Attention: Richard C. Tilghman, Esq.; if to the Company or any Selling Stockholder, to Hub Group, Inc., 3050 Highland Parkway, Suite 100, Downers Grove, Illinois 60515, Attention: Thomas M. White, Senior Vice President, Chief Financial Officer and Treasurer.

11. TERMINATION.

This Agreement may be terminated by you by notice to the Company and the Selling Stockholders as follows:

(a) at any time prior to the Closing Date or the Option Closing Date, as the case may be: (i) (A) if there shall have occurred any outbreak or escalation of hostilities or acts of terrorism

involving the United States or there is a declaration of a national emergency or war by the United States or (B) if there shall have been any other calamity or crisis or any change in political, financial or economic conditions if the effect of any such event in (A) or (B), in the judgment of Bear, Stearns & Co. Inc., makes it impracticable or inadvisable to proceed with the offering, sale and delivery of the Firm Shares or the Option Shares, as the case may be, on the terms and in the manner contemplated by the Prospectus; or (ii) if trading on The New York Stock Exchange (the "NYSE"), or the Nasdaq shall have been suspended or been made subject to material limitations, or minimum or maximum prices for trading shall have been fixed, or maximum ranges for prices for securities shall have been required, on the NYSE, or the Nasdaq or by order of the Commission or any other governmental authority having jurisdiction; or (iii) if a banking moratorium has been declared by any state or federal authority or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or (iv) if any domestic or international event or act or occurrence has materially disrupted, or in the opinion of Bear, Stearns & Co. Inc., will in the immediate future materially disrupt, the market for the Company's securities or securities in general; or

(b) as provided in Sections 6, 9 and 12 of this Agreement.

12. SELLING STOCKHOLDER DEFAULTS.

(a) If any Selling Stockholder or Selling Stockholders shall default in its or their obligation to sell and deliver any Shares hereunder, then the Representatives may, by notice to the Company, terminate this Agreement without any liability on the part of any non-defaulting party. No action taken pursuant to this Section 12 shall relieve any Selling Stockholder so defaulting from liability, if any, in respect of such default.

(b) In the event that such default occurs and the Underwriters do not terminate this Agreement pursuant to Section 12(a), then the Representatives and the Company each shall have the right, in each case by notice to the other, to postpone the Closing Date or the Option Closing Date, as the case may be, for a period not exceeding five business days, in order to effect whatever changes may thereby be made necessary in the Registration Statement or the Prospectus or in any other documents and arrangements, and the Company agrees to file promptly any amendment or supplement to the Registration Statement or the Prospectus which, in the reasonable opinion of the Underwriters' counsel, may thereby be made necessary or advisable; and in no event shall the Company be obligated to increase the number of Shares it is required to sell hereunder.

13. SUCCESSORS.

This Agreement has been and is made solely for the benefit of the Underwriters, the Company, the Selling Stockholders and their respective successors, executors, administrators, heirs and assigns, and the officers, directors and controlling persons referred to herein, and no

other person will have any right or obligation hereunder. No purchaser of any of the Shares from any Underwriter shall be deemed a successor or assign merely because of such purchase.

14. INFORMATION PROVIDED BY UNDERWRITERS.

The Company, the Selling Stockholders and the Underwriters acknowledge and agree that the only information furnished or to be furnished by any Underwriter to the Company for inclusion in any Prospectus or the Registration Statement consists of the information appearing in the fifth, thirteenth, fourteenth and sixteenth paragraphs under the caption "Underwriting" in the Prospectus.

15. GOVERNING LAW AND JURISDICTION.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The Company and the Selling Stockholders irrevocably submit to the non-exclusive jurisdiction of any court of the State of New York or the United State District Court for the Southern District of the State of New York for the purpose of any suit, action, or other proceeding arising out of this Agreement, or any of the agreements or transactions contemplated by this Agreement, the Registration Statement and the Prospectus.

16. MISCELLANEOUS.

The reimbursement, indemnification and contribution agreements contained in this Agreement and the representations, warranties and covenants in this Agreement shall remain in full force and effect regardless of (a) any termination of this Agreement, (b) any investigation made by or on behalf of any Underwriter or controlling person thereof, or by or on behalf of the Company or its directors or officers or the Selling Stockholders and (c) delivery of and payment for the Shares under this Agreement.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

If the foregoing letter is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicates hereof, whereupon it will become a binding agreement among the Company, the Selling Stockholders and the several Underwriters in accordance with its terms.

Very truly yours,
HUB GROUP, INC.

By: _____
Name:
Title:

The Selling Stockholders listed on Schedule II hereto

By: _____
Attorney-In-Fact

The foregoing Underwriting Agreement
is hereby confirmed and accepted as
of the date first above written.

BEAR, STEARNS & CO. INC.
BB&TCAPITAL MARKETS,
a division of Scott & Stringfellow, Inc.

By: Bear, Stearns & Co. Inc.

By: _____
Authorized Officer

For themselves and as Representatives of the several
Underwriters listed on Schedule I

SCHEDULE I

<u>Underwriter</u>	<u>Total Number of Firm Shares to be Purchased</u>
Bear, Stearns & Co. Inc.	
BB&T Capital Markets, Inc., a division of Scott & Stringfellow, Inc.	
Total	1,900,000

SCHEDULE II

<u>Selling Stockholder</u>	<u>Number of Firm Shares to be Sold</u>	<u>Number of Additional Shares to be Sold if Option is Fully Exercised</u>
David P. Yeager		
David P. Yeager Perpetual Trust		
Mark A. Yeager		
Alexander B. Yeager 1994 GST Trust		
Samantha N. Yeager 1994 GST Trust		
Mark A. Yeager Perpetual Trust		
Thomas L. Hardin		
Total:	100,000	285,000

SCHEDULE III

Laura C. Yeager 1994 GST Trust

Matthew D. Yeager 1994 GST Trust

Phillip D. Yeager 1994 GST Trust

EXHIBIT A

List of Subsidiaries of Hub Group, Inc.

SUBSIDIARIES	JURISDICTION OF INCORPORATION/ORGANIZATION
Hub City Terminals, Inc.	Delaware
Hub Group Atlanta, LLC	Delaware
Hub Group Canada, LP	Delaware
Hub City Texas, L.P.	Delaware
Hub Group Associates, Inc.	Illinois
Hub Highway Services	Illinois
Hub Group Distribution Services, LLC	Illinois
Q.S. of Illinois, LLC	Michigan
Q.S.S.C., Inc.	Delaware
Quality Services LLC	Missouri
Quality Services of Kansas, LLC	Kansas
Quality Services of New Jersey, LLC	New Jersey
Q.S. of Georgia, LLC	Georgia
HLX Company, LLC	Delaware
Hub Chicago Holdings, Inc.	Delaware
Hub Group Transport, LLC	Delaware
Hub Freight Services, Inc.	Delaware

ANNEX I

Form of Lock-Up Agreement

June ____, 2004

Bear, Stearns & Co. Inc.
BB&T Capital Markets, Inc., a division
of Scott & Stringfellow, Inc.
As Representatives of the several
Underwriters referred to below
c/o Bear, Stearns & Co. Inc.
383 Madison Avenue
New York, New York 10179
Attention: Equity Capital Markets

Hub Group, Inc. Lock-Up Agreement

Ladies and Gentlemen:

This letter agreement (this "Agreement") relates to the proposed public offering (the "Offering") by Hub Group, Inc., a Delaware corporation (the "Company"), of its Class A common stock, \$.01 par value (the "Stock").

In order to induce you and the other underwriters for which you act as representatives (the "Underwriters") to underwrite the Offering, the undersigned hereby agrees that, without the prior written consent of Bear, Stearns & Co. Inc. ("Bear Stearns"), during the period from the date hereof until ninety (90) days from the date of the final prospectus for the Offering (the "Lock-Up Period"), the undersigned (a) will not, directly or indirectly, offer, sell, agree to offer or sell, solicit offers to purchase, grant any call option or purchase any put option with respect to, pledge, borrow or otherwise dispose of any Relevant Security (as defined below), and (b) will not establish or increase any "put equivalent position" or liquidate or decrease any "call equivalent position" with respect to any Relevant Security (in each case within the meaning of Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder), or otherwise enter into any swap, derivative or other transaction or arrangement that transfers to another, in whole or in part, any economic consequence of ownership of a Relevant Security, whether or not such transaction is to be settled by delivery of Relevant Securities, other securities, cash or other consideration. As used herein "Relevant Security" means the Stock, any other equity security of the Company or any of its subsidiaries and any security convertible into, or exercisable or exchangeable for, any Stock or other such equity security.

Notwithstanding the foregoing, the undersigned may transfer (a) restricted shares of Stock that first become vested during the Lock-up Period, but only to the extent necessary to offset the tax liability with respect to such vesting event and (b) shares of Stock in connection with the

“cashless” exercise of any outstanding options to purchase Stock that have an exercise period that terminates during the Lock-Up Period.

The undersigned hereby authorizes the Company during the Lock-Up Period to cause any transfer agent for the Relevant Securities to decline to transfer, and to note stop transfer restrictions on the stock register and other records relating to, Relevant Securities for which the undersigned is the record holder and, in the case of Relevant Securities for which the undersigned is the beneficial but not the record holder, agrees during the Lock-Up Period to cause the record holder to cause the relevant transfer agent to decline to transfer, and to note stop transfer restrictions on the stock register and other records relating to, such Relevant Securities. The undersigned hereby further agrees that, without the prior written consent of Bear Stearns, during the Lock-up Period the undersigned (x) will not file or participate in the filing with the Securities and Exchange Commission of any registration statement, or circulate or participate in the circulation of any preliminary or final prospectus or other disclosure document with respect to any proposed offering or sale of a Relevant Security and (y) will not exercise any rights the undersigned may have to require registration with the Securities and Exchange Commission of any proposed offering or sale of a Relevant Security.

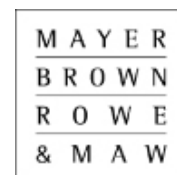
The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Agreement and that this Agreement constitutes the legal, valid and binding obligation of the undersigned, enforceable in accordance with its terms. Upon request, the undersigned will execute any additional documents necessary in connection with enforcement hereof. Any obligations of the undersigned shall be binding upon the successors and assigns of the undersigned from the date first above written.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York. Delivery of a signed copy of this letter by facsimile transmission shall be effective as delivery of the original hereof.

Very truly yours,

By: _____

Print Name: _____



June 9, 2004

Mayer, Brown, Rowe & Maw LLP
 190 South La Salle Street
 Chicago, Illinois 60603-3441
 Main Tel (312) 782-0600
 Main Fax (312) 701-7711
 www.mayerbrownrowe.com

The Board of Directors
 Hub Group, Inc.
 3050 Highland Parkway, Suite 100
 Downers Grove, IL 60515

Re: Registration of Shares of Class A Common Stock

Gentlemen:

We have acted as special counsel to Hub Group, Inc., a Delaware corporation (the "Company"), in connection with the registration under the Securities Act of 1933, as amended, of 2,185,000 shares of its Class A Common Stock, par value \$0.01 per share (the "Shares"). The Shares include 1,800,000 shares that are issuable by the Company (the "Company Shares") and 385,000 shares that are currently issued and outstanding and held by certain stockholders (the "Secondary Shares").

As special counsel to the Company, we have examined originals or copies certified or otherwise identified to our satisfaction of the Company's Certificate of Incorporation, as amended, the Company's By-Laws, resolutions of the Company's Board of Directors and such Company records, certificates and other documents as we considered necessary or appropriate for purposes of this opinion. As to certain facts material to our opinion, we have relied, to the extent we deem such reliance proper, upon certificates of public officials and officers of the Company. In rendering this opinion, we have assumed the genuineness of all signatures, the authenticity, accuracy and completeness of all documents, records and certificates submitted to us as originals, the conformity to the originals of all documents, records and certificates submitted to us as copies and the authenticity, accuracy and completeness of the originals of all documents, records and certificates submitted to us as copies.

Based upon and subject to the foregoing, we are of the opinion that:

- (1) the Company Shares are duly authorized for issuance and when issued in accordance with the provisions of the registration statement will be legally issued, fully paid and non-assessable shares of the Company; and
- (2) the Secondary Shares are duly authorized, legally issued, fully paid and non-assessable shares of the Company.

Brussels Charlotte Chicago Cologne Frankfurt Houston London Los Angeles Manchester New York Palo Alto Paris Washington, D.C. Independent Mexico City Correspondent: Jauregui, Navarrete, Nader y Rojas, S.C.

Mayer, Brown, Rowe & Maw LLP operates in combination with our associated English limited liability partnership in the offices listed above.

Mayer, Brown, Rowe & Maw LLP

The Board of Directors

Hub Group, Inc.

June 9, 2004

Page 2

We are admitted to practice law in the State of Illinois and we express no opinions as to matters under or involving any laws other than the laws of the State of Illinois, the federal laws of the United States and the laws of the State of Delaware.

We consent to the filing of this opinion as an exhibit to the registration statement covering the sale of the Shares and to the reference to our firm under the caption "Legal Matters" contained therein.

Sincerely,

/s/ MAYER, BROWN, ROWE & MAW LLP

Mayer, Brown, Rowe & Maw LLP

HUB GROUP, INC.
HUB CITY TERMINALS, INC.
AMENDMENT TO CREDIT AGREEMENT

Harris Trust and Savings Bank
Chicago, Illinois

LaSalle Bank National Association
Chicago, Illinois

U.S. Bank National Association
Milwaukee, Wisconsin

National City Bank
Chicago, Illinois

Ladies and Gentlemen:

Reference is hereby made to that certain Credit Agreement dated as of April 30, 1999 (the "*Credit Agreement*"), as amended and currently in effect, by and among Hub Group, Inc. (the "*Public Hub Company*"), Hub City Terminals, Inc. for itself and as successor by merger to Hub Holdings, Inc. ("*Hub Chicago*"; together with the Public Hub Company, the "*Borrowers*") and you (the "*Lenders*"). All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement.

The Borrowers have requested that the Lenders modify Section 3.3(c) of the Credit Agreement and the Lenders are willing to do so under the terms and conditions set forth in this amendment (herein, the "*Amendment*").

1. *AMENDMENT.*

Subject to the satisfaction of the conditions precedent set forth in Section 2 below, Section 3.3(c) of the Credit Agreement shall be amended and as so amended, shall be restated to read as follows

"(c) *Equity Offering.* Within five (5) Business Days of receipt by or for any Borrower of proceeds in excess of \$1,000,000 from any public offering or private placement of any capital stock or other equity securities of any Borrower (other than proceeds from (A) any sale of capital stock of a Borrower pursuant to an employee stock ownership plan or (B) any sale of capital stock of a Borrower, or any options to acquire any such stock, to officers, directors or key employees of such Borrower or any of its Subsidiaries as reasonable compensation for services rendered or (C) any exercise by such officers or directors of such options or (D) any issuance of capital stock or other equity interests to any Borrower or any Wholly-Owned Subsidiary), such Borrower shall make a mandatory prepayment on the Term Loans in an amount equal to 50% of the Net Cash Proceeds of such issuance; *provided however* that no such prepayment need be made with respect to the proceeds of a public offering of common capital stock of the Public

Hub Company so long as the Net Cash Proceeds of such issuance are used to repay the Senior Notes in full (and pay any prepayment penalty in connection therewith) within 30 days of receipt of such Net Cash Proceeds, but in no event later than September 30, 2004, it being understood that any amount in excess thereof may be retained by the Public Hub Company.”

2. *CONDITIONS PRECEDENT.*

The effectiveness of this Amendment is subject to the satisfaction of all of the following conditions precedent:

2.01. The Borrowers, the Guarantors and the Required Lenders shall have executed and delivered this Amendment.

2.02. Legal matters incident to the execution and delivery of this Amendment shall be reasonably satisfactory to the Agent and its counsel.

3. *REPRESENTATIONS.*

In order to induce the Lenders to execute and deliver this Amendment, the Borrowers hereby represent to the Lenders that as of the date hereof, the representations and warranties set forth in Section 5 of the Credit Agreement are and remain true and correct in all material respects (except to the extent the same expressly relate to an earlier date and except that for purposes of this paragraph the representations contained in Section 5.5 shall be deemed to refer to the most recent financial statements of the Public Hub Company delivered to the Lenders) and the Borrowers are in full compliance with all of the terms and conditions of the Credit Agreement after giving effect to this Amendment and no Default or Event of Default has occurred and is continuing under the Credit Agreement or shall result after giving effect to this Amendment.

4. *MISCELLANEOUS.*

4.01. Each Borrower and each Guarantor acknowledges and agrees that, except as modified by this Amendment, all of the Loan Documents to which it is a party remain in full force and effect for the benefit and security of, among other things, the Obligations as modified hereby. Each Borrower and each Guarantor further acknowledges and agrees that all references in such Loan Documents to the Obligations shall be deemed a reference to the Obligations as so modified. Each Borrower and each Guarantor further agrees to execute and deliver any and all instruments or documents as may be reasonably required by the Agent or the Required Lenders to confirm any of the foregoing.

4.02. The Borrowers and the Guarantors have heretofore executed and delivered to the Agent that certain Security Agreement dated as of October 15, 2002 and certain other Collateral Documents. The Borrowers and the Guarantors hereby acknowledge and agree that the Liens created and provided for by the Collateral Documents continue to secure, among other things, the

Obligations arising under the Credit Agreement as amended hereby; and the Collateral Documents and the rights and remedies of the Agent thereunder, the obligations of the Borrowers and the Guarantors thereunder, and the Liens created and provided for thereunder remain in full force and effect and shall not be affected, impaired or discharged hereby. Nothing herein contained shall in any manner affect or impair the priority of the liens and security interests created and provided for by the Collateral Documents as to the indebtedness which would be secured thereby prior to giving effect to this Amendment.

4.03. Except as specifically amended hereby, the Credit Agreement shall continue in full force and effect in accordance with its original terms. Reference to this specific Amendment need not be made in the Credit Agreement, the Notes, or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Credit Agreement, any reference in any of such items to the Credit Agreement being sufficient to refer to the Credit Agreement as specifically amended hereby.

4.04. This Amendment may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Amendment by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. This Amendment shall be governed by the internal laws of the State of Illinois.

4.05. The Borrowers agree to pay, jointly and severally, all reasonable out-of-pocket costs and expenses incurred by the Agent in connection with the preparation, execution and delivery of this Amendment and the documents and transactions contemplated hereby, including the reasonable fees and expenses of counsel for the Agent with respect to the foregoing.

Dated as of May , 2004.

HUB GROUP, INC., a Borrower
HUB CITY TERMINALS, INC., a Borrower

By: /s/ DAVID P. YEAGER

David P. Yeager
Chief Executive Officer for each of the above Companies

HARRIS TRUST AND SAVINGS BANK

By /s/ EDWARD MCGUIRE

Name: Edward McGuire

Title: Managing Director

U.S. BANK NATIONAL ASSOCIATION

By /s/ MATTHEW J. SCHULTZ

Name: Matthew J. Schultz

Title: Vice President

LASALLE BANK NATIONAL ASSOCIATION

By /s/ MARK MITAL

Name: Mark Mital

Title: First Vice President

NATIONAL CITY BANK

By /s/ MATTHEW R. KLINGER

Name: Matthew R. Klinger

Title: Vice President

GUARANTORS' CONSENT

The undersigned heretofore executed and delivered to the Lenders the Guaranty Agreement. The undersigned hereby consent to the Amendment to the Credit Agreement as set forth above and confirm that the Guaranty Agreement and all of the obligations of the undersigned thereunder remain in full force and effect. The undersigned further agree that their consent to any further amendments to the Credit Agreement shall not be required as a result of this consent having been obtained, except to the extent, if any, required by the Guaranty Agreement.

HUB CHICAGO HOLDINGS, INC., a Guarantor

By /s/ DAVID P. YEAGER

David P. Yeager
Chief Executive Officer

HLX COMPANY, L.L.C., a Guarantor

By /s/ DAVID P. YEAGER

David P. Yeager
Vice Chairman and Chief Executive Officer

QSSC, INC.
QUALITY SERVICES, L.L.C.,
QUALITY SERVICES OF KANSAS, L.L.C.
QUALITY SERVICES OF NEW JERSEY, L.L.C.
Q.S. OF ILLINOIS, L.L.C.
Q.S. OF GEORGIA, L.L.C.

By /s/ DAVID P. YEAGER

David P. Yeager
Chief Executive Officer for each of the
above Guarantors

HUB GROUP ALABAMA, LLC
HUB GROUP ATLANTA, LLC
HUB GROUP BOSTON, LLC
HUB GROUP CANADA, L.P.
HUB GROUP CLEVELAND, LLC
HUB GROUP DETROIT, LLC
HUB GROUP FLORIDA, LLC
HUB GROUP GOLDEN GATE, LLC
HUB GROUP INDIANAPOLIS, LLC
HUB GROUP KANSAS CITY, LLC
HUB GROUP LOS ANGELES, LLC
HUB GROUP MID ATLANTIC, LLC
HUB GROUP NEW ORLEANS, LLC
HUB GROUP NEW YORK STATE, LLC
HUB GROUP NEW YORK-NEW JERSEY, LLC
HUB GROUP NORTH CENTRAL, LLC
HUB GROUP OHIO, LLC
HUB GROUP PHILADELPHIA, LLC
HUB GROUP PITTSBURGH, LLC
HUB GROUP PORTLAND, LLC
HUB GROUP ST. LOUIS, LLC
HUB GROUP TENNESSEE, LLC
HUB CITY TEXAS, L.P.
HUB GROUP TRANSPORT, LLC
HUB GROUP ASSOCIATES, INC.
HUB FREIGHT SERVICES, INC.
HUB HIGHWAY SERVICES
HUB GROUP DISTRIBUTION SERVICES, LLC

By /s/ DAVID P. YEAGER

David P. Yeager
Chief Executive Officer for each of the
above Guarantors

CONSENT OF INDEPENDENT AUDITORS

We consent to the reference to our firm under the caption "Experts" in the Registration Statement on Form S-3 and the related prospectus of Hub Group, Inc. for the registration of 2,185,000 shares of Class A common stock and to the incorporation therein of our report dated February 16, 2004 with respect to the consolidated financial statements and schedule of Hub Group, Inc. included in the Annual Report on Form 10-K for the year ended December 31, 2003, filed with the Securities and Exchange Commission.

/s/ ERNST & YOUNG LLP

Ernst & Young LLP

Chicago, Illinois
June 8, 2004