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Credit Application Information

Corporation: Incorporated In January of 1997 In the State of Ohio, Then Re-entitled as LLC in October of 2012.

Corporate Owners:

Larry Phelps
Alan Phelps
Doug Phelps
Brian Phelps
Damon Phelps

Banking Information:

The Richwood Banking Company
PO Box 148
Richwood, OH 43344
Contact: David Boerger
(740) 943-2317

MC: 315257

EIN: 45-4057565

Surety Bond: P0105-001

Underwriter: Nationwide C/O Dean Cook

(937) 644-5015

Payment Policy:

We pay within 15 days of the receipt of original bills of lading and invoice. Unless any overage, shortage, or damage is not reported to one of our dispatchers at the time of delivery.

I certify that all the information of these forms is correct. If any further information is needed, please contact me at doug@preferredlogistics.com. Doug Phelps



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Trade References:

Troutman Transportation

RR2 Box 100

Bonaparte, IA 52620

800-445-8608

Joe Dieter & Sons Inc.

30 W 010 Ferry Road

Naperville, IL 60563

800-233-7142

Zeitner & Sons

5516 South 27th Street

Omaha, NE 68107

Apex Capital

PO Box 961029

Fort Worth, TX 76161

817-332-7300

Attention: Traffic Managers and Dispatchers:

To reduce the occurrence of claims upon delivery of loads, we are asking all drivers to adhere to the following procedures:

1. Prior to loading, confirm that your equipment is working properly.
2. Confirm that shipper's manifest agrees with what/where you were told to pick up and deliver.
3. Be sure product is loaded securely to avoid damage from shifting and that the load is held in place with load locks, straps, blocks, etc.
4. When you sign the bill of lading, you are confirming that you received the correct product, correct count, at the correct temperature. Be sure you agree with the information on the bill of lading. **You are responsible.**
5. All drivers must check call with our office @ 1-800-424-1146 daily before 1000 central time. Failure to do so may result in a service failure fine of \$100.00 per each service failure.
6. All drivers are to call our office immediately with any enroute problems which may affect the on-time delivery or jeopardize the quality of the product. Failure to do so may result in a service failure.



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7. All drivers must report any overage, shortage, or damage at the time of delivery. Drivers have access to dispatch 24 hours 7 days/week. Failure to do so may result in a freight claim against you settlement.
8. All drivers must report any delays loading or unloading at the time of delay and have time in and out written on the bill of lading to be paid any detention. Driver must also be on time for appoint either loading or unloading to be paid detention.
9. Do not break any seals without notifying our dispatchers first. Failure to do so may result in a service failure.
10. Do not add additional freight to any of our loads without notifying one of our dispatchers. Failure to do so may result in a service failure and/or a freight claim.

If your drivers will follow these guidelines while transporting product for **Preferred Logistics** chances are minimal for any type of claim. Thank you very much for your cooperation.

Attention: Customers

Preferred would like to provide you with all the necessary phone number and emails to contact our staff. This will enable you to reach us day or night 365 days a year. You will have unlimited access to our associates to notify us of any problems or concerns.

| Associate Name: | Office # | Mobile# | Email |
|-----------------|--------------|--------------|--|
| Doug Phelps | 800-304-4014 | 602-722-7607 | doug@preferredlogistics.com |
| Brian Phelps | 800-304-4014 | 937-313-3396 | brian@preferredlogistics.com |
| David Waycaster | 800-304-4014 | 937-537-6265 | dave@preferredlogistics.com |
| Nathan Herriott | 800-304-4014 | 937-243-2950 | nathan@preferredlogistics.com |
| Keith Ensign | 800-424-1146 | 602-721-6665 | keith@preferredlogistics.com |
| Ryan Colton | 800-424-1146 | 602-909-5130 | ryan@preferredlogistics.com |
| Devin Perrin | 800-424-1146 | | devin@preferredlogistics.com |



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This Page Must Be Filled Out and Returned To Us

| | |
|---------------------------|----------------|
| Company Name: _____ | Date: _____ |
| Address: _____ | Phone# _____ |
| City, State, & Zip: _____ | Fax# _____ |
| Email Address: _____ | 24 hour# _____ |
| Dispatcher's Name: _____ | |

Factoring Company or Remit to

| | |
|---------------------------|--------------|
| Name: _____ | Phone# _____ |
| Address: _____ | Email: _____ |
| City, State, & Zip: _____ | |

Ownership:

| | |
|---|--------------|
| Name of Owner: _____ | Phone# _____ |
| Physical Address: _____ | |
| City: _____ State: _____ Zip: _____ | |
| Type of Business: _____ sole proprietorship _____ partnership _____ Subsidiary _____ corporation in the state of _____ | |
| Federal ID# _____ MC# _____ | |

Insurance:

| | |
|---------------------------|----------------|
| Insurance Company: _____ | Address: _____ |
| City, State, & Zip: _____ | Phone: _____ |
| Fax# _____ | Email: _____ |

| | |
|-------------------------------|----------------|
| Workers Comp Insurance: _____ | Address: _____ |
| City, State, & Zip: _____ | Phone: _____ |
| Fax# _____ | Email: _____ |

Trucking References:

| | |
|----------------|-----------------------------|
| Name: _____ | Phone: _____ |
| Address: _____ | City/State: _____ Zip _____ |

| | |
|----------------|-----------------------------|
| Name: _____ | Phone: _____ |
| Address: _____ | City/State: _____ Zip _____ |



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Vans: Number of Units

53'x102" _____

53'x96" _____

48'x102" _____

48'x96" _____

Reefers: Number of Units

53'x102" _____

53'x96" _____

48'x102" _____

48'x96" _____

Flatbeds:

53'x102" _____

53'x96" _____

48'x102" _____

48'x96" _____

Stepdecks:

53'x102" _____

53'x96" _____

48'x102" _____

48'x96" _____

Please Fax Back Immediately:

Signed Contract

ICC Authority

Proof of Liability, Cargo, And Workers Comp Insurance

Carrier Information Sheets (2 Pages)

Ach Authorization/Direct Deposit Page



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ACH PAYMENT AUTHORIZATION

To Whom It May Concern:

Good news! We have gone to electronic (ACH) payments. Please respond back with your company's account number and routing information. Please include an email address so that notification can be sent when the funds are transferred. It is important that we get your account and routing numbers back **as soon as possible** so that we may update our system and start paying you by electronic payments.

If your company uses a factoring company, PLEASE FORWARD THIS NOTICE TO THEM. Do **NOT** send us your company's information if you have a factoring company!!!

Also, Preferred Logistics will no longer be covering the costs of "stop payments" on checks. It will now be a \$50.00 charge to your company to have payment resent.

Company name: _____

MC #: _____

Account number: _____

Routing number: _____

Email address: _____

Signed by: _____

Sincerely;
Doug Phelps

doug@preferredlogistics.com

Preferred Logistics, LLC
PO Box 10520
Glendale, Arizona 85318
(800) 424-1146 phone
(623) 572-5811 fax



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PREFERRED LOGISTICS, LLC.

CONTRACT CARRIER-BROKER AGREEMENT

THIS AGREEMENT made this _____ day of _____, 20____, by and between _____, hereinafter referred to as "Carrier", and **PREFERRED LOGISTICS, LLC.**, hereinafter referred to as "Broker."

Carrier is a contract motor carrier of property authorized by Federal Highway Administration ("FHWA") Permit MC-_____ (a copy of which Certificate is attached hereto and made a part hereof) to provide transportation of property under contract with brokers, shippers and receivers of general commodities.

Broker is a motor carrier freight broker, licensed by the FHWA to arrange for the transportation of property, except household goods, under License MC-_____ (a copy of which license is attached hereto and made a part hereof) and controls for transportation purposes, on behalf of third parties, the commodities to be tendered to Carrier.

NOW, THEREFORE, in consideration of the representations made herein, the parties agree as follows:

I. SPECIFIC OBLIGATIONS OF CARRIER

1. Compliance. Carrier represents that it holds appropriate interstate and/or intrastate authority, where necessary, to perform motor freight services hereunder as a contract carrier for Broker. Carrier agrees to comply with all applicable federal, state and local laws and regulations, including all requirements of the FHWA, Department of Transportation ("DOT"), Environmental Protection Agency ("EPA"), and any other agency having jurisdiction over its services. Carrier will not serve Broker as a common carrier and will hold Broker harmless from all third parties and Carrier for any claim based on common carrier tariff pricing.

2. Distinct needs.

A. Rates. The rates set forth in Appendix A are designed to meet the distinct needs of Broker. The services set forth below are also designed to meet the distinct needs of Broker. It is expressly understood that the rate schedules are all inclusive and that no reference to any schedule, classification, rates or otherwise beyond Appendix A are applicable unless specifically acknowledged in writing.

B. Equipment. Carrier agrees to provide the equipment and trained personnel required by Broker to receive, safely carry and transport the shipments arranged by Broker and to deliver such goods to stated destinations promptly. Carrier will not tender trailers which have been used for transporting solid waste or other noxious products. Carrier accepts the responsibility to be fully aware of all potential contamination issues as relates to their service to Broker and to inquire as



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to load contents, as necessary, prior to accepting any shipment. Trailers will be dropped at shipper's facilities for loading as requested by Broker.

- C. Delivery. Upon request by Broker, Carrier will secure delivery appointments for consignees and deliver at such scheduled times and, when requested, report appointment times and delivery times within 24 hours of delivery.
- D. Notice of Loss or Damage. Carrier shall notify Broker immediately after having knowledge of overages, shortages, or damage to products or goods Carrier handles for Broker. Carrier shall return overages. Disposition of damaged goods will be determined by Broker.
- E. Delays. In the event of delay in the carriage of Broker's freight, Carrier shall, at its expense, forthwith advise Broker, giving an estimate of the anticipated delay in delivery, and shall, as necessary, promptly take steps to reload the freight in replacement equipment or take other necessary steps to minimize delay, at Carrier's sole expense.
- F. Delivery Receipts. Carrier shall obtain delivery receipts for all merchandise tendered by Broker. Carrier will provide copies of same to Broker in sufficient detail to substantiate billing for the services provided. Carrier shall retain such records for three years after delivery of the involved shipments or for such greater period of time as may be required by federal or state laws, rules, or regulations.
- G. Equipment Condition. Carrier warrants that, at its cost and expense, it shall furnish for use in Broker's service sufficient vehicles suitable for the carriage of cargo tendered by Broker. Carrier shall operate and maintain the motor vehicles and allied equipment necessary in good working condition and in compliance with all applicable laws and regulations. Carrier, at its cost and expense, also shall provide adequately trained drivers and helpers, and provide the proper performance of the trucking services herein provided. All equipment used by Carrier in the performance of transportation functions hereunder shall at all times be under the exclusive control of Carrier.
- H. Taxes and Fees. Carrier, at its cost and expense, shall assume full responsibility for all federal, state, and local taxes, licenses, assessments and tolls and all other costs arising out of the transportation herein described.
- I. Insurance. Carrier agrees, at all times during the term of this Agreement, to carry and keep in force public liability, property damage and personal injury insurance under such terms as will meet the requirements of all laws and applicable governmental bodies and agencies. Proof of such insurance shall be provided by Carrier to Broker on an annual basis or more often as necessary to provide Broker with current information. In any event, such insurance shall be maintained in amounts of not less than the following:



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Workers' Compensation including employer's liability: \$500,000.

Public liability and property damage: Comprehensive general liability, including contractual liability in a combined single limit of \$1,000,000 with a deductible of no more than \$10,000 unless approved in writing by Broker prior to service.

Automobile liability: Comprehensive automobile liability insurance in a combined single limit of \$1,000,000 covering owned, hired and non-owned vehicles with a deductible of no more than \$10,000 unless approved in writing by Broker prior to service.

Cargo liability: \$50,000 with deductible of no more than \$2,500 unless approved in writing by Broker prior to service.

Carrier and its insurance company will give Broker at least 30 days notice in advance of any cancellation thereof. Carrier shall provide, free of charge, proof of insurance coverage upon request.

- J. Loss, Damage and Overage. Carrier shall be liable for Broker's full actual loss resulting from loss, damage, injury, or delay, except that as to shipments made by shipper's load and count Carrier shall not be held responsible for shortages in the absence of evidence of tampering, breakage or lack of due care. In the event of loss, damage, overage or shortage, Carrier agrees to notify Broker of such incidents immediately, but in no case more than 24 hours after discovery, in writing or via facsimile.

Any claims by Broker will be handled in the following manner:

- (1) A claim for loss, damage, injury, or delay to cargo will be filed in writing, as provided below, with Carrier, within 180 days of the date Carrier notifies Broker that the shipment is lost, damaged or delayed.

A communication in writing from Broker, filed with Carrier within 180 days and (a) containing facts sufficient to identify the shipment (or shipments) involved, (b) asserting liability for alleged loss, damage, injury or delay, and (c) making claim for payment of a specified or determinable amount of money where possible, will be considered as a sufficient claim.

- (2) Carrier will, upon receipt in writing of a proper claim in the manner and form described herein above, acknowledge receipt of such claim in writing to Broker within 30 days after the date of its receipt by Carrier, unless Carrier will have paid or declined such claims in writing within 30 days thereof. Carrier will indicate in its acknowledgement to Broker what, if any, additional documentary evidence or other pertinent information may be



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required by it to process the claim, based on Carrier's preliminary examination of the claim as filed. Carrier agrees that in any case where it does not decline, pay or acknowledge receipt of claims within said 30 days that it has agreed to the validity of the claim and the amount stated therein and will thereafter pay said claim within 30 days.

- (3) Carrier, when it has received written claim for loss or damage, injury, or delay to property transported, will pay, decline, or make a firm compromise settlement offer in writing to Broker, within 60 days after receipt of the claim by Carrier. If Carrier and Broker do not come to final settlement within 60 days, Broker may cancel this Agreement and/or seek to recover the damages through any legal, administrative or equitable remedy available. Carrier shall not be responsible for loss, damage, injury or delay resulting from acts of god, public enemy, revolution, civil disorder, or war.

Carrier shall be liable for Broker's "full actual loss" resulting from loss, damage, injury or delay. "Full actual loss" includes the invoice price of freight tendered to Carrier for transportation.

- K. Independent Contractor. Carrier and Broker agree that employees of Carrier, in performing services hereunder, shall be and remain exclusively the employees of Carrier and shall not, for any purpose, be considered employees of Broker. Broker shall not be responsible for any act or omission of said employees. Carrier shall in no event be considered an employee or agent of Broker but, on the contrary, shall be deemed and treated as an independent contractor of Broker. Broker will have no control over Carrier or any of its personnel.

- L. Indemnity. Carrier shall be responsible to Broker for all claims or damage resulting or claimed to have resulted from acts or failure to act on its part or the part of its agents and drivers or from equipment or the condition of equipment furnished hereunder, or as a consequence of the services to be provided by Carrier under this Agreement, including all costs and attorney's fees.

Each party shall indemnify and hold the other harmless from and against any and all claims, costs or expenses (including but not limited to attorney's fees) for personal injury, death or damage to or destruction of property, sustained by the other party, or any of its employees, agents or contractors or sustained by any third party, caused by the acts or omissions of the first party, its agents or employees.

- M. DOT Rating. Carrier now has and agrees to maintain a DOT safety rating of "satisfactory". If this should change, Carrier will send Broker written notice of the change by certified mail, in five (5) working days, and Broker has the option of cancelling this Agreement immediately and without notice.

- N. Confidentiality. Carrier acknowledges that Broker deems this Agreement and its terms and conditions, and all shipper information derived by Carrier from this business relationship to be confidential commercial information. Carrier agrees to maintain the confidentiality of this



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Agreement, including all rate information, customer lists, traffic lanes, and volumes, and product information, or any other information, and shall not disclose any of its terms except to the extent that such disclosure is required by law.

O. State Registration. Carrier, when not operating in its state of incorporation, agrees to register with any state as a foreign corporation prior to conducting intrastate commerce within that state.

II. SPECIFIC OBLIGATIONS OF BROKER

1. Broker shall offer to Carrier for shipment a minimum quantity of ten thousand pounds per year, or a minimum of four (4) shipments for each year this Agreement remains in effect, and Carrier shall agree to transport those shipments tendered during that period of time.

2. Broker agrees to pay Carrier for the transportation of the commodities moved under this Agreement in accordance with the rates set forth in Appendix A, attached hereto, within 30 days of the receipt by Broker of Carrier's invoice covering such transportation with signed proof of delivery reflecting timely completion of delivery without exception or notation of problems and where Broker has not been otherwise notified of any problems with the shipment.

III. ADDITIONAL PROVISIONS

1. Carrier authorizes Broker to act as Carrier's agent and to invoice shipper, receiver, consignor, consignee or third party payor for freight charges as agent for and on behalf of Carrier. Payment of the freight charges to Broker shall relieve shipper, receiver, consignor, consignee and third party payor of any further liability to Carrier for payment of charges.

2. All services provided by Carrier shall be in equipment owned or under permanent lease to Carrier. Carrier will not "broker" or tender Broker's traffic to any other carrier or broker for any purpose without the prior written consent of Broker. Broker will not use "trip-leased" equipment in service to Broker without prior written consent of Broker.

3. The bill of lading shall note that the shipments were transported by Carrier, acting as a Carrier, and that the shipment was arranged by Broker, acting as a Broker. The name of the underlying shipper shall be inserted in the blank for the shipper, and the name of the consignee shall be inserted in the blank for the consignee. When Broker has assembled multiple shipments into carload or truckload lots, the list of underlying shippers will be attached as an appendix to the bill of lading.

4. During the existence of this Agreement and for a period of one year after its cancellation, Carrier shall not solicit or transport, directly or indirectly, traffic from any shipper, consignor, consignee or customers of Broker where (a) the availability of such traffic first became known to Carrier as a result of Broker's efforts, or (b) where the traffic of the shipper, consignor, consignee or customer of Broker was first tendered to Carrier by Broker. If Carrier breaches this Agreement and "back-solicits" Broker's customers, or obtains traffic from such a customer, Broker then is entitled, for a period of fifteen (15) months after the involved traffic first begins to



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5. This Agreement shall be governed where necessary by Title 49 of the United States Code and Title 49 of the Code of Federal Regulations.

6. The term of this Agreement shall be for one year from the date shown above. That term may be extended for another year by mutual agreement at or prior to the expiration of the first year, or if no further agreement is executed by that date, this Agreement shall remain in effect until superseded by a subsequent agreement, or canceled upon 30 days written notice of cancellation by either party. Carrier shall maintain a copy of this Agreement on file for a period of at least three years after it is terminated or canceled.

7. Notwithstanding the above, either party may terminate this Agreement without penalty on one day's written notice as a result of a material violation or breach by the other party of any provisions of this Agreement or the execution of a subsequent agreement.

8. Unless otherwise stated, all notices which may be given in connection with this Agreement or required by law or regulation shall be in writing, shall be sent postpaid by the party desiring to give such notice to the other party by first class mail, addressed to such party at its address shown herein, and shall be deemed to have been given when so sent.

9. This Agreement shall be subject to and shall be interpreted in accordance with the laws of the State of Ohio. Carrier and Broker agree to the exclusive jurisdiction and venue of the municipal courts and common pleas court of <Broker's County> County, Ohio and the U.S. District Court for the Northern District of Ohio, Western Division.

IN WITNESS WHEREOF, the parties have set their hands this ___ day of _____, 20____ .

Carrier _____
Address _____
City, State, Zip _____
Phone _____
By _____
Title _____

Preferred Logistics
PO Box 10520
Glendale, Arizona 85318
623-572-0095
Doug Phelps
Owner



U.S. Department of Transportation
Federal Motor Carrier Safety Administration

1200 New Jersey Ave., S.E.
Washington, DC 20590

SERVICE DATE
October 10, 2012

DECISION
MC-315257
PREFERRED LOGISTICS, INC.
MILFORD CENTER, OH
REENTITLED
PREFERRED LOGISTICS, LLC

On October 3, 2012, applicant filed a request to have the Federal Motor Carrier Safety Administration's records changed to reflect a name change.

It is ordered:

The Federal Motor Carrier Safety Administration's records are amended to reflect the carrier's name as PREFERRED LOGISTICS, LLC.

Within 30 days after this decision is served, the applicant must establish that it is in full compliance with the statute and the insurance regulations by having amended filings on prescribed FMCSA forms (BMC91 or 91X or 82 for bodily injury and property damage liability, BMC 34 or 83 for cargo liability, or a BMC 84 or 85 for broker security and BOC-3 for designation of agents upon whom process may be served) submitted on its behalf. Copies of Form MCS-90 or other "certificates of insurance" are not acceptable evidence of insurance compliance. Insurance and BOC-3 filings should be sent to Federal Motor Carrier Safety Administration, 1200 New Jersey Ave., S.E., Washington, DC 20590.

The applicant is notified that failure to comply with the terms of this decision shall result in revocation of its operating rights registration, effective 30 days from the service date of this decision.

To verify that the applicant is in full compliance, call (202)358-7000 or visit our web site at: <http://li-public.fmcsa.dot.gov>. Any other questions regarding the action taken should be directed to (202)366-9805.

Decided: October 4, 2012
By the Federal Motor Carrier Safety Administration

Jeffrey L. Secrist, Chief
Information Technology Operations Division
NCA



U.S. DEPARTMENT
OF TRANSPORTATION

A Federal Agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a current valid OMB Control Number. The OMB Control Number for this information collection is 2126-0017. Public reporting for this collection of information is estimated to be approximately 10 minutes per response, including the time for reviewing instructions, gathering the data needed, and completing and reviewing the collection of information. All responses to this collection of information are mandatory. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Motor Carrier Safety Administration, MC-RRA, Washington, D.C. 20590.

Form BMC-84

Approved by OMB

2126-0017

Expires: 01/31/2014

License No. **P0105-001**

MC- **315257**

FILER FMCSA

ACCOUNT NO. _____

PROPERTY BROKER'S OR HOUSEHOLD GOODS BROKER'S SURETY BOND UNDER 49 U.S.C. 13906

KNOW ALL MEN BY THESE PRESENTS, That we **Preferred Logistics, LLC**

of **11561 State Route 4, Milford, OH 43045** (Name of Property or Household Goods Broker)

(Street) (City) (State) (Zip code)
as PRINCIPAL (hereinafter called Principal), and **Commonwealth Insurance Company**

(Name of Surety)

a corporation, or a Risk Retention Group established under the Liability Risk Retention Act of 1986, Pub. L. 99-563, created and existing under the laws of the State of **PA** (hereinafter called Surety) are held and

(State or District of Columbia)

firmly bound unto the United States of America in the sum of \$10,000 for a property broker or \$25,000 for a household goods broker, for which payment, well and truly to be made, we bind ourselves and our heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal is or intends to become a Property Broker or Household Goods Broker pursuant to the provisions of Title 49 U.S.C. 13904, and the rules and regulations of the Federal Motor Carrier Safety Administration relating to insurance or other security for the protection of motor carriers and shippers, and has elected to file with the Federal Motor Carrier Safety Administration such a bond as will ensure financial responsibility and the supplying of transportation subject to the ICC Termination Act of 1995 in accordance with contracts, agreements, or arrangements therefore, and

WHEREAS, this bond is written to assure compliance by the Principal as either a licensed Property Broker or a licensed Household Goods Broker of Transportation by motor vehicle with 49 U.S.C. 13906(b), and the rules and regulations of the Federal Motor Carrier Safety Administration, relating to insurance or other security for the protection of motor carriers and shippers, and shall inure to the benefit of any and all motor carriers or shippers to whom the Principal may be legally liable for any of the damages herein described.

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall pay or cause to be paid to motor carriers or shippers by motor vehicle any sum or sums for which the Principal may be held legally liable by reason of the Principal's failure faithfully to perform, fulfill, and carry out all contracts, agreements, and arrangements made by the Principal while this bond is in effect for the supplying of transportation subject to the ICC Termination Act of 1995 under license issued to the Principal by the Federal Motor Carrier Safety Administration, then this obligation shall be void, otherwise to remain in full force and effect.

The liability of the Surety shall not be discharged by any payment or succession of payments hereunder, unless and until such payment or payments shall amount in the aggregate to the penalty of the bond, but in no event shall the Surety's obligation hereunder exceed the amount of said penalty. The Surety agrees to furnish written notice to the Federal Motor Carrier Safety Administration forthwith of all suits filed, judgements rendered, and payments made by said Surety under this bond.

This bond is effective the 23rd day of November, 2012, 12:01 a.m., standard time at the address of the Principal as stated herein and shall continue in force until terminated as hereinafter provided. The Principal or the Surety may at any time cancel this bond by written notice to the Federal Motor Carrier Safety Administration at its office in Washington, DC, such cancellation to become effective thirty (30) days after actual receipt of said notice by the FMCSA on the prescribed Form BMC-36, Notice of Cancellation Motor Carrier and Broker Surety Bond. The Surety shall not be liable hereunder for the payment of any damages herein before described which arise as the result of any contracts, agreements, undertakings, or arrangements made by the Principal for the supplying of transportation after the termination of

Commonwealth Insurance Company

555 City Line Avenue, Suite 620, Bala Cynwyd, PA 19004

GENERAL POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that COMMONWEALTH INSURANCE COMPANY has made, constituted and appointed, and by these Presents does make, constitute and appoint LEANN M. THEN, ATTORNEY-IN-FACT its true and lawful attorney for it and in its name, place and stead, to execute on behalf of the said Company, as surety, bonds, undertakings and contracts of suretyship.

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of the COMMONWEALTH INSURANCE COMPANY by unanimous consent.

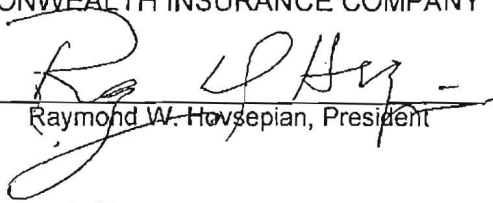
"RESOLVED, that the President of COMMONWEALTH INSURANCE COMPANY be and hereby is authorized to execute Powers of Attorney appointing the attorney named in the given Power of Attorney to execute on behalf of COMMONWEALTH INSURANCE COMPANY, bonds, undertakings and all contracts of suretyship; and that a Secretary or an Assistant Secretary be, and that each or any of them is authorized to attest the execution of any such Power of Attorney, and to attach thereto the seal of the Company.

FURTHER RESOLVED, that the signature of such officer and the seal of the Company may be affixed to any such Power of Attorney or to any certificate relating thereto by facsimile, and any such Power of Attorney or certificate bearing such facsimile signatures or facsimile seal shall be valid and binding upon the company when so affixed and in the future with respect to any bond, undertaking or contract of suretyship to which it is attached."


IN WITNESS WHEREOF, COMMONWEALTH INSURANCE COMPANY has caused its official seal to be hereunto affixed and these Presents to be signed by its President and attested to by its Assistant Secretary this 27th day of December, 2011.

COMMONWEALTH INSURANCE COMPANY

By:


Raymond W. Hovsepian, President

Attest:


Ann E. Glass, Secretary

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF PHILADELPHIA

On this 27th day of December, 2011, before me personally came Raymond W. Hovsepian, to me known, who being duly sworn did depose and say that he is the President of COMMONWEALTH INSURANCE COMPANY the Corporation described in and which executed the above instrument, that he knows the seal of the said Corporation; that the seal affixed to the said instrument is such corporate seal; and that it was so affixed by order of the Board of Directors of said Corporation; and that he signed his name thereto by like order.


NOTARY PUBLIC

NOTARIAL SEAL
ANDREA E. PAUL
Notary Public
PHILADELPHIA CITY, PHILADELPHIA CNTY
My Commission Expires January 28, 2015

CERTIFICATE

I, the undersigned Assistant Secretary of COMMONWEALTH INSURANCE COMPANY, DO HEREBY CERTIFY that the following and attached Power of Attorney remains in full force and has not been revoked; and furthermore that the Resolution of the Board of Directors, set forth in the said Power of Attorney, is now in force.

Signed and sealed at Montgomery County, Pennsylvania the

23rd day of November 2012.


SECRETARY

this bond as herein provided, but such termination shall not affect the liability of the Surety hereunder for the payment of any such damages arising as the result of contracts, agreements, or arrangements made by the Principal for the supplying of transportation prior to the date such termination becomes effective.

The receipt of this filing by the FMCSA certifies that a Broker Surety Bond has been issued by the company identified above, and that such company is qualified to make this filing under Section 387.315 of Title 49 of the Code of Federal Regulations.

Falsification of this document can result in criminal penalties prescribed under 18 U.S.C. 1001.

IN WITNESS WHEREOF, the said Principal and Surety have executed this instrument on the 23rd day of November, 2012.

PRINCIPAL

SURETY

Company Name Preferred Logistics, LLC

Name of Insurance Company Commonwealth Insurance Company [SEAL]

Address 11561 St Rt 4 Millford Centre OH 43045

Address #620, 555 City Line Avenue, BC, PA 19004

Telephone No. (937) 349-6201

Telephone No. (610) 667-7760

Doug Phelps
(Print Name)

Leann M. Then, Attorney-in-fact
(Print Name)

Doug Phelps Sec/Treas
(Signature and Title)

[Signature]
(Signature and Title)

Witness [Signature]
Nathan D. Herriott

Witness [Signature]
Ann E. Glass, Witness