



The **VALUE** leader
in transportation

Integrity Driven Solutions
Repeatable, Sustainable, Scalable.

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124 Commercial Rd,
Bolton, ON
L7E 1K4
Canada



406 Duck Creek Lane
Indian Trail, NC
28079
USA



15304 Spring Avenue
Santa Fe Springs, CA
90670
USA

Executive Message

First off, all of us here at MSM would like to thank you for considering MSM Transportation.

The MSM Group of Companies encompasses several brands and business units and has a large, extended family of trusted transportation partners. Yet we share a common belief: that customer loyalty is the foundation of success. Loyalty is the result of a trusting relationship. Trust is established when you and your customer or supplier truly understand and rely on one another. For us, the past year has been a remarkable opportunity to build loyalty and trust.

While the economy has demonstrated clear signs of recession, MSM's commitment to the promise of a more efficient, secure international border is starting to pay off. The shipping community at large is deeply troubled about the availability of trucks, the consistency of service, and the value they receive for their dollar.

Integrity, reliability, operating know-how, rewards for hard work, and cost containment are even more important today than when we joined the transportation industry more than 20 years ago. At the MSM Group of Companies, these old-fashioned virtues are our guiding principles. We've never had to embark on plans to "transform" the way we do business. From the start, our values have helped us make smart choices in times of dramatic change.

Let us give you some examples:

- When we established the company in 1989, regulations in Ontario did not allow us to operate our own trucks. So we focused on freight brokerage. We built relationships with trusted partner carriers: in our early years, 90% of our shipments moved with this core of carriers who shared our values. Today, many of these companies continue to help us meet the demands of commerce without weakening our balance sheet or commitment to customer satisfaction.
- When rules changed and we established a fleet of our own, our partner carriers trusted that we wouldn't compromise our firmly entrenched relationships—or our commitment to service—by playing favourites with our trucks. Our objective always has been to move freight efficiently, safely, on time, and to the complete satisfaction of the customer. That means using the transportation source that makes the most sense for the customer.
- To overcome the questionable service that plagued the trucking business in the early days, we made it our policy to provide a 100% money-back guarantee. We continue to do so today.
- Financial stability comes from sustainable, consistent growth in earnings, cash flow, and the appropriate use of capital. By balancing our own fleet with partner-carrier capacity, we can predictably manage hard assets of our own. This minimizes financial risk and frees up capital to invest in projects that promise the best operational and financial

results. Today, approximately 60% of MSM's shipments move on our own equipment.

- When we seize new opportunities, we haven't had to look outside for leadership. Our business units are led by homegrown managing partners. The MSM Group of Companies supports their commitment with administrative support, financial strength, and guidance that synchronizes their efforts.
- We recognized the value of skilled professional drivers from the beginning. We consider our compensation packages—among the best in the business—an investment in consistent, quality service. Personally, we cannot recall losing a driver that we have not released.
- We are a responsible customer to our valued suppliers. We pay no later than 28 days from receipt of invoice, a practice started when the company was founded. Our partner carriers are loyal and motivated as a result—a strong advantage in a marketplace where you are competing for space.
- We registered for ISO 9002 in 1998. We were not compelled to do so by anyone. Continuous improvement is one of our core values.
- We value tangible things. We own our property in Bolton, Ontario—almost 11 acres. There is space to accommodate future growth.
- Our promises are clear. For example, a freight company may claim to have fast transit times but hide the fact that the day of pickup, weekends, and the day of delivery are not counted in the published transit times. We publish transit times in calendar days, including the weekends and day of delivery to the consignee. We keep it simple: we pick up on time, we deliver on time, and we call when that is not going to happen.

Whatever the need, there's probably a vehicle from our stable of company-owned trucks or our network of carrier partners that can handle the job. Our ability to secure capacity and deliver value attracts new clients every day. We are proud of the role we play in helping our customers go about their work. And we feel good about the road ahead, knowing its foundation is loyalty and trust.

Sincerely,



Robert Murray
President and Chief Operating Officer
rmurray@shipmsm.com



Mike McCarron
Managing Partner
mmccarron@shipmsm.com

Our Mission

To be the industry leader in profitable growth increased market share, and continuous improvement through the creation of integrity driven solutions for our employees, suppliers, and customers.

Many Ways to Fulfill It

The MSM Group of Companies has the tightly integrated capabilities that provide the capacity customers need and the value they expect:

- The fastest less-than-truckload delivery between Canada and the United States. We move more than 50,000 LTL shipments a year across the border and for nine consecutive years have been ranked No. 1 as the Canadian LTL Motor Carrier by the readers of Canadian Transportation & Logistics magazine.
- Direct daily linehaul schedules between the Los Angeles area and points in Canada
- An extensive network of partner carriers
- Contract trucking solutions
- Short- and long-term warehousing, pick and pack, inventory management, trailer storage
- Online shipment booking, shipment tracking, and detailed payables reports
- Fully committed to cross-border security and efficiency. Approved under C-TPAT; FAST; Partners in Protection; Pre-Arrival Processing System; Pre-Arrival Review System; and Food & Drug Administration (Bolton and Los Angeles facilities)
- Consistent customer contact and prospecting. With our automated direct marketing system, we generate an average of 35 new customers a month.

Management Structure

On a day-to-day basis our business is run by the front line managers who are empowered to make decisions that will improve the delivery of our service and improve the bottom line. These decisions are based on the input that they receive from the front line staff that report to them and who are considered experts at their jobs. All front line employees are encouraged to be creative, aggressive and to not be afraid to make mistakes. In fact, mistakes are considered an important part of the learning process.

The Management Team meets every Wednesday to ensure that the systems and processes are working and achieving the desired results. On a quarterly basis the management teams along with the owners attend Camp MSM, which is a two-day retreat at a resort in Northern Ontario. The purpose of this retreat is to discuss the viability of the business plan in an environment that promotes team building, learning and is loads of fun. This year, the Camp MSM concept has been expanded to include all employees on a semi annual basis

Authorities & Permits

ICC Motor Carrier Number	278305
Ontario Operating License	112637
Commercial Vehicle Operator Registration (CVOR)	RIN: 113-135-273
SCAC (Standard Carrier Alpha Code)	MSMP
Ontario Workplace Safety & Insurance	Firm # 331491 Account # 7425929
Truckmens Contingent Cargo Kingsway General Insurance	Policy # 990350

Cross-Border Security

MSM is committed to moving freight across the border efficiently, safely, and securely. We have achieved approvals under the following U.S. Customs & Border Protection and Canada Border Services Agency programs:

CSA	Customs Self-Assessment
C-TPAT	Customs Trade Partners Against Terrorism
FAST	Free and Secure Trade
PAPS	Pre-Arrival Processing System
PARS	Pre-Arrival Review System
PIP	Partners in Protection
U.S. Food & Drug Administration	

Our Bolton, Ontario, and Los Angeles facilities are registered in accordance with the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. MSM's commitment to Customer Service allows for a proactive approach to communications of any deviation in scheduling. Our Customers can enjoy peace of mind knowing that they have chosen an organization that has committed fully to all of the Customs and Security measures, policies and procedures enacted post 911.

Corporate Resume

Over the years, the MSM Group of Companies has been the recipient of many prestigious international business awards. These awards have solidified and enhanced MSM's reputation as a leader in the Canadian transportation industry.



2002 to Present Voted as the Number One ranked Canadian LTL Motor Carrier by the readers of Canadian Transportation & Logistics magazine. These readers have also voted MSM Transportation the Number One provider of Customer Service, number one for Problem Solving and number one for providing Value Added Services within the entire Canadian transportation industry



ISO 9001

1998 to Present MSM's quality system was registered to the ISO 9002 Quality Standard by QMI for five years and is now registered to the new ISO 9001:2008 standard (through 2012) by SAI Global.



2003 to Present Recognized by Deloitte & Touché and The National Post as one of 17 Canadian Companies named to the Elite 50 Best Platinum Club. To be eligible for the Platinum Club, companies must prove their ability to sustain a standard of excellence and leadership in all areas of business best practices and to have been successful participants in the program for six consecutive years. As a matter of fact, we have retained this designation for nine consecutive years.



Carriers Edge names MSM Transportation as one of North America's Best Fleets to Drive For in 2010. Best Fleets to Driver For is an annual survey and contest conducted by the Truckload Carriers Association and CarriersEdge which identifies North American companies that provide the best workplace experiences for company drivers and owner-operators. MSM Transportation is very proud of our professional drivers and is honoured to have received this award.



Canada's Top 100 Employers, hosted by MacLean's magazine, is an annual event which recognizes the best places in Canada to work. Employers are compared to others within its industry and region who offer exceptional working conditions and human resources policies. At MSM Transportation, we believe that one of the reasons that we are leaders in our industry is due to our ability to attract and retain quality employees.



Los Angeles Business Journal names MSM Canadian Transport as one of Los Angeles' 100 Fastest Growing Private Companies.



2001 ATA Sales and Marketing Convention, MSM won the following awards in our category...

- 1st - Specialty Items
- 1st - Music on Hold
- 2nd - Print Advertising
- 3rd - Website



2000 ATA Sales and Marketing Convention, MSM won the following awards in our category...

- 1st - Print Advertising
- 1st - Sales Literature
- 1st - Specialty Items
- 1st - Website



Over a five year period, MSM raised over \$600,000 for the Stephanie Gaetz Keepsafe Foundation. This charity is dedicated to the elimination of childhood accidents, the leading cause of death of Canadian children.



1997 to 2009 Recognized by Arthur Anderson and The National Post as One of Canada's 50 Best Managed Companies. The Board allows you to keep this designation for three years provided that you re-qualify on an annual basis. MSM has held this ranking for thirteen consecutive years!

National
Transportation
Week

1999 Mike McCarron, MSM's Managing Partner is presented with an Award of Excellence by the Board of Directors of National Transportation Week for his, "Outstanding contribution to the betterment of the transportation industry in Canada".



1996 to 1999 Recognized by Profit Magazine and One of Canada's Fastest Growing Companies the previous five years.



1998 ATA Sales and Marketing Convention, MSM won the following awards in our category...

- 1st - Overall Marketing Campaign
- 2nd - Truck Graphics
- 2nd - Specialty Literature
- 2nd - Sales Literature

Our Services

- **NORTH AMERICAN TRUCKLOAD AND LTL SERVICES:** MSM offers both LTL and TL services within the North American market. We move over 50,000 LTL shipments a year between Canada and the United States. This volume gives us the base needed to move freight faster and more reliably than ANY other load broker, freight broker, other trucking company, consultant or 3PL operating in today's transportation landscape.
- **DISTRIBUTION:** MSM Transportation provides tailor-made supply chain solutions that are designed to solve the unique challenges of our customers which allow them to focus on their core business. MSM is proud to offer cutting edge distribution solutions that enable our customers to get their products to their target markets efficiently, effectively and on-time.
- **WAREHOUSING & CROSSDOCK:** The MSM Group of companies owns and operates facilities in Bolton, Ontario, Canada as well as in Santa Fe Springs, California, USA. MSM offers both short and long-term storage, warehousing, cross dock services, inventory control management and to complement all of our services, we offer a wide range of customer reporting through our state of the art inventory management software.
- **MSM DEDICATED FLEET SERVICES:** MSM Dedicated Transportation Services provides Power Units, Drivers and Trailers to our customers on a contract basis. Our Dedicated Fleet Services allows you to focus on your core business while MSM takes over all the headaches, worries, expenses and liabilities that come with owning and operating a fleet of trucks.
- **MSM TRAILER STORAGE SOLUTIONS:** MSM has solutions for your long and short-term storage needs. We have hundreds of clean, road-worthy, white, generic trailers available by the day, week, month or year. Let us work with you on a cost effective solution to free up some space in your warehouse.
- **MSM WORLDWIDE:** MSM provides overseas transportation and logistics solutions to and from North America - servicing over 172 countries.
- **MSM US DOMESTIC:** Providing direct, team driver LTL service to the Northeastern U.S. from Southern California. Our regular schedules ensure expedited transit times, reduction in handling your product and consistent on time delivery.
- **MSM FLATBED:** MSM has a separate flatbed division offering the ability to do truckload, LTL as well as over dimensional freight.

Our Vision & Purpose

A Better Way to Do Business

Bob Murray and Mike McCarron established MSM Transportation in 1989 as an alternative to the American trucking companies that dominated the trans-border market. Their prior experience working with large carriers and freight brokerage operations had a major impact on the way the MSM Group of Companies does business and treats clients today.

Everything we do is focused on delivering genuine value to the transportation needs of our customers, being honest with them, and welcoming their communications. As we look for new opportunities to grow and add revenue streams, our field of view is dominated by six important tenets:

- **CUSTOMER SERVICE:** Customer Service is the cornerstone of the MSM experience. It is what separates us from our competition. Our numerous awards and constant validation from our customers, suppliers and employees reinforces our belief that MSM is the industry leader in Customer Service.
- **QUALITY MANAGEMENT:** Quality at MSM is a process not dependent on any one individual. As a team, we guarantee 100% satisfaction or we pay the freight bill. Our commitment to quality is reflected not only in our guarantee, but in our adherence to ISO 9002 standards.
- **UNIQUE DISPATCH SYSTEM:** We are at the center of the freight transaction. When we combine our own capacity with that of our trusted partner carriers, the result is a powerfully effective solution to the need for available trucks and consistent customer service. We provide the highest level of service, comprehensive geographic coverage, and the fastest transit times of any provider in the industry.
- **INTEGRATION:** We are not a brokerage company with trucks or a trucking company that brokers. We build sales opportunities as an integrated group of companies. We shape transportation strategies that advance a customer's objectives, set it apart from the competition, and build strong, reliable, cost-effective supply chains.
- **CORPORATE CITIZENSHIP:** We reinforce the positive, collaborative relationship between the MSM Group of Companies and the people in our communities. As advocates for the trucking business, community involvement promotes sales opportunities and generates interest.
- **TECHNOLOGY:** It's always a good time to invest in technology. We're in the early stages of the third major generation of the technology revolution. The first generation was the mainframe. The second was client-server computing. Now, we are in the Internet stage, and there is nothing on the horizon that will succeed this. A significant amount of global gross domestic product is being digitized through the Net. Every business needs to participate in this explosion.

More than 20 years later, these tenets have paid off: the MSM name—synonymous with integrity and outstanding customer service—is our most valuable asset.

The MSM Quality Management System

We guarantee 100% satisfaction or we pay the freight bill. Our commitment to quality is reflected not only in this guarantee, but in our adherence to ISO 9002 standards.

- The MSM Quality Management System has been registered to the ISO 9002:1994 Standard by the Quality Management Institute since March 7, 1998 and updated to the 9001:2000 Standard in 2003. MSM's system recently went through a comprehensive external audit and has been re-registered for another three years, to August, 2009.
- At MSM, quality is a byproduct of a process. Quality is not dependent on any one person or group of people but rather the consistent execution of the Quality Management System.
- MSM employs a full-time quality manager.
- All procedures are documented and non-conformances are reviewed. Growth creates problems—which create opportunities. Sometimes, corrective action involves making new procedures if it means improved service quality, safety, or cost containment.
- When there is a service failure, we not only review why it happened but how it was communicated.
- Our quality pledge extends to our partner carriers. We audit and qualify those carriers for customer service.
- MSM's damage claim ratio last year was .02%. Our system of moving shipments on one linehaul truck between the United States and Canada minimizes damage claims.
- In the nine five years, MSM Transportation has been voted both the No. 1 Canadian LTL carrier and the top provider of customer service in the entire Canadian transportation industry by the readers of Canadian Transportation & Logistics magazine.

The MSM Quality Management System is the result of our passion for excellence and a continuous effort of improvement. Our processes from order entry to delivery are designed to provide the very best service possible, and are monitored carefully and analyzed regularly to confirm reliability and promote continuous improvement. This gives us the ability to react quickly to correct any potential problems proactively. MSM's focus on customer service is

second to none.

Customer Satisfaction through On-Time-Delivery is our prime goal, and MSM customers are paramount in our daily decisions and successes.

Note: Copies of our ISO certificate (PDF format) are available upon request.

Customer Service

MSM has been set up in a fashion which allows the supporting infrastructure to be easily transferred to our customers and suppliers by virtue of our well developed Quality Management System (QMS). This quality system gives Management the ability to identify and solve problems at their root cause. All procedures at MSM are fully documented in the Company's Quality Assurance and Procedures manual. The ISO standard of continuous improvement is an integral part of the MSM culture and has allowed the Company to consistently deliver high customer satisfaction while maintaining cost efficient and profitable operations.

Raising the Bar on Customer Service

Through our annual Customer Survey, MSM determined that our customers valued the following in order of importance: 1) Price 2) On-Time Pick up and Delivery 3) Honesty/Trust and 4) Proactive Communication. As MSM offers a premium transportation service we will rarely compete for business when price is the main focus. Through our ISO registered Quality System, we know that our on-time pick up & delivery service is ninety eight percent, which is above the industry norm. We therefore decided to look for ways to improve on our ability to deliver exemplary customer service with Honesty, Trust and Proactive Communication as the key focal points. It has always been our belief that it is our high level of customer service that separates MSM from its competition. Regardless of the fact that since 2003 MSM has been ranked by "Shipper's Choice Magazine" as the # 1 Carrier for Customer Service, we felt confident that we could raise the bar yet again.

In March of 2005, MSM redesigned our Customer Service model to allow for the assignment of specific customer service reps to each individual customer. All of our CSR's were equipped with Blackberry Cell Phones to allow them to be accessible by our customers 24/7/365. Two more Customer Service reps were immediately hired and trained. We believe that our previous generic brand of customer service has since been improved upon by offering a customized brand of customer service. We have vastly increased our customer product knowledge, increased our understanding and ability to meet our customer's special handling needs and improved on the level and quality of communication. Further, we believe that this new system has fostered stronger relationships between our customer contacts and our Customer Service Reps, who are now encouraged to meet face to face with our

customers, initiate facility tours and to participate in all entertainment activities outside of MSM. We have effectively made our Customer Service Team an extension of our Sales Team.

Shortly after these changes were put into effect, positive feedback began pouring in from our customers. Our customers felt that they had a stronger voice within MSM, someone who understood their specific shipping needs and would follow through on the smallest of details. They were pleased with the heightened level of consistency in our service and took great comfort dealing with the same person each day. In a business environment where you can never seem to get the same person on the phone twice, we feel that these fundamental changes in our Customer Service philosophy will secure our # 1 ranking by Shipper's Choice Magazine as the Top Overall Carrier for Customer Service.

Technology

INTERNET MODULE

As an instantaneous link to information on a global level, the Internet is proving to be an indispensable part of modern communications. MSM maximizes this technology in a way that allows us to become integrated within our customer's operating environment to ensure the most efficient, reliable and secure means of transferring data between our organizations. In response to this exciting new trend in electronic communications, MSM has developed Internet based Load Tracking (an on-line application currently being offered by only a handful of the largest U.S. carriers). This application effectively allows you to download the on-going status of loads booked with MSM (this utility is similar in design to the tracking service currently available from Fed Ex™). The result is that you can get the required load information without tying up your staff on the telephone. Obviously, security is a big concern when confidential information is being transmitted across phone lines. To bolé those concerns, we have integrated a fail-safe security system which protects against unauthorized access into our servers:

SECURITY FEATURES

- In order to establish a successful link, you are required to enter an "Internet Customer I.D.and secret pass-code assigned in order to view load tracking comments.
- You can search by MSM's Load Number, PO Number, Bill of Lading Number or Container Number.
- Additional firewalls have been implemented to ensure that all data remains impenetrable to external manipulation at all times!
- MSM can also automate this process that shipment status updates are automatically sent over to our customers via email or EDI.

We are confident that the implementation of the Internet load tracking utility will a) decrease the frequency of unnecessary communication b) provide those businesses with a modern, high tech image attractive to both existing and prospective clients of their services, c) further solidify the Internet as a viable and practical platform for transportation communications and operations, and therefore d) lead to further development of additional on-line applications by the designers at MSM (features like automated rate searches and on-line booking screens are already available)

OTHER TECHNOLOGICAL HIGHLIGHTS

- MSM provides all levels of EDI participation and capabilities,
- Accelerated Commercial Release Operations Support System (ACROSS) participant,
- Customs Automated Data Exchange (CADEX) participant,
- Release Notification System (RNS) participant, and
- Canadian Automated Export Declaration (CAED).
- On-Line Load Booking and Document Retrieval.
- On-Time Service Reports and other customized activity reports based on customer's needs.
- Microdea's "Synergize" Document Imaging Software is what powers MSM's Document Imaging System. This cutting-edge product is fully integrated within our Operating System and Web-Interface so that we now provide our external and internal customers, as well as suppliers, with the ability to access their shipping documents, invoices, activity reports, customs clearances, and many others, via the internet.
- Cancom / QUALCOMM satellite tracking systems are installed onto all of our highway units. This software gives us the ability to track all of our equipment 24/7/365, and more importantly, has been interfaced with our customer web-tools to allow our customers to access the location of their products whenever they feel the need to do so.
- Frontline staff equipped with Blackberry's allowing them to be accessible to our customers and suppliers 24/7/365 via cell or email.
- VPN capabilities are available to numerous departments including Sales, Customer Service, and Management to ensure 24x7x365 secure remote access to our operating system.
- PC Miler, Version 21, is used at MSM to allow our Truck Dispatchers to optimize revenue per mile and, more importantly, reduce the number of empty miles driven.

- All MSM employees have desktop PC's and are given full access to the internet so that they can communicate effectively and efficiently with customers and suppliers as well as access key information to enable them to perform their job functions at a maximum level.

OS&D Claims Management Philosophy

Our goal is the delivery of our customers' product to the right place in the right condition at the right time.

By nature, MSM's service is designed to reduce the risk of damages and shortages by offering a "Direct Linehaul Service" to our customers. This means that the truck that picks up your shipment will be the same truck that will deliver your shipment. Our Award Winning System reduces the risk of damages and shortages by eliminating the additional handling that a traditional "Hub & Spoke" system would utilize.

However, MSM does recognize that damages can still occur from time to time. When they do occur, our documented Quality System ensures that we determine the root cause, implement a corrective action and verify that the corrective action was effective. All OS&D Claims are recorded and undergo analysis in order to identify opportunities for improvement.

MSM: OS&D CLAIMS SUBMISSION INSTRUCTIONS

Time Limits

The Bill of Lading contract specifies that the claim must be received by the carrier within 60 days after the delivery of property or, in the case of non-delivery of the entire shipment, within 9 months.

Filing the Claim:

Only the Shipper, the Consignee, or a Third Party who has title to the goods may file a claim.

To file a claim with MSM, please mail, fax or email your claim to:

MSM Transportation Inc.
124 Commercial Road
Bolton, Ontario Canada
L7E 1K4

Email: tduffy@shipmsm.com
PH (905) 951 - 6800
FX (905) 951 - 6818
ATTN: OS&D CLAIMS DEPT.

Documentation Requirements:

In order to ensure that your claim is processed as quickly and efficiently as possible, it is important to include the following information and or documentation when filing your claim.

1. Formal claim submission letter showing the merchandise that was lost or damaged and how the amount of the claim was determined.
2. Proof of payment of freight charges (This will have to be provided by the billing party).
3. In the case of product replacement, certified copy of the commercial invoice (Outlining the commercial value of the commodity claimed and or the manufacturer's cost to replace) or, in the case of product repair, original or certified copy of the commercial invoice (Outlining the cost paid for repair or replacement of damaged parts).
4. Original proof of delivery (POD) or certified copy
5. Any other particulars obtainable in the proof of loss or damage claimed (this would include photographs of damaged freight).
6. Total value of claim
7. Estimated salvage values for damaged goods and the location of those goods.

Once your claim has been received with the proper documentation, MSM will immediately send you a written acknowledgement of your claim.

MSM will make every attempt to settle your claim within 30 days from receipt; however, some claims may take longer to investigate. If your claim cannot be settled within 90 days, MSM will advise you of the nature of the delay and what needs to be done in order to conclude our investigation. MSM will keep you informed at 60 day intervals until your claim is settled.

If a delay in settling your claim occurs and you feel that the delay is excessive, please feel free to contact our Director of Operations, John Wheeler at: (800) 667-4175 x:2266.

Community and the Environment

We reinforce the positive, collaborative relationship between the MSM Group of Companies and the people in our communities. As advocates for the trucking business, community involvement promotes sales opportunities and generates interest in the services we provide.

- As the owner of the St. Michael's Buzzers, we host several fundraisers each year

including a sports celebrity dinner and charity golf tournament. The goal is to raise money to help reduce the cost of minor hockey. Far too many young men and women are not playing the game today because their parents cannot afford the spiraling costs. Our recent sports celebrity dinner raised \$75,000.

For MSM, these charity events are an opportunity to bring suppliers and customers together for a good cause.

- Bolton, Ontario, is situated north of Toronto with easy highway access. It has proven to be a great place to find quality employees at pay scales far below more urbanized areas of Toronto. Many of our employees were referred to us by friends already working at the company.
- From 1997–2001, MSM employees raised more than \$600,000 for the Stephanie Gaetz Keepsafe Foundation. This charity is dedicated to the elimination of childhood accidents, the leading cause of accidental death of Canadian children.
- In 1999, MSM managing partner Mike McCarron was given an Award of Excellence by the Board of Directors of National Transportation Week for his “outstanding contribution to the betterment of the transportation industry in Canada.”

Environmental Principles

Realizing that the world’s natural resources are limited and fragile, MSM considers environmental protection to be consistent with its overall goals and values and as an important consideration in its total activities. This commitment to environmental protection is reflected in our policies, programs and practices for conducting operations in an environmentally as well as economically responsible manner.

Furthermore, MSM recognizes that effective environmental management can positively impact our profitability in several important ways. First, programs designed to make efficient use of natural resources often minimize operating costs. Second, environmental quality programs help sustain and enhance the Corporation’s presence and reputation in domestic and international markets. Third, compliance programs minimize risk and potential legal liability. In these ways and more, environmental protection is viewed by the Corporation as important to the economic well-being of the Corporation.

ENVIRONMENTAL POLICY STATEMENT

Environmental protection is a management responsibility as well as the responsibility of every employee of our company. This policy concerning environmental protection addresses aspects of MSM’s operations which can potentially impact the environment.

MSM is committed to the following environmental practices:

- Conduct its operations in compliance with applicable laws, regulations and standards

concerning environmental protection and provide a mechanism for self-monitoring to ensure compliance and continual improvement.

- Establish environmental objectives and targets relevant to the environmental impacts of our activities and a means to measure progress against these objectives.
- Continually improve environmental management policies, programs, and performance, based on the results of our periodic reviews and taking into account regulatory developments, customer needs, technical developments, scientific understanding, and community expectations.
- Minimize the environmental risks to our employees and the communities in which we operate.
- Promote employee awareness of environmental concerns, actions and responsibilities.
- Promote the adoption of environmental protection goals and practices by contractors and suppliers acting on behalf of the Corporation, strongly encouraging improvements in our contractors' and suppliers' practices to make them consistent with those of MSM.
- Operate facilities and conduct our activities taking into consideration the efficient use of energy and materials.
- Reduce and, where possible, eliminate waste through recycling. Handle and dispose of all waste through safe and responsible methods.

Health and Safety

Centre of Research Expertise for the Prevention of Musculoskeletal Disease (CRE-MSD)

MSM Transportation along with the University of Waterloo, two Ontario research organizations and the transport sector's health and safety association are collaborating on a project to examine MSD prevention in the transportation industry. The study is in its first of two years. The conference has been looking at existing practices around the world and gave participants the opportunity to discuss barriers and facilitators to adopting MSD-prevention changes.

Strategic Objectives

- Develop a coordinated, coherent, province-wide program of world-class MSD-prevention research.
- Increase research capacity in the prevention of MSDs in Canada.
- Develop a knowledge-transfer strategy through the creation of collaborative relationships with users of research.
- Put in place an infrastructure, staff, organization and strategic planning process.

Transportation Health & Safety Association of Ontario (THSAO)

MSM is an active participant in THSAO. This association is one of 14 sector specific workplace associations dedicated to the advancement and promotion of safe workplace practices in businesses across Ontario. The safety associations are mandated by the Workplace Safety and Insurance Board Act and engage in education and training, consulting and safety assessments in those workplaces, in pursuit of that objective. As our title denotes, THSAO is dedicated primarily to working with companies and personnel in the transportation industry.

Highlights - Complex Cargo

GlobeStar Mining Corporation – Project Dominican Republic

MSM is proud to be the primary transportation & logistics solution provider to GlobeStar Mining for all of their North American TL, LTL, CL, LCL and specialty moves for shipments needed in the start-up of their nickel and copper mine located in the Dominican Republic. To Date, MSM has transported over 300 shipments of all shapes, sizes and weights on their behalf. GlobeStar Mining Corporation (“GlobeStar”), an emerging copper and gold producer in the Dominican Republic. GlobeStar is currently constructing the Cerro De Maimón mine which is slated for completion in the fall of 2008. Cerro de Maimón will be the first new copper-gold mine in the Dominican Republic. GlobeStar’s mission is “To be the premiere emerging mining company creating stakeholder value through sustainable and responsible growth.”

Progressive Fixture Solutions

Progressive Fixture Solutions (PFS) is a Mississauga Ontario based company that was founded in 2001 by a team of highly skilled individuals who shared a vision of service excellence. PFS services the retail industry with high quality custom designed store fixtures. Some of their clientele includes: Macy’s, Aveda, Footaction, Liz Claiborne & Footlocker. MSM has managed more than two dozen “roll-out” projects for PFS. Simply stated, when Footlocker updates their displays at their 1,430 retail locations across North America, MSM is the transportation solution that PFS chooses to ensure that delivery happens on-time and damage free.

MSM Tradeshow Services

MSM Transportation Trade Show Division has been appointed as the Official Show Carrier for such world class events as The Canadian Machine Tool Show (CMTS), The Canadian Woodworking Show, Truck World, The Ontario Golf Show, High Tech Show, Poultry Show, Canadian Convenience Show, Assembly Canada, Consac Show and The Toronto Music Industry Association (MIAC). As the Official Show Carrier, it is our responsibility to ensure that hundreds of show vendor displays are picked up from all over the globe and delivered to the show venue on time and damage free. Upon conclusion of the show, MSM will further ensure that all displays are returned back to the show vendors, again, on-time and damage free.

AT & T World Series Project

In 1994, MSM was chosen by AT&T Canada to provide transportation and logistics for the World Series Project. The World Series Project was a result of AT&T’s purchase of twenty percent of Cantel (Rogers). The acquisition was done with the provision of AT&T supplying the technology and equipment for the set up of Cantel’s Canada wide wireless communications network. This project required MSM to set up three main logistics and distribution centres in British Columbia, Ontario and Quebec. The commodities involved in this project ranged from \$1,000,000 switches to fibre-optic cable along with all related

supplies, equipment and materials. This project was in effect for twenty four months.

Orenda / Magellan Aerospace

General Electric, Pratt & Whitney, Honeywell, and Rolls-Royce: these are the premier manufacturers of the world's best aerospace and industrial engines. And each builds power plants using Orenda manufactured components. MSM has serviced Orenda and its distinguished portfolio of customers for over fifteen years. Orenda's highly sensitive freight requires precision handling as well as precision service. MSM is very proud to be one of Orenda's transportation & logistics solution providers.

MSM Group of Companies Named Official Trucking and Logistics Company of the Hockey Hall of Fame

TORONTO (Sept. 17, 2007) -- The MSM Group of Companies today announced an agreement to become the official trucking and logistics company of the Hockey Hall of Fame, the shrine dedicated to preserving the sport's most treasured artifacts and greatest achievements.

As part of the arrangement, MSM will be responsible for coordinating warehousing, customs clearance, and transportation of the Hockey Hall of Fame's mobile exhibits, interactive games, and other public outreach programs.

"We are proud to partner with the Hockey Hall of Fame and to help communities across North America connect with the history and pageantry of the sport," said Mike McCarron, managing partner of the MSM Group of Companies. "It's an honor to be entrusted with such a prized collection and to be part of the Hockey Hall of Fame family."

At any given time, only a small fraction of the collection is on display at the Hockey Hall of Fame in Toronto. Each year, an extensive travel schedule brings trophies, artifacts, and other treasures of the game to thousands of hockey fans in their communities.

The exhibits will be in good hands. The MSM Group of Companies offers a wide range of commercial transportation services in the United States and Canada and is one of the leading providers of trade show exhibit transportation in North America.

The agreement also strengthens MSM's involvement with the hockey community. The company owns the St. Michael's Buzzers of the Ontario Provincial Junior A hockey league, a revered institution of St. Michael's College School in Toronto.

"The Hockey Hall of Fame promotes the values we aspire to in our business: commitment, excellence, and achievement," said Bob Murray, president of the MSM Group of Companies. "This partnership is all about preserving and sharing the rich history of hockey, and we're excited to help carry on the tradition."

Testimonials...The Voice Of Our Customers

“We have been shipping with MSM for 2 ½ years now and it has been a pleasure working with a company that provides excellent customer service, zero damages and timely pick-ups and deliveries” Erina Hiji, Production & Logistics, Mitsubishi Inc.

“It is great to finally find a company that just doesn’t talk about service but actually does something about it. You have built one hell of a team. Little wonder you are one of Canada’s 50 Best companies”. Ken Lemm, President, Lemm Enterprises Inc.

“If I can count on MSM to move my Harley all over North America, and you all know how I feel about my Harley, you can trust them to move your product as well”. John Derringer, Host, Q107 Morning Show.

“I don’t know how MSM does it, but it always gets done and that’s all that matters”. Richard Reuter, Logistics Manager, Teva Novopharm.

“When we decided to switch from MSM to a lower cost competitor, the money that we saved was quickly lost as a result of poor service, lost and damaged freight and lost customers. Thanks for having us back MSM, we sure missed you”. JD Blades, VP Sales & Marketing, Zodiac Hurricane.

“Four years ago I decided to try MSM as I was having some problems shipping to a specific customer and I kept hearing about this MSM Company. Today, MSM moves well over 1,000 shipments for Krug all over the US. Our delivered service has never been better. “ Joe Kelly, Vice President Distribution, Krug Inc.

Disaster Recovery Plan

MSM has developed extensive Disaster Recovery Plans that covers all scenarios ranging from Power Outages to Destruction of Facilities. We have also developed a contingency plan to cover a Pandemic Scenario.

Security

CUSTOMS-TRADE PARTNERSHIP AGAINST TERRORISM (C-TPAT)

Partner Name: MSM Transportation, Inc.

Doing Business As:

C-TPAT Account Number: 62706507

Business Type: Highway Carrier - U.S. / Canada

Account Status: Certified, Non-Importer, Validation Completed

SCSS: Catherine Giarraputo (catherine.giarraputo@dhs.gov)

Phone: 908-353-6818 x224

Office: Newark

Primary Point of Contact: John Wheeler (jwheeler@shipmsm.com)

Phone: 905-951-6800 x266

PHYSICAL ACCESS CONTROLS - EMPLOYEES

MSM has one facility in Bolton, Ontario, Canada. This facility is secure with only one point of entry for personnel. MSM policy is very clear that all visitors must sign IN and OUT. The MSM receptionist will verify visitor identification. All visitors must be accompanied by MSM staff at all times; all visitors must wear ID tags. The MSM IT Manager is responsible for the set up and assigning of security codes to employees for access to the facility. MSM does not hire transient workers or workers from agencies. All MSM employees are given MSM Identification Tags at point of hire.

PHYSICAL ACCESS CONTROLS, VISITORS/VENDORS/SERVICE PROVIDERS

MSM policy dictates that all visitors and vendors must have appointments, "cold calls" are against company policy. We have a live receptionist who is responsible to ensure that guests and vendors sign in and out at reception. All MSM personnel have been trained to question, stop and remove any people not wearing badges or not signed in properly.

PHYSICAL ACCESS CONTROLS, CHALLENGING AND REMOVING UNAUTHORIZED PERSONS

MSM has trained all staff to question, challenge and call management if any person(s) is/are found on MSM property without an identification badge.

PERSONNEL SECURITY, PRE-EMPLOYMENT VERIFICATION

MSM checks references, verifies prior employment, keeps all employee files indefinitely and demands a police screen prior to employment. This police check is against the Labor Law in Ontario but MSM Management has agreed that it is essential for our long term business plan. We are willing to challenge any potential hire to this labor law.

PERSONNEL SECURITY, BACKGROUND CHECKS/INVESTIGATIONS

MSM demands that all prospective employees provide a current police background check with their application for employment.

PERSONNEL SECURITY, PERSONNEL TERMINATION PROCEDURES

MSM removes keys, security codes, and IT access immediately for all terminated employees.

PROCEDURAL SECURITY, DOCUMENTATION PROCESSING

MSM document control is maintained in dispatch. Dispatch personnel have a password protected system to create electronic manifests. MSM does not use manual manifests, all shipping documents must be system generated.

PROCEDURAL SECURITY, DOCUMENT REVIEW

MSM staff is trained to report any suspicious new customers and suspicious freight descriptions and also all new consignees must be called prior to delivery. This practice ensures we have the proper data that the shipper provided us with and it also allows our staff an opportunity to check out where the driver is being asked to deliver. MSM will not accept COD or cash for any shipments.

PROCEDURAL SECURITY, BILL OF LADING/MANIFESTING PROCEDURES

MSM is a registered ACE user with US Customs. This initiative demands that all pertinent parties related to all US destined shipments must be filed with US Customs a minimum two hours prior to arrival at the US port of entry.

PROCEDURAL SECURITY, CARGO

MSM will only use an electronic manifest. This manifest must have accurate pieces, weights, skids and product description. This manifest will also become the ACE manifest and must meet all the ACE regulations.

PHYSICAL SECURITY, FENCING

MSM's terminal is 100% surrounded by a 6 ft fence with an additional 2 feet of barbed wire on top.

PHYSICAL SECURITY, GATES AND GATE HOUSES

MSM only has one drive-through gate. This gate has a guard house and the gate is monitored 24 / 7, 365 days a year.

PHYSICAL SECURITY, PARKING

MSM does allow employee parking within the fencing. However the personal vehicle parking is clearly marked and is a minimum of 300 ft from the trailers.

PHYSICAL SECURITY, BUILDING STRUCTURE

MSM facility is made of concrete block; we do NOT have windows that open. All man doors are solid steel and alarmed.

PHYSICAL SECURITY, LOCKING DEVICES AND KEY CONTROLS

MSM monitors the one gate 24 / 7, 365 days a year. Our building does not have windows

that open and keys are strictly controlled by the IT Manager. No trailers are parked with doors open due to trailer damage as well as security reasons.

PHYSICAL SECURITY, LIGHTING

MSM's Yard is well lit with adequate lamp poles. These lights are on a timer and are maintained by our in-house maintenance personnel.

PHYSICAL SECURITY, ALARMS SYSTEMS & VIDEO SURVEILLANCE CAMERAS

MSM utilizes ADT to monitor all shipping doors, man doors and motion sensors which are in all areas of the facility. The Yard is protected by personnel 24 / 7, 365 days a year.

SECURITY TRAINING AND THREAT AWARENESS, THREAT AWARENESS PROGRAM

MSM educates all staff about our C-TPAT responsibilities during our quarterly staff meetings. The owners of MSM and the management team support and willingly contribute to this C-TPAT initiative. MSM Drivers have a safety bonus that will now include security incentives.

INFORMATION TECHNOLOGY SECURITY, PASSWORD PROTECTION

MSM computer users all have passwords. These passwords are changed periodically. Each user has access which is limited to their function at MSM. All users can be tracked to which functions they have used. MSM does not have access to the manifest function from outside the dispatch area. Only the Operation Manager can assign new users to the system.

INFORMATION TECHNOLOGY SECURITY, ACCOUNTABILITY

MSM only allows its users to perform the functions within their specific job scope. This is a very narrow and defined user access system.

What Sets Us Apart

We are too big to be small and too small to be big. This translates into a level of service where our customers are more than just a number. We have the flexibility, technology, and experience that allow us to custom tailor your service to exceed the needs of you, your customers and you suppliers. MSM is very proud of our accomplishments, awards and reputation in the industry for being the # 1 provider in Customer Service. Our non-existent staff turnover ensures that the people that we deploy to manage your account remain on that team. It gives us the advantage of allowing you to become familiar and comfortable with the people at MSM directly responsible for developing and managing the processes, which gives them great insight into how to improve the process, improve communication and work to improve service while driving down costs. Our Team is empowered to make decisions which leads to a great sense of pride and accomplishment in your confidence with MSM. Our goal is to simply "knock your socks off".

Credit Information

Il Name of Company: MSM Transportation Inc.
Billing Address: 124 Commercial Rd, Bolton, ON. L7E 1K4
Physical Address: Same as Above
Building: 24 Door Cross-Dock Facilities with Warehouse
(Owned), Fenced Yard with Separate Guard House.
Telephone Number: 905-951-6800
Fax Number: 905-951-6815
President: Robert J. Murray
Managing Partner: Mike McCarron
Accounts Payable Contact: Brandy McClymont (ext: 2222)
Type of Business: Transportation & Distribution Services
Incorporation Date: September 1st, 1989
Number of Employees: 150
Dun & Brad Acct#: 24-831-3199
Payment Schedule: Net 28 days from date of receipt of invoice.
Special Billing: Carriers Only: POD MUST be attached to your invoice
and MSM's Load# MUST be referenced on your
invoice.
Bank Name: TD Canada Trust
Address: 2300 Steeles Ave, W, 2nd Floor, Suite #200, Vaughan,
ON. L4K 5X6
Phone Number: 905-660-4091
Fax Number: 905-660-5942
Contact: David Ellsworth
Affiliated Companies: MSM Canadian Transport, LLC (Los Angeles, CA)
MSM Dedicated Transport (Bolton, ON)
St. Michael's Buzzers Junior A Hockey Club (Toronto,
ON)
MSM Worldwide (Bolton, ON)
MSM US Transport (Los Angeles, CA)

Credit References

Harland Veinotte Ltd.
Morrisburg, On
PH (613) 543-3753
FAX (613) 543-4401
Contact: Randy Veinotte

ASKK Technologies Inc.
Bolton, On
PH (905) 857-7776
FAX (905) 857-7710
Contact: Ann Carpenter

Dun & Bradstreet Canada Ltd.
365 Bloor St. East
Toronto, On
PH (416) 963-6193
DUN#: 248313199

Kris Kay
Brampton, On
PH (905) 456-8902
FAX (905) 456-9986
Contact: Donna Kersey

TDS Trucking
Brampton, On
PH (905) 455-5549
FAX (905) 455-1166
Contact: Oona Morton

Borg Mobile Trailer Repair
73 Standish St.
Georgetown, ON
PH (416) 565-1919
Contact: Jeff Short

PLEASE VISIT OUR WEBSITE AT: www.shipmsm.com

Final Message

As a final note we would like to say Thank you for giving MSM Transportation the opportunity to earn your business.

Sincerely,

The MSM Family