



“THE INSIDER” QUARTERLY REPORT

Company Quarterly Report

MAY 2011

Note from John

Since the last news letter we have had some changes occur at J & S Transport and in the industry. Minor changes have occurred at J & S Transport that may have little impact on how we conduct our day to day business. However, significant industry changes have occurred with the introduction of CSA 2010, FMCSA texting band, FMCSA Pre-employment Screening Program (PSP), and the most recent Notices of Proposed Rules Making (NPRM's) that have been released by PHMSA and FMCSA concerning Hours of Service, Loading and Unloading Risk Assessment, Wet Lines and Hazmat Regulation.

In addition, to the new changes mentioned above there have been new Directors and Administrators appointed to FMCSA, OSHA and the Labor Board. These new changes will have a dramatic impact on regulations and additional scrutiny on carriers and drivers. The regulatory agency changes will have a significant impact on how business will be conducted in the fuel hauling industry.

We at J & S Transport have kept ourselves abreast of the regulatory changes and have immediately disseminated that information to our staff and drivers as effectively and expeditiously as possible. Be assured that as changes continue to occur it will be immediately communicated to the entire staff.

New Employees

We would like to welcome aboard our recently hired employees:

Robert Bryson – Bob is coming to us from Murphy & Sons with a tremendous amount of experience hauling gravel and other products.

Michael Sheehan – Mike has a diverse background working most recently for a concert staging company and formerly drove for Quality Trucking.

James Donovan – Jim had a long career at DHL then moved on to Exxon/Mobil

Joe Kearns – Joe worked a number of years for J.P. Noonan and most recently for Trans Gas.

The new members of our team have shown to be a tremendous asset to our organization. Please take the time to welcome Bob, Mike, Jim and Joe to our family.

Annual Safety Meeting

The annual safety meeting was conducted this year at the Peabody Marriott on March 12, 2011. It was a successful meeting, having guest speakers that included Bob Mucci from Wolpert Insurance, Ken Haigh, Safety Director at Fleet Safety and Justin Hickman, Risk Manager, from Federated Insurance.

Presentation and discussions were conducted on topics such as team safety, workers compensation, distracted driving and CSA-2010. A major part of the discussion was CSA 2010 that was delayed from being implemented in July until November 2010. However, it is now in full swing with letters already issued to carriers that had BASIC metric issues. The CSA acronym has been changed from Comprehensive Safety Analysis to Compliance, Safety, and Accountability. As mentioned during our discussion, CSA 2010 is designed to be an enhanced carrier monitoring program that will provide more scrutiny on carriers to reduce the number of accidents and fatalities. CSA 2010 will replace the current Safer Web. CSA 2010 will not be measuring drivers.

The following photos show the presenters and awards given out during the meeting:

Photo shows Justin Hickman, Risk Manager, Federated Insurance presenting to the classroom.



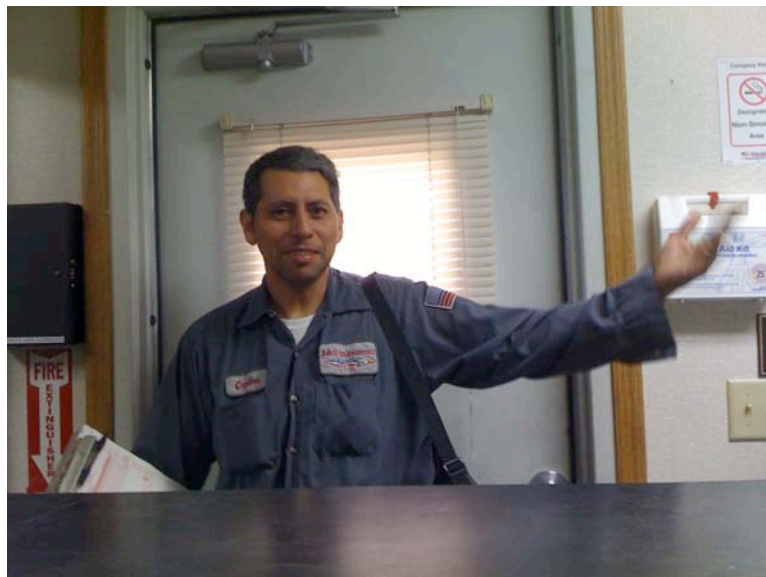
Photos show presenters from left to right: Ken Haigh Fleet Safety, and Bob Mucci Wolpert Insurance.



Photos show from left to right: Bill Hinchliffe receiving a Positive Road Observation (PRO) Award and Wayne Lee receiving his 10 Year Service Award.



Photo shows Carlos Olivar, our Driver Trainer who recently received a training award at the Annual Safety Meeting.



National Tank Truck Conference (NTTC)

The National Tank Truck Conference has held their annual safety meeting this year in Austin, TX. Rick Merryman was awarded the 2010 Safety Director Grand Award. This was the second year in a row that Rick was presented the award.



The company will be presented the Grand Safety Award for being the safest carrier in the nation in the under 3,000,000 mile category. This award will be received in Baltimore, MD at the NTTC Annual Conference May 24, 2011. This will also be the second consecutive year receiving the award.

Industry News

Federal Motor Carrier banded texting in commercial vehicles. A fine of \$2,750 will be provided to every commercial driver caught texting while driving the commercial vehicle.

Pre-employment Screening Program (PSP), implemented by FMCSA, will allow carriers to attain driving history for any driver that is considered for employment with the carrier.

Additional Safety Training

The J & S Transport Emergency Respond service, HMHTTC, has now switched the dispatch on call responsibilities to a Spill Center in Hudson, MA. Drivers may have noticed the new Spill Center 1-800 emergency phone number labels posted on the trucks. We will be visiting the Spill Center to understand how the emergency call will be managed.

In addition, we feel that additional training on, how to manage a spill, may be warranted for our drivers. We will be investigating if we can have the Spill Center provide a training course on a mock spill emergency.

On-line training through J. J. Keller is very much on the horizon. We have reviewed a few of the on-line training courses and found them to be exceptionally helpful. It is



suspected that in the next few months the drivers will be provided notices of the on-line training course/courses.

We are currently investigating the effectiveness and cost of a Virtual Safety Driving program. The idea would be to have the company pull their truck in on site and drivers would be trained on mock driving scenarios in the truck trailer. Photo is included to give you an idea of the simulator.



Boston Hazmat Route Changes

Last year the FMCSA had denied the City of Boston to delay any further the ability for trucks hauling non-radioactive hazardous material to proceed along the Hazmat Route in the City on May 17, 2010. The City sent out a notification on May 15, 2010 stating that would follow the FMCSA ruling. However, the City changed the route from Cross Street back to Commercial Street that was established in July 2006. It is not clear where the City came up with the route in 2006 and there is no proper protocol paper trail that illustrates that Boston went through the proper procedures to establish the route.

The City of Boston expressed concerns to FMCSA that they would not be prepared to have permits issued as well as have established permanent Hazmat Route. FMCSA offered an additional 45 days to the City to get prepared. However, the City of Boston rejected the offer and felt that it was not nearly enough time.

After serious contemplation by the City, and after heavy political pressure from the State of Massachusetts Representatives, Senator Kerry in particular, Anne Ferro of FMCSA again offered and provided Boston with an additional unprecedented delay of 45 days to allow the City of Boston to establish the Permit Process.

The City of Boston provided notification that as of May 24, 2010 the designated route that needs to be followed coming from Chelsea is over the Charles Street Bridge, straight through the set of lights, onto Cross Street/N. Washington, then left onto the Rose Kennedy Parkway until the Expressway is reached. Going North on the Expressway you will required to take Exit 18 Mass Ave, down into South Station onto Atlantic Ave and follow the Hazmat Route Signs over the Charles Street Bridge.

There are still curfew hours in place to adhere to which are no hazmat vehicles in the City or on the Hazmat Route between 6 a.m.-8 a.m. and 4 p.m.-6 p.m. In addition, after curfew hours the hazmat trucks will not be allowed to go through the City unless you are making a delivery inside the Rte.128 loop that begins in Canton at the junction of I-95. If deliveries fall outside of the loop then the hazmat trucks will need to go around I-95 to get to their destination.

Numerous reports have been provided to J & S Transport of fuel trucks getting pulled over on the hazmat route in Boston and being given tickets ranging from \$500-\$1,000. Multiple tickets have been described as being issued to the driver and the carrier. We have provided documentation in all of the trucks that can be provided to the officer in the event you get pulled over. The documentation clearly defines the FMCSA and J & S Transport positions on the subject of the Boston Hazmat Route. We as a company are adhering strictly to the guidelines presented by the FMCSA and the City of Boston. Therefore, if you do get pulled over you will be on a solid legal position.

Remembrance - J & S Transport Friends and Family

John's dad, John J. Hamel, passed recently due to illness complications. John's dad was a mentor to a significant amount of J & S Transport current drivers. He was well liked and highly respected. He will be sadly missed.

John J. Hamel – Rest in Peace



U.S. Marine Corps veteran, trucking co. owner

DENVER, CO — John J. Hamel, born March 4, 1939 in Lynn, Massachusetts and died March 1, 2011 after a brief illness at the Swedish Medical Center in Denver, CO.

He was born to Nora J. (Steeves) Hamel and Roy C. Hamel of Lynn MA and was the youngest of 8 children.

John was a West Lynn native being born on Astor Street and eventually settling down on Dearborn Avenue. He was very involved with both his family and the community that include coaching West Lynn Pop Warner for 10 years and eventually becoming President for two.

He was a veteran of the USMC where he proudly served following the Korean Conflict as an MP serving throughout Europe.

His career took shape in the trucking industry to eventually culminate in starting his own trucking company Mass Petroleum Lines in Lynn MA. He retired to Torrington, WY in 2004 where he joined his Daughter Stacia and Son Nick.



John leaves his sister Audrey Pari of N. Carolina, five sons Robert, John, Nick, Matthew, and Michael; three daughters, Debbie, Gloria, and Anastasia. He also leaves many grandchildren, three great grandchildren along with many nieces and nephews.

Recently Billy Hinchliffe's grandmother had passed. Billy had a close relationship with his grandmother and was able to be her side during the final days of her life.

Marilyn V. Hinchliffe

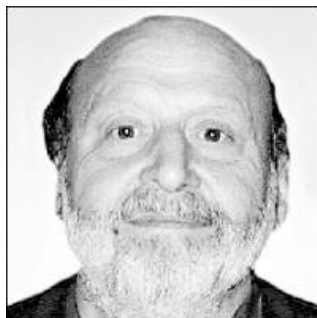


Marilyn V. (Clark) Hinchliffe, age 87, of West Bridgewater died Sunday, March 27, 2011, at Good Samaritan Medical Center after a period of failing health. She was the devoted wife for 64 years of the late Wilfred F. Hinchliffe. Marilyn was born and raised in Waltham, a daughter of the late Lewis and Viola (Jordan) Clark, and had been a resident of West Bridgewater since 1959. When her children were grown, she began a 25-year career as a floral designer with Holmes McDuffy Florist.

In her free time Mrs. Hinchliffe enjoyed reading, crocheting, painting and flower gardening. Mrs. Hinchliffe leaves 108 descendants, nine children, Fred Hinchliffe and his wife Louise of Ellenton, Fla., Patti Williams of Quitman, Texas, Marilyn Greaver and her husband Roger of Mineola, Texas, W. Patrick Hinchliffe and his wife Dottie of Calabash, N. C., Richard Hinchliffe and his wife Connie of Nashua, N.H., Robert Hinchliffe and his wife Virginia of North Easton, Barbara St. George, Darleen Stetson and her husband Charlie and Gary Hinchliffe, all of West Bridgewater. She leaves 27 grandchildren; 58 great-grandchildren; 14 great great-grandchildren; and many nieces and nephews. She touched many lives and will be dearly missed by all.

Mazzino Volpe (always known as Volpe to most) was a friend of the J & S Transport team. He will be most remembered for being full of life, always ready to help, a tremendously talented mechanic and always made people feel very comfortable. Volpe will be missed.

Mazzino P. Volpe – Rest in Peace



VOLPE, Mazzino P. of Saugus formerly of East Boston, April 24. Beloved partner of Cindy Forlizzi. Loving son of the late Gaetano and Giovannina (DeSantis) Volpe. Cherished brother of Adelina, Annetta, Paolina, Francesco, Settimio, Maria and the late Filomena. Also survived by many loving nieces and nephews.

If you have any topics of interest or questions please direct them to:

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