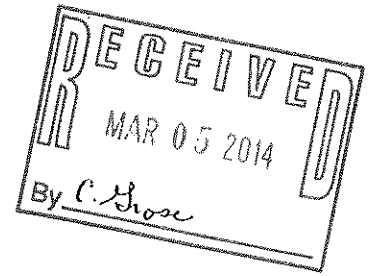


Consolidated Transport Systems, Inc.
Tandem Eastern, Inc.
1111 W US Hwy 20
Michigan City, Indiana 46360



March 4, 2014

Mayor John Jenkins
Office of the Mayor
Gaylord City Hall
305 East Main Street
Gaylord, MI 49735

Stephanie L. Beckhorn
Manager, WIA Section
Workforce Development Agency
201 North Washington Square
Lansing, MI 48913

RE: Cessation of Business Operations of Consolidated Transport Systems, Inc. and Tandem Eastern, Inc.

Dear Mayor Jenkins and Ms. Beckhorn:

We regret to inform you that Consolidated Transport Systems, Inc. ("CTS") and Tandem Eastern, Inc. ("Eastern") will be ceasing operations located at the leased operations terminal at 1497 Dickerson Road, Gaylord, Michigan 49735 ("Gaylord Terminal") as of March 31, 2014. The employment of any employee still employed by CTS or Eastern, as of March 31, 2014 at the Gaylord Terminal will be terminated as of March 31, 2014. Tandem Logistics, LLC, a separate company and not an affiliate of CTS or Eastern will be continuing its operations at the Gaylord Terminal.

This employment separation with CTS or Eastern will be permanent. The total number of employees at the Gaylord Terminal that could be affected is 20. Affected employees do not have bumping rights.

The job titles and the number in each job title of employees that may be affected by the business cessation are as follows:

Company Employer	Job Title	Number of Employees
CTS	Regional Traffic Coordinator	1
CTS	Diesel Technician	1
CTS	Terminal Manager	1
Eastern	Professional Truck Driver	17

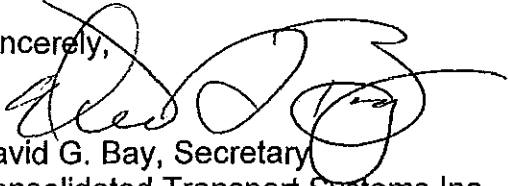
The combined effects of a number of events including the inability to secure sufficient financing to update/modernize the fleet, the severe winter weather conditions that impacted revenues and operations more significantly than could have been anticipated, and the unanticipated doubling of health insurance costs combined to reduce cash flow and required quick action.

Should you have any questions, please call the following company contacts:

John Franklin 800-348-8532 x8132

David Bay 800-348-8532 x8213

Sincerely,



David G. Bay, Secretary
Consolidated Transport Systems Inc.
Tandem Eastern, Inc.