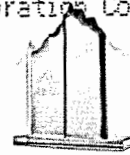




Daniel's Moving & Storage, Inc.

6131 W. Van Buren, Phoenix, AZ 85043
602-278-6110 877-278-6110 Fax 602-484-0810



"Milton M. Hill Quality Award Winner 2005"

February 10, 2016

Secretary of the KCC
Kansas Corporation Commission
1500 S W Arrowhead Rd
Topeka KS 66604

Received
on

FEB 19 2016

RE: **NOTICE OF PENALTY ASSESSMENT**
16-TRAM-295-PEN

by
State Corporation Commission
of Kansas

Please accept this letter as our formal **REQUEST FOR A HEARING** on this matter. This notice was received in our corporate safety office on January 29, 2016; the delay in this notice being received resulted in a delay in our request for a hearing. We were initially sent a Memorandum with the findings and were following the dates outlined with that information that we had 60 days to appeal the findings.

It appears as though the investigator did not receive or review all relevant information resulting the recommendations.

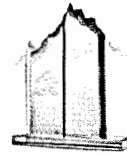
The grounds for our request are as follows:

- a. The employee noted has been counseled on this matter (Attachment "A"). In addition, we have provided her with additional DOT Compliance training (Attachment "B"). We understand the importance of driver compliance and will be improve our diligence in reviewing logs and paperwork. We ask for a reprieve on the recommended \$2000 fine, as we will be utilizing those funds to retrain all of our drivers in our DOT Compliance training program.
- b. Our Corporate Human Resource Dept reviews every employees MVR at the time of hire and at least annually, with quarterly reviews of anyone with existing infractions, thereafter. We do not share the actual MVR with local managers, as HR and our insurance company make the decision, as to whether the person meets the criteria to drive for us. We do apologize that this information was not provided to you by our local management. We also review each MVR with our outside Safety Advisors at least annually. We ask for the recommended \$100 fine to be waived as we do review MVR's as required and more.
- c. We are working with our banks and all parties involved to resolve this matter. Please allow 60 days for us to resolve this matter, as we are working out our banks, etc. and we are at their mercy to complete their steps in this process.
- d. The shipment referenced here was hauled under Atlas Van Lines authority DOT# 125550 as referenced under the attached Household Goods Bill of Lading (Attachment "C "). Unfortunately, our local management did not provide all of the paperwork for this shipment. The document provided as Attachment "F" with the NOTICE OF PENALTY was incorrectly included with the paperwork for this shipment and utilized strictly to document our



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arrival time and our walk through completion. We ask for this \$1000 fine recommendation to be waived as we were operating under appropriate authority for this shipment.

- e. The carrier has had and continues to maintain a DOT required alcohol and controlled substances program (Attachment "D") for our drivers. The employee in question had the required pre-employment DOT drug test on 8/21/2015 (Attachment "E"). Complete Testing Solutions manages our Drug Testing and Random Pools for each location. Additionally, every employee who operates any CMV is notified that they are in fact subject to DOT Drug and Alcohol Standards. Our employees are subject to three random pulls per month (1) All employees; (2) All company drivers - DOT; (3) Atlas qualified - DOT. As we are in compliance with the requirements, we ask for a reprieve of the recommended fine of \$750.

Please accept our apologies that all information was not provided at the time of the investigation. There were several scheduling changes and the investigation spanned a few months, which resulted in sporadic requests and providing of information. Our local offices are not equipped to handle these matters, as our corporate office manages all DOT and employee matters. Unfortunately, due to the schedule changes and the large span of time for this investigation, it was not feasible for us to have a corporate representative present for the duration of this audit.

We request that all matters from your office be directed to the following:

Pam Palos, Director of Human Resources
Daniel's Moving & Storage, Inc.
6131 W. Van Buren Street
Phoenix, AZ 85043
602-385-0276 - Direct Phone
602-324-3866 - Direct Fax
pam@danielsmoving.com - Email

Thank you for your time and consideration in this matter, we look forward to resolving this matter.

Respectfully,

Pam Palos
Director of Human Resources

 **Atlas** Interstate Agent
integrity | quality | solutions



DANIEL'S
MOVING & STORAGE
Let's go together

Pam Palos
Director of Human Resources
602-385-0276 | (F) 602-324-3866
877-278-6110
pam@danielsmoving.com
6131 W. Van Buren St.
Phoenix, AZ

ATTACHMENT A



REPRIMAND

DATE: 2/10/2016

EMPLOYEE NAME: Evelyn Hill

Infraction:

(X) Violation of rules:

On 10/16/2015 your Record of Duty Status (log) shows flagrantly different times in comparison to your time sheet, the time sheet hours are supported by the toll receipts, which clearly shows the DOT Record of Duty Status report was falsified.

This information was uncovered in a State DOT audit resulting in a fine recommendation of \$2,000.

REMARKS:

It is the responsibility of each and every driver to maintain accurate and truthful Record of Duty Status reports. At no time will the company ask an employee to falsify this information, as it is illegal to do so and creates safety risks to our driver and every driver on the roadways.

Falsifying any company document is grounds for immediate termination of employment. As a long term employee, we are providing you with additional training and this written reprimand. However, if falsifying of any document happens in the future you will be subject to immediate termination of employment.

**I HAVE READ THIS NOTICE AND I UNDERSTAND THAT ANY FURTHER VIOLATIONS
WILL LEAD TO DISCIPLINARY ACTION, INCLUDING TERMINATION.**

EMPLOYEE SIGNATURE Evelyn Hill

DATE 2/16/16

SUPERVISOR SIGNATURE Bryce Snapp

HR SIGNATURE Pam Palor

ATTACHMENT B



Certificate of Completion

Presented to

Evelyn Hill

of

Daniels Moving and Storage

for successful completion of

DOT Driver Compliance v3, PS4 eLesson

Pam Palor

Dated: 2/16/2016

ATTACHMENT C



HOUSEHOLD GOODS BILL OF LADING

ATLAS VAN LINES, INC.
1212 ST. GEORGE RD., P.O. BOX 509
EVANSVILLE, INDIANA 47703-0509
(800) 252-8885 / (812) 424-2222

U.S. DOT No. 125550
NOT NEGOTIABLE

For information about your shipment, please contact Atlas Van Lines' General Offices.
Refer to the Registration Number when making inquiries.

ATLAS REGISTRATION NUMBER

HS938040

CUSTOMER	BNSF RAILWAY COMPANY	CONSIGNEE/OWNER	PEARL JACK
ORIGIN	PEARL JACK 2121 BEAR CREEK PARKWAY #1002 OAKMONT @ BEAR CREEK APTS EULESS, TX 76039 TARRANT (817) 609-1455 Ext:	DESTINATION	TBA DERBY, KS 67037 SEDGWICK (817) 690-1455 Ext:
Notify of Actual Weight Charges		Agreed Pickup Period	08/19/2015 To 08/19/2015
BOOKING: 1511 NELSON WESTERBERG		Agreed Delivery Period	08/20/2015 To 08/24/2015
ORIGIN: 1511 NELSON WESTERBERG		IF DELAYED, NOTIFY:	
DEST: 1370 DANIEL'S MOVING AND STORAGE, I		TYPE OF SHIPMENT:	NATIONAL ACCT
PICKUP:		TYPE OF ESTIMATE:	STANDARD
HAUL 1: 1511 NELSON WESTERBERG			
TRUCK/TRAILER:			
HAUL 2:			
TRUCK/TRAILER:			

The maximum amount required for delivery.
Subject to minimum weight of 2000 lbs.;
or minimum charges of \$ _____

A STATEMENT OF SERVICES IS ATTACHED WHEN REQUIRED

<p>FOR MILITARY AND GOVERNMENT SHIPMENTS ONLY. EXTRAORDINARY (UNUSUAL) VALUE ARTICLE DECLARATION. I acknowledge that I have prepared and retained a copy of the "Inventory of Items Valued in Excess of \$100 Per Pound Per Article" that are included in my shipment and that I have given a copy of this inventory to the carrier's representative. I also acknowledge that the carrier's liability for loss of or damage to any article valued in excess of \$100 per pound will be limited to \$100 per pound for each pound of such lost or damaged article (based on actual article weight), not to exceed the declared value of the entire shipment, unless I have specifically identified such articles for which a claim for loss or damage is made on the attached inventory.</p> <p>Customer _____ Date _____ <input type="checkbox"/> I decline</p>	<p>VALUATION: The Customer's Declaration of Value is a required part of this Bill of Lading for all COD shipments. If a separate contract or letter of authorization is in place, the valuation specified in that contract or letter of authorization shall apply to this shipment.</p> <p>For CARRIER use only: Valuation selected: REPLACEMENT VAL 6.00</p>
<p>SPECIAL SERVICES ORDERED:</p> <p>Signed X _____</p>	
<p>NO. OF PACKAGES: PER INVENTORY</p>	
<p>CUSTOMS DATA:</p> <p>PORT OF EXPORTATION _____ VIA _____</p>	
<p>IMPORTANT</p> <p>This bill of lading makes the terms of our tariff a part of the contract of carriage between you and us. This tariff is available for inspection at our general office or at www.atlasvanlines.com. A password will be provided on request to a party entitled to access this tariff. The terms of the tariff incorporated include: limits on our liability for loss, damage, or delay of goods including fragile goods; claim restrictions; and our rights to impose monetary penalties on shippers or consignees and increase the price of the transportation. If a separate contract or letter of authorization is in place, the valuation specified in that contract or letter of authorization shall apply to this shipment.</p> <p>All charges to be paid in U.S. funds by cash; postal money order; cashier's or approved personal check payable to Atlas Van Lines; American Express, Discover, MasterCard or Visa charge cards, before property is relinquished by Atlas unless otherwise provided. Atlas is not required to accept a charge card payment from anyone other than the customer. Adjustments may apply to this bill of lading.</p> <p>By accepting delivery of the shipment, on employer or third party to-be-paid shipments, you will be liable for the payment of all charges if the employer or third party does not pay them.</p>	
<p>We, Atlas Van Lines, Inc., and you agree that we shall transport your goods pursuant to the terms of this bill of lading, including those attached. The Customer's Declaration of Value is part of this bill of lading for all COD shipments. The estimate, order for service and inventory are attachments to this bill of lading.</p> <p>X _____ 08-19-15 (CUSTOMER'S SIGNATURE) DATE 1511-2347</p> <p>X _____ (PROFESSIONAL VAN OPERATOR'S SIGNATURE) DATE</p> <p>SIT Agent: Daniel 151376 Code 1370 Auth: 59019358 BY Kim _____ Date: 8/20/2015 Warehouse Signature</p>	
<p>Delivery acknowledgement: Shipment was received in apparently good condition except as noted on inventory or customer check off sheet and services ordered were performed.</p> <p>X _____ 9.19.15 (CUSTOMER'S SIGNATURE) DATE</p>	

ATTACHMENT D

tolerated. Any employee who commits or threatens to commit a violent act against any person while on Company premises, will be subject to immediate discharge. If an employee, while engaged in Company business off the premises, commits or threatens to commit a violent act, that employee will be subject to immediate discharge.

Employees within the Company share the responsibility in identification and alleviation of threatening or violent behaviors. Any employee who is subjected to or threatened with violence, or who is aware of another individual, who has been subjected to or threatened with violence, shall immediately report this information to their supervisor or a member of management. Employees should not assume that any threat is not serious. If you as an individual feel threatened and need protection, do not hesitate to report the situation to a supervisor. Any threat reported to a supervisor should be brought to the attention of the department manager and the Human Resources Department. Human Resources will carefully investigate all reports, and employee confidentiality will be maintained to the fullest extent possible.

DRUG AND ALCOHOL ABUSE POLICY

The policy of the Company is to maintain a drug free workplace. The term "workplace" is defined as Company property, any Company-sponsored activity, or any other site for the performance of work for the Company. The term "drug" includes alcoholic beverages and prescription drugs as well as illegal inhalants and illegal drugs. Activities prohibited by this policy shall be considered grounds for discipline, including but not limited to suspension or immediate termination of employment, if the activities occur in the workplace as defined above.

In accordance with A.R.S. § 23-493 *et seq.*, Daniel's Moving & Storage, Inc. is adopting the following written substance abuse policy. This policy applies to all compensated employees of Daniel's Moving & Storage, Inc.

1. Definitions: As used in this policy, the following terms shall have the following meanings:
 - (a) "Drug" means any substance considered unlawful under the Controlled Substances Act, or the metabolite of the substance.
 - (b) "Property" means all land, buildings, structures, parking lots, equipment and means of transportation owned, possessed or leased by Daniel's Moving & Storage, Inc.
2. Standards of Conduct
 - (a) The following constitute Daniel's Moving & Storage, Inc.'s rules regarding substance abuse.
 - (1) All employees are prohibited from being under the influence of illegal Drugs, non-prescribed Drugs or Alcohol during working hours.
 - (2) The manufacture, use, sale, possession, transfer or purchase of Drugs or Alcohol, including, but not limited to, a non-prescribed controlled substance on Daniel's Moving & Storage, Inc.'s property or while performing Daniel's Moving & Storage, Inc.'s business is strictly prohibited.
 - (3) No prescription Drugs may be brought on Daniel's Moving & Storage, Inc.'s property by any person other than the person for whom it is prescribed. Such Drugs may be used only in the manner, combination and quantity prescribed. If the use of such Drugs or over-the-counter Drugs may affect behavior and job performance, employees must advise their supervisors of the use of such Drugs.
 - (b) Violation of the above standards, including a violation discovered or confirmed by a positive Drug or Alcohol test, may result in disciplinary action. The specific disciplinary action taken is dependent upon the circumstances of each particular violation, and the nature and severity of the conduct involved. Action taken in response to violations of this policy may include any or all of the following, in addition to all methods of discipline ordinarily available to Daniel's Moving & Storage, Inc. for violations of the policy.
 - (1) Suspension of the employee, with or without pay, for a designated period of time.
 - (2) Termination of employment.
 - (3) Referral to appropriate state, local or federal law enforcement agencies.
 - (4) Probation for a specified amount of time.

3. Testing Policy

- (a) Periodic Drug or Alcohol testing may be conducted under the following circumstances:
 - (1) At the time of application for employment;
 - (2) On a random basis;
 - (3) If Daniel's Moving & Storage, Inc. believes that an employee has been observed possessing or using a prohibited substance on the job;
 - (4) When Daniel's Moving & Storage, Inc. believes that an employee may be affected by the use of Drugs or Alcohol;
 - (5) When Daniel's Moving & Storage, Inc. believes that an employee is impaired during working hours or while engaged in Daniel's Moving & Storage, Inc. business;
 - (6) Any employee who has had a positive Drug test may be subjected to periodic, random testing, for a period of one year from a positive Drug test; and
 - (7) After a workplace injury or accident.
- (b) All drivers with a Class A or B license will be tested to the Department of Transportation standards.
- (c) Refusal to participate in Drug or Alcohol impairment testing when requested to do so, or refusal to accept the terms and conditions of testing as specified in this policy, may result in disciplinary action, up to and including, termination of employment. Prospective employees who refuse to undergo Drug testing are not eligible for hire. Prospective employees are given 24 hours from the time of job offer to complete the test. If a pre-employment screening returns a positive result then employment will be denied. Current employees will be given two hours from the time of arrival at the testing facility to produce a sample. If a sample is not produced by the end of two hours then Daniel's Moving & Storage, Inc. will consider the employee to have voluntarily terminated employee status with Daniel's Moving & Storage, Inc.
- (d) Employees have the right, upon written request, to obtain a copy of the written test results.
- (e) Daniel's Moving & Storage, Inc. will not release information relating to testing, including test results, to any third parties except upon written authorization of the employee, or when legally compelled to do so.

4. Testing Procedures

The following testing methods and procedures will be followed:

- (a) Testing will ordinarily be conducted during, immediately before, or immediately after, regularly scheduled work periods. For current employees, time spent in testing, and in traveling to and from the regular work site to the place of testing is work time.
- (b) Whenever a Drug test is done at the request of Daniel's Moving & Storage, Inc. pursuant to this policy, Daniel's Moving & Storage, Inc. will pay the actual cost of the testing. In addition, when testing is done at locations other than an employee's normal work site, Daniel's Moving and Storage, Inc. will pay reasonable transportation costs for travel to and from the work site to the testing location.
- (c) Testing shall be conducted under the following conditions:
 - (1) Sample collection shall be performed under reasonable and sanitary conditions.
 - (2) Sample collections shall be labeled in such a way as to reasonably preclude the possibility of misidentification of test results.
 - (3) Prior to testing, the individual shall be provided with an opportunity to notify Daniel's Moving & Storage, Inc. of any information relevant to the test, including identification of currently or recently used prescription or non-prescription medications, and other medical information.
 - (4) Sample collection, storage, and transportation, where necessary, shall be performed in a manner reasonably designed to preclude the possibility of sample contamination, adulteration, or misidentification.
 - (5) Sample testing will be done in such a way as to comply with scientifically accepted analytical methods and procedures, and by a laboratory approved or certified by at least one of the following: (a) United States Department of Health and Human Services; (b) College of American Pathologists; (c) the Missouri Department of Health Services.
 - (6) Positive Drug test results shall be confirmed by a subsequent test, using a different chemical process than used in the initial drug screen. Confirming tests will be conducted by a chromatographic technique or another comparably reliable analytic method.
- (d) Following a positive test result, employees have the right to explain that result, upon request, in a confidential setting.

ATTACHMENT E



First Advantage

A Syngene Technology Corporation

480 Quadrangle Drive Suite D
Bolingbrook, IL 60440
Phone: 800-939-4782
Fax: 855-626-5374

Controlled Substance Test Report

Attn: Jason Snyder
P.O. Box 509
Evansville, IN 47703
Phone: 800-638-9797
Donor Name: Terry Dunn
Donor ID: 515-76-4351

Client Name: Atlas Van Lines
Account Number: 201440-00000

Employee ID 1:
Employee ID 2:
Emp Category:

1370 - 16127

Test Result: Negative
Result Description: Negative
Substances Found:
MRO Verified Comment:

Substances Tested: Phencyclidine (PCP), 6-AM (Heroin/Opiates Metabolite), Opiates, Marijuana, Cocaine, Ecstasy (Amphetamines Metabolite), Amphetamines

Specimen ID: 9948756
Collection Date: 8/25/2015 1:14 PM
Testing Panel: New Quest DOT 5- Drug Panel
CCF Received: 8/25/2015
Verified Date: 8/26/2015
Reported Date: 8/26/2015 10:23 AM
Collection Site: Via Christi Occ up & Enviro Med
Transmitted By: Lalitha Ranganathan

Test Reason: Pre-Employment
Test Type: DOT - FMCSA
Lab Account #: 40000054
Lab Name: Quest Diagnostics
Test Account #: 201440-00003
Client Name: DOT 40000054
Cost Center:
Location ID:

Comments:

Certified Medical Review Officer:

S. B. Hoffman, M.D. FACP

MRO Phone:

888-794-6574

S. B. Hoffman M.D. FACP

DRUDET

Positive tests confirmed using gas chromatography/mass spectrometry
All reported lab results conform with current HHS and DOT guidelines. Reviewed in accordance with 49 CFR Part 40.

8/26/2015 11:54 AM



40000054
9748756
SPECIMEN ID NO. 9748756

STEP 1: COMPLETED BY COLLECTOR OR EMPLOYER REPRESENTATIVE

LAB ACCESSION NO. 800500020

A. Employer Name, Address, I.D. No.

ATLAS VAN LINES-INDUSTRIAL
RICKY KIRBY
P.O. BOX 509
EVANSVILLE IN 47703
PH: 800-638-9797 FAX: 812-421-7139

B. MRO Name, Address, Phone No. and Fax No.

STUART B. HUFFMAN MD FACP
FIRST ADVANTAGE
430 QUANDRANGLE DR STE A
DOLINGBROOK IL 60440
PH: 888-794-6574 FAX: 866-545-0303

C. Donor SSN or Employee I.D. No. 515-76-4351

D. Specify Testing Authority: ☐ HHS ☐ NRC ☒ DOT - Specify DOT Agency: ☒ FMCSA ☐ FAA ☐ FRA ☐ FTA ☐ PHMSA ☐ USCG

E. Reason for Test: ☒ Pre-employment ☐ Random ☐ Reasonable Suspicion/Cause ☐ Post Accident ☐ Return to Duty ☐ Follow-up ☐ Other (specify) _____

F. Drug Tests to be Performed: ☒ THC, COC, PCP, OPI, AMP ☐ THC & COC Only ☐ Other (specify) _____

☒ 47643N DOT DRUG PANEL

G. Collection Site Name: VICTORIA

Collection Site Code: _____

Address: 2535 E LINCOLN

City, State and Zip: LITCHFIELD KS 67451

Collector Phone No.: 316-879-7794

Collector Fax No.: 316-879-7794

STEP 2: COMPLETED BY COLLECTOR (make remarks when appropriate) Collector reads specimen temperature within 4 minutes.

Temperature between 90° and 100° F? ☒ Yes ☐ No, Enter Remark _____ Collection: ☒ Split ☐ Single ☐ None Provided, Enter Remark _____ ☐ Observed, (Enter Remark) _____

REMARKS: 8/14/04

STEP 3: Collector affixes bottle seal(s) to bottle(s). Collector dates seal(s). Donor initials seal(s). Donor completes STEP 5 on Copy 2 (MRO Copy)

STEP 4: CHAIN OF CUSTODY - INITIATED BY COLLECTOR AND COMPLETED BY TEST FACILITY

I certify that the specimen given to me by the donor identified in the certification section on Copy 2 of this form was collected, labeled, sealed, and released to the Delivery Service noted in accordance with applicable Federal requirements.

SPECIMEN BOTTLE(S) RELEASED TO:

☒ Julie Smith
Signature of Collector
Julie Smith
(Print) Collector's Name (First, MI, Last)

8/25/15 1:14 PM
Date (Mo./Day/Yr.) Time of Collection

☐ Quest Diagnostics Courier
☐ FedEx
☐ Other

Name of Delivery Service

STEP 5: COMPLETED BY DONOR

I certify that I provided my urine specimen to the collector; that I have not adulterated it in any manner; each specimen bottle used was sealed with a tamper-evident seal in my presence; and that the information provided on this form and on the label affixed to each specimen bottle is correct.

☒ [Signature]
Signature of Donor

TERRY DUNN
(PRINT) Donor's Name (First, MI, Last)

8/25/15
Date (Mo./Day/Yr.)

Daytime Phone No. 785-420-6507

Evening Phone No. ()

Date of Birth 11/4/64

After the Medical Review Officer receives the test results for the specimen identified by this form, he/she may contact you to ask about prescriptions and over-the-counter medications you may have taken. Therefore, you may want to make a list of those medications for your own records. THIS LIST IS NOT NECESSARY. If you choose to make a list, do so either on a separate piece of paper or on the back of your copy (Copy 5). - DO NOT PROVIDE THIS INFORMATION ON THE BACK OF ANY OTHER COPY OF THE FORM. TAKE COPY 5 WITH YOU.

STEP 6: COMPLETED BY MEDICAL REVIEW OFFICER - PRIMARY SPECIMEN

In accordance with applicable Federal requirements, my verification is:

☐ NEGATIVE ☐ POSITIVE for: _____

☐ DILUTE

☐ REFUSAL TO TEST because - check reason(s) below:

☐ TEST CANCELLED

☐ ADULTERATED (adulterant/reason): _____

☐ SUBSTITUTED

☐ OTHER _____

REMARKS: _____

☒ [Signature]
Signature of Medical Review Officer

(PRINT) Medical Review Officer's Name (First, MI, Last)

Date (Mo./Day/Yr.)

STEP 7: COMPLETED BY MEDICAL REVIEW OFFICER - SPLIT SPECIMEN

In accordance with applicable Federal requirements, my verification for split specimen (if tested) is:

☐ RECONFIRMED for: _____

☐ TEST CANCELLED

☐ FAILED TO RECONFIRM for: _____

REMARKS: _____

☒ [Signature]
Signature of Medical Review Officer

(PRINT) Medical Review Officer's Name (First, MI, Last)

Date (Mo./Day/Yr.)