

Personable. Reliable. Flexible.

- ◆ We transport dry bulk commodities and project cargoes.
- ◆ We operate on all segments of the US inland waterway system.
- ◆ We offer one of the newest fleets in the industry.
- ◆ We will customize our offering to meet your specific needs.
- ◆ Our state of the art information system facilitates logistics, cost efficiency, and customer service.

Why Us?

Heartland Barge sets the “standard” for transportation services. We strive to be what you should expect from a committed partner, working aggressively to provide you the best available shipping solutions.

- ◆ Talented team of professionals with extensive experience
- ◆ Focused on achieving our customer’s economic and service objectives
- ◆ World Class System to support logistics, economics, and customer service

Personable.

- ◆ Customer satisfaction is top priority.
- ◆ Heartland Barge's Team is focused on ensuring your needs are achieved from the time a contract is negotiated until your product is delivered.
- ◆ Our Sales and Dispatch Team strive to be your "Barge Department".

Reliable.

- ◆ Heartland Barge's fleet is one of the newest in the industry, ensuring maximum efficiency and the safety of your cargo.
- ◆ Customer Service is available 24 hours per day, every day of the year.
- ◆ Our word is sacred! "We deliver what we promise".

Flexible.

- ◆ Change is a constant in business. We understand this and strive to minimize impacts of customer required changes.
- ◆ There is seldom only one path to a solution. We look at all paths and options to help our customers achieve their goals.
- ◆ Services include: affreightment, charters, project cargoes and logistic management.



Heartland Barge Management LLC Daily Customer Barge Status Report for Heartland Customers

Printed: 10/31/2017 09:02

PLEASE NOTE THAT ETAS ARE ESTIMATES AND MAY CHANGE DUE TO RIVER, WEATHER, BOAT, OR OTHER CONDITIONS

Boat: Jonathan Erickson (UM 648)

Barge	Commodity	Origin	Ld CP	Load	Ld Ris	Tons	Planned Pickup	Destination	ETA	CP Unld	Unload	Unld Ris
HBM4065	POTSH	Waggaman-Woods Buoys	10/5/17	10/10/17	10/10/17	1437.93		St. Paul - Ingredient Transport	11/04			
HBM4588	POTSH	Waggaman-Woods Buoys	10/4/17	10/9/17	10/10/17	1447.35		St. Paul - Ingredient Transport	11/04			

Dock: St. Louis - Osage JB (UM 170)

Barge	Commodity	Origin	Ld CP	Load	Ld Ris	Tons	Planned Pickup	Destination	ETA	CP Unld	Unload	Unld Ris
HBM4589b	POTSH	Waggaman-Woods Buoys	10/5/17	10/10/17	10/13/17	1579.41	Marq NB STL	Ottawa-County Mtl	11/07			

Dock: Caruthersville - Wepfer Fleet (LM 848)

Barge	Commodity	Origin	Ld CP	Load	Ld Ris	Tons	Planned Pickup	Destination	ETA	CP Unld	Unload	Unld Ris
HBM4588	POTSH	Waggaman-Woods Buoys	10/4/17	10/12/17	10/13/17	1466.26		Caruthersville - MFA	10/24/17			

Personable. Reliable. Flexible.

- ◆ Investing in a barge offers an alternative to traditional portfolio purchases of stocks, bonds, and other financial vehicles.
- ◆ Barges have historically delivered very solid returns over the 25 to 30 year life of the assets.
- ◆ Heartland Barge can assist in acquiring and managing barge(s) in its Barge Management Program.
- ◆ Barge investment can be used as a cost "hedge" to long-term users of barge transportation.
- ◆ Current investors include: corporations, trusts, partnerships, and individuals.



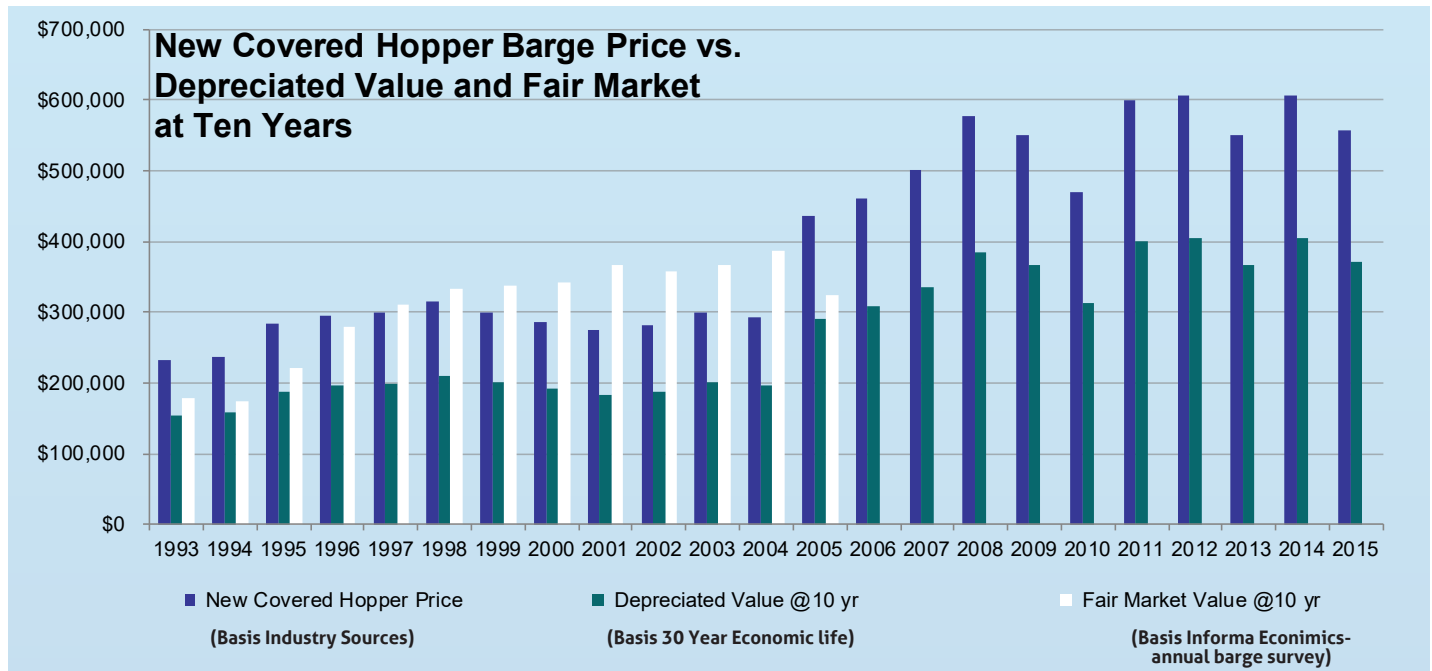
Barge Cost = \$500,000

Projected IRR and Operating Profits

EXAMPLE	Cash Outlay (000)			Internal Rate of Return Based on Initial Cash Outlay and Annual Profits under three Profit Per Day Scenarios		
	Equity	Origin Fee	Total	\$100 Avg. Recovery	\$125 Avg. Recovery	\$150 Avg. Recovery
25% Equity & 4.0% Interest Rate						
After Tax Yield Full Advantage of Tax Benefits*	\$125.0	\$3.0	\$128.0	8.7%	13.7%	18.8%
After Tax Yield Not Able to Utilize Tax Benefits	\$125.0	\$3.0	\$128.0	6.2%	10.6%	15.9%
100% Equity - No Debt						
After Tax Yield Full Advantage of Tax Benefits*	\$500.0	\$3.0	\$503.0	5.0%	6.7%	8.3%
After Tax Yield Not Able to Utilize Tax Benefits	\$500.0	\$3.0	\$503.0	4.7%	6.5%	8.1%

Personable. Reliable. Flexible.

Barges provide a hedge against inflation



Rate of Income

- Average long-term annual operating earnings have provided solid returns on un-leveraged investment of approximately 5-8 percent.
- Returns can be enhanced by leverage.

Asset Value Stability

- Investing in a barge represents tangible property - a hard asset - as opposed to most conventional investments.
- Barge values have historically exceeded the calculated depreciated value.

Shared Risk

- Barges are in a "single - shared risk" operating pool.
- Investors share revenues, expenses and earnings based on their proportion of participating barges.
- Each month, management issues a report summarizing markets along with a formal earnings statement, and distributes earnings.

Long-Term Demand

- Barges move "basic" commodities that are critical to the agricultural, construction, industrial and energy sectors and are unlikely to be supplanted. There is little risk for technological obsolescence.

Tax-Sheltering Possibilities

- Purchasing a barge provides a means to shelter other income due to the accelerated depreciation schedules allowed for this type of asset.

Liquidity

- Barge assets are hard assets that can be sold.
- Barge ownership provides cash flow on a monthly basis.

LIST YOUR EQUIPMENT WITH US!

Heartland Barge's Equipment Brokerage Team has established relationships and resources to assist clients in acquiring or selling marine assets and construction equipment. We service U.S. brown and blue water markets for dry and liquid marine assets and construction equipment. A commission for our services is only paid upon completing a successful transaction.

We Assist In:

- ◆ Buying, selling, and leasing marine related assets (boats, barges, and construction equipment);
- ◆ Bringing buyers and sellers together, and facilitating the negotiation and contract process;
- ◆ Sourcing specialized equipment for lease or purchase;
- ◆ Marketing and advertising marine and construction assets for sale;
- ◆ Assisting in structuring leases that provide an "option to purchase" with the seller or Heartland as the lessor.

HL-Barge.com/shop

Equipment Brokerage Website

BARGES	CONSTRUCTION	CRANES AND DREDGES	DRY DOCKS	MISC	MODEL BOW	PUSH BOATS	SUPPLY/UTILITY VESSEL
PRICE RANGE	LENGTH	WIDTH	DEPTH	HORSEPOWER	YEAR BUILT	SEARCH	
Min	Min	Min	Min	Min	Min		
Max	Max	Max	Max	Max	Max	RESET FIELDS	



Personable. Reliable. Flexible.

Services Offered

- ◆ Marketing equipment through direct customer contact, advertisements in trade publications, and electronic mailings to over 10,000 parties involved marine and construction assets.
- ◆ Listing of assets on Heartland's proprietary Listing Site (<http://hl-barge.com/shop>):
 - ◆ Premier exclusive listings - targeted marketing approach. "Featured Listings" and targeted advertisements;
 - ◆ Standard contingent listings - free website listing.
- ◆ Providing contract guidance for: leasing, letters-of-intent, escrow accounts, and purchase/sale agreements.
- ◆ Assisting in new construction projects (design, RFP, contract execution, contract conformance).

Email Blast



618-281-4515
1007 North Main Street
Columbia, IL 62236

Featured From Your Brokerage Team

November 16, 2017

Dear Customer

Heartland Barge has some outstanding new equipment listings! Equipment Brokerage team has established relationships and resources to assist clients in acquiring and selling marine assets and construction equipment.

See below for this week's
featured equipment.

[VIEW INVENTORY](#)

OPEN/COVERED HOPPERS



120' x 30' x 7'



Lease or Purchase
120' x 30' x 7' deck barges.
\$125K to \$225K plus commission

Construction

[Lease to Purchase](#)

260' x 72' x 16' Inland Deck
Designed to meet a 2200lbs/sq ft load deck barge

Coating System

Lease to Purchase Offer

Example Only:

- 7-year charter
- \$2,985,000.00 purchase price

Personable. Reliable. Flexible.



Leasing Services

- ◆ Heartland Barge offers users of marine equipment the option to purchase assets outright, or lease equipment from 1 month to 25 years.
- ◆ Our inherent knowledge of the business and life of the asset allows us to be realistic with residual expectations. This allows us to be competitive with financial institutions offering equipment leases.
- ◆ Heartland Barge can construct a new asset, utilize one of its existing 600 plus owned or managed marine assets, or work with our “Brokerage Division” to best match your asset requirements.
- ◆ We offer leases under a number of financial arrangements including: bare-boat charters, lease-to-purchase, sale-lease back, or other customized lease structures.
- ◆ We take pride in being fully-transparent in our lease transactions. There are no hidden costs or surprises at the end of the lease term.

Types of Charter Equipment

Hopper Barges
Deck Barges
Tank Barges
Towboats
Drydocks
Cranes
Tugs

Personable. Reliable. Flexible.

If you are a current user, or if you are considering using the inland waterways for transportation, Heartland Barge can assist you. Heartland's team has decades of experience, and will ensure that your transportation objectives are optimized for service and economic value.

Heartland Barge's consultants have extensive experience in marketing, operations, and understanding the key drivers of the business. We also have established relationships with major industry players.

We can assist in developing and implementing plans for a start-up operation, or evaluating ways to improve an existing operation.

Areas we can assist:

- ◆ Start-up business plan and budget;
- ◆ Strategic planning;
- ◆ Contract evaluation;
- ◆ Contract negotiation;
- ◆ Financial Analysis;
- ◆ Key Financial and Operational Metrics;
- ◆ Industry Briefings;
- ◆ Equipment and Enterprise Economic Evaluations.

