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August 30, 2017

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
P.O. Box 3265  
Harrisburg, PA 17105-3265

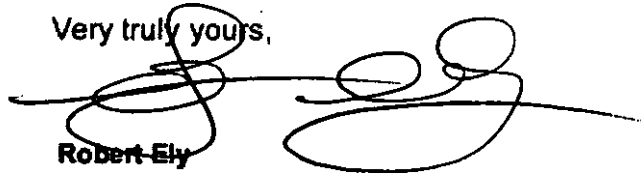
**Re: Comments on Rulemaking for Title 52 of the Pennsylvania Code Pertaining to Regulation of Motor Carriers of Passengers and Property; L-2017-2604692**

Dear Secretary Chiavetta:

**You will find, hand delivered by me, today, a printed copy of Comments, exhibits and current events that pertain to the very important changes coming to Pennsylvania that will affect taxpayers, motorists the riding public and professional and amateur chauffeurs/drivers. This file was unable to be e-filed due to the pdf files being too large for my editor and unacceptable in additional filings.**

Please contact me if you have any questions or need any additional information.

Very truly yours,

A handwritten signature in black ink, appearing to be "Robert Ely", with a long horizontal line extending to the right.

**Robert Ely  
Veteran Taxi Driver**

**Before The  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

**In Re: Public Comments**

**Docket No. L-2017-2604692**

**Comments & Discussion**

I wish to thank the PUC and its commissioners for the opportunity for me to present some facts and ideas that have been gleaned from my life-long career as a cab driver, owner and inspection mechanic. I'm hoping that the hundreds of hours I have spent researching the topics to support my arguments won't go wasted. I don't think they will and here's why.

The PUC allowed TNC's to operate via an experimental authority due to severe pressure from soft money, lobbyists and the desire for millions of dollars to be pumped into the City of Pittsburgh. This pressure forced the Commission to succumb to a known bad operator, even though the OALJ's rejected the notion of TNC's without proper regulations.

While the OALJ's and A lone commissioner expressed his dissent in the matter, the political and financial pressure forced the temporary experimental TNC authority into existence. At this point the PUC had (2) years to come up with a way to deal with the pending permanent authority. From all signs available, and from the pleadings of Uber itself, it was apparent that the Permanent Authority would NOT be granted, and again, Uber's money machine went to work and made it rain all over the 'burg's and Philly.

Then comes the passing of a ridiculous "piece" of legislation... called Act 164. I think the legislators allowed Uber to write the rules themselves. This Act is an egregious, harmful and specious document full of "doublespeak" and artfully written to obfuscate the truth about an industry that believes the tall tales it spins about what it does, whom it serves and how it "benefits" the public.

My purpose in this collection of comments is to give The Commission and the ALJ's their "teeth" back. The law provides for the Commission and the ALJ's to have jurisdiction and control over it licensees and those granted the rights, or franchise, to operate in our state.

I would like to remind everyone who reads this document that Pennsylvania's constitution was mirrored and morphed into the U.S. Constitution. Once our great state lead the nation in showing what a Commonwealth was, now we lead in showing how big business, money and political influence can be bartered against our citizen's quality of life. (Kids for Cash, anyone?) The opportunity exists, here, and in the body and inferences of my comments for the PUC to copy and emulate a system of regulation that is far more fair and much less influenced by the contaminated money pilfered from legitimate enterprises and spread around like candy to any politician with a sweet tooth.

The PUC requests that we Commentators use legal language and wording to define what we believe the regulations should state. I respectfully submit the following- in partial form-

NYC TLC regulations, chapter(s) 55 and 59, free of charge, from website [www.nyc.gov/html/tlc/html/rules/rules.shtml](http://www.nyc.gov/html/tlc/html/rules/rules.shtml)

Copying these regulations word for word would significantly enhance the quality of service rendered by carriers of passengers in Pennsylvania. These rules provide for regulation at the expense of the industry instead of the taxpayer. These regulations are tried and true, and only slightly corrupted to allow TNC's to exist- in an almost fair and level playing field. All drivers must prove themselves via testing (knowledge and substances) not the system here where its ok to hire criminals as long as the company is "ok" with it. PUC needs to license drivers and vehicles to provide for safe, quality service.

The TNC industry has lied to the PUC, it's drivers, it's customers, the taxpayers and the legislators. The industry would, if called out as "liars" would conjure up wording like "We're sorry, we misspoke the truth".

The PUC needs to protect the riding public, the franchisees (drivers) from the TNC's and it's own ability to regulate by implementing changes to Act 164. If it does not, transportation, where it is needed most (rural PA) will fail, and show that the TNC's will take people to rural areas from urban areas and leave them stranded. Cab companies are struggling to survive and many are failing, for many reasons- mainly that their drivers aren't able to earn enough to continue working in the industry due to unfair and uneven competition.

The flexible tariff provision- what carrier has it? I requested it was told the PUC has not adopted the regulations yet. I spent (2) months creating tariffs that were not allowed. The compliance people thought I was a moron because I kept submitting avant-garde concepts they weren't allowed to accept. My tariff(s) ? Created to LOWER price when there is LOWER demand. Creating a lower cost opportunity for customers to book time calls, and save money during off peak times.

The flexible tariff suggested by PUC is to allow for higher prices during peak times, sure the TNC's model and it's masters are perfectly fine with cabbies raising prices during demand- it will further destroy their businesses (market share for cabs would plummet further with higher than current price models, at least in NEPA area)

I learned 30 years ago, from a professional dispatcher, that there is a "Go price, and a NO price". This was in NY, specifically Long Island, and Cab drivers and dispatchers had the latitude of charging less on out of town trips if both the driver and the office (company agreed). Right now, I earn most of my living taking people out of state for reasonable rates. Due to my geographical location (40 minutes from NY border North and 1 hour from NJ/NY border West,) people and even other cab companies call us to do these jobs. Until my flexible tariff is approved, I am forced charge the "NO" price and reject customers, whom end up riding with a TNC or getting a hotel and taking a bus.

Unlike Mr. Kalanick whom brazenly stated that he "won't ask for permission" I am patiently waiting and losing fares to him. Intrastate fares are forced to pay meter prices, and meter prices are too expensive for long trips, the meter fares are designed for local and short distance fares, to cover the higher operating expenses per mile of short hauls and the extra time it takes to navigate cross-town. PA is chock full of highways, why should a 2.2 hour round trip to Allentown from Scranton cost \$220+? Because that's what the meter will say. The same ride to Binghamton can be done for \$160-\$200 negotiated by driver, office and customer. Flexible tariff, fine- how about allowing cabs the latitude to charge whatever they like as long as it's less than the meter on intrastate distance trips beyond one's "defined" territory.

You will find two sets of comments here, (1) for the actual list from L-2017-2604692 and the other from excerpts from Act 164. Beyond these (2) sets of comments, there are several "exhibits". One is a recent act "1620" known as the fair franchise act of PA which Act 164 violates, and others are current events of the behavior of TNC's in PA and elsewhere. The Use of Greyball in Philadelphia and the rest of the State is quite alarming, and makes one wonder if the TNC's always misrepresent their vehicles and locations to their own drivers and passengers.

I am always available via email to discuss thoughts on any of the matters contained herein.



ROBERT ELY  
poconomis@gmail.com

## EXCERPTS FROM ACT 164 2016

### Definitions:

1. **"Digital network."** An online-enabled application, software, website or system offered or utilized by a transportation network company that enables the prearrangement of rides with transportation network company drivers.
2. **"Dynamic pricing."** A transportation network company's practice of adjusting the calculation used to determine fares at certain times and locations in response to the supply of transportation network company drivers and the demand for transportation network company drivers' services

**Comment:** Formerly known as "surge" pricing, this form of price gouging also allows the TNC to collect many multiples of a base fare, for itself, while its cost of doing business has not gone up one penny. PUC tariff regulations, in the past required a carrier to justify raising prices based upon operating revenue. ALL Carriers would have more access to drivers if they could raise prices at will. Allowing TNC's to continue to do this is disgraceful, abusive and unfair. Why should any Public Utility be able to increase THEIR net profit by 600-700% due to demand, whether actual or artificially manufactured.

Furthermore, the TNC tariffs need to have a specific base fare, defined in real numbers- \$ per mile, \$ per minute, \$ per pick up, \$ per person, and as they do not own the vehicles or pay for maintenance or insurance, they should actually only be allowed to charge a nominal fee for providing the "connection" of driver and passenger, and possibly a set percentage of the fare charged for credit card processing.

3. **"License."** Proof of the authority's approval authorizing a transportation network company to operate a transportation network company in accordance with this chapter. The term does not include a certificate of public convenience as described under section 5741 (relating to certificate of public convenience required).

**Comment:** The TNC's should be licensed as opposed to operating under a certificate of public convenience- Any carrier that can refuse to serve the public for any reason would lose it's certificate for violating the regulations requiring them to pick up passengers except under certain conditions. I laud the PUC for seeing this difference. They do not provide 100% service 100% of the time.

4. **"Personal vehicle."** As follows:

(1) A vehicle that is used by a transportation network company driver and is owned, leased or otherwise authorized for use by the transportation network company driver.

**COMMENT:** These terms are way too broad. Strike "otherwise" or define it to protect parents of college students that bought, co-signed or otherwise provided their children a car to use for transportation of themselves, not the riding public via a TNC. This wording is so vague as to

allow the engineer operating an experimental "drone" vehicle to be "authorized for use" as a TNC and surely this is not the intention of the regulation.

**(2) The term does not include:**

**(i) a call or demand service or limousine service as defined under section 5701 (relating to definitions);**

**(ii) a paratransit service regulated by the Pennsylvania Public Utility Commission under 52 Pa. Code §§ 29.353 (relating to method of operation in paratransit service), 29.354 (relating to vehicle and equipment requirements: paratransit service) and 29.355 (relating to tariff requirements); or**

**(iii) a vehicle operated under a ridesharing arrangement or by a ridesharing operator as defined under the act of December 14, 1982 (P.L.1211, No.279), entitled "An act providing for ridesharing arrangements and providing that certain laws shall be inapplicable to ridesharing arrangements."**

**(3) A vehicle operated in a shared-expense arrangement where an individual receives reimbursement that does not exceed the actual costs incurred while providing transportation.**

**Comment:** Current Base fares of \$1.05 per mile by TNC's equate to \$.79 per loaded mile. When adding the "dead-head" or unloaded miles, generally, this equates to .40 per mile, per mile driven (or even less in many cases) as the IRS allows \$.56 cents per mile driven in business use, and explained in detail in "STRIDE" addendum/exhibits enclosed, almost all TNC drivers have a zero or near zero income tax liability, and as passengers are sharing expenses of operation (paying the secondary, now "primary" insurance coverage via "SAFE RIDES" fees) these TNC drivers are technically operating in a shared-expense arrangement that does not exceed actual costs.

This creates an unlawful operating procedure, and it creates a destructive competitor to Carriers that DO offer full time- full service fixed rate (meter or other method of calculation) service.

As suggested in above comments, a set base per-mile and a set fee for TNC's for processing and providing the connection(s) between driver and passenger will allow TNC driver to earn money. Any driver that provides his time, vehicle and ancillary equipment needs to earn a living for doing this- not show a zero-profit to the IRS. TNC's are far from being charity organizations.

This situation, which again, continues needs to be remedied as it violates the Fair Franchise Act PA House Bill 1620 (enclosed). The Fair Franchise Act prohibits Franchisors (In this case TNC companies) from taking advantage of Franchisees (TNC drivers). For what else is a license or Authority issued by the PUC? It is the exact definition of a Franchise, and Uber has stated over and over it is a technology company, not a transportation provider- this shows that the former temporary experimental authority and now license are the franchise that allows these types of companies to operate. TNC's are nothing more than electronic dispatch systems that ship customer requests to franchisees.

- 5. "Prearranged ride." The provision of transportation by a transportation network company driver to a passenger, originating in a city and beginning when a transportation network company driver accepts a ride requested by a passenger through a digital network, continuing while the driver transports the passenger and ending when the last passenger departs from the personal vehicle. For purposes of this chapter, a prearranged ride does not include:**

(1) transportation provided using a call or demand service or limousine service as defined under section 5701 (relating to definitions);

(2) paratransit service regulated by the Pennsylvania Public Utility Commission under 52 Pa. Code §§ 29.353 (relating to method of operation in paratransit service), 29.354 (relating to vehicle and equipment requirements: paratransit service) and 29.355 (relating to tariff requirements);

(3) a driver operating under ridesharing arrangement or ridesharing operator as defined under the act of December 14, 1982 (P.L.1211, No.279), entitled "An act providing for ridesharing arrangements and providing that certain laws shall be inapplicable to ridesharing arrangements"; or

(4) a shared-expense arrangement where an individual receives reimbursement that does not exceed the actual costs incurred while providing transportation.

**Comment:** TNC's are e-hail businesses. They clog up and sit wherever the action is and have been such a problem, that concert venues, casinos and public gathering places make provisions for them to wait in designated areas until they get a fare. Having a line of uber or lyft drivers sitting and waiting in a "taxi stand or taxi line" certainly proves that rides are NOT pre-arranged. The misuse of the term prearranged here is horrible. Prearranged is an appointment or "time-call". TNC's do not offer this, as they don't always have drivers and few people would book transportation in advance without knowing a concrete price.

The prearrangement is the use of an electronic device instead of lifting one's arm to flag a cab. (or calling). This terminology should be stricken and replaced with e-hailing for on demand service. The passengers are requesting immediate service, not an appointment for the next day or the next week, or even a pick up at the same time every day to go to work.

6. "Transportation network company" or "TNC." A person or entity that obtains a license to operate a transportation network service by the authority and uses a digital network to facilitate prearranged rides.

"Transportation network company driver" or "driver." An individual who:

(1) Receives connections to potential passengers and related services from a transportation network company, in exchange for payment of a fee to the transportation network company.

(2) Uses a personal vehicle to offer or provide a prearranged ride to passengers upon connection through a digital network controlled by a transportation network company in return for compensation or payment of a fee.

The term shall not include an individual who receives reimbursement that does not exceed the actual costs incurred while providing transportation.

### **Comment:**

The definition of TNC, the misuse and redefinition or prearranged and blending of (1) and (2) above to obfuscate the fact that TNC's set the rates, define and change "compensation" to franchisees (I mean "drivers") AT WILL, and control all of the money creates that "Bad Franchisor" relationship which HB 1620 tries to prevent. TNC's as this bill and current and

former license/authorities are concerned-violate state law by creating an unlawful franchise system without franchisee protection.

**7. § 57A02. License required.**

(a) **General rule.--**No person shall engage in the business of a transportation network company without a license issued by the authority under this chapter.

(b) **Personal vehicle prohibited.--**No personal vehicle shall be used to provide transportation network service in the city except by a driver affiliated with a transportation network company licensed by the authority under this chapter.

(c) **Exception.--**A personal vehicle operated by a driver affiliated with a company operating in this Commonwealth pursuant to a license issued by the Public Utility Commission or with a company that authorizes drivers to operate in any other municipality, state or other political subdivision may come into the city to discharge passengers whose trip originated outside of the city.

(d) **Regulatory jurisdiction.--**The authority shall have exclusive regulatory jurisdiction over transportation network service originating in the city and may adopt rules and regulations as authorized under section 57A21(c) (relating to enforcement and rules and regulations). The authority is empowered to issue, suspend, cancel or revoke transportation network company licenses or issue an order requiring disqualification of a driver in accordance with section 57A19 (relating to penalties). The authority shall be authorized to inspect, audit and investigate any records of the transportation network company as necessary to ensure compliance with this chapter in accordance with section 57A18 (relating to records and reports). Information disclosed to the authority under this chapter shall be exempt from disclosure to a third person, including through a request submitted under the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

**Comment:**

Information disclosed to the Governmental Regulatory Bodies, such as PPA and PUC is no proprietary matter, and 3<sup>rd</sup> parties, like the IRS and other national governmental regulatory agencies need this information (see attached "greyball" article) and an obstruction of justice should never be part of PUC or state law.

**§ 57A04. Qualifications for licensure.**

(c) **Compliance.--**Following issuance of an initial license and to be eligible for renewal of a license, an applicant shall be in compliance with all applicable Federal, State and local laws.

**Comment:**

As stated above- the state HB 1620 "Fair Franchise Act" is being violated on many levels, especially in Philadelphia, where TNC drivers, specifically Uber Drivers are being enticed to buy or lease vehicles through Uber owned companies (franchisor). These leases or purchases of equipment to drive or operate as a TNC are offerings of prospectus, specifically "red herring" offers and as such entice the unemployed, underemployed and even people that never owned a vehicle the "opportunity" to lease one (through Uber's subsidiaries, of course) and work (as a franchisee) as little or as much as they want. They don't show or give examples of how much the TRUE costs of this investment are, in terms of actual financial cost or the dozens or even hundreds of hours per month one would have to

work for themselves as a franchisee to cover the weekly payment, the comprehensive insurance covered, the maintenance or fuel costs associated. They offer this in the Philadelphia market because it is busiest and the largest in PA. The State and the PUC have a fiduciary responsibility via HB1620 to prevent these lessees from causing themselves financial harm due to the one-sided nature of the franchise.

**20160164u1.1s**

Section 1.1. Section 5741(c) of Title 53 is amended to read:

§ 5741. Certificate of public convenience required.

\* \* \*

(c) Restrictions.--

(1) Certificates issued pursuant to this subchapter shall be nontransferable unless a transfer is approved by the authority.

(2) A limousine service provider operating pursuant to an authority-issued certificate of public convenience and a filed tariff permitting the limousine service provider to charge mileage-based rates on the effective date of this paragraph shall be permitted to continue to charge mileage-based rates and to be regulated in the same manner as traditional limousine service providers.

**Comment:** The limousine operator that can charge by the mile or the hour is the only meaningful competitor to the TNC. Author of comments is in the process of creating and filing an "experimental" authority application which, if accepted, will create a new class of service(in PA) that will allow common carriers to be competitive on almost every level.

**§ 2603. Applicability of certain laws and prohibition.**

(4) Laws and regulations imposing a greater standard of care on motor carriers than that imposed on other drivers or owners of motor vehicles.

(5) Laws and regulations imposing special equipment requirements and accident reporting requirements on motor carriers.

(c) **Municipal licenses and taxes.**--Except as otherwise provided, a municipality may not impose a tax on or require a license for a transportation network company or transportation network service.

**Comment:** Provision (4) should be stricken- and regulations put in place to require quarterly state safety and/or emissions (where required) to reflect both the fact that many TNC vehicles are used exclusively as TNC vehicles on a full time basis and an annual PA state safety inspection is just not enough, as tire, brake, rotor, drum and other specifications required to pass a PA state safety inspection are designed to average wear/use of non-commercially used personal vehicles under average conditions. And use of a vehicle as even a part -time TNC would add significant wear and tear causing the wearable and measurable components listed above to be UNSAFE in a far shorter period of time.

Other carriers, bearing PUC numbers, can be stopped any time for inspection by PUC motor carrier



enforcement. Common Carriers register as "fleets" with Penndot and fleet maintenance is described to PUC prior to issuance of authority. The provisions (4) and (5) prevent safety regulations from being promulgated and enforced. They should be amended or stricken to protect the public.

**§ 2603.1. Financial responsibility requirements.**

**(a) Requirements.--**

**(1) Upon the effective date of this section, a transportation network company driver or transportation network company on the driver's behalf shall maintain primary automobile insurance that recognizes that the driver is a transportation network company driver or otherwise uses a vehicle to transport passengers for compensation and covers the driver when:**

- (i) the driver is logged on to the digital network; and**
- (ii) the driver is engaged in a prearranged ride.**

**(2) Unless otherwise required by order or regulation of the commission, the following automobile insurance requirements shall apply to the transportation network company driver or the transportation network company on the driver's behalf while a participating transportation network company driver is logged on to the digital network and is available to receive transportation requests but is not engaged in a prearranged ride:**

**(i) Primary automobile liability insurance in the amount of at least \$50,000 for death and bodily injury per person, \$100,000 for death and bodily injury per incident and \$25,000 for property damage.**

**(ii) First-party medical benefits, including \$25,000 for pedestrians and \$5,000 for a driver.**

**(iii) The coverage requirements may be satisfied by any of the following:**

**(A) automobile insurance maintained by the transportation network company driver;**

**(B) automobile insurance maintained by the transportation network company; or**

**(C) any combination of clauses (A) and (B).**

**(3) Unless otherwise required by order or regulation of the commission, the following automobile insurance requirements shall apply while a transportation network company driver is engaged in a prearranged ride:**

**(i) Primary automobile liability insurance that provides at least \$500,000 for death, bodily injury and property damage.**

**(ii) First-party medical benefits as required by 75 Pa.C.S. § 1711 (relating to required benefits) on a per-incident basis for incidents involving a transportation network company driver's operation of a personal vehicle while engaged in a prearranged ride, including \$25,000 for passengers and pedestrians and \$5,000 for a driver.**

**(iii) The coverage requirements may be satisfied by any of the following:**

**(A) automobile insurance maintained by the transportation network**

**company driver;**

**(B) automobile insurance maintained by the transportation network company; or**

**(C) any combination of clauses (A) and (B).**

**(3.1) (Reserved).**

**(3.2) Notwithstanding paragraphs (1), (2) and (3), insurance coverage required for dual motor carrier drivers that are using personal vehicles to provide transportation network services shall be the same as the insurance coverage required for taxis. The commission may review and increase the insurance coverage requirements for dual motor carriers and taxis as necessary in the public interest.**

**(4) If insurance maintained by a driver under paragraph (2) or (3) has lapsed or does not provide the required coverage, insurance maintained by a transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim, and the transportation network company's insurer shall have the duty to defend such claim.**

**(5) Coverage under an automobile insurance policy maintained under this section shall be primary and not be dependent on a personal automobile insurer first denying a claim nor shall a personal automobile insurance policy be required to first deny a claim.**

**(6) The automobile insurance required for a transportation network company under paragraph (4) shall be evidenced by the filing of a certificate of insurance. The certificate of insurance must be filed, with the commission, by the insurance carrier and must be in the form specified by the commission by order or regulation.**

**(7) Insurance required under this subsection shall be placed with an insurer that has obtained a certificate of authority under section 208 of the act of May 17, 1921 (P.L.789, No.285), known as The Insurance Department Act of 1921, or a surplus lines insurer eligible under section 1605 of the act of May 17, 1921 (P.L.682, No.284), known as The Insurance Company Law of 1921.**

**(8) Insurance satisfying the requirements of this section shall be deemed to satisfy the financial responsibility requirement for a motor vehicle under 75 Pa.C.S. Ch. 17 (relating to financial responsibility).**

**(9) A transportation network company driver shall carry proof of coverage satisfying paragraphs (2) and (3) when the driver uses a vehicle in connection with a digital network. In the event of an accident, a transportation network company driver shall provide the proof of insurance coverage to the directly interested parties, automobile insurers and investigating police officers under 75 Pa.C.S. § 1786 (relating to required financial responsibility). A transportation network company driver shall also disclose to directly interested parties, automobile insurers and investigating police officers whether the driver was logged on to the digital network or on a prearranged ride at the time of an accident.**

**(10) It shall be the sole and exclusive responsibility of a transportation network company to ensure that automobile insurance coverage required to be carried by the transportation network company driver under this section is in force prior to permitting a transportation network company driver to provide transportation network service.**

**(b) Automobile insurance provisions.--**

**(1) Insurers that write automobile insurance in this Commonwealth may exclude any and all coverage afforded under the policy issued to an owner or operator of a personal vehicle for any loss or injury that occurs while a driver is logged on to a digital network or while a driver provides a prearranged ride. The right to exclude all coverage may apply to any coverage included in an automobile insurance policy, including, but not limited to:**

- (i) liability coverage for bodily injury and property damage;**
- (ii) uninsured and underinsured motorist coverage;**
- (iii) medical payments coverage;**
- (iv) comprehensive physical damage coverage;**
- (v) collision physical damage coverage; and**
- (vi) first-party medical benefits required under subsection (a)(2)(ii).**

**(2) Notwithstanding any requirement under 75 Pa.C.S. Ch. 17, exclusions under paragraph (1) shall apply. Nothing in this section shall require that a personal automobile insurance policy provide coverage while the driver is logged on to a digital network, while the driver is engaged in a prearranged ride or while the driver otherwise uses a vehicle to transport passengers for compensation. Nothing in this subsection shall be deemed to preclude an insurer from providing coverage for the personal vehicle if the insurer chooses to do so by contract or endorsement.**

**(3) Automobile insurers that exclude the coverage described in paragraph (1) shall have no duty to defend or indemnify any claim expressly excluded under the coverage. Nothing in this section shall be deemed to invalidate or limit an exclusion contained in a personal insurance policy, including any policy in use or approved for use in this Commonwealth prior to the enactment of this section, that excludes coverage for vehicles used to carry persons or property for a charge or available for hire by the public.**

**(4) An automobile insurer that defends or indemnifies a claim against a driver that is excluded under the terms of its policy shall have a right of contribution against other insurers that provide automobile insurance to the same driver in satisfaction of the coverage requirements of subsection (a) at the time of loss.**

**(5) In a claims coverage investigation, transportation network companies and any insurer potentially providing coverage under subsection (a) shall cooperate to facilitate the exchange of relevant information with directly involved parties and any insurer of the transportation network company driver, if applicable, including the precise times that a transportation network company driver logged on and logged off of the digital network in the 12-hour period immediately preceding and in the 12-hour period immediately following the accident and disclose a clear description of the coverage, exclusions and limits provided under any automobile insurance maintained under subsection (a).**

**(c) Waiver of liability prohibited.--**

**(1) A transportation network company or transportation network company driver may not request or require a passenger to sign a waiver of potential liability for a loss of personal property or injury.**

**(2) A transportation network company may not request or require a transportation network company driver to sign a waiver of potential liability for a loss of personal property or injury.**

(3) For the purposes of this subsection, signing a waiver shall include requiring a prospective customer to agree to the terms and conditions required to download a digital application as a condition for obtaining transportation network services.

**Comment:** When a TNC driver is logged into (2) or more TNC apps, which one's insurance carrier is liable when logged in without passengers?. Maybe a provision that requires TNC drivers to be allowed to be logged in to only one APP at a time will avoid insurance confusion, the obvious distractions caused by having (2) or more cell phones, devices to answer/respond to, and to keep drivers with passengers in their cars from responding, reading or accepting additional fares from another TNC while in transit.

#### **§ 2603.2. Disclosures.**

(a) **Requirement.**--The disclosures required by this section shall be provided in writing to all transportation network company drivers prior to the designation of an individual as a transportation network company driver. Transportation network companies shall retain written or electronic verification records of the receipt of disclosures required under this section by the transportation network driver.

(b) **Insurance and lienholder disclosures.**--The transportation network company shall provide the following disclosures:

(1) Insurance coverage, including the types of coverage and the limits for each coverage that the transportation network company provides while the transportation network company driver uses a vehicle in connection with a digital network.

(2) Notice that the terms of the transportation network company driver's own automobile insurance policy might not provide any coverage while the driver is logged on to the digital network and available to receive transportation requests or is engaged in a prearranged ride.

(3) If a transportation network company driver does not have the type of policy required under section 2603.1 (relating to financial responsibility requirements), notice that the transportation network company will provide all required insurance.

(4) The accident protocol required under section 2605(b)(5) (relating to transportation network company drivers).

(5) Notice of lienholder and lessor requirements under section 2604.5 (relating to lienholder and lessor requirements).

(6) Notice that the driver must notify the following:

(i) The driver's auto insurance company or insurance agent that the driver will be using the vehicle to provide services under this chapter.

**Comment:** THE TNC's, whom collect the driver's vehicle insurance information should be the RESPONSIBLE PARTY for acquiring and retaining the Acknowledgment of the drivers personal car insurance carrier prior to allowing driver to operate as a TNC. There is little if any benefit or recourse if the driver DOES NOT inform its own insurance about the nature of its relationship to a TNC. Furthermore, the TNC should provide trip data on a regular basis to the driver's insurance company, especially when the vehicle is used constantly on out of state trips. The ancillary costs of accidents and such have caused ALL PA motorists insurance hikes since

TNC began operating here. Place the onus on the TNC to get written acknowledgment.

(ii) The lienholder or lessor that the driver will be using the vehicle to provide services under this chapter.

(iii) If the driver will not be using a vehicle owned and insured by the driver, the disclosures under paragraphs (b)(1), (2) and (3) shall be provided to the policyholder and to the owner of the vehicle.

#### **§ 2604. Licenses and regulations.**

(b) Certificate of public convenience.--A license under this chapter shall not act as a certificate of public convenience under Chapter 11 (relating to certificates of public convenience). The commission shall provide for all licensure regulation, policies and orders necessary to regulate transportation network services under this chapter and to enforce the provisions of this chapter, including all of the following:

(1) Rights, privileges and duties of transportation network companies and drivers.

(2) Suspension, revocation or renewal requirements for transportation network companies.

(3) Conditions on a license necessary to ensure compliance with this chapter and the laws of this Commonwealth.

(4) Regulations and orders relating to procedures for customers to file complaints with the commission.

(5) Regulations and orders adopted by the commission relating to accessibility for individuals with mental or physical disabilities.

#### **§ 2604.1. Licensure requirements.**

(2) Maintain accurate records of each transportation network company driver providing transportation network services and the vehicles used to provide the service for no less than three years or for another period as determined by the commission. Records retained under this paragraph must include:

(i) Proof of valid personal automobile insurance.

(ii) Criminal history records checks.

(iii) Driving history reports.

(iv) Copies of valid driver's licenses for each driver and vehicle registration and proof of vehicle inspections for all personal vehicles affiliated with the transportation network company.

(v) Records of consumer complaints.

(vi) Records of suspension or deactivation of drivers.

(vii) Records of disclosures required to be provided to drivers under this chapter.

(3) Maintain vehicle records, including the make, model and license plate number of each personal vehicle used by a transportation network company driver to provide

transportation network service.

**(4) Implement a zero-tolerance policy on the use of drugs or alcohol while a transportation network company driver provides transportation network service. A transportation network company driver who is the subject of a reasonable passenger complaint alleging a violation of the zero-tolerance policy shall be immediately suspended. The suspension shall last until the time the complaint investigation is complete. The following information shall be provided on a transportation network company's publicly accessible Internet website:**

**(i) Notice of the zero-tolerance policy.**

**(ii) Procedures to report a complaint about a transportation network company driver with whom the passenger was matched and whom the passenger reasonably suspects was under the influence of drugs or alcohol during the course of the ride.**

**Comment:** This zero tolerance policy is a farce. It puts the riding public and other motorists at risk, offers NO protection in any capacity, whatsoever, and the TNC's need to randomly test their drivers, no exceptions. Most of the passengers getting into these TNC's at night- are intoxicated, high or both in some capacity, even offering to buy the driver a drink or share a "smoke". The intoxicated or impaired customer will not know whether the driver himself is impaired and will not and should not request to be dropped off on the side of the highway in the middle of the night if he/she suspects the driver to be under the influence. There needs to be an investment on the part of the TNC Companies to protect the public. They have the tools and resources to make this happen.

**(7) Establish and provide, in writing or electronically, driver training program materials designed to ensure that each driver understands safety and driving requirements while logged on to a digital network or providing a prearranged ride. Driver program materials shall contain information related to providing service to people with disabilities. Drivers shall be required to acknowledge receipt of program materials.**

**(10) Establish and maintain a publicly accessible Internet website that provides:**

**(i) At least two of the following:**

**(A) A customer service telephone number.**

**(B) An e-mail address.**

**(C) A hyperlink.**

**(D) Any other communication method that allows a person to communicate directly with the customer service department of a transportation network company.**

**(ii) The telephone number to file a consumer complaint with the commission and the commission's Internet website address.**

**Comment:** (7) this provision should be reviewed and approved by the PUC. It should ideally have some sort of written test with proven results kept in driver's dossier and be

administered yearly, with a score that allows for passing/failing grades. Failing grades require re-administering of the test, (3) consecutive failures bar the driver for life from driving for a TNC, and driver is "Off-App" until passing.

(11) Comply with the commission's regulations and orders regarding the reporting of motor carrier accidents for any accidents involving a personal vehicle. Accident reports shall be maintained for a period of three years from the date of the accident.

(12) Maintain verifiable records regarding its operations and obligations under this chapter for a minimum period of three years or as may be required by the commission by regulation or order.

(13) Provide written notice to a driver of the scope and levels of insurance coverage required under section 2603.1.

(14) Provide to transportation network company drivers a placard or decal for the vehicle that has been approved by the commission. The decal shall be displayed at any time the driver is logged on to the digital network or is providing a prearranged ride under this chapter.

**Comment:** Author worked as a TNC driver and was permitted on APP immediately without placard, never received placard and placards need to be in possession of driver, possibly with a "code" on them to require driver to enter said "code" to acknowledge its receipt to be able to begin service as a TNC, using unauthorized or hand-written signs in lieu is unacceptable. Use of a specific code for each driver will prevent "spoofing" and keep the unsuspecting public from believing a driver is affiliated with a TNC when he may not be.

#### **§ 2604.2. Records.**

The commission shall be authorized to inspect, audit and investigate any books, records and facilities of the transportation network company and any affiliated entities as necessary to ensure compliance with this chapter. Documents or records marked as confidential will be treated according to the commission's practices and regulations regarding confidential and trade secret information. Information disclosed to the commission under this chapter shall be exempt from disclosure to a third person, including through a request submitted under the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

**Comment:** This is a statutory mandate of obstruction of justice and should be stricken from the regulations. It could state, any proprietary data may deemed as classified and protected, but general information and trip data (keeping street, losing address # per-se) is public information.

#### **§ 2604.2. Records.**

The commission shall be authorized to inspect, audit and investigate any books, records and facilities of the transportation network company and any affiliated entities as necessary to ensure compliance with this chapter. Documents or records marked as confidential will be treated according to the commission's practices and regulations regarding confidential and trade secret information. Information disclosed to the commission under this chapter shall be exempt from disclosure to a third person, including through a request submitted under the act of February 14, 2008 (P.L.6, No.3), known as the Right-to-Know Law.

#### **§ 2604.3. Service standards.**

(a) General.--Where transportation network services are offered, a transportation network

company must take reasonable steps to ensure that the service provided by each transportation network company driver who utilizes the digital network is safe, reasonable and adequate. A transportation network company may not unlawfully discriminate against a prospective passenger or unlawfully refuse to provide service to a certain class of passengers or certain localities.

**(b) Disabled individuals.--Each licensed transportation network company must:**

**(1) Adopt a policy of nondiscrimination regarding individuals with disabilities in accordance with this subsection. The following information shall be provided on the transportation network company's publicly accessible Internet website:**

**(i) Notice of the nondiscrimination policy.**

**(ii) Procedures to report a complaint to the commission about a transportation network company driver's alleged violation of this subsection.**

**(2) Within one year of the effective date of this section, the digital network used by a transportation network company to connect drivers and passengers must be accessible to consumers who are blind, visually impaired, deaf and hard of hearing.**

**(3) A transportation network company driver must transport a service animal when accompanying a passenger with a disability for no additional charge unless the transportation network company driver has a documented medical allergy on file with the transportation network company. Service animals shall be permitted to ride in the passenger compartment of a vehicle. It shall be a violation of this chapter for a transportation network company driver to place a service animal in any part of a vehicle other than the passenger compartment.**

**(4) A transportation network company may not impose additional charges for service to an individual with a disability.**

**(5) A transportation network company shall, in an area where wheelchair-accessible service is available, provide passengers with disabilities requiring the use of mobility equipment an opportunity to indicate on its digital network whether they require a wheelchair-accessible vehicle. A transportation network company or an affiliated entity must, if wheelchair-accessible service is available, facilitate transportation service for passengers who require a wheelchair-accessible vehicle by doing one of the following:**

**(i) connecting the passenger to an available transportation network company driver or other driver operating a wheelchair-accessible vehicle; or**

**(ii) if connection under subparagraph (i) is not available, directing the passenger to an alternative provider with the legal authority and ability to dispatch a wheelchair-accessible vehicle to the passenger.**

**Comment:** It is common knowledge in impoverished and public housing areas that service from TNC's are notoriously poor, and that drivers discriminate based on names and assumed genders. There are drivers that only pick up female passengers and drivers that pick up only "WASP-Y" type names, and you will find an enclosed study to back this up.

The PUC cannot enforce this without allowing public access to all of the fares requested V. all the fares rejected. This is the primary reason that the "cloud of secrecy" is included here. The PUC will never be inclined to get first names of all people requesting rides, including dates, times and number of requests to compare with the names and data of those actually



picked up. "third parties" like the ACLU and other groups affiliated with instilling fair and equal services to all would find the disparity and shut the TNC's down.

This whole subsection devoted to the safe and reasonable availability of TNC's to ALL of the general public is smoke and mirrors that look great on paper but allow the prejudices and self-serving selection of customers up to the driver protected by the caveat of non-disclosure to those whom have a vested interest in obtaining service. The first through the third of the month, for example- have hundreds, if not thousands of additional customers that need transportation on "check day". The cabs in Scranton and Wilkes-Barre scramble to meet the demand, yet I personally have seen few if any TNC's sitting and waiting by the grocery stores, walmarts, etc looking to serve these people, all of whom could benefit from the discounted services provided by TNC's. TNC drivers are allowed to be the worst privateers of the industry, rejecting those poor single mothers with kids that could benefit from cheaper transportation. Open those records up, ask for logs of ALL requested trips and compare them with those actually completed. Also ask for logs of all of those rejected fares, on a per driver basis, I'm pretty sure I can find a public interest group interested in data mining to prove the disparity in service, which is purportedly illegal based on the above chapter and other regulations.

#### **§ 2604.4. Dual motor carrier authority.**

**A dual motor carrier that provides call or demand service under a certificate of public convenience and that has obtained a license from the commission to provide transportation network service may dispatch either a call or demand vehicle or a personal vehicle driven by a dual motor carrier driver to provide service in its authorized service territory. The certificate holder shall ensure, in the same manner used for call or demand fleet vehicles, that personal vehicles used to provide service under this section are in continuous compliance with Department of Transportation inspection standards and the commission's vehicle standards.**

#### **§ 2604.5. Lienholder and lessor requirements.**

##### **(a) Acknowledgment of lien and lease obligations.--**

**(1) A transportation network company shall disclose the following prominently and with a separate acknowledgment of acceptance to all prospective transportation network company drivers in its written terms of service for drivers. The disclosure shall be provided before a driver is allowed to offer prearranged rides on a transportation network company's digital network:**

**(Name of transportation network company) will provide you with a notice explaining whether it provides insurance to repair your personal vehicle if you have an accident when using your vehicle in a transportation network. If (name of transportation network company) does not provide coverage for damage to your car, your personal automobile insurance policy might not provide the coverage and you may be required to pay all costs to repair the vehicle yourself in the event of an accident unless you purchase extra insurance. If you financed the purchase of the vehicle or lease the vehicle, you must notify your lender or lessor that you will use your vehicle to provide transportation network service.**

**Your lender or lessor may require you to purchase extra insurance coverage or, if you do not do so, may purchase insurance on your behalf and bill you for the costs of the policy. The failure to notify a lender or lessor or to have insurance to cover the cost of damage to the vehicle may cause your vehicle to be repossessed or your lease to be revoked. If you have questions about this notice, you should contact your insurance agent, your lender or lessor or the Pennsylvania Insurance Department.**

**(2) A transportation network company shall provide the notice required under paragraph (1) upon any subsequent material reduction in insurance coverage by the company. For purposes of this paragraph, "material reduction in insurance coverage" shall not include the replacement of insurance coverage with substantially similar insurance coverage from a different insurer by a transportation network company.**

**(3) A transportation network company shall notify drivers in writing whether it is providing comprehensive and collision coverage during service.**

**Comment:** This is extremely important for a TNC driver to acknowledge and understand. It should be done in writing and have a written acknowledgment signed and submitted on PAPER and not via a signature with the contents disclosing nature of coverage buried in the fine print of a digital document that is electronically signed without being read. Merely adding this disclosure and having a forced digital signature or being forced to be "kept off app" as is common practice for TNC's will compel the driver to sign/acknowledge something he/she may not read which is like having a digital gun at their head to sign an agreement which is NOT in their best interest.

**(b) Payment of damage claims.--If a transportation network company's insurer makes a payment for a claim covered under comprehensive or collision coverage, the transportation network company shall cause its insurer to issue the payment directly to the business repairing the vehicle or jointly to the owner of the vehicle and the primary lienholder or lessor.**

**(c) Direct placement of insurance.--If a driver of a personal vehicle used in transportation network service that is subject to a lien or lease fails to maintain comprehensive or collision damage coverage required by the lienholder or lessor, or to show evidence to the lienholder or lessor of the coverage upon reasonable request, the lienholder or lessor may obtain the coverage at the expense of the driver without prior notice to the driver.**

#### **§ 2605. Transportation network company drivers.**

**(a) Separate licenses prohibited.--A separate license may not be required for a transportation network company driver to provide transportation network service by an approved transportation network company. Except as otherwise specifically provided, a transportation network company driver shall not be subject to other chapters in this title or 53 Pa.C.S. (relating to municipalities generally).**

**(b) Requirements for transportation network company drivers.--A transportation network company driver must:**

**(1) Be at least 21 years of age.**

**(2) Satisfy the criminal history record check and driving history record check requirements of section 2604.1 (relating to licensure requirements).**

**(3) Possess a valid driver's license and proof of the driver's motor vehicle insurance.**

**(4) Carry proof, either a paper copy or electronic copy, of the transportation network company's liability insurance required under section 2603.1(b) (relating to financial responsibility requirements) for any personal vehicle used by the driver.**

**Comment:** This should be stricken or amended. There are certain cities and jurisdictions that require all other "hacks" or drivers that pick up people for compensation to comply with moral qualifications and other regulations and the PUC should not restrict these cities, municipalities from deciding what quality of driver serves their communities. These municipalities generally have their own police or code enforcement staff that protect the riding public by having these hack licenses and their requirements to obtain such licenses. Many of these jurisdictions have been doing so since the days of horse and carriage and this system of knowing and having on record who is allowed to serve the community has protected them and their residents for decades. By allowing any person, in any car from any state to now operate in these areas, at-will is to the detriment of the community and riding public. We will address the use of out of state vehicles in drivers in the near future, this topic is related-

**(5) In the case of an accident:**

**(i) Provide the insurance coverage information required under paragraph (4) to any other party involved in the accident and, if applicable, to the law enforcement officer who responds to the scene of the accident.**

**(ii) Report the accident to the transportation network company.**

**(iii) Report the accident to the following:**

**(A) the transportation network company driver's personal automobile insurer if required by the driver's policy;**

**(B) the owner of the automobile if the driver is not the owner of the automobile;**

**(C) the insurer providing insurance required under section 2603.1; and**

**(D) the holder of the insurance policy covering the automobile if the driver is not the holder of the policy.**

**(6) Notify the transportation network company immediately upon conviction for any offense listed under section 2604.1(b)(5) which would disqualify the transportation network company driver from being eligible to provide transportation network service.**

**(7) Only accept a ride arranged through a digital network. Transportation network company drivers may not solicit or accept street hails or telephone calls requesting transportation network service.**

**Comment:** See pictures of Uber "cab" with rooflight emulating, spoofing a taxi. If all TNC drivers are picking up so-called "prearranged" fares and through the app-- which provides a picture of car, driver, and license plate- why does the PUC allow the use of dome lights, and why, if nobody is soliciting them for street hails or immediate service for cash, off app- why would a TNC driver invest in or use a "dome light" to emulate or "spoof" being a taxi. (See also included articles about stings in other states that have netted thousands of TNC drivers tickets and vehicle impoundments- due to illegal street hail operations)

**(7.1) (i) Not operate or cause to be operated a personal vehicle affiliated with the transportation network company in any area where the operation of the vehicle is**

**prohibited by law, including any area at a commercial service airport.**

**(ii) Nothing in this paragraph shall be construed to limit the ability of a municipality or other governing authority that owns or operates a commercial service airport from adopting contracts or regulations relating to the duties and responsibilities of a transportation network company, transportation network company driver or transportation network service on airport property.**

**(iii) For purposes of this paragraph, the term "commercial service airport" shall have the same meaning as provided under 49 U.S.C. § 47102 (relating to definitions).**

**Comment:** Author owns and operates a call or demand authority that serves a local regional commercial airport and witnesses TNC's waiting to meet flights on a daily basis, observes "cruising" and "standing" curbside of TNC vehicles off app, on app, and has even called the PUC after catching a driver poaching a long distance fare for cash. TNC driver admitted as such to PUC enforcement (incredulously) and TNC driver was suggested to be taken "off app" for taking an out of state fare for cash. These regulations are broken every day, and the common carriers and airport authorities should have a hot-line to the TNC's to report this activity so that "rogue" drivers can be taken off app, and or fined for operating illegally.

**(7) Only accept a ride arranged through a digital network. Transportation network company drivers may not solicit or accept street hails or telephone calls requesting transportation network service.**

**Comment:** It is common practice for TNC drivers to give "good" customers their personal phone numbers so that the driver can go "on-app" near customers pick up address or perform the ride "off-app" (illegal and with no insurance !). The only cure here is full-time commercial insurance and registrations like NYC and their FHV (that's how TNC's operate in NYC). Creating an unenforceable regulation like the ones above are a waste of time and taxpayer money. See FHV requirements attachments.

#### **§ 2606. Personal vehicle requirements.**

**(a) Authorized vehicles.--Personal vehicles used by a transportation network company driver to provide transportation network service may be a coupe, sedan or other light-duty vehicle, including a van, minivan, sport utility vehicle, hatchback, convertible or pickup truck that is equipped and licensed for use on a public highway. At no time may a vehicle used to provide transportation network service transport a greater number of individuals, including the driver, than the number of seat belts factory installed in the vehicle.**

**Comment:** Hatchback, coupes and convertible should never be used in for-hire commercial transportation of people, especially when they may not have seating capacity for the group they are intended to pick up. The number of seat belts- The APP provided by TNC's informs the driver NO information about the number of people or the destination he/she is taking the passengers. This should

be required by the PUC, and each vehicles # of seat belts should be disclosed to prevent TNC drivers that do not have the seating capacity from attempting to pick up more people that the car is legally able to seat. As an Uber driver, I used a huge Lincoln town car with (6) seat belts, one for me and (5) for passengers. Yet, passengers from the Uber app tried to squeeze 6, 7 or more into the car, stating that the other drivers "do this all the time" or "we'll take care of you". Overloading is negligent and dangerous and the TNC driver's are not informed of this being illegal or dangerous. They do it to avoid a bad rating and because they are already on location. The only way to prevent overloading, is to require the app to inform drivers of the number of passengers he will be picking up, AND having the app explain the capacity of the vehicle and that they CANNOT overload. Me? I left them on the street and lost the fare. I'm doing this 30 years and offered to take (5) of the group, and they rejected that as they did not want to pay for (2) TNC cars.

**(c) Inspections required.--**

**(1) An annual certificate of inspection under 75 Pa.C.S. Ch. 47 (relating to inspection of vehicles) must be obtained from an inspection station approved by the Department of Transportation under 67 Pa. Code Ch. 175 (relating to vehicle equipment and inspection) for each personal vehicle. A valid certificate of inspection shall be maintained in all vehicles. For a vehicle registered outside this Commonwealth, inspection must be conducted by a facility approved by the Department of Transportation.**

**(2) The transportation network company shall ensure that its drivers' vehicles remain in continuous compliance with this section and the commission's vehicle standards and are subject to periodic inspections according to Department of Transportation inspection standards.**

**(3) A commission officer may inspect a personal vehicle if there is reason to believe that the vehicle is not in compliance with the commission's vehicle standards to ensure compliance with this section.**

**§ 2607. Rates and forms of compensation.**

**(a) Passenger receipt.--Upon completion of transportation under this chapter, each transportation network company shall transmit an electronic receipt to the passenger's e-mail address or account on a digital network documenting:**

- (1) The origination, destination, mileage and time estimated of the trip.**
- (2) The driver's first name.**
- (3) The total amount paid, if any.**

**(b) Tariff and fares.--A transportation network company shall file and maintain with the commission a tariff that sets forth the terms and conditions of service, including the basis for its fares and its policies regarding dynamic pricing. A transportation network company may offer transportation network service at no charge, suggest a donation or charge a fare. If a fare is charged, a transportation network company must disclose the fare calculation method prior to providing an arranged ride.**

**(c) Estimates.--The transportation network company must provide estimates upon request for the cost of a trip.**

**(d) Dynamic pricing.--A transportation network company shall provide notice to potential passengers prior to accepting a ride through its digital network any time dynamic pricing is in**

effect.

**(e) Limitation.--**When a state of disaster emergency is declared under 35 Pa.C.S. § 7301 (relating to general authority of Governor), a transportation network company that engages in dynamic pricing shall limit the multiplier by which its base rate is multiplied to the next highest multiple below the three highest multiples set on different days in the 60 days preceding the declaration of emergency. It shall be a violation of the act of October 31, 2006 (P.L.1210, No.133), known as the Price Gouging Act, for a transportation network company to charge a price that exceeds the limits of this subsection during a state of disaster emergency.

**(f) Review.--**The amount of a donation, charge, fare or other compensation provided or received for transportation network service shall not be subject to review or approval by the commission under Chapter 13 (relating to rates and distribution systems).

**Comment: (f)** The charges a public utility collects are THE EPITOME of why, how and what the Public Utility Commission exists. Why have a Commission if the rates, tariffs and charges collected by a utility or licensee are at the sole discretion of the Utility/Licensee?

This is a preposterous and harmful clause, it should be stricken if not immediately changed to reflect the nature of the PUC's concerns over both price gouging and unfair competition. As a common carrier of call-or-demand, author has been fighting to obtain a flexible tariff to LOWER its prices without penalty, and the TNC's by this clause can do whatever they want, whenever they want without any fear of penalty, reprisal or suspension of license.

Robert Ely  
210 Montage Mountain Rd LL4  
Moosic, PA 18507

**7/20/17**

Dear PUC, it's counsel and all interested parties. My name is Robert Ely and I have been in the transportation business for nearly (3) decades. Please accept my comments in layman's terms in a simple format. As the input provided is culled from personally driving THOUSANDS of passengers from all walks of life and dispatching drivers to many more thousands of destinations, in (2) states under several different classes of services and regulations, as an employee, manager and owner of several transportation businesses- I could easily and rightly be considered both a professional and an expert in the field of passenger transportation.

My goal in providing commentary here is to:

- Serve the RIDING PUBLIC's best interests.
- Promote safe solutions to prevent dangerous situations.
- Serve the Pennsylvania Taxpayers best interests
- Help shed light on subjects and possible solutions to keep the conventional passenger transportation industry viable under proposed regulation changes that WILL have a severe and detrimental impact on the industry and all affected by the changes.
- Provide outside insight on solutions other jurisdictions have promulgated to protect the public first.

Thank You for allowing me the ability to share my experience here, I am available and at your service for any questions or thoughts on any facet of the passenger transportation that you may have.

Your Truly,



Robert Ely

## **COMMENTS PERTAINING TO:**

**L-2017-2604692**

*By the Commission:*

The Commission's regulations and policy statements governing motor carriers of passengers and property, including household goods, are found at 52 Pa. Code Subpart A, Chapter 3, and Subpart B, Chapters 21 through 41. In recent years, the Commission's oversight of these industries has changed in response to federal preemption mandated by the Federal Aviation Authorization Act of 1994, the Transportation Equity Act for the 21st Century, P.L. 105-178, and the passage of P.L. 1222, No. 164 (Act 164). Further, these industries have responded to changes mandated by market forces.

In light of these changes, the Commission has determined that it is appropriate to reexamine its regulations governing the motor carrier industry. Toward this end, we are initiating this Advance Notice of Proposed Rulemaking. We encourage members of the regulated industry, the public, and any other interested parties to file comments with the Commission. The comments should include specific section references to the Commission regulations. Comments should delineate the rationale for the proposed change as well as specific proposed language for the regulations.

As a starting point, our review of the regulations indicates that revisions may be beneficial in the following areas:

**1. Fuel Surcharge.**

**Comment:** The flexible tariff should allow the use of a surcharge as needed.

**2. The Commission expends considerable resources addressing de minimus delinquent assessments and fines. We question whether alternative procedures, as opposed to our current complaint procedures, may be appropriate to address these limited circumstances. In particular, we request comments on whether there are any more efficient procedures to address de minimus delinquent assessments and fines that continue to provide the due process required under law.**

**Comment:** *There are other more modern methods of collecting and charging an assessment on motor carriers. Authorities like the TLC in NYC charge for a yearly "diamond" (diamond shaped sticker on all for hire vehicles in NYC) or registration fee for various classes of motor carriers. In addition the driver of a TLC licensed vehicle (taxi, limo, car service, FHV (for hire vehicle) or other) and it's AFFILIATED BASE all pay annual fees.*

*Emulating this NYC TLC "diamond" system statewide allows the PUC significant ancillary benefits- and much better control of its certificateholders, and will both create more jobs AND pay for itself. AND protect the riding public !*

*TNC class of service and assessments:*

*There are upwards of 33,000 TNC "cars" in PA. (according to TNC "Rasier PA LLC" in documents filed with the PUC. \$365 or \$1.00 per day is not an outrageous sum for a PUC*



"diamond". It eliminates the need for an "assessment", allows authorities to know that a vehicle is a "TNC" affiliate, and allows the PUC to quickly and routinely "check" annually, that safety and equipment requirements are met. On top of that, it would directly pay for additional enforcement officers that are sorely needed to protect the riding public from "fake" or "rogue" TNC's that roam the streets searching for unlawful street hails.

As far as other classes of carriers, a similar "PUC Diamond" fee can be paid and the cost of collecting assessments **SHOULD BE LOWERED**, due to decreased accounting, postage, legal and all other ancillary costs related to billing collecting and processing such antiquated assessments. **ADDED BENEFIT?** Prepaid registrations pay UP FRONT putting cash in the PUC bankbook as opposed to receivables and uncollectables. Stickers from ABOVE method, from PUC inspections can be done as well. Like NYC TLC- pay for sticker, setup inspection. Fail inspection- pay additional fee for re-inspection and take deficient vehicle off road as TNC's (remove current diamond or notify TNC of "failure").

*Fine collection: Deny renewal if unpaid fines exist. While the question here proposed only de minimus collections- What about the opposite? The gargantuan fine levied against Uber is uncollectable because the owner of the company that operated illegally used a shell corporation to do business as "uber" and filed for authority under a similar but different shell corporation, is unaffected by the fine, neither shell corporation has any significant assets and the income is passed through shell #2 through licensing fees to the "technology" company which sends nearly all of its revenue into "untouchable" tax havens.*

*What about the HUGE FINES and assessments? Collecting just "Uber's" would allow the PUC to give amnesty to ALL of the small carriers that owe de minimus fines/assessments.*

*The \$50 million "gargantuan" fine levied against "Uber" will only be paid if the PUC decides to suspend authority temporarily if the fine isn't paid. Google "uber sued by city of chicago". The city of Chicago is owed \$15 million plus in fees and fines, and has a team of lawyers fighting to get money owed- why should the taxpayers in Pennsylvania continue to subsidize the services rendered by TNC's- Diamond system with an annual fee for drivers, vehicles and the "base" or authority granted via certificate to "Uber and Lyft" will force the TNC's to pay for the VERY LUCRATIVE franchise they were granted via PUC operating authority. The diamond system not only pays for the "assessment" but it gives teeth to the PUC to ensure safety for the public at NO EXPENSE to the taxpayers.*

*The TNC industry needs to pay their fare share. The regulation and collection of assessments and fines of the TNC franchise created to allow one man's foreign shell company to operate without fear of reprisal for unlawful actions is by far more important to the taxpayers of PA than allowing forgiveness or amnesty to small carriers that may find it difficult to pay now that their profit margins and marketshare have fallen prey to an aggressive competitor (TNC's). The collection of these millions of dollars owed will greatly relieve the small burden of chasing small monies owed from small carriers. Using a diamond system would help as explained throughout my comments.*

### 3. Granting of Provisional Authority:

Commission regulations currently provide for Emergency Authority and Emergency Temporary Authority. 52 Pa. Code §§ 3.383—3.385. We question whether the procedure for granting these types of authorities

should be revised to allow applicants to operate while an application for permanent authority is processed due to protests.

***Comment: Allowing applicants to operate without proving financial, technical ability and the propensity to operate safely is contrary to the best interests of the riding public. Should a potential carrier be allowed to open for business without proving itself? NO.***

***EXISTING carriers that HAVE proven themselves should be allowed to operate during such protest period- because they HAVE gone through the scrutiny of the protest and must operate in good standing to be granted additional rights or authority.***

#### 4. Web-based Training.

The Commission solicits input on whether the Commission should provide web-based training for new motor carriers or continued training for existing motor carriers. If so, what aspects of the Commission's motor carrier application, assessment and other regulatory processes should be covered?

#### **Comment:**

- *Don't waste the taxpayers money solely for applications. The applications are simple enough, readily available on line, and the barriers of entry have been removed in recent regulatory changes. Changing method of assessment I suggested obviates the need for teaching carriers how to pay.*
- *If the PUC adopts "diamonds" it can include an online training class for drivers, explaining and teaching the rules, etc for a nominal fee, or include that fee as part of a PUC "FHV" (or hack) license- with an online annual or bi-annual fee covering cost of background and MVR driver license checks.*
- *All of the above and more can be created within the "diamond" and hack license fees including testing of basic knowledge and understanding of PA code 52.*

#### 5. 52 Pa. Code Chapter 32—Motor Carrier Insurance.

• Chapter 32 governs Commission motor carrier insurance requirements. The current limits of coverage have been in place for a significant period of time. We question whether these limits should be adjusted.

• The Commission currently requires Form E insurance certificates to be filed with the Commission by the insurer or the insured's broker. However, an insurer or broker may fail to file Form E certificate despite a motor carrier's best efforts. The Commission questions whether to allow and rely upon motor carriers themselves to file Form E certificates to avoid such situations. We note that any changes would need to address the public protections afforded in our current Form E process which presently requires the insurance carrier to guarantee that the motor carrier has the coverage that is required under Pennsylvania law and the Commission's orders and regulations. See *Ins. Corp. of N.Y. v. Antrom*, 2008 Pa. Super. LEXIS 5616 (Pa. Super. Ct. Dec. 3, 2008).

***Comment: Pertaining to common carriers of passengers-only- as there has been no "TNC" tidal wave of below cost pricing to any other class of carriers (yet)- Increasing limits of liability, in the passenger carrier class would most likely end up crippling the***

*existing conventional carriers and demolish the rural and suburban carriers that are struggling to compete and survive in a time of inflexible pricing and decreased market share. Passenger carriers pay insurance 24HOURS a day- TNC's are allowed to pass their "per trip" insurance costs directly to the passengers.. No passengers for TNC = no insurance payment. No passengers or "grounded" conventional carrier's vehicle= insurance coverage still being paid for.*

*The current form E submission process is deplorable and leaves the carrier at the mercy of his insurance company and/or its agent.*

*ALL of this can be made simpler with a "diamond" system that forces the vehicle out of service and protects the public by using the diamonds on FHV vehicles.*

6. 52 Pa. Code Chapter 37—Safety Code for Transportation of Property and Passengers.

The regulations in Chapter 37 govern the Commission's safety requirements for motor carriers. The Commission solicits input as to whether any updates or other changes should be made to these regulations.

**Comment:**

**1. TNC Driver Safety:**

33,000 plus TNC drivers (based on drivers purported to be affiliated with Rasier PA LLC in documents Rasier PA LLC filed with PUC) have minimal experience picking up passengers for hire. TNC Drivers should be administered an online test, for a nominal fee to prove that they know PA Code 52 regulations, US DOT regulations and can pass a criminal and MVR background check. This fee should be high enough to cover administrative costs, development and future implementation of driver safety and random/mandatory drug testing of TNC drivers. A TNC driver card similar to a CDL medical card would entitle them to drive for a TNC, and certifies the driver as a TNC operator

**2. Passenger and motorist safety:**

TNC's never inspect their driver's cars- Neither does the PUC. Using a sticker assessment mentioned above, would be a great help in protecting the public from TNC drivers driving with little to no knowledge of the regulations. The TNC industry in PA was created outside the parameters of normal regulations administered by the PUC concerning motor carriers, against the sage warnings of unsafe conditions given by OAL Judges- the commission was pressured into conditional experimental licensing of TNC's and the TNC's created a virtually unregulated industry which was granted permanent life by politicians with little to no regard who was going to police and pay for the resulting wild-west situation which exists today. The Public's Safety is the reason we taxpayers grant power to the politicians and lawmakers to create PUC's in the first place.

Both a TNC vehicle and driver should have credentials defining themselves as such, for the safety of all.

7. 52 Pa. Code Chapter 41—General Orders, Policy Statement and Guidelines on Transportation Utilities.

Chapter 41 covers the Commission's policy statements for transportation. The Commission is soliciting input as to whether any provisions contained therein should be modified or codified in the form of a regulation. For example, should Section 41.14 be promulgated as a regulation, and if so, what specific language should it contain? In particular, if entry standards are to be promulgated as regulations, what specific standards would be necessary to specify as to, for example, operational fitness and financial fitness and would this limit the Commission's discretion in the granting of motor carrier applications?

**Comment:** *If the PUC were looking to ease the barrier of entry for the micro-carrier class (one-vehicle operators) It could very easily do so by-*

1. *Setting the authority "conditional" to accommodate a (1) vehicle limit for a specified period of time. Conditions for permanent authority could be simplified, allowing an operator that satisfies all conditions to become permanently certificated.*
2. *Diamond system.*

*Small carrier or multiple vehicle applicants-*

- *Base License-similar to NYC TLC requirements.*
- *Vehicle Diamond*
- *Driver "PUC" Hack License required.*

*By using similar guidelines as the NYC TLC, it will allow significantly faster times for a carrier to obtain a "base" a properly vetted driver to go on the road while providing revenue and safety and eliminating the significant costs of doing business as-is.*

8. Other Considerations.

The Commission is soliciting input as to whether any regulations need to be modified in light of Act 164 of 2016, Act 85 of 2016, providing for the regulation of Transportation Network Companies (TNCs), as well as the recent regulatory change which eliminated the requirement for motor common carrier applicants to establish need for service. Final Rulemaking Amending 52 Pa. Code Chapters 1, 3, 5, 23 and 29 to Reduce Barriers to Entry for Passenger Motor Carriers, Docket No. L-2015-2507592 (Final Rulemaking Order entered October 27, 2016).

**Comment:** Many regulations need to be adapted for the square peg of TNC's to fit in the round holes of PUC regulations that provide for free enterprise, a level playing field, and consumer and driver protections. The OALJ's decision that TNC's SHOULD NOT BE GRANTED authority or temporary authority was well founded, yet mostly ignored by the Commission (with noted dissent) which created the opening for the legislation to USURP the OALJ's decision and render the commission's findings after the conditional period was up, to be a moot and worthless waste of ALL of the PUC's & OALJ's time and, of course, boatloads of taxpayer's money. TNC's have lobbied and received a "gift" in Act 164, and this gift has turned the PUC into a toothless tiger and rendered the OALJ ineffective at best.

- TNC's need to provide TRUE operating revenues. And prove to the PUC that the TNC

driver whom is providing the labor, assets and equipment to provide motor carrier service are getting just compensation and a cap % wise is set. TNC's are nothing more than electronic brokers of transportation, with the blessing of one-sided legislation that waives all of protections afforded all consumers of other public utilities. They have no profit cap.

- TNC's need to COMPLY with the fair franchise act- the passengers are not the only consumers here, DRIVERS also are consumers of the technology and rely on the TNC's special motor carrier authority to be able to operate legally. Drivers are being systematically cheated by TNC's on several levels and there are NO CONTROLS in any of the PUC regulations that define or protect the drivers- all of whom are taxpaying PA residents and motorists.
- TNC's must be required to PROVE to the PUC that the cars its drivers use are reported to their respective primary owner's insurers as being used to operate as a TNC vehicle (can be part of diamond process)-- currently the Onus is on the driver to report himself to his own insurer- and this would cause driver to lose his primary coverage under most insurers in PA
- TNC vehicles can have many thousands of miles of use as a TNC in passenger service- without being registered as a taxi or other carrier. People buying these cars after TNC use are being cheated because they assume high mileage cars are highway miles, not local for hire miles, and certainly dont idle for the hours TNC drivers sit running and waiting for fares. TNC vehicles need to have insurance companies notified and have title/insurance information as a for hire vehicle noted on the vehicle history record to prevent fraud and deception of future purchasers of these vehicles.
- TNC's need to have established minimum and maximum fares, should NOT be allowed to charge flat rates or hourly rates. Example- when there is a surge, TNC's say they charge more to incentivize drivers. Ok- Say the surge is 5x or 500% of their base fare, due to unregulated fares and unregulated driver compensation, the TNC also profits 500% (or more) on the surge, which costs them NOTHING extra to dispatch, so why are they allowed to earn 5x as much as they normally do when customers are being forced to pay a premium. TNC tariff's are too loose. They need to be defined in black and white, with actual rates, not blank spaces as currently in their tariff.
- Driverless cars- not provided for in their authority and should never be allowed on road for hire without significant fines. The riding public should not be subjected to being crash test dummies, even is Uber doesnt charge them.
- Remove out of state arbitration for customers of the TNC's. (drivers and passengers unwittingly e-sign documents that usurp PA's legal system and the PUC by forcing out of state mediation/arbitration on PA residents that use the utility service provided by TNC's certificate of authority- how , where and why someone does business with a public utility in the state of PA should be adjudicated and governed by OUR PA legal system.
- We can go on for days about TNC's being given unmitigated power and influence that has been destructive to all of the conventional motor carriers of passengers- The OALJ should be consulted and should be given the opportunity to assist in providing the PUC with

language and laws that were conditionally waived that need to be reinstated or adapted to protect our citizens.

Comments referencing Docket No. L-2017-2604692 be submitted to the Secretary, Pennsylvania Public Utility Commission, Commonwealth Keystone Building, 400 North Street, 2nd Floor, Harrisburg, PA 17120. The Commission's contact person is Assistant Counsel Joseph Cardinale, (717) 787-5558.

Final note, the NYC TLC is its own regulatory body, and our PUC should enable itself with the means and the ability to regulate the TNC industry into safety, compliance and fair business practices. It's time for the promulgation of legislation that mirrors or copies that of NYC, as it WORKS. The public is safer and the TNC industry pays its fare share..

Enclosed is an article- and Uber's disgusting remark about the drivers picking up illegal street hails should resound here- **THEY ARE PICKING UP** illegal street hails here in PA too— the difference is **LITTLE** to No enforcement- (very difficult, without any markings, diamonds or special plates) and the difference is **TREMENDOUS**- in NYC the cars are **INSURED** via TLC TAGS, Diamonds- so they are "only" violating the law and there is insurance protection. (commercial insurance on FHV's are in effect all of the time) PA passengers are not protected by a driver's personal policy and it is only a matter of time before a tragedy will occur.

Smokey the Bear used to say "Only **YOU** can prevent forest fires"... well - only you in charge of the PUC can prevent the possible forest fire of tragedy by regulating this industry properly.

Yours truly,  
Robert Ely



# **Exhibits, Regulations and Explanations**

## ***Table of Contents:***

### **1. PA HB 1620- Fair Franchise Act**

PA law that must be upheld by PUC when considering TNC Drivers.

### **2. NYC TLC Chapter 59**

NYC For Hire Vehicle Regulations (partial of 122 pages)

### **3. NYC TLC Chapter 55**

NYC For Hire DRIVER Regulations (partial of 38 pages)

### **4. NYC Livery Base Station Application**

Complete application shows details and requirements for TNC operation.

### **5. NYC TLC Black Car/Luxury Limo Base Application**

Complete application showing detail required for TNC operation.

### **6. TLC Notice of termination of affiliation.**

Shows how to terminate affiliation or end relationship with driver.

(important to have provisions for proof of certificateholder's termination of affiliation in the event of owner operated vehicle now allowed by PUC)

### **7. TLC Driver License App Web Page**

shows the process required to operate as a driver in NYC

### **8. Greyballing- Used by uber to prevent PUC enforcement.**

(2) articles- (1) DOJ investigating Uber (2) Justice Department Expands Inquiry

**9. Pictures of Uber operating illegally as a taxi at Mohegan Sun Casino-**

Note: roof light and plate number- photo taken and submitted by M. Abbott who witness this "cab" picking up several times that evening at the Mohegan Sun casino. Other operators, PA plate "SK8AWAY" could not be photographed due to non-photographable license plate cover.

**10. Screen Shot of Driver's Log Proving illegal use of vehicle.**

This is only (1) example of a driver who was dispatched fares AFTER the date the vehicle was to be removed from service driver was "pinged" for (3) days after the date of expiration of his model year vehicle. How many vehicles have been dispatched by Uber with outdated inspection stickers as well?

( we did not submit this to PUC for enforcement action, but driver states he will be happy to submit a statement in writing if needed)

**11. Racial discrimination by TNC's proven.**

(2) articles enclosed.

**12. Unsolicited tax advice proving that most TNC drivers earn nothing.**

**(3)** 📧 emails from Stride "app" purportedly can help TNC drivers pay no taxes. As stated in my comments, drivers earn nothing and these emails prove it. This is proof that the fair franchise act is being violated. Especially egregious against drivers whom bought/lease their vehicle from Uber affiliates which get paid by Uber prior to the driver obtaining his compensation.



THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL  
No. 1620 Session of  
2015

INTRODUCED BY P. DALEY, THOMAS, SCHLOSSBERG AND McNEILL,  
OCTOBER 15, 2015

REFERRED TO COMMITTEE ON COMMERCE, OCTOBER 15, 2015

AN ACT

1 Amending Titles 12 (Commerce and Trade) and 42 (Judiciary and  
2 Judicial Procedure) of the Pennsylvania Consolidated  
3 Statutes, providing for fair franchises; and, in limitation  
4 of time, further providing for one year limitation and for  
5 four year limitation.

6 The General Assembly of the Commonwealth of Pennsylvania  
7 hereby enacts as follows:

8 Section 1. Title 12 of the Pennsylvania Consolidated  
9 Statutes is amended by adding a chapter to read:

10 CHAPTER 55

11 FAIR FRANCHISES

12 Sec.

13 5501. Short title of chapter.

14 5502. Declaration of policy.

15 5503. Definitions.

16 5504. Applicability.

17 5505. Termination and opportunity to cure.

18 5506. Renewal of the franchise and notice.

19 5507. Unfair acts and practices.

- 1 5508. Transfer.
- 2 5509. Termination.
- 3 5510. Good faith and fair dealing.
- 4 5511. Indemnification.
- 5 5512. Enforcement.
- 6 5513. Mediation and actions.
- 7 5514. Void provisions.
- 8 5515. Construction.
- 9 § 5501. Short title of chapter.

10 This act shall be known and may be cited as the Fair  
11 Franchise Act.

12 § 5502. Declaration of policy.

13 (a) Declarations.--The General Assembly finds and declares  
14 as follows:

15 (1) Franchise businesses represent a large and growing  
16 segment of this Commonwealth's retail and service businesses  
17 and are rapidly replacing more traditional forms of small  
18 business ownership in this Commonwealth.

19 (2) Franchise businesses involve a joint enterprise  
20 between the franchisor and franchisee in which each party has  
21 a vested interest and equity in the franchised business.

22 (3) Most prospective franchisees lack bargaining power  
23 and generally invest substantial amounts to obtain a  
24 franchise business when they are unfamiliar with operating a  
25 business, with the business being franchised and with  
26 industry practices in franchising.

27 (4) Many franchises reflect a profound imbalance of  
28 contractual power in favor of the franchisor, and fail to  
29 give due regard to the legitimate business interests of the  
30 franchisee, as a result of the franchisor reserving pervasive

1 contractual rights over the franchise relationship.

2 (5) Franchisees may suffer substantial financial losses  
3 when the franchisor does not act in good faith in the  
4 performance of the franchise agreement.

5 (6) Traditional common law doctrines have not evolved  
6 sufficiently to protect franchisees adequately from  
7 fraudulent or unfair practices in the sale and operation of  
8 franchise businesses and significant contractual and  
9 procedural restrictions have denied franchisees adequate  
10 legal recourse to protect the franchisees' interests in the  
11 businesses.

12 (7) A franchisee's freedom to contract is greatly  
13 limited by the disparity of bargaining power and lack of  
14 consistent legal standards and other factors. This act is  
15 necessary to restore freedom to contract and to remove  
16 restrictive barriers impeding entry into industries and  
17 markets dominated by franchise systems.

18 (b) Purposes.--The underlying purposes and policies of this  
19 chapter are as follows:

20 (1) To promote the compelling interest of the public in  
21 fair business relations between franchisees and franchisors.

22 (2) To protect franchisees against unfair treatment by  
23 franchisors, who inherently have superior economic power and  
24 superior bargaining power in the negotiation of the business.

25 (3) To provide franchisees with rights and remedies in  
26 addition to those existing by contract or common law.

27 (4) To govern franchise agreements, including any  
28 renewals or amendments, to the full extent consistent with  
29 the Constitution of the United States and the Constitution of  
30 Pennsylvania.

1 § 5503. Definitions.

2 The following words and phrases when used in this chapter  
3 shall have the meanings given to them in this section unless the  
4 context clearly indicates otherwise:

5 "Affiliate." An entity controlled by, controlling or under  
6 common control with another entity.

7 "Fractional franchise." A franchise relationship that  
8 satisfies the following criteria when the relationship is  
9 created:

10 (1) The franchisee, any of the franchisee's current  
11 directors or officers or any current directors or officers of  
12 a parent or affiliate has more than two years of experience  
13 in the same type of business.

14 (2) The parties have a reasonable basis to anticipate  
15 that the sales arising from the relationship will not exceed  
16 20% of the franchisee's total dollar volume in sales during  
17 the first year of operation.

18 "Franchise." As follows:

19 (1) Any of the following:

20 (i) An express or implied agreement between a  
21 franchisor and a franchisee, whether oral or written,  
22 which includes all the following:

23 (A) The franchisee is granted the right to  
24 offer, sell or distribute goods or services under a  
25 marketing plan or system prescribed or suggested in  
26 substantial part by the franchisor.

27 (B) The operation of the business is allowed to  
28 be substantially associated with a trademark, service  
29 mark, trade name, logotype, advertising or other  
30 commercial symbol owned, controlled or used by the

1           franchisor.

2           (C) The franchisee is required to pay a  
3           franchise fee.

4           (ii) An area franchise.

5           (iii) A subfranchise.

6           (iv) A commercial relationship entered into in  
7           reasonable reliance on representations of the criteria of  
8           subparagraph (i).

9           (v) A commercial relationship explicitly referred to  
10          as a franchise by the seller.

11          (2) The term does not include any of the following:

12           (i) a nonprofit organization operated on a  
13          cooperative basis by and for independent retailers which  
14          wholesales goods and services primarily to the  
15          organization's member retailers and to which all of the  
16          following apply:

17           (A) Each member has substantially the same  
18          control and ownership of the cooperative control and  
19          ownership is apportioned by number of retail units  
20          owned.

21           (B) Only persons that will avail themselves of  
22          the services furnished by the organization may be  
23          members.

24           (C) Transfer of ownership is prohibited or  
25          limited.

26           (D) Capital investment receives no return.

27           (E) Benefits to members are made on the basis of  
28          patronage of the cooperative or on the basis of  
29          retail units owned.

30           (F) A member is not personally liable for

1 obligations of the organization in the absence of a  
2 direct undertaking or authorization by the member.

3 (G) Services of the organization are furnished  
4 primarily for the use of a member.

5 (H) No part of the receipts, income or profit of  
6 the organization is paid to a for-profit entity. This  
7 subparagraph does not include an arms-length payment  
8 for necessary goods and services.

9 (I) A member is not required to purchase goods  
10 or services from a designated for-profit entity other  
11 than an approved supplier selected on an objective  
12 basis.

13 (ii) A contract regulated by the Petroleum Marketing  
14 Practices Act (Public Law 95-297, 15 U.S.C. § 2801 et  
15 seq.).

16 (iii) A contract or business relationship between a  
17 contractor and an automobile club that is a corporation  
18 not-for-profit and that:

19 (A) directs or refers the automobile club's  
20 members and other customers to the contractor for  
21 roadside assistance, auto battery, auto repair, auto  
22 body repair or other motor vehicle-related services;  
23 or

24 (B) authorizes the contractor to display the  
25 automobile club's trademark, service mark or other  
26 commercial symbol as an indication of the  
27 contractor's affiliation with the automobile club.

28 (iv) An equipment dealer which is a person,  
29 partnership or corporation that is primarily engaged in  
30 the business of retail sales of any of the following:

1                   (A) Farm and utility equipment.

2                   (B) Forestry equipment.

3                   (C) Industrial and construction equipment.

4                   (D) Farm implements.

5                   (E) Farm machinery.

6                   (F) Yard and garden equipment.

7                   (G) Attachments, accessories and repair parts.

8                   (v) A franchise relationship that is a fractional  
9                   franchise.

10                  (3) The term does not apply to distribution agreements  
11                  under section 431 of the act of April 12, 1951 (P.L.90,  
12                  No.21), known as the Liquor Code.

13                  (4) The term does not apply to contracts regulated by  
14                  the act of December 22, 1983 (P.L.306, No.84), known as the  
15                  Board of Vehicles Act.

16                  "Franchisee." A person who is granted a franchise.

17                  "Franchisor." A person who grants a franchise.

18                  "Good faith." Honesty in fact and the observance of  
19                  commercial standards of fair dealing.

20                  "Person," An individual, a corporation, a partnership, a  
21                  limited liability company, a joint venture, an association, a  
22                  joint stock company, a trust or an unincorporated organization.

23                  "Required payment." All consideration that the franchisee  
24                  must pay to the franchisor or an affiliate, either by contract  
25                  or by practical necessity, as a condition of obtaining,  
26                  commencing operation, continuing in, reinstating or renewing a  
27                  franchise. The term does not include payments for the purchase  
28                  of reasonable amounts of inventory at bona fide wholesale prices  
29                  for resale or lease.

30                  \$ 5504. Applicability.

1 A person who engages directly or indirectly in contracts in  
2 this Commonwealth in connection with the offering or advertising  
3 for sale or has business dealings with respect to franchises in  
4 this Commonwealth shall be subject to this chapter and shall be  
5 subject to the jurisdiction of the courts of this Commonwealth,  
6 upon service of process.

7 § 5505. Termination and opportunity to cure.

8 (a) Termination.--A franchisor may not, directly or through  
9 an officer, agent or employee, terminate or cancel a franchise,  
10 or substantially change the competitive circumstances of a  
11 franchise agreement except for good cause shown.

12 (b) Good cause required.--Good cause shall be based upon a  
13 legitimate business reason, which shall include the franchisee's  
14 refusal or failure to comply with any express obligation of the  
15 franchise agreement. The franchisor shall have the burden of  
16 proving good cause.

17 (c) Defaults.--A default under one franchise agreement may  
18 not solely constitute a default under another franchise  
19 agreement to which the franchisee or an affiliate of the  
20 franchisee is a party.

21 (d) Notice.--Except as provided in subsection (e), prior to  
22 termination or cancellation of the franchise, the franchisor  
23 shall give the franchisee written notice at least 45 days in  
24 advance of the termination and the written notice shall be in  
25 accordance with the following:

26 (1) The notice shall state all of the reasons  
27 constituting good cause for termination or cancellation.

28 (2) The notice shall provide that the franchisee has 30  
29 days in which to rectify any claimed discrepancy.

30 (e) Exceptions.--The following time frames for written



1 notice shall apply:

2 (1) Notice of immediate termination may be given if a  
3 franchisee is convicted in a court of competent jurisdiction  
4 of an offense:

5 (i) punishable by a term of imprisonment in excess  
6 of one year;

7 (ii) directly related to the business conduct of the  
8 franchise;

9 (iii) materially impairing the goodwill value of the  
10 franchise or the franchised trademark mark; and

11 (iv) no longer appealable.

12 (2) Notice may be given at any time following the date  
13 on which the conviction under paragraph (1) is no longer  
14 appealable and shall be effective upon delivery and written  
15 receipt of the notice.

16 (3) A franchisor may not collect a financial penalty or  
17 fee as a consequence of the conviction.

18 (4) Following immediate written notice, 24 hours shall  
19 be given from receipt of the notice if the reason for  
20 termination or cancellation is a violation of a law,  
21 regulation or standard relating to an imminent danger to  
22 public health or safety. The franchisee may cure the  
23 violation in that 24-hour period.

24 (5) Following written notice, if the reason for  
25 termination or cancellation is nonpayment of money due under  
26 the franchise agreement, the franchisee shall be entitled to  
27 10 days to cure the default. A franchisee has the right to  
28 cure three times in any 12-month period during the agreement.

29 (6) Fifteen days notice shall be required if the reason  
30 for termination is voluntary abandonment by the franchisee of

1 the franchise relationship.

2 (f) Termination by franchisee.--A franchisee may terminate a  
3 franchise agreement for good cause shown, without penalty or  
4 fees. Good cause shall include changes to the franchise system  
5 or the competitive circumstances of the franchise agreement  
6 created or expressly required by the franchisor which would  
7 cause substantial negative impact or substantial financial  
8 hardship to the franchisee in the operation of the franchise.  
9 § 5506. Renewal of the franchise and notice.

10 (a) Good cause required.--A franchisor may not, directly or  
11 through an officer, agent or employee, fail to renew a  
12 franchise, except for good cause shown.

13 (b) Legitimate business reasons.--Good cause shall be based  
14 upon a legitimate business reason, which shall include the  
15 franchisee's refusal or failure to comply substantially with any  
16 material, reasonable and reasonably necessary express obligation  
17 of the franchise agreement, including repeated and intentional  
18 nonpayment of royalties, advertising or marketing fees clearly  
19 required by the franchise agreement.

20 (c) Good faith required.--The franchisor is obligated to act  
21 in good faith and in accordance with the following:

22 (1) A franchisor may not refuse to renew a franchise for  
23 an arbitrary or capricious reason or for the financial gain  
24 of the franchisor or any affiliate of the franchisor.

25 (2) A duty of good faith shall obligate a party to a  
26 franchise to:

27 (i) do nothing that will have the effect of  
28 destroying or injuring the right of the other party to  
29 obtain and receive the expected fruits of the contract;  
30 and

1           (ii) do everything required under the contract to  
2           accomplish that purpose.

3           (d) Notice.--Before nonrenewal of the franchise, the  
4           franchisor shall give the franchisee written notice at least 90  
5           days in advance of the nonrenewal. The notice shall state all of  
6           the reasons constituting good cause for the nonrenewal and shall  
7           advise that the franchisee has 60 days in which to rectify any  
8           claimed discrepancy and reinstate the franchisee's right to  
9           renew the franchise.

10          § 5507. Unfair acts and practices.

11          (a) Violation.--A violation of a provision of this chapter  
12          shall constitute an unfair method of competition and unfair or  
13          deceptive act or practice within the meaning of section 2(4) of  
14          the act of December 17, 1968 (P.L.1224, No.387), known as the  
15          Unfair Trade Practices and Consumer Protection Law, and shall be  
16          subject to the enforcement provisions, civil penalties and  
17          private rights of action contained in the Unfair Trade Practices  
18          and Consumer Protection Law.

19          (b) Prohibited acts.--A franchisor may not directly or  
20          indirectly do any of the following through an affiliate,  
21          officer, agent or employee:

22                (1) Restrict a franchisee from associating with other  
23                franchisees or from joining, leading or otherwise  
24                participating in a trade or other association or retaliate  
25                against a franchisee for engaging in the activity.

26                (2) Require or prohibit a change in management of a  
27                franchise unless the requirement or prohibition of the change  
28                is for good cause, which must be stated in writing by the  
29                franchisor and be based on violations of material express  
30                provisions of the franchise agreement. Good cause shall

1 include requiring that management of the franchise is  
2 conducted by personnel who have been trained in the manner  
3 required of each franchise manager in the system.

4 (3) (i) Impose on a franchise by a written or oral  
5 contract, manual, policy, rule or regulation, a standard  
6 of conduct or performance unless the franchisor, the  
7 franchisor's agents or representatives sustain the burden  
8 of proving the standard to be uniformly enforced and  
9 applied throughout the franchisor's system of similarly  
10 situated franchisees, franchisor-owned units and  
11 licensees in substantially the same manner.

12 (ii) Notwithstanding subparagraph (i), it shall not  
13 be a violation of this chapter for a franchisor to  
14 provide forbearance to a franchisee as a means of  
15 assistance to the franchisee in performing the  
16 franchisee's obligations under the franchise agreement or  
17 in operating the franchisee's franchise in exigent  
18 circumstances.

19 (4) Fail to deal fairly and in good faith with a  
20 franchisee or an association or other aggregation or  
21 incorporation of franchisees in any matter, including,  
22 without limitation, transfer of the franchise, administration  
23 of advertising funds, rewards programs, marketing funds and  
24 the interpretation, administration and performance of  
25 franchise and area development or territory agreements.

26 (5) Sell, rent or offer to sell to a franchisee a  
27 product or service for more than a fair and reasonable price  
28 or without the reasonable expectation that the sale or rental  
29 of the product will promote the profitability of the  
30 franchisee's business.

1       (6) (i) Discriminate between franchises in the charges  
2       offered or made for royalties, goods, services,  
3       equipment, rentals, advertising services or in any other  
4       business dealing, unless each of the following apply:

5               (A) The discrimination between franchisees would  
6               be necessary to allow a particular franchisee to  
7               fairly meet competition in the open market.

8               (B) The discrimination does not adversely affect  
9               the business of an existing franchisee.

10              (C) To the extent that the franchisor satisfies  
11              the burden of proving that a classification of or  
12              discrimination between franchisees is reasonable, the  
13              discrimination is based on franchises granted at  
14              materially different times, is reasonably related to  
15              the difference in time or on other proper and  
16              justifiable distinctions and is not arbitrary or  
17              intended to be for the benefit of the franchisor at  
18              the expense of a franchisee.

19              (ii) Nothing under this paragraph shall be construed  
20              as granting to a franchisor a right which may be limited  
21              by a Federal or State statute.

22       (7) Notify the franchisee of a claimed breach of  
23       franchise agreement for good cause not later than 180 days  
24       from the date good cause arises or not later than 180 days  
25       after the franchisor knew or in the exercise of reasonable  
26       care should have known of the claimed good cause.

27       (8) Fail to make readily available to a franchisee,  
28       without charge, true, accurate and complete copies of each  
29       record of marketing, rewards program, advertising fund and  
30       fee that has been paid by a franchisee, vendor, supplier and

1 licensee.

2 (9) Coerce a franchisee to assent to a release,  
3 assignment, novation, waiver or estoppel which would  
4 prospectively relieve a person from liability imposed by this  
5 chapter.

6 (10) Require or demand that a franchisee pay liquidated  
7 or other post termination damages in excess of the average  
8 monthly royalty fees paid by the franchisee during the prior  
9 12-calendar months or a shorter time that a franchised  
10 location has been in the system, multiplied by the lesser of  
11 six months or the number of months remaining in the term of  
12 the franchise agreement.

13 (11) Engage in an act prohibited under this chapter,  
14 directly or indirectly through an affiliate or agent on the  
15 part of the franchisor or an affiliate of the franchisor.

16 (12) Require or demand that a franchisee pay the legal  
17 fees and related expenses of the franchisor or an affiliate  
18 of the franchisor in a dispute or proceeding, by contract or  
19 otherwise, unless the franchisor is the prevailing party. A  
20 provision in a contract in violation of this paragraph shall  
21 be void.

22 § 5508. Transfer.

23 (a) General rule.--A franchisee may not transfer, assign or  
24 sell a franchise or interest in a franchise unless the  
25 franchisor is notified in writing of the following:

26 (1) The prospective transferee or buyer's name and  
27 address.

28 (2) A statement of financial qualification and business  
29 experience during the previous five years.

30 (b) Approval or denial.--

1       (1) A franchisor must, within 30 days after receipt of  
2       the notice under subsection (a), do one of the following:

3               (i) Provide written approval to the franchisee for  
4               the transfer, assignment or sale to the proposed  
5               transferee.

6               (ii) Deny the proposed transferee or buyer and  
7               provide material reasons relating to the character,  
8               financial ability or business experience of the proposed  
9               transferee or buyer.

10       (2) If the franchisor does not reply within the 30-day  
11       period under paragraph (1), the franchisor's approval shall  
12       be deemed to be granted.

13       (c) Agreement to requirements.--A transfer, assignment or  
14       sale may not be valid unless the transferee agrees in writing to  
15       comply with each of the requirements of the franchise then in  
16       effect.

17       (d) Fees.--A fee imposed by the franchisor as a condition of  
18       the transfer shall be limited to the franchisor's reasonable  
19       out-of-pocket expenses incurred in reviewing and approving the  
20       transfer.

21       (e) Violation.--It shall be a violation of this chapter for  
22       a franchisor to prohibit or interfere with:

23               (1) The transfer of a franchise and the rights of a  
24               franchisee to a qualified purchaser, including a family  
25               member or business partner directly or by imposing  
26               unreasonable stipulations or penalties on a transfer.

27               (2) The transfer by will or other lawful probate or  
28               similar procedure of a franchise and the rights of a  
29               franchisee.

30       § 5509. Termination.

1 (a) Compensation.--Upon termination of a franchise, the  
2 following shall apply:

3 (1) Except as provided under subsection (b), the  
4 franchisor must fairly compensate the franchisee or  
5 franchisee's estate for the fair market value at the time of  
6 termination for the following:

7 (i) The franchise.

8 (ii) The franchisee's inventory, supplies, equipment  
9 and furnishings purchased by the franchisee from the  
10 franchisor or the franchisor's approved sources.

11 (iii) The fair market value of good will, if any,  
12 except for personalized items which have no value to the  
13 franchisor and inventory, supplies, equipment and  
14 furnishings not reasonably required in the conduct of the  
15 franchise business.

16 (2) A franchisor may offset against amounts owed to a  
17 franchisee under this subsection any amount mutually agreed  
18 upon and owed by the franchisee to the franchisor which is  
19 not the subject of a good faith dispute by the franchisee.

20 (b) Limitations.--

21 (1) Subsection (a) shall not apply to the following:

22 (i) Voluntary relinquishment or abandonment of the  
23 franchise by the franchisee.

24 (ii) Expiration of the franchise agreement if the  
25 franchisee does not elect to renew.

26 (2) Compensation of the good will of the franchisee  
27 shall not be required to be made to a franchisee if the  
28 franchisor agrees in writing not to enforce a covenant which  
29 restrains the franchisee from competing with the franchisor  
30 in the same or substantially similar business in the same or



1 substantially similar manner at the same location using the  
2 same property except the franchisor's registered trademark or  
3 trade name.

4 (c) Construction.--This section shall not be construed to  
5 permit the termination or nonrenewal of a franchise agreement  
6 except in accordance with the express terms of the franchise  
7 agreement and this chapter.

8 § 5510. Good faith and fair dealing.

9 Each franchisor shall owe a duty of good faith, as described  
10 under section 5506(c) (relating to renewal of the franchise and  
11 notice), and fair dealing to each franchisee.

12 § 5511. Indemnification.

13 (a) Duty.--A franchisor must indemnify and hold harmless a  
14 franchisee from financial loss and expense, including legal fees  
15 and costs, arising out of a claim, demand, suit or judgment by  
16 reason of a defect in merchandise, methods or procedures  
17 prescribed by the franchisor and required to be performed by the  
18 franchisee, except for the negligent act or willful misconduct  
19 of the franchisee which causes the loss or expense.

20 (b) Liability.--A franchisee, franchisee association or  
21 cooperative of franchisees shall not be liable for the  
22 negligence or misconduct of a supplier or distributor of  
23 products or services prescribed by the franchisor or for the  
24 failure of a product or service prescribed by the franchisor  
25 which is not fit for the particular purpose for which the  
26 product or service was prescribed or any related purpose. A  
27 contractual provision in contradiction with this subsection  
28 shall be void as against public policy.

29 § 5512. Enforcement.

30 (a) Action.--If a franchisor violates a provision of this

1 chapter a franchisee may bring an action against the franchisor  
2 in a court of competent jurisdiction of this Commonwealth for  
3 any of the following:

4 (1) Damages sustained by the franchisee as a consequence  
5 of the franchisor's violation.

6 (2) The actual costs of the action, including  
7 reasonable, actual attorney fees.

8 (3) Injunctive relief against unlawful termination,  
9 cancellation or nonrenewal.

10 (b) Governance and jurisdiction.--Notwithstanding a term or  
11 provision of a franchise agreement to the contrary, the  
12 following shall apply:

13 (1) The laws of this Commonwealth shall govern the  
14 interpretation of the franchise agreement of a franchise  
15 located in this Commonwealth and the performance of the  
16 parties.

17 (2) The Federal courts with jurisdiction over cases  
18 filed in a district in this Commonwealth and courts of this  
19 Commonwealth shall have exclusive jurisdiction with respect  
20 to an action brought under this chapter or an action brought  
21 by a franchisor concerning a franchise located in this  
22 Commonwealth.

23 (c) Attorney General.--On the written request of a  
24 franchisor or a franchisee, the Attorney General may enforce  
25 compliance with this chapter.

26 § 5513. Mediation and actions.

27 (a) Mediation.--A clause or provision in a franchise  
28 agreement requiring the parties to submit to nonbinding  
29 mediation as a precondition to litigation or arbitration shall  
30 be enforceable only if the mediation is conducted at a location

within this Commonwealth and reasonably convenient to the franchisee.

(b) Actions.--Nothing in a franchise agreement may deprive a franchisee from participating as member of a class action or in a consolidated action.

§ 5514. Void provisions.

A provision in a franchise agreement which requires a party to the agreement to commence an action within a shorter period than allowed under 42 Pa.C.S. §§ 5523 (relating to one year limitation) and 5525 (relating to four year limitation) shall be void as against public policy.

§ 5515. Construction.

(a) Liberal construction.--This chapter shall be liberally construed and applied to promote the chapter's underlying remedial purposes and policies.

(b) Effect.--The effect of this chapter may not be varied or waived by contract or agreement. A contract or agreement purporting to vary or waive the effect of this chapter shall be void and unenforceable to that extent only.

Section 2. Sections 5523 and 5525 of Title 42 are amended to read:

§ 5523. One year limitation.

The following actions and proceedings must be commenced within one year:

(1) An action for libel, slander or invasion of privacy.

(2) An action upon a bond given as security by a party in any matter, except a bond given by a condemnor in an eminent domain proceeding.

(3) An action upon any payment or performance bond.

(4) An action under 12 Pa.C.S. Ch. 55 (relating to fair

1 franchises) accruing during the pendency of a civil, criminal  
2 or administrative proceeding against a person brought by the  
3 United States or any Federal agency under a Federal act or  
4 brought by the Commonwealth or any of the Commonwealth's  
5 political subdivisions under the laws of this Commonwealth  
6 related to antitrust laws or to franchising, the action must  
7 be commenced within one year after the final disposition of  
8 the civil, criminal or administrative proceeding.

9 § 5525. Four year limitation.

10 (a) General rule.--Except as provided for in subsection (b),  
11 the following actions and proceedings must be commenced within  
12 four years:

13 (1) An action upon a contract, under seal or otherwise,  
14 for the sale, construction or furnishing of tangible personal  
15 property or fixtures.

16 (2) Any action subject to 13 Pa.C.S. § 2725 (relating to  
17 statute of limitations in contracts for sale).

18 (3) An action upon an express contract not founded upon  
19 an instrument in writing.

20 (4) An action upon a contract implied in law, except an  
21 action subject to another limitation specified in this  
22 subchapter.

23 (5) An action upon a judgment or decree of any court of  
24 the United States or of any state.

25 (6) An action upon any official bond of a public  
26 official, officer or employee.

27 (7) An action upon a negotiable or nonnegotiable bond,  
28 note or other similar instrument in writing. Where such an  
29 instrument is payable upon demand, the time within which an  
30 action on it must be commenced shall be computed from the

1 later of either demand or any payment of principal of or  
2 interest on the instrument.

3 (8) An action upon a contract, obligation or liability  
4 founded upon a writing not specified in paragraph (7), under  
5 seal or otherwise, except an action subject to another  
6 limitation specified in this subchapter.

7 (9) An action arising out of 12 Pa.C.S. Ch. 55 (relating  
8 to fair franchises), except as provided under section 5523  
9 (relating to one year limitation).

10 (b) Special provisions.--

11 (1) An action subject to section 8315 (relating to  
12 damages in actions for identity theft) must be commenced  
13 within four years of the date of the offense or four years  
14 from the date of the discovery of the identity theft by the  
15 plaintiff.

16 (2) If a person liable under 12 Pa.C.S. Ch. 55  
17 fraudulently conceals the cause of action from the knowledge  
18 of the person entitled to bring the action, the period prior  
19 to the discovery of the cause of action by the person  
20 entitled to bring the cause of action shall be excluded in  
21 determining the time limit for the commencement of the  
22 action.

23 Section 3. This act shall apply to contracts entered into or  
24 renewed on or after the effective date of the addition of 12  
25 Pa.C.S. Ch. 55.

26 Section 4. This act shall take effect in 60 days.

# Exhibit(2) Regulations

## CHAPTER 59

## FOR-HIRE SERVICE

Exhibit 3  
Pulchra

## **SUB-CHAPTER 59A**

## **FOR-HIRE VEHICLE OWNERS**

## **SUB-CHAPTER 59B**

## **FOR-HIRE BASE OWNERS**

## **SUB-CHAPTER 59C**

## **FOR-HIRE VEHICLE SPECIFICATIONS**

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Updated August 14, 2017

#### **§59A-01 Scope of this Sub-chapter**

- (a) To establish the procedures, rules and requirements for obtaining and maintaining a For-Hire Vehicle License, including:
  - (1) For-Hire Livery Vehicles
  - (2) For-Hire Black Car Vehicles
  - (3) For-Hire Luxury Limousine Vehicles
- (b) To provide penalties for violations of the rules and requirements for maintaining a For-Hire Vehicle License.
- (c) Except as otherwise provided, this chapter does not apply to For-Hire Vehicles that are Street Hail Liveries. The requirements for Street Hail Livery service are provided in Chapter 82 of these Rules.

#### **§59A-02 Penalties**

- (a) Unlicensed Activity.
  - (1) Unlicensed Activity is the act of providing or advertising the provision of any Commission-regulated for hire transportation service by:
    - (i) Any Licensee whose License is suspended, revoked, or expired and not yet renewed, or
    - (ii) Any person who does not hold a Valid License or Authorization from the Commission as a for hire driver, for the for hire vehicle, or for the for hire service, as applicable.
  - (2) Unlicensed Activity specifically includes the activities listed in §19-506 and §19-528 of the Administrative Code, and can subject the violator to the seizure and possible forfeiture of the vehicle involved.
- (b) Specific Penalties. If there are specific penalties for violating a Rule, they are shown at the end of the Rule. The penalty section also states whether the violator must attend the Hearing.
- (c) Payment of Fines.

- (1) Fines are due within 30 days of the day the Respondent is found guilty of the violation, unless:
  - (i) the Respondent files an appeal of the decision issued by the Taxi and Limousine Tribunal within the time required by Chapter 5 of Title 48 of the Rules of the City of New York, in which case the payment of the fines will be deferred until 30 days after the date of the appeal decision.
- (2) If the fine is not paid by the close of business on the date due, the Commission will notify the Respondent in writing that the Respondent's License will be suspended in 10 business days of the date of the notification until the fine is paid, unless the Respondent demonstrates to the Commission, in person or in writing, that the fine has been paid.

**§59A-03 Definitions Specific to this Sub-chapter**

- (a) Applicant in this Sub-chapter means an Applicant for an original or renewal For-Hire Vehicle License.
- (b) Black Car is a Vehicle that affiliates with a Black Car Base.
- (c) Black Car Base is a For-Hire Base that operates as follows:
  - (1) All Black Car Vehicles are dispatched on a pre-arranged basis
  - (2) All Black Car Vehicles are owned by franchisees of the Base or are members of a cooperative that operates the Base; and
  - (3) More than ninety percent (90%) of the Base's business is on a payment basis other than direct cash payment by a Passenger
- (d) Driver in this Sub-chapter means a For-Hire Driver.
- (e) For-Hire Base (or "Base") is the Commission-licensed business for dispatching For-Hire Vehicles and the physical location from which For-Hire Vehicles are dispatched; a For Hire Base can be any of the following:
  - (1) A Black Car Base,
  - (2) A Livery Base (or Base Station),

- (3) A Luxury Limousine Base.
- (f) For-Hire Driver in this Sub-chapter means a Driver of a For-Hire Vehicle.
- (g) For-Hire Vehicle is a motor Vehicle Licensed by the Commission to carry Passengers For-Hire in the City, which:
  - (1) Has a seating capacity of 20 or fewer Passengers
  - (2) Has three or more doors
  - (3) Is not a Taxicab, a Commuter Van, or an authorized bus as defined by NYS law.
- (h) Issuing Jurisdiction is a county within New York State and covered by Article 17-B, Section 498 of the New York Vehicle and Traffic Law that issues its own approval to allow a vehicle within its jurisdiction to contract for hire and perform pre-arranged pick-ups and drop-offs of one or more Passengers.
- (i) License in this Sub-chapter means a License for a For-Hire Vehicle.
- (j) Livery is a For-Hire Vehicle that is affiliated with a Livery Base Station.
- (k) Livery Base Station ("Base" or "Base Station") is a For-Hire Base that operates as follows:
  - (1) All Livery Vehicles are dispatched from the Base on a pre-arranged basis.
  - (2) All Livery Vehicles are designed to carry fewer than six (6) Passengers.
  - (3) Passengers are charged for service on the basis of a flat rate, time, mileage, or zones.
- (l) A Luxury Limousine is a For-Hire Vehicle that is affiliated with a Luxury Limousine Base.

- (m) **Luxury Limousine Base** is a For-Hire Base that operates as follows:
- (1) All Luxury Limousines are dispatched from the Base by pre-arrangement.
  - (2) Luxury Limousine Vehicles have a seating capacity of 20 or fewer Passengers.
  - (3) More than ninety percent (90%) of its business is on a payment basis other than direct cash payment by a Passenger.
  - (4) Passengers are charged "garage to garage" service on the basis of a flat rate, time or mileage.
- (n) **Owner or Vehicle Owner** in this Sub-chapter refers to the title owner, registered owner or lessee of a For-Hire Vehicle. An Owner can be a Business Entity or a person.
- (o) **Penalty Point** is a non-monetary penalty assessed against either a Base Owner or the Owner of a For-Hire Vehicle if they are convicted of certain violations in this Sub-chapter.
- (p) **Qualified Jurisdiction** is an Issuing Jurisdiction that meets the requirements for reciprocity described in §498 of the NYS Vehicle and Traffic Laws.
- (q) **Qualified Vehicle License (or "QVL")** is the license issued by a Qualified Jurisdiction to that jurisdiction's vehicles authorizing them to provide pre-arranged, for-hire transportation within its jurisdiction.
- (r) **Qualified Driver's License (or "QDL")** is a license issued by a Qualified Jurisdiction to that jurisdiction's drivers authorizing them to operate an authorized vehicle to provide pre-arranged, for-hire transportation within its jurisdiction.
- (s) **Reciprocity (or Reciprocal Recognition)** means that:
- (1) New York City For-Hire Vehicles and Drivers can do pickups or drop offs in Qualified Jurisdictions for trips ending or beginning in NYC, and

- (2) Vehicles and drivers that are licensed to perform for-hire transportation by a Qualified Jurisdiction can do pickups or drop offs in NYC for trips ending or beginning in the Qualified Jurisdiction.

- (t) Vehicle in this Sub-chapter refers to a For-Hire Vehicle.

#### **§59A-04 Licensing – General Requirements**

- (a) **Reserved.** Identification.
- (b) **Reserved.** Age.
- (c) **Reserved.** Fingerprinting for Good Moral Character.
- (d) **Designate Drivers as Agents to Receive Service.**
  - (1) An Applicant for a For-Hire Vehicle License (and a Licensee) must designate every Driver who operates one of Owner's Vehicles as an agent for accepting service of summons or Commission notices to correct defects in the Vehicle.
    - (i) Delivery of the summons or notice to correct defect(s) to a Driver will be adequate notice to the Vehicle Owner.
    - (ii) The Commission will send a photocopy of any summons or notice to correct defect(s) to the Vehicle Owner and the Base Owner of record.
  - (2) An Applicant for a For-Hire Vehicle License (and a Licensee) must designate every Driver who operates one of Owner's Vehicles as agent for service of any legal process from the Commission that can be issued against the Owner.
- (e) **Inspection Required for a New Vehicle License.**
  - (1) An Applicant for a new For-Hire Vehicle License (or approval for a replacement vehicle) must demonstrate that the vehicle was inspected at the Commission's Safety and Emissions Division within ten days:
    - (i) After being issued T&LC plates by the NYS DMV, or

- (ii) After the Commission's acceptance of the application for vehicles registered outside New York State
- (2) Vehicles must pass inspection within 60 days after the date of the first scheduled inspection before the new For-Hire Vehicle License will be issued.
- (3) The maximum number of inspections allowed in this 60-day period is four.
- (4) The maximum limit of four inspections applies whether the Applicant submits only the original vehicle, or also submits a replacement vehicle.
- (5) Failure of the original vehicle or any replacement vehicle to pass an inspection after four tries within the 60-day period will result in denial of the application.
- (6) Nature of the Inspection.
  - (i) If the vehicle has accumulated fewer than 500 miles traveled at the time the vehicle arrives at the Commission's facility for inspection, irrespective of the vehicle's model year, the inspection will be only a visual inspection.
  - (ii) Unless exempt under (i), if the vehicle is a year 1996 or later model:
    - A. The vehicle must pass (i) the vehicle inspection requirements set forth in Section 301 of the NYS Vehicle and Traffic Law, (ii) a visual inspection of the interior and exterior of the vehicle to verify compliance with these Rules, and (iii) inspection to verify compliance with any other applicable laws, rules and requirements.
    - B. The inspection will count as one of the "tri-annual" inspections required by §59A-26 of this Sub-chapter.
  - (iii) Unless exempt under (i), if the vehicle is a year 1995 or earlier model, or if the vehicle is of any model year and the vehicle's



# Exhibit 3

## **EFFECTIVE THROUGH 10/25/16**

### **CHAPTER 55**

### **FOR-HIRE DRIVERS**

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Updated October 20, 2016

### **§55-01 Scope of this Chapter**

- (a) To establish procedures for the licensing, monitoring and regulation of For-Hire Drivers.
- (b) To establish operating rules to protect customers and the public.
- (c) To establish appropriate penalties for the violation of these Rules.

### **§55-02 Penalties**

- (a) **Unlicensed Activity.**
  - (1) Unlicensed Activity is the act of providing or advertising the provision of any Commission-regulated for-hire transportation service by:
    - (i) Any Licensee whose License is suspended, revoked, or expired and not yet renewed, or
    - (ii) Any person who does not hold a Valid License or Authorization from the Commission as a for hire driver, for the for-hire vehicle, or for the for hire service, as applicable;
  - (2) Unlicensed Activity specifically includes the activities listed in §19-506 and §19-528 of the Administrative Code, and can subject the violator to the seizure and possible forfeiture of the vehicle involved.
- (b) **Specific Penalties.** If there are specific penalties for violating a Rule, they will be shown at the end of the Rule. The penalty section also states whether the violator must attend a Hearing.
- (c) **Payment of Fines**
  - (1) Fines are due within 30 days of the day the Respondent is found guilty of the violation, unless:
    - (i) the Respondent files an appeal of the decision issued by the Taxi and Limousine Tribunal within the time required by Chapter 5 of Title 48 of the Rules of the City of New York, in which case the payment of the fines will be deferred until 30 days after the date of the appeal decision.
  - (2) If the fine is not paid by the close of business on the date due, the Commission will notify the Respondent in writing that the Respondent's License will be suspended in 10 business days of the date of the

notification until the fine is paid, unless the Respondent demonstrates to the Commission, in person or in writing, that the fine has been paid.

**§55-03 Definitions Specific to this Chapter**

- (a) Applicant in this Chapter means an Applicant for an original or renewal For-Hire Driver's License.
- (b) Application in this chapter refers to an application for a For-Hire Driver's License including all documentation and other information submitted as part of the application.
- (c) Black Car is a Vehicle that affiliates with a Black Car Base.
- (d) Black Car Base is a For-Hire Base that operates as follows:
  - (1) All Black Car Vehicles are dispatched on a pre-arranged basis;
  - (2) All Black Car Vehicles are owned by franchisees of the Base or are members of a cooperative that operates the Base; and
  - (3) More than ninety percent (90%) of the Base's business is on a payment basis other than direct cash payment by a Passenger.
- (e) *Critical Driver's Program* is a Commission program that charges additional penalties to a Driver who accumulates a certain number of Department of Motor Vehicle points on his or her state driver's license within a certain amount of time.
- (f) Driver, in this chapter, means a For-Hire Driver.
- (g) *For-Hire Base (or "Base")* is the Commission-licensed business for dispatching For-Hire Vehicles and the physical location from which For-Hire Vehicles are dispatched; a For-Hire Base can be any of the following:
  - (1) A Black Car Base,
  - (2) A Livery Base (or Base Station),
  - (3) A Luxury Limousine Base.
- (h) For-Hire Driver in this Chapter means a driver of a For-Hire Vehicle.
- (i) For-Hire Vehicle is a motor vehicle Licensed by the Commission to carry Passengers for hire in the City, which:
  - (1) Has a seating capacity of 20 or fewer Passengers;

- (2) Has three or more doors;
  - (3) Is not a Taxicab, a Commuter Van, or an authorized bus as defined by NYS law.
- (j) Issuing Jurisdiction is a county within New York State contiguous to New York City that issues its own approval to allow a vehicle within its jurisdiction to contract for hire and perform pre-arranged pick-ups and drop-offs of one or more Passengers.
- (k) License in this Chapter means a License to drive a For-Hire Vehicle.
- (l) Livery is a For-Hire Vehicle that is affiliated with a Livery Base Station.
- (m) Livery Base Station or "*Base Station*" is a For-Hire Base that operates as follows:
  - (1) All Livery Vehicles are dispatched from the Base Station on a pre-arranged basis;
  - (2) All Livery Vehicles are designed to carry fewer than six (6) Passengers;
  - (3) Passengers are charged for service on the basis of a flat rate, time, mileage, or zones.
- (n) A Luxury Limousine is a For-Hire Vehicle that is affiliated with a Luxury Limousine Base.
- (o) A Luxury Limousine Base is a For-Hire Base that operates as follows:
  - (1) All Luxury Limousines are dispatched from the Base by pre-arrangement;
  - (2) Luxury Limousine Vehicles have a seating capacity of 20 or fewer Passengers;
  - (3) More than ninety percent (90%) of its business is on a payment basis other than direct cash payment by a Passenger;
  - (4) Passengers are charged "garage to garage" service on the basis of a flat rate, time or mileage.
- (p) Qualified Jurisdiction is an Issuing Jurisdiction that meets the requirements for reciprocity described in §498 of the NYS Vehicle and Traffic Law.

- (q) *Qualified Vehicle License (or "QVL")* is the license issued by a Qualified Jurisdiction to that jurisdiction's vehicles authorizing them to provide pre-arranged, for-hire transportation within its jurisdiction.
- (r) *Qualified Driver's License (or "QDL")* is a license issued by a Qualified Jurisdiction to that jurisdiction's drivers authorizing them to operate an authorized vehicle to provide pre-arranged, for-hire transportation within its jurisdiction.
- (s) Reciprocity (or Reciprocal Recognition) means that:
  - (1) New York City For-Hire Vehicles and Drivers can do pickups or drop offs in Qualified Jurisdictions for trips ending or beginning in NYC, and
  - (2) Vehicles and drivers that are licensed to perform for-hire transportation by a Qualified Jurisdiction can do pickups or drop offs in NYC for trips ending or beginning in the Qualified Jurisdiction.
- (t) Use an Electronic Communication Device (or Using an Electronic Communication Device), in this Chapter, means to
  - (1) Operate any function of an Electronic Communication Device in any way, or
  - (2) Have a device permitting hands-free operation of an Electronic Communication Device in or near the ear.
  - (3) Exception: A short business-related communication with a Base is NOT a Use of an Electronic Communication Device if all of the following are true:
    - (i) The communication is about a Dispatch; and
    - (ii) The communication occurs using either an FCC-licensed commercial two-way radio or a device which is mounted in a fixed position and not hand-held; and
    - (iii) The communication occurs using either voice or one-touch pre-programmed buttons or keys.
- (u) Vehicle, in this Chapter, refers to a For-Hire Vehicle.

#### **§55-04 Licensing -- Requirements**

- (a) **Reserved.** Age.
- (b) **Reserved.** Identification.
- (c) *Chauffeur's License.* An Applicant must hold a Valid Chauffeur's License.
- (d) **Reserved.** Fitness for the Job.
- (e) **Reserved.** Speak and Understand English.

- (f) **Reserved. Familiar with Geography.**
- (g) **Pass Drug Test.**
  - (1) All Applicants for new For-Hire Driver's License, except New York City Police Officers, must be tested, at the Applicant's expense, for Drugs.
  - (2) The Commission designates who can perform the drug test and will only designate an individual or entity that has a permit issued by the New York State Department of Health.
  - (3) If an Applicant tests positive for Drugs, the Commission will deny the Applicant's license. This decision is final.
- (h) **Fingerprinting for Determining Good Moral Character.**
  - (1) An Applicant for a For-Hire Driver's License will be fingerprinted for the purpose of securing criminal history records from the New York State Division of Criminal Justice Services.
  - (2) The criminal history of any Applicant, including a renewal Applicant, will be reviewed in a manner consistent with Article 23-A of the New York State Correction Law.
  - (3) The application of any Applicant will be denied, and the For-Hire Driver's License of any current holder will be revoked, following a conviction for any serious criminal offense (as described in §498.1(f) of the New York Vehicle and Traffic Law).
  - (4) The Applicant will pay any processing fee required by the State.
- (i) **Agreement to Accept Legal Notices or Processes.**
  - (1) An Applicant must agree to accept service of any sort of notice or legal process issued by any agency of the City of New York upon the Applicant (Licensee) at the Applicant's Mailing Address.
  - (2) These official notices can be left with a member of the Applicant's family or any other person who resides with the Applicant at the Mailing Address.
- (j) **Training.** The Commission requires that Applicants for a License complete the required courses, provided however, that beginning on and after the effective date of this rule, and until a date to be posted by the Chairperson on the Commission's Web site, new Applicants will not be required to complete Authorized Driver Education Training at the time of licensure and will be issued a License

conditioned on completing such course at such time as the course is available. On or after a date to be set by the Chairperson and posted on the Commission's Web site at least 60 days prior to such date: (1) conditional Licensees must complete Authorized Driver Education Training and pass prescribed tests within 90 days as a condition of continued Licensure, and (2) Applicants must complete all required courses and pass prescribed tests as administered by the Commission or at its direction in order to obtain a License.

- (1) **Defensive Driving Course.** (i) An Applicant for a new License must hold a current certificate of completion that was issued no more than three years prior to the application date for the required hours of instruction in a Defensive Driving Course.

(ii) An Applicant for a renewal License must hold a current certificate of completion that was issued no more than three years prior to the application date for the required hours of instruction in a Defensive Driving Course dated within three years of the date of the renewal application.

- (2) **Authorized Driver Education Training.** After an application for licensure has been accepted by the Agency, an Applicant for a new License must complete the Authorized Driver Education Training course and pass an examination on course subjects as a condition of licensure.

- (3) **Authorized License Renewal Course.** An Applicant for a renewal License must complete the Authorized License Renewal Course within 60 days prior to the renewal application date.

- (4) **Military Exemption.** Any Applicant for a License who previously held a Valid License will not be required to take Authorized Driver Education Training, provided that Applicant meets the following conditions:

- (i) The Applicant's License expired solely because the Applicant was not available to renew his or her License because he or she was engaged in active military service.
- (ii) The Applicant's military service began before the expiration date of his or her prior License.
- (iii) The Applicant filed an application within 90 days of completing active military service, and in no event later than three years following expiration of the prior License.
- (iv) The Applicant provided proof of the dates of active military service.



**LIVERY BASE STATION NEW APPLICATION AND CHECKLIST**

Please visit [www.nyc.gov/tlcselfscheduling](http://www.nyc.gov/tlcselfscheduling) to schedule an appointment to submit your completed application, required documentation and fees via appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

<b>Name Inquiry / Name Reservation Request</b> – Copy of approved Name Inquiry Form.	<input type="checkbox"/>
<b>Application to Operate a New Livery Base Station</b> – Must be completely filled-out and signed.	<input type="checkbox"/>
<b>Zero outstanding judgments to the TLC, NYS DMV Traffic Violations Bureau (TVB), Department of Finance (DOF) Parking Violations and DOF Red Light Bureau</b> – If any outstanding judgement (i.e., unpaid tickets) are discovered, your application will not be processed.	<input type="checkbox"/>
<b>Application fee of \$1,500</b> – Money Order, Company Check, Certified Check or Credit Card (Master Card, Visa, AMEX and Discover). Money Orders, Company Checks and Certified Checks are made payable to: <b>NYC Taxi &amp; Limousine Commission</b> .	<input type="checkbox"/>
<b>Seventy-five dollar (\$75)</b> – Money Order PER Individual required to be fingerprinted or Credit Card (Master Card, Visa, AMEX and Discover). Money Orders are made payable to: <b>NYC Taxi &amp; Limousine Commission</b> . Please note: Any individual that holds 10% or more of the shares OR a title (e.g. President, Vice President, Secretary, Treasurer, or Member) must be fingerprinted.	<input type="checkbox"/>
<b>Two forms of identification for each person being added.</b> A valid government issued identification and a social security card. (Required for new owner, partner, officer, or stockholder of company).	<input type="checkbox"/>
<b>Lease or statement by a landlord to lease office space with a start and expiration date.</b> Lessor's and Lessee's printed name and signature. Contact information must be signed by both parties.	<input type="checkbox"/>
<b>Letter of No Objection</b> from the Department of Buildings for the Base Station location (stamped or dated no more than two years before the date of this application).	<input type="checkbox"/>
<b>Copy of resumes of all individuals, partners, officers, principals and stockholders, together with a cover letter</b> demonstrating their ability to manage a base station.	<input type="checkbox"/>
<b>Vehicle registration, driver licenses and current telephone numbers of the partners, officers, principals and stockholders.</b>	<input type="checkbox"/>
<b>Statements and business records to disclose all individuals, partners, managers, officers, principals, and stockholders.</b> Please ensure that the # of shares per person is indicated. You may bring in a current affirmed meeting minutes.	<input type="checkbox"/>
<b>Proof of business status.</b> If a <u>corporation</u> , you must produce a Certificate of Incorporation and a filing receipt. If a <u>partnership</u> , you must produce a Partnership Certificate. If a <u>sole proprietor</u> , you must produce a Business Certificate.	<input type="checkbox"/>
<b>Proof of "Active" Status with the N.Y. Department of State.</b> You may verify your status via the NYS Department of State website at: <a href="https://www.dos.ny.gov/">https://www.dos.ny.gov/</a> . Please bring in a screen print-out.	<input type="checkbox"/>
<b>Proof of EIN / Social Security No.</b> – If a <u>corporation</u> or <u>partnership</u> , you must submit an IRS issued 145-C letter. If a <u>sole proprietor</u> , you must submit proof of social security number.	<input type="checkbox"/>
<b>Dispatch App Disclosure</b> - If you use an app (ie. An IOS/Andriod app or web page) to dispatch, you will be required to disclose information on that app. (Please see disclosure page attached to the application forms.)	<input type="checkbox"/>
<b>Privacy and Security Policies</b> (if collecting passenger identifying, geolocation, or credit card information)	<input type="checkbox"/>

PLEASE TURN OVER FOR ADDITIONAL REQUIREMENTS

**These requirements are required with submission of application, continued:**

<b>Comprehensive Operating Plan (COP).</b> There is an additional hand-out which details what must be provided. Please adhere to the format on the hand-out. It is available on our website at: <a href="http://www.nyc.gov/lc">www.nyc.gov/lc</a> or you may visit our LIC office at: 31-00 47 <sup>th</sup> Avenue 3 <sup>rd</sup> Floor, Long Island City, NY 11101 to obtain more information.	<input type="checkbox"/>
<b>Zone Rate schedule map or Rate of Fare book,</b> whichever is appropriate.	<input type="checkbox"/>
<b>Affirmation</b> - Filled out and signed by one officer representing the owner(s).	<input type="checkbox"/>
<b>An Environmental Assessment Statement (EAS).</b> An EAS How-To Guide is available on our website at: <a href="http://www.nyc.gov/lc">www.nyc.gov/lc</a> or you may visit our LIC office at: 31-00 47 <sup>th</sup> Avenue 3 <sup>rd</sup> Floor, Long Island City, NY 11101 to obtain more information.	<input type="checkbox"/>
<b>Original letters of no objection from City Council Member (CM), Community Board (CB) and Local Police Precinct (PD) OR copies of the letters requesting the "Letter of No Objection" along with the original signed certified mail receipts for the three (3) entities.</b> Please make sure you are reaching out to the <u>correct entities</u> . <b>Please note</b> – the letter sent to the City Council Member (CM), Community Board (CB) and Local Police Precinct (PD) <u>must</u> include copies of page 1 & 2 of the application form, affirmation page and a copy of formal lease agreement or contract for the Off-Street Parking (OSP). <b>In addition,</b> the letter must inform the CM, CB or PD that if they want additional documents that they should request them when needed. If additional documents are requested, please provide them in a timely manner so that you may receive their response to submit with your renewal packet.	<input type="checkbox"/>
<div style="display: flex; justify-content: space-around; align-items: center;"> <div>CM <input type="checkbox"/></div> <div>CB <input type="checkbox"/></div> <div>PD <input type="checkbox"/></div> </div>	

**These requirements are required once the base application has been approved by City Council:**

<b>Original Surety Bond of \$5,000 for the benefit of the City of New York:</b> (Note – You MUST bring the original; a copy will not be accepted). If application (NEW) is considered for approval on or after July 1 <sup>st</sup> , the bond is still required to reflect coverage for one year. The Bond on file must be current and maintained all ALL times.	<input type="checkbox"/>
<b>Proof of at least 10 vehicles affiliated with the base.</b> Upon approval, you must immediately have 10 licensed vehicles affiliated with your base.	<input type="checkbox"/>
<b>Proof of compliance with Rule §59B-17(c) (ability to provide wheelchair accessible service on demand).</b> Either a signed contract with provider – including <u>start and expiration date</u> of contract – or proof of ownership of vehicle that can provide accessible service must be provided.	<input type="checkbox"/>
<b>Copy of the most recent phone bill for your base station telephone number.</b> Please make sure the address on the phone bill is the same address as your base station.	<input type="checkbox"/>
<b>Certificate of Workers' Compensation Insurance</b> – Bases are required to provide documentation reflecting Workers' Compensation Insurance Coverage or exemption from providing this coverage.	<input type="checkbox"/>

**Filing an application does not grant operating authority.** Operating a base station before the license application is approved AND an actual base license is issued to the base is illegal and will subject the applicant to fines and other penalties. Applicants found guilty of operating an unlicensed base station will be subject to disqualification from operation of a base station for a period of three years.



## APPLICATION TO OPERATE A NEW LIVERY BASE STATION

Please visit [www.nyc.gov/tlcselfscheduling](http://www.nyc.gov/tlcselfscheduling) to schedule an appointment to submit your completed application, required documentation and fees via appointment. Please visit our website for more information at [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

License #:

**Note:** Please enter your current license #. If this application for NEW base please leave blank.

### I. BACKGROUND INFORMATION ON BASE STATION

(All fields in this section must be filled-out completely for your application to be processed)

Business Name:

D/B/A:

Address:

City:

State:

Zip Code:

E-Mail:  
(required)

Website Address  
(required):

Base Phone #:

EIN #: ☐

or

SSN#: ☐

24-Hour  
Phone #:

FCC Lic. #:

Or indicate alternate  
method used to  
communicate with  
vehicles

**Proof of EIN / Social Security No. –** If a corporation or partnership, you must submit an IRS issued CP-575 Notice or a 145-C letter. If a sole proprietor, you must submit proof of social security number.

#### Business Type (Please check one)

Sole Proprietorship ☐

Partnership ☐

Corporation ☐

LLC ☐

If a Corporation, please list # of shares Authorized:

Please list # of shares Issued/ Outstanding:

**II. OFF-STREET PARKING INFORMATION (OSP) –** The base must have half the number of spaces for every vehicle affiliated. (For example, If the base has 10 vehicles, you must have 5 spaces); maximum distance from Base Station to Off-Street Parking location is 1.5 miles. Please Note – The OSP must be in a location zoned for the operation of a parking facility. Please refer to the OSP requirements sheet for proper compliance.

#### LOCATION # 1

Address:

# of Spaces:

Mileage to Base:

#### LOCATION # 2

Address:

# of Spaces:

Mileage to Base:

**III. LISTING OF ALL OWNERS, OFFICERS, PARTNERS, MANAGERS AND STOCKHOLDERS** - this page can be photocopied if needed for additional officers

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

#### IV. BACKGROUND QUESTIONNAIRE

PLEASE NOTE – ALL OFFICERS MUST FILL OUT THIS FORM.

Any individual that holds 10% or more of the shares OR a title as President, Vice President, Secretary, Treasurer or Member must completely fill-out this page. Please make additional copies of this page if necessary.

All questionnaires must be COMPLETED & SUBMITTED with your application.

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Today's Date: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Title: \_\_\_\_\_

# of Shares: \_\_\_\_\_

Base Name: \_\_\_\_\_

Base #: \_\_\_\_\_

**Have you ever:**

A) been convicted of any crime anywhere?

YES ☐

NO ☐

B) had any type of license suspended or revoked?

YES ☐

NO ☐

C) had any TLC license with your name under any other individual, partners, corporations, officers, principle and/or stockholders?

YES ☐

NO ☐

If you answered "YES" to any of the preceding three questions you must provide a signed statement (below or on a separate document) and give pertinent documentation giving all relevant details as an addendum to this application.

## V. WORKERS' COMPENSATION LAW

You are required to maintain Workers' Compensation Insurance Coverage. A Certificate must be submitted to the NYC Taxi and Limousine Commission.

You are required to submit with your Livery base renewal application a Workers' Compensation Certificate of Insurance issued by the New York State Insurance Fund or a Certificate of Exemption issued by State of New York Workers' Compensation Board.

You must submit the original Certificate. The certificate or exemption must be current, and it must be on the form issued by the State Insurance Fund or Workers' Compensation Board. The Certificate **MUST** name the "NYC Taxi and limousine Commission" as the certificate holder. Finally, the name and address on the certificate **MUST** match **EXACTLY** with the name and address on your license application.

***Please provide the following information with respect to your Workers' Compensation Insurance:***

Name Of Insurer:

Policy Number:

Effective Dates:

_____	_____	_____	to	_____	_____	_____
month	day	year		month	day	year

Name:

Title:

Signature:

Date:

_____	_____	_____
month	day	year

## VI. DISPATCH SERVICE PROVIDER

Will your base use a passenger-facing App to provide dispatches?

☐ Yes

☐ No

☐ Unknown

What type of App will the proposed base use?

☐ Proprietary

☐ DSP

☐ Both

☐ None

For proprietary Apps -- What is the name of the base's App? (List all Apps owned/operated by the base.)

For non- proprietary Apps fill in the Dispatch Service Provider Disclosure form at the end of this document.

## VII. AFFIRMATION TO OPERATE A LIVERY BASE STATION

PLEASE NOTE – ONE (1) OFFICER/PARTNER/OWNER MUST FILL OUT THIS AFFIRMATION ON BEHALF OF THE OWNER(S)

This must be COMPLETED & SUBMITTED with your application.

1. I have submitted this affirmation at the request of the New York City Taxi & Limousine Commission (TLC).
2. I am currently an officer/partner/owner for \_\_\_\_\_  
(Name of Base)  
and submit this affirmation in that capacity, ("This Base") an entity that functions as a Livery Base Station as defined in Section 19-502(4) of the New York City Administrative Code.
3. There will be a minimum of ten (10) a Livery Base Station vehicles that are affiliated with this company and are either dispatched from or conveyed information by its facility.
4. I further certify that the vehicles affiliated with this base have personal injury insurance coverage in amounts no less than required by the rules of the TLC.
5. I recognize that the maintenance of the insurance coverage required by the rules of the TLC is a condition of this base's license and agree that the Base will maintain such coverage at all times.
6. I recognize that the TLC relies upon this affirmation in considering the company's application for a Livery Base Station and in such reliance is not applying licensing requirements applicable to other types of for-hire vehicle bases set forth in local law. I agree to promptly provide financial statements and other documents requested by the TLC.

"I hereby affirm, under penalty of law, that I have examined and reviewed the information in the submitted form(s) or application(s), including any supplemental form(s) and/ or document(s) and that these document(s) and or statement(s) do not contain any untrue statement(s) nor are they missing any material information and/ or fact(s). I also acknowledge and understand that any false statement(s) submitted is punishable under the law and may result in a denial of an application or the suspension or revocation of an existing license/permit."

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Today's Date: \_\_\_\_\_

Title: \_\_\_\_\_

**VIII. AFFIRMATION OF STATEMENTS OF APPROVAL FROM CITY COUNCIL MEMBER (CM), COMMUNITY BOARD (CB) AND LOCAL POLICE PRECINCTS (PD)**

**Please Note:** Your application will not be accepted without this form, the Original letters of no objection from City Council Member (CM), Community Board (CB) and Local Police Precinct (PD) OR copies of the letters requesting the "Letter of No Objection" along with the original signed certified mail receipts for the three (3) entities.

I, \_\_\_\_\_ affirm:  
(print name)

That I am the (officer/owner of \_\_\_\_\_),  
(Base Name)

Officer/Owner of \_\_\_\_\_  
(Base Number)

That I make this affirmation based upon personal knowledge of the facts therein stated.

That said I submitted letters to the local City Council Member, Community Board and Local Police Precinct for the address of my base station and included in the mailing copies of page 1 & 2 of the application form and a copy of my formal lease agreement or contract for the Off-Street Parking (OSP) to the addresses below:

At:

CM # \_\_\_\_\_: \_\_\_\_\_  
(Street Address) (City) (Zip Code)

CB # \_\_\_\_\_: \_\_\_\_\_  
(Street Address) (City) (Zip Code)

PD # \_\_\_\_\_: \_\_\_\_\_  
(Street Address) (City) (Zip Code)

"I hereby affirm, under penalty of law, that I have examined and reviewed the information in the submitted form(s) or application(s), including any supplemental form(s) and/ or document(s) and that these document(s) and or statement(s) do not contain any untrue statement(s) nor are they missing any material information and/ or fact(s). I also acknowledge and understand that any false statement(s) submitted is punishable under the law and may result in a denial of an application or the suspension or revocation of an existing license/permit."

\_\_\_\_\_  
(Print Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)





## NAME INQUIRY OR NAME RESERVATION REQUEST

Before an application can be submitted for consideration of an entity name (New Application or Name Change Application), the name must be reviewed and approved by the Division of Applicant Licensing. Any names accepted by the TLC will be held on file for thirty (30) days from the dated stamped below.

Please email [businessunit@tlc.nyc.gov](mailto:businessunit@tlc.nyc.gov) for approval for Name Inquiry prior to scheduling an appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

**Please list the proposed Trade Names by order of preference:**

Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


**Please list the proposed Doing Business As (d/b/a) Names by order of preference:**

Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Entity Type: Livery Base ☐ Broker or Agent ☐ Taxi Meter ☐ Lux. Limo ☐  
Commuter Van ☐ Paratransit Services ☐ Black Car ☐ LPEP ☐ TPEP ☐  
EHAIL ☐ DSP ☐

Requested by:

If this request is for a currently licensed entity please indicate license #:

Email Address:

FOR OFFICE USE ONLY	
Reviewed by: <input type="text"/>	Date: <input type="text"/>



## **LIST OF DISPATCH SERVICE PROVIDERS CONTRACTED TO BASE**

Please visit [www.nyc.gov/tlcselfscheduling](http://www.nyc.gov/tlcselfscheduling) to schedule an appointment to submit your completed application, required documentation and fees via appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

Under Chapter 77 of the TLC rules, an app that contracts with licensed bases can only dispatch vehicles affiliated with those bases and must obey all TLC rules governing them, including but not limited to dispatching only to licensed drivers and vehicles, charging rates in compliance with the rates that each base it is dispatching through has on file with the TLC, and disclosing all pertinent base, vehicle, and driver license numbers to passengers in a conspicuous manner. Apps that do not have their own base license, but have contracts with licensed bases, in effect dispatch or refer jobs on behalf of those bases. Use of these apps must not result in violation of TLC rules by bases, vehicles, or drivers.

If a contract is already in use you must provide a list of all services contracted to the base. A copy of the operation agreement between the base and all services listed will need to be filed with the business unit at TLC.

**Please list the Names and License numbers of all Contracted Dispatch Services:**

Dispatch Service Provider Name	
Dispatch Service Provider License #	
Effective date of Agreement	
Dispatch Service Provider Name	
Dispatch Service Provider License #	
Effective date of Agreement	
Dispatch Service Provider Name	
Dispatch Service Provider License #	
Effective date of Agreement	
Dispatch Service Provider Name	
Dispatch Service Provider License #	
Effective date of Agreement	
Dispatch Service Provider Name	
Dispatch Service Provider License #	
Effective date of Agreement	

**NOTE:** This page may be photocopied if more space is needed for the information requested.

**FOR OFFICE USE ONLY**

Reviewed by: \_\_\_\_\_

Date: \_\_\_\_\_



Exhibit 5

**APPLICATION TO OPERATE A NEW OR RENEWAL  
BLACK CAR OR LUXURY LIMOUSINE BASE STATION**

Please visit [www.nyc.gov/tlcselfscheduling](http://www.nyc.gov/tlcselfscheduling) to schedule an appointment to submit your completed application, required documentation and fees via appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

Please check one (1):		NEW <input type="checkbox"/>	RENEWAL <input type="checkbox"/>	License #: <input type="text"/>
Black Car Base	<input type="checkbox"/>	<input type="checkbox"/>	(Please enter your current license #. If this application for NEW base please leave blank)	
Or				
Luxury Limousine Base	<input type="checkbox"/>	<input type="checkbox"/>		

**I. BACKGROUND INFORMATION ON BASE STATION**

(All fields in this section must be filled-out completely for your application to be processed)

Name:	<input type="text"/>								
D/B/A:	<input type="text"/>								
Address:	<input type="text"/>								
City:	<input type="text"/>	State: <input type="text"/>	Zip Code: <input type="text"/>						
Email: (required)	<input type="text"/>								
Website Address (required):	<input type="text"/>								
Telephone #:	<input type="text"/>	EIN #: <input type="checkbox"/>	or SSN#: <input type="checkbox"/> <input type="text"/>						
24-Hour Phone #:	<input type="text"/>								
FCC Lic. #: Or alternate form of communication	<input type="text"/>								
<p>Proof of EIN / Social Security No. - If a corporation or partnership, you must submit an IRS issued 145-C letter. If a sole proprietor, you must submit proof of social security number.</p>									
<table border="0"><tr><td>Business Type (please check one)</td><td><input type="checkbox"/> Partnership</td><td><input type="checkbox"/> Sole Proprietorship</td></tr><tr><td></td><td><input type="checkbox"/> Corporation</td><td><input type="checkbox"/> LLC</td></tr></table>				Business Type (please check one)	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietorship		<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC
Business Type (please check one)	<input type="checkbox"/> Partnership	<input type="checkbox"/> Sole Proprietorship							
	<input type="checkbox"/> Corporation	<input type="checkbox"/> LLC							

If a Corporation, please list # of shares Authorized: \_\_\_\_\_; Please list # of shares Issued/ Outstanding: \_\_\_\_\_

**II. LUXURY / BLACK CAR ADDRESS - This is the address from which you will dispatch vehicles.**

Mailing Address Line 1:	<input type="text"/>		
City:	<input type="text"/>	State: <input type="text"/>	Zip Code: <input type="text"/>
Mailing Address Line 2 (if applicable):	<input type="text"/>		
City:	<input type="text"/>	State: <input type="text"/>	Zip Code: <input type="text"/>

**III. LISTING OF ALL OWNERS, OFFICERS, PARTNERS, MANAGERS AND STOCKHOLDERS – this page can be photocopied if needed for additional officers.**

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

Last Name:	<input type="text"/>	First Name:	<input type="text"/>
Address:	<input type="text"/>		
City:	<input type="text"/>	State:	<input type="text"/> Zip Code: <input type="text"/>
How long at this Address?	<input type="text"/>	# of shares:	<input type="text"/> DMV license #: <input type="text"/> DMV license State: <input type="text"/>
Date of Birth:	<input type="text"/> <small>Month Day Year</small>	EIN/SSN#:	<input type="text"/>
Title:	<input type="text"/>	Phone #:	<input type="text"/>

#### IV. WORKERS' COMPENSATION LAW

Proof of Membership in the New York Black Car Operators' Injury Compensation Fund, Inc. ("Fund") if the base owns LESS than fifty (50%) percent of the vehicles it dispatches.

Or

Proof of Workers Compensation Insurance if the base owns fifty (50%) percent or more of the vehicles it dispatches.

***Please provide the following information with respect to your Workers' Compensation Insurance:***

Name Of Insurer:

Policy Number:

Effective Dates:

_____	_____	_____	to	_____	_____	_____
Month	Day	Year		Month	Day	Year

***And/or***

***Please provide the following information with respect to your Bond Insurance:***

Name Of Insurer:

Policy Number:

Effective Dates:

_____	_____	_____	to	_____	_____	_____
Month	Day	Year		Month	Day	Year

***Please completely fill it out and sign:***

Name:

Title:

Signature:

Date:

#### V. DISPATCH SERVICE PROVIDER

Will your base use a passenger-facing App to provide dispatches?

☐ Yes

☐ No

☐ Unknown

What type of App will the proposed base use?

☐ Proprietary

☐ DSP

☐ Both

☐ None

For proprietary Apps -- What is the name of the base's App? (List all Apps owned/operated by the base.)



For non-proprietary Apps fill in the Dispatch Service Provider Disclosure form at the end of this document.

## VI. AFFIRMATION TO OPERATE BLACK CAR BASE STATION

PLEASE NOTE – ONE (1) OFFICER/PARTNER/OWNER MUST FILL OUT THIS AFFIRMATION ON BEHALF OF THE OWNER(S)

This must be COMPLETED & SUBMITTED with your application.

1. I have submitted this affirmation at the request of the New York City Taxi & Limousine Commission (TLC).
2. I am currently an officer/partner/owner for \_\_\_\_\_;  
(Name of Base)  
and submit this affirmation in that capacity, ("This Base") an entity that functions as a black car base as defined in Section 19-502(4) of the New York City Administrative Code.
3. There will be a minimum of ten (10) vehicles that will hold franchises or cooperative contracts with this base and are either dispatched from or conveyed information by its facility.
4. I hereby affirm that more than 90% of this base's business is currently on a payment basis other than direct cash payment by the passenger.
5. I further affirm that the vehicles affiliated with this base have personal injury insurance coverage in amounts no less than required by the rules of the TLC.
6. I recognize that the maintenance of the insurance coverage required by the rules of the TLC is a condition of this base's license and agree that the Base will maintain such coverage at all times.
7. I recognize that the TLC relies upon this affirmation in considering the company's application for a black car base and in such reliance is not applying licensing requirements applicable to other types of for-hire vehicle bases set forth in local law. I agree to promptly provide financial statements and other documents requested by the TLC.
8. I further agree to notify the TLC promptly if less than 90% of the base's business within any monthly period is on a payment basis other than direct cash payment by the passenger or if any vehicle affiliated with the base reduces its insurance coverage to an amount less than that required by the rules of the TLC.

"I hereby affirm, under penalty of law, that I have examined and reviewed the information in the submitted form(s) or application(s), including any supplemental form(s) and/ or document(s) and that these document(s) and or statement(s) do not contain any untrue statement(s) nor are they missing any material information and/ or fact(s). I also acknowledge and understand that any false statement(s) submitted is punishable under the law and may result in a denial of an application or the suspension or revocation of an existing license/ permit."

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

## VII. AFFIRMATION TO OPERATE LUXURY LIMOUSINE BASE STATION

PLEASE NOTE – ONE (1) OFFICER/PARTNER/OWNER MUST FILL OUT THIS AFFIRMATION ON BEHALF OF THE OWNER(S)

This must be COMPLETED & SUBMITTED with your application.

1. I have submitted this affirmation at the request of the New York City Taxi & Limousine Commission (TLC).
2. I am currently an officer/partner/owner for \_\_\_\_\_  
(Name of Base)  
and submit this affirmation in that capacity, ("This Base") an entity that functions as a luxury limousine base as defined in Section 19-502(4) of the New York City Administrative Code.
3. There will be a minimum of ten (10) Luxury Limousines that are affiliated with this company and are either dispatched from or conveyed information by its facility.
4. I further certify that the vehicles affiliated with this base have personal injury insurance coverage in amounts no less than required by the rules of the TLC.
5. I recognize that the maintenance of the insurance coverage required by the rules of the TLC is a condition of this base's license and agree that the Base will maintain such coverage at all times.
6. I recognize that the TLC relies upon this affirmation in considering the company's application for a luxury limousine base and in such reliance is not applying licensing requirements applicable to other types of for-hire vehicle bases set forth in local law. I agree to promptly provide financial statements and other documents requested by the TLC.

"I hereby affirm, under penalty of law, that I have examined and reviewed the information in the submitted form(s) or application(s), including any supplemental form(s) and/ or document(s) and that these document(s) and or statement(s) do not contain any untrue statement(s) nor are they missing any material information and/ or fact(s). I also acknowledge and understand that any false statement(s) submitted is punishable under the law and may result in a denial of an application or the suspension or revocation of an existing license/permit."

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_

## VIII. BACKGROUND QUESTIONNAIRE

PLEASE NOTE – ALL OFFICERS MUST FILL OUT THIS FORM.

Any individual that holds 10% or more of the shares OR a title as President, Vice President, Secretary, Treasurer or Member must completely fill-out this page. Please make additional copies of this page if necessary.

All questionnaires must be COMPLETED & SUBMITTED with your application.

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Today's Date: \_\_\_\_\_

Title: \_\_\_\_\_

# of Shares: \_\_\_\_\_

Base Name: \_\_\_\_\_

Base #: \_\_\_\_\_

### Have you ever:

A) been convicted of any crime anywhere?

YES ☐

NO ☐

B) had any type of license suspended or revoked?

YES ☐

NO ☐

C) had any TLC license with your name under any other individual, partners, corporations, officers, principle and/or stockholders?

YES ☐

NO ☐

If you answered "YES" to any of the preceding three questions you must provide a signed statement (below or on a separate document) and give pertinent documentation giving all relevant details as an addendum to this application.



## IX. CRIMINAL COURT AFFIRMATION

PLEASE NOTE – ALL OFFICERS MUST FILL OUT THIS FORM.

Any individual that holds 10% or more of the shares OR a title as President, Vice President, Secretary, Treasurer or Member must completely fill-out this page. Please make additional copies of this page if necessary.

All questionnaires must be COMPLETED & SUBMITTED with your application.

### AFFIRMATION

I am currently an officer/partner/owner for \_\_\_\_\_  
(Name of Base)

This affirmation is submitted in conjunction with the application of \_\_\_\_\_ for a TLC license to operate a  
(Base License #)

base within the City of New York under the name of \_\_\_\_\_  
(Name of Base)

Upon information and belief, no fines, levies or other funds are due and owing to the NYC Criminal Courts by

either me or (circle one) \_\_\_\_\_  
(Officers, Shareholders, Partners or Individual Owners)

In the event it is determined that funds are due and owing by either myself individually or (circle one)

\_\_\_\_\_, I promise I shall remit such funds to the Criminal Court within one  
(Officers, Shareholders, Partners or Individual Owners)

(1) week after demand for same and promptly thereafter submit written evidence of such satisfaction to the Commission. I understand and

acknowledge that the license issued to me individually and/or that issued to the Base will be subject to suspension and/or revocation in the

event any such funds are not paid as stated above.

"I hereby affirm, under penalty of law, that I have examined and reviewed the information in the submitted form(s) or application(s), including any supplemental form(s) and/ or document(s) and that these document(s) and or statement(s) do not contain any untrue statement(s) nor are they missing any material information and/ or fact(s). I also acknowledge and understand that any false statement(s) submitted is punishable under the law and may result in a denial of an application or the suspension or revocation of an existing license/permit."

Name (print): \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Title: \_\_\_\_\_



## NAME INQUIRY OR NAME RESERVATION REQUEST

Before an application can be submitted for consideration of an entity name (New Application or Name Change Application), the name must be reviewed and approved by the Division of Applicant Licensing. Any names accepted by the TLC will be held on file for thirty (30) days from the dated stamped below.

Please email [businessunit@tlc.nyc.gov](mailto:businessunit@tlc.nyc.gov) for approval for Name Inquiry prior to scheduling an appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

**Please list the proposed Trade Names by order of preference:**

Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


**Please list the proposed Doing Business As (d/b/a) Names by order of preference:**

Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Names Accepted Yes \_\_\_\_\_ No \_\_\_\_\_


Entity Type: Livery Base ☐ Broker or Agent ☐ Taxi Meter ☐ Lux. Limo ☐  
Commuter Van ☐ Paratransit Services ☐ Black Car ☐ LPEP ☐ TPEP ☐  
EHAIL ☐ DSP ☐

Requested by:

If this request is for a currently licensed entity please indicate license #:

Email Address:

FOR OFFICE USE ONLY	
Reviewed by: <input type="text"/>	Date: <input type="text"/>



## **LIST OF DISPATCH SERVICE PROVIDERS CONTRACTED TO BASE**

Please visit [www.nyc.gov/tlcselfscheduling](http://www.nyc.gov/tlcselfscheduling) to schedule an appointment to submit your completed application, required documentation and fees via appointment. Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc).

Under Chapter 77 of the TLC rules, an app that contracts with licensed bases can only dispatch vehicles affiliated with those bases and must obey all TLC rules governing them, including but not limited to dispatching only to licensed drivers and vehicles, charging rates in compliance with the rates that each base it is dispatching through has on file with the TLC, and disclosing all pertinent base, vehicle, and driver license numbers to passengers in a conspicuous manner. Apps that do not have their own base license, but have contracts with licensed bases, in effect dispatch or refer jobs on behalf of those bases. Use of these apps must not result in violation of TLC rules by bases, vehicles, or drivers.

If a contract is already in use you must provide a list of all services contracted to the base. A copy of the operation agreement between the base and all services listed will need to be filed with the business unit at TLC.

### **Please list the Names and License numbers of all Contracted Dispatch Services:**

Dispatch Service Provider Name

Dispatch Service Provider License #

Effective date of Agreement

Dispatch Service Provider Name

Dispatch Service Provider License #

Effective date of Agreement

Dispatch Service Provider Name

Dispatch Service Provider License #

Effective date of Agreement

Dispatch Service Provider Name

Dispatch Service Provider License #

Effective date of Agreement

Dispatch Service Provider Name

Dispatch Service Provider License #

Effective date of Agreement

**NOTE:** This page may be photocopied if more space is needed for the information requested.

**FOR OFFICE USE ONLY**

Reviewed by: \_\_\_\_\_

Date: \_\_\_\_\_



Exhibit 6

## SAMPLE NOTICE OF TERMINATION OF AFFILIATION

Please visit our website for more information at: [www.nyc.gov/tlc](http://www.nyc.gov/tlc), or our office at 31-00 47th Avenue, 3rd Floor, Long Island City, NY 11101 or contact our Call Center at 718-391-5501.

[DATE OF LETTER]

[VEHICLE OWNER/PERMIT HOLDER/BASE OWNER NAME]  
[ADDRESS LINE 1]  
[CITY, STATE ZIP]

You must type in this information from your files.

**IN REFERENCE TO VEHICLE:**

LICENSE NO. [TLC LICENSE NUMBER]  
VIN: [VIN]  
LICENSE PLATE: [LICENSE PLATE]  
PERMIT NUMBER: [PERMIT NUMBER]

DEAR [VEHICLE OWNER NAME/PERMIT HOLDER]:

The Taxi and Limousine Commission (TLC) requires base owners to contact vehicle owners and permit holders (if the vehicle is an SHL Livery vehicle) when they intend to terminate their affiliation. TLC also requires base owners to supply proof that the vehicle owner/ permit holder was contacted.

We are writing you to let you know that as of the **date this letter is mailed** (which will be indicated on the return receipt went with this letter) your affiliation with our base has been terminated.

We will be sending to the TLC a copy of this letter and a copy of the return receipt and they will terminate your affiliation to our base in their records.

Therefore, you will be without an affiliation to a TLC licensed base.

Sincerely,

*Signature*

[TYPE NAME OF BASE OFFICER/MANAGER]  
[TYPE TITLE OF BASE OFFICER/MANAGER]  
[TYPE BASE NAME/LICENSE NUMBER]

This is just suggested text; you can write whatever you like.



Taxi & Limousine  
Commission

# Exhibit 7

 Search

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[Update License Information](#)
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I am a...

 Choose One

I am here to...

 Please select an option above

[Lost Property Search](#)
 Taximeter #

 Search

## New Driver Applicants

Applications for a TLC Driver License, Commuter Van driver license, or Paratransit driver license can only be submitted online.

Submit your application and payment online at: <https://www.nyc.gov/tlc>.

The TLC is now offering FREE study guides for drivers that are available in six languages: English, Bengali, Chinese(Mandarin), Russian, Spanish and Urdu.

For additional information and to download a study guide, visit the Education Requirements page.

### How to apply for a TLC license:

**STEP 1: Submit your application and payment online at: <https://www.nyc.gov/tlc>**

- You will need a current DMV driver license, valid email address and Social Security number to apply.
- All application fees must be paid online. Do NOT mail application fees to the TLC. TLC will return any mailed in fees.
- Application fees are non-refundable.

**STEP 2: Submit your required documents to the TLC within 90 days of submitting your online application.**

All required documents must be uploaded here. TLC no longer permits in-person submission of application documents.

Please write your DMV driver license number on all documents submitted to the TLC.

TLC will notify you if additional documents are needed.

Your application will be denied if you fail to submit your documents within 90 days of submitting your online application.

**STEP 3: Complete all requirements within 90 days of your online application.** To complete all requirements for a TLC license you will need to:

- Take a drug test
- Have your fingerprints and photo taken
- Complete the education requirements.

Details on how to complete these requirements are listed below and will be emailed to you after you submit your online application:

## TLC Online Application Site

### Driver License Requirements for Each License Type

**TLC Driver License Requirements (Medallion, Street Hail Livery and For Hire Vehicle Applicants)**

**TLC Driver License Requirements (Paratransit / Commuter Van Applicants)**

» **Additional Forms / Information**

» **Study Guide and Education Resources for Drivers**

» **Reapplying after revocation**

» **Frequently Used Forms**

» **Text Notification of Missing Requirements**

## Taxi News

New Driver and New Vehicle Applicants can now upload required documents through the TLC UP portal. Find out more about this new option!

< 1/5 >

# exhibit 8 (i)

T E C H

## DOJ Investigating Uber Over Greyballing Issue, Reports Say

B R Y I S OH NA B H J A I N  
0 5 / 0 5 / 1 7 A T 2 : 3 2 A M



A taxi is reflected in a window at the office of taxi-hailing service Uber Inc in Hong Kong, Aug. 12, 2015. Photo: Reuters/Tyrone Siu

Uber Technologies Inc. is being investigated by the Department of Justice for using a software tool, which let its drivers evade local transportation officials, Reuters reported Thursday.

The ride-hailing company has already acknowledged the existence of the software tool, known as 'Greyball' and its use to ply in the areas where its services hadn't been approved such as Portland, Oregon, the report added.

**Read: What Is Greyball? Uber Used Data Collection Tools To Avoid Authorities And Operate Illegally: Report**

The issue came to light in a New York Times report published in March, which revealed details about the software. The tool would not only let Uber operate in areas it wasn't allowed in, but would also populate the app with spoof cars to fool the authorities, while actual drivers on the road would continue to operate and avoid being reprimanded.

The company was deeply involved with the use of the tool, according to the report — the tool is said to have been

last week. Portland was also moving ahead with subpoenaing Uber on  
Greyball, an official there said on Friday, affirming that the federal action

was a criminal investigation.

Now the inquiry has widened to include Philadelphia. The Philadelphia Parking Authority, a state-governed transportation agency, said on Friday that it was contacted by the Justice Department and asked to hand over information regarding Uber and its use of special software to enter and operate in certain markets.

"The P.P.A. is cooperating with federal law enforcement officials and providing all of the information that we have" about Greyball, Martin O'Rourke, a department spokesman, said in a statement. WHYY, a Philadelphia public radio station, earlier reported that the transit agency had been contacted by the Justice Department.

Uber declined to comment on the transit agency's actions or the federal inquiry.

The growing investigation added to the woes of Uber, which is the world's dominant ride-summoning service. This year, the company has also grappled with allegations of a harassment-ridden workplace culture and questions over the leadership of its chief executive, Travis Kalanick. In addition, Uber is embroiled in a bitter lawsuit with Waymo, the self-driving car unit spun out of Google's parent company, over accusations of stolen trade secrets concerning autonomous vehicles.

Greyball, which Uber began using as early as 2014, was sometimes deployed when the company started service in a city without permission. Uber has argued the tool had legitimate uses, such as disguising the locations of drivers from competitors or would-be attackers.

Uber now operates in both Portland and Philadelphia legally.

Dan Saltzman, commissioner of the Portland Bureau of Transportation, said on Friday that the city would continue looking into Greyball.

"We support the criminal investigation by the United States Department of Justice into Uber's use of the Greyball tool to evade regulators, and will continue to move forward with our own efforts to subpoena the requested records from Uber," Mr. Saltzman said in a statement. The agency is seeking Uber's records related to Greyball, according to the statement.

In response, Bryce Bennett, Uber's general manager for Oregon, said in a statement that Portland's transportation audit had "found no evidence that Uber has used Greyball or any technology to avoid city inspectors since the Council passed laws allowing ride sharing services to operate in Portland in 2015." Mr. Bennett added that Uber has been in weekly compliance calls and meetings with Portland transportation officials for more than two years.

Uber said it has since discontinued the use of Greyball. In March, not long after The Times reported on Greyball, Joe Sullivan, Uber's chief security officer, said the company was conducting a review of how the technology had been used.

"We are expressly prohibiting its use to target action by local regulators going forward," Mr. Sullivan said at the time.

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RELATED COVERAGE

Uber Faces Federal Inquiry Over Use of Greyball  
Tool to Evade Authorities MAY 4, 2017



Uber Seeks to Prevent Use of Greyball to Thwart  
Regulators MARCH 8, 2017



How Uber Deceives the Authorities Worldwide  
MARCH 3, 2017



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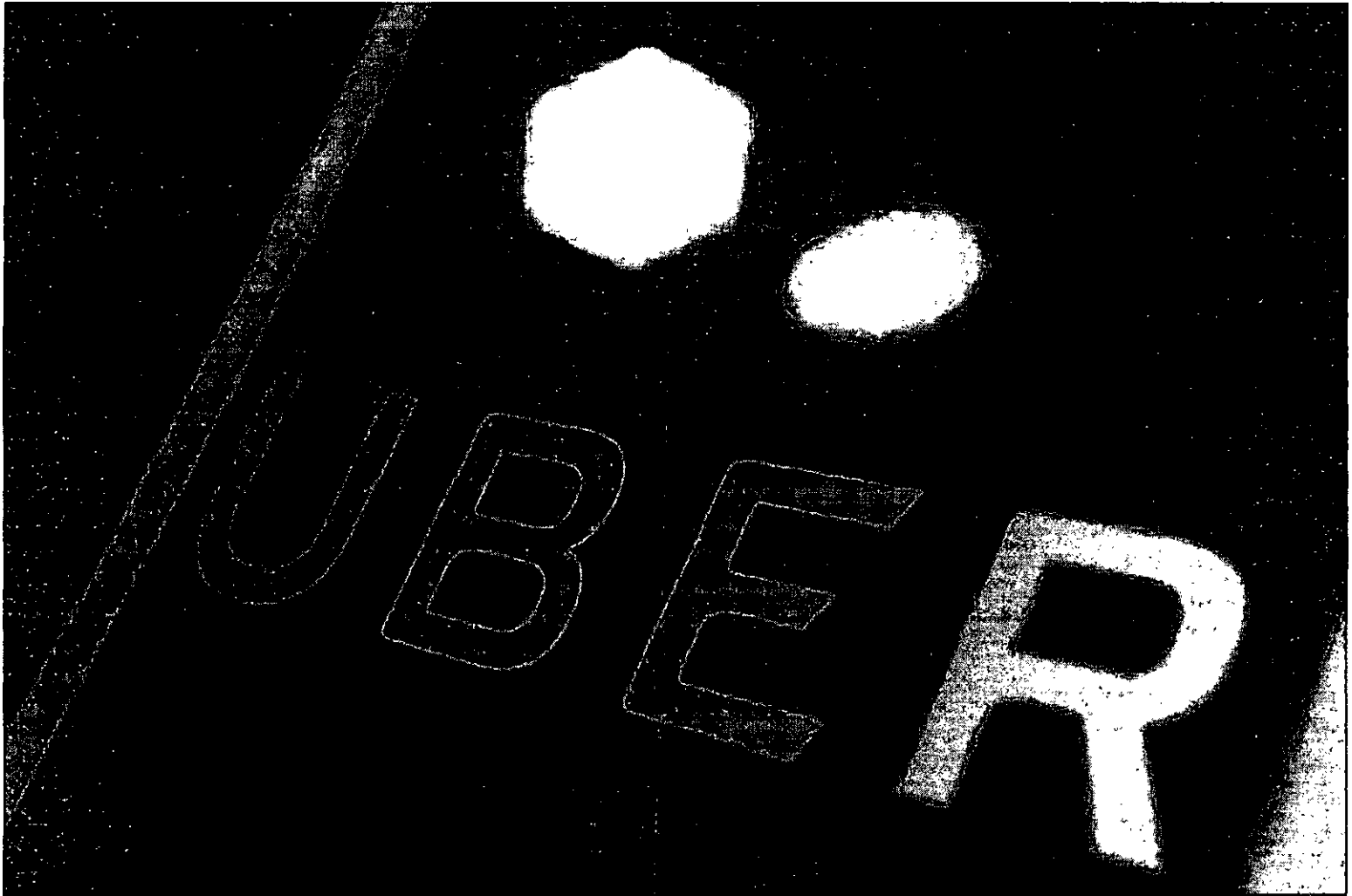
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## TECHNOLOGY

## Justice Department Expands Its Inquiry Into Uber's Greyball Tool

By MIKE ISAAC MAY 5, 2017



An inquiry by the United States Department of Justice into Uber's use of a program to deceive some regulators has expanded to Philadelphia. Tyrone Siu/Reuters

**SAN FRANCISCO** — An inquiry by the United States Department of Justice into Uber's use of a program to deceive some regulators has expanded.

The ride-hailing company has been under scrutiny from the Justice Department over a tool called Greyball, which The New York Times reported on in March. The Greyball tool allowed Uber to deploy what was essentially a fake version of its app to evade law enforcement agencies that were trying to clamp down on its service in cities including Portland, Ore., Boston and Las Vegas.

The Justice Department earlier opened an inquiry into Uber's use of

Greyball isn't the only tool of its kind used by Uber— the company has used technologies such as a geofencing

technique, which would create a virtual perimeter around the offices of law enforcement agencies, so as to keep drivers away from those areas. Furthermore, the app collected data of users who frequently opened and closed the app, which it believed to be government officials. The company even visited electronics stores to get its hands on phones used by law enforcement officials, so as to stay ahead of any potential investigators.

Shortly after its use of the tool to evade authorities became public, the company prohibited the use of Greyball.

Uber has declined to comment on the issue, but its lawyers have reportedly told Portland authorities that the Greyball technology was “used sparingly” in the areas where Uber’s services weren’t approved.

Greyball was a part of a larger program called “violation of terms of service” (VTOS), which included the analysis of users’ credit cards, devices, location data and other such data. The company had stated in a blog post that the technology was being used for detecting frauds and protecting drivers from harm, but its fate and the final analysis of how and why the tool was used would only be revealed post a formal investigation since the usage of the data derived using the program, including customer’s credit card data is not yet known. According to the report, the data might have been used to check which credit union the potential riders were affiliated with, and matching it to their social media profiles to find out whether they were law enforcement officials or not.

**Read: [Uber Greyball News Company To Review Program, Stop Targeting Regulators](#)**

The criminal investigation could potentially make things worse for the ride-hailing company, which has been suffering from a barrage of issues lately including complaints about a sexist work culture and underpaying drivers.

# Exhibit 9



Rob Ely <callacarwb@gmail.com>

## Illegal fake taxi operation

1 message

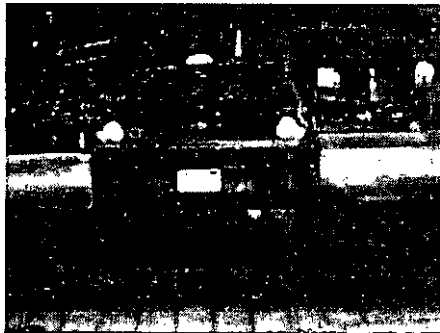
Rob Ely <callacarwb@gmail.com>

Wed, Aug 30, 2017 at 11:37 AM

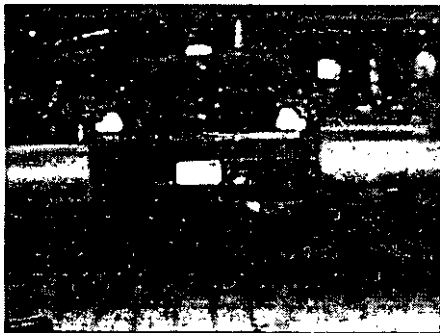
To: callacarwb@gmail.com

Kfv-2837 pa

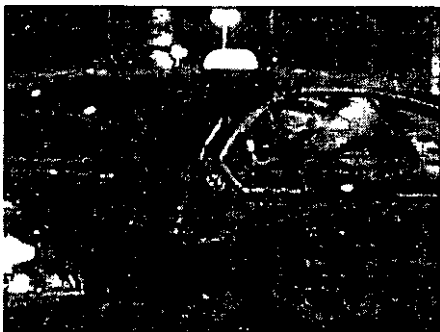
### 6 attachments



20170815950307581.jpg  
159K



20170815950307561.jpg  
153K



20170815950240391.jpg  
97K



20170815950240331.jpg  
140K

20170815950240311.jpg  
151K



20170815950240211.jpg  
180K

# Proof of Operation of Outdated Vehicle



Exhibit  
10

## PAST TRIPS

Jan 1, 4:20 AM  \$4.66 >

Jan 1, 4:01 AM \$5.00 >

Jan 1, 3:35 AM \$3.67 >

Jan 1, 2:43 AM \$20.29 >

Jan 1, 1:25 AM  \$76.49 >

Jan 1, 1:02 AM \$6.15 >

Jan 1, 12:45 AM \$3.67 >

Jan 1, 12:23 AM \$16.00 >

12/31/2016, 11:00 PM \$3.67 >

12/31/2016, 10:46 PM \$3.67 >

Exhibit 11 (1)

Bloomberg Technology



## Study Finds Racial Discrimination by Uber and Lyft Drivers

**Researchers suggest anonymity for passengers hailing a ride as a possible solution.**

By **Eric Newcomer**

Monday, October 31, 2016 05:00:04

Updated on Monday, October 31, 2016 12:51:56

Drivers for Uber Technologies Inc. in Boston canceled rides for men with black-sounding names more than twice as often as for other men. Black people in Seattle using Uber and Lyft Inc. faced notably longer wait times to get paired with drivers than white customers. The findings come from a study published on Monday by researchers at the Massachusetts Institute of Technology, Stanford University and the University of Washington.

"In many ways, the sharing economy is making it up as they go along," said Christopher Knittel, a professor at the MIT Sloan School of Management and an author of the study. "A lot of this is a learning process, and you can't expect these companies to have everything perfect right out of the gate."

A new generation of technology companies have begun to grapple with how they can minimize racial discrimination. Airbnb Inc. recently released an extensive report studying racial bias on the site and proposed some changes to its policies. The home-rental company committed to offering more training for its hosts and hiring a more diverse workforce. It sent e-mails to customers over the weekend saying they must agree not to discriminate in order to use the site starting next month. However, Airbnb has resisted advocates' calls to remove photos of guests and hosts from its platform.



• In the case of ride-hailing apps, researchers similarly believe that names and photos are an issue. Such information gives

drivers the means to discriminate against prospective riders. Uber doesn't show customer photos to drivers. Lyft does, but passengers aren't required to provide a headshot. Both San Francisco-based companies give riders' names to their drivers.

"We are extremely proud of the positive impact Lyft has on communities of color," said Adrian Durbin, a spokesman for Lyft. "Because of Lyft, people in underserved areas—which taxis have historically neglected—are now able to access convenient, affordable rides. And we provide this service while maintaining an inclusive and welcoming community, and do not tolerate any form of discrimination."

The study, conducted in Seattle and Boston, included almost 1,500 rides. Four black and four white research assistants—split evenly among men and women—ordered cars over six weeks in Seattle. All used their photos on the ride-sharing apps. A second test was held in Boston with riders "whose appearance allowed them to plausibly travel as a passenger of either race," although they used either "African American sounding" or "white sounding" names, the researchers said. The study found that Uber drivers disproportionately canceled on riders with black-sounding names, even though the company penalizes drivers who cancel frequently.

"Ridesharing apps are changing a transportation status quo that has been unequal for generations, making it easier and more affordable for people to get around," Rachel Holt, Uber's head of North American operations, said in an e-mailed statement. "Discrimination has no place in society and no place on Uber. We believe Uber is helping reduce transportation inequities across the board, but studies like this one are helpful in thinking about how we can do even more."


The research also observed discrimination in the taxi industry—a well-known, decades-old issue. The paper doesn't compare the rate of discrimination between traditional drivers for taxis or ride-hailing apps. Uber has suggested that it doesn't offer tips in its app, as many drivers have asked for, because they can introduce racial biases.

Lyft and Uber face different issues. While researchers found that drivers took noticeably longer to accept ride requests from black men on both services in Seattle, total wait times were the same for both races on Lyft. On Uber, total wait times were longer for black men. Drivers using Lyft didn't cancel on black riders disproportionately, but the researchers said that because Lyft shows riders' names and faces upfront, its drivers could simply screen out black passengers. Uber doesn't show names until after the driver accepts the fare. "In Lyft, you can discriminate without ever having to accept and hit cancel," Knittel said.

The researchers proposed changes that Uber and Lyft could make to reduce discrimination, including not identifying passengers' names, more severe repercussions for drivers who cancel after accepting a ride and periodic reviews of drivers' behavior to look for racism. However, Knittel acknowledged in an interview that there are advantages to providing personal information, such as creating a friendlier and more efficient experience. "There's a trade-off here," he said. "There is a potential

While conducting the study, researchers also observed that women were sometimes taken on significantly longer rides than men. "Other female riders reported 'chatty' drivers who drove extremely long routes, on some occasions, even driving through the same intersection multiple times. As a result, the additional travel that female riders are exposed to appears to be a combination of profiteering and flirting to a captive audience," the researchers wrote. The paper floats a possible solution to that problem: upfront fares—something Uber has already begun to roll out.

The authors of the study, along with Knittel, were Don Mackenzie, an assistant professor at University of Washington; Yanbo Ge, a doctoral student at the same Seattle-based university; and Stephen Zoepf, executive director of the Center for Automotive Research at Stanford.

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# onlabor

Workers, Unions, Politics

## GIG ECONOMY

### Uber: A Platform for Discrimination?

Benjamin Sachs - 10.22.15 p. 9

As Uber tells it, Uber is not an employer but a technological platform connecting drivers and passengers. This categorization – highly contested – has a number of well-known advantages for Uber: it allows the firm to avoid responsibility for minimum wage and overtime pay, for workers comp and unemployment insurance, and for providing healthy and safe working conditions. The categorization also allows Uber to avoid responsibility for discriminatory termination decisions.

Under Title VII of the Civil Rights Act of 1964, employers may not make hiring and firing decisions on the basis of race, sex, religion or national origin. A key component of this anti-discrimination protection is that employers may not rely on customer preferences for employees of a certain race, sex, religion or national origin when making employment decisions. So, for example, even if many or most customers of a particular restaurant would prefer white male waiters, the restaurant owner engages in illegal discrimination by hiring only white male waiters. And, of course, it is no answer to such a discrimination claim for the employer to assert, “it’s what the customers want.” Indeed, to allow employers to discriminate because their customers prefer employees of a particular race or sex or religion or national origin would do enormous damage to Title VII.

The Uber platform, however, enables just this kind of customer preference discrimination. As we’ve covered, Uber relies on a “star rating” system to determine when to terminate a driver’s access to the platform. At the end of each ride, customers are asked to rate their drivers between one and five stars. Uber compiles the driver’s overall star rating score, and if that score drops below a certain average (now about 4.6), the driver is terminated. Thus, termination decisions at Uber are driven by customer preference.

We do not know, because we do not have access to the data, whether Uber riders discriminate on the basis of race, sex, religion or national origin when they rate their drivers, but as Nancy Leong has pointed out, we have some good reasons to expect that they do. Indeed, there’s strong empirical evidence suggesting that consumers of services – including, specifically, taxi cab passengers – engage in race discrimination when they interact with service providers. Ian Ayres, et al. studied the taxi cab industry in New Haven and found that the mean tip given to white taxi cab drivers was 20.3% while the mean tip given to black taxi cab drivers was 12.6%. In an even more recent study of the restaurant industry, Brewster and Lynn find that customers who are served by a black waiter or waitress leave smaller tips (as a percentage of the bill) than those who are served by a white waiter or waitress. If these dynamics are at play when Uber riders rate Uber drivers – and there is no reason to expect them not to be – then it’s likely that the star rating system is leading to discriminatory termination practices by Uber. Put differently, the Uber platform provides a mechanism for translating customer bias (implicit or otherwise) into discriminatory termination decisions.

The battle over whether Uber meets the legal definition of “employer” is being fought out in courts and administrative agencies across the country. If Uber is ultimately found to be an employer, then Title VII will apply and the firm will no longer be shielded from responsibility for discrimination even if that discrimination is a product of customer “preference.” But Uber should not wait for this legal battle to play out and should instead take responsibility for discrimination now. As Delcher Deane rightly suggests, Uber’s access to operating data positions the firm to figure

any discrimination it finds. I don't claim that addressing bias will be easy; just that Uber should take responsibility for bias that its platform translates into discriminatory terminations.

Exhibit 12 (1)



Robert Altoona <poconomls@gmail.com>

---

**Uber Partner: How are thousands of drivers paying \$0 in taxes?**

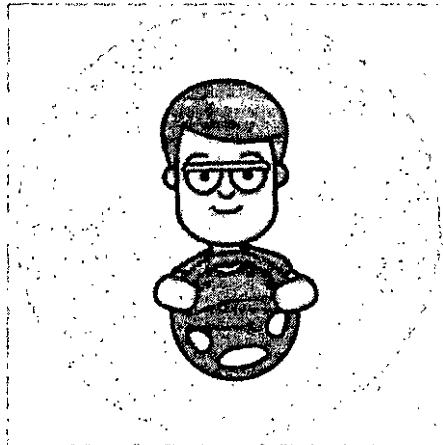
1 message

---

**Stride Drive** <drive@stridehealth.com>  
Reply-To: Stride Drive <drive@stridehealth.com>  
To: poconomls@gmail.com

Fri, Sep 23, 2016 at 12:00 AM

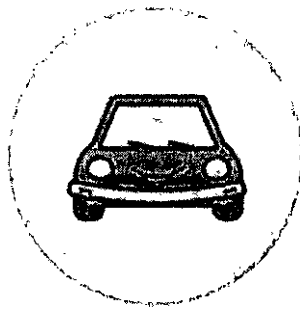
They maximize their tax deductions!



Worried about taxes? Stride Drive is helping thousands of drivers owe \$0 in taxes.

Get Stride Drive for iPhone

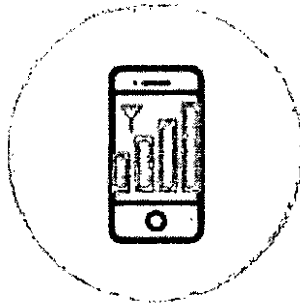
Here are the top 3 deductions you should track:



### **#1 Mileage**

The IRS lets you count 54 cents per mile in 2016. Make sure to track every mile you drive -- the deduction can add up to thousands of dollars per month!

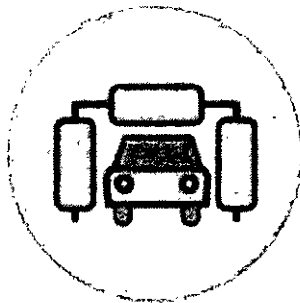
***Pro Tip:** Don't forget to track miles you drive commuting to and from the area where you pick up passengers.*



### **#2 Monthly Cell Phone Bill**

The percentage of your monthly phone bill that you use for rideshare work is deductible.

***Pro Tip:** Rideshare apps drain a ton of data, make sure your deducting the data costs attributable to those apps.*



### **#3 Car Washes**

Basic washes are covered by the standard mileage rate, but those deep cleans (especially after a passenger leaves a special gift) are 100% deductible.

**Pro Tip:** Keeping your car clean is important for high ratings, so regular cleans are key for full-time drivers.

## **Stop worrying about taxes.**

Get Stride Drive for iPhone

---

Learn about 16 more deductions in on our Ultimate Rideshare Tax Deduction Guide!

---

*Questions? Just reply to this email!*

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*Stride is not a personal tax advisor. We rely on you to track only business expenses for accurate tax reporting. The information above is meant only for guidance purposes and not as professional legal or tax advice. Further, it does not give personalized legal, tax, investment, or any business advice in general.*

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568 Brannan St  
San Francisco, CA 94107

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# Exhibit 12 (2)



Robert Altoona <poconomls@gmail.com>

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## Uber Partner: How this driver pays \$0 taxes

1 message

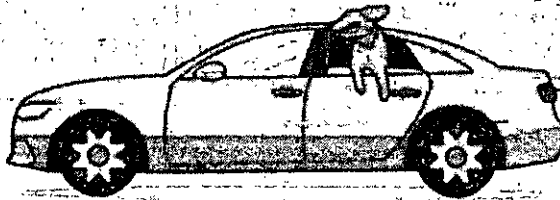
Stride Drive <taxhelp@stridehealth.com>  
Reply-To: Stride Drive <taxhelp@stridehealth.com>  
To: poconomls@gmail.com

Thu, Aug 10, 2017 at 8:08 PM

*Stride*

---

How to maximize your tax write offs!



Mileage

Worried about taxes? Stride Drive helps thousands of drivers **owe nothing in taxes**. Tony is one driver who uses Stride Drive to pay no taxes on his rideshare income. Here are his 3 top tax tips.

**GET STRIDE DRIVE**

---

Tony's top 3 tax tips:



**Tip #1: Deduct more mileage than what Uber records.**

Uber only records the miles you drive with a passenger in the car. That's the number you see on your "Uber Tax Summary." I talk to some drivers who only deduct this mileage -- it's sad because they're **definitely overpaying on taxes** if they only deduct on-trip miles. I used Stride Drive in 2016 to track all of my miles: my drive to-and-from San Francisco (I live in Vallejo) plus all the miles I drive between pickups. I wrote off around 80,000 miles. That's \$43,000 of earnings I didn't have to pay taxes on.

**Tip #2: Don't forget to deduct expenses -- they add up!**

I make sure to record my expenses at the end of every week. I set a reminder on my phone and block off 15 minutes every Sunday and I was able to write off \$4,500 in miscellaneous deductions. Big ticket expenses that helped me save most:

- Health insurance: \$2,500 written off
- Cell phone: \$1,200 written off
- Car washes & detail: \$300 written off
- Spotify & passenger goodies: \$200 written off

**Tip #3: Don't pay taxes on Uber's cut.**

The first year I drove, I had no idea what I was doing. I even paid taxes on Uber's commission because I didn't understand my 1099-K form. Don't make the same mistake I did. You **MUST** deduct Uber's fees. These are fees you deduct from your 1099-K:

<b>Tolls</b>	<b>USD 1027.44</b>
<b>Split Fare</b>	<b>USD 13.25</b>
<b>Safe Rides Fee</b>	<b>USD 951.65</b>
<b>Miscellaneous (fare)</b>	<b>USD 226.00</b>
<b>Airport Fee</b>	<b>USD 1273.05</b>
<b>Booking fee</b>	<b>USD 7357.85</b>

<b>Uber Service Fee</b>	<b>USD 16084.31</b>
-------------------------	---------------------

*The above is an example.*

Finally, I can't stress enough how much the Stride Drive app has saved me. I kept over \$5,000 I would have had to pay in taxes, but it also gave me peace of mind. I enjoy rideshare driving *more now* because I know exactly what I can deduct and how to manage my taxes with confidence.

---

## **Stop worrying about taxes.**

**GET STRIDE DRIVE**

---

### **Contact Us!**

Have some more tax questions? Just reply to this email to connect with our tax experts!

---

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Stride Health  
568 Brannan St  
San Francisco, CA 94107

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# Exhibit 12 (3)



Robert Altoona <poconomls@gmail.com>

---

## Uber Partner: How this driver pays \$0 taxes

1 message

Stride <taxhelp@stridehealth.com>

Tue, Apr 4, 2017 at 8:07 PM

Reply-To: Stride <taxhelp@stridehealth.com>

To: poconomls@gmail.com

*Stride*

---

### How to maximize your tax write offs!

Worried about taxes? Stride Drive helps thousands of drivers **owe nothing in taxes**. Tony is one driver who uses Stride Drive to pay no taxes on his rideshare income. Here are his 3 top tax tips.

#### GET STRIDE DRIVE

---

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<b>Uber Service Fee</b>	<b>USD 16084.31</b>

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---

**Stop worrying about taxes.**

August 31, 2017

Recomary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor  
P O Box 3265  
Harrisburg, PA 17105-3265

Re: Application of Uber Taxi, Inc. T/A Poor Bobby's Taxi  
Docket No. A-2017-2612169

Dear Secretary Chiavetta:

Enclosed on Behalf of Uber Taxi, Inc T/A Poor Bobby's Taxi is a Notice of App  
the above-referenced matter. A copy of the Notice is being served in accordance  
certificate of service attached to it.

Please contact me if you have any questions or need any additional information.

Very truly yours,

Andrew J. Katsock III

By

Andrew J. Katsock III

Encl.

cc: Certificate of Service

Before The  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of  
Ultratad Inc. T/A Poor Bobby's Taxi

Docket No. A-2017-2612169

**NOTICE OF APPEARANCE**

Pursuant to 62 Pa. Code § 1.24(b), please enter the appearance of the following as  
counsel for Ultratad Inc., T/A Poor Bobby's Taxi Applicant in the above-captioned matter:

Andrew J. Katschek III

16 Curran Drive

Wilkes Barre PA 18705

(570) 828-6884

We are authorized to accept service on behalf of the Applicant in this matter. On the  
basis of this notice, we request a copy of each document filed hereafter by any party or  
served by the Commission in this matter.

Respectfully submitted,

By: 

Andrew J. Katschek III

Attorney for Applicant

Ultratad Inc. T/A Poor Bobby's Taxi

RECEIVED 11/25/2017

Before The  
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In re: Application of:

Uber Tax, Inc T/A Poor Bobby's Taxi

Docket No. A- 2017-2612169

**CERTIFICATE OF SERVICE**

I hereby certify that I have this 31st Day of August 2017 served a true and correct copy of the foregoing Notice of Appearance upon the persons listed below by electronic mail and first class mail, postage prepaid:

Paul S. Guarneri, Esq.  
2622 Timberglen Drive  
Waxford, PA 15090  
psguarneri@comcast.net

  
Andrew J. Katscock III

PA Attorney ID #

59011