

102306

A-00104762F1

APPLICATION

F1 AMB

HENRY M. WICK, JR.
JOHN A. VUONO
WILLIAM J. LAVELLE
ALLAN L. FLUKE
WILLIAM A. GRAY
DIXON R. RICH
CHARLES J. STREIFF
DAVID M. O'BOYLE
DONALD J. BALSLEY, JR.
LEROY L. METZ
VINCENT R. SZELIGO
MARK T. VUONO
JAMES K. WOOD
JON A. ALLEGRETTI

LAW OFFICES

WICK, VUONO & LAVELLE

2310 GRANT BUILDING
PITTSBURGH, PA. 15219

ROBERT R. WERTZ
OF COUNSEL

(412) 471-1800

July 21, 1982

RECEIVED

JUL 28 1982

Re: Klapec Trucking Company --
Purchase -- J. Bernard Klapec
Our File 2762-1

SECRETARY'S OFFICE
Public Utility Commission

Mr. Jerry Rich, Secretary
Pennsylvania Public Utility Commission
P. O. Box 3265
Harrisburg, Pa. 17120

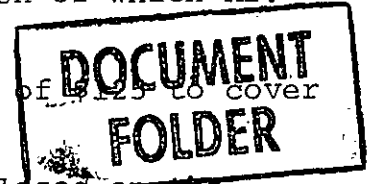
A-102306
F.I, Am-B

Dear Mr. Rich:

We enclose for filing with the Commission the signed original and two copies of application of Klapec Trucking Company for approval of the transfer of all operating rights presently held by J. Bernard Klapec at Docket No. A. 82176. Klapec Trucking Company was previously granted authority at Docket No. A. 102306 to purchase certain operating rights held by J. Bernard Klapec. This application is for purposes of completing the transfer of all the authority held by J. Bernard Klapec to the corporation of which Mr. Klapec is the sole stockholder.

We also enclose a check in the amount of \$5.00 to cover the filing fee.

Please acknowledge receipt of the enclosed on the duplicate copy of this letter of transmittal and return it to us in the stamped, self-addressed envelope provided for that purpose.



Very truly yours,

WICK, VUONO & LAVELLE

Henry M. Wick, Jr.

dd
Enclosures
cc: Klapec Trucking Company

RECEIVED

JUL 28 1982

Non-Rail Transportation
Public Utility Comm.

SEE INSTRUCTIONS ON BACK
BEFORE PREPARING APPLICATION

RECEIVED

JUL 28 1982

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

SECRETARY'S OFFICE
Public Utility Commission

ORIGINAL

In re: Application of Klapec Trucking Company

Transferee

Application Docket

for approval of the transfer and the beginning of the exercise of the

right as a common carrier, described at Docket No. A. 82176

Contract--Common

Am-M

Folder No. L.Am-L, issued to J. Bernard Klapec

Transferor

Folder No. 1

for transportation of property

Persons--Property

No. A-00102306 19
RECEIVED
JUL 28 1982
Non-Rail Transportation
Public Utility Commission

TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

The application of Klapec Trucking Company

(Full and correct name of transferee)

respectfully represents.

1. That the business address of applicant is:

R.D. #1, 673 North Seneca Street

(Street and number)

Oil City

(City)

Venango

(County)

Pennsylvania

(State)

16301

2. That the name of applicant's attorney is:

Henry M. Wick, Jr., Esq. and David M. O'Boyle, Esq.;

(Name)

WICK, VUONO & LAVELLE

2310 Grant Bldg., Pgh., Pa. 15219

(Address)

3. That applicant is a corporation

(Individual, partnership or corporation)

That applicant, if an individual or partnership, is doing business under the trade name of _____

That said trade name _____ been registered with the Secretary of the Commonwealth on _____

(has or has not)

_____, 19____, and with the Prothonotary of _____ County on _____

(Month and day)

(County)

(Month and day)

19____, in accordance with the provisions of the Fictitious Names Act of June 28, 1917, as amended.

That applicant, if a partnership, attaches hereto, as an exhibit, a copy of the partnership agreement and asserts that the names and addresses of the partners are as follows:

Name

City Address,

County

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
AUG 3 1982

ENTRY No. DE

That applicant, if a corporation, was organized under the laws of the State of Pennsylvania and attaches hereto as an exhibit a statement of its charter purpose. Applicant (if a foreign corporation) qualified to do business in Pennsylvania by registering in the office of the Secretary of the Commonwealth on the _____ day of _____, 19____.

4. That applicant designates Henry M. Wick, Jr., Esq. 2310 Grant Bldg., Pgh., Pa. 15219

(Name)

(Address)

as the person upon whom service of any notice, process or order of the Public Utility Commission be made for him or it.

5. That applicant now holds the following certificates of public convenience or permits (include those issued by Interstate Commerce Commission) Pa. PUC A. 102306; ICC Docket No. MC-135824

6. That the applicant is 21 years of age or over N/A

(Yes)

(No)

7. That applicant desires to operate the following number of motor vehicles with a capacity of: (See Supplement to Paragraph 7)

Passenger-carrying vehicles	No.	Type of Body	Seating Capacity
Trucks	No.		Gross Weight
Tractors	No.		Gross Weight
Semi-trailers	No.		Gross Weight
Four-wheel trailers	No.		Gross Weight

A. 102306 - act
APPL. 2-10-1980

COMPL.
MVIC.
CHECKED BY K.P.

AMENDMENT B

8. That applicant is not now operating as a common or contract carrier, but is financially able to furnish adequate service to the public and submits the following statement of financial condition.

ASSETS AND LIABILITIES OF APPLICANT: (See Supplement to Paragraph 8)

ASSETS

Value of Real Estate\$_____

Value of Personal Property\$_____

LIABILITIES

Amount of Mortgages\$_____

Amount of Judgments\$_____

Amount of Other Liabilities\$_____

9. That applicant now operates as a common carrier, and submits herewith as Exhibits A and B a Balance Sheet (Statement of Assets and Liabilities) as of _____, 195____, and an Income Statement (Statement of Profit and Loss) for the twelve months ended _____, 195____ (See Instructions, Par. 3)
10. That neither applicant, its stockholders (if applicant is a corporation); nor its members (if applicant is a partnership) are in control of or affiliated with any other motor, rail, water, express or other carrier. (If applicant, its stockholders, or members are in control of or affiliated with any other carrier, explain fully below.)
J. Bernard Klapac is President and sole stockholder of applicant. He is also the sole proprietor of Transferor. (See Explanatory Statement)
11. That applicant proposes to render as a common carrier by means of motor vehicles, the service authorized in the certificates or permits issued to J. Bernard Klapac, as follows: (See instructions, Paragraph 4.) (See Supplement to Paragraph 11)
Transferor
12. That applicant proposes to begin furnishing service immediately upon receipt of the certificate of public convenience or permit evidencing the right to do so.
13. That there are attached hereto copies of bilateral contracts between applicant and shippers (if proposed service is that of a contract carrier). (N/A)
14. That the total amount of consideration to be paid is \$1.00. That the consideration was determined as follows: Negotiations between the parties.
That the consideration will be paid as follows: Paid in cash at closing.
15. That schedules A and B, hereof, are statements of the equipment and other property to be transferred. (N/A)
16. That the following exhibits are attached hereto and made a part hereof:
Exhibit C, being a copy of the sales agreement.
Exhibit D, being an itemized statement of the unpaid business debts of transferor and how they will be satisfied.
Exhibit E, being a statement of the gross common carrier intra-state operating revenue of the transferor for each of the past three years.
17. That all General Assessments which have been made against J. Bernard Klapac as a common carrier, and Klapac Trucking Company as a common carrier pursuant to Section 1201 of the Public Utility Law, have been paid or remittance is made herewith to cover such General Assessments.
Transferor
Transferee
18. That Klapac Trucking Company hereby agrees to assume and pay any General Assessments that may be made, pursuant to Section 1201 of the Public Utility Law, against J. Bernard Klapac as a common carrier for any and all operating periods up to the actual date of the approval of transfer of the certificate.
Transferee
Transferor

SCHEDULE "A"

DESCRIPTION OF EACH PASSENGER VEHICLE, TRUCK, TRACTOR, TRAILER, SEMI-TRAILER, TAXICAB OR OTHER MOTOR VEHICLE TO BE TRANSFERRED FROM CERTIFICATE OR PERMIT HOLDER TO APPLICANT

Name of Manufacturer (1)	Year of Manufacture (2)	Description					Date Purchased (8)	Condition When Purchased (New or Used) (9)	Original Cost (10)	Cost of Additions, Betterments, and Improvements (11)	Total Cost (12)	Depreciation (13)	Total Cost Less Depreciation (14)	Estimated Present Value (15)	Encumbrance (16)
		Type of Body (3)	Engine Number (4)	Capacity (5)	Manufacturer's Number (6)	Miles Operated (7)									
NOT APPLICABLE															
Total columns 10 to 16 inclusive															

State who is to assume encumbrance and how it will be satisfied

SCHEDULE "B"

DESCRIPTION OF EACH OTHER ITEM OF PROPERTY TO BE TRANSFERRED FROM CERTIFICATE OR PERMIT HOLDER TO APPLICANT

Description (A)	Date of Purchase, Installation or Construction (B)	Original Cost (C)	Depreciation (D)	Original Cost Less Depreciation (E)	Estimated Present Value (F)	Encumbrance (G)
NOT APPLICABLE						
Total columns C to G inclusive						

State who is to assume encumbrance and how it will be satisfied

19. The transferor hereby agrees to continue to render the service as described in Paragraph 11 of this application until the application for transfer is approved, whereupon transferor will surrender said certificate or permit for cancellation.

WHEREFORE, Transferee and Transferor pray your Honorable Commission to issue a Certificate of Public Convenience, under the provisions of the Pennsylvania Public Utility Law, evidencing its approval of the right of the transferor to transfer and transferee to begin to exercise the right to operate motor vehicles for the transportation of persons or property as described in Paragraph 11 of this application.

Transferee sign here Klapec Trucking Company
(If partnership, each partner must sign)

Signed and dated this 16 day of July, 1982 By: J. Bernard Klapec
J. Bernard Klapec, President

Transferor sign here _____
(If partnership, each partner must sign)

Signed and dated this 16 day of July, 1982 J. Bernard Klapec
J. Bernard Klapec, Owner

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF VENANGO } ss:

Personally appeared before me, a notary in and for said County and Commonwealth J. Bernard Klapec, President who being duly sworn according to law doth depose and say that the facts contained in the foregoing application are true and correct to the best of transferee's knowledge and belief, and that transferee is not now engaged in any intrastate transportation of persons or property for compensation in Pennsylvania (except as authorized by the certificates of public convenience or permits specified in Paragraph 5) and will not engage in the transportation for which approval is herein sought unless and until he shall have received authorization for such transportation.

Sworn to and subscribed before me this 16 day of July, 1982.
Twila M. Dunlap
(Signature of official authorized to administer oaths)

Twila M. Dunlap, Notary Public
Reno, Venango County, Pa.
Commission Expires September 5, 1985

AFFIDAVIT OF TRANSFEROR

COMMONWEALTH OF PENNSYLVANIA }
COUNTY OF VENANGO } ss:

Personally appeared before me, a notary in and for said County and Commonwealth J. Bernard Klapec, Owner who being duly sworn according to law doth depose and say that he is the holder of the certificates of public convenience or permits proposed to be transferred to Klapec Trucking Company, that the facts as contained in the foregoing application are true and correct to the best of his knowledge and belief.

Sworn to and subscribed before me this 16 day of July, 1982.
Twila M. Dunlap
(Signature of official authorized to administer oaths)

Twila M. Dunlap, Notary Public
Reno, Venango County, Pa.
Commission Expires September 5, 1985

INSTRUCTIONS TO BE FOLLOWED IN PREPARING APPLICATION
No Application Will Be Accepted From a Minor

1. A separate application must be filed for each type of service, such as common carrier of persons on schedule; contract carrier of persons; transportation of persons on call or demand; transportation of persons in group and party service; common carrier of property; contract carrier of property.
2. In Paragraph 5, state the number or numbers of any Public Service Commission, Pennsylvania Public Utility Commission, or Interstate Commerce Commission Certificate or Contract Carrier Permit now held by the applicant.
3. The balance sheet referred to in Paragraph 9 should be as of the latest date available and the Income Statement should be for the twelve months ending with the date of the balance sheet.
4. In Paragraph 11, describe service as authorized under the certificates or permits to be transferred, which the applicant proposes to render. If any part of the service is to be omitted, give reasons for such omission.
5. It is not required that applicant be represented by an attorney.
6. The original application signed at the place designated, duly verified by affidavit and two copies of same must be filed at the office of the Pennsylvania Public Utility Commission at Harrisburg, Pennsylvania. A filing fee of Ten Dollars (\$10.00) is required.
7. If fee is paid by check or post office money order, make same payable to State Treasurer. Checks must be certified.
8. If space provided in form is not sufficient, prepare on separate sheet, attach it to application and give it the same number as question or statement to which it refers.
9. THIS APPLICATION FORM IS ONLY TO BE USED IN APPLYING FOR A TRANSFER OF RIGHTS UNDER EXISTING CERTIFICATES OR PERMITS. No application will be entertained for a transfer of rights which have been canceled or which for other reasons are obsolete.

EXPLANATORY STATEMENT

By this application Klapec Trucking Company seeks authority to acquire the Pennsylvania Public Utility Commission operating rights presently held by J. Bernard Klapec at Docket No.

A. 82176, Folder 1, Am-L and Folder 1, Am-M.

Klapec Trucking Company is a Pennsylvania corporation which was incorporated on July 2, 1979. J. Bernard Klapec is the sole stockholder and director of Klapec Trucking Company. The corporation's officers are members of the Klapec family, all of whom have been active in the operation. These officers and directors are:

J. Bernard Klapec	Director-President
Katherine A. Klapec	Secretary-Treasurer
David C. Klapec	Vice President

Applicant will use the same personnel and will conduct the same operations as that now conducted by transferor. Applicant will be in an excellent position to conduct operations under the operating rights sought to be transferred in this proceeding. Applicant expects that its gross revenue and income will be comparable to that of transferor.

By Order adopted October 9, 1980 and entered October 20, 1980, the Pennsylvania Public Utility Commission authorized Klapec Trucking Company at Docket No. A. 102306 to purchase all the rights granted to J. Bernard Klapec under the certificate issued at Docket No. A. 82176. At that time J. Bernard Klapec had pending two applications at Docket No. A. 82176, F. 1, Am-L and F. 1, Am-M. The Commission's order did not provide that the authority granted in those pending applications would also be transferred to Klapec Trucking Company. Subsequent to the issuance of the Order approving the transfer, the Commission granted the applications at Folder 1, Am-L and Folder 1, Am-M. This application is for the purposes of completing the transfer of all of the Pennsylvania intrastate operating rights of J. Bernard Klapec to Klapec Trucking Company.

SUPPLEMENT TO PARAGRAPH 3

Klapec Trucking Company

Statement of Charter Purpose

To operate a business for the transportation of commodities and to have unlimited power to engage in and do any lawful act concerning any or all lawful business for which corporations may be incorporated under the Business Corporation Law, approved the 5th day of May, 1933, P.L. 364, as amended.

SUPPLEMENT TO PARAGRAPH 7

Klapec Trucking Company

Equipment List

	<u>Truck #</u>	<u>Year</u>	<u>Make</u>	<u>Serial #</u>	<u>GV WT.</u>
Truck Tractors	11	71	Kenworth	120835	73,280
	18	73	Mack	FS785LST14877	73,280
	20	73	Mack	FS785LST14879	73,280
	21	73	Mack	F785ST11573	73,280
	57	72	Peterbilt	47531P	80,000
	69	78	Mack	R686ST17668	80,000
	70	78	Mack	R686ST18399	80,000
	73	78	Mack	R686ST21647	80,000
	78	79	GMC	T49CJ9V619356	80,000
	80	78	Peterbilt	95960N	80,000
	81	80	Freightliner	CA213HP168159	80,000
	84	80	Freightliner	CA213HL184720	80,000
	85	80	Freightliner	CA213HL184723	80,000
	86	80	Mack	RWS788LST52263	80,000
	87	80	Mack	RWS788LST52264	80,000
88	81	Mack	RWS788LST52265	80,000	

Tri-Axle Trucks

68	79	GMC	T17DE9V501524	73,280
71	78	Mack	RD686S4239	73,280
72	78	Mack	RD686S4645	73,280
74	71	Mack	DM68587746	73,280
76	79	Mack	DM685S39109	73,280
77	79	Mack	DM685S39881	73,280
83	79	Mack	EM686S5777	73,280
91	79	Mack	DM686S6159	73,280

3 Leased Truck Tractors

(EQUIPMENT LIST CONTINUED)

Flat Bed & Drop Deck Trailers

<u>Trailer #</u>	<u>Year</u>	<u>Make</u>	<u>Model</u>	<u>Serial No.</u>
205	63	Strick	Flat	DC54039
211	72	Rodgers	LoBoy	15828
215	78	Fontaine	Flat	28913
216	78	Dorsey	Flat	138103
217	78	Fruehauf	Flat	FWZ312986
219	79	Dorsey	Flat	145149
220	78	Fruehauf	Flat	FWE312957
222	79	Dorsey	Flat	146208
223	79	Dorsey	Flat	146209
224	69	Trailmobile	Flat	F64316
225	80	Transcraft	Flat	TC15703
228	80	Fontaine	Dropdeck	32331
229	81	Dorsey	Flat Alum.	15305
230	81	Dorsey	Flat Alum.	15306
233	81	Fontaine	Double/Drop	30888

Dump Trailers

203		Gilmore	Dump	2153
218	78	Fruehauf	Dump	FWZ287012
221	80	Gilmore	Dump	3371
226	69	City	Dump	A414811
231	81	Messenger	Dump	8111001-02
232	81	Messenger	Dump	8101003-04

Tank Trailer

227		Pennsylvania	Tank	11097
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8 Leased Trailers

SUPPLEMENT TO PARAGRAPH 8

Klapec Trucking Company

Financial Statements

KLAPEC TRUCKING COMPANY
BALANCE SHEET
January 5, 1982

ASSETS

Current Assets:

Cash	\$ 100
Accounts receivable	196,133
Prepaid insurance	20,079
Advances to drivers	4,212
Prepaid payroll taxes	486
Total Current Assets	<u>221,010</u>

Equipment:

Trucks, trailers and service vehicles	1,076,381
Machinery and other equipment	174,053
Office furniture and equipment	6,606
	<u>1,257,040</u>
Less accumulated depreciation	<u>(611,041)</u>
Total Equipment	<u>645,999</u>

Other Assets:

Operating rights	8,758
Advances to related enterprises	1,100
Organization cost	1,095
Total Other Assets	<u>10,953</u>

Total Assets \$ 877,962

LIABILITIES AND SHAREHOLDERS' EQUITY

Current Liabilities:

Accounts payable	\$ 63,876
Notes payable	15,000
Accrued fuel and use taxes	1,728
Total Current Liabilities	80,604

Promissory note payable	70,000
Advances from related enterprises	316,581
Total Liabilities	<u>467,185</u>

Shareholder's Equity:

Common stock, par value \$100; authorized 5,000 shares; issued 1,400 shares	140,000
Preferred stock, 8% non-cumulative, par value \$100; authorized 5,000 shares; issued 1,500 shares (preference on liquidation at par value)	150,000
Capital in excess of par value	120,777
Total Shareholder's Equity	<u>410,777</u>

Total Liabilities and
Shareholder's Equity \$ 877,962

The accompanying notes and accountants' compilation report should be read with this statement.

KLAPEC TRUCKING COMPANY
NOTES TO BALANCE SHEET
January 5, 1982

The company is principally a carrier operating under authorities granted by Pennsylvania Public Utility Commission and Interstate Commerce Commission.

Note 1 - Corporate Organization:

The assets and liabilities of the corporation represent those acquired (at cost) from J. Bernard Klapec as of January 5, 1982 in exchange for the following:

Promissory note	\$ 70,000
Common stock - 1,400 shares	140,000
Preferred stock - 1,500 shares	<u>150,000</u>
Total	<u>\$360,000</u>

The exchange is intended to qualify as a tax-free exchange under Section 351 of the Internal Revenue Code.

Note 2 - Promissory Note Payable:

The promissory note payable to J. Bernard Klapec provides for payment in ten years with interest at ten percent per annum.

Note 3 - Advances from Related Enterprises:

The following represent the face amount of advances from enterprises in which the shareholder has a direct financial interest:

Bert Klapec, Inc.	\$288,081
KFK Incorporated	<u>28,500</u>
	<u>\$316,581</u>

The above advances have no specified repayment terms or stated interest rate.

SUPPLEMENT TO PARAGRAPH 11

Klapec Trucking Company

Authority To Be Transferred To Klapec Trucking Company

Applicant proposes to render as a common carrier, by means of motor vehicle, the service authorized in the certificates issued to J. Bernard Klapec at Docket No. A. 82176, Folder 1, Am-L and Folder 1, Am-M. Transferor does not intend to retain any portion of its operating rights. The following is a description of the authority which is sought to be transferred from J. Bernard Klapec to Klapec Trucking Company:

Docket No. A. 82176, F. 1, Am-L

To transport, as a Class D carrier, iron and steel, iron and steel articles, and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania.

Docket No. A. 82176, F. 1, Am-M

To transport, as a Class D carrier, scrap steel, in bulk, in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division, located in the City of Titusville, Crawford County, to points in the Borough of Greenville, Mercer County, and vice versa.

APPENDIX C

AGREEMENT BETWEEN
J. BERNARD KLAPEC
AND
KLAPEC TRUCKING COMPANY

AGREEMENT

THIS AGREEMENT is made this 16th day of July, 1982, between J. BERNARD KLAPEC (SELLER), an individual having an office at R. D. #1, 673 North Seneca Street, Oil City, Pa. 16301, and KLAPEC TRUCKING COMPANY (BUYER), a Pennsylvania corporation having an office at R. D. #1, 673 North Seneca Street, Oil City, Pa. 16301.

I. PREMISES

A. SELLER is a motor carrier of property holding a Certificate of Public Convenience and Necessity from the Pennsylvania Public Utility Commission (PUC) at Docket No. A. 82176, Folder 1, Am-L and Folder 1, Am-M.

B. BUYER is a motor carrier which holds authority from the PUC at Docket No. A. 102306.

C. SELLER has agreed to sell and BUYER has agreed to buy, free and clear of all liens and encumbrances, all of the operating rights issued by the PUC at Docket No. A. 82176, Folder 1, Am-L and Folder 1, Am-M, as more fully set forth on Appendix 1 to this Agreement.

D. This transaction will require the prior approval of the PUC and the parties agree to file and diligently prosecute the application necessary to secure permanent approval of the transaction and take whatever action is necessary to effectuate the purpose of this Agreement.

II. TERMS AND CONDITIONS

In consideration of the mutual covenants and promises herein contained, the parties hereto, intending to be legally bound hereby, agree, represent and warrant as follows:

1. Purchase Agreement. SELLER will sell to BUYER and BUYER will buy free and clear of all liens and encumbrances the operating rights issued by the PUC at Docket No. A. 82176, Folder 1, Am-L and Folder 1, AM-M, copies of which are set forth in Appendix 1 to this Agreement.

2. Price and Payment. BUYER will pay to SELLER for the above-described operating rights the sum of One (\$1.00) Dollar which will be paid in cash at the closing of this transaction.

3. Warranties and Covenants of SELLER. SELLER warrants and guarantees that the operating rights to be sold hereunder have been duly issued by the PUC; the rights are in full force and effect; the rights are not subject to any liens, encumbrances or security interests of any kind at the time of the execution of this Agreement; no liens, encumbrances or security interests will be placed thereon pending consummation of this transaction; and that there are and on the date of consummation will be no actions at law or equity, nor any proceedings before any agency pending or threatened against SELLER to revoke, suspend or otherwise restrict the operating authority. In the event of any default by SELLER under the terms of this paragraph, BUYER shall have the option to

declare this Agreement null and void and/or to exercise against SELLER all available remedies in law and equity.

4. Application for Approval. BUYER and SELLER will within thirty (30) days after the signing of this Agreement, file and diligently prosecute before the PUC the necessary application for approval of this transaction. BUYER and SELLER shall cooperate fully in the preparation and prosecution of the application and agree to join in and execute any and all such applications and other documents, subject to the approval of counsel. BUYER will have its counsel prepare the necessary application. BUYER and SELLER and their respective counsel and accountants will supply such information as may be required, attend hearings, present testimony and otherwise cooperate to the end that approval of this transaction may be secured. Each party shall bear the expense of its counsel, its accountants and other witnesses.

5. Continuation of Operations. SELLER agrees to continue operations as presently conducted under its operating authority and maintain normal business practices in connection therewith until a final order is issued by the PUC.

6. No Assumption of Liabilities by BUYER. BUYER does not assume any claims, debts, causes of action, judgments or other liabilities or obligations of SELLER by reason of this Agreement. SELLER indemnifies and holds harmless BUYER against any costs, expenses or other charges resulting from any obligation or liabilities incurred by SELLER arising

out of the operation of the operating rights prior to the date of consummation.

7. PUC Assessments. SELLER warrants against all general assessments heretofore made or that may be made pursuant to Section 1201 of the Public Utility Law, for any and all operating periods up to the date of consummation of this transaction.

8. Uniqueness of Subject Matter. The parties agree that the operating rights which are the subject of this Agreement are unique and are not otherwise obtainable.

9. Closing Date. The transaction shall be consummated on the closing date. The closing date is the day selected by agreement of the parties, which closing date shall be within a period of fifteen (15) days after the effective date of the final order of the PUC approving the application or the fifteenth (15th) day after such date if no other day is selected. In any event, the closing date shall be prior to the date on which the BUYER becomes certificated as a public utility.

The time of day and the place of the closing shall be mutually agreed upon by the parties.

10. Rights of Successors and Assigns. This Agreement shall bind and inure to the benefit of the parties hereto and their respective successors in interest and legal representatives.

11. Construction. This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

12. Paragraph Headings. The headings referring to the contents of paragraphs of this Agreement are inserted for convenience and are not to be considered as part of this Agreement nor a limitation on the scope of the particular paragraphs to which they refer.

III. EXECUTION

IN WITNESS WHEREOF, the parties intending to be legally bound, have executed this Agreement the day and year first above written.

WITNESS:

Kathy A. Pedley

J. Bernard Klapec
J. Bernard Klapec, Owner

ATTEST:

KLAPEC TRUCKING COMPANY

Katherine A. Klapec
Katherine A. Klapec,
Secretary

J. Bernard Klapec
J. Bernard Klapec, President

APPENDIX 1

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held February 20, 1981

Commissioners Present:

Susan M. Shanaman, Chairman
Michael Johnson
James H. Cawley
Linda C. Taliaferro

Application of J. Bernard Klapec for amendment to his common carrier certificate: SO AS TO PERMIT the transportation of iron and steel, iron and steel articles and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania.

A-00082176
F. 1
Am-L

Robert Y. Daniels for J. Bernard Klapec.

ORDER

BY THE COMMISSION:

This matter comes before the Commission on an application filed April 14, 1980. Public notice of the application was given in the Pennsylvania Bulletin of May 17, 1980. Protests were filed by W. A. Enrick Trucking, Inc. and A. Duie Pyle, Inc. A petition for leave to intervene was filed by DeBolt Transfer, Inc. on June 16, 1980. All protesting parties withdrew upon reconsideration of their interest in the matter.

The application is now unopposed and the record is certified to the Commission for its decision without hearing. The record consists of verified statements entered by the applicant and his supporting shipper.

J. Bernard Klapec, the applicant herein, set forth in his verified statement that he now operates as a sole proprietor and as such is completely familiar with the business operation. Klapec is now a common carrier performing service in both interstate and intrastate commerce. The applicant operates extensively in Pennsylvania, and to the extent that the proposed authority duplicates current authority,

Klapec understands only one right is conferred. Klapec operates from a terminal and garage facility in Oil City, Venango County. The applicant has in his fleet four dump trucks, four flat trucks, seven tractors and 20 trailers, 14 of which are flatbed units suitable for use in the proposed transportation.

Klapec now provides service to the supporting shipper, Electralloy Corporation, transporting ingots, ingot molds and materials and supplies from their facilities in Oil City, Venango County, to points in Pennsylvania and vice versa. The shipper now requests Klapec to expand his authority so that he may provide service between all points in the Commonwealth. It is at the shipper's request the instant application was filed. It is expected that the between points service here proposed can be coordinated with other authority now held to decrease empty miles and increase operating efficiency.

As evidence of his financial capacity to maintain the additional authority proposed, Klapec incorporated his annual reports on file with the Commission for the calendar year 1979. The applicant reports total current assets of \$1,100, total assets of \$806,299, current liabilities of \$140,173, and total liabilities of \$183,591. The applicant reports total revenue of \$1,119,404 for calendar year 1979. After deduction of expenses Klapec reports a net income of \$90,420.

James F. Singer, director of transportation for Electralloy Corporation (hereinafter shipper or Electralloy), set forth in his verified statement that he is responsible for traffic and transportation functions within the organization, including procurement of motor carriers to handle shipments. Electralloy is a manufacturer of steel ingots, pigs, bars, plates, castings, tubing and billets. As pertinent herein, it is anticipated that Pennsylvania traffic between points in Pennsylvania will be approximately 104,000,000 pounds a year. It is expected that 95 percent of this traffic could be tendered to the applicant should the instant application be approved.

Electralloy operates from a plant in Oil City, Venango County, but at times the shipper's facility in Oil City does not have all the necessary facilities and equipment to perform its manufacturing function. In such cases it contracts work out to various other mills and fabricators for completion. Electralloy has experienced difficulty in coordinating movements of materials between such forging shops, steel mills and machine shops to meet designated time schedules. Should Klapec be granted the authority herein sought, he could handle most of this traffic while transporting material already under his existing authority. A grant of the instant authority will enable the shipper to meet the requirements of its customers and deliver its products when needed. The shipper supplied a list of 27 representative points of origin located statewide, which are mills and machine shops from which finished work was shipped to customers.

DISCUSSION AND FINDINGS

The applicant seeks to serve one shipper between points in Pennsylvania transporting iron and steel and iron and steel articles and those materials, supplies and equipment used or useful in the manufacture and distribution of such commodities. The supporting shipper, Electralloy Corporation, is a manufacturer of steel ingots, pigs, bars, plates, castings, tubing and billets which does not, from time to time, have suitable or sufficient facilities and equipment at its plant in Oil City, Venango County, to fill customer orders. Upon such occasions, Electralloy contracts with other mills and machine shops statewide to complete work. Transportation is required from the Electralloy plant to the contracted mill and then from the contracted mill to customers. Due to this practice with the numerous points involved, a carrier with statewide authority between all points in Pennsylvania is necessary. The Commission is reluctant to grant a carrier authority to provide service between all points in Pennsylvania due to the operational problems of rendering such a service and due to the enormous geographic area involved. In this proceeding, however, it appears the supporting shipper does have a requirement for transportation between all points in the Commonwealth and authority limited to service for the account of one shipper only is warranted. Klapec is an experienced carrier, having provided service to the supporting shipper and has available to him the resources necessary to provide service to that shipper on a statewide basis.

We find:

1. The applicant has the necessary equipment, experience and fitness to render the proposed service.
2. The supporting shipper has presented evidence of a statewide need for service.
3. Approval of the application will aid the shipper in meeting its Pennsylvania transportation requirements.
4. Approval of the application appears to be an accommodation and convenience to the public; THEREFORE,

IT IS ORDERED: That the application be and is hereby approved and that the certificate issued January 26, 1956, as amended, be further amended to include the following right:

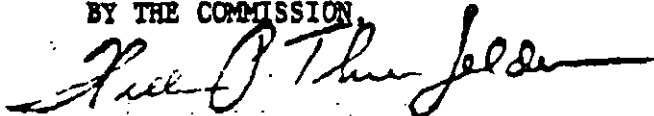
To transport, as a Class D carrier, iron and steel, iron and steel articles, and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania.

IT IS FURTHER ORDERED: That the authority granted herein, to the extent that it duplicates authority now held by, or subsequently granted to the carrier, shall not be construed as conferring more than one operating right.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until he shall have complied with the requirements of the Pennsylvania Public Utility Law and the rules and regulations of the Commission relating to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event said applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

BY THE COMMISSION,



William P. Thierfelder
Secretary

(SEAL)

ORDER ADOPTED: February 20, 1981

ORDER ENTERED: MAR 2 1981

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Public Meeting held February 20, 1981

Commissioners Present:

Susan M. Shanaman, Chairman
Michael Johnson
James H. Cawley
Linda C. Taliaferro

Application of J. Bernard Klapac, for amendment to his common carrier certificate: SO AS TO PERMIT the transportation of scrap steel, in bulk, in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division, located in the city of Titusville, Crawford County, to the borough of Greenville, Mercer County, and vice versa.

A-00082176
P. 1
Am-M

Gent, Daniels, Thompson and Gent, by Robert Y. Daniels for the applicant.
Pillar and Mulroy, by John A. Pillar, for protestant, Tajon, Inc.

ORDER

BY THE COMMISSION:

This matter comes before the Commission as the result of an application filed by J. Bernard Klapac on May 30, 1980, for amendment to his common carrier certificate. Public notice of the application was given in the Pennsylvania Bulletin of June 6, 1980. The sole protestant of record withdrew upon reconsideration and the record is now certified to the Commission without hearing. Verified statements were submitted by the applicant and the supporting shipper.

J. Bernard Klapac (or applicant) has been a certified common carrier rendering intrastate service within the Commonwealth for about 24 years and in interstate commerce for about 12 years. His principal place of business is located at 673 North Seneca Street, Oil City, Venango County. He does not provide service to the supporting shipper at the present time.

All of the applicant's service is provided through the use of eight trucks, four of which are dump trucks, seven tractors, six dump trailers and 14 flatbed trailers. His employees are familiar with the applicable safety rules and regulations, both local and federal. His safety record is good. His annual report shows that at year end 1979, he had current assets of \$82,489, total assets of \$806,299 with current liabilities of \$140,173, total liabilities of \$538,385, leaving sole proprietorship capital of \$267,914. His statement of income reveals that for the year 1979 he had operating revenues of \$1,119,404 with operating expenses of \$998,656 producing a net operating income of \$120,748 and an after-tax income of \$90,420.

K. W. Fleek, traffic manager, Universal-Cyclops Specialty Steel Division (Universal or shipper), sets forth in a verified statement that he is responsible for the supervision of all shipments of scrap steel moving from its Titusville, Crawford County, plant to the borough of Greenville in Mercer County. Universal is a manufacturer of specialty steel products at the Titusville plant.

Universal ships steel scrap in the form of mill grindings mixed with pieces of scrap steel, steel drums on pallets, on flatbed or low-side trailers, from its Titusville plant to the facilities of Air Products Co., in Greenville, Mercer County. Air Products segregates, cleans and melts the scrap into reusable form after which the scrap is returned to Universal in Titusville in the form of briquettes or pigs for remelting purposes. Approximately 200,000 pounds or five truckloads per month is involved. Although the material now moves primarily by low-side flatbed trailers it believes that a much better operation would result from the use of dump trucks or dump trailers in bulk quantities such as herein proposed. The carriers currently available are reluctant to handle the freight because of potential damage to their equipment. The applicant has steel bodied dump trailers available and has expressed a desire to provide the service in the manner required.

DISCUSSION AND FINDINGS

The applicant has been providing service as a common carrier within Pennsylvania for about the last 25 years, primarily as a Class D carrier of commodities moving in dump vehicles. He now seeks to amend his certificate so that he will have the right to transport scrap steel, in bulk in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division in the city of Titusville, Crawford County, to the borough of Greenville, Mercer County, and vice versa.

We find:

1. That the certificated carriers presently available are reluctant to provide the shipper with the type of service herein proposed.

2. That the applicant has demonstrated that a reasonable public need for the proposed service does exist.

3. That the applicant appears fit, ready, willing and able to provide the service as proposed.

4. That the proposed service would improve upon the quality of service currently available.

5. That approval of the application appears necessary for the accommodation and convenience of the public; THEREFORE,

IT IS ORDERED: That the application be and is hereby approved and that the certificate issued to the applicant on January 26, 1956, as amended, be further amended to include the following right:

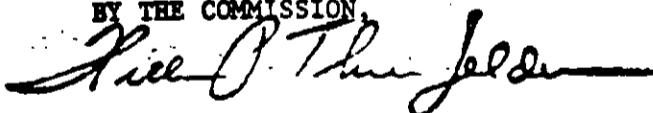
To transport, as a Class D carrier, scrap steel, in bulk, in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division, located in the city of Titusville, Crawford County, to points in the borough of Greenville, Mercer County, and vice versa.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until it shall have complied with the requirements of the Pennsylvania Public Utility Law and the rules and regulations of the Commission relative to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event said applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

IT IS FURTHER ORDERED: That the authority granted herein, to the extent that it duplicates authority now held by or subsequently granted to the applicant, shall not be construed as conferring more than one operating right.

BY THE COMMISSION,



William P. Thierfelder
Secretary

(SEAL)

ORDER ADOPTED: February 20, 1981

ORDER ENTERED: MAR 2 1981

KLAPEC TRUCKING COMPANY

EXHIBIT D

The only unpaid business debts of the Transferor, J..Bernard Klapec, are those that have arisen in the ordinary course of business.

EXHIBIT E

Transferor's gross common carrier intrastate revenues over the last 3 years are as follows:

1979	-	\$531,515
1980	-	\$610,625
1981	-	\$643,745

UT-577A
PENNSYLVANIA PUBLIC UTILITY COMMISSION



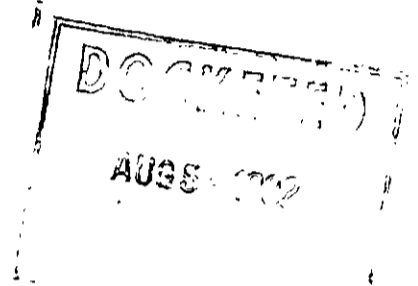
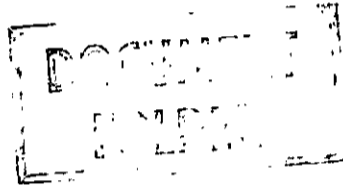
RECEIPT

The addressee named hereunder has paid Pennsylvania Public Utility Commission for the following bill, subject to final collection of check or money order tendered for such payment.

Klapec Trucking Company
R.D. 1, 673 North Seneca St.
Oil City, PA 16301

Date August 4, 1982

CR 103006 A



For filing petition in re application of Klapec Trucking Co.
A-00102306, F.1, Am-B.....\$125.00

Revenue account 01780-17001-102 (ck)

ck 1679 Checks \$125500 Currency _____

Utility account 50:26

G. Joseph McIsinger
For Department of Revenue

August 20, 1982

IN REPLY PLEASE
REFER TO OUR FILE

Henry M. Wick, Jr.
Attorney at Law
2310 Grant Building
Pittsburgh, PA 15219

A-00102306, F. 1, Am-B - Application of Klapec Trucking Company.

Dear Sir:

Acknowledgement is made of an application filed by you on behalf of Klapec Trucking Company for the rights of J. Bernard Klapec.

The application has been captioned as attached and will be submitted for review, provided no protests are filed on or before September 13, 1982. If protests are filed, you will be advised as to further procedure.

This application is accepted with the understanding that J. Bernard Klapec will continue to render the service covered by his certificate and comply with all the rules of the Commission, including the carrying of continuous insurance, until final disposition is made of the application by the Commission. We wish to emphasize the above as failure to comply with these requirements, will result in the dismissal of the application.

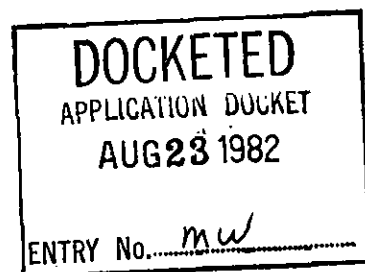
You are further advised that the above application will be published in the Pennsylvania Bulletin of August 21, 1982.

Very truly yours,



Pearl Sommers
Chief - Application Section
Bureau of Non-Rail Transportation

PS:KP:gm
cc: Applicant
R.D. 1
673 North Seneca Street
Oil City, PA 16301



A-00102306, Folder 1, Am-B KLAPEC TRUCKING COMPANY (R.D. 1, 673 North Seneca Street, Oil City, Venango County, Pennsylvania 16301), a corporation of the Commonwealth of Pennsylvania, inter alia - steel ingots and pig, for Electralloy Corporation, from the facility of said shipper in the city of Oil City, Venango County, to points in Pennsylvania: SO AS TO PERMIT the transportation of iron and steel, iron and steel articles, and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania; and scrap steel, in bulk, in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division, located in the city of Titusville, Crawford County, to points in the borough of Greenville, Mercer County, and vice versa; which is to be a transfer of the rights authorized under the certificate issued at A-00082176 to J. Bernard Klapec, subject to the same limitations and conditions. Attorney: Henry M. Wick, Jr., 2310 Grant Building, Pittsburgh, Pennsylvania 15219.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

SERVICE OF NOTICE OF MOTOR CARRIER APPLICATIONS

DATE _____ SERVICE AUG 21 1982

BUREAU OF NON-RAIL TRANSPORTATION
COMMON CARRIER
AUGUST 1982

A-00102306
F. 1
Am-B

Application of Klapec Trucking Company, a corporation of the Commonwealth of Pennsylvania, for amendment to its common carrier certificate, which grants the right, inter alia, to transport, by motor vehicle, steel ingots and pig, for Electralloy Corporation, from the facility of said shipper in the city of Oil City, Venango County, to points in Pennsylvania: SO AS TO PERMIT the transportation of iron and steel, iron and steel articles, and supplies, materials and equipment used or useful in the manufacture and distribution of iron and steel and iron and steel articles, for Electralloy Corporation, between points in Pennsylvania; and scrap steel, in bulk, in dump vehicles, from the facilities of Universal-Cyclops Specialty Steel Division, located in the city of Titusville, Crawford County, to points in the borough of Greenville, Mercer County, and vice versa; which is to be a transfer of the rights authorized under the certificate issued at A-00082176 to J. Bernard Klapec, subject to the same limitations and conditions.

DE:gm
8/9/82

Application received: 7/28/82
Application docketed: 8/3/82
Monitor: Jones

DOCKETED
APPLICATION DOCKET
AUG 23 1982
ENTRY No. mw

**DOCUMENT
FOLDER**

Protests due on No Hearings

SEP 13 1982

Protests due on Hearings - (5 days prior to date of hearing)

Notice of the above application was mailed to all certificate holders and railroad companies in the service area as noted above.

mw