

APPLICATION FOR APPROVAL OF TRANSFER
AND EXERCISE OF COMMON OR CONTRACT CARRIER RIGHTS



BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of JOHN K. KANE
(Applicant/Transferee-Buyer)

for approval of the transfer and to exercise the right

as a COMMON carrier, described at Docket
(~~common contract~~)
A. 00095712, Folder 2 and
No. A. 00105102, Folder No. 1, issued to
PAUL EFSTRATION

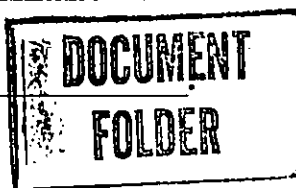
PUC USE ONLY

Docket No. A-109368

Folder No. _____

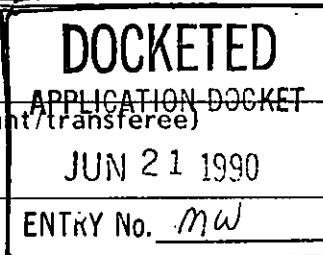
(Transferor-Seller)

for transportation of PROPERTY
(persons-property)



SEE INSTRUCTIONS BEFORE COMPLETING APPLICATION

- JOHN KEVIN KANE
(Full and correct name of applicant/transferee)
- NONE
(Trade name, if any)



APPL. ✓

COMPL. ✓

MVIC. ✓

CHECKED BY MW

The trade name N/A been registered with the Secretary of the
(has or has not)

Commonwealth on _____ (attach copy of stamped registration form.)
(date)

- NONE
(Business Street Address) (P.O. Box, if any)
- (City) (County) (State) (Zip) (Telephone)

BEGINNING

4. Applicant's attorney (for this application) is:

NOT APPLICABLE

(Name) (Address) (Telephone)

5. Any documents should be mailed to:

Transferee: JOHN K. KANE 79 WOODBINE COURT, HORSHAM, PA 19044
(Name) (Address) *Montgomery Co.*

Transferor: PAUL EFSTRATION 56 S. Sproul Road, Broomall, PA 19008
(Name) (Address)

6. Applicant DOES NOT hold Pa. PUC authority under Docket Number
(does or does not)

A- _____ and operates as a _____ carrier.
(common or contract)

7. Applicant DOES NOT hold Interstate Commerce Commission authority
(does or does not)

at Docket No. _____.

8. Applicant is (check one):

Individual.

Partnership. Must attach a copy of the partnership agreement (unless a copy is presently on file with PUC), and list names and addresses of partners below (use additional sheet if necessary).

(Name) (Address)

Corporation. Organized under the laws of the State of _____ and qualified to do business in Pennsylvania by registering with the Secretary of the Commonwealth on _____ (Attach copy of Certificate of Incorporation or Authority and statement of charter purpose). Include as an attachment a list of corporate officers and their titles and the names, addresses and number of shares held by each stockholder.

9. If applicant, its stockholders or partnership members are in control of or affiliated with any other carrier, state name of carrier(s), Docket Number(s) and nature of control or affiliation.
NOT APPLICABLE.

10. Applicant proposes to acquire ALL of the operating rights now held
(all or part)
by transferor. Attach sheet describing rights to be transferred to applicant
and rights to be retained by transferor, if any. If any rights are to be omitted,
give reasons.

11. The reason for the transfer is Transferor is selling to Transferee
all of the business known as Hercules Movers. The Agreement of
Sale is attached to this application.

12a. The following must be attached:

- Sales Agreement. (ATTACHED AS EXHIBIT A)
- List of equipment to be used to render service. (summarize by type) (SEE EXHIBIT A)
- Operating authority to be transferred/retained. (SEE EXHIBIT A)
- Statement of Financial Condition.
- Statement of unpaid business debts of transferor and how they will be satisfied. (EXHIBIT B)
- Statement of safety program. (EXHIBIT C)
- Statement of transferee's experience. (EXHIBIT D)

b. Attach the following, as appropriate (check those attached):

- Partnership Agreement.
- Trade Name registration certificate.
- Certificate of Incorporation. (Pa. Corporation only)
- Certificate of Authority. (Foreign ((out-of-state)) Corporation only)
- Statement of corporate charter purpose. (corporations only)
- List of corporate officers and stockholders. (corporations only)
- Copy of short form certificate showing date of death of transferor and name of executor or administrator/administratrix.

13. Transferor attests that all general assessments and fines are paid, that no annual reports are due and agrees to continue to render the service which is to be transferred until this application is approved, whereupon transferor will surrender said certificate or permit for cancellation.
14. Transferee agrees to assume and pay any General Assessments that may be made against transferor as a common carrier for any and all operating periods up to the actual date of the transfer.

WHEREFORE, Transferee and Transferor request that the Commission grant the Transfer.

Transferee sign here: John K. Kane 5/29/90
(each partner must sign) (Date)
(Corporate Seal)

Transferor sign here: Paul W. [Signature] 5/29/90
(Corporate Seal)

STATEMENT OF FINANCIAL CONDITION

INCOME STATEMENT

For the 12-month period ending 12/31/89
(Date)

REVENUE and GAINS

Operating Revenue	_____
Net Revenue from non-carrier operation	_____
Dividend and Interest revenues	_____
Other non-operating revenue	_____
Gains	_____
Total Revenue and Gains	=====

EXPENSES

Equipment Maintenance and Garage Expense	_____
Insurance Expense	_____
Employee Salaries	_____
Supervisory Salaries	_____
Officer Salaries	_____
Fuel Expense	_____
Purchased Transportation (Lease Expense)	_____
Materials and Supplies Expense	_____
General Office Expense	_____
Advertising Expense	_____
Telephone Expense	_____
Accounting Expense	_____
Legal Expense	_____
Uncollectible Revenue	_____
Depreciation Expense	_____
Amortization	_____
Operating Taxes and Licenses	_____
Rent Expense	_____
Loss	_____
Total Operating Expense and Losses	=====

Net Income before Taxes	<u>28,554</u>
Provision for Income Taxes	<u>6,684</u>
Net Income	<u>21,870</u>

STATEMENT OF FINANCIAL POSITION (Balance Sheet)

as of 5/23/90
Date

ASSETS

CURRENT ASSETS

Cash			\$ 30,000
Accounts Receivable			0
Notes Receivable			0
Other current assets (Specify)			0
Total current assets			<u>\$ 30,000</u>

TANGIBLE ASSETS

Land			0
Motor Vehicle Equipment	16,133		
Less: Accumulated Depreciation	- 5,610	=	\$ 10,523
Buildings and Structures	0		
Less: Accumulated Depreciation	- 0	=	0
Investments and Funds (Specify) Profit Sharing Plan and Trust			4233
Intangible Assets			0
Other assets; (Such as advances and idle equipment - specify)			0

LIABILITIES

Current Liabilities (liabilities due within one year of date)

Accounts Payable			5265
Notes Payable			0
Equipment Obligations			0
Other Liabilities (attach schedule)			0
Total Current Liabilities			<u>5265</u>

Long Term Liabilities (liabilities due after one year of date)

Accounts Payable			6341
Notes Payable			0
Equipment Obligations			0
Other Liabilities (attach schedule)			0
Total Long Term Liabilities			<u>6341</u>

Total Liabilities

11,606
\$ 33,150

Net Worth (partnerships & individuals)

OWNERS EQUITY (Corporations only)

Capital Stock (Corporations only)			
Additional paid-in capital			
Retained Earnings (Corporations only)			
Less: Treasury Stock		=	
Total Owner's Equity (Corporations only)			

Total Liabilities & Owner's Equity
(Corporations only)

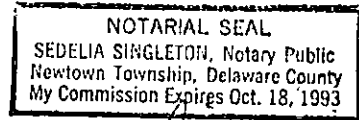
44,756

THIS MUST BE COMPLETED BY NOTARY PUBLIC
AFFIDAVIT OF TRANSFEREE/APPLICANT (Natural Person)

COMMONWEALTH OF PENNSYLVANIA :
: ss:
Delaware County :

John K. Kane, being duly sworn (affirmed) according to law, deposes and says that the facts above set forth are true and correct; or are true and correct to the best of his knowledge, information and belief and he expects to be able to prove the same at the hearing hereof.

John K. Kane
Signature of Affiant



Sworn and subscribed before me this 30th
day of May 19 90
My Commission Expires 10-18-93

Sevelia Singleton
Signature of Official Administering Oath

AFFIDAVIT OF TRANSFEREE/APPLICANT (Corporation)

COMMONWEALTH OF PENNSYLVANIA :
: ss:
_____ County :

_____, being duly sworn (affirmed) according to law, desposes and says that he is _____ of _____,
(Office of Affiant) (Name of Corporation)

that he is authorized to and does make this affidavit for it; and that the facts above set forth are true and correct; or are true and correct to the best of his knowledge, information and belief and that he expects the said _____ to be able to prove the same
(Name of Corporation)

the same at the hearing hereof.

Signature of Affiant

Sworn and subscribed before me this _____
day of _____ 19 ____
My Commission Expires _____

Signature of Official Administering Oath

THIS MUST BE COMPLETED BY NOTARY PUBLIC
AFFIDAVIT OF TRANSFEROR/SELLER (Natural Person)

COMMONWEALTH OF PENNSYLVANIA :

Delaware County : SS:

Paul Elstration, being duly sworn (affirmed) according to law,
deposes and says that the facts above set forth are true and correct; or are true and correct
to the best of his knowledge, information and belief and he expects to be able to prove the same
at the hearing hereof.

Paul Elstration
Signature of Affiant

Sworn and subscribed before me this 30th
day of May 19 90
My Commission Expires 10-18-93

NOTARIAL SEAL
SEDELIA SINGLETON, Notary Public
Newtown Township, Delaware County
My Commission Expires Oct. 18, 1993

Sevelia Singleton
Signature of Official Administering Oath

AFFIDAVIT OF TRANSFEROR/SELLER (Corporation)

COMMONWEALTH OF PENNSYLVANIA :

_____ County : SS:

_____, being duly sworn (affirmed) according to law,
deposes and says that he is _____ of _____;
(Office of Affiant) (Name of Corporation)
that he is authorized to and does make this affidavit for it; and that the facts above set forth
are true and correct; or are true and correct to the best of his knowledge, information and belief
and that he expects the said _____ to be able to prove the
(Name of Corporation)
same at the hearing hereof.

Signature of Affiant


Sworn and subscribed before me this _____
day of _____ 19 _____
My Commission expires _____

Signature of Official Administering Oath

EXHIBIT B

STATEMENT OF TRANSFEROR'S UNPAID
BUSINESS DEBTS

The unpaid debts of Transferor are those incurred in the ordinary course of business and will be fully satisfied and paid in full on or before the date set for Closing by the parties in accordance with the Agreement of Sale.



PAUL ESTRATION

EXHIBIT C

STATEMENT OF TRANSFEREE'S SAFETY PROGRAM

Transferee will operate a comprehensive Safety Program for its drivers to ensure compliance with all applicable safety regulations. Each new driver will be given a road test and instruction in safe driving practices before being permitted to take a vehicle on the road.

Safety literature will be distributed to all drivers. Transferee will also conduct a comprehensive maintenance program requiring drivers to submit to Transferee daily vehicle inspection reports to report any defects in equipment so that they may be corrected promptly. Any defects in equipment will be promptly repaired and restored to safe working order before drivers will be permitted to use the equipment. Preventative maintenance will be performed on equipment and inspections will be conducted daily.

EXHIBIT D

STATEMENT OF TRANSFEREE'S EXPERIENCE

John Kevin Kane (Transferee/Applicant) has been an employee in the moving business for five (5) years. Transferee initially started as a packer who loaded and packed the moving trucks. Subsequently, Transferee was promoted to driver. During the last four (4) years, Transferee's responsibilities were expanded to include packing furniture on the trucks, estimating future moving jobs and administrative responsibilities.

CHESTER COUNTY, PENNSYLVANIA

Office of the Prothonotary

JULY 29 19 82

I DO HEREBY CERTIFY THAT

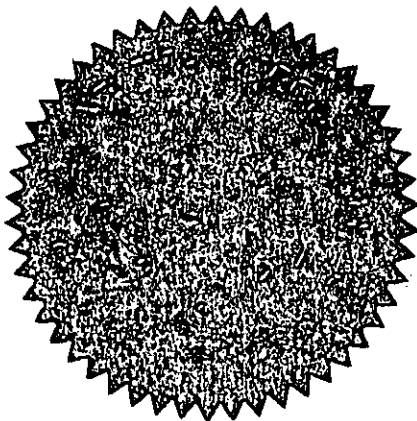
PAUL EFSTRATION

carrying on or conducting business under the assumed or fictitious name, style, or designation of

HERCULES MOVERS

has filed in this office the CERTIFICATE provided for in the Act of Assembly of the Commonwealth of Pennsylvania, entitled "An Act making it unlawful for any individual or individuals to carry on or conduct any business under an assumed or fictitious name, style or designation unless upon the filing of a Certificate to that effect in the office of the Secretary of the Commonwealth and of the Prothonotary, etc.," approved June 28, 1917, and amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Seal of the Prothonotary's Office to be affixed the day and year above written.



ALEXANDER W. CLARK

Prothonotary

K. A. Stewart

DEPUTY PROTHONOTARY

Commonwealth of Pennsylvania



Department of State Office of the Secretary of the Commonwealth

To All to Whom These Presents Shall Come, Greeting:

I DO HEREBY CERTIFY THAT, PAUL EFSTRATION of 1150 South Leopard,
P.O. Box 601, Berwyn, Pennsylvania, 19312

*carrying on or conducting business under the assumed or fictitious name, style, or designation of
HERCULES MOVERS, with place of business located at 1150 South Leopard Road,
Berwyn, Pennsylvania, 19312, has*

*this 28th day of July A.D. 1982 filed in this Department the APPLICATION
provided for in the Act of the General Assembly of the Commonwealth of Pennsylvania, entitled "An Act
making it unlawful for any individual or individuals to carry on any business under an assumed or fictitious
name, style, or designation, unless upon advertisement, and the filing of an application to that effect in the
office of the Secretary of the Commonwealth and of the Prothonotary, etc." approved May 24, 1945, P.L.
967, as amended.*

IN TESTIMONY WHEREOF, I have hereunto set my
hand and caused the Seal of the Secretary's
Office to be affixed at the City of Harrisburg the
day and year above written.

William R. Davis

EXHIBIT A

AGREEMENT OF SALE

THIS AGREEMENT entered into by JOHN K. KANE ("Purchaser"), and PAUL EFSTRATION, t/d/b/a HERCULES MOVERS ("Seller"), this 29th day of MAY, 1990.

W I T N E S S E T H

WHEREAS, Seller holds motor common carrier operating authority issued by the Pennsylvania Public Utility Commission ("PPUC") at Docket No. A-00105102, Folder 1 and A-00095712, Folder 2, (collectively the "Operating Authority") and any Folders and Amendments thereunder;

WHEREAS, Seller desires to sell all of said Operating Authority to Purchaser and Purchaser desires to acquire the said Operating Authority upon the terms and conditions and for the consideration set forth below;

WHEREAS, Seller desires to sell all of the business known as Hercules Movers ("Hercules") currently utilizing the Operating Authority described herein on the terms and conditions and for the consideration set forth below;

NOW, THEREFORE, the parties intending to be legally bound hereby, mutually covenant and agree as follows:

I. PROPERTY AND ASSETS TO BE SOLD AND PURCHASED

1.1 Upon the terms and conditions stated herein, Seller agrees to sell and Purchaser agrees to buy from Seller, the Operating Authority issued to Seller at Docket No. A-00105102, Folder 1 and any Folders and Amendments thereunder, and A-00095712, Folder 2, and any Folders and Amendments thereunder copies of which are attached hereto as Exhibits 1 and 1A respectively and are incorporated herein by reference.

1.2 Seller agrees to sell and Purchaser agrees to purchase all of that business known as Hercules Movers for the consideration stated below and including the following property and assets:

(a) Hercules Equipment

1 1974 International Truck Vehicle
I.D. #10672DHA18133. Title to be delivered
by Seller to Purchaser at the time
of Closing as defined below.
1 14' x 26" Aluminum Walkboard
68 Rubber Band Straps
1 50' Coil ½" Manilla Rope
1 Red Handtruck
1 4' Yeats Appliance Handtruck
10 Small/Medium Blanket Pads
146 72" x 80" Quilted Furniture Pads
6 Logistic Bars
1 Escort 6' Handtruck
1 Four Wheel Wood Dolly
18 Blankets
1 5' Wood Stepladder
1 5' Steel Sears Handtruck
1 Toolbox, with tools;

(b) Hercules Goodwill - including Seller's name (Hercules Movers) and all goodwill associated with that name and business and Hercules telephone (business) number;

(c) Hercules Customer lists - including estimates for

all of Hercules' customer moving jobs from 1985 to present;

- (d) Hercules Calendars - including the schedule of Seller's moving jobs and names of those customers from 1985 to present.

1.3 Purchaser desires to assume and Seller desires to assign that certain truck lease (attached hereto as Exhibit 2) for a 1987 GMC truck, Vehicle I.D. #1GDL7D1B8HV525690, currently leased by Seller under the terms set forth in Exhibit 2. The parties shall make every effort and endeavor to gain the Lessor's consent to the assignment and assumption of that lease by Purchaser. Purchaser and Seller agree that the value of and fair consideration for that lease to Purchaser if assumed under the terms set forth in Exhibit 2 constitutes the sum of Three Thousand Dollars (\$3,000.00).

1.4 Seller agrees to sell and Purchaser agrees to buy only that property and those assets listed in Section I of this Agreement.

II. PURCHASE PRICE AND PAYMENT

2.1 The total consideration and purchase price for the sale of the Operating Authority and the business known as Hercules Movers shall be the sum of Twenty Thousand Dollars (\$20,000.00). The total consideration for the Operating Authority shall be the sum of Eight Thousand Dollars (\$8,000.00). The fair value of and total consideration for Seller's covenant not to compete contained in paragraph 9.5 of this Agreement shall be the sum of Four Thousand Dollars (\$4,000.00). The total consideration for

the sale of Hercules Movers as set forth in paragraph 1.2 of this Agreement shall be Five Thousand Dollars (\$5,000.00). The total consideration for the assumption of the lease described in paragraph 1.3 of this Agreement and attached as Exhibit 2 shall be Three Thousand Dollars (\$3,000.00). In the event that Purchaser is unable to obtain an assumption of the lease under the terms set forth in Exhibit 2, Purchaser shall not be obligated to Seller for the Three Thousand Dollars (\$3,000.00) associated with the value of assuming that lease and the purchase price described above shall be reduced to Seventeen Thousand Dollars (\$17,000.00).

The terms of payment shall be as follows:

(a) Two Thousand Dollars (\$2,000.00), hereinafter the "Escrow Fund", shall be paid to the Escrow Agent, designated and appointed under the provisions of the Escrow Agreement, attached hereto as Exhibit 3. The Escrow Fund shall be disbursed in accordance with the terms of the Escrow Agreement.

(b) Eighteen Thousand Dollars (\$18,000.00) to be payable by certified or cashier's check by Purchaser at the "Closing", provided all conditions precedent to Closing are met as defined below. If the events described in paragraph 2.1 occur, then Purchaser shall deliver to Seller at Closing a certified or cashier's check made payable to Seller in the amount of Fifteen Thousand Dollars (\$15,000.00).

III. JURISDICTION OF REGULATORY BODIES; APPLICATIONS

3.1 Seller and Purchaser understand and agree that the purchase and transfer of the Operating Authority contemplated herein is subject to the jurisdiction of the PPUC.

3.2 Purchaser shall promptly cause an application to be prepared and filed with the PPUC and diligently prosecuted in order to secure such authorizations from the PPUC as are necessary to permit the transfer of the Operating Authority to Purchaser. Purchaser shall pay the filing fees for such applications.

3.3 The parties further agree to furnish such documents, information and data and to sign all pleadings and papers necessary or advisable to secure PPUC authorization and to cause such competent witnesses as may be required to attend and, if called, to testify at any proceeding scheduled by the said PPUC. Each party shall be responsible for payment of all fees and expenses owed to their respective legal counsel, accountants and other witnesses as a result of this Agreement.

IV. CLOSING AND CLOSING DATE

4.1 The event at which the sale and purchase of the Operating Authority and business of Seller shall be consummated is the "Closing". Closing shall take place at 56 S. Sproul Road, Broomall, PA 19008 on a date selected by Purchaser within fifteen (15) days following the date upon which the last of the Order(s) or Decision(s) of the PPUC approving the transfer of the

Operating Authority to Purchaser becomes administratively final;¹ Provided, if Purchaser fails to select a Closing date within said fifteen (15) days, Closing shall be held on the 20th day following the date of administrative finality, if not a legal holiday under the laws of Pennsylvania, and if a legal holiday, then on the next succeeding business day, not a Saturday, at a time and place agreed to by the parties; and, FURTHER PROVIDED, that if a demand for arbitration has been made pursuant to paragraph 7.4 hereinafter, Closing shall be postponed until the 15th day following notice of the decision of the arbitrators, if not a legal holiday under the laws of Pennsylvania, and if a legal holiday, then on the next succeeding business day, not a Saturday, at a time and place agreed to by the parties.

V. EVENTS AT CLOSING

5.1 At Closing, Escrow Agent will deliver the Escrow Fund to Seller in accordance with the terms of the Escrow Agreement, set forth in Exhibit B attached hereto.

5.2 At Closing, Purchaser shall deliver to Seller, a certified or cashier's check, payable to Seller in the amount of Eighteen Thousand Dollars (\$18,000.00); or if Purchaser is unable to assume the lease described in paragraphs 1.3 and 2.1 and

¹The terms "administrative finality" and "administratively final" as used in this Agreement refer to a PPUC Order or Decision which has been in effect for a period of thirty (30) days and with respect to which (a) no Petitions for Reconsideration or Rehearing or similar relief are pending as provided for in the Rules of Practice of the Pennsylvania Public Utility Commission, and (b) no appeals or suits for judicial review, for injunction, or for other judicial or administrative relief are pending or known to be threatened.

attached as Exhibit 1 under the terms described therein, Purchaser shall deliver to Seller a certified or cashier's check payable to Seller in the amount of Fifteen Thousand Dollars (\$15,000.00).

5.3 At Closing, Seller shall deliver to Purchaser, a Bill of Sale evidencing the sale and transfer of the Operating Authority to Purchaser, free and clear of all liens and encumbrances.

5.4 At Closing, Seller shall deliver to Purchaser all of Seller's business known as Hercules Movers and all the property listed in paragraph 1.2 of this Agreement free and clear of all liens and encumbrances.

VI. CONDITIONS TO CLOSING

6.1 The obligation of Purchaser to consummate this Agreement is contingent upon and subject to fulfillment of both of the following conditions, at or prior to Closing:

(a) The administrative finality of an Order or Decision of the PPUC authorizing and approving the transfer of the Operating Authority to Purchaser; and

(b) The material truth and accuracy of Seller's warranties and covenants, as set forth in Section VIII of this Agreement, as of the date of this Agreement and as of the date of Closing.

6.2 The obligation of Seller to consummate this Agreement is contingent upon and subject to fulfillment of both of the following conditions, at or prior to closing:

(a) The administrative finality of an Order or Decision of the PPUC authorizing and approving the transfer of the Operating Authority to Purchaser; and

(b) The material truth and accuracy of Purchaser's warranties and covenants, as set forth in Section VIII of this Agreement, as of the date of this Agreement and as of the date of Closing.

VII. TERMINATION

7.1 Should the PPUC issue an Order or Decision denying the application to be filed for approval of the transfer of the Operating Authority or should said authority be revoked by the PPUC prior to Closing, this Agreement shall be automatically terminated and void as of the day said Order or Decision becomes administratively final. In such event, the Escrow Fund shall be returned to Purchaser and Purchaser shall remit to seller within fifteen (15) days of such Order or Decision, a check made payable to Seller in the amount of Two Hundred Dollars (\$200.00) constituting payment of liquidated damages. Neither party shall be further obligated to the other under this Agreement upon Purchaser's remittance of the check to Seller in the amount of Two Hundred Dollars (\$200.00).

7.2 Either party hereto shall have the option to terminate this Agreement for cause at any time prior to or at Closing: Cause shall mean that the representations, warranties or covenants of one or both of the parties to this Agreement have

failed or are violated. Such option to terminate must be in writing specifying the cause therein, mailed or delivered to the party whose representations, warranties and covenants are alleged to have failed or to have been violated, within fifteen (15) days of the day upon which the terminating party had knowledge of the said failure or violation.

7.3 Purchaser shall have the right to terminate this Agreement if before or at the time of Closing, Purchaser is unable to obtain motor vehicle insurance for the trucks listed in paragraphs 1.2 and 1.3 of this Agreement; or if Purchaser, in order to obtain such insurance, is required to make premium payments substantially in excess of the premiums Seller pays up to the time of Closing. Substantially in excess shall mean premium payments in the amount of Twelve Thousand Dollars (\$12,000.00) or more per annum. The inability of Purchaser to obtain such insurance or to obtain substantially similar insurance shall constitute cause for termination of this Agreement.

7.4 In the event the PPUC issues an Order or Decision approving the transfer of the Operating Authority to Purchaser which imposes conditions materially affecting either the commodity or territorial scope of the Operating Authority, Purchaser shall have the option to terminate this Agreement without penalty. Such option of Purchaser to terminate must be in writing specifying the cause therein, mailed or delivered to Seller within fifteen (15) days of the day upon which such Order

or Decision becomes administratively final. If Purchaser fails to exercise this option within the fifteen (15) day period, any changed conditions imposed by the PPUC shall be deemed modifications to the Operating Authority, accepted by Purchaser, and Purchaser waives any right to terminate this Agreement pursuant to this paragraph. This paragraph shall not affect Purchaser's right to terminate this Agreement pursuant to the other provisions under Section VII of this Agreement.

7.5 In the event any dispute arises regarding whether there existed valid cause for termination, as set forth in paragraphs 7.2, 7.3 and 7.4 above, the party receiving a notice of termination must, in writing, within fifteen (15) days of receiving such notice, advise the terminating party that it disputes the cause for termination and demands that the question regarding the validity of the cause for termination be submitted to arbitration in accordance with Section XIII of this Agreement. Failing timely notice of dispute or a demand for arbitration, the notice of termination shall be effective as of the date of its mailing.

7.6 Following termination in accordance with paragraphs 7.2 or 7.3 above, and absent a decision of arbitrators imposing liability or granting other relief pursuant to paragraphs 7.4 and Section XIII, neither party shall be further obligated to the other or to any third party on account of this Agreement.

VIII. REPRESENTATIONS AND WARRANTIES

8.1 Seller represents and warrants to Purchaser as follows:

(a) Seller is an individual (with trade name), a resident of Pennsylvania and the person to whom the Operating Authority was issued by the PPUC; Seller has the power and the authority, subject only to the approval of the PPUC, to sell and dispose of the Operating Authority.

(b) The Operating Authority is valid and subsisting, free of any threat of revocation and free and clear of all liens and encumbrances. All PPUC Annual Reports and Assessment Reports now or hereafter due have been filed. All assessments due have been paid.

(c) The business known as Hercules Movers is a going and viable concern that is free and clear of all liens and encumbrances, except those debts reasonably incurred in the ordinary course of business. All debts incurred in the ordinary course of business shall be satisfied by Seller at the time of Closing.

(d) There is no litigation, or other proceeding pending or threatened before any court, regulatory agency or other authority to which Seller is a party or of which Seller has knowledge which will affect the transferability or validity of the Operating Authority or the sale of Seller's business known as Hercules Movers which threatens the imposition of liens or encumbrances thereupon.

(e) There are no bankruptcy, reorganization or liquidation proceedings instituted by or against Seller.

(f) Seller engaged the services of a Broker prior to the parties entering into this Agreement. Seller is responsible for all Broker fees. Seller and Purchaser did not, however, utilize that Broker's services for purposes of this Agreement. Seller has not engaged the services of any broker or finder in connection with the subject matter of this Agreement.

8.2 Purchaser represents and warrants to Seller as follows:

(a) Purchaser is an individual; Purchaser has the power and authority, subject only to the approval of the PPUC, to purchase the Operating Authority and the business known as Hercules Movers.

(b) There are no bankruptcy, reorganization or liquidation proceedings instituted by or against Purchaser.

(c) Purchaser has not engaged the services of a broker or finder in connection with the subject matter of this Agreement.

IX. COVENANTS

9.1 Seller shall take no action or engage in any activity from the date herein until Closing or Termination of this Agreement under the terms set forth in this Agreement which will tend to impair or encumber the Operating Authority or the business of Seller known as Hercules Movers.

9.2 The Operating Authority shall remain valid and subsisting and free of any threat of revocation and free and clear of all liens and encumbrances until Closing as set forth in this Agreement.

9.3 The business of Seller known as Hercules Movers shall remain valid and subsisting and free and clear of all liens and encumbrances, except for those debts incurred in the ordinary course of business, until Closing.

9.4 Seller shall not institute proceedings to be adjudicated a bankrupt or consent to the institution of bankruptcy or insolvency proceedings against it until Closing as set forth in this Agreement, or within one hundred (100) days thereafter.

9.5 Seller agrees that for a period of two (2) years following the Closing of this Agreement not to compete, either directly or indirectly, with Purchaser by providing services to move or store property (of the nature described in the Operating Authority) or create a business that provides services for the moving and storage of property (of the nature described in the Operating Authority) or to engage in a business that is substantially similar to Hercules Movers in the geographic area described and contained in the Operating Authority sold and transferred to Purchaser under the terms of this Agreement. Seller and Purchaser agree that the fair value of Seller's covenant not to compete constitutes Four Thousand Dollars (\$4,000.00).

X. INDEMNIFICATION

10.1 Seller shall indemnify and hold Purchaser harmless against any and all claims, suits, or liabilities arising from the transfer of the Operating Authority herein contemplated

and/or from events involving Seller, its agents or employees occurring prior to the date and time of Closing.

XI. ASSIGNABILITY, CONSTRUCTION AND NATURE OF AGREEMENT

11.1 This Agreement shall be construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania. This Agreement shall not be assigned and is not assignable by either party and may be amended only by a writing signed by both parties.

11.2 This Agreement and the Exhibits attached hereto contain the entire agreement of the parties, with respect to the sale and purchase of the Operating Authority and the business known as Hercules Movers. There are no restrictions, warranties, covenants, or undertakings respecting the subject matter hereof, other than those expressly set forth herein.

XII. NOTICES

12.1 Any notice pursuant to this Agreement shall be deemed to have been sufficiently given if sent by registered or certified mail, postage prepaid, addressed as follows:

If to Seller, to:

Paul Efstration
56 S. Sproul Road
Broomall, PA 19008

If to Purchaser, to:

John K. Kane
79 Woodbine Court
Horsham, PA 19044

XIII. ARBITRATION

13.1 In the event the parties are unable to agree as to whether a proper cause for termination within the meaning of Article VII of the Agreement has occurred or whether the Conditions to Closing set forth at Article VI have been met, upon the written request of either party to the other, the question or questions shall be referred for decision to a panel of three (3) arbitrators, one chosen by each of the parties to this Agreement and the third chosen by the other two (2) arbitrators. Each party shall select its arbitrator within twenty (20) days of requesting or receiving notice of a request for arbitration. If a party fails to select an arbitrator within the twenty (20) day period, the other party shall have the right to select two (2) arbitrators who shall thereafter select a third.

The arbitrators shall finally determine the question or questions presented. The decision of the arbitrators shall be reached by majority vote and shall be final. The fee of each arbitrator shall be payable in advance, and shall be borne by the party requesting arbitration, or if they so agree, equally by each party.

The parties agree that any action seeking to enforce the decision of the arbitrators entered pursuant to this paragraph shall be brought to the Philadelphia Court of Common Pleas.

XIV. MISCELLANEOUS

14.1 Unless otherwise expressly provided herein, the representations, warranties, covenants, indemnities and other agreements herein contained shall survive the Closing.

14.2 Without limitation of Purchaser's remedies, Seller's obligations hereunder shall be subject to a decree for specific performance by any court having jurisdiction.

14.3 The headings contained in this Agreement are for reference only and shall not affect the meaning or interpretation of this Agreement.

14.4 In the event that any provision of this Agreement is found to be illegal or void, the remaining provisions of this Agreement shall nonetheless, be binding on the parties.

IN WITNESS WHEREOF, Seller and Purchaser have caused this Agreement to be duly executed and delivered as of the day and year first above written.

SELLER:

HERCULES MOVERS

By: Paul Efstration
Paul Efstration, Owner

Stanley A. Kruc
Attest

PURCHASER:

JOHN K. KANE

By: John K. Kane
John K. Kane

Stanley A. Kruc
Attest

PENNSYLVANIA
PUBLIC UTILITY COMMISSION
Harrisburg, PA 17120

Application of Paul Efstration,
t/d/b/a Hercules Movers - Right
to begin to transport, household
goods, personal effects and property
used or to be used in a dwelling when
a part of the furnishings, equipment
or supplies of such dwelling as an
incidental part of a removal by the
householder from one domicile to
another; furniture, fixtures, equip-
ment and the property of stores,
offices, museums, institutions,
hospitals or other establishments
when a part of the stock, equipment
or supply of such stores, offices,
museums, institutions, hospitals or
other establishments, in connection
with the removal from one location
to another; and articles, in use,
including objects of art, displays
and exhibits which because of their
unusual nature or value require
specialized handling and equipment
usually employed in moving house-
hold goods between points in the
counties of Chester, Delaware,
Philadelphia, Montgomery and Bucks.

A-00105102

O R D E R

In accordance with the provisions of Act 294 of 1978 (66 Pa. C.S. §332(h)), the decision of Administrative Law Judge Sheldon W. Farber dated September 7, 1984 has become final without further Commission action; THEREFORE,

IT IS ORDERED:

1. That the application of Paul Efstration, t/d/b/a Hercules Movers, Docket Number A-00105102, as amended by stipulation, is hereby approved, and that a certificate be issued granting the following rights:

To transport, as a Class D carrier, by motor vehicle, household goods, personal effects and property used or to be used in a dwelling where a part of the furnishings, equipment or supplies of such

dwelling are an incidental part of the removal by the householder from one dwelling to another; between points within a radius of eight miles of the post office at the village of Berwyn, Eastown Township, Chester County.

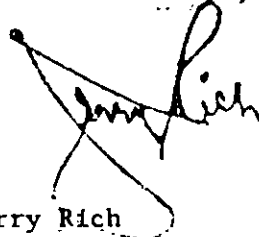
2. That the Applicant shall not engage in any transportation granted herein until it shall have complied with the requirements of the Pennsylvania Public Utility Code and the rules and regulations of this Commission relative to the filing of insurance and the filing and acceptance of a tariff establishing just and reasonable rates.

3. That the certificate holder shall comply with all the provisions of the Public Utility Code as now existing or as may be hereafter amended, and with all pertinent regulations of this Commission now in effect, or as may hereafter be prescribed by the Commission. Failure to comply shall be sufficient cause to suspend, revoke or rescind the rights and privileges conferred by the certificate.

4. 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.

5. That, in the event the applicant has not, on or before 60 days from the date of service of this order, complied with the requirements set forth herein, the application shall be dismissed without further proceedings.

BY THE COMMISSION,



Jerry Rich
Secretary

(SEAL)

ORDER ENTERED: December 3, 1984

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

IN THE MATTER OF THE APPLICATION OF

Paul Efstration, trading and doing business as
HERCULES MOVERS

CERTIFICATE
OF
PUBLIC CONVENIENCE


A. 001051.02
Folder 1

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and/or hearing had on the above entitled application, it has, by its report and order made and entered, a copy of which is attached hereto and made a part hereof, found and determined that the granting of said application is necessary or proper for the service, accommodation, convenience and safety of the public, and this certificate is issued evidencing its approval of the said application as set forth in said report and order.

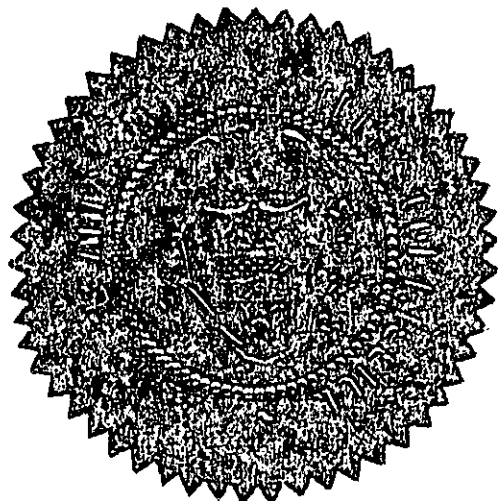
In Testimony Whereof, The PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 29th day of JANUARY 19 85.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

Attest:



Secretary



~~Certificate No. A-00095712 Folder 2~~

To transport, as a Class D carrier, household goods, in use, from points in the county of Delaware to other points in Pennsylvania;

To transport, as a Class D carrier, property usual to use in a household when a part of such household equipment or supply; furniture, fixtures, equipment and the property usual in a store, office, museum, institution, hospital or other establishment when a part of the stock, equipment or supply of such store, office, museum, institution, hospital or other establishment; works of art, furniture, musical instruments, displays, exhibits, and articles requiring specialized handling and equipment usually employed in moving household goods between points in the county of Delaware.

EXHIBIT 1A

NON-MAINTENANCE LEASE AGREEMENT

Dan Phelps GMC Trucks, Inc.

(Lessor) whose address is:

2021 Centre Avenue Reading PA 19605
 (Street Address) (City) (State) (Zip Code)

agrees to lease to Paul Efstration dba Hercules Movers (Lessee) whose
 address is P.O. Box 601 Berwyn PA 19312
 (Street Address) (City) (State) (Zip Code)

and _____ (Co-Lessee) whose
 address is _____
 (Street Address) (City) (State) (Zip Code)

and Lessee (meaning all undersigned lessees, jointly and severally) agrees to lease from Lessor, subject to the terms set forth below and upon the reverse side hereof, the following described motor vehicle, attachments and accessories, delivery and acceptance of which is hereby acknowledged in good order by Lessee, for a term of 60 months, commencing on the date of execution of this lease as shown below.

Car	Truck	Year	Make	Model	Color	Vehicle Identification No.
[]	[X]	87	GMC	C7D042	White	1GDLD7D1B8HV525690

Describe major items of additional equipment:

26' Matlock Van Body

VEHICLE USE: Lessee represents that this lease is entered into primarily for (check one) Personal, family, household or agricultural use; Business or commercial use

TYPE OF LEASE: Refer to TERMINATION & DEFAULT Provisions on reverse side (check one) Closed-End; Open-End

LESSEE LIABILITY DISCLOSURE: (Must be completed if this is an open-end lease)

1. ORIGINAL VALUE OF VEHICLE	1 \$
2. CASH DOWN PAYMENT Credited Against Original Value (Prepaid Depreciation)	2 \$
3. NET TRADE-IN Credited Against Original Value (Prepaid Depreciation) (Complete for both open and closed-end leases)	3 \$ -0-
4. NET ORIGINAL VALUE (Item 1 less Items 2 and 3)	4 \$
5. AGREED DEPRECIATED VALUE OF VEHICLE at the completion of the originally scheduled term of this lease. The agreed depreciated value of the vehicle will be compared to the net amount received from the sale of the returned vehicle at wholesale upon lease termination to establish the amount of Lessee deficiency or rebate. The MAXIMUM LESSEE LIABILITY for deficiency shall be established in accordance with the NORMAL LEASE TERMINATION provisions on the reverse side. In the event of default or premature lease termination the MAXIMUM LESSEE LIABILITY shall be determined in accordance with the DEFAULT or PREMATURE LEASE TERMINATION provisions on the reverse side	5 \$
6. TOTAL AMOUNT OF FIXED MONTHLY RENTALS FOR THE FULL LEASE TERM TO BE CREDITED AGAINST ORIGINAL VALUE (Depreciation Included In Fixed Monthly Rental Charges—Item 4 less Item 5)	6 \$
6A. TOTAL AMOUNT OF FIXED MONTHLY RENTALS NOT TO BE CREDITED AGAINST ORIGINAL VALUE (Item 7A less Item 6)	6A \$

SUMMARY OF MONTHLY CHARGES

	Total of Monthly Charges for Lease Term	Monthly Charges
7. FIXED MONTHLY RENTAL CHARGES	7A \$ 35,700.00	7 \$ 595.00
8. SALES OR USE TAX PUC # 105102	8A \$ -0-	8 \$ EXEMPT
9. BODILY INJURY AND PROPERTY DAMAGE INSURANCE CHARGES	9A \$	9 \$
10. PHYSICAL DAMAGE INSURANCE CHARGES (Collision and Comprehensive)	10A \$	10 \$
11. OTHER CHARGES (describe)	11A \$	11 \$
12. TOTAL MONTHLY RENTAL PAYMENT (sum of Items 7, 8, 9, 10, and 11)	12A \$ 35,700.00	12 \$ 595.00

CASH DUE UPON DELIVERY

	Cash Due Upon Delivery
13. TOTAL MONTHLY RENTAL PAYMENT (For 1st Month—Same as Item 12)	13 \$ 595.00
14. DEPOSITS: LEASE SECURITY: 14A \$ 1000.00; INSURANCE: 14B \$	14 \$ 1000.00
15. INITIAL TITLE, LICENSE, AND REGISTRATION FEES	15 \$ 313.00
16. CASH DOWN PAYMENT (if any—same as Item 2)	16 \$
17. SALES OR USE TAX (if levied upon Cash Down Payment, Trade-In or Vehicle)	17 \$
18. TOTAL CASH CHARGES DUE UPON DELIVERY (sum of Items 13, 14, 15, 16, and 17)	18 \$ 1908.00

TOTAL LESSEE CHARGES FOR LEASE TERM

	Charges for Lease Term
19. TOTAL AMOUNT OF PAYMENTS TO BE MADE BY LESSEE (sum of Items 3, 12A, 15, 16 and 17) EXCLUSIVE OF SECURITY DEPOSIT AND ANY TERMINATION LIABILITY OR EXCESS MILEAGE CHARGE WHICH ARE DESCRIBED SEPARATELY AND SUBSEQUENT LICENSE AND REGISTRATION FEES WHICH ARE BILLED SEPARATELY ANNUALLY	19 \$ 36,013.00

20. **EXCESS MILEAGE CHARGE:** This lease grants the Lessee the right to drive this vehicle for as many as 125,000 miles during the full term of this lease without incurring a charge for excessive mileage. In the event of premature lease termination the number of miles that the Lessee will be entitled to drive without incurring a charge for excessive mileage will be determined by pro-rating the mileage allowed for the full lease term according to the proportion of the full lease term represented by the number of months the lease was in effect prior to premature termination. The Lessee will be billed for excessive mileage at a rate of six cents per mile for each mile driven in excess of the mileage herein allowed.

DESCRIPTION OF INSURANCE COVERAGE OBTAINED BY LESSEE

INITIAL HERE Lessee affirms that at his own expense Lessee has obtained insurance coverage independently of the Lessor which meets the insurance requirements set forth herein and that Lessee agrees to maintain such coverage at Lessee's own expense for the full term of the lease. The insurance coverages provided by the Lessee's policy(s) are as follows:

Bodily Injury and Property Damage: Coverage Limits 300,000 / / Policy No. BA4973094
 Name of Insurance Carrier: New Hampshire Ins. Insurance Agent: Noyes Services
 Collision: Deductible Amt.: Comprehensive: Deductible Amt.: Policy No. BA4973094
 Name of Insurance Carrier: New Hampshire Ins. Insurance Agent: Noyes Services

Car	Truck	Year	Make	Model	Color	Vehicle Identification No.
[]	[X]	87	GMC	C7D042	Whi	1GDL7D1B8HV525690

Describe major items of additional equipment:
 26' Matlock Van Body

VEHICLE USE: Lessee represents that this lease is entered into primarily for (check one) Personal, family, household Business or commercial use or agricultural use;

TYPE OF LEASE: Refer to TERMINATION & DEFAULT Provisions on reverse side (check one) Closed-End; Open-End

LESSEE LIABILITY DISCLOSURE: (Must be completed if this is an open-end lease)

1. ORIGINAL VALUE OF VEHICLE	1 \$
2. CASH DOWN PAYMENT Credited Against Original Value (Prepaid Depreciation)	2 \$
3. NET TRADE-IN Credited Against Original Value (Prepaid Depreciation) (Complete for both open and closed-end leases)	3 \$ -0-
4. NET ORIGINAL VALUE (Item 1 less Items 2 and 3)	4 \$
5. AGREED DEPRECIATED VALUE OF VEHICLE at the completion of the originally scheduled term of this lease. The agreed depreciated value of the vehicle will be compared to the net amount received from the sale of the returned vehicle at wholesale upon lease termination to establish the amount of Lessee deficiency or rebate. The MAXIMUM LESSEE LIABILITY for deficiency shall be established in accordance with the NORMAL LEASE TERMINATION provisions on the reverse side. In the event of default or premature lease termination the MAXIMUM LESSEE LIABILITY shall be determined in accordance with the DEFAULT or PREMATURE LEASE TERMINATION provisions on the reverse side	5 \$
6. TOTAL AMOUNT OF FIXED MONTHLY RENTALS FOR THE FULL LEASE TERM TO BE CREDITED AGAINST ORIGINAL VALUE (Depreciation Included in Fixed Monthly Rental Charges—Item 4 less Item 5)	6 \$
6A. TOTAL AMOUNT OF FIXED MONTHLY RENTALS NOT TO BE CREDITED AGAINST ORIGINAL VALUE (Item 7A less Item 6).....	6A \$

SUMMARY OF MONTHLY CHARGES		Total of Monthly Charges for Lease Term	Monthly Charges
7. FIXED MONTHLY RENTAL CHARGES	PUC # 105102	7A \$ 35,700.00	7 \$ 595.00
8. SALES OR USE TAX		8A \$ -0-	8 \$ EXEMPT
9. BODILY INJURY AND PROPERTY DAMAGE INSURANCE CHARGES		9A \$	9 \$
10. PHYSICAL DAMAGE INSURANCE CHARGES (Collision and Comprehensive)		10A \$	10 \$
11. OTHER CHARGES (describe)		11A \$	11 \$
12. TOTAL MONTHLY RENTAL PAYMENT (sum of Items 7, 8, 9, 10, and 11)		12A \$ 35,700.00	12 \$ 595.00

CASH DUE UPON DELIVERY		Cash Due Upon Delivery
13. TOTAL MONTHLY RENTAL PAYMENT (For 1st Month—Same as Item 12)		13 \$ 595.00
14. DEPOSITS: LEASE SECURITY: 14A \$ 1000.00; INSURANCE: 14B \$		14 \$ 1000.00
15. INITIAL TITLE, LICENSE, AND REGISTRATION FEES		15 \$ 313.00
16. CASH DOWN PAYMENT (if any—same as Item 2)		16 \$
17. SALES OR USE TAX (if levied upon Cash Down Payment, Trade-in or Vehicle)		17 \$
18. TOTAL CASH CHARGES DUE UPON DELIVERY (sum of Items 13, 14, 15, 16, and 17)		18 \$ 1908.00

TOTAL LESSEE CHARGES FOR LEASE TERM	Charges for Lease Term
19. TOTAL AMOUNT OF PAYMENTS TO BE MADE BY LESSEE (sum of Items 3, 12A, 15, 16 and 17) EXCLUSIVE OF SECURITY DEPOSIT AND ANY TERMINATION LIABILITY OR EXCESS MILEAGE CHARGE WHICH ARE DESCRIBED SEPARATELY AND SUBSEQUENT LICENSE AND REGISTRATION FEES WHICH ARE BILLED SEPARATELY ANNUALLY	19 \$ 36,013.00

20. EXCESS MILEAGE CHARGE: This lease grants the Lessee the right to drive this vehicle for as many as 125,000 miles during the full term of this lease without incurring a charge for excessive mileage. In the event of premature lease termination the number of miles that the Lessee will be entitled to drive without incurring a charge for excessive mileage will be determined by pro-rating the mileage allowed for the full lease term according to the proportion of the full lease term represented by the number of months the lease was in effect prior to premature termination. The Lessee will be billed for excessive mileage at a rate of six cents per mile for each mile driven in excess of the mileage herein allowed.

DESCRIPTION OF INSURANCE COVERAGE OBTAINED BY LESSEE

INITIAL HERE Lessee affirms that at his own expense Lessee has obtained insurance coverage independently of the Lessor which meets the insurance requirements set forth herein and that Lessee agrees to maintain such coverage at Lessee's own expense for the full term of the lease. The insurance coverages provided by the Lessee's policy(s) are as follows:

Bodily Injury and Property Damage: Coverage Limits 300,000 / / Policy No. BA4973094
 Name of Insurance Carrier: New Hampshire Ins. Insurance Agent: Noyes Services
 Collision: Deductible Amt. Comprehensive: Deductible Amt. Policy No. BA4973094
 Name of Insurance Carrier: New Hampshire Ins. Insurance Agent: Noyes Services

CHARGES FOR INSURANCE COVERAGES WHEN OBTAINED BY LESSOR

INITIAL HERE Lessee requests that the Lessor attempt to procure for the Lessee insurance coverage which will provide for the coverage limits and deductible amounts specified. The Lessee agrees to remit the charges, as shown above in Items 9, 10 and 11, for insurance coverage to the Lessor together with and in addition to the fixed monthly rental charges. The Lessee agrees to pay any increase in insurance premiums as may be approved by any state in order to maintain the insurance protection requested by the Lessee during the term of this lease. The insurance coverages requested by the Lessee and provided in this lease are as follows and as shown in Item 11.

Bodily Injury and Property Damage: Coverage Limits / /
 Physical Damage: Collision—Deductible Amt. ; Comprehensive—Deductible Amt.

21. RENTAL PAYMENTS: All rental payments shall be due in advance. The first payment shall be payable on the execution of this lease and the second rental payment shall be due on October 29 1987 with subsequent rental payments due on the same day of each successive month hereafter.

NOTICE TO THE LESSEE: (1) DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES TO BE FILLED IN. (2) YOU ARE ENTITLED TO A COMPLETELY FILLED-IN COPY OF THIS AGREEMENT.

Executed in triplicate, copy of which was delivered to, and receipt is hereby acknowledged by Lessee this 29th day of September, 19 87.

Lessor: Dan Phelps GMC Trucks, Inc. President
 Lessee: Paul EfstrationdbaHercules Moving
 By X Paul Efstration Signature Title Owner
 Co-Lessee:

ADDITIONAL PROVISIONS

22. LATE CHARGES: Time is of the essence of this lease. If any payment is not paid within 10 days after it is due, a charge of 5% of the unpaid instalments will be payable by the Lessee together with reasonable collection costs including, to the extent permitted by law, attorney fees and legal expenses incurred by Lessor.

23. DEPOSITS:

(a) **Lease Security Deposit**—The lease security deposit (Item 14A) shall be applied to any loss suffered by Lessor which is occasioned by Lessee default, abuse of the vehicle, and/or applied against any due unpaid late charges. In the case of an open-end lease the lease security deposit may also be applied against any Lessee deficiency that may arise under the terms of the DEFAULT and TERMINATION provisions of the lease agreement. If the Lessee fully performs under this lease, then the lease security deposit shall be returned to the Lessee at the time such performance is completed.

(b) **Insurance Deposit**—The insurance deposit (ITEM 14B) shall be remitted to the insurance carrier who shall retain it for the full term of the lease. If the Lessee fully performs under this lease, then the insurance deposit shall be returned to the Lessee at the time such performance is complete. In the event that the insurance coverage requested by the Lessee and procured by or provided by the Lessor is cancelled as a result of the Lessee's premature termination of the lease; the Lessee's request to cancel the insurance coverage; or Lessee default and/or non-payment of insurance premiums when due; then the insurance deposit shall be applied to any Lessee insurance deficiency which may arise from such cancellation of insurance coverage.

24. INSURANCE: Lessee shall at all times and at his sole expense obtain and maintain an insurance policy on the vehicle which provides liability insurance in the amounts of at least \$100,000 for any one person for injury or death, \$300,000 for any one accident for personal injury or death and \$25,000 for property damage if the leased vehicle is an automobile or \$50,000 for property damage if leased vehicle is a truck, and Uninsured Motorist Coverage. Such coverage is to be provided by a policy from an insurance company satisfactory to Lessor and the policy shall also name the Lessor as additional insured.

Lessee shall at all times and at his sole expense also keep vehicle insured against all loss, damage or destruction due to fire, theft and physical damage. If the leased vehicle is an automobile or light truck (under 15,000 GVW), the deductible amount is not to exceed \$250 for collision nor \$100 for comprehensive coverage. If the leased vehicle is a medium or heavy truck (15,000 GVW and over), the deductible amount is not to exceed \$500 for collision nor \$250 for comprehensive coverage. Such coverage is to be provided by a policy from an insurance company satisfactory to Lessor and the policy shall contain a standard loss payable clause under which such insurance shall be payable in case of loss to Lessor and General Motors Acceptance Corporation as their interest may appear.

Lessee shall provide and pay for any other insurance or bond that may be required by any governmental authority as a condition to, or in connection with, Lessee's use of the vehicle.

Lessee shall furnish Lessor with satisfactory evidence of the above insurance.

If any mutually approved carrier refuses to issue any insurance herein required or if the Lessee fails to maintain such insurance, or if such insurance is cancelled or suspended, the Lessor, at his option, may terminate this lease and take possession of the vehicle which will be disposed of as hereinafter provided, or the Lessor may elect to attempt to procure such insurance for the Lessee. In the event that the Lessor procures such insurance the Lessee agrees to pay as an additional part of the obligation under this lease agreement an additional charge equal to the premium together with interest.

In the event the vehicle is involved in an accident, damaged, stolen or destroyed by fire, the Lessee will notify Lessor, in writing, within 24 hours and will also comply with all terms and conditions entered in the insurance policies. The Lessee agrees to cooperate with the Lessor and the insurance companies in defending against any claims or actions resulting from the Lessee's operation or use of the vehicle.

This vehicle shall not be used by any person, in any manner, or for any purpose that would cause any insurance herein specified to be suspended, cancelled, rendered inapplicable or increased in cost.

25. MAINTENANCE AND REPAIRS: Lessee shall pay for all maintenance and repairs to keep vehicle in good working order and condition except as otherwise may be provided under a service contract provided by the Lessor. Lessee will maintain the vehicle as required to keep the manufacturer's warranty in force. The vehicle will be returned at the end of the lease period in good condition, reasonable wear and tear excepted.

26. REGISTRATION, LICENSE, EXPENSES, FEES, TAXES AND INSPECTION: Lessee shall pay all expenses incurred in the use and operation of the vehicle, including license, registration and title fees, gasoline, oil, antifreeze, repairs, maintenance, tires, storage, fines, inspections, assessments, sales or use taxes, if any, and all other taxes as may be imposed by law from time to time, except those levied on the net income of the Lessor. Lessee will reimburse and hold Lessor harmless for any and all amounts Lessor may pay in satisfaction, release or discharge thereof. Lessee shall permit Lessor and its designees to inspect the vehicle at reasonable times, places and intervals.

27. DELIVERY AND LOSS OF USE: The Lessor shall not be liable for any failure or delay in delivering the vehicle or for any loss of business attributable to the loss of use of the vehicle.

28. VEHICLE USE: Lessee shall keep vehicle free of all taxes, liens and encumbrances and any sum of money that may be paid by Lessor in release or discharge thereof, including legal costs, shall be paid on demand by Lessee. Lessee shall not use vehicle illegally, improperly or for hire and shall not remove vehicle outside the United States or Canada.

Vehicle shall not be altered, marked or additional equipment installed without the prior written consent of Lessor, in which case Lessee will bear the expense of restoring vehicle to its original condition.

29. TITLE: Lessee acknowledges that this is an agreement to lease only and title to the vehicle shall at all times remain in Lessor. Lessee covenants and agrees not to assign this lease without the prior written consent of Lessor nor do any act to encumber, convert, pledge, sell, assign, re-hire, lease, lend, conceal, abandon, give up possession of, or destroy the vehicle.

30. NORMAL LEASE TERMINATION AT THE END OF THE SCHEDULED TERM

(a) **Open-End Lease**—Immediately upon the termination of this lease, the Lessee shall return the vehicle to the Lessor at the address hereinbefore mentioned and Lessor shall sell the vehicle at wholesale in such commercially reasonable manner as Lessor shall determine. If the net amount received from such sale is more than the Agreed Depreciated Value of Vehicle (ITEM 5), Lessor shall pay such excess to the Lessee. If the net amount received from such sale is less than the Agreed Depreciated Value of Vehicle (ITEM 5) the total amount of such deficiency shall be paid by Lessee upon demand to the Lessor. The "net amount" received from the sale of the vehicle as used in this lease shall be defined as the sale price of the vehicle less all direct expenses of the Lessor incurred in selling, preparing and holding the vehicle for sale and less all debts incurred by Lessee which if not paid, might constitute a lien on the vehicle or a liability to the Lessor.

(b) **Closed-End Lease**—Immediately upon termination of this lease the Lessee shall return the vehicle to the Lessor at the address hereinbefore mentioned in good condition and if all terms and conditions of this lease have been complied with, neither party shall have any further obligation to the other.

31. PREMATURE LEASE TERMINATION: It is intended that this lease will run for the full term specified on the preceding page, however, should unforeseen developments arise, the Lessee may elect, at his option, to terminate at any time after the first six months providing that Lessee is not in default, by giving the Lessor at least 30 days prior written notice of his intention and by return of the vehicle to the Lessor at the address hereinbefore mentioned. In the event of premature termination, if insurance has been procured by or provided by the Lessor, the provisions of the insurance policy(s) will define the Lessee's liability for insurance premiums. Lessee liability to the Lessor for vehicle rentals in the event of premature lease termination is defined according to the type of lease as follows:

(a) **Premature Termination Liability — Open-End Lease:** The Cash Down Payment (ITEM 2) together with the Net Trade-in (ITEM 3) constitute prepaid depreciation which will be credited against the Original Value of the Vehicle (ITEM 1) at lease inception. The portion of the Total Amount of Fixed Monthly Rentals NOT To Be Credited Against Original Value (ITEM 6A) will be earned by the Lessor according to the "Rule of 78." The earned portion of the Total Amount of Fixed Monthly Rentals NOT To Be Credited Against Original Value will be subtracted from the sum of all the Fixed Monthly Rental Charges (ITEM 7) paid by the Lessee to the Lessor up to the point of lease termination to establish the amount of the depreciation credit against the Original Value of the Vehicle (ITEM 1) to which the Lessee will be entitled based upon the Fixed Monthly Rental Charges which he has paid. The depreciation credit calculated in this way together with the prepaid depreciation based upon both the Cash Down Payment (ITEM 2) and the Net Trade-in (ITEM 3) will be subtracted from the Original Value of the Vehicle (ITEM 1) to establish the Maximum Amount of Open End Lessee Liability in the event of premature lease termination. The Lessor shall sell the vehicle at wholesale in such commercially reasonable manner as Lessor shall determine. If the net amount received from such sale is more than the Maximum Amount of Open End Lessee Liability in the event of premature lease termination as set forth in this paragraph, Lessor shall pay such excess to Lessee. If the net amount received from such sale is less than the Maximum Amount of Open End Lessee Liability in the event of premature lease termination, the total amount of such deficiency shall be paid by Lessee upon demand to Lessor.

(b) **Premature Termination Liability — Closed-End Lease:** In the event of premature termination of a closed-end lease the Lessee shall be responsible for an amount equal to the total amount of unpaid Fixed Monthly Rental Charges (ITEM 7A) for the remaining months of this lease and this total amount shall be payable according to the original payment schedule except that if the Lessee is in default with respect to the originally agreed upon payment schedule this total amount will become due and payable to the Lessor upon demand.

32. DEFAULT: In any of the following default events, viz, (1) default in any payment due hereunder, (2) failure to comply with any of the terms or conditions hereof, (3) a proceeding in bankruptcy, receivership or insolvency is instituted by or against the Lessee or his property or the Lessee makes an assignment for the benefit of creditors, or (4) the Lessee fails for any reason to comply with the insurance requirements of the lease or said required insurance is cancelled prior to the expiration of this lease, the Lessor shall have the right, at his election to sue Lessee for damages or to terminate the lease and in such event Lessor may take immediate possession of the vehicle without demand and for this purpose may enter upon the premises where the vehicle may be and remove it. Lessor may take possession of any property in the vehicle at time of repossession, if such other property may be therein, and hold same for Lessee at Lessee's risk without liability on the part of the Lessor, Lessee to be liable for any charges for storing such property incurred by Lessor.

In the event of repossession, the Lessor shall have the rights and remedies as provided and permitted by law and shall dispose of the vehicle in such commercially reasonable manner as Lessor shall determine. The maximum amount of Lessee liability and any associated deficiency or rebate shall be established on the same basis as would have been applied had the Lessee himself voluntarily elected to terminate the lease prematurely as of the date of repossession as herein provided for in the PREMATURE LEASE TERMINATION provisions. Any deficiency or rebate, so determined for open or closed end leases will be in addition to any excess mileage charges, damages, or other remedies herein provided.

If it is necessary to employ the services of an attorney or incur expenses in enforcing this Lease Agreement, the Lessee shall pay to the Lessor all such expenses and court costs including, to the extent permitted by law, attorney fees and legal expenses incurred by Lessor.

33. INDEMNIFICATION: Lessee agrees that the rentals shall not be subject to any defenses, set-off, counterclaim or recoupment and agrees to indemnify and hold harmless Lessor and its assignees and employees from all losses, damages, injuries, claims, demands and expenses arising out of the condition, maintenance, use or operation of the vehicle.

34. VENUE AND SEVERABILITY: This lease shall be construed and determined in accordance with the laws of the State of Lessor's place of business stated herein and any provision of this agreement prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions of the lease.

35. TOTALITY OF AGREEMENT: This lease contains the entire agreement between the parties and no modifications or amendments shall be effective unless embodied in writing signed by both parties hereto.

36. ASSIGNMENT: Lessee hereby acknowledges notice that the rentals payable under this lease have been assigned to General Motors Acceptance Corporation and agrees to make all future rental payments due the Lessor to GMAC at such address as GMAC may hereafter designate in writing.

GMAC shall have no obligation or liability under this lease, nor shall GMAC be required or obligated in any manner to perform or fulfill any obligations of the Lessor under this lease.

This lease shall be subject and subordinate to the security agreement held by GMAC covering the vehicle.

EXHIBIT 3

ESCROW AGREEMENT

THIS AGREEMENT entered into by JOHN K. KANE, an individual (hereinafter "Purchaser"), PAUL EFSTRATION, an individual (with trade name HERCULES MOVERS) (hereinafter "Seller"), and NINA A. RIASANOVSKY, ESQUIRE, an attorney licensed to practice in the Commonwealth of Pennsylvania (hereinafter "Escrow Agent"), this 29th day of MAY, 1990.

W I T N E S S E T H

WHEREAS, Seller and Purchaser have entered into an Agreement of Sale, dated MAY 29, 1990, pursuant to which Seller has agreed to sell and Purchaser has agreed to buy from Seller all of Seller's business known as Hercules Movers and all of the Pennsylvania Public Utility Commission ("PPUC") common carrier operating authority issued to Seller at Docket No. A-00105102, Folder 1, and A.-00095712, Folder 2 (collectively the "Operating Authority") on the terms and conditions set forth in the parties' Agreement of Sale, a copy of which has been delivered to the Escrow Agent.

WHEREAS, the Agreement of Sale provides that Two Thousand Dollars (\$2,000) shall be deposited by Purchaser in escrow, which funds are ultimately to be paid to Seller or returned to Purchaser, under the circumstances and upon the conditions set forth below.

NOW, THEREFORE, in consideration of the covenants and agreements contained in the Agreement of Sale, and this Escrow

Agreement and intending to be legally bound hereby, the parties mutually agree as follows:

I. ESCROW AGENT

1.1 Seller and Purchaser do hereby appoint and designate Nina A. Riasanovsky, Esquire, as the Escrow Agent for the purposes set forth below. Escrow Agent shall not be held liable hereunder in the absence of its gross neglect or willful default.

II. ESCROW FUND

2.1 At the time of execution of this Escrow Agreement, or prior thereto, Purchaser shall pay to Escrow Agent Two Thousand Dollars (\$2,000), which amount shall be deposited by Escrow Agent in a depository of its choice in the Commonwealth of Pennsylvania.

2.2 Upon payment to the Escrow Agent, receipt of which is acknowledged by Seller and by Escrow Agent by execution hereof, said sum shall become the Escrow Fund (hereafter referred to as the "Escrow Fund").

2.3 All interest earned by the Escrow Fund shall be paid to Purchaser.

III. DISPOSITION OF ESCROW FUND

3.1 At Closing, as defined in Section IV of the Agreement of Sale, the Escrow Agent shall pay over and deliver unto Seller the Escrow Fund.

3.2 If the Agreement of Sale is terminated in accordance with Section VIII thereof, the Escrow Fund shall be paid by the Escrow Agent to Purchaser within thirty (30) days following

termination; Provided, if arbitration has been duly and timely demanded in accordance with paragraph 7.4 of the Agreement of Sale, distribution of the Escrow Fund shall be withheld pending decision by the arbitrators and, following notice of such decision to Escrow Agent, shall be retained, distributed or dealt with by Escrow Agent in accordance with the decision of the arbitrators.

3.3 In the event the Conditions to Closing set forth in Section VI of the Agreement of Sale are met and Purchaser fails or refuses to consummate the sale without good cause as set forth in the Agreement of Sale, Escrow Agent shall pay the Escrow Fund to Seller within ten (10) days following Seller's written demand as liquidated damages for the Purchaser's breach of the Agreement of Sale. In such event, and following such payment, Seller will have no further cause of action against Purchaser on account of the breach or under the Agreement of Sale.

3.4 In the event the Conditions to Closing as aforesaid are met and Seller fails or refuses to consummate the transaction set forth in the Agreement of Sale, Escrow Agent shall pay the Escrow Fund to Purchaser within ten (10) days following its written demand; provided, such payment shall not act to extinguish any cause of action which Purchaser may then have against Seller for failure to consummate the transaction under the Agreement of Sale.

IV. WRITTEN DEMAND UPON ESCROW AGENT/NOTICES

4.1 The party making a written demand upon the Escrow Agent shall concurrently with the making of such demand, give notice to the other party of such demand by sending a copy thereof to the other party by registered or certified mail.

4.2 Written demand upon Escrow Agent shall be deemed to have been sufficient if sent by registered or certified mail, postage prepaid, addressed as follows:

Nina A. Riasanovsky, Esquire
8617 Trumbauer Drive
Wyndmoor, PA 19118

4.3 Notice of written demand upon the Escrow Agent shall be deemed to have been sufficiently given if sent by registered or certified mail, postage prepaid, addressed as follows:

If to Seller, to:

Paul Efstration
56 S. Sproul Road
Broomall, PA 19008

If to Purchaser, to:

John K. Kane
79 Woodbine Court
Horsham, PA 19044

IN WITNESS WHEREOF, this Escrow Agreement has been duly executed, by the parties hereto as of the day and year first above written.

SELLER:

HERCULES MOVERS

Anthony A. Kuc
Attest

By: Paul Estration
Paul Estration, Owner

PURCHASER:

JOHN K. KANE

Anthony A. Kuc
Attest

By: John K Kane
John K. Kane

ESCROW AGENT:

By: Nina A. Riasanovsky
Nina A. Riasanovsky, Esquire

July 13, 1990

IN REPLY PLEASE
REFER TO OUR FILE

John K. Kane
79 Woodbine Court
Horsham, PA 19044

In re: A-00109368 - Application of John K. Kane

Dear Sir:

Acknowledgement is made of an application filed by you for the rights of Paul Efstration, t/d/b/a Hercules Movers.

The application has been captioned as attached and will be submitted for review, provided no protests are filed on or before August 6, 1990. If protests are filed, you will be advised as to further procedure.

This application is accepted with the understanding that Paul Efstration, t/d/b/a Hercules Movers 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.

You are further advised that the above application will be published in the Pennsylvania Bulletin of July 14, 1990.

Very truly yours,

David Ehrhart
Supervisor - Application Section
Bureau of Transportation

DE:RP:rs

**DOCUMENT
FOLDER**

DOCKETED
APPLICATION DOCKET
JUL 16 1990
ENTRY No.

A-00109368 JOHN K. KANE (79 Woodbine Court, Horsham, Montgomery County, PA 19044) - household goods, personal effects and property used or to be used in a dwelling where a part of the furnishings, equipment or supplies of such dwelling are an incidental part of the removal by the householder from one dwelling to another; between points within a radius of eight miles of the post office at the village of Berwyn, Easttown Township, Chester County; household goods, in use, from points in the county of Delaware to other points in Pennsylvania; and property usual to use in a household when a part of such household equipment or supply; furniture, fixtures, equipment and the property usual in a store, office, museum, institution, hospital or other establishment when a part of the stock, equipment or supply of such store, office, museum, institution, hospital or other establishment; works of art, furniture, musical instruments, displays, exhibits, and articles requiring specialized equipment and equipment usually employed in moving household goods, between points in the county of Delaware; which is to be a transfer of the rights authorized under the certificate issued at A-00105102 to Paul Efstration, t/d/b/a Hercules Movers, subject to the same limitations and conditions.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

SERVICE OF NOTICE OF MOTOR CARRIER APPLICATIONS

DATE _____

SERVICE _____

JUL 14 1990

BUREAU OF TRANSPORTATION
COMMON CARRIER
JUNE 1990

A-00109368

Application of John K. Kane, for the right to begin to transport, as a common carrier, by motor vehicle, household goods, personal effects and property used or to be used in a dwelling where a part of the furnishings, equipment or supplies of such dwelling are an incidental part of the removal by the householder from one dwelling to another; between points within a radius of eight miles of the post office at the village of Berwyn, Eastown Township, Chester County; household goods, in use, from points in the county of Delaware to other points in Pennsylvania; and property usual to use in a household when a part of such household equipment or supply; furniture, fixtures, equipment and the property usual in a store, office, museum, institution, hospital or other establishment when a part of the stock, equipment or supply of such store, office, museum, institution, hospital or other establishment; works of art, furniture, musical instruments, displays, exhibits, and articles requiring specialized equipment and equipment usually employed in moving household goods, between points in the county of Delaware; which is to be a transfer of the rights authorized under the certificate issued at A-00105102 to Paul Efstration, t/d/b/a Hercules Movers, subject to the same limitations and conditions.

MW:np
6/22/90

Application received: 6/1/90
Application docketed: 6/21/90

NH

DOCUMENT
FOLDER

DOCKETED APPLICATION DOCKET JUL 16 1990 ENTRY No. _____ <i>ME</i>

AUG 06 1990

Protests due on No Hearings _____
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.