

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

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

99 AUG -5 AM 10:31

RECEIVED
SECRETARY'S BUREAU

Application of MAIN LINE TRANSIT SERVICE, INC.
(Applicant/Transferee-Buyer)

for the approval of the transfer and to exercise the right

as a Common carrier, described at Docket
(common-contract)

No. A-00089018, Folder No. 2, Am-D, issued to

BENNETT TAXI SERVICE, INC.
(Transferor - Seller)

for transportation of Persons in paratransit service
(persons-household goods)

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TRANSPORTATION & SAFETY
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SEE INSTRUCTIONS BEFORE COMPLETING APPLICATION

1. MAIN LINE TRANSIT SERVICE, INC.
(full and correct name of applicant/transferee)

2. MAIN LINE TRANSIT SERVICE, INC.
(Trade name, if any)

The trade name HAS been registered with the Secretary of the Commonwealth
(has or has not)

on June 14, 1999 (attach copy of stamped registration form).
(date)

3. 303 East Church Rd. (P.O. Box, if any)
(Business street address)

King of Prussia, Pennsylvania

(City) (County) (State)

19406 610-277-8636
(zip) (Telephone)

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

Thomas M. Keenan, Esc., 376 East Main Street
(Name) (Address) (Telephone) 610-489-6170

A-116172

5. Any documents should be mailed to:

Transferee: Clifford Kingsley 303 E.Church Rd. King of Prussia, Penna. 19406
(Name) (Address)

Transferor: Bennett Taxi Service Inc. P.O. Box 342 Bryn Mawr, Penna. 19010
(Name) (Address)

6. Applicant does not hold Pa. P.U.C. 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 at Docket No. _____
(does or does not)

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 Pennsylvania

and qualified to do business in Pennsylvania by registering with the Secretary of the Commonwealth

on June 14, 1999 (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 stockholder 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.

10. Applicant proposes to acquire part of the operating rights now held by transferor. Attach sheet
(all or part)

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 Asset Acquisition

VERIFICATION OF APPLICATION

I/We hereby state that the statements made in the application are true and correct to the best of my/our knowledge, information belief.

The undersigned understand(s) that false statements herein are made subject to the penalties of 18 Pa. C. S. Section 4904 relating to unsworn falsification to authorities.

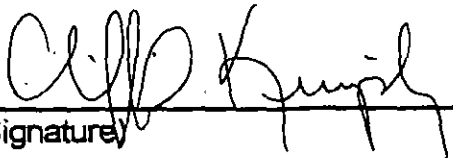
TRANSFEROR (SELLER)

ROBERT TILLMAN  7/29/99
(Print Name) (Signature) (Date)

(Print Name) (Signature) (Date)

(Print Name) (Signature) (Date)

TRANSFeree (BUYER)

CLIFFORD KINGSLEY  7/29/99
(Print Name) (Signature) (Date)

(Print Name) (Signature) (Date)

(Print Name) (Signature) (Date)

This section must be completed by a representative of the transferor and transferee, if a sole proprietor by the individual; by all partners, if a partnership; or by the President or Secretary if a corporation.

ASSET PURCHASE AGREEMENT
FOR THE PURCHASE OF
MAIN LINE PARATRANSIT AND THE CONNECTOR

068592

This Asset Purchase Agreement dated this 1st day of August, 1999, is between **MAIN LINE TRANSIT SERVICE, INC.**, 303 East Church Road, King of Prussia, Pennsylvania, 19406, **CLIFFORD KINGSLEY** and **BARBARA KINGSLEY**, of 201 School Lane, Norristown, Pennsylvania, 19403, ("Purchasers"); and **BENNETT TAXI SERVICE, INC.** and/or **ROBERT B. TILLMAN** (collectively "Sellers") of P.O. Box 342, Bryn Mawr, Pennsylvania, 19010. In consideration of the mutual covenants herein and intending to be legally bound hereby, the parties agree as follows:

SECRETARY'S BUREAU
 9:00 AM
 8/11/99

Section 1. Sale and Purchase of the Assets.

1.1 Purchase and Sale. The Sellers own the fictitious names Main Line Paratransit and The Connector. Sellers also own fourteen vehicles which are further described in Exhibit "D". In addition, the companies, Main Line Paratransit and The Connector, have certain PUC certificates, permits and licenses which have been awarded to them and belong to certain membership associations which have certain paratransit rights. Sellers wish to sell and Purchasers wish to purchase all of the above assets on the terms and conditions subject to the representations, conditions and warranties set forth herein.

Section 2. Purchase Price for the Assets; Security for Sellers.

The purchase price for the assets shall be Two Hundred Fifty Thousand Dollars (\$250,000.00) ("Purchase Price"), which shall be payable as follows.

A. Ten Thousand Dollars (\$10,000.00) was paid upon the execution of

the Letter of Sale (Exhibit "A").

B. Ten Thousand Dollars (\$10,000.00) to be paid upon the execution of this Purchase Agreement.

C. Thirty Thousand Dollars (\$30,000.00) will be paid at closing, which will be held upon the satisfaction of the contingencies in this Agreement, including the PUC approvals.

D. A Promissory Note for One Hundred Fifty Thousand Dollars (\$150,000.00) for the term of five (5) years, payable Eight Thousand Seven Hundred Thirty-Six and 86/100 Dollars (\$8,736.86) per quarter, which includes interest at the rate of six percent (6%) to Robert B. Tillman. (Note attached as Exhibit "B").

E. A Promissory Note for Fifty Thousand Dollars (\$50,000.00) for a term of five (5) years payable quarterly in the amount of Nine Hundred Sixty-Six and 54/100 Dollars (\$966.54), which includes six percent (6%) interest, shall also be paid to Robert B. Tillman. This Note represents payments upon the covenant not to compete.

F. Clifford Kingsley and Barbara Kingsley agree to personally guarantee the payment of the One Hundred Fifty Thousand Dollar (\$150,000.00) Promissory Note and the Fifty Thousand Dollar (\$50,000.00 Promissory Note (Personal Guarantee attached as Exhibit "C").

G. Sellers shall have a continuing security interest in the receivables of Suburban Transit, hereafter acquired by the Purchasers from Sellers as collateral security for Purchasers' payment obligations contained in this Agreement. At the

time of closing, Purchasers agree to execute such financing statements as Sellers may reasonably require to perfect Sellers' security interests in the Suburban Transit receivables.

Section 3. Allocation of Purchase Price.

3.1 The Allocation.

The allocation of the purchase price is as follows:

Vehicles	\$85,000.00
Office Equipment	10,000.00
Covenant Not to Compete	50,000.00
Goodwill	80,000.00
PUC Permits	25,000.00

3.2 Compliance with IRS Code Section 1060. The parties agree that the values for the assets being conveyed are the result of arms-length bargaining are fair and reasonable and shall be binding upon the parties for all purposes including, without limitation, federal income tax purposes. Buyer and Seller agree to comply with the provisions of Section 1060 of the Internal Revenue Code of 1986, as amended, and all regulations promulgated thereunder and to report the purchase and sale in a mutually consistent fashion in accordance with the allocation set forth in this Agreement. Buyer and Seller acknowledge and agree that the allocation of the Purchase Price is based upon the fair market value of the assets being sold and purchased.

Section 4. Closing; Transfer of Assets.

4.1 Closing. The closing of the sale and purchase of the assets shall take place at the law firm of Keenan, Ciccitto & Brant within five (5) business days of the final PUC approval of the transfer of the rights under existing certificates, permits, and licenses to Purchasers.

4.2 Title to Vehicles. At the closing, the Sellers shall deliver to the Purchasers

all titles to the fourteen (14) vehicles, including six (6) vans and eight (8) sedans. In addition, at the closing, Seller shall transfer the fictitious names Main Line Paratransit and The Connector to Purchasers.

Section 5. Representations and Warranties of Sellers.

The Sellers hereby represent and warrant to the Purchasers, intending for the Purchasers to rely hereon, as follows:

5.1 Sellers own all of the fourteen (14) vehicles listed on Exhibit "D" free and clear of any encumbrances and they are all in operating condition. If any vehicle is leased, the Lease will be transferred to Purchasers, all payments will be current to date of transfer.

5.2 Compliance with Law and Other Instruments and PUC Rules and Regulations.

Sellers warrant that Bennett Taxi Service, Inc. d/b/a Main Line Paratransit is not in violation of any term or provision of any PUC Rules or Regulations and that the Sellers are the holders of certificate No. A.00084018 issued August 16, 1996; call or demand and paratransit, also issued August 16, 1996, both effective September 20, 1996, and is not in violation of any term or provision of these Certificates. Sellers warrant that they are not in violation of any term or provision of any charter, by-law, mortgage, indenture, contract, agreement, instrument, judgment, decree, order, statute, rule or regulation; and Sellers' execution and delivery of, and performance of and compliance with, this Agreement will not result in the violation of, or being in conflict with, or constitute a default under, any term or provision of the foregoing.

5.3 Sellers have the PUC certificates, permits and licenses, which they are transferring, as attached in Exhibit "E".

5.4 Sellers understand that the names, Main Line Paratransit and The Connector

are to be retired and Sellers affirm that:

A. There is no dispute, claim, action, suit, proceeding, arbitration or governmental investigation, either administrative or judicial, pending, or to the knowledge of the Sellers threatened, against, or related to the above names or their businesses; and

B. The businesses are not in default with respect to any order, writ, injunction or decree of any court or governmental department, commission, board, bureau, agency or instrumentality, which involves the possibility of any judgment or liability; and

C. The company has filed or caused to be filed all federal, state and local tax returns and reports which are due and required to be filed and has paid or caused to be paid all taxes due through the date of settlement.

D. If there are disputes as in paragraph A above, or judgments or liabilities as in B above, or taxes owed as in C above, which become the responsibility of the Buyer, in that event, the Buyer shall have the right of offset upon the Note being executed to Sellers, for any amount which may become owed by Buyer under the above circumstances. This shall not interfere with Sellers' right to defend any of the above matters.

5.5 Sellers warrant that there are no employment contracts and no union agreements or pending union negotiations or elections with any employees of Bennett Taxi Service, Inc. or Main Line Transit or The Connector.

Section 6. Agreement of the Parties.

In addition to the representations and warranties contained in this Agreement, the parties hereby agree that the following terms are a material part of this transaction.

6.1 Only the fictitious names of Main Line Paratransit and The Connector, the PUC rights, association memberships, and the vehicles, are being purchased by Purchasers. No stock in Bennett Taxi Service, Inc. is being purchased and it is not the intent of this Agreement to transfer any stock or corporate liabilities or assets other than those specifically delineated to Purchasers.

6.2 Security of Sellers. The Note is an integral part of this transaction and default under the Note is also a default under this Agreement.

6.3 Transfer of Licenses with the Pennsylvania Public Utility Commission.

A. The parties shall work together to effectuate the transfer of any certificates, permits or licenses necessary for Purchasers to operate the company.

B. The transfer of the certificates, permits and licenses is material to this Agreement. In the event that the PUC or any other governmental agency will not approve the transfer after reasonable efforts, the Agreement will be declared null and void and the parties will be returned to their respective positions prior to settlement.

Section 7. Default.

7.1 Default of Sellers. In the event that the Sellers default in the performance of any obligations set forth herein, Purchasers shall be entitled to revoke the Agreement and to obtain the return of any and all funds expended in the purchase hereof in addition to any rights afforded the

Purchasers under the terms of this Agreement.

7.2 Default by Purchasers. In the event that the Purchasers default in carrying out any of their obligations set forth hereunder, Sellers shall have the right to declare the Agreement null and void and to obtain the return of any items transferred in reliance upon the Agreement.

Section 8. Management Agreement.

Pending PUC approval, the vehicles and management of the operating authority which are to be sold will be transferred to Purchasers. This transfer will occur on the 1st day of August, 1999. Purchasers will be permitted to establish their new business and to utilize the vehicles and operating authority and all other assets anticipated to be sold pending the conclusion of the sale. This will be at Purchasers' risk and if the PUC does not transfer the operating authority within nine (9) months of the date of this transfer, Purchasers must return all items transferred to Purchasers in the same condition as he received them, fair wear and tear accepted and any monies which have been exchanged will be returned. The parties will be placed in their original position as nearly as possible, except for the profits of the corporation during that period of time which shall go to the manager (Purchasers) thereof. The vehicles will continue to be insured by the present insurance carrier and Main Line Transit will be named as an additional insured. Payments for insurance will be paid by the new management for insurance which accrues after August 1, 1999.

Section 9. Covenant Not to Compete.

Sellers agree that for a period of five (5) years, they or any company with which they are affiliated in any way, will not compete with any of the PUC routes, certificates, permits or licenses transferred.

Section 10. Miscellaneous.

10.1 Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with the laws of the Commonwealth of Pennsylvania.

10.2 Assignment. This Agreement shall not be assignable by either party without the prior written approval of the other party. To the extent assignable, the Agreement shall be binding upon, and enure to the benefit of, the Purchasers and the Sellers and their respective heirs, executors, administrators and assigns.

10.3 Severability. If any part or portion of this Agreement is held to be illegal, unlawful, unconstitutional or otherwise unenforceable, it shall not effect the rest of the Agreement which will be deemed to remain in full force and effect to the exclusion of that section.

Section 11. Headings for Reference Only.

The section and paragraph headings in this Agreement are for convenience of reference only and shall not be deemed to modify or limit the provisions of this Agreement.

Section 12. Notices.

Any notice, communication, demand or other writing (a "notice") required or permitted to be given, made or accepted by any party to this Agreement shall be given by personal delivery or by depositing the same in the United States mail, properly addressed, postage pre-paid and registered or certified with return receipt requested. A notice given by personal delivery shall be effective upon delivery and a notice given by registered or certified mail shall be deemed effective on the second day after such deposit. For purposes of notice, the addresses of the parties shall, until changed by a notice given in accordance herewith, as follows:

If to the Purchasers:
Main Line Transit Service, Inc.
303 East Church Road
King of Prussia, Pennsylvania 19406

With a required copy to:
Thomas M. Keenan, Esquire
KEENAN, CICCITTO & BRANT
376 East Main Street
P.O. Box 26460
Collegetown, Pennsylvania 19426

If to the Sellers:
Bennett Taxi Service, Inc.
Robert B. Tillman
P.O. Box 342
Bryn Mawr, Pennsylvania, 19010

With a required copy to:

Section 13. Entire Agreement and Amendment.


This Agreement states the entire agreement reached between the parties hereto with respect to the transactions contemplated hereby and supersedes all prior or contemporaneous agreements, understandings, representations and warranties between the parties, and may not be amended except by written instrument executed by the parties hereto.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the day and year first above written.

MAIN LINE TRANSIT SERVICE, INC.





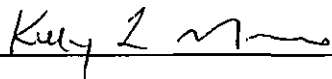


CLIFFORD KINGSLEY



BARBARA KINGSLEY

BENNETT TAXI SERVICE, INC.







ROBERT B. TILLMAN

Transferee

STATEMENT OF FINANCIAL CONDITION

Income Statement

For the 12-month period ending _____ PROJECTED _____

REVENUE and GAINS

Operating Revenue	500,000
Net Revenue from non-carrier operation	_____
Dividend and interest revenues	_____
Other non-operating revenue	_____
Gains	_____
Total Revenue and Gains	<u>500,000</u>

EXPENSES

Equipment maintenance and Garage Expense	55,000
Insurance Expense	40,000
Employee salaries	} 255,000
Supervisory Salaries	
Officer Salaries	_____
Fuel Expense	25,000
Purchased Transportation(Lease Expense)	5,000
Materials and Supplies Expense	20,000
General Office Expense	15,000
Advertising Expense	3,000
Telephone Expense	6,000
Accounting Expense	2,000
Legal Expense	2,000
Uncollectible Revenue	—
Depreciation Expense	18,000
Amortization	—
Operating Taxes and Licenses	35,000
Rent Expense	15,000
Loss	_____
Total Operating Expenses and Losses	<u>496,000</u>
Net Income before Taxes	_____
Provision for Income Taxes	_____
Net Income (Loss)	<u>4,000</u>

Main Line Transit Service, Inc.
 Opening Balance Sheet, August 1, 1999

Assets

Cash in Bank	\$35,000
Vehicles	85,000
Office Furniture & Equipment	10,000
Non-Compete Agreement	50,000
PUC Permits	25,000
Goodwill	<u>80,000</u>
Total Assets	\$285,000 =====

Liabilities

Note payable seller (5 year term, payments of \$8,736.86 quarterly including interest at 6% per annum)	\$150,000
Note payable seller (5 year term, payments of \$966.54 monthly including interest at 6% per annum)	<u>50,000</u>
Total Liabilities	<u>200,000</u>

Contributed Capital:

Common Stock, \$1 par value; 1,000 shares authorized, 100 shares issued and outstanding	100
Paid-in capital	<u>84,900</u>

Total Contributed Capital 85,000

Total Liabilities and
Contributed Capital \$285,000
=====

Microfilm Number 9944-891

Filed with Department of State on JUN 14 1999

Entry Number 2882308

Kim Fitzgerald
Secretary of the Commonwealth

ARTICLES OF INCORPORATION-FOR PROFIT

DSCB:15-1306/2102/2303/2702/2903/7102A (Rev 90)

Indicate type of domestic corporation (check one):

- Business-stock (15 Pa.C.S. § 1306)
- Business-nonstock (15 Pa.C.S. § 2102)
- Business-statutory close (15 Pa.C.S. § 2303)
- Management (15 Pa.C.S. § 2702)
- Professional (15 Pa.C.S. § 2903)
- Cooperative (15 Pa.C.S. § 7102A)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) the undersigned, desiring to incorporate a corporation for profit hereby state(s) that:

1. The name of the corporation is: Main Line Transit Service, Inc.

2. The (a) address of this corporation's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) <u>846 N. Lewis Road</u>	<u>Limerick</u>	<u>PA</u>	<u>19468</u>	<u>Montgomery</u>
Number and Street	City	State	Zip	County

(b) c/o: _____
 Name of Commercial Registered Office Provider County

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

3. The corporation is incorporated under the provisions of the Business Corporation Law of 1988.

4. The aggregate number of shares authorized is: 1,000 (other provisions, if any, attach 8 1/2 x 11 sheet)

5. The name and address, including street and number, if any, of each incorporator is:

Name	Address
<u>Thomas M. Keenan, Esq.</u>	<u>376 East Main Street</u> <u>P.O. Box 26460, Collegetown, PA 19426</u>

6. The specified effective date, if any, is: 6 1 99
month day year hour, if any

7. Any additional provisions of the articles, if any, attach an 8 1/2 x 11 sheet.

8. Statutory close corporation only: Neither the corporation nor any shareholder shall make an offering of any of its shares of any class that would constitute a "public offering" within the meaning of the Securities Act of 1933 (15 U.S.C. § 77 seq.).

JUN 14 1999

SIA
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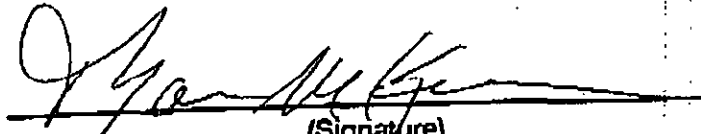
99 892

9. Cooperative corporations only: (Complete and strike out inapplicable term) The common bond of membership among its members/shareholders is _____

IN TESTIMONY WHEREOF, the incorporator~~s~~ has ~~have~~ signed these Articles of Incorporation this 8th day of

June, 1999.

(Signature)


(Signature)
Thomas M. Keenan, Esquire

JUL 20 1999 8:49AM

DEPT. of TRANSP. & SAFETY Hbg. Pa.

NO. 0551

P. 2

Certificate No. A-00089018
Folder 2, Am-D

Paratransit - Pa.P.U.C. No. 8
Cancels
Paratransit - Pa.P.U.C. No. 7

BENNETT TAXI SERVICE, INC.
t/d/b/a
MAIN LINE AIRPORT SERVICE
t/d/b/a
BENNETT AIRPORT SERVICE
t/d/b/a
MAIN LINE PARATRANSIT
and t/d/b/a
THE CONNECTOR

068993

RATES AND RULES

GOVERNING THE

TRANSPORTATION OF

PERSONS

(as designated herein)

FILED
SECRETARY'S BUREAU

99 AUG -5 AM 10:31

ISSUED: July 19, 1999

EFFECTIVE: August 27, 1999

ISSUED BY: Robert B. Tillman, President
P. O. Box 342
Bryn Mawr, PA 19010
(610) 527-5813

LIST OF CHANGES MADE BY THIS TARIFF

Rules and Regulations are amended to include Item 6. Group Rates and Item 7 Hourly Rates and definition are established. Schedule of Rates Heading is added. Shared Ride Rates are increased from \$7.50 to \$8.50 for the first zone and each subsequent zone is increased \$1.00 for 1 to 4 passengers, and from \$6.50 to \$7.50 for the first zone and each subsequent zone is increased \$1.00 for 5 to 25 passengers. All trips originating or terminating outside the above described zone areas (Zone A-1 to Zone A-7 - 1 to 4 Passengers) establish a charge of \$20.00 per person per trip in lieu of the Zone Rate plus \$2.10 per mile.

OPERATING AUTHORITY

To transport, as a common carrier, persons, in paratransit service, between points in the township of Upper Merion, Lower Merion and the borough of Narbeth, Montgomery County, and the townships of Radnor, Haverford, Marple and Newtown, Delaware County;

subject to the following conditions:

- (a) That the service herein authorized shall be rendered in vehicles, without the use of taxi meters or dome lights.
- (b) That the service herein authorized is limited to transportation in a vehicle not limited to individual use, for which reservations are made not later than the previous calendar day;
- (c) That the service authorized may be performed in vehicles having a seating capacity of twenty-five (25) passengers or less, excluding the driver.

RULES AND REGULATIONS

1. ADVANCE RESERVATIONS:

Reservations must be made no later than the previous day.

2. WAITING TIME:

First five (5) minutes - no charge

After five (5) minutes - \$1.00 for each five (5) minutes or fraction thereof.

3. ESCORT SERVICE:

If an escort or attendant is required due to health, disability or age of the primary passenger, a charge of \$1.00 will be made, in lieu of all other charges. A letter signed by a physician, attesting to the need of an escort, will be required and must be filed with the carrier.

4. SENIOR CITIZEN RATES:

The rates for senior citizens, showing proper identification, will be 15% of the shared ride rate (rounded upward to the nearest \$.05); provided that this carrier is under contract with the Pennsylvania Department of Transportation to participate under the provisions of Section 704 of Act 36 of 1991 (the Lottery Fund Preservation Act).

5. CONTRACT CLAUSE:

Contract services provided will be for a term of not less than 30 days for prequalified persons under a federal, state, county or municipal government agency contract. Rates for the services will be specified in the respective contracts, copies of which, including any amendments thereto, are to be filed with the Commission as executed, to become effective on one day's notice.

6. GROUP RATES: (C)

Group Rates for other than senior citizens will be at hourly rates with a common origin or destination.

7. HOURLY RATES: (C)

Hourly rates apply from the time the vehicle leaves carrier's garage until the vehicle returns to carrier's garage.

(C) Indicates change or addition

SCHEDULE OF RATES (C)

GROUP RATES: (C)

Sedan	\$45.00 per hour
Van	\$60.00 per hour

Total charges under this section are divisible by the number of passengers carried per trip.

SHARED RIDE RATES (PER PERSON)

1. SHARED RIDE RATES:

	1 to 4 Persons	5 to 25 Persons
	\$	\$
First Zone	8.50 (A)	7.50 (A)
Each subsequent zone	3.00	2.00

2. DESCRIPTION OF ZONES (See Map)

- Zone A-1: All of Radnor Township, Delaware County
- Zone A-2: All of Haverford Township, Delaware County
- Zone A-3: All of Lower Merion Township, Montgomery County
northwest of Mill Creek Road, Anderson Avenue, and
Ardmore Avenue; and that portion of Montgomery Avenue
between Mill Creek Road and Anderson Avenue, and that
portion of Lancaster Avenue between Anderson Avenue
and Ardmore Avenue.
- Zone A-4: All of Lower Merion Township, Montgomery County,
southeast of Mill Creek Road, Anderson Avenue, and
Ardmore Avenue; and that portion of Montgomery Avenue
between Mill Creek Road and Anderson Avenue, and that
portion of Lancaster Avenue between Anderson Avenue
and Ardmore Avenue.
- Zone A-5: All of Marple Township, Delaware County
- Zone A-6: All of Newtown Township, Delaware County
- Zone A-7: All of Upper Merion Township, Montgomery County

3. TRIPS BEYOND THE ZONE ARE: (A)

All trips originating or terminating outside the designated zoned areas will be charged \$20.00 per person per trip.

- (A) Indicates increase
- (C) Indicates change or addition

SHARED RIDE RATES (PER PERSON) (CONTINUED)

ONE (1) TO FOUR (4) PASSENGERS

3. SHARED RIDE FARES BETWEEN ZONES (A)

BETWEEN:

	A-1	A-2	A-3	A-4	A-5	A-6	A-7
	\$	\$	\$	\$	\$	\$	\$
A-1	8.50	11.50	11.50	14.50	11.50	11.50	11.50
A-2		8.50	11.50	11.50	11.50	14.50	14.50
A-3			8.50	11.50	14.50	14.50	11.50
A-4				8.50	14.50	17.50	14.50
A-5					8.50	11.50	14.50
A-6						11.50	14.50
A-7							8.50

(A) Indicates increase

SHARED RIDE RATES (PER PERSON) (CONTINUED)

4. SHARED RIDE FARES BETWEEN ZONES: (A)

FIVE (5) TO TWENTY-FIVE (25) PASSENGERS:

BETWEEN:

	A-1	A-2	A-3	A-4	A-5	A-6	A-7
	\$	\$	\$	\$	\$	\$	\$
A-1	7.50	9.50	9.50	11.50	9.50	9.50	7.50
A-2		7.50	9.50	9.50	9.50	11.50	11.50
A-3			7.50	9.50	11.50	11.50	9.50
A-4				7.50	11.50	13.50	11.50
A-5					7.50	9.50	11.50
A-6						7.50	11.50
A-7							7.50

(A) Indicates increase

NON-NEGOTIABLE PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, **MAIN LINE TRANSIT SERVICE, INC.** ("Maker") promises to pay to **BENNET TAXI SERVICE, INC.** or **ROBERT TILLMAN B. TILLMAN** ("Payee"), at Payee's address, P.O. Box 342 Bryn Mawr, Pennsylvania, 19010, or at such other address as may be designated in writing by Payee, the principal sum of **ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000.00)** in lawful money of the United States of America, for the term of five (5) years, payable **EIGHT THOUSAND SEVEN HUNDRED THIRTY-SIX AND 86/100 DOLLARS (\$8,736.86)** per quarter, which includes interest at the rate of six percent (6%) The Maker may repay the entire obligation outstanding at any time without any penalty or premium.

This Note is given as a portion of the purchase price for a portion of the assets of Bennet Taxi Service, Inc. including Main Line Paratransit and The Connector, in accordance with an Asset Purchase Agreement of even date herewith between Maker and Payee.

Any of the following shall be an "Event of Default" hereunder:

(a) Maker fails to make payment of any installment of principal and interest when due and such failure continues for a period of fifteen (15) days after Maker receives written notice thereof from Payee; or

(b) Maker sells or agrees to sell any of its assets to include the disposition of licenses and tariffs issued by the Pennsylvania Public Utility Commission without the prior written approval of the Payee; or

(c) A decree or order for relief is entered by a court having jurisdiction over the property of Maker in an involuntary case under the federal bankruptcy laws, as now or hereinafter constituted, or under any other applicable federal or state bankruptcy, insolvency or other similar law, or a

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receiver, liquidator, assignee, custodian, trustee of Maker or for any substantial part of its property is appointed, or the winding up or liquidation of his/its affairs as ordered and any such decree or order continues unstayed and in effect for a period of sixty (60) consecutive days, or Maker commences a voluntary case under the federal bankruptcy laws, as now constituted or hereinafter amended, or under any other applicable federal or state bankruptcy, insolvency or other similar law, or Maker consents to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian of Maker or for any substantial part of its property, or maker makes an assignment for the benefit of creditors or takes any action to dissolve or liquidate its business or Maker fails generally to pay the debts when they become due.

Upon the occurrence of an Event of Default, Payee may, at its option:

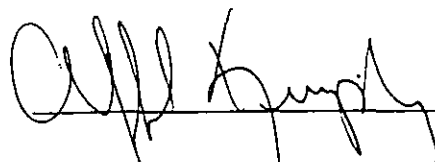
(1) Declare by written notice to Maker the entire unpaid principal and all interest accrued thereon to be immediately due and payable, without presentment, protest, notice of protest or other notice of dishonor, all of which are expressly waived by Maker; or

(2) Subject to the provisions elsewhere contained in this Note, exercise any and all other rights and remedies available to Payee at law, in equity, by statute or otherwise, concurrently, separately, successively or otherwise in the discretion of Payee.

THIS NOTE IS NOT NEGOTIABLE. Upon the death of the Payee, it may be transferred to the shareholders of the Payee, and, upon the death of any of the shareholders, it may be transferred to their heirs

IN WITNESS WHEREOF, the undersigned has caused this Promissory Note to be executed on the day and year first above written.

MAIN LINE TRANSIT SERVICE, INC.

 (SEAL)

NON-NEGOTIABLE PROMISSORY NOTE

FOR VALUE RECEIVED, the undersigned, **MAIN LINE TRANSIT SERVICE, INC.** ("Maker") promises to pay to **BENNET TAXI SERVICE, INC.** or **ROBERT TILLMAN B. TILLMAN** ("Payee"), at Payee's address, P.O. Box 342 Bryn Mawr, Pennsylvania, 19010; or at such other address as may be designated in writing by Payee, the principal sum of **FIFTY THOUSAND DOLLARS (\$50,000.00)** in lawful money of the United States of America, for a term of five (5) years payable quarterly in the amount of **NINE HUNDRED SIXTY-SIX AND 54/100 DOLLARS (\$966.54)**, which includes six percent (6%) interest. The Maker may repay the entire obligation outstanding at any time without any penalty or premium.

This Note represents the payment for the covenant not to compete included in the Agreement of Sale between Bennett Taxi Service, Inc. and Main Line Transit Service, Inc.

Any of the following shall be an "Event of Default" hereunder:

(a) Maker fails to make payment of any installment of principal and interest when due and such failure continues for a period of fifteen (15) days after Maker receives written notice thereof from Payee; or

(b) Maker sells or agrees to sell any of its assets to include the disposition of licenses and tariffs issued by the Pennsylvania Public Utility Commission without the prior written approval of the Payee; or

(c) A decree or order for relief is entered by a court having jurisdiction over the property of Maker in an involuntary case under the federal bankruptcy laws, as now or hereinafter constituted, or under any other applicable federal or state bankruptcy, insolvency or other similar law, or a receiver, liquidator, assignee, custodian, trustee of Maker or for any substantial part of its property

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is appointed, or the winding up or liquidation of his/its affairs as ordered and any such decree or order continues unstayed and in effect for a period of sixty (60) consecutive days, or Maker commences a voluntary case under the federal bankruptcy laws, as now constituted or hereinafter amended, or under any other applicable federal or state bankruptcy, insolvency or other similar law, or Maker consents to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian of Maker or for any substantial part of its property, or maker makes an assignment for the benefit of creditors or takes any action to dissolve or liquidate its business or Maker fails generally to pay the debts when they become due.

Upon the occurrence of an Event of Default, Payee may, at its option:

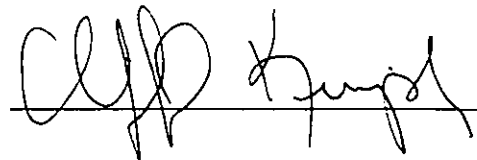
(1) Declare by written notice to Maker the entire unpaid principal and all interest accrued thereon to be immediately due and payable, without presentment, protest, notice of protest or other notice of dishonor, all of which are expressly waived by Maker; or

(2) Subject to the provisions elsewhere contained in this Note, exercise any and all other rights and remedies available to Payee at law, in equity, by statute or otherwise, concurrently, separately, successively or otherwise in the discretion of Payee.

THIS NOTE IS NOT NEGOTIABLE. Upon the death of the Payee, it may be transferred to the shareholders of the Payee, and, upon the death of any of the shareholders, it may be transferred to their heirs

IN WITNESS WHEREOF, the undersigned has caused this Promissory Note to be executed on the day and year first above written.

MAIN LINE TRANSIT SERVICE, INC.

 (SEAL)

MAIN LINE TRANSIT SERVICE, INC.

OFFICERS

CLIFFORD KINGSLEY, President

BARBARA KINGSLEY, Secretary

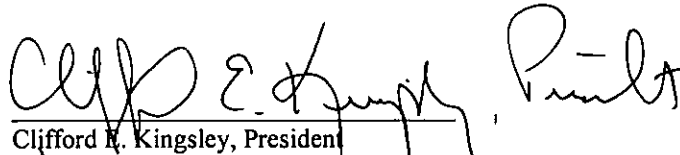
<u>YEAR</u>	<u>MAKE</u>	<u>TYPE</u>	<u>VIN</u>	<u>LIC #</u>
1991	PLYM.	MINI VAN	1P4GH44R9MX592322	BA40448
1993	DODGE	VAN	2B7KB3179RK515752	OB31019
1995	DODGE	VAN	2B7KB31Z8SK543213	BA40449
1989	DODGE	VAN	2B7KB31Z0KK376426	BA40450
1994	DODGE	VAN	2B5W35Z8RK163030	BA36845
1998	FORD	VAN	1FDWE30L3WHB77946	BA42725
1989	DODGE	SDN	1B3BA46K8KF485995	BA42161
1990	DODGE	SDN	1B3XA46K8LF888169	BA38340
1991	PLYM	SDN	1P3XA46K3MF821814	BA37846
1994	DODGE	SDN	3B3AA46K6RT234212	BA39336
1994	DODGE	SDN	3P3AA46K2RT204901	BA38344
1995	DODGE	SDN	1P3AA46K8SF556981	BA38343
1998	DODGE	SDN	1B3BD46KXJF229735	BA37345
1991	DODGE	SDN	1P3XA46K7MF647249	

STATEMENT OF TRANSFEREE'S EXPERIENCE

Prior to purchasing Main Line Paratransit and the Connector and forming Main Line Transit Service, Inc., I served as the President of Tri County Transit Service, Inc. for the last five years.

My executive and operating experience is "hands on" by overseeing daily operations of a full service transportation company which includes accounting; compliance with federal, state and local regulations and requirements; safety; employee relations; public relations; scheduling and routing; insurance; and contract procurement and compliance.

These years of experience in the transportation industry have more than prepared me for the ownership and operation of Main Line Transportation, Inc.


Clifford E. Kingsley, President
7/30/99.
Date



DATE AUGUST 1, 1999
TO: ALL EMPLOYEES
FROM: CLIFFORD E. KINGSLEY
 PRESIDENT

SUBJECT: COMPANY SAFETY POLICY

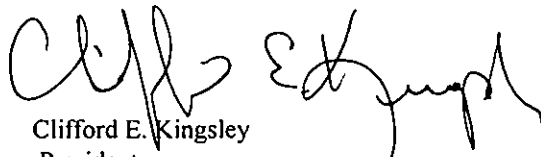
The management of Main Line Transit Service, Inc. is committed to fostering a safe and healthful working environment for all. The safety of our employees, the public, and company operations is our main concern. Safety will always take precedence over expediency or short cuts.

Our goal is to be totally accident free. Preventive measures can go a long way toward ensuring that accidents are minimized, both in frequency and severity. Every employee of Main Line Transit Service, Inc. must develop a sense of responsibility with regards to safety concerns and safe driving practices.

Outlined on the following pages you will find a list of general safety procedures which every employee is expected to follow in the areas of safety requirements, accident reporting and the penalties, along with the rewards for safe driving.

If you do have any questions, comments or suggestions regarding safety, please contact any member of the management team or myself.

Thank You


Clifford E. Kingsley
President

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SECRETARY'S BUREAU

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SAFETY REQUIREMENTS

.....Each driver at the start of his/her shift must complete a Driver's Pre-Trip Inspection Report and submit it daily for review by management and the vehicle maintenance staff.

.....Any safety deficiencies found during the pre trip inspection must be immediately brought to the attention of management and the vehicle maintenance supervisor.

ACCIDENT/INCIDENT REPORTING PROCEDURES

.....All emergencies and/or incidents requiring immediate attention (accidents, thefts, etc.) are to be reported to the dispatcher by radio or phone. The driver involved should provide whatever assistance that is needed at the scene, however under no circumstances are drivers to take any action that would put at risk either themselves, their passenger (s) or members of the public. If possible, stay with the vehicle so that you may maintain contact with the dispatcher.

.....In case of a vehicle accident, drivers are to follow the instructions contained in the Accident Package that should be found in the glove compartment. Drivers must be familiar with the contents of this booklet. An accident report must be completed for every accident a company vehicle is involved with, regardless of it's severity.

.....The police should be notified and called to the scene by the dispatcher.

TRANSNET REQUIREMENTS

.....Any driver providing TRANSNET service (Shared Ride, I.U., M.A., etc.) must attend training courses provided by TRANSNET.

.....Any driver providing TRANSNET service, regular or occasionally, will be required to undergo health certification on an annual basis.

GENERAL SAFETY PROCEDURES

.....Learn the proper way to perform your assigned job. If you do not understand what is required and the proper safe way of completing the job ask your supervisor. There is nothing wrong with asking questions and taking the time to master your responsibilities.

.....Work at a speed consistent with safety.

.....Notify a member of management of any potential hazard(s) in your workplace such as tripping hazards, faulty machine operation, mechanical malfunctions of vehicles, chemical/oil spills, etc.

.....Instructions or warning tags and signs must be obeyed. They are posted at strategic locations to point out hazards and prevent accidents.

.....Do not engage in practical jokes or horse play and avoid running unless necessary. Activities such as these often lead to accidents.

.....Unless it is part of your job description or responsibility, do not try to repair any type of equipment. Equipment which is broken or malfunctioning should be reported to management immediately upon discovery.

.....Check bulletin boards daily for new ideas concerning safety and changes in rules and regulations.

.....Obey all traffic signals and signs, including those on private property.

.....Never violate any of the laws, rules or regulations governing the licensing of drivers and/or operation of motor vehicles in Pennsylvania. This does include the Seat Belt Law.

.....Drivers may be held financially responsible for any damage caused by negligent driving on public or private roads and parking lots.

.....A driver may be required to undergo a medical examination by a physician or other health care provider as a result of an accident to ensure the health and ability to work of the employee involved in an accident. This examination may include testing for the presence of alcohol and/or other controlled substances. Failure to appear for a medical examination as scheduled will result in termination of employment.

PENALTIES

.....Penalties will be assessed on employees who are performing poorly from a safety aspect in their driving activities. These penalties may be assessed for violations committed on or off duty:

.....ONE PREVENTABLE ACCIDENT OR ONE MOVING VIOLATION WITHIN ONE YEAR
Penalty: Retraining (Defensive Driving Training Course) without pay.

.....TWO PREVENTABLE ACCIDENTS OR TWO MOVING VIOLATIONS OR ANY COMBINATION OF TWO
Penalty: Five (5) day suspension without pay

.....THREE PREVENTABLE ACCIDENTS OR THREE MOVING VIOLATIONS OR ANY COMBINATION OF THREE
Penalty: Immediate Dismissal

.....MAIN LINE TRANSIT SERVICE, INC. reserves the right to dismiss any employee who is found to be uninsurable by our insurance company.

.....Penalties are not retroactive.

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

MAIN LINE TRANSIT SERVICE INC
303 E CHURCH ST
KING OF PRUSSIA PA 19406

DATE 9/16/99
RECEIPT # 196086

IN RE: Application fees for MAIN LINE TRANSIT SERVICE INC

Docket Number A-00116172..... \$350.00

REVENUE ACCOUNT: 001780-017601-102

CHECK NUMBER: HNB&TC OC 170629786

CHECK AMOUNT: \$350.00

C. Joseph Meisinger
(for Department of Revenue)

DOCKETED
SEP 17 1999

DOCUMENT
FOLDER

RECEIVED
SECRETARY'S BUREAU

99 SEP 17 AM 8:33

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SRB



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

September 17, 1999

MAIN LINE TRANSIT SERVICE INC
303 EAST CHURCH ROAD
KING OF PRUSSIA PA 19406

DOUGLASS
SEP 17 1999
72

In Re: A-00116172 - Application of Main Line Transit Service, Inc.

To Whom It May Concern:

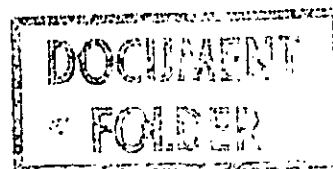
The application cited above has been captioned as attached and will be submitted for review providing no protests are filed on or before October 18 1999. If protests are filed, you will be advised as to further proceedings.

You are further advised that the above application will be published in the Pennsylvania Bulletin of September 25, 1999.

Very truly yours,

Tim Zeigler, Supervisor
Compliance office - Technical Unit
Bureau of Transportation and Safety

cc: Document Folder.



A-00116172 MAIN LINE TRANSIT SERVICE, INC. (303 East Church Road, King of Prussia, Montgomery County, PA 19406), a corporation of the Commonwealth of Pennsylvania - persons in paratransit service, (1) for Morgan's Run Corporation, from the Radnor Train Station and the Radnor P & W Train Station, in the township of Radnor, Delaware County, to the Radnor Corporate Center in said township, and vice versa; subject to the following conditions: That all service shall be provided in vehicles having a seating capacity of not less than eighteen (18) persons, excluding the driver; and that transportation shall be for the account of one party for which the charge is based upon the transportation of a group and not upon the number of persons transported and for which payment is made by a group, organization or company and not by the passengers as individuals; and (2) between points in the townships of Upper Merion, Lower Merion and the borough of Narberth, Montgomery County, and the townships of Radnor, Haverford, Marple and Newtown, Delaware County; subject to the following conditions: That service shall be provided in vehicles without the use of taxi meters or dome lights; that service is limited to the transportation in a vehicle not limited to individual use, for which reservations are made not later than the previous calendar day; and that service may be performed in vehicles having a seating capacity of twenty-five (25) passengers or less, excluding the driver; which is to be a transfer of the paratransit rights authorized Bennett Taxi Service, Inc., under the certificate issued at A-00089018, F. 4, subject to the same limitations and conditions.

PENNSYLVANIA
PUBLIC UTILITY COMMISSION

SERVICE OF NOTICE OF MOTOR CARRIER APPLICATIONS

Published in Pennsylvania Bulletin

25
SEP 10 1999

BUREAU OF TRANSPORTATION AND SAFETY
COMMON CARRIER
September 1999

A-00116172

Application of Main Line Transit Service, Inc., a corporation of the Commonwealth of Pennsylvania, for the right to begin to transport, as a common carrier, by motor vehicle, persons in paratransit service, (1) for Morgan's Run Corporation, from the Radnor Train Station and the Radnor P & W Train Station, in the township of Radnor, Delaware County, to the Radnor Corporate Center in said township, and vice versa; subject to the following conditions: That all service shall be provided in vehicles having a seating capacity of not less than eighteen (18) persons, excluding the driver; and that transportation shall be for the account of one party for which the charge is based upon the transportation of a group and not upon the number of persons transported and for which payment is made by a group, organization or company and not by the passengers as individuals; and (2) between points in the townships of Upper Merion, Lower Merion and the borough of Narberth, Montgomery County, and the townships of Radnor, Haverford, Marple and Newtown, Delaware County; subject to the following conditions: That service shall be provided in vehicles without the use of taxi meters or dome lights; that service is limited to the transportation in a vehicle not limited to individual use, for which reservations are made not later than the previous calendar day; and that service may be performed in vehicles having a seating capacity of twenty-five (25) passengers or less, excluding the driver; which is to be a transfer of the paratransit rights authorized Bennett Taxi Service, Inc., under the certificate issued at A-00089018, F. 4, subject to the same limitations and conditions.

TLZ:tz

9/8/99

Application Received: August 5, 1999
Application Docketed: August 31, 1999

PROTESTS DUE

OCT 18 1999