

Before the Pennsylvania Public Utility Commission

APPLICATION
MOTOR COMMON CARRIER OF PROPERTY

RECEIVED
BUREAU OF SAFETY
TRANSPORTATION
2001 AUG 31 AM 11:03

1. KAKLNER FAMILY LIMITED PARTNERSHIP
FULL NAME OF APPLICANT (Individual, Partnership or Corporation)

2. KAKLNER LOGISTICS and Distribution Services
TRADE NAME IF ANY
The trade name, if fictitious, _____ been registered with the
(has or has not)
Secretary of the Commonwealth on JUNE 6, 2001. Attach a date
stamped copy of the registration form.

3. 11 MAPLEWOOD DR., HAZLETON, LUZERNE 18202-590-384-1242
PHYSICAL ADDRESS TELEPHONE NUMBER (REQUIRED)
(City, County, and Zip Code)

4. 24 OLD BERWICK RD, DRUMS LUZERNE 18222 570-788-7073
MAILING ADDRESS IF DIFFERENT FROM PHYSICAL ADDRESS

5. _____
ATTORNEY'S NAME AND TELEPHONE NUMBER FOR THIS FILING
(Do not supply an Attorney's name if you want all correspondence and notice of
process mailed directly to you.)

ATTORNEY'S ADDRESS

DOCKETED
AUG 31 2001

6. APPLICANT Does Not HOLD INTERSTATE OPERATING
(does or does not)
AUTHORITY AT DOCKET NUMBER _____

RE

7. APPLICANT Does Not HAVE A CURRENT SAFETY RATING
(does or does not)
ISSUED BY THE US DOT, PA PUC OR OTHER STATE REGULATORY
AGENCY. (ATTACH COPY)

A- 00118208

8. APPROXIMATE NUMBER OF COMMERCIAL VEHICLES TO BE OPERATED IN PENNSYLVANIA: OWNED Two LEASED _____

9. CHECK ONE THAT APPLIES TO THIS APPLICATION:

INDIVIDUAL

PARTNERSHIP. ATTACH A COPY OF A PARTNERSHIP AGREEMENT AND LIST THE NAMES AND ADDRESSES OF ALL PARTNERS BELOW:

HAROLD KARLUNEN Box 20, SYBERTSVILLE, PA.
TRACY KARLUNEN 1007, VALLEY OF LAKES, HAZLETON PA.

JENNIFER KARLUNEN McCRACKEN, 21 OLD BEWICK RD, DRUMS PA.
(Attach a separate sheet if space provided is not sufficient.)

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 A DATE-STAMPED COPY OF THE APPLICATION FOR CERTIFICATE OF INCORPORATION OR CERTIFICATE OF AUTHORITY. INCLUDE A LIST OF CORPORATE OFFICERS WITH TITLES, NAMES OF SHAREHOLDERS AND NUMBER OF SHARES HELD, AND ADDRESSES.

10. ATTACHMENT CHECKLIST:

FOR CORPORATIONS ONLY:

DATE STAMPED COPY OF APPLICATION FOR CERTIFICATE OF INCORPORATION OR CERTIFICATE OF AUTHORITY.

LIST OF OFFICERS/TITLES AND DISTRIBUTION OF SHARES.

FOR PARTNERSHIPS ONLY:

COPY OF PARTNERSHIP AGREEMENT.

FOR ALL APPLICANTS:

FICTITIOUS TRADE NAME REGISTRATION (IF APPLICABLE)

COPY OF CURRENT SAFETY RATING (IF AVAILABLE)

PROOF OF INSURANCE (See item 5 on instruction sheet).

CERTIFIED CHECK, MONEY ORDER OR ATTORNEY'S CHECK

11. CERTIFICATION:

APPLICANT CERTIFIES THAT IT IS NOT NOW ENGAGED IN ANY INTRASTATE TRANSPORTATION OF PROPERTY FOR COMPENSATION BETWEEN POINTS IN PENNSYLVANIA AND WILL NOT ENGAGE IN SAID TRANSPORTATION UNLESS AND UNTIL AUTHORIZATION IS RECEIVED FROM THE PENNSYLVANIA PUBLIC UTILITY COMMISSION.

APPLICANT FURTHER CERTIFIES THAT IT UNDERSTANDS THE REQUIREMENTS OF THE PENNSYLVANIA PUBLIC UTILITY COMMISSION, ESPECIALLY AS THEY RELATE TO SAFETY AND INSURANCE AND THAT IT MAY BE SUBJECT TO CIVIL PENALTIES, SUSPENSION OR CANCELLATION OF THE CERTIFICATE FOR FAILURE TO COMPLY WITH COMMISSION REQUIREMENTS.

APPLICANT FURTHER CERTIFIES THAT IT UNDERSTANDS THAT IT IS SUBJECT TO AN ANNUAL ASSESSMENT BASED UPON ITS REPORTED GROSS PENNSYLVANIA INTRASTATE REVENUES; SAID ASSESSMENT TO HELP DEFRAY EXPENSES INCURRED IN REGULATING MOTOR COMMON CARRIERS OF PROPERTY; AND ACKNOWLEDGES THAT FAILURE TO REPORT REVENUE AND PAY ITS ANNUAL ASSESSMENT MAY RESULT IN CIVIL PENALTIES, SUSPENSION OR CANCELLATION OF THE CERTIFICATE.

VERIFICATION OF APPLICATION

I/WE HEREBY STATE THAT THE STATEMENTS MADE IN THIS APPLICATION IS/ARE TRUE AND CORRECT TO THE BEST OF MY/OUR KNOWLEDGE AND BELIEF.

THE UNDERSIGNED UNDERSTANDS THAT FALSE STATEMENTS HEREIN ARE MADE SUBJECT TO THE PENALTIES OF 18 Pa. C.S. SECTION 4904 RELATING TO UNSWORN FALSIFICATION TO AUTHORITIES.

Harold Karchner [Signature] 8-28-01
(PRINT NAME) (SIGNATURE) (DATE)

Tracy Karchner [Signature] 8-28-01

Jennifer Karchner McCracken [Signature] 8-27-01

THE VERIFICATION OF THE APPLICATION MUST BE COMPLETED BY THE APPLICANT APPEARING ON LINE 1 OF THE APPLICATION BY THE NAMED INDIVIDUAL, ALL PARTNERS IF A PARTNERSHIP OR BY THE PRESIDENT OR SECRETARY IF A CORPORATION.

MINIMUM LIMITS OF INSURANCE
PENNSYLVANIA PUBLIC UTILITY COMMISSION AUTHORIZED
CARRIERS OF PROPERTY

General Commodities and/or Household goods in use.

Bodily Injury:

\$300,000 per accident per vehicle to cover liability for bodily injury, death or property damage incurred in an accident.

Insurance coverage of motor carriers of property shall meet the requirements of 75 PA C.S. Ss. 1711 (relating to required benefits).

Cargo:

\$5,000 for loss or damage to cargo being transported.

Cargo Insurance may be waived if you meet any one of three criteria:

1. All transportation will be provided in dump trucks.
2. All transportation will be limited to farm products, garbage, ashes, rubbish, coal debris, earth, crushed stone, amesite, and similar construction materials.
3. The value of any one load being transported will not be more than \$500.00 in value.

Profile Number _____

Filed with the Department of State on _____

Entity Number 3009097

Kim Fitzgerald
Secretary of the Commonwealth

APPLICATION FOR REGISTRATION OF FICTITIOUS NAME

DSCB:54-311 (Rev 90)

In compliance with the requirements of 54 Pa.C.S. § 311 (relating to registration), the undersigned entity(ies) desiring to register a fictitious name under 54 Pa.C.S. Ch. 3 (relating to fictitious names), hereby state(s) that:

The fictitious name is: Karchner Logistics and Distribution Services

A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is: warehousing and distribution services

The address, including number and street, if any, of the principal place of business of the business or other activity to be carried on under or through the fictitious name is (P.O. Box alone is not acceptable):

| | | | | |
|--------------------|----------|-------|-------|---------|
| 11 Maplewood Drive | Hazleton | PA | 18201 | Luzerne |
| Number and Street | City | State | Zip | County |

The name and address, including number and street, if any, of each individual interested in the business is:

| Name | Number and Street | City | State | Zip |
|------|-------------------|------|-------|-----|
| | | | | |
| | | | | |
| | | | | |

Each entity, other than an individual, interested in such business is (are):

| Name | Form of Organization | Organizing Jurisdiction | Principal Office Address | Pa. Registered Office, if any |
|---------------------|----------------------|-------------------------|--------------------------|-------------------------------|
| Karchner Family | Partnership | PA | 11 Maplewood Drive | |
| Limited Partnership | | | Hazleton, Pa 18201 | |

The applicant is familiar with the provisions of 54 Pa.C.S. § 332 (relating to effect of registration) and understands that filing under the Fictitious Names Act does not create any exclusive or other right in the fictitious name.

(Optional): The name(s) of the agent(s), if any, any one of whom is authorized to execute amendments to, withdrawals from or cancellation of this registration in behalf of all then existing parties to the registration, is (are):

IN TESTIMONY WHEREOF, the undersigned have caused this Application for Registration of Fictitious Name to be executed this 1st day of June, ~~19~~ 2001.

(Individual Signature)

(Individual Signature)

(Individual Signature)

(Individual Signature)

Karchner Logistics and Distribution Services

(Name of Entity)

(Name of Entity)

BY: Harold Karchner

BY: _____

TITLE: General Partner

TITLE: _____

HAROLD KARCHNER FAMILY
LIMITED PARTNERSHIP AGREEMENT

On this 1st day of July, 1999, HAROLD KARCHNER, "General Partner" and HAROLD KARCHNER "Limited Partner", entered into the following Limited Partnership Agreement:

- A. The Partners desire to enter into this Agreement to establish a limited partnership agreement under the Pennsylvania Uniform Limited Partnership Act.
- B. The Partners desire that the Partnership own certain assets that are described in Schedule A, which is attached hereto and made a part hereof.

AGREEMENTS:

SECTION 1
Definitions

- 1.1 Agreement. The "Agreement" is KARCHNER FAMILY LIMITED PARTNERSHIP AGREEMENT, as may be amended from time to time. The Agreement includes Schedule A, as may be amended from time to time.
- 1.2 Certificate. The "Certificate" is the certificate of limited partnership filed on behalf of KARCHNER FAMILY LIMITED PARTNERSHIP as amended from time to time.
- 1.3 General Partner. The "General Partner" shall refer to HAROLD KARCHNER, or any successor general partner.
- 1.4 Limited Partner. The "Limited Partner" and the "Limited Partners" shall refer to the persons whose names are listed on Schedule A to the Agreement as being Limited Partners.
- 1.5 Net Cash Flow. Net cash flow is the Partnership's taxable income, increased by (1) any depreciation or depletion deductions taken into account in computing taxable income,

and (2) any nontaxable income or receipts (other than capital contributions and the proceeds of any Partnership; and reduced by (a) any principal payments on any Partnership debts, and (b) expenditures to acquire or improve Partnership assets.

1.6 Partners. The "Partners" or a "Partner" when used without the words "General" or "Limited", shall refer to both the General and Limited Partners.

1.7 Partnership Capital. The "Partnership Capital" is the total of the Partners' capital contributions.

1.8 Partnership Interests. The "Partnership Interests" are the relative interests of the individual Partners in the Partnership, as indicated on Schedule A.

SECTION 2

Name

The Partnership's name is KARCHNER FAMILY LIMITED PARTNERSHIP.

SECTION 3

Place of Business and Registered Agent

3.1 Place of Business. The Partnership's place of business is 11 Maplewood Drive, Hazleton, Pennsylvania.

3.2 Registered Agent. HAROLD KARCHNER, the General Partner, and a resident of Pennsylvania, shall be the Partnership's registered agent. The registered agent's business address is and shall be within Pennsylvania.

SECTION 4
Business

The Partnership's purposes are owning, leasing and improving real estate and the making of other investments and the conduct of any other business that shall be legal for a limited partnership to conduct in Pennsylvania.

SECTION 5
Term

5.1 **Initial Term.** The Partnership begins on the date of this Agreement and ends on December 31, 2025, unless terminated earlier.

5.2 **Extension.** The Partnership may be continued beyond its scheduled termination date by an affirmative vote of the Partners holding a majority of the Partnership Interests. However, at any time after the scheduled termination date, any Partner may withdraw his or her capital account by written request to the General Partner, who shall cause the Partnership to distribute such capital account within thirty (30) calendar days of the receipt of such written request.

SECTION 6
Capital and Partnership Interest

6.1 **Each Partner's Share.** Each Partner owns that share of the total Partnership Capital in proportion to his or her Partnership Interest.

6.2 **Initial Capital Contribution.** The amount of each Partner's capital contribution is set forth in Schedule A.

6.3 **Additions.** No Partner will be required to make any additional capital contributions without his or her consent.

6.4 Adjustments. Each Partner's capital account shall be adjusted whenever necessary to reflect (1) his or her distributive share of Partnership profits and losses, including capital gains and losses; (2) his or her additional contributions to the Partnership; and (3) distributions made by the Partnership to the Partners. A Partner's loans to the Partnership are not to be added to his or her capital account.

6.5 No Interest Paid. No Partner shall receive any interest on his or her capital contributions.

SECTION 7 Profits, Losses and Cash Flow

7.1 Profits and Losses. The Partnership's net profits and losses shall be computed in accordance with generally accepted accounting principles, consistently applied. The Partnership's net profits and losses, and every section of income, deduction, gain, loss, and credit therein, shall be allocated proportionately among the Partners according to their Partnership Interests. No Partner has priority over any other Partner as to Partnership profits.

Notwithstanding any other provision of this section, income, gain, loss, and deductions with respect to property contributed to the Partnership by a Partner shall be shared among the Partners so as to tax account of any variation between the basis of the property so contributed and its fair market value at the time of contribution, in accordance with any applicable Treasury regulations.

7.2 Assignment or Death. In the event of an assignment of a Partnership Interest or of a Partner's death, retirement, or expulsion, profits and losses shall be allocated based on the number of days in the particular year during which each Partner owned his or her Partnership Interest, or on any other reasonable basis consistent with applicable United States tax laws and regulations.

7.3 Cash Flow. The General Partner shall determine when to distribute the Partnership's Net Cash Flow to the Partners. All distributions of Partnership Net Cash Flow shall be distributed to the Partners in proportion to their Partnership Interests.

SECTION 8
Management and Operations

8.1 Limited Partners. The Limited Partners shall take no part in and have no vote respecting the Partnership's management and operations.

8.2 General Partner. The General Partner has the full and exclusive power on the Partnership's behalf, in his name, to manage, control, administer, and operate the business and affairs and to do or cause to be done anything he deems necessary or appropriate for the Partnership's business.

8.3 Compensation. The General Partner shall be entitled to a guaranteed compensation for managing the Partnership's business which shall be determined annually.

8.4 Expenses. All reasonable expenses incurred by the General Partner in managing and conducting the Partnership's business, including (but not limited to) overhead, administrative and travel expenses, and professional, technical, administrative, and other services, will be reimbursed by the Partnership.

8.5 Tax Matters Partner. The General Partner shall also be the tax matters partner and, as such, shall be solely responsible for representing the Partnership in all dealings with the Internal Revenue Service and any state, local, and foreign tax authorities, but the General Partner shall keep the other Partners reasonably informed of any Partnership dealings with any tax agency.

SECTION 9
Books and Records

9.1 General. The Partnership's books and records will be kept on the cash method of accounting and in accordance with generally accepted accounting principles, consistently applied, and shall reflect all Partnership transactions and shall be appropriate and adequate for all Partnership business. The Partnership books shall also be kept on a fiscal year ending December 31. The Partnership's records shall be maintained at 11 Maplewood Drive, Hazleton, Pennsylvania.

9.2 Financial Statements. Within a reasonable period after the close of each fiscal year, the General Partner, at the Partnership's expense, will give a written report to each Partner indicating such Partner's share of the Partnership income. which requirement may be satisfied by giving each Partner a copy of any tax form that includes such information.

SECTION 10
Banking

All Partnership funds will be deposited in its name in such accounts as the General Partner designates. The General Partner can authorize other persons to draw checks on Partnership bank accounts, but such authority must be in writing. Each bank in which a Partnership account is maintained is relieved of any responsibility to inquire into the Partners' authority to deal with such funds and is absolved of all liability with respect to withdrawals from such Partnership accounts by any person duly authorized by the General Partner.

SECTION 11
Tax Elections

No election shall be made to exclude the Partnership from the application of the provisions of subchapter K of the Internal Revenue Code (the "Code") or from any similar provisions of state tax laws. If a Partnership Interest is transferred, a Partner dies, or Partnership assets are distributed to a Partner, the General Partner may, in his or her discretion, cause the Partnership to elect to cause the basis of the Partnership's assets to be adjusted for federal income tax purposes under Code Sections 734 and 743.

SECTION 12
Amendments

This Agreement may be amended only with the unanimous consent of the Partners, if the amendment would change their required contributions, their rights and interests in Partnership profits or losses, their rights on liquidation of the Partnership, payment of cash flow, income tax allocations, or the requisite vote needed to expel a member. Any other provision of this Agreement may be amended by the unilateral act of the General Partner.

SECTION 13
Admission and Expulsion of Limited Partners

13.1 Admission of New Limited Partners. A person may be admitted as a Limited Partner with the approval of the General Partner and provided that he or she, as the case may be, consents in writing in a form satisfactory to the General Partner, to be bound by this Agreement.

13.2 Expulsion of Limited Partners. Any Limited Partner may be expelled from the Partnership on the decision of the General Partner. Upon the expulsion of any Partner, the Partnership shall be required to pay to such Partner an amount equal to the fair market value of

such expelled Partner's Partnership Interest. The fair market value of such expelled Partner's Partnership Interest shall be determined by an independent appraisal performed by the Certified Public Accountant regularly employed to prepare the tax returns of the Partnership. The Certified Public Accountant's decision in this matter shall be final and binding and conclusive on all Partners.

SECTION 14
Limited Partner's Death, Insanity, or Incompetency

A Limited Partner's death or adjudication of insanity or incompetence will not dissolve the Partnership. Rather, the executors or administrators of the estate of the deceased Limited Partner, or the committee or other legal representatives of the estate of the insane or incompetent Limited Partner, will have the same rights (subject to the same limitations) as the deceased, insane, or incompetent Limited Partner.

SECTION 15
*** Limitation on Transfer of Partner's Interest**

15.1. (a) The General Partner may sell, assign, transfer or otherwise dispose of his interest in the Partnership (in whole or in part), without the consent of the Limited Partners.

(b) Upon the death of the General Partner, a corporation will be formed as the successor General Partner. John Riccetti, CPA, will be the sole shareholder of said General Partner which will own a one (1%) percent interest in the General Partnership. The remainder of Harold Karchner's interest shall be distributed equally between his two daughters, TRACY KARCHNER and JENNIFER KARCHNER.

(c) No Limited Partner shall assign, sell, pledge, hypothecate, transfer or otherwise dispose of all or any portion of the interest owned by a Limited Partner except upon

the prior written consent of the General Partner, and then only to a then General or Limited Partners who are already a Partner in the Limited Partnership. In the absence of such prior written consent, purported Voluntary Transfer of a partnership interest shall be void and need not be recognized by the Partnership.

(d) In the event of any seizure and/or sale of a Partner's Interest in the Partnership by a creditor or any attachment to a Partner's interest in the Partnership, through any type or form of judicial proceeding, whether or not made in accordance with law ("Involuntary Transfer"), such Involuntary Transfer shall not operate as a dissolution of the Partnership or relieve such Partner of any obligations under this Agreement, and any party acquiring such Partnership Interest by means of an Involuntary Transfer shall not thereby become a Partner, and shall not have any rights conferred upon such Partner under this Agreement, except that such party may be entitled to receive that portion of the Partnership income or gain and distributions attributable to such Partner's interest and, upon dissolution of the Partnership, the share of Partnership assets to which such Partner would have been entitled under this Agreement.

SECTION 16 **Dissolution**

16.1 Causes for Dissolution. Notwithstanding anything to the contrary herein contained, the Partnership shall be dissolved upon death or withdrawal of HAROLD KARCHNER as General Partner on or after the year 2010 and the failure of the Limited Partners to agree on the new General Partner.

16.2 Upon Dissolution. Upon its dissolution, the Partnership will terminate and immediately commence to wind up its affairs. The Partners shall continue to share in profits and losses during liquidation in the same manner and proportions as they did before dissolution. The

Partnership's assets may be sold if a price deemed reasonable by the Partners may be obtained.

The proceeds from liquidation of Partnership assets shall be applied as follows:

A. First, all of the Partnership's debts and liabilities to person other than Partners shall be paid and discharged in the order of priority as provided by law.

B. Second, all debts and liabilities to Partners shall be paid and discharged in the order of priority as provided by law.

C. Third, all remaining assets shall be distributed proportionately among the Partners in the ratios of their respective Partnership interests.

16.3 Gain or Loss. Any gain or loss on the disposition of Partnership properties in the process of liquidation shall be credited or charged to the Partners in proportion to their Partnership Interests, provided, however, that gain or loss with respect to property contributed to the Partnership by a Partner shall be shared among the Partners so as to take account of any variation in the basis of the property so contributed and its fair market value at the time of contribution, in accordance with any applicable Treasury regulations. Any property distributed in kind in the liquidation shall be valued and treated as though it were sold and the cash proceeds distributed. The difference between the value of property distributed in kind and its book value shall be treated as a gain or loss on the sale of property and shall be credited or charged to the Partners accordingly.

16.4 Partnership Assets' Sole Source. The Partners shall look solely to the Partnership's assets for the payment of any debts or liabilities owed by the Partnership to the Partners and for the return of their capital contributions and liquidation amounts. If the Partnership property remaining after the payment or discharge of all of its debts and liabilities to

persons other than Partners is insufficient to return the Partners' capital contributions, they shall have no recourse therefor against the Partnership or any other Partners, except to the extent that such other Partners may have outstanding debts or obligations owing to the Partnership.

16.5 Winding Up. The winding up of Partnership affairs and the liquidation and distribution of its assets shall be conducted by the Partners, who are hereby authorized to do any and all acts and things authorized by law in order to effect such liquidation and distribution of the Partnership's assets.

SECTION 17 Power of Attorney

17.1 General. To facilitate the simple operation of the Partnership's business and to avoid frustration of the purposes of the Partnership by minority Partners refusing to cooperate to enforce this Agreement, each Limited Partner names the General Partner as his attorney-in-fact, and gives the General Partner full power and authority, in the place of the Limited Partner, to file and record (1) any amendment to the certificate of Partnership; (2) any documents of any kind required by any state in which the Partnership is doing business; (3) any other documents deemed advisable by the General Partner; (4) any documents required to continue the Partnership, admit additional or substituted Partners, or dissolve or terminate the Partnership or any interest in it; (5) any documents required to obtain or settle any loan; and (6) any documents that may be required to transfer any Partnership assets.

17.2 Power With an Interest. The power of attorney granted under Section 16.1: (1) is a power coupled with an interest; (2) is irrevocable and survives the Partner's incompetency; (3) may be exercised by any General Partner by a facsimile signature or by listing all of the Limited Partners executing the instrument, with a signature of the General Partner as the

attorney-in-fact for all of them; and (4) survives the assignment of the Limited Partner's interest and empowers the General Partner to act to the same extent for such successor Limited Partner.

SECTION 18 Miscellaneous

18.1 Notices. Notice or payment required or permitted under this Agreement shall be given and served either by personal delivery to the party to whom it is directed or by registered or certified mail, postage and charges prepaid, and if it is sent to a Partner, addressed with his or her address as it appears on the records of the Partnership. Any notice is deemed given on the date on which it is personally delivered, or, if mailed, on the date it is deposited in a regularly maintained receptacle for the deposit of United States mail, addressed and sent as required in this section. Any Partner may change his or her address for all purposes of this Agreement by giving notice in writing, stating his or her new address to the General Partner. Such a change of address will be effective fifteen (15) days after the notice is received by the General Partner.

18.2 Non-Waiver. Any party's failure to seek redress for violation of or to insist upon the strict performance of any provision of this Agreement will not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

18.3 Severability. Every provision of this Agreement is intended to be severable. If any term or provision hereof is invalid for any reason whatsoever, its invalidity will not affect the validity of the remainder of the Agreement.

18.4 Good Faith. The doing of any act or the failure to do any act by a Partner or the Partnership, the effect of which causes any loss or damage to the Partnership, will not subject

such Partner or the Partnership to any liability if done pursuant to advice of the Partnership's legal counsel or in good faith to promote the Partnership's best interests.

18.5 Governing Law. This Agreement is to be construed according to the laws of Pennsylvania.

18.6 Cumulative Rights. The rights and remedies provided in this Agreement are cumulative, and the use of any right or remedy does not limit a party's right to use any or all other remedies. All rights and remedies in this Agreement are in addition to any other legal rights the parties may have.

18.7 Other Activities. Every Partner may also engage in whatever activities he chooses without having or incurring any obligation to offer any interest in such activities to any party hereof.

18.8 Counterparts. This Agreement may be executed in any number of counterparts the same Sect as if all parties hereto had all signed the same document. All counterparts shall be construed together and shall constitute one (1) agreement.

18.9 Binding Terms. The terms of this Agreement are binding upon and inure to the benefit of the parties and, to the extent permitted by this Agreement, their heirs, executors, administrators, legal representatives, successors, and assigns.

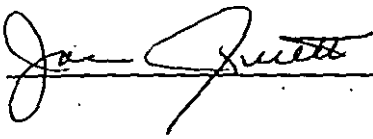
18.10 Personal Property. The interests of each Partner in the Partnership are personal property.


18.11 "Days" Defined. For purposes of this Agreement, any reference to a "day" or "days" means a calendar day, including any days that fall on legal holidays or weekends.

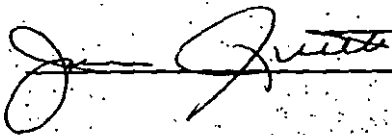
18.12 Gender and Number. Unless the context requires otherwise, the use of a masculine pronoun includes the feminine and the neuter, and vice versa, and the use of the singular includes the plural, and vice versa.


IN WITNESS WHEREOF the undersigned have executed this Agreement of Partnership, under seal, on the date written above.

WITNESS:




_____ HAROLD KARCHNER, General Partner




_____ HAROLD KARCHNER, Limited Partner

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

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

KARCHNER FAMILY LIMITER PARTNER
KARCHNER LOGISTICS & DIST
24 OLD BERWICK ROAD
DRUMS PA 18222

DOCUMENT
FOLDER

DATE 9/12/01
RECEIPT # 198858

DOCKETED

SEP 13 2001

IN RE: Application fees for KARCHNER FAMILY LIMITED PARTNER

Docket Number A-00118208..... \$100.00

REVENUE ACCOUNT: 001780-017601-102

CHECK NUMBER: OC 026135

CHECK AMOUNT: \$100.00

C. Joseph Meisinger
(for Department of Revenue)

KJR