

BUSINESS PLAN OF APPLICATION FOR MOTOR CARRIER AUTHORITY

THE FOLLOWING INFORMATION IS REQUIRED BY THE COMMISSION TO DETERMINE THE APPLICANT'S FITNESS TO OPERATE. STATEMENTS SHOULD BE TYPED OR PRINTED. ILLEGIBLE STATEMENTS WILL DELAY YOUR APPLICATION.

A - 2016 - 2565213

PUC Application Docket Number

PRIME MOVING CENTER INC.

Legal Name of Applicant

Trade Name, if any

1320 Greenvalley Dr, #11	Pittsburgh	PA 15220
Street Address (principal place of business)	City or Municipality	State Zip Code

This document is a business plan, or your proposal for providing the transportation service for which you are making application. Prior to deciding to make application for operating authority from the Public Utility Commission, you likely gave much consideration to the manner in which you would operate the business in order that you could provide satisfactory service to your customers and so that you could make a reasonable profit. As part of the application process, you must provide the Commission with your proposal to provide the transportation service.

You are encouraged to provide as much information as possible about the particular subject as is necessary to fully explain your plan. If you fail to provide sufficient information about the subjects listed below, it may cause the review of your application to be delayed until you provide the necessary information. If you need more space to provide your explanation, please attach additional pages that list the appropriate item by number.

1. Identify the person providing the information by giving your name and indicate whether you are the owner, employee, officer, or attorney for the applicant.

My name is Mykhailo Radetskyi, and I am the sole stockholder and sole officer of Prime Moving Center Inc. ("Applicant").

2. List the applicant's affiliation (owner, manager, controls) with any other carrier, with the description of affiliation.

Applicant is not affiliated with any other motor carriers certificated by the Pennsylvania Public Utility Commission ("Commission"). However, Applicant is affiliated with Kansas Moving Center, Inc., and I am the sole stockholder and officer of that company, which has been assigned USDOT No. 2873151.

3. Describe your business experience, particularly any experience relating to the operation of a transportation service. An explanation of education or training that you believe may be relevant may also be included.

I have been involved in the household goods moving industry since 2013. I first went to work for Pure Moving which is a local household goods mover based in California. I worked there for approximately 1 year. I started as a helper and I was quickly promoted to a driver and became a crew leader. Other companies that I have worked for include Market Street Sacramento Movers and ABC Moving. I have experience in managing a moving company with a team of 20 workers and 8 trucks. My duties included hiring, training and coaching employees, coordinating moving schedules, preparing estimates of moving costs and man-hours to conduct a move, negotiating and closing contracts, maintaining vehicles, scheduling repairs for vehicles, overseeing inventory and various other aspects of a household goods mover's operations. I also owned and operated a household goods mover, named Kansas Moving Center Inc., which was issued interstate operating authority at Docket No. MC-963696. This company was based in Overland Park, Kansas. Since I have moved from Kansas to Pennsylvania, I do not plan to continue the operations of Kansas Moving Center Inc.

My wife, Elvina Sirbaeva, will also be involved in helping to manage the operations of Applicant. My wife has approximately 4 years of experience in the household goods moving industry. She has worked with damage claims, billing issues and other matters, and she also has experience as a Claims Manager. My wife will assist me in handling any claims that may be filed with Applicant.

4. Describe your facilities, record maintenance plan and communication network. Please include a description of your physical location, to include the office area, machines that will be utilized, and the facility to house vehicles. Household goods in use carries should include a description of their storage facilities, if applicable. Please include an explanation of your plan to maintain records required by the PUC, as well as normal business records. In regard to your communication network, please explain how you will receive customer requests for transportation, how you will dispatch the vehicles to fulfill the request, and how you will maintain continuous communication with your drivers. Finally, please state your intended business hours.

Applicant's business office is currently located in the residence of me and my wife at 1320 Greenvalley Drive, #11, Pittsburgh PA 15220. The office area contains equipment such as computers, copy machine, phones, desk, chairs and filing cabinets.

Applicant leases a storage unit, which is 10 feet by 20 feet, to store its materials and supplies, and this facility is located at 840 Beck's Run Road, Pittsburgh, PA 15210. Applicant also leases space in that location to park its 16 foot box truck whenever it is not in use. All documents as required by the PUC and normal business records (such as order receipts, bill of lading documents, fuel receipts, vehicle repair, and inspection records, business expenses, statements, compliance documents; employees information, background check, employment applications; etc.) will be organized, filed and maintained at Applicant's office location for at least 3 years. Applicant's future long term plan includes leasing a bigger facility that will provide space for our office and space for a garage to house the vehicles that Applicant intends to operate.

Customer requests for transportation will be received through multiple sources, such as:
Advertise our business in relevant internet and social media platforms;

Placing a small or classified advertisement in the newspaper, or local publication about our company and the services we offer;

Print out fliers and business cards and strategically drop them in offices, apartment complexes etc.;

Word of mouth marketing by encouraging loyal and satisfied customers to get the word out to their family and friends about Applicant's high quality and dependable service.

The job orders received by Applicant's sales representatives will be communicated to the Transport and Logistics Manager/Dispatcher who will schedule and dispatch workers, work crews, equipment and vehicles to appropriate locations according to customer requests, specifications or needs, using cell phones. Communications with the crew while it is loading and/or transporting a load of household goods will be by means of texting or calls via cell phones. However, Applicant's company policy strictly prohibits texting and using hand-held cell phone devices by drivers while they are operating a commercial motor vehicle. Applicant intends to have office business hours from 7:00 a.m. to 6:00 p.m., Monday through Friday, and appointments are available on weekends and at other times upon request by a customer in order to make it as convenient as possible for the customer's schedule.

5. Please state the number of employees you intend to use, along with a description of their duties. Please explain why that number is appropriate to provide reasonable and efficient service to the geographical territory you will be serving.

Applicant's business structure will be designed in such a way that it can accommodate full-time employees and part-time staff. Initially, I will be the Chief Operating Officer, Administrator and Human Relations Manager, and my wife will assist me with these responsibilities. My duties will include the following:

Increase management's effectiveness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; communicating values, strategies, and objectives; assigning duties and holding employees accountable;

Planning, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.

Responsible for determining rate structure and prices and signing business deals.

Responsible for providing direction for the business.

Responsible for signing checks and documents on behalf of the company.

Evaluate the success of the organization.

Define job positions for recruitment and managing interviewing process.

Responsible for training, evaluation and assessment of employees.

Update job knowledge by participating in educational opportunities; reading professional publications; maintaining personal networks; participating in professional organizations.

Oversee the smooth running of the daily office activities.

Negotiate and agree to terms and conditions of contracts with customers.

In its initial start-up phase of its operations, Applicant expects to have one Transport and Logistics Manager or Dispatcher, whose duties will be as follows:

Coordinate drivers and helpers schedule.

Ensure operation of equipment/vehicles by completing preventive maintenance requirements; scheduling services and calling for repairs.

Maintain office supplies by checking stocks; placing and expediting orders; evaluating new products.
Liaison with and manager of staff.
Implement health and safety standards.
Direct all transportation activities.

Applicant will also utilize a marketing and sales team, which is expected to consist of two to three staff members. Their duties will include:

Responsible for handling business research, market surveys and feasibility studies for clients.
Responsible for supervising implementation, advocate for the customers' needs, and communicate with clients.
Develop, execute and evaluate new plans for expanding and increasing sales.
Identify, prioritize, and reach out to new clients.
Document all customer contact and information, securing sales and job bookings.
Help to increase sales and growth for Applicant.

Although initially my wife and I intend to handle all administrative office staff duties, we anticipate in the future hiring two to three persons who will serve as front desk office personnel and who will be customer service executives who will be responsible for contacting and dealing with customers.

Applicant also intends to hire six helpers or material handlers to man work crews to handle the household goods shipments. Their responsibilities will include:

Handling core services such as loading and unloading materials and household goods from trucks and vans, packing and unpacking goods.
Handle general services that involve the transportation of goods from one location to another location.
Perform any other duty as assigned by the Transport and Logistics Manager.

Applicant intends to focus primarily upon handling local household goods moves which originate from points in Southwestern Pennsylvania since Applicant's base of operations will be in Pittsburgh. As the demand for Applicant's business grows, Applicant will hire additional staff as needed. Applicant intends to grow its business steadily but does not want to have more staff than is absolutely necessary in order to minimize its overhead expenses.

6. Please state the number of drivers you intend to use or hire in your business and explain why that number of drivers is appropriate for the size of the geographical territory you will be serving.

Applicant is planning to hire 5 - 7 drivers, who will also be involved in loading and unloading household goods shipments. Since Applicant will be focusing upon soliciting business for household goods shipments from customers located in Southwestern Pennsylvania, Applicant believes that this is more than a sufficient number of drivers to handle the number of projected trips.

In addition, please explain:

- a. Your hiring standards for drivers:**
- d. Your system ensuring that your drivers are properly licensed at all times.**
- c. Your driver training program.**

A driver must be at least 21 years old at the time of application and in possession of a valid Pennsylvania Class C driver's license. A driver must also have the following qualifications:

Have the ability to read and speak English so as to understand road signs and signals, converse with officials and general public, fill out reports and records;
Physically qualified to drive a commercial vehicle and to do so safely;
Not have been disqualified to drive a motor vehicle in any state or jurisdiction;
Driver will be required to notify Applicant of any moving violations that driver has received within the last 2 years or which driver receives in the future; and
The driver must have successfully completed a road test conducted by Applicant.

Applicant's Business Plan is to hire drivers with experience in operating a commercial motor vehicle. However, if a driver does not have adequate experience, Applicant intends to conduct a training program which will include, but not be limited to, assigning a driver applicant to work with another experienced driver and to provide hands-on training in operating the vehicle so that the driver applicant can demonstrate that he or she is qualified to operate the type and size of vehicle that Applicant utilizes.

Information concerning drivers, including the expiration dates of their licenses, will be maintained in Applicant's computer system, and each driver will be issued a reminder three months in advance of the expiration date for the driver's license so that the driver can renew his or her license in a timely manner.

**b. Your hiring system to ensure prospective drivers will be subject to a criminal background check:
e. Your system to ensure that all drivers will be subject to a criminal background check every two years.**

Applicant intends to comply with the Commission's regulations with regard to background checks for all prospective drivers and personnel who are hired as drivers. This will include the following:

Before hiring a prospective driver, a criminal history background record will be obtained from the Pennsylvania State Police and from every other state in which the person resided for the last 12 months. A person will not be permitted to provide moving services in a shipper's dwelling when the person was convicted of a felony or a misdemeanor under the laws of Pennsylvania or under the laws of another jurisdiction, to the extent the conviction relates adversely to that person's suitability to provide service safely and legally. For instance, a person who is convicted of robbery will be disqualified from holding a position which would involve providing service for a customer.

A copy of the criminal history will be maintained for at least 3 years.

Following receipt of the initial criminal history record, a criminal history record for each employee providing moving services will be obtained from the Pennsylvania State Police every 2 years from the date of the last criminal history check.

f. Your policies regarding alcohol and drug use by your drivers.

Applicant has no tolerance for alcohol and/or drug use while an employee is on duty. Applicant's policy regarding alcohol is that a driver is not allowed to consume any alcohol within 12 hours of reporting to work. Applicant also has a policy of zero tolerance of any illegal drugs in a driver's system while on duty or any prescribed medications in a driver's system which could impair the ability of a driver to operate a vehicle. If there is reason to believe that a driver is using drugs improperly or being under the influence of alcohol while on duty, the driver is subject to immediate discharge.

7. Please state the number of vehicles you plan to use in your business and why that number is appropriate to provide reasonable and efficient to serve to the geographical territory you will be serving. If you have obtained vehicles for your business, please list the in the chart below.

In September, 2016, Applicant purchased a 16 foot 2012 Ford box truck. This vehicle has a gross vehicle weight rating of approximately 15,000 pounds. Information concerning the vehicle is as follows:

Year	Make	Model	Mileage	Seating Capacity	Vehicle ID#
2012	Ford	E350	105k	3	1FDWE3FS9CDA65203

8. Describe your vehicle safety program. Please include following in your explanation:

a. Your periodic vehicle maintenance plan;

b. Your system for ensuring your vehicles will continuously comply with the Pennsylvania's equipment standards (67 Pa. Code, Chapter 175) that are applicable to the type of vehicles used in your business;

f. If applying for household goods in use authority, your system for ensuring your vehicles will comply with requirements of 49 CFR Part 393 and 396, adopted by the PUC at 52 Pa. Code, Chapter 37.

Before operation of the vehicle, Applicant will ensure that the equipment has a valid Pennsylvania inspection decal or complies with the periodic inspection requirements and will have the equipment inspected by a person who is competent and qualified to make an inspection in order to ensure that the equipment is in a safe condition to be operated on the highways. The person making the inspection will certify the results thereof, and this certification will be retained for at least 1 year.

The following maintenance records will be kept on each vehicle:

- An identification of the vehicle including company number, make, serial number, year and tire size.
- A record of inspection, repair and maintenance showing their date and type and schedule of inspections and maintenance operations to be performed.
- A lubrication record.

- Preventative Maintenance program. To maintain the vehicles and equipment in order to provide safe, efficient and reliable performance, a preventive maintenance (PM) program that consists of scheduled servicing, inspections and vehicle repairs will be in place. All vehicles will be inspected based on time (annually and vehicle in excess of 17000 pounds will be inspected semi-annually) and/or mileage every 3000 - 5000 miles. Attached as EXHIBIT #1 is a sample of the Annual Periodic Vehicle Inspection Report which will be utilized.

- Driver write-up inspections and/or complaints. The driver is the first line of defense against unexpected breakdowns and repairs. Drivers will be trained to detect and communicate vehicle problems immediately to management, through the use of the driver's daily vehicle inspection checklist that is either a pre-trip or post-trip inspection. Attached as EXHIBIT #2 is a copy of the Driver's Vehicle Inspection Report which will be used in connection with pre-trip and post-trip inspections.

- Scheduling and record keeping. Preventive maintenance (PM) inspections and Scheduled services will be performed, and documented according to a proper schedule. They will be scheduled manually, and in the near future, by using fleet maintenance and management software. The system will design customized

PM schedules, create and track work orders, track fuel usage, record detailed maintenance histories and tire logs, track accident and claims, manage inventory and monitor labor, invoicing and stock reports. The records shall be retained where the vehicle is either housed or maintained for a period of 1 year and for 6 months after the motor vehicle leaves the motor carrier's control.

9. Please explain what steps you have taken to determine if you can obtain and pay premiums to maintain insurance coverage for the proposed number of vehicles for your business.

Applicant has obtained information from its insurance company, Auto Owners Insurance, and the estimated cost for Auto Coverage for one vehicle is approximately \$1800 annually and General Liability insurance coverage is about \$700 yearly. Monthly payments are available and Applicant does not see a problem in paying the insurance premiums. Applicant will arrange for the required evidence of insurance (Form E and Form H) to be filed with the Commission upon approval of its pending Application.

10. Please describe your customer service standards. Within your description, please explain: a. Your plan to inform customers of the procedures filing complaints with the PUC; b. Your intended customer complaint resolution procedure.

The Customer Care Department will be available from Monday through Friday from 9 a.m. to 5 p.m. via telephone line or email to assist customers with any questions or issues. We are committed to responding to any issues raised by customers within 24 to 48 hours or less.

If the complaint involves a damage claim, a customer will be provided a claim form with the instructions on how to proceed. As soon as the claim form is submitted to Applicant, along with evidence of damage, such as pictures, receipts and/or estimates of repair, Applicant will acknowledge the receipt of the claim within 30 days and will discuss possible settlement options with the customer, including repair, replacement or monetary settlement, if the circumstances warrant such a resolution.

Prior to the move, Applicant will provide to the shipper the Commission supplied form entitled "Information for Shippers" which contains a telephone number and a website address for the Pennsylvania Public Utility Commission's Filing Complaint Procedures.

Our customer care standards are as follows:

- to treat all of our customers with courtesy;
- to meet or beat our established deadlines for providing customer service;
- to provide high-quality service by knowledgeable staff; and
- to assess regularly our customers' needs and level of satisfaction with Applicant's services and use that feedback to improve Applicant's service.

Perfecting the customer experience is a bit of an art and a science, and Applicant is committed to continuously making efforts to improve its service to achieve a high level of customer satisfaction on a consistent basis. While striving to ensure that Applicant, Applicant's employees and processes are all delivering exceptional service for the customer, Applicant is aware that it needs to be innovative and make changes in order to achieve its goals for customer satisfaction. While venues, technology and

society are ever-evolving, Applicant's desire to constantly improve the household goods moving service that it offers to the public will never change.

11. Criminal Record. Have you, any members (if LLC, LP or LLP), shareholders, or officers (corporations) been convicted of a misdemeanor or felony for which you remain subject to supervision by a court or correctional institution?

_____ YES X NO

12. Financial Data. In addition to demonstrating your technical fitness, you must also demonstrate that you possess the financial fitness to provide the proposed transportation service. You may use the "Statement of Financial Position", which follows this page or supply a balance sheet prepared by an accountant. You need only provide the applicable information. Please feel free to also provide clarification information with your "Statement of Financial Position", which explains why you believe you have sufficient funds to ensure your transportation business can provide reliable service to the public in a safe manner.

Statement of Financial Position (Balance Sheet)*
As of (date) December 1, 2016

ASSETS

Current Assets

<u>Cash</u>	—	\$4,000
<u>Other Current Assets (Materials and Supplies)</u>	—	5,000

Other Assets

<u>Motor Vehicle Equipment(Purchased September, 2016)</u>	—	12,500
<u>Building and Structures</u>	—	0
<u>Office Equipment</u>	—	3,000
<u>Investments and Funds (specify)</u>	—	0
<u>TOTAL ASSETS</u>		24,500

LIABILITIES

<u>Current Liabilities (Due within one year of date)</u> <u>(Insurance Premiums)</u>		\$2,000
<u>Long Term Liabilities (Due after one year of date)</u>		0
<u>TOTAL LIABILITIES</u>		\$2,000

<u>NET WORTH (Subtract total liabilities from total assets)</u>		\$22,500*
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