

Application for Motor Common Carrier of Persons Group and Party Service in Vehicles Seating 11 to 15, Including the Driver

THIS APPLICATION IS TO BE USED FOR CHARTER SERVICE FOR GROUPS, OR ON A NONEXCLUSIVE BASIS FOR TOUR, SIGHTSEEING, OR EXCURSION SERVICE LIMITED TO VEHICLES SEATING 11 TO 15 PEOPLE, INCLUDING THE DRIVER.

1. **Legal Name of Applicant (Individual, Partnership or Corporation)**

Paragon Transportation LLC

- If you are an individual who has not formed any type of corporate entity, you should enter your name *as it will appear on your insurance documents*.
- If you are filing for a partnership, but *not a limited liability partnership*, the names of all partners must be entered on this line. Those names should be entered *as they will appear on your insurance documents*. This includes husbands and wives filing jointly.
- If you are filing for a corporate entity (corporation, limited liability company, or limited liability partnership), *even if you are the sole shareholder member*, you must enter the name exactly as it appears on the registration papers from the Corporation Bureau of the Pennsylvania Department of State.

2. **Trade Name (Attach a copy of fictitious name registration if applicable)**

This is any name which you will be operating under which differs from the **LEGAL NAME OF APPLICANT**. A **TRADE NAME** is considered a **FICTITIOUS NAME** if the identity of the applicant cannot be readily determined. *EXAMPLE: John Doe is the applicant and wants to use the name "Johnboy Transport" as his trade name. People cannot readily determine that John Doe is the actual operator; therefore, the name is fictitious and must be registered as such. Trade names such as "John Doe Transport" or "J. Doe Transport" are not considered fictitious and would not have to be registered.*

3. **Do you currently hold PUC Authority? NO Previous Authority? NO**

If YES, at PUC No. A- _____

4. **Are you a business entity registered with the PA Dept. of State? NO**

If NO, you must register (see checklist on how to register)

If YES, provide your PA Corporation Bureau Entity ID Number 7086336
(See checklist and indicate type of business entity registered)

10. **Describe the service area proposed by this application.**
(Use the space below or attach additional sheet if space provided is not sufficient).
-

To transport people in a motor vehicle that seats between 11 to 15 including the driver between points in Pennsylvania excluding areas under the jurisdiction of the Philadelphia Parking Authority.

Examples:

- *To transport people from points in Lancaster County to points in PA, and return.*
- *To transport people between points in Allegheny, Washington, and Beaver Counties.*

11. **Certification:**

Applicant certifies that it is not now engaged in unauthorized intrastate transportation 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 Persons in Group and Party Service in Vehicles Seating 11 to 15, Including the Driver; 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 statement(s) 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.

John M. Hess, Managing Member

(Print Name)

(Signature)

11/16/20
(Date)

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, a member (if a limited liability company), or by the President or Secretary (if a corporation).

BUSINESS PLAN/VERIFIED STATEMENT OF APPLICANT

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.

Paragon Transportation LLC

Legal Name of Applicant

Trade Name, if any

51 Pennwood Place, Suite 200

Warrendale, PA 15086

Street Address (principal place of business)

City or Municipality

State

Zip Code

The Verified Statement of the Applicant factual details about your proposed transportation service. Your Verified Statement must answer all of the items listed below and on the following pages. Provide as much information as possible to prevent delay in processing your application. If you need more space to provide your answer, please attach additional pages identifying the appropriate item number.

1. Identify the person making the Verified Statement on behalf of the applicant. If an employee/officer of applicant is making the statement, give name, title, business address and telephone number.
John M. Hess, Managing Member
51 Pennwood Place, Suite 200
Warrendale, PA 15086
(724) 772-9020
2. List the applicant's affiliation (owner, manager, controls) with any other carrier, with the description of affiliation.
None.
3. Describe your facilities, record maintenance plan and your communication network. Please include a description of your physical location, to including office machines that will be utilized, and the facility to house vehicles. As a carrier of household goods in use, applicant should include a description of 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.

See attached Addendum for response.

4. 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 territory you will be serving. In addition, please explain:
- Your hiring standards for drivers;
 - Your system for conducting criminal background checks;
 - Your driver training program;
 - Your system for conducting driver license checks;
 - Your policies regarding alcohol and drug use by your drivers.

See attached Addendum for response.

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

YEAR	MAKE	MODEL	SEATING CAPACITY*	VEHICLE ID #	MILEAGE
2019	Mercedes	Sprinter	12	WDAPFICD2KP111888	10

6. Describe your vehicle safety program. Please include the following in your explanation:
- Your periodic vehicle maintenance plan
 - Your system for ensuring your vehicles will continuously comply with applicable Pennsylvania vehicle equipment standards (67 Pa. Code, Chapter 175).

Vehicles will be inspected and maintained by drivers before and after each trip. Any maintenance issues will be submitted by the driver to the applicant via its online system and will be promptly remedied by applicant. All maintenance records will be preserved with the applicant's records in accordance with Pennsylvania Utility Commission requirements. Vehicles will be routinely serviced as recommended by the applicable service manuals and will be inspected annually.

7. Please explain what steps you have taken to determine if you can obtain insurance and pay the required insurance premiums.

Applicant has obtained insurance with coverage that exceeds the minimum amounts required by the Pennsylvania Utility Commission.

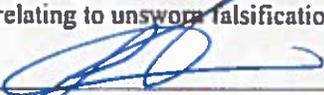
8. State whether the applicant has been convicted of a misdemeanor or felony. If applicant is partnership, limited liability partnership, corporation, or limited liability company this question applies to all members, officers, and/or shareholders. If "YES", explain.

YES NO

9. Financial Data. Complete the "Statement of Financial Position", which follows this page. Please feel free to also provide additional information explaining why you believe you have sufficient funds to ensure your transportation business can provide reliable service to the public in a safe manner.

Verification of Statement

The undersigned deposes and says that he/she is authorized to and does make this verification and that the facts set forth therein are true and correct to the best of his/her knowledge, information, and belief. The undersigned understands that false statements herein are made subject to penalties of 18 Pa. C. S. Section 4904 relating to unsworn falsification to authorities.



(Signature)

John M. H. H.

(Name and Title, printed or typed)

11/10/20

(Date)

Addendum to Pennsylvania Utility Commission Application
Motor Contract Carrier of Persons in Group and Party Service Vehicles
Seating 11 to 15 Passengers, including the Driver

Verified Statement of Paragon Transportation LLC

3. The vehicles will be stored at applicant's business office and/or personal residence. Records required by the Pennsylvania Utility Commission as well as normal business records will be maintained by QuickBooks and stored electronically and accessed by way of an encrypted laptop or computer. Services are provided upon request and customers shall make a request for transportation by way of an online system, phone call and/or text message and must be made at least 24 hours in advance. The request is then forwarded to and confirmed by the driver via the online system, phone call and/or text message. The applicant will continue to remain in communication with all drivers by way of the online system and telephone.
4. The applicant anticipates on operating one sprinter vehicle within the Pennsylvania area, excluding territory under the jurisdiction of the Philadelphia Parking Authority. The applicant will utilize one driver.

All drivers must at a minimum have the following qualifications:

- At least 10 years' experience as a driver for a contract carrier or similar license holder.
- Have an acceptable driving record and criminal history.

Drivers will be required to demonstrate and will be evaluated on their ability to drive the applicant's vehicle prior to hire. Drivers will be monitored on an on-going basis with periodic trips with certain key management personnel of applicant.

All background checks will be conducted by a third-party service and reviewed prior to hire. Department of Motor Vehicle records will be pulled and reviewed prior to hire and once annually. All drivers will be trained on how to properly inspect the vehicle pre and post trip and how applicant's online system works.

Applicant has a zero-tolerance alcohol and drug policy. Drivers will be subject to alcohol and drug screenings in the following situations pre-employment, random, reasonable suspicion, post-accident, return-to-duty and follow-up. Any drivers who refuse to comply with any alcohol and drug screenings shall be presumed to have a positive drug and alcohol test and may be subject to termination. Individuals who appear to be unfit for duty will be relieved from duty and may be requested to take a physical examination at a designated medical facility. Violation of the policy or the refusal to comply with a physical examination may result in disciplinary action, up to and including discharge.

Off-the-job illegal drug use which could adversely affect a driver's job performance, or which could jeopardize the safety of the applicant's clients, the public or applicant's facilities, or where such usage adversely affects the public trust in the ability of the applicant to carry out its responsibilities, is also cause for disciplinary action, up to and including discharge.

Drivers who are arrested for off-the-job drug activity may be considered in violation of this policy. In deciding what action to take, the applicant will take into consideration the nature of the charges, the employee's present assignment and record with the applicant, and the impact of the employee's arrest on the conduct of the applicant's business.

Statement of Financial Position (Balance Sheet)
As of (date) 11/16/20

ASSETS

Current Assets			
Cash		\$121,492.07	
Other Current Assets (specify) (Prepaid Insurance)		\$8,304.00	
Total Current Assets			<u>\$129,796.07</u>
Tangible Assets			
Motor Vehicle Equipment		\$138,535	
Property (buildings, land, etc.)			
Office Equipment			
	TOTAL ASSETS		<u>\$368,331.07</u>

LIABILITIES

Current Liabilities (Due within one year of date)			
Loans		\$7,082.00	
Credit cards/revolving credit			
Other Liabilities (Attach schedule)			
Total Current Liabilities			<u>\$7,082.00</u>
Long Term Liabilities (Due after one year of date)			
Mortgage			
Long term commercial loan		\$123,500	
Other Liabilities (Attach Schedule)			
Total Long-Term Liabilities			<u>\$123,500</u>
	TOTAL LIABILITIES		<u>\$130,582</u>