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December 30, 2021

**By Electronic Filing** 

Rosemary Chiavetta, Secretary Pennsylvania Public Utility Commission Commonwealth Keystone Building 400 North Street 2<sup>nd</sup> Floor - Filing Room Harrisburg, PA 17120

> Re: Application of 1<sup>st</sup> Step Movers LLC for approval to Change Limited Liability Corporation Membership for Common Carriers of Household Goods; Docket No. A-2021-\_\_\_\_\_

FOR REFERENCE ONLY: Docket Numbers of Certificated Carrier: A-2019-3013560 and A-8922773

Dear Secretary Chiavetta:

Attached for filing with the Pennsylvania Public Utility Commission is the Application of 1<sup>st</sup> Step Movers LLC for the approval to Change Limited Liability Corporation Membership for Common Carriers of Household Goods. The filing fee of \$350 has been paid electronically.

If you have any questions regarding this filing, please contact the undersigned.

Very truly yours,

Todd S. Stewart Bryce R. Beard

Counsel for 1<sup>st</sup> Step Movers LLC

BRB/das Enclosure

# APPLICATION FOR APPROVAL TO CHANGE LIMITED LIABILITY CORPORATION MEMBERSHIP FOR COMMON CARRIERS OF HOUSEHOLD GOODS OR PASSENGERS (Except GP16+)

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

# SEE INSTRUCTIONS BEFORE COMPLETING APPLICATION

- 1. Full and correct name of Certificated Carrier: \_\_\_\_1st Step Movers LLC\_\_\_\_
- 2. Docket number of Certificated Carrier: \_\_\_\_\_\_A-2019-3013560; A-8922773\_\_\_\_\_
- 3. Attorney(s) for the Application:

Name:	Todd S. Stewart, Esq. & Bryce R. Beard, Esq.	
Address:	Hawke McKeon & Sniscak LLP	
_	100 North Tenth St Harrisburg, PA 17101	
Telephone:	<u>717 - 236 - 1300</u>	
Email:	tsstewart@hmslegal.com - brbeard@hmslegal.com	
REPRESENTING: 1st Step Movers LLC		

Name:	
Address:	
Email:	
Name	 
Name: Address:	
Telephone:	
Email:	

1. Current Members of Limited Liability Corporation of Certificated Carrier:

a)	Number of current members:1		
b)	Member Names:		
	Ronald E. Beck		
		0 8	
		-	
	o		
2. Re	equested Membership Changes of Limited I	iability	Corporation:
	Exiting Members:	Liability	
α)	Exiting Members.		
	Ronald E. Beck		10
	1 <u></u>	<u> </u>	
		_	
	5	-	
b)	New Members:		
	Jason M. Baker		
	bason W. Baker	, iz	
		_	
	1. <del></del>		
		_	

3. If existing, new, or departing members of the limited liability corporation are in control of, or affiliated with each other, or with any other carrier, state the name of carriers, their docket numbers, and nature of the control or affiliation.

N/A
Consideration for the transfer of membership (if nominal, explain):
\$109,200. See attached sales agreement
The consideration will be paid as follows:
See attached sales agreement
The reasons for the proposed transfer are:
The reasons for the proposed transfer are: Founder and previous sole owner, Ronald E. Beck, is retiring and transitioning ownership to

- 7. The following must be attached to the completed application
- A statement containing a brief corporate history of the Certificated Carrier, the purpose for which it was created, a description of the service it furnishes to the public and a description of the territory in which it operates.
- Statements of Financial Condition (Income Statements and Balance Sheets) for the Limited Liability Corporation and the proposed new members.
- Verified Statement(s) of new member(s)/owner(s) if a complete change of ownership
- □ If the new member/owner is a corporate entity provide a complete list of members, or officers and shareholders with shares.
- □ If the new member/owner is a corporate entity provide a copy of corporation papers from PA Dept. of State

**WHEREFORE**, the Limited Liability Corporation Memberships request that the Commission approve the Application.

Existing Members sign here:	Rould & Beck	12-14-21
	(Each Member must sign)	(Date)
(Corporate Seal)		(Date)
		(Date)
<b></b>		(Date)
Exiting Members sign here:	Romald & Beal	12-14-21
	and the second sec	(Date)
(Corporate Seal)		(Date)
		(Date)
		(Date)

# THIS MUST BE COMPLETED BY A NOTARY PUBLIC AFFIDAVIT OF BUYER (NATURAL PERSON)

COMMONWEALTH OF PENNSYLVANIA :
Woshing Ton County : Juson M Boyley , being duly sworn (affirmed) according
$Tusom M$ $Succe_{t}$ , being duly sworn (affirmed) according to law, deposes and says that the facts above set forth are true and correct; or are true and correct to the best of his/her knowledge, information, and belief, and he/she expects to be able to prove the same at the hearing hereof. X M Baby Signature of Affiant
Sworn and subscribed before me on this /// day of <u>December</u> 20 <u>Z1</u> My Commission expires <u>Z-14-Z2</u> My Commission expires <u>Signature of Official Administering Oath</u>
AFFIDAVIT OF CERTIFICATED CARRIER (CORPORATION)
COMMONWEALTH OF PENNSYLVANIA :
: SS:
Washington County:
Rould K. Brekbeing duly sworn (affirmed) according to law, of $15T$ ST40 Mounts (Office of Affiant)(Office of Affiant)(Name of Corporation) (Name of Corporation)that he/she is authorized to and does make this affidavit for it; and that the facts above set forth are true and correct; or are true and correct to the best of his/her knowledge, information, and belief, and he/she expects the said $15T$ ST40 Mounts to be able to prove(Name of Corporation) (Name of Corporation)the same at the hearing hereof. $\mathcal{L}$ ST40 Mounts Signature of Affiant
Sworn and subscribed before me on this // day of

# THIS MUST BE COMPLETED BY A NOTARY PUBLIC AFFIDAVIT OF SELLER (NATURAL PERSON)

COMMONWEALTH OF PENNSYLVANIA :
: SS:
Wushinsten County :
Renald E.B.C.R       , being duly sworn (affirmed) according to law, deposes and says that the facts above set forth are true and correct; or are true and correct to the best of his/her knowledge, information, and belief, and he/she expects to be able to prove the same at the hearing hereof.         Sworn and subscribed before me on this       Multiple         14       day of         20       21         My Commission expires         2-14-22         Signature of Efficial Administering Oath
AFFIDAVIT OF BUYER/SELLER (CORPORATION)
COMMONWEALTH OF PENNSYLVANIA :
: ss:
County :
WashingTon       County       :         Jusin M Buker       , being duly sworn (affirmed) according         to law, deposes and says that he/she is
(Office of Affiant) (Name of Corporation) that he/she is authorized to and does make this affidavit for it; and that the facts above set forth are true and correct; or are true and correct to the best of his/her knowledge, information, and belief, and he/she expects the said to be able to prove
(Name of Corporation) the same at the hearing hereof.
Signature of Affiant Sworn and subscribed before me on this <u>14</u> day of <u>16000000000000000000000000000000000000</u>

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# Statement of Certificate Holder's Financial Position (Balance Sheet) as of (date) <u>Nov. 2021</u> (Must be less than 6 months old)

<u>ASSETS</u>		
Current Assets	•• • • • • •	
Cash	\$3,210.00	
Accounts Receivable		
Notes Receivable		
Other Current Assets (specify)		
Total Current Assets		·
Tangible Assets		
Land		
Motor Vehicle Equipment	\$39,500	
Less: Accumulated Depreciation	=	=
- Puilding and Structures		
Building and Structures Less: Accumulated Depreciation		_
	-	-
Office Equipment	\$5,150	
Less: Accumulated Depreciation	=======================================	
-		
Investments and Funds (specify)		i
Intangible Assets		
Other Assets (advances and idle equipment – specify)		0.0
TOTAL ASSETS		\$47,860
LIABILITIES		
Current Liabilities (Due within one year of date)		
Accounts Payable		
Notes Payable		
Equipment Obligations		
Other Liabilities (Attach schedule)		
Total Current Liabilities		
Long Term Liabilities (Due after one year of date)		
Accounts Payable	<u> </u>	
Notes Payable		
Equipment Obligations Other Liabilities (Attach Schedule)		
Total Long-Term Liabilities		
<u>NET WORTH</u> (Partnerships and individuals, only)		\$47,860

# Statement of Certificate Holder's Income Income Statement for the 12-month period ending Nov. 2021

REVENUE and GAINS	
Operating Revenue	\$193,742
Net Revenue from non-carrier operations	
Dividend and interest revenues	
Other non-operating revenue	
Gains	
Total Revenue and Gains	\$193,742
EXPENSES	
Equipment Maintenance and Garage	
Expense	\$3,776
Insurance Expense	\$17,203
Employee Salaries	\$110,205
Supervisory Salaries	
Officer Salaries	
Fuel Expense	\$8,605
Purchased Transportation (Lease	
Expense)	
Materials and Supplies Expense	\$642
General Office Expense	\$315
Advertising Expense	\$24,000
Telephone Expense	\$2193
Accounting Expense	\$1,200
Legal Expense	\$780
Uncollectible Revenue	\$2,932
Depreciation Expense	
Amortization	
Operating Taxes and Licenses	\$952
Rent Expense	\$15220
Loss	
Total Operating Expenses and Losses	\$188,023
Net Income Before Taxes	\$5,720
Provision for Income Taxes	
Net Income (Loss)	

# Statement of New Member's Financial Position (Balance Sheet) as of (date) <u>Nov. 2021</u> (Must be less than 6 months old)

<u>ASSETS</u>		
Current Assets		
Cash	\$5,800	
Accounts Receivable		
Notes Receivable		
Other Current Assets (specify)		
Total Current Assets		
Tangible Assets		
Land		
Motor Vehicle Equipment	\$6,300	
Less: Accumulated Depreciation		=
•		
Building and Structures		
Less: Accumulated Depreciation		=
- · · · · · · · · · · · · · · · · · · ·	\$925	
Office Equipment		
Less: Accumulated Depreciation	:	=
Investments and Funds (specify)		
Intangible Assets		
Other Assets (advances and idle equipment –		
specify)		
TOTAL ASSETS		\$13,025
<u>LIABILITIES</u>		
Current Liabilities (Due within one year of date)		
Accounts Payable		
Notes Payable	×	
Equipment Obligations		
Other Liabilities (Attach schedule)		
Total Current Liabilities		
Long Term Liabilities (Due after one year of date)		
Accounts Payable		
Notes Payable		
Equipment Obligations		
Other Liabilities (Attach Schedule)		
Total Long-Term Liabilities		
TOTAL LIABILITIES		
<u>NET WORTH</u> (Partnerships and individuals, only)		\$13,025
•		

# Statement of New Member's Projected Income and Expenses Projected Income and Expense Statement for the 12-month period ending 2022

REVENUE and GAINS	
Operating Revenue	\$205,000
Net Revenue from non-carrier operations	
Dividend and interest revenues	
Other non-operating revenue	
Gains	
Total Revenue and Gains	\$205,000
Total Neveride and Odins	\$200,000
EXPENSES	
Equipment Maintenance and Garage	
Expense	\$4,000
Insurance Expense	\$17,200
Employee Salaries	\$110,000
Supervisory Salaries	
Officer Salaries	
Fuel Expense	\$9,000
Purchased Transportation (Lease	
Expense)	
Materials and Supplies Expense	\$600
General Office Expense	\$400
Advertising Expense	\$24,000
Telephone Expense	\$2,200
Accounting Expense	\$1,200
Legal Expense	\$800
Uncollectible Revenue	\$2000
Depreciation Expense	
Amortization	
Operating Taxes and Licenses	\$1,000
Rent Expense	\$15,000
Loss	
Total Operating Expenses and Losses	\$187,400
Total Operating Expenses and Losses	Ψ107,700
Net Income Before Taxes	\$17,600
Provision for Income Taxes	
Not Income (Less)	

Net Income (Loss)

# VERIFIED STATEMENT OF NEW MEMBER

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

Jason M. Baker			
Purchaser's Name			
605 Highland Ave, Apt 5	Cannonsburg	PA	15317
Street Address	City or Municipality	State	Zip Code

The Verified Statement of the Buyer is more or less a business plan, or your proposal for providing the transportation service for which you are making application. Prior to deciding to become a member, 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.

At minimum, the Verified Statement of the Buyer should include a discussion of the numbered items listed below and on the following pages. 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 making the Verified Statement on behalf of the buyer. If the buyer is an individual making the statement, this will be the same information as provided above. If the buyer is a corporate entity and an employee/officer of the buyer is making the statement, give name, title, business address and telephone number, and indicate that the buyer's directors/owners/partners/etc. have authorized the witness to speak for the business.

# Jason M. Baker

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

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None

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

Jason has worked with 1st Step Movers since operations began in February 2020. Prior to then, Jason has been involved in the moving business since the age of ten, where his father and Uncle were in the moving industry. Jason has worked full time during summers from age 15-18, and has remained in the industry since. Jason has had a CDL since age 21 to assist in interstate moves. Jason has approximately 11 years of full time experience in the moving industry, and prior to 1st Step Movers, Jason worked for Healey Trucking, Bekins Van Lines, Wheaton Van Lines, George W. Weaver and Son Moving, Penn Hershey Transfer, Matheson Transfer and Storage, and M.F. Rockey Moving.

4. Describe your facilities, record maintenance plan and your communication network. Please include a description of your physical location, to include the office area, office machines that will be utilized, and the facility to house vehicles. Household goods in use carriers 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.

1st Step's office operations will be based out of Jason's residence, with a secure, off-site parking leased for vehicle storage. Jason's residence has a full office space to support operations, including computer and other office supplies. Jason will lease secure storage space as required by clients requests. Jason will have both paper and electronic records maintenance, with a goal keep primarily electronic/digitized records to ensure organization and compliance with the PUC's record keeping requirements. Regarding communication, 1st Step's contact will be updated to a direct point of contact of Jason, who will manage, schedule, and deploy all aspects of operations, including dispatch and employee support. 1st Step will continue to operate from 7am-7pm Monday-Saturday at client request.

5. Please state the number of employees you intend to use, along

with a description of their duties. Please explain why that number of employees is appropriate to provide reasonable and efficient service to the geographical territory you will be serving. (Do not address drivers in your explanation about this item; drivers are addressed separately in item # 6).

1st Step Movers LLC intends to retain its three current employees, which has been sufficient and appropriate to service the territory and current customer demands.

- 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. In addition, please explain:
  - a) Your hiring standards for drivers;
  - b) Your driver training program;
  - c) Your system for ensuring that your drivers are properly licensed at all times;
  - d) Your policies regarding alcohol and drug use by your drivers.

As stated above, 1st step intends to continue its operations with its three current drivers. As demand increases, 1st Step will hire personnel as needed.

- a) 1st Step will continue to only hire individuals with good driving records and that can show at least 6 months of driving experience in the transportation/moving or similar industries.
- b) Drivers will go through on-the-job training where they will initially begin as passengers/ assistants to learn the job responsibilities, then receive additional duties and driver training in subsequent jobs, leading to a complete knowledge of the job responsibilities.
- c) 1st Step will require proof of license and good standing to operate vehicles upon hiring, and every 6 months going forward to confirm ongoing proper licenses are held.
- d) 1st Step's policy will continue to be that drivers shall not be permitted to ingest alcohol within 8 hours of the start of their shift, and if any intoxication is recognized with reasonable suspicion, the driver will be sent home and corrective action taken. 1st Step will continue to have a zero-tolerance drug use policy for all drivers and all drivers will be subject to random drug testing policies and testing upon reasonable suspicion.
- 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 service to the geographical territory you will be serving. If you have already obtained vehicles for your business, please list them in the chart below.

1st Step will continue to utilize the two vehicles listed below for its operations. This number is appropriate for current customer demands, and 1st Step will add additional vehicles to its fleet as demand requires.

<u>YEAR</u> 2013	MAKE International	MODEL Maxforce	VEHICLE ID # 3HAMMAALXDL155440	<u>MILEAGE</u> 211029	SEATING CAP.
2011	lsuzu	NRP	JAL5W16087300370	177438	3

- 8. Describe your vehicle safety program. Please include the following in your explanation:
  - a) Your periodic vehicle maintenance plan;
  - b) Your system for ensuring your vehicles will continuously comply with Pennsylvania's equipment standards (67 Pa. Code & Chapter 175, requirements for vehicle inspections) that are applicable to the type of vehicles used in your business;
  - c) Your system for ensuring your vehicles will maintain compliance with the PUC's requirements for passenger service at 52 Pa. Code, § 29.402 and 29.403. (A copy of these requirements is on a separate page.)

1st Step will continue to provide safe and reliable service and ensure its vehicles are properly maintained and serviced and in compliance with Pennsylvania's equipment standards. 1st Step will continue its safety program which includes mileage interval scheduled vehicle maintenance (at manufacture specifications) and routine maintenance including oil changes, tire rotations etc. Drivers will conduct a daily walk around prior to trips for a visual vehicle inspection, and will record total mileage each day. The daily vehicle inspection will use a standard checklist to ensure safe operations, including but not limited to vehicle operations, cargo restraints, safety equipment etc.. If a vehicle requires repair or service, 1st Step will immediately remove the vehicle from operations until the repair or service is complete.

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

I have reviewed the current insurance premiums and expenses with Ronald Beck, the retiring owner, and can confirm that revenues as well as the monetary accounts are sufficient to continue to pay the premiums of the insurance coverage for the current fleet of vehicles. 10. Please describe your customer service standards. Within your description, please explain your intended customer complaint resolution procedure.

1st Step will continue its policy of promptly responding to any customer concerns with personal service and calls from myself to resolve any complaints.

11. Criminal Record. Have you been convicted of a misdemeanor or felony for which you remain subject to supervision by a court or correctional institution?

YES NO X

\*If the new member is a corporate entity, this guestion applies to all shareholders and corporate officers. In the event that the answer is yes for one of those individuals, a separate page identifying the individual and stating relevant information should be attached.

# VERIFICATION OF STATEMENT

The undersigned deposes and says that he/she is the person who signed the Statement for the above-captioned applicant/application and 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 the penalties of 18 Pa. C. S. § 4904 relating to unsworn falsification to authorities.

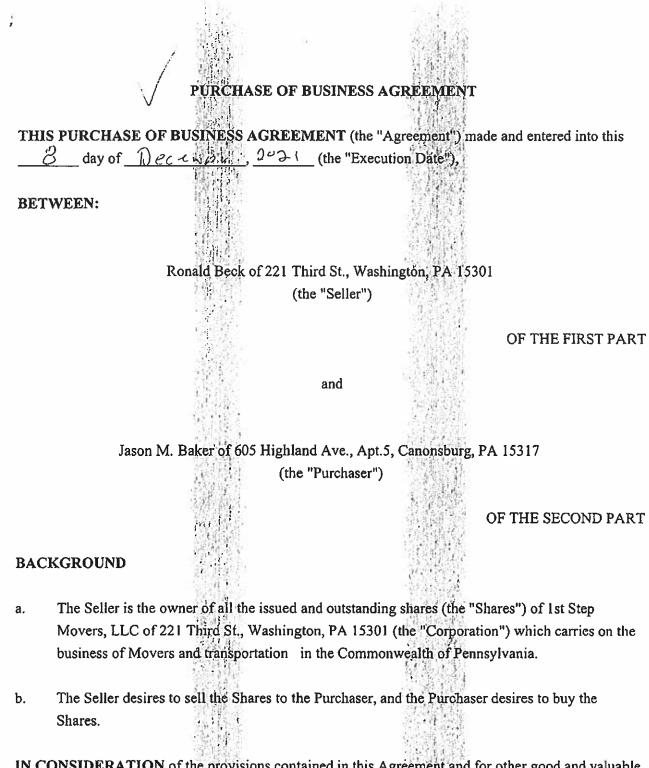
X A M Baker (Signature) 4 Jason M Baker (Name, printed or typed)

 $\frac{12 - 151 - 21}{(Date)}$ 

# Statement of 1st Step Movers LLC

1<sup>st</sup> Step Movers LLC was created to transition owner Ronald E. Beck's sole proprietorship dba First Step Movers to a limited liability company. Ronald E. Beck dba First Step Movers was originally approved as a Motor Common Carrier of Household Goods in Use and issued a Certificate of Public Convenience by the PA PUC on February 12, 2020 at A-2019-3013560. Subsequently, Ronald E. Beck formed 1<sup>st</sup> Step Movers LLC and transitioned operations by name/entity change as approved by the PA PUC on October 15, 2021.

1<sup>st</sup> Step Movers LLC provides services as a Motor Common Carrier of Household Goods in Use in its certificated territory throughout Pennsylvania.



IN CONSIDERATION of the provisions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which consideration is acknowledged, the Parties agree as follows:

# Definitions

1. The following definitions apply in the Agreement:

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- a. "Closing" means the completion of the purchase and sale of the Shares as described in this Agreement by the payment of agreed consideration, and the transfer of title to the Shares; and
- b. "Parties" means both the Seller and the Purchaser and "Party" means any one of them.

Sale

Subject to the terms and conditions of this Agreement, and in reliance on the representations, warranties, and conditions set out in this Agreement, the Seller agrees to sell the Shares to the Purchaser and the Purchaser agrees to purchase the Shares from the Seller.

# **Purchase Price**

3. The price to be paid by the Purchaser to the Seller for the Shares will be \$25,000.00 US Dollars (the "Purchase Price") according to the following breakdown:

Descrip	tion <i>PIS</i>	Price per Share	Number of Shares	Extended Price
Common Stock		\$ 697 \$25.00	1,000	109,200 \$25,000.00
Purchase Price				109,200 \$25,000.00
			V. D. S. O. B. S. P. C. C. A.	·

4. The Parties agree to co-operate in the filing of elections under the *Internal Revenue Code* and under any other applicable taxation legislation, in order to give the required or desired effect to the allocation of the Purchase Price.

Closing

- 5. The Closing of the purchase and sale of the Shares will take place on the 1st day of January, 2022 (the "Closing Date") at the offices of the Seller or at such other time and place as the Parties mutually agree.
- 6. At Closing, and upon the Purchaser resolving the Purchase Price in full to the Seller, the Seller will:

- a. provide the Purchaser with duly executed forms and documents evidencing transfer of signing authority and control of the bank accounts of the Corporation;
- b. provide the Purchaser with duly executed transfers of the Shares; and
- c. deliver to the Purchaser endorsed share certificates representing the Shares, and the Seller will take all steps necessary for the Corporation to enter the Purchaser, or its nominee, on the books of the Corporation, as the holder of the Shares.

# Payment

- 7. The Purchase Price for the Shares will be paid by the Purchaser with a promissory note (the "Promissory Note") in the form attached, in the amount of the Purchase Price, made out to the Seller.
- 8. The Purchaser is responsible for paying all applicable taxes, including federal sales tax, state sales tax, duties, and any other taxes or charges payable pursuant to the transfer of the Shares from the Seller to the Purchaser.

# Seller's Representations and Warranties

- 9. The Seller represents and warrants to the Purchaser that:
  - a. the Seller has full legal authority to enter into and exercise its obligations under this Agreement;
  - b. the Corporation is a corporation duly incorporated or continued, validly existing, and in good standing and has all requisite authority to carry on business as currently conducted;
  - c. the Seller is the absolute beneficial owner of the Shares, free and clear of any liens, charges, encumbrances or rights of others, and is exclusively entitled to dispose of the Shares;
  - d. except as otherwise provided in this Agreement, there has been no act or omission by the Seller that would give rise to any valid claim relating to a brokerage commission, finder's fee or other similar payment;
  - e. the Seller is a resident of the United States for the purposes of the Internal Revenue Code;

- f. the Seller has withheld all amounts required to be withheld under income tax legislation and has paid all amounts owing to the proper authorities;
- g. the Corporation is not bound by any written or oral pension plan or collective bargaining agreement or obligated to make any contributions under any retirement income plan, deferred profit sharing plan or similar plan;
- h. the Corporation will not dismiss any current employees or hire any new employees, or substantially change the role or title of any existing employees, provide unscheduled or irregular increases in salary or benefits to employees, or institute any significant changes to the terms of any employee's employment, after signing this Agreement, unless the Purchaser provides written consent;
- i. there are no claims threatened or pending against the Corporation by any current or past employee relating to any matter arising from or relating to the employment of the employee;
- j. the Corporation is operating in accordance with all applicable laws, rules, and regulations of the jurisdictions in which it is carried on. In compliance with such laws, the Seller has duly licensed, registered, or qualified the Corporation with the appropriate authorities and agencies;
- k. the Corporation maintains insurance policies on its assets and such policies are in full force and effect and of an adequate value as would be reasonable in its industry. The Corporation has neither defaulted under these insurance policies, whether as a result of failure to pay premiums or due to any other cause, nor has the Corporation failed to give notice or make a claim under these insurance policies in a timely manner;

14.7

- 1. the trademarks and trade names used in carrying on the business of the Corporation are owned exclusively and validly by the Corporation. The trademarks and trade names are duly registered with the appropriate public authorities in order that the rights associated with the trademarks and trade names are protected. To the best knowledge of the officers of the Corporation, there are no claims of infringement existing against the patents, trademarks, copyrights or any other trade names used by the Corporation;
- m. any trademarks and trade names used in whole or in part in or required for the proper operation of the business of the Corporation are validly and beneficially owned by and for

141.1616

the sole and exclusive use of the Corporation;

- n. to the best knowledge of the officers of the Corporation, the conduct of the Corporation does not infringe on the patents, trademarks, trade names or copyrights, whether domestic or foreign, of any other person, firm or corporation;
- o. the Corporation owns or is licensed to use all necessary software and it can continue to use any and all computerized records, files and programs after the Closing Date in the same manner as before the Closing Date;
- p. the Corporation has filed all tax reports and returns required in the operation of its business and has paid all taxes owed to all taxing authorities, including foreign taxing authorities, except amounts that are being properly contested by the Seller, the details of this contest having been provided to the Purchaser; and
- q. this Agreement has been duly executed and delivered by the Seller and constitutes a legal and binding obligation of the Seller, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy and insolvency, by other laws affecting the rights of creditors generally, and by equitable remedies granted by a court of competent jurisdiction.
- 10. The representations and warranties given in this Agreement are the only representations and warranties. No other representation or warranty, either expressed or implied, has been given by the Seller to the Purchaser.
- 11. The Seller warrants to the Purchaser that each of the representations and warranties made by it is accurate and not misleading at the Closing Date. The Seller acknowledges that the Purchaser is entering into this Agreement in reliance on each representation and warranty.
- 12. The Seller's representations and warranties will survive the Closing Date of this Agreement.
- 13. Where the Purchaser has a claim against the Seller relating to one or more representations or warranties made by the Seller, the Seller will have no liability to the Purchaser unless the Purchaser provides notice in writing to the Seller containing full details of the claim on or before the third anniversary of the Closing Date.

14. Where the Purchaser has a claim against the Seller relating to one or more representations or warranties made by the Seller, and the Purchaser is entitled to recover damages from a third party then the amount of the claim against the Seller will be reduced by the recovered or recoverable amount less all reasonable costs incurred by the Purchaser in recovering the amount from the third party.

# Purchaser's Representations and Warranties

- 15. The Purchaser represents and warrants to the Seller the following:
  - a. the Purchaser has full legal authority to enter into and exercise its obligations under this Agreement;
  - b. the Purchaser has funds available to pay the full Purchase Price and any expenses accumulated by the Purchaser in connection with this Agreement and the Purchaser has not incurred any obligation, commitment, restriction, or liability of any kind, absolute or contingent, present or future, which would adversely affect its ability to perform its obligations under this Agreement;
  - c. the Purchaser has not committed any act or omission that would give rise to any valid claim relating to a brokerage commission, finder's fee, or other similar payment;
  - d. the Purchaser is a resident of the United States for the purposes of the Internal Revenue Code;
  - e. this Agreement has been duly executed by the Purchaser and constitutes a legal and binding obligation of the Purchaser, enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy and insolvency, by other laws affecting the rights of creditors generally, and by equitable remedies granted by a court of competent jurisdiction; and
  - f. the Purchaser has no knowledge that any representation or warranty given by the Seller in this Agreement is inaccurate or false.
- 16. The representations and warranties given in this Agreement are the only representations and warranties. The Purchaser has given no other representation or warranty, either expressed or implied, to the Seller.
- 17. The Purchaser warrants to the Seller that each of the representations and warranties made by it is accurate and not misleading at the date of Closing. The Purchaser acknowledges that the Seller is entering into this Agreement in reliance on each representation and warranty.

- 18. The Purchaser's representations and warranties will survive the Closing Date of this Agreement.
- 19. Where the Seller has a claim against the Purchaser relating to one or more representations and warranties made by the Purchaser, the Purchaser will have no liability to the Seller unless the Seller provides notice in writing to the Purchaser containing full details of the claim on or before the third anniversary of the Closing Date.
- 20. Where the Seller has a claim against the Purchaser relating to one or more representations or warranties made by the Purchaser, and the Seller is entitled to recover damages from a third party then the amount of the claim against the Purchaser will be reduced by the recovered or recoverable amount less all reasonable costs incurred by the Seller in recovering the amount from the third party.

# Conditions Precedent to be Performed by the Purchaser

- 21. The obligation of the Seller to complete the sale of the Shares under this Agreement is subject to the satisfaction of the following conditions precedent by the Purchaser, on or before the Closing Date, each of which is acknowledged to be for the exclusive benefit of the Seller and may be waived by the Seller entirely or in part:
  - a. all of the representations and warranties made by the Purchaser in this Agreement will be true and accurate in all material respects on the Closing Date;
  - b. the Purchaser will obtain or complete all forms, documents, consents, approvals, registrations, declarations, orders, and authorizations from any person or any governmental or public body, required of the Purchaser in connection with the execution of this Agreement;
  - c. the Purchaser will execute and deliver the Promissory Note to the Seller; and
  - d. Execute a 7 year employment agreement to Seller.

# Conditions Precedent to be Performed by the Seller

22. The obligation of the Purchaser to complete the purchase of the Shares under this Agreement is subject to the satisfaction of the following conditions precedent by the Seller, on or before the Closing Date, each of which is acknowledged to be for the exclusive benefit of the Purchaser and may be waived by the Purchaser entirely or in part:

- a. all of the representations and warranties made by the Seller in this Agreement will be true and accurate in all inaterial respects on the Closing Date;
- b. the Seller will obtain and complete any and all forms, documents, consents, approvals, registrations, declarations, orders, and authorizations from any person or governmental or public body that are required of the Seller for the proper execution of this Agreement and transfer of the Shares to the Purchaser;
- c. the Seller will have executed all documentation necessary to transfer the Shares to the Purchaser; and
- d. the Seller will provide the Purchaser with complete information concerning the operation of the Corporation, in order to put the Purchaser in a position to carry on in the place of the Seller.

# **Conditions Precedent Not Satisfied**

23. If either Party fails to satisfy any of its conditions precedent as set out in this Agreement on or before the Closing Date and that condition precedent was not waived, then this Agreement will be null and void and there will be no further liability as between the Parties.

### Disclosure

24. Upon the reasonable request of the Purchaser, the Seller will, from time to time, allow the Purchaser and its agents, advisors, accountants, employees, or other representatives to have reasonable access to the premises of the Corporation and to all of the books, records, documents, and accounts of the Corporation, during normal business hours, between the date of this Agreement and the Closing Date, in order for the Purchaser to confirm the representations and warranties given by the Seller in this Agreement.

### Employees

- 25. The Purchaser will not be offering employment to any existing officer or employee of the Corporation (the "Employees"). All individuals who are officers or employees of the Corporation up to and including the Closing Date will remain the full responsibility of the Seller. Any individual hired by the Corporation after the Closing Date will become the responsibility of the Purchaser.
- 26. The Seller will deliver to the Purchaser prior to the Closing Date, resignations of all Employees of the Corporation, each such resignation will be effective on the Closing Date. The Seller will

pay all Employee compensation incurred by it up to and including the Closing Date including all salaries, benefits, bonuses including share bonuses and share options and any other compensation owing to the Employees up to and including the Closing Date. The Seller will be responsible for all severance benefits, vacation days, sick days, personal days and other compensated time off accrued by all Employees up to and including the Closing Date.

27. The Seller is in compliance with all applicable foreign and domestic statutory rules and regulations respecting employment and employment practices and has withheld and reported all amounts required by law with respect to wages and salaries and the Seller is not liable for any accrued taxes or penalties and is not liable or in arrears to any government pension, social security or unemployment insurance authority. The Seller indemnifies the Purchaser for any future liabilities relating to employment and employment practices where the subject of the liability occurred prior to or on the Closing Date.

### **Non-Assumption of Liabilities**

- 28. It is understood and agreed between the Parties that the Purchaser is not assuming and will not be liable for any of the liabilities, debts or obligations of the Seller arising out of the ownership or operation of the Corporation prior to and including the Closing Date.
- 29. The Seller will indemnify and save harmless the Purchaser, its officers, directors, employees, agents and shareholders from and against all costs, expenses, losses, claims, and liabilities, including reasonable legal fees and disbursements, or demands for income, sales, excise or other taxes, suffered or incurred by the Purchaser or any of the above mentioned persons arising out of the ownership or operation of the Corporation prior to and including the Closing Date.

# **Transfer of Third Party Contracts**

- 30. This Agreement is not to be construed as an assignment of any third party contract from the Seller to the Purchaser if the assignment would be a breach of that third party contract.
- 31. The Purchaser will be solely responsible for acquiring new contracts with third parties where the existing contracts are not legally assignable from the Seller to the Purchaser.
- 32. Notwithstanding any other provision in this Agreement to the contrary, the Seller will not be liable for any losses, costs or damages of any kind including loss of revenue or decrease in value of the Corporation resulting from the failure of the Purchaser to acquire any third party contracts.

#### Notices

33. Any notices or deliveries required in the performance of this Agreement will be deemed completed when hand-delivered, delivered by agent, or seven (7) days after being placed in the post, postage prepaid, to the Parties at the addresses contained in this Agreement or as the Parties may later designate in writing.

#### Expenses/Costs

34. The Parties agree to pay all their own costs and expenses in connection with this Agreement.

### Dividends

- 35. Any dividends earned by the Shares and payable on or before the Closing Date of this Agreement will belong to the Seller and any dividends earned by the Shares and payable after the Closing of this Agreement will belong to the Purchaser.
- 36. Any rights to vote attached to the Shares will belong to the Seller on or before the Closing Date and will belong to the Purchaser after the Closing Date.

### Confidentiality

- 37. The Seller and the Purchaser will keep confidential all information (the "Confidential Information") pertaining to this Agreement including, but not limited to, the terms of this Agreement, the Purchase Price, the Parties to this Agreement, and the subject matter of this Agreement as well as any written or oral information obtained about the respective Parties that is not currently in the public domain. Confidential Information will not include the following:
  - a. information generally known in the respective industries of the Purchaser and the Seller;
  - b. information that enters the public domain through no fault of the Purchaser or the Seller;
  - c. information that is independently created by the Purchaser of the Seller respectively without direct or indirect use of information obtained during the course of negotiations for this Agreement; and
  - d. information that is rightfully obtained by the Purchaser or the Seller from a third party who has the right to transfer or disclose the information.
- 38. The Seller and the Purchaser may disclose any Confidential Information relating to this Agreement to any of its employees, agents and advisors where there is a need to know in relation

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to this Agreement and where the personnel agree to be legally bound by the same confidentiality obligations.

- 39. The Parties each agree to indemnify the other against any harm suffered as a result of a breach of the confidentiality obligations contained in this Agreement on the part of their respective employees, agents and/or advisers.
- 40. The confidentiality obligations in this Agreement will continue to apply after the Closing Date of this Agreement without any limit in time.

# **Additional Clause**

41. Purchaser shall be responsible to assume and transfer all DOT and PUC licensing and authorities

### Severability

- 42. The Parties acknowledge that this Agreement is reasonable, valid, and enforceable; however, if any part of this Agreement is held by a court of competent jurisdiction to be invalid, it is the intent of the Parties that such provision be reduced in scope only to the extent deemed necessary to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected or invalidated as a result.
- 43. Where any provision in this Agreement is found to be unenforceable, the Purchaser and the Seller will then make reasonable efforts to replace the invalid or unenforceable provision with a valid and enforceable substitute provision, the effect of which is as close as possible to the intended effect of the original invalid or unenforceable provision.

### **Governing Law**

- 44. This Agreement will be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.
- 45. The courts of the Commonwealth of Pennsylvania will have jurisdiction to settle any dispute arising out of or in connection with this Agreement.

### **General Provisions**

46. This Agreement contains all terms and conditions agreed to by the Parties. Statements or representations which may have been made by any Party to this Agreement in the negotiation stages of this Agreement may in some way be inconsistent with this final written Agreement. All such statements are declared to be of no value to either Party. Only the written terms of this

Agreement will bind the Parties.

- 47. This Agreement may only be amended or modified by a written instrument executed by all of the Parties.
- 48. A waiver by one Party of any right or benefit provided in this Agreement does not infer or permit a further waiver of that right or benefit, nor does it infer or permit a waiver of any other right or benefit provided in this Agreement.
- 49. This Agreement will not be assigned either in whole or in part by any Party without the written consent of the other Party.
- 50. This Agreement will pass to the benefit of and be binding upon the Parties' respective heirs, executors, administrators, successors, and permitted assigns.
- 51. The clauses, paragraphs, and subparagraphs contained in this Agreement are intended to be read and construed independently of each other. If any part of this Agreement is held to be invalid, this invalidity will not affect the operation of any other part of this Agreement.
- 52. All of the rights, remedies and benefits provided in this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law or equity.
- 53. Time is of the essence in this Agreement.
- 54. This Agreement may be executed in counterpart.
- 55. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine gender include the feminine gender and vice versa. Words in the neuter gender include the masculine gender and the feminine gender and vice versa.

IN WITNESS WHEREOF the Parties have duly affixed their signatures under hand and seal on this \_\_\_\_\_\_ day of \_\_\_\_\_\_, JUQ1\_.

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Ronald Beck

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Jason M. Baker

# UNANIMOUS CONSENT OF THE MANAGER AND MEMBERS OF 1<sup>st</sup> STEP MOVERS, LLC

Pursuant to the authority contained in the Pennsylvania Consolidated Statutes and the Operating Agreement of 1<sup>st</sup> Step Movers, LLC the undersigned, being the Members of 1<sup>st</sup> Step Movers, LLC, a limited liability company organized under the laws of the Commonwealth of Pennsylvania, do hereby take and adopt and affirm the following actions in writing, without a meeting:

**RESOLVED**, that JASON M. BAKER be, and he hereby is, elected to serve as Manager of the Company for the following year and until his successor is duly elected and qualified.

ALSO RESOLVED, that all purchases, contracts, acts, proceedings, elections and appointments by the Board of Directors and the officers of this corporation since the last meeting of the members of the Company be, and they hereby are, ratified, approved and confirmed.

FURTHER RESOLVED, this Combined Unanimous Consent of Managers and Members shall constitute and be in place of the next scheduled annual meeting of the Manager and Members of the Company. FURTHER RESOLVED, that this resolution be inserted into the record or

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minute book of the Company.

Dated: 12-8-2 (

Ronald Beck, Sole Manager, Member

