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800-338-8415
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A-2022-3034610

DATE OF DEPOSIT

SEP 21 2022

Hello PUC committee,

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

I apologize for the tardiness of this application as it was originally emailed and was an oversight that this information needs to be mailed. I have sent all requested documents please call if you have any further questions

Thank you,

Raz (Ross) Sapir
347 551 5458



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET
HARRISBURG, PENNSYLVANIA 17120
<http://www.puc.pa.gov>

August 25, 2022

A-8925487
A-2022-3034610

ROADWAY MOVERS INC
1135 BRONX RIVER AVENUE
BRONX NY 10467

RE APPLICATION OF ROADWAY MOVERS INC

To Whom It May Concern:

On August 23, 2022, the application of Roadway Movers Inc, at A-2022-3034610, as a motor carrier was accepted for filing and docketed with the Public Utility Commission. In order for the Commission to proceed with the application, additional information is required.

Please forward the information to the Secretary of the Commission at the following address **within ten (10) working days** from the date of this letter.

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

ALL Parties to proceedings pending before the Commission must open and use an e-filing account through the Commission's website, OR you may submit your filing by overnight delivery. If a filing contains confidential or proprietary material, the filing is required to be submitted by overnight delivery.

DATE OF DEPOSIT

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PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Your answers should be verified per 52 Pa Code § 1.36. Accordingly, you must provide the following statement with your responses:

I, Ross Sapir, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

The blank should be filled in with the name of the appropriate company representative, and the signature of that representative should follow the statement.

Failure to comply with this request within 10 working days from the date of this letter will result in the denial of the application.

Please direct any questions to Kevin Morgan, Bureau of Technical Utility Services at (717) 787-2687. Faxed or emailed filings are **not** accepted.

Sincerely,

A handwritten signature in cursive script that reads "Rosemary Chiavetta".

Rosemary Chiavetta
Secretary

Enclosure

DATE OF DEPOSIT

SEP 21 2022

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

Request for Information

1.) On the FMCSA Safer website Roadway Inc. is listed to have a d/b/a of "Roadway Moving". Why is this information different from what was filed with this Commission?

This must have been an oversight on my part for you review the application submitted the VERIFIED STATEMENT OF APPLICANT page mentions our trade name/dba Roadway Moving. I have re-attached the submitted application for you review and apologize if I did not input this information into all the correct fields. Please revise. Thank you.

2.) Your financial statement is not dated. You must file a new statement of Financial Position, which consists of information that is less than 6 months old. This information is to consist solely of assets and debts held by Roadway Movers Inc.

Please see attached dated statement of Financial Position.

3.) You failed to adequately answer question 5(a) and (b) of the Verified Statement. The Commission needs to know in detail that you have an adequate structure in place to be granted a certificate of public convenience. What are your hiring Standards? What is the "goodhire" platform? Explain in detail.

Roadway's Hiring Standards, are we look for at least one year of experience driving a 16+ foot truck within the city area, clean driver record, and experience with e-logs. Speaking English is a requirement. We run a 7-year background check for nationwide criminal and sex offender list. This is standard/basic using a background checking company, Goodhire. If we have, the CDL drivers are sent for a drug test and checked in a clearing house roster. No one starts until this is completed. We also contact their previous employer's to verify their employment and any work history. At least one employer or professional reference must check out.

4.) You failed to adequately answer question 7(a) and (b) of the verified Statement. Please explain your safety program in detail to reflect how you will provide safe and reliable service.

I have attached our Safety Manual. Start on page 12 will be our Fleet Safety policy that covers periodic maintenance. I have reviewed and verified that the policy is in compliance with 67 Pa Code, Chapter 175.

5) On the application you listed yourself as the only officer and shareholder of Roadway Movers Inc. All officers and shareholders must be on file. Is Mr. Thompson an officer and/or shareholder of Roadway Movers Inc., as the application envelope was sent from Carl Thompson? If there are multiple officers and shareholders, provide a response to question 9 of the verified statement for each officer and shareholders to include details related to dates and charges of any conviction of a misdemeanor and/or felony.

Carl Thompson is the companies Office Manager, not an officer or shareholder of the company.



Roadway Moving Safety Policy Manual

Table of Contents

1. Statement of Safety Policy	4
1.1. Policy Changes Disclaimer	
1.2. Terminology	
2. Hiring Procedures	5
2.1. Application	
2.2. Documentation & Background Checks	
2.3. False/Misleading Information	
3. New Employee Safety Orientation	6
3.1. All Employees	
3.2. Drivers	
4. Drug-Free Workplace Policy.....	7
4.1. Safety-Sensitive Functions	
4.2. Pre-Employment/Post-Offer Testing	
4.3. Random Testing	
4.4. Post-Accident Testing	
4.5. Post-Injury Testing	
4.6. Reasonable Cause Testing	
4.7. Testing Procedures	
4.8. Confidentiality	
4.9. Records Retention	
4.10. Release of Testing Records by Previous Employers	
4.11. Training	
4.12. Referral, Evaluation & Treatment	
5. Fleet Safety	12
5.1. Driver Qualification & Eligibility Requirements	
5.2. Vehicle Inspection Procedures	
5.3. Hours of Service Procedures	
5.4. Accident Reporting, Review & Investigation	
5.5. <i>Unauthorized Passengers</i>	
5.6. Seat Belt Use	
5.7. Non-Use of Company Vehicles for Personal Business	
5.8. Radar Detectors	
5.9. Cellular Phone Usage	
5.10. No Smoking In/Around Vehicles	
5.11. Backing/Spotter Usage	
5.12. Space Management	

5.13. Moving Violations/Suspensions/Annual MVRs	
5.14. Vehicle & Cargo Security	
5.15. Mirror Check Station	
6. Workplace Safety	19
6.1. General Safety Rules	
6.2. Facility & Equipment Inspection	
6.3. Incident Reporting & Investigation	
6.4. No Smoking Policy	
6.5. Forklift Operation	
6.6. Safe Lifting	
6.7. Slip, Trip & Fall Prevention	
6.8. Safety Meetings & Committees	
6.9. Security	
6.10. Personal Protective Equipment (PPE)	
6.11. Emergency Procedures	
6.12. Hazard Communication	
7. Safety Incentive Programs	30
8. Job Descriptions	31
8.1. Packer/Helper	
8.2. Packer	
8.3. Lead Packer	
8.4. Warehouse Manager	
9. Forms	34
9.1. Acknowledgment & Receipt of Safety Policy Manual	

1. Statement of Safety Policy

Roadway Moving maintains its reputation as one of the best transportation companies because of our record of safety and efficiency. We actively promote a safety and training program to reduce our accident, injury, illness and property damage claims while increasing customer satisfaction.

The settlement costs for injuries or damages from an accident are only one measure of economic loss. In many instances, other hidden costs borne by management overshadow direct accident settlement costs. These costs can include repairs to a vehicle or the purchase of a new vehicle, interruption of service, replacing and repairing of cargo, loss of driver's services, and cost of locating a substitute driver, loss of public goodwill, the loss of a customer or national account's goodwill through unnecessary delay of cargo and many others.

A conscious effort on the part of management to share the responsibility for implementing and enforcing this safety and training program will result in a dramatic reduction of our claims and maintain the reputation for quality service that we at Roadway Moving have built over the years.

Ross Sapir
President/Owner
Roadway Moving

1.1 Policy Changes Disclaimer

Roadway Moving reserves the right to make any changes, at any time, by adding to, deleting or changing an existing policy.

The rules set out in this manual are as complete as we can reasonably make them. However, they are not necessarily all-inclusive because not every possible circumstance can be anticipated. The company may vary from the policies and provisions in this manual if, at its sole discretion, the circumstances require.

1.2 Terminology

Driver: For the purposes of this document, the term "Driver" will refer to all employees, contractors, sub-contractors and/or independent owner-operators that drive for and/or represent Roadway Moving.

Employee: For the purposes of this document, the term "Employee" will refer to all employees, contractors, sub-contractors and /or independent owner-operators that work for and/or represent Roadway Moving.

Employer: For the purposes of this document, the term "Employer" will refer to Roadway Moving.

FMCSR: Federal Motor Carrier Safety Regulations.

OSHA: Federal Occupational Safety & Health Administration

Supervisor: For the purposes of this document, the term "Supervisor" will refer to any member of management, a supervisor, or lead person with supervisory responsibility at Roadway Moving.

2. Hiring Procedures

2.1 Application

All prospective drivers will be required to complete a Driver's Application. All helpers, warehouse and office employees will be required to complete a general employment application. All applicants will receive a copy of the Roadway Moving's Company's safety policy statement (9.3) upon hiring.

2.2 Documentation and Background Checks

The following documentation and checks will be obtained in writing and reviewed for all applicants prior to hire:

- Driving records/motor vehicle records for all employees driving company commercial or passenger vehicles
- Previous employment verification
- Criminal background

Additionally, the following documents and checks will be obtained and reviewed for driver applicants:

- Safety performance history/drug and alcohol test records for all interstate drivers
- Road tests for all drivers

2.3 False/Misleading Information

Any false or misleading information given by a prospective employee on the application or in an interview will result in termination of employment and/or cancellation of contract.

3. New Employee Safety Orientation

3.1 All Employees

All new employees at Roadway Moving will receive a safety orientation. The orientation will inform you about safe work practices, potential hazards in the workplace and how to use personal protection. A copy of this Safety Policy Manual will be given to each employee during orientation.

The new hire orientation will cover the following subjects:

- Operations
- Safety Rules

- Personal Protective Equipment (PPE)
- Fire Protection/Emergency Procedures
- Packing/Loading

Some employees will receive further training as required for specialized equipment and processes.

Employees will complete and sign a form stating that they have completed and understood the orientation (9.4) and one stating that they have received a copy of the Roadway Moving's Safety Policy Manual (9.1).

3.2 Drivers

In addition to the above orientation, all drivers will receive training on the following subjects:

- Hours of service
- Key control program
- Seatbelt usage
- Nonuse of company equipment for personal business
- Fraud
- Unauthorized passengers
- Accident reporting and review
- Emergency equipment
- Pre- and post-trip inspections
- Backing
- Speed and space management
- Vehicle and cargo security
- Brake adjustments (per FMCSR Section 396)
- Use of radar detectors
- Cell phone usage
- Walk boards
- Residential driveways
- Flammables

Drivers will complete and sign a form stating that they have completed and understood the driver's orientation (9.4).

4. Drug-Free Workplace Policy

Roadway Moving has an obligation to its employees, customers and the public at large to reasonably ensure safety in our workplace, as well as safety and quality at our customers' locations and on the road. As such, the following are **strictly prohibited and will result in immediate disciplinary action, including termination**: reporting to work under the influence of intoxicating liquor or illegal drugs; the use, possession, manufacture, sale, purchase or transfer by an employee in/on company premises or property (including storage in a desk, locker, car, truck, etc.), while on company business or on company work time of all intoxicating liquor, controlled or illegal substances, a drug not medically authorized, or any other substances which impair job performance or pose

a hazard to the safety and welfare of the employee, the public, or other employees and contractors. This policy applies to all employees and applicants for employment.

The following substances and/or their metabolites may be tested for under this policy:

- Amphetamines (speed, pep pills)
- Barbiturates (depressants)
- Benzodiazepines (Valium)
- Cannabinoids (marijuana)
- Cocaine (including crack)
- Methadone (morphine)
- Opiates (heroin)
- Phencyclidine (PCP)
- Propoxyphene (Darvon)
- Alcohol

The following types of testing will be performed:

- Pre-employment
- Random
- Post-accident
- Post-injury
- Reasonable suspicion

4.1 Safety-Sensitive Functions

For the purposes of this drug and alcohol testing policy, a safety-sensitive function is defined per FMCSR 382.107 as all time from when a driver begins to work or is required to be in readiness to work until he/she is relieved from work and all responsibility for performing work. Safety-sensitive functions include:

- All time at an employer's facility, terminal, or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the employer.
- All time inspecting equipment as required by law or otherwise inspecting, servicing or conditioning any commercial motor vehicle at any time.
- All time spent at the driving controls of a commercial motor vehicle in operation.
- All time, other than driving time, in or upon any commercial motor vehicle except time spent resting in a sleeper berth.
- All time loading or unloading a vehicle, supervising, or assisting in the loading or unloading, attending a vehicle being loaded or unloaded, remaining in readiness to operate the vehicle or in giving or receiving receipts for shipments loaded or unloaded.
- All time repairing, obtaining assistance or remaining in attendance of a disabled vehicle.

4.2 Pre-Employment/Post-Offer Testing

Where allowable by state and local laws, prospective employees will be required to submit to a drug and, possibly, alcohol test as a condition of their employment. Testing will be

conducted on safety sensitive positions and in an indiscriminate manner. Roadway Moving has contracted with Empire Consulting to conduct applicable testing.

Any applicant hired by Roadway Moving will be directed to the clinic, at Company expense, to undergo Pre-Employment/Post-Offer Drug/Alcohol testing. The clinic will release the results to the Company representative, who in turn will notify the candidate of the results.

All drivers will be tested for the use of prohibited substances prior to performing any safety-sensitive functions for the first time as required by Section 391.23 and allowed by Section 383.35 of the FMCSR.

If the results of the drug test are positive, the Medical Review Officer (MRO) will review the report and contact the applicant to determine if any extenuating circumstances, relevant at the time of the test, could have resulted in a false positive. The MRO will determine if the applicant will be re-tested. If any applicant tests positive with a blood alcohol level exceeding 0.02 or any non-prescribed illegal substance, the Company will withdraw the offer of employment. If any applicant refuses to submit to the tests, the Company will also withdraw the offer.

4.3 Random Testing

All interstate drivers will be randomly tested as required by Section 391.23 and allowed by Section 383.35 of the FMCSR. At least 10 percent of drivers will be tested for alcohol each year. At least 50 percent of drivers will be tested for controlled substances each year. All other employees will be randomly selected for drug and/or alcohol testing as directed by the clinic. Drivers operating vehicles over 26,000 lbs. GVW will be in a separate testing pool from those drivers who never operate vehicles of that weight and all other employees.

Once notified of selection for a random test, employees must proceed immediately to the collection/testing site for testing. For alcohol testing, random notification will occur directly before, after, or during performance of a safety-sensitive duty.

4.4 Post-Accident Testing

Testing will be done if the accident was reportable under US DOT criteria and if a citation has been issued for a moving violation as a result of the accident. Any accident involving loss of life shall require testing if the driver was performing safety-sensitive functions with respect to the vehicle, regardless of a citation being issued. If medical attention is required, the driver will be directed to have the injury taken care of and to provide a breath and urine sample as soon as possible following the accident. If possible, this testing will be in conjunction with medical treatment. The test results will be released to the Company representative. The test will consist of a breath alcohol test, along with a urine analysis to test for non-prescribed illegal substances as listed previously.

Alcohol tests must be administered within two hours of the accident. If more time has elapsed, Roadway Moving must prepare a report to explain the delay. After eight hours

(alcohol) and thirty-two hours (controlled substances) have elapsed, no test will be given and Roadway Moving must prepare a report explaining why the test was not given.

Any employee who tests positive for illegal substances will be terminated immediately. If the blood alcohol test comes back with an alcohol level exceeding 0.02, it will be grounds for disciplinary action up to and including immediate termination. In addition, an employee who refuses to submit to the testing procedure will be regarded as refusing to be tested, which is grounds for immediate termination. If the driver leaves the scene of an accident without a valid reason prior to submission to the test, he/she will be regarded as refusing to be tested.

4.5 Post-Injury Testing

Any employee involved in a work-related or near miss incident must inform a supervisor immediately. If the incident involved property damage or requires medical attention, the employee will be directed to have the injury taken care of and to provide a breath and urine sample as soon as possible following the accident. If possible, this testing will be in conjunction with medical treatment. The test results will be released to the Company representative. The test will consist of a breath alcohol test, along with a urine analysis to test for non-prescribed illegal substances as listed previously.

Any employee who tests positive for illegal substances will be terminated immediately. If the blood alcohol test comes back with an alcohol level exceeding 0.02, it will be grounds for disciplinary action up to and including immediate termination. In addition, an employee who refuses to submit to the testing procedure will be regarded as refusing to be tested, which is grounds for immediate termination.

4.6 Reasonable Cause Testing

Roadway Moving reserves the right under all applicable laws to test any employee for alcohol and illegal drugs if he/she shows cause. At least one Supervisor, Sheila Rivera, has been trained in accordance with FMCSR 383.603 which includes the required 60 minutes of both alcohol and drug reasonable suspicion identification. These supervisors have been trained to identify symptoms of being under the influence of illegal drugs or alcohol. The Company reserves the right to inspect and/or search all company property, as well as any employee's personal property on company premises or job site for intoxicating liquor, controlled or illegal substances, or any substances that may impair job performance.

Employees are encouraged to seek voluntary treatment for substance abuse. If an employee would like assistance or referral information, he/she may contact Human Resources. Voluntary inquiries will be maintained in confidence.

The following factors may be used to determine a reasonable suspicion:

- During work hours, direct observation of drug or alcohol use or the physical symptoms of drug or alcohol use.
- Abnormal conduct or erratic behavior while at work.
- Absenteeism, tardiness or severe deterioration in work performance.

- A report of drug or alcohol use on the job from a reliable source that has been independently corroborated.
- Information that an employee has caused or contributed to an accident at work.
- Evidence that an employee is involved in the use, possession, sale, solicitation or transfer of drugs or alcohol while working, or while on the company premises or job site, or while operating company vehicles, machinery or equipment.

If a supervisor identifies a problem, she/he will ask another supervisor to confirm the reasonable cause. Both persons will then individually fill out an Observed Behavior Reasonable Suspicion Record (9.5). After filling out the report and deciding jointly that reasonable suspicion exists, the supervisor will escort the employee to a private area where the supervisor will speak to the person confidentially. The employee will be given a chance to explain. If after the explanation the supervisor believes he/she is unfit to perform his/her duties and reasonable suspicion for use of illegal drugs or alcohol still exists, the employee will be asked to go for a test. A company representative will then transport him to the medical testing center. The testing center will perform a breath alcohol test along with a urine analysis for the non-prescribed illegal drugs listed previously in this section of the policy.

**Reasonable Suspicion Records should be completed by the supervisor and sent to Human Resources within 24 hours of the observation. Supervisors must obtain approval from the Human Resources Manager prior to requiring that an employee undergo substance abuse testing.*

If the test comes back positive for illegal drugs, the employee will be immediately terminated. If the test comes back positive with an alcohol level exceeding 0.02 it will be grounds for disciplinary action up to and including termination. If the test comes back negative, the employee will be compensated for time off and return to normal work activities. If an employee is using prescription or over-the-counter medication, it will be the company's decision if he/she is to go back to normal work activities.

If an employee refuses to submit to the test, they will be considered insubordinate and it will be grounds for immediate termination. If he/she becomes hostile, law enforcement will be called in and he/she will be considered insubordinate, which will be grounds for immediate termination.

4.7 Testing Procedures

All testing will be conducted in the following manner:

- Testing will be conducted during the employee's regular work hours whenever possible. If this is not possible, testing will occur immediately after his/her regular work hours.
- The employee will be paid for the time involved in participating in a drug and alcohol test conducted by the company.
- The employee will be asked to submit urine specimens for the drug and alcohol testing procedures.

- Roadway Moving will be responsible for any and all expenses incurred for testing.
- Actual testing procedures will be outlined with the company by the testing facility.

4.8 Confidentiality

Any and all information, interviews, reports, statements, memoranda and test results written or otherwise received by Roadway Moving through its drug and alcohol testing program are confidential communications, except under certain circumstances as allowed by law.

4.9 Records Retention

Records will be kept for five years, unless otherwise noted, relating to:

- Positive driver alcohol and drug test results
- Negative and cancelled driver alcohol and drug test results (one year minimum)
- Driver refused tests
- Compliance with alcohol testing, calibration and training if testing is done on-site
- Random selection process
- The collection process (two years)
- Violations under 49 CFR 382
- Post-positive test alcohol/drug evaluations
- Education and training (two years)
- Annual reports from the testing company

An Annual Report of Activity will be obtained from the testing company and will be maintained and, if requested, sent to FHWA in a form and manner as prescribed. Separated reports for drug and alcohol testing are required.

4.10 Release of Testing Records by Previous Employers

Within 30 days of beginning the performance of safety-sensitive functions, the following information must be obtained from all of a driver's previous employers:

- Positive alcohol or drug tests
- Refusals to test
- Information related to any chemical dependency evaluations and completion of treatment.

Roadway Moving must maintain a written, confidential record with respect to each past employer contacted in the Driver's Qualification File.

4.11 Training

Supervisors and all other persons designated to determine whether reasonable suspicion exists to require an employee to undergo alcohol or controlled substance testing will receive at least 60 minutes of training on alcohol and an additional 60 minutes on substance abuse. The training will cover the following indicators:

- Physical

- Behavioral
- Speech
- Performance

All employees, contractors, sub-contractors and independent owner-operators will be given awareness education and information on drug and alcohol misuse.

4.12 Referral, Evaluation, and Treatment

Each employee who tests positive will be given a list of treatment and substance abuse professionals (SAP) in the area including names, addresses and phone numbers.

SAP's will evaluate the person and determine what treatment (if any) is needed. Conflict of interest provisions apply to a SAP's referral to a treatment agency in which he/she has a financial interest.

Alcohol tests must be below 0.02 and drug test results must indicate a verified negative before return-to-duty is allowed. If an employee is allowed to return to the job after a verified positive test result, a return to duty alcohol/drug test, compliance review by SAP, and initiation of follow-up random testing (minimum six in 12 months, up to 60 months) will be required.

5. Fleet Safety

Roadway Moving has made a commitment of safety, service and quality to our customers, as well as to our employees. We mandate that anyone driving a vehicle owned or contracted by our company operate in a safe and economical manner.

5.1 Driver Qualification and Eligibility Requirements

5.1.1 Driver's License and Motor Vehicle Report (MVR)

A valid driver's license is required, with the proper classification for the type of vehicle the driver will be operating. A MVR will be obtained on all prospective drivers.

5.1.2 Age Requirements

Any person under the age of 21 will not drive commercial trucks. Truck tractor units must not be driven by any person under the age of 25. Experience shows that young operators of these types of units are more prone to be involved in motor vehicle accidents than older, more experienced operators.

5.1.3 Driver Screening Criteria

Roadway Moving will not consider any driver who does not meet the requirements of our insurance company.

5.1.4 Medical Certification/Physical

All prospective drivers will be required to undergo a physical evaluation and if required, pass a DOT physical evaluation. Results of the physical evaluation will be compared to

the necessary physical requirements for a driver for this company to ensure the prospective driver can perform at the required levels of physical exertion.

5.1.5 Drug and Alcohol Testing

All prospective drivers will be tested for drugs and alcohol as per Section 4 of this policy and all applicable laws.

5.1.6 Road Testing

Although not required by law, prospective drivers will be required to complete a satisfactory road test of no less than 30 minutes by Roadway Moving. Tests will be conducted by a supervisor and will cover a variety of driving criteria. The road test will require the driver to safely and competently complete tasks. They will be made in normal traffic conditions over a prescribed course or route and will be scored on a Record of Road Test form. Results of the road test will be shared with the prospective driver at management's discretion.

The main points in preparing and conducting a road test are:

- A vehicle that is the same as the one a prospective driver will operate will be selected for the test.
- Each applicant will be rated in accordance with a pre-established standard.

A yard test will also be required to determine an applicant's skill in handling equipment in a limited area. Two exercises to be performed here are the parallel park and the alley dock.

The use of seat belts and other safety devices is mandatory during all road and yard tests as per Section 5.6 of this Policy Manual.

5.1.7 Training and Orientation

All new drivers will be required to attend a Safety Orientation as outlined in Section 3 of this policy. In addition, new drivers will be trained as follows:

- When a driver changes from driving a single rear axle unit to a dual rear axle unit or to a truck tractor unit, the driver will be accompanied by a supervisor or experienced driver for at least one day.

5.1.8 Driver Qualification Files

The following documents are required to be kept on file for all drivers operating vehicles over 10,000 pounds gross vehicle weight (GVW). All documents must be properly signed and dated. This documentation is required by FMCSR 391.51 for all interstate drivers and Roadway Moving considers it to be a best business practice to maintain such documentation on all drivers, regardless of inter or intra-state operation.

- Driver's Application for Employment
- Release of Information form
- MVR (both initial and annual)

- Driver's license copy – current
- Record of Road Test and written examination
- Medical Examiner's Certificate – current
- Safety Performance History inquiries and responses
- Annual Certification of Violations – initial and annual

The following documents are not required by law, but are kept in the driver's file as a best business practice:

- Driver Statement of On-Duty Hours – upon hire
- Drug and Alcohol test Chain of Custody form – initial upon hire and all random tests
- Acknowledgement and Receipt of Safety Policy Manual (9.1)
- Acknowledgement and Receipt of Drug-Free Workplace Policy (9.2)
- Past employment verifications
- Background and criminal records checks
- I-9 form
- Vehicle Use Policy
- Distraction Free Driving Policy

The person responsible for maintaining the driver qualification files tracks all expiration dates for driver's licenses, Medical Examiner's Certificates, annual MVRs and Annual Certification of Violations. Drivers are required to complete, with signature and date where required, and/or copy updated documentation as requested. Unsigned documents are not valid and will not be accepted.

At no time will any information other than that listed above be placed in the driver qualification file. Any other documentation will be kept in a separate personnel file in the Human Resources department.

5.2 Vehicle Inspection Procedures

The driver is responsible for ensuring that the vehicle is safe prior to beginning a trip. Drivers should be certain that all necessary equipment, tools and supplies are on the truck.

5.2.1 Pre & Post-Trip Inspections

All drivers are required to perform both pre and post-trip inspections on their vehicles using the Driver's Vehicle Inspection Report (9.6). If a deficiency is found, the form will be forwarded to the mechanic to confirm the equipment malfunction, complete repairs and sign off on the completed identification form.

A good pre and post-trip inspection consists of checking the following:

- Tire inflation and condition (including spares), lug nuts and mud flaps
- Oil level and pressure
- Fuel and radiator tank levels
- All lights and reflectors on both the tractor and trailer

- Rearview and side mirrors
- Windshield and windows
- Air and electrical connections
- Cargo doors
- General body condition of the tractor and trailer
- Brakes and air tanks
- Fifth wheel latch
- Steering mechanism
- Windshield wipers and defroster
- Horn
- Oil levels for all seals and axles
- Fire extinguisher and three triangles
- In cold weather, airline anti-freeze and canned heat for the fuel system

5.2.2 Brake Inspections and Repairs

The quality of brake inspections and repairs is maintained by allowing only certified brake inspectors per FMCSR Section 396.25 to work on the brakes of any company vehicle. Each brake inspection is to be documented and filed properly to prove qualifications to interested parties.

5.2.3 Semi-Annual DOT Vehicle Inspections

All vehicles owned and/or operated by the company and those owned by independent owner-operators, regardless of GVW, will be required to have a DOT equivalent vehicle inspection every six months. Additional inspections will be completed as required by the van line or other applicable laws. Documentation of these inspections on the proper form must be turned in to Roadway Moving for inclusion in the vehicle maintenance file as required by law.

5.2.4 Vehicle Maintenance

To retain the safety and integrity of its vehicles, Roadway Moving will provide the necessary resources to ensure all vehicles are operating at their best. All routine motor vehicle maintenance will be done according to the manufacturer's specifications. Critical components that must always be maintained and promptly repaired are: brakes, tires, suspension, steering, lights, mirrors, windows and windshield wipers.

Invoices for all maintenance performed on each vehicle, whether company or contractor/owner-operator owned, must be kept on file by vehicle in the vehicle maintenance file as required by law.

5.2.5 Vehicle Maintenance Files

Per FMCSR, the company is required to keep a separate vehicle maintenance file for each vehicle operating under its name. This includes all equipment that is independently owned and leased equipment. These files must contain registration and insurance information as well as all maintenance records for that specific vehicle and all annual/semi-annual DOT equivalent inspections.

5.3 Hours of Service

Hours of Service, as prescribed by the Department of Transportation, will not be exceeded. Roadway Moving cannot and will not permit violation of the hours of service, except in the event of an emergency as provided for in the DOT regulations. Driver's logs must agree with sign-out and trip sheets. Detailed instructions for compliance with these regulations will be provided to you. The following is a list of general guidelines and tips for filling out log sheets:

- Logs must be in 15-minute increments. Any function taking less than 7 ½ minutes does not need to be logged. If a function takes between 7 ½ minutes and 15 minutes, it must be logged as 15 minutes.
- Meal breaks up to one hour must be logged as off-duty time.
- Keep logs current to the last change of duty status. This is a DOT regulation. Keep in mind that several states require logs to be current to within two to four hours.
- Drivers can be fined for each incident of log falsification. These fines are the driver's responsibility.
- A pre-trip inspection must be performed prior to driving each day.
- Log with a ballpoint pen. A ruler is useful to draw the lines between hours and duty status changes. Straight lines, written in ink, are easiest to read and are less likely to be smeared.
- Do not erase or use whiteout on the log form. If an error is made, either "X" it out and initial that section or use a new log form. If the log is audited and it appears to have been erased or White-Out used, it may be assumed that the document has been falsified and penalties may be imposed.

Falsification of logs is not tolerated by Roadway Moving. If a driver is found to have falsified a log, he/she is subject to disciplinary action up to and including termination.

5.4 Accident Reporting, Review, and Investigation

5.4.1 Immediately Following an Accident

All drivers must know what to do – and sometimes what NOT to do – after an accident occurs. Follow these procedures in the event of an accident.

- Stop!
- Get the vehicle out of traffic and park safely.
- Turn off the ignition and set the brakes.
- Turn on the four-way flashers. Exit the vehicle with caution.
- If fire or smoke is present, call 911. If possible, attempt to put it out with a fire extinguisher. If the fire is large, or if you are not trained in the use of a fire extinguisher, do not attempt to put it out. Wait for emergency personnel.
- Position the emergency triangles as shown on the accident kit provided in each truck.
- Look for hazards such as leaking fuel.
- Note any injured parties. Assist them only if you are properly trained. DO NOT move an injured person unless their safety is compromised by their current location.

- Have a bystander call for help if injuries are involved. Have detailed information available for them to relay to the 911 operator. If no one else is available, make the call yourself.
- Any injured parties should be encouraged to seek medical treatment, regardless of the severity of their injuries.
- Unless a fatality is involved or a vehicle is totally disabled, move all vehicles from traffic lanes ASAP to prevent further damage and injury.
- If safe to do so, take pictures of the scene as it is before moving any vehicles.
 - Pictures of all vehicles involved in the accident.
 - Skid marks (use a tape measure or other reference mark to show size/length).
 - Damages to all vehicles (interior and exterior). Use reference marker to show size.
 - Position of vehicles (from every angle of the accident scene).
 - Any factors that contributed to the accident.
 - Preexisting damage on the other vehicles involved.
 - License plates of vehicles involved and witness' vehicles.
 - Do not take bloody or gory pictures.
 - If using a film or disposable camera, be sure to take all of the pictures on the roll and turn them in.
 - The more pictures taken the better.
- Document the following information:
 - Name and address of all drivers involved in the accident. If a commercial vehicle is involved, get the name and address of the company as well as the state registration number of each vehicle and license plate numbers.
 - Names, addresses and phone numbers of all others involved such as passengers.
 - Get insurance information, including names and addresses, from all involved drivers. Get the policy numbers if available. Give your insurance information to anyone who asks for it.
 - If you have struck an unattended vehicle, leave a detailed note in a secure place with your name, company name, address and phone number
 - Write down the names of witnesses and their vehicle license numbers. Have them complete a witness card (found in the truck's accident kit).
 - Write down a detailed account of what happened, including a sketch.
 - Note weather and road conditions.
- Cooperate fully with the policy and emergency personnel.
- Be polite to everyone at the accident scene.
- Do NOT:
 - Discuss who is at fault.
 - Get into an argument.
 - Sign anything.
 - Speak with the media or others at the scene, with the exception of law enforcement personnel and representatives of Roadway Moving.

5.4.2 Accident Reporting

As soon as possible following the accident, contact Roadway Moving Dispatch Office. A Dispatcher will provide direction as to drug and alcohol testing if necessary.

Company representatives must report all accidents involving a fatality or serious injury to the insurance agent and/or carrier as soon as possible. All other incidents should be reported within 24 hours.

5.4.3 Accident Investigation and Review

A Manager's Report of Corrective Action (9.7) will be filled out and reviewed with the driver following every preventable accident. The National Safety Council's guidelines on accident preventability will be used to determine whether or not the driver was at fault.

Roadway Moving will evaluate driver performance in regard to accident frequency, severity and preventability. The following corrective action schedule will apply if drivers experience accidents that are judged to be preventable. The company reserves the right to impose more stringent consequences based on circumstances and severity of a preventable accident. Accidents will be judged on a case-by-case basis before the following phase corrective action program is initiated. Accidents involving a fatality or gross driver negligence (e.g., failing to report the accident, leaving the scene of an accident) will be reviewed individually and may include more severe consequences.

Phase 1: A driver involved in a preventable vehicle accident will be placed in Phase 1 status and issued a written warning. All Phase 1 drivers will be required to:

- Remain in a Phase 1 status for a minimum of 90 days.

If a driver successfully completes the 90-day period without further preventable accidents, the driver will be taken off Phase 1 status. However, if the driver is involved in another preventable accident while still within the 90 days, the driver will be escalated to Phase 2 of the corrective action program.

Phase 2: A written warning will be issued to a driver who incurs a second preventable accident while in a Phase 1 status. In addition to the written warning, the driver will remain in Phase 2 for 180 days. A copy of the written warning will be placed in the driver's personnel file. Should the driver be involved in another preventable accident while in a Phase 2 status, the driver will be escalated to Phase 3 of the corrective action program.

Phase 3: Drivers involved in three preventable accidents within the company's corrective action schedule are showing an unwillingness or inability to operate in a safe and professional manner and therefore will be subject to disciplinary measures up to and including termination. *(Note: Any driver who does not meet the requirements of our insurance company will not be allowed to drive for this company and may be terminated.)*

****Note: All accidents will be reviewed on an individual basis. Depending on the severity of the accident, a Driver may be considered for immediate demotion or termination.***

5.5 Unauthorized Passengers

Unauthorized passengers are not allowed in company owned or operated vehicles at any time. This includes minor children (under the age of 17), spouses, customers or other individuals. Violation of this policy may result in disciplinary action up to and including termination.

5.6 Seatbelt Use

Seatbelts are to be worn at all times by all occupants of the vehicle. Violation of this policy may result in disciplinary action up to and including termination.

5.7 Non-use of Company Vehicles for Personal Business

Company vehicles and equipment are not to be used for personal business at any time. Under no circumstances will business equipment be loaned to employees, contractors, sub-contractors, independent owner-operators, friends or family for personal use. Violation of this policy is grounds for termination.

5.8 Radar Detectors

Radar detectors are illegal in all commercial motor vehicles and are prohibited in all company owned and/or operated vehicles regardless of classification and weight. Violation of this policy may result in disciplinary action up to and including termination.

5.9 Cellular Phone Usage

Cellular phones are not to be used while driving company-owned or operated equipment. This policy would include texting. If a call is necessary, pull off the road to a safe location and stop the vehicle before placing or answering the call. Violation of this policy may result in disciplinary action up to and including termination.

5.10 No Smoking In/Around Vehicles

Smoking is not permitted in any company-owned vehicle at any time. Smoking is not allowed near any company owned or operated vehicle while parked. Violation of this policy may result in disciplinary action up to and including termination.

5.11 Backing/Spotter Usage

Backing should be avoided whenever possible. A spotter must be used every time a company owned or operated vehicle is backed, including in the yard. If at any time the driver can no longer see the spotter in the mirror, **STOP** and check for the spotter's location. If a spotter is not available, the driver must exit the vehicle and walk completely around the vehicle, checking for obstacles and low overhangs before backing. Violation of this policy may result in disciplinary action up to and including termination.

5.12 Space Management

A distance of at least 500 feet should be maintained between the truck and the vehicle ahead on an open road. The distance of the vehicle ahead should always allow room to easily stop the truck for the road conditions present should the vehicle ahead suddenly stop. All rear end accidents will be classified as preventable in an accident review. The driver of a truck that has another vehicle following too closely should allow the other vehicle to pass, or stop to avoid a possible rear end accident. Do not allow another vehicle to tailgate your vehicle.

5.13 Moving Violations/Suspensions/Annual MVRs

Arrests, traffic citations and fines are to be reported to your supervisor immediately. MVR's will be pulled annually and reviewed for the driver's continued eligibility per the driving criteria as stated above in Section 5.1.3. Any driver who does not meet these criteria will be removed from driver status, as our insurance carrier will consider him uninsurable. All citations and violations, whether obtained in a company vehicle or a personal vehicle, will count towards these criteria. All citations received while driving for Roadway Moving are the responsibility of the driver, and the company will not pay for any fines received.

5.14 Vehicle & Cargo Security

5.14.1 Key Control Program

If a vehicle is returned after hours, keys must be left with the assigned Roadway Moving security guard located at the yard. If the security guard is unavailable, the key must be deposited in the after-hours drop box. Never leave the keys in the vehicle. Company-owned vehicles are to be returned to the lot and not kept at the employee, contractor or sub-contractor's home overnight or over the weekend.

5.14.2 Vehicle/Cargo Security

- When leaving the truck, always take the keys and lock the vehicle.
- Do not discuss loads or locations over the CB or cell phone.
- Arrive at the destination as close to the delivery/load time as possible. Do not sleep overnight in an area that is known to be unsafe.
- Check the truck from a distance when returning to the vehicle. Look for shadows or other signs of possible danger.
- Always ask for identification when approached by a stranger.
- Check trailer seals and locks when returning to the vehicle.
- Park trucks back to back or up against a solid object.
- Padlock trailers with secure locks that cannot be cut with bolt cutters.
- Keep trailers hooked up to the tractor. If the trailer must be dropped, secure it with a glad-hand or kingpin lock.
- Ensure that someone is present to accept the load. Do not drop the load and leave.

6. Workplace Safety

6.1 General Safety Rules

- All employees, contractors, sub-contractors and independent owner-operators are responsible for knowing and abiding by the workplace safety rules set forth in this policy.
- Violation of safety rules may lead to disciplinary action up to and including termination.
- No running, horseplay, fighting or practical joking is permitted.
- Every position in Roadway Moving has a written job description available. If you feel you cannot meet the requirements of your position before hire or at any time after hire, notify a supervisor immediately.
- Do not stand or walk under suspended loads.
- Good housekeeping should be maintained at all times in all work areas on and off the premises. All spills should be cleaned up immediately.
- Only authorized persons are to operate equipment or machinery such as the forklift. Specific operating procedures for the safe operation of each piece of equipment will be posted and communicated to all concerned.
- All work areas will be kept clean. Every employee is responsible for cleaning up any debris or hazards that he/she creates or any debris or hazard found on the premises or at a job site.
- An employee will not work alone in any situation where the work might be considered dangerous. If there is any doubt, contact a supervisor.
- Employees should correct any unsafe condition or practice to the extent of their authority. If an employee does not have the authority to correct an unsafe condition or practice, he/she must report it to a supervisor.
- If another employee is seen violating this safety policy, report the incident to a supervisor immediately.
- Management will do on-site Quality Inspections (9.8 – 9.10) on a regular basis. They will be noting the safe behaviors of the crew as part of this inspection.

6.2 Facility and Equipment Inspections

All equipment and tools are to be inspected before the crew leaves for the job site. All defective tools and equipment should be reported to the supervisor or lead person immediately. Never use defective tools or equipment.

The warehouse and all equipment will be inspected quarterly by management using the Facility Inspection Checklist (9.11) and the Moving Equipment Inspection Checklist (9.12).

6.3 Incident Reporting and Investigation

6.3.1 Incident Reporting

Employees must report all injuries/accidents immediately to a supervisor in charge. If the injury or accident is not reported immediately, disciplinary action may be taken. No employee shall go to a physician or other medical practitioner for treatment of any on-the-job injury without authorization from a supervisor in charge except under absolute

emergency conditions. The company will notify the insurance agent and/or carrier within 24 hours of the injury/accident.

6.3.2 Incident Investigation

Management will conduct an investigation into all on-the-job injuries or accidents, scaled based upon the severity of the incident. All employees are required to cooperate in these investigations. An Employers Investigation Report for Workers' Compensation Claims form (9.13) is to be completed within three days of the incident. If the incident is deemed recordable under OSHA guidelines, it must be entered on the OSHA 300 log by the Human Resources department.

6.3.3 Medical Care

A list of recommended/required physicians for Worker's Compensation injuries is posted in the break room. These physicians and facilities should be used in the event of a workplace injury.

6.3.4 Return-To-Work (a.k.a., light duty, work-hardening) Program

Roadway Moving will provide light duty when available. If an employee is able to return to work in a light duty capacity, every opportunity will be made for that employee to return. The treating physician will make offers of light duty in writing to the injured employee as soon as the employee has been cleared to return to work.

Management is responsible for communicating regularly with both the injured worker and the insurance carrier for updates as to the employee's condition and his/her return-to-work status. Management and/or the Human Resources department are responsible for getting a wage statement to the insurance carrier in a timely manner.

If the employee is able to return to work in a light duty capacity, he/she will be put to work in jobs such as checking shipments into the warehouse, completing paperwork for drivers on jobs, driving a vehicle if qualified, cleaning the warehouse, and filing in the office, assisting in dispatch or other such jobs as available.

6.3.5 False/Misleading Information

Any false or misleading information given by an employee regarding a workplace injury and/or claim will result in termination of employment and/or cancellation of contract.

6.4 No Smoking Policy

No smoking will be allowed in or around company equipment, in or around the origin or destination location, or in the warehouse, or on company premises except in designated areas. Violation of this policy may result in disciplinary action up to and including termination.

6.5 Forklift Operation

Only personnel that have the experience, training and necessary credentials per OSHA regulations are permitted to operate a forklift. Forklift safety rules must be strictly

complied with at all times. Violation of this policy may result in disciplinary action up to and including termination.

6.5.1 Forklift Safety Rules

- Inspect forklift before operation using the Forklift Safety Checklist (9.14).
- Keep forks down whenever possible when moving. When lift is parked, forks are to be in down position.
- If a load is too large and difficult to see around, operate the truck backward if possible.
- No passengers or riders are permitted on a forklift or load at any time.
- Look up – keep an eye overhead. Watch for sprinkler system components and trailer roofs.
- Stay clear of the edge of the loading docks, allow additional distance to stop when wet.
- Space forks to fit load. Always space forks as wide as possible for additional stability.
- Be certain the area under the forks is clear and DO NOT allow anyone under the forks.
- Never put head, hands or feet into or on the upright carriage or mast.
- Use a safety platform when it is necessary to lift personnel.
- Don't daydream. Keep focused on the task at hand. Learn to anticipate danger before it arises.
- Check your dock plates when working in truck trailers or railcars. Be sure they are safe and are properly secured in place.
- Make sure trailers have wheels chocked and check the floor of the trailer for holes.
- Back down ramps when moving loads. Do not turn sideways on an incline.
- Load should always be tilted back when in motion.
- Raise loads just high enough to clear all floor and yard obstructions.
- Ease into loads.
- Don't lift unstable loads.
- Be extremely careful when stacking double-tiered loads.
- Keep unauthorized people away from the controls of the forklift.
- Report any problems with the forklift to your supervisor or lead person.
- Immediately clean up any fluids or liquids leaked from the forklift.
- Do not wear sunglasses or headphones, eat, drink or smoke while operating the forklift.
- Lift must be at a complete stop with hand brake engaged before getting on or off of it.
- No speeding.
- Honk when approaching doorways or near corners.
- Do not lift weights over the capacity of the forklift.

6.6 Safe Lifting

Most back injuries are the result of improper lifting techniques. The worst lifting situations occur when the body is extended over the load. Keep the back straight to shift the weight

of the load being lifted onto the leg muscles, thus reducing the lever effect caused when the body is extended over the load. Additional suggestions for safe lifting are:

- Keep in good physical condition.
- Think before lifting. Make certain there is adequate space and clear aisle ways. Also, plan for a place to set the load down.
- Maintain a good grip on the load by using the palms of the hands.
- Lift with the load close to the body. The closer the load is to the spine, the less force it exerts on the back. This is one of the most important rules in lifting.
- Test the load before handling it. If it appears to be too heavy or bulky, get help or some type of mechanical aid.
- Place the feet close to the load. The feet should be far enough apart for stability, have one foot slightly ahead of the other and pointed in the direction of movement.
- Tighten stomach muscles. Abdominal muscles support the spine when lifting, offsetting the force it exerts on the back.
- Lift with your legs. The stronger leg muscles are better suited for lifting than the back muscles.
- Keep the back straight and the head up when lifting or putting down the load. Avoid twisting.

6.7 Slip, Trip, & Fall Prevention

Slips, trips, and falls can happen to anyone, anytime, anywhere. No single method can be used to prevent all slips and falls. The most common causes of slips and falls include: unsafe use of ladders, jumping on or off lift gates, slippery surfaces, inappropriate footwear, poor lighting, and obstacles on walkways, inattention and haste.

- Mop floor in area of spills immediately and post a "Wet Floor" sign. Never leave spills unattended.
- An oil-absorbing material should be used to control small oil spills.
- During inclement weather, keep rugs, mats and floors dry. Snow and ice should be removed from all sidewalks, driveways and access points at the warehouse and the customer's premises.
- Keep all floors, stairs, ladders, walkways, sidewalks and driveways in good repair.
- Be aware that electrical cords cause many tripping injuries.
- Good housekeeping is a must in accident prevention.
- Stairs, aisles and walkways should be clearly marked and kept free of any material.
- Look at each job and work area to consider possible hazards.
- Always use available stairs. Do not jump from heights, no matter how slight.

Additional preventative measures include:

- Proper footwear
- Warning signs
- Non-skid surfaces
- Correct use of equipment and ladders

- Floor mats
- Proper lighting

6.7.1 Walk Board Safety

Walk boards are a major cause of slip, trip and fall injuries. Walk board manufacturers have specifically advertised the use of walk board pins to secure the boards to the trailers. All walk boards must be pinned to the vehicle before any personnel begin the loading or unloading process. BE aware of the slip-resistant coating on the board and when shoes are starting to lose their grip. Notify a supervisor if a walk board is beginning to wear down (lose their ability to grip the shoe, so it can be taken out of service. All out-of-service walk boards should be tagged as such and put in area where they will not be used.

6.8 Safety Meetings and Committees

6.8.1 Safety Meetings

All employees are required to attend the monthly safety meeting. If unable to attend, a summary will be available for review. Attendees and those reviewing the summary will be required to sign the Safety Training Attendance List (9.15). Topics will include defensive driving techniques, cargo protection, claims reduction and injury prevention.

6.8.2 Safety Committee

Roadway Moving has an active Safety Committee in place. This committee is composed of representatives from all areas of the company. The committee is responsible for reviewing safety policies; identifying claim, incident and injury trends; investigating accidents; planning safety meetings; conducting facility hazard inspections; and focusing on loss prevention efforts. Membership in this committee will rotate on a regular basis. Meetings are held on a monthly basis and written records are kept for each meeting.

6.9 Security

6.9.1 Facility Security

- Report any lights that are out throughout the facility and lot.
- Ensure that the alarm is set when the building is closed for the night.
- Ensure that all doors are securely closed and locked.
- Be certain that the gate is locked.

6.9.2 Workplace Violence

Our company is concerned and committed to our employees' safety and health. We refuse to tolerate violence in the workplace and will make every effort to prevent violent incidents from occurring. All managers and supervisors are responsible for implementing and maintaining our WPVP Program. We require prompt and accurate reporting of all violent incidents whether or not physical injury has occurred. We will not discriminate against victims of workplace violence. Our program ensures that all employees, including supervisors and managers, adhere to work practices that are designed to make the workplace more secure, and do not engage in verbal threats or

physical actions which create a security hazard for others in the workplace.

All employees, including managers and supervisors, are responsible for using safe work practices, for following all directives, policies and procedures, and for assisting in maintaining a safe and secure work environment. Our management is responsible for ensuring that all safety and health policies and procedures involving workplace security are clearly communicated and understood by all employees. Managers and supervisors are expected to enforce the rules fairly and uniformly. Our workplace security analysis form, incident report form, and employee security survey (all important parts of our program) are attached.

Training for all employees, including managers and supervisors will be done in orientation and repeated every two years. It will include:

- a review and definition of workplace violence;
- a full explanation and full description of our program;
- instructions on how to report all incidents including threats and verbal abuse;
- methods of recognizing and responding to workplace security hazards;
- Training on how to identify potential workplace security hazards (such as no lights in parking lot while leaving late at night, unknown person loitering outside the building, etc.)
- review of measures that have been instituted in this organization to prevent workplace violence including:
 - ✓ use of security equipment and procedures;
 - ✓ how to attempt to diffuse hostile or threatening situations;
 - ✓ how to summon assistance in case of an emergency or hostage situation;
 - ✓ post-incident procedures, including medical follow-up and the availability of counseling and referral.

This training will be conducted by the Training Manager. At the end of each training session, employees will be asked to evaluate the session and make suggestions on how to improve the training. All incidents must be reported immediately to your supervisor. An "Incident Report Form" will be completed for all incidents.

6.9.3 Robbery

- Cooperate with the individual.
- Call 911 immediately after the individual leaves.
- Inform a supervisor or lead person of the incident.
- Fill out a Criminal Description Sheet (9.16).

6.9.4 Vehicle Theft

- Call 911 immediately after discovering the theft.
- Inform a supervisor or lead person of the incident.
- Fill out a Criminal Description Sheet (9.16) if the theft was witnessed.
- Provide the following information to law enforcement:
 - License plate number of the tractor and/or trailer
 - VIN numbers of the tractor and/or trailer

- A detailed description of the tractor and/or trailer
- A description of the load, including value
- Note the officer's name, phone number and case number and give it to the Operations Manager as soon as possible.

6.9.5 Phone/Bomb Threat

- Stay calm and use the Telephone Threat Checklist (9.17).
- Get as much information as possible.
- The person who takes the call should call 911 immediately.
- The Police Department will advise management on the next course of action.
- If evacuation is necessary, use the stairs.

6.10 Personal Protective Equipment (PPE)

6.10.1 Footwear

Good shoes or boots are a must to prevent injury. Footwear should have good tread to ensure solid footing on walk boards and other surfaces. Shoes/boots with thin or badly worn soles should not be worn. Shoes with a metal tip are recommended for all laborer positions.

6.10.2 Gloves

Gloves should be worn to protect the hands from cuts, slivers, and burns. Gloves are required when cutting wire, banding, or straps. Thick leather gloves with a good grip are ideal.

6.10.3 Goggles

Always wear safety goggles when using compressed air or saws.

6.11 Emergency Procedures

All Emergencies

- Don't panic!
- Designated meeting places are the same for any evacuation of the office/warehouse.
- Mobile phones are to be used during all emergencies to facilitate communication.

6.11.1 Evacuation Procedures

- Everyone is required to evacuate when the alarm sounds.
- Use the stairs.
- The Operations Manager will be responsible for making sure all employees have evacuated.
- Once out of the building, assemble in the parking lot.

- The Operations Manager will be responsible for communicating with Fire/Police officials.

6.11.2 Medical Emergencies

- Render first aid if trained AND if you feel capable.
- Call 911 for situations involving: breathing difficulty, head/spine injury, obvious fracture, loss of consciousness and heart attack/stroke symptoms.
- Instruct someone to wait outside the building to direct emergency/medical personnel when they arrive.

6.11.3 Fire Prevention/Housekeeping

- Material must be stacked where it is not a hazard and where it will not obscure safety devices, electrical controls and panels, or fire-fighting equipment. Fire exits, aisles and stairs must be kept clear at all times.
- Use only non-flammable solvents in the building. Flammable solvents are to be kept in approved containers and only used as needed.
- Propane tanks must be properly secured and stored in the cage outside of the building.

At the Office/Warehouse

- Don't panic!
- Use the stairs.
- Know where primary and secondary fire exits are located.
- Know where fire extinguishers are located.
- Fight fire with a fire extinguisher only if it is minor and you are properly trained.
- Leave the building and go to the assembly area.
- The Operations Manager will account for all personnel.
- Mobile phones will be used for accounting for personnel and all other communications.
- Return to the building only when told by Fire officials that it is safe to do so.

On the Road

- Use common sense and prior emergency training (e.g., first aid).
- Always be aware of exit options in every building you work in.
- Vehicle fires: If fire or smoke is present, call 911. If possible, attempt to put it out with a fire extinguisher. If the fire is large, or if you are not trained in the use of a fire extinguisher, do not attempt to put it out. Wait for emergency personnel.

6.11.4 Tornado

At the Office

- The Operations Manager will keep staff informed of conditions by listening to both news radio and weather radio (if available). **Note:** These radios should be battery operated or have a battery back-up.
- The warning signal is a steady horn blast that lasts for the duration of the warning.

- Evacuate to the bathrooms – assume a defensive position that protects the head and face.
- Bring a flashlight(s) to the shelter.
- Be prepared for people who may seek refuge in the building; lead them to the shelter area.
- The Operations Manager is in charge of operations and will give the all clear when appropriate.
- Watch: conditions are favorable for the formation of severe storms and/or tornados. Note that tornados can form in any severe storm.
- Warning: the storm is here or imminent as confirmed by a trained spotter or Doppler radar, warning time can be anywhere from one minute to 20 minutes.

On the Road/At the Customer's Location

- Monitor conditions via mobile phones, radio and/or weather radio.
- The warning signal is a steady horn blast that sounds for the duration of the warning.
- Go to shelter immediately.
- Shelter: Leave the vehicle! It is not a safe place to be.
- If a public building is near, go to it. If you are in another type of building, go to shelter if possible. Go to the basement (along the walls or under a sturdy piece of furniture if available) or the most structurally sound area of the lowest level, any restroom not on an outside wall or any interior hallway or closet. Stay away from windows.
- If no shelter is near; get into a ditch, culvert, excavation or low depression.
- Assume a defensive position.
- If in immediate danger and none of the above are available, run at a right angle from the funnel. This is extremely dangerous as there will be flying debris that can injure you.
- When the danger has passed, treat the injured; look for gas leaks, electrical hazards, etc.
- Phone or radio Operations to check in.

6.11.5 Winter Storm

- Dress warmly.
- Avoid overexertion.
- Know the symptoms of hypothermia and frostbite.
- Know the appropriate winter driving techniques and how to apply tire chains.

6.11.6 Flood

- Do not attempt to drive through flooded areas; vehicles can be swept away by the water.
- Have alternate routes planned out in advance.

6.11.7 Earthquake

- Remain in the building.

- Get under a heavy desk or table or brace yourself inside a doorframe.
- Get away from windows/glass doors.
- Stay in position when the shaking stops – it may start again or things could still be falling.
- Do not leave the building unless in immediate danger or told to do so.
- Treat the injured (if trained).

On the Road

- Pull to the side of the road and stop, making sure you are clear of trees, poles and buildings.

6.11.8 Hazardous/Suspicious Chemicals

- Do not attempt to clean up a spill; this includes any type of suspicious powders, liquids or gases.
- Evacuate the building – avoiding the spill area.
- Return to the building only when cleared by a Fire/Police Department official.

On the Road

- Call 911 and report the location of the incident.
- Follow all detours; notify other personnel of areas to avoid.

6.12 Hazard Communication

6.12.1 Hazard Determination

Roadway Moving will rely on Material Safety Data Sheets (MSDS) obtained from product suppliers to meet hazard determination requirements.

6.12.2 Labeling

- The Safety Manager will be responsible for seeing that all containers entering the workplace are properly labeled.
- All labels will be checked for:
 - Identity of the material.
 - Appropriate hazard warning for the material.
 - Name and address of the responsible party. (Only if the container is received from the manufacturer, distributor or importer.)
- Everyone will be responsible for ensuring that all portable containers used in their work area are labeled with the appropriate identity and hazard warning.

6.12.3 Material Safety Data Sheets (MSDSs)

- The Safety Manager will be responsible for compiling and maintaining the master MSDS file. The file will be kept in the Safety Office.
- Additional copies of the MSDSs for employee use are located in Operations.
- MSDSs will be available for review to all employees during each work shift. Copies will be available upon request from the Safety Manager.

- Posters identifying the person responsible for maintaining MSDSs and where the MSDSs are located are posted in the break room. Posters notifying employees when new or revised MSDSs are received will be located in the same location.
- If a required MSDS is not received, the Safety Manager will contact the supplier, in writing, to request the MSDS. If an MSDS is not received after two such requests, the Safety Manager will contact the state labor department for assistance in obtaining the MSDS.

6.12.4 Employee Information and Training

- The Safety Manager will coordinate and maintain records of employee hazard communication training, including attendance rosters.
- Before their initial work assignment, each new employee will attend a hazard communication training class as part of their new employee orientation. The class will provide the following information and training:
 - Information
 - The requirements of the OSHA Hazard Communication Standard
 - All operations in their work area where hazardous chemicals are present
 - Location and availability of the written hazard communication program, the list of hazardous chemicals and the MSDS
 - Training
 - Methods and observations that can be used to detect the presence or release of hazardous chemicals in the work area.
 - Physical and health hazards of the hazardous chemicals.
 - Measures the employees should take to protect from these hazards
 - Details of the hazard communication program – including explanation of labeling system, MSDSs and how workers can obtain and use hazard information.
- The employee will be informed that:
 - The company is prohibited from discharging, or discriminating against, a worker who exercises his/her rights to obtain information regarding hazardous chemicals used in the workplace.
 - As an alternative to requesting an MSDS for the company, the worker can seek assistance from the state labor department to obtain the desired MSDS. A sign or poster will be posted with the address and telephone number of the department responsible for such requests.
- Before any new physical or health hazard is introduced into the workplace, each worker who may be exposed to the substance will be given information in the same manner as during the hazard communication training class.

6.12.5 Multi-Employer Worksites – Informing Contractors

- If the company exposes any worker of another employer to any hazardous chemicals produced, used or stored here, the following information will be supplied to that employer:
 - The hazardous materials they may encounter.

- Measures their workers can take to control or eliminate exposure to the hazardous chemicals.
- The container and labeling system used on-site.
- Where applicable MSDSs can be reviewed or obtained.
- Periodically, workers may potentially be exposed to hazardous chemicals brought on to company premises or at a work site by another employer or customer. When this occurs, Roadway Moving will obtain from that employer or customer information pertaining to the types of chemicals brought on-site or to be encountered at the site, and measures that should be taken to control or eliminate exposure to the chemicals.
- It is the responsibility of the Safety manager to ensure that such information is provided and/or obtained prior to any services being performed by the off-site employer.

7. Safety Incentive Programs

During Quality Inspections, the member of management conducting the inspection will note safe behaviors that he/she observes in each crewmember. For each behavior noted, one "chance" will be awarded to that crewmember to be entered in a quarterly drawing for a \$25 gift certificate.

Drivers who go a year without a preventable accident will be awarded a certificate.

8. Job Descriptions

8.1 Driver

8.1.1 Department Operations

8.1.2 General Description

Inventory, protect, load, unload and transport shipment contents or cargo and other freight by driving a tractor-trailer, straight truck or bobtail short or long distances.

8.1.3 Knowledge and Skills

To perform this job successfully, a person must be able to perform each essential duty satisfactorily. The requirements listed below are representative of the knowledge, skill and/or ability required.

- High school diploma or general education degree (GED) or one to three months' related experience and/or training; or equivalent combination of education and experience.
- Possess a valid Class A driver's license for tractor trailer drivers.
- Possess a valid US driver's license.
- Have an acceptable motor vehicle record.
- Must be 21 years of age (25 years of age for truck-tractors).
- Have the ability to read, write and perform simple mathematical calculations. Handle receipts, read maps, road signs and maintain logs.
- Must be able to read, write and speak English.
- Working knowledge of DOT regulations.
- Meet the physical standards of the DOT.
- Satisfactorily pass pre-employment, random, post-accident and reasonable cause drug/alcohol tests.
- Have the ability to supervise crews of various sizes.
- Working knowledge of preparing paperwork associated with shipment contents or cargo and freight shipments.

8.1.4 Essential Duties and Responsibilities

- Hook and unhook trailers from tractors.
- Load and unload trailer, either unassisted or with assistance of helpers, warehouseman or dockworkers, with or without forklifts.

- Frequent lifting, pulling, pushing and carrying of shipment contents or cargo and other freight of varying weights, sometimes up and down stairs, and frequently over long distances and rough terrain.
- Secure all shipments by bracing cargo on trailer, as required.
- Drive tractor-trailer, straight truck or pack van in all types of weather and traffic conditions.
- Protect customer locations with floor runners, cardboard, door jamb protectors and other pads in such a way as to minimize damage, where applicable.
- Must be able to read and write to prepare inventories and other documents.
- Must have ability to lift a minimum of 150 pounds with assistance.
- Required to lift a minimum of 50 pounds over the head without assistance; 100 pounds with assistance.
- Required to remain alert while driving up to ten hours at a time.
- Required to enter and exit the cab as many as twenty (20) times a day or more. Cab floor is generally fifty-four (54) inches above ground level, with entry and exit achieved with the assistance of steps and handholds.
- Required to raise and lower trailer landing gear by cranking handle in a circular motion for three minutes ranging from a few times per day to one time following a cross country delivery, depending on whether driver is local or long distance.
- Must be able to reach thirty-six (36) inches over the top of tires in order to pull fifth wheel release.

8.1.5 Supervisory Responsibilities

Supervises removal of items from warehouses, docks, customer locations, etc. and delivery of the items into warehouses, docks, customer locations, etc., avoiding damage to the articles.

8.1.6 Work Environment

Unloading, loading and driving are done in all types of weather conditions. Work is done at all times of the day. Driver is exposed to noise and vibration while driving the vehicle.

8.2 Packer/Helper

8.2.1 Department

Operations

8.2.2 General Description/Responsibilities

To prepare and protect customer's household goods and other items for movement. Packing must be completed to the customer's satisfaction and within the company standards of performance.

8.2.3 Knowledge and Skills

To perform this job successfully, a person must be able to perform each essential duty satisfactorily. The requirements listed are representative of the knowledge, skill and/or ability required.

- High school diploma or general education degree (GED); or one to three months' related experience and/or training; or equivalent combination of education and experience.
- Flexible hours (early morning, late evening or night and weekends).
- Transportation to and from work.
- Arrive promptly for assigned work time.
- Present a neat and clean appearance.
- Maintain a good attitude.
- Provide input and accept feedback.

8.2.4 Essential Duties and Responsibilities

- Wrap protective material around breakable items.
- Prepare written inventory of all items being placed in the truck.
- Design cartons for odd sized items.
- Pack breakable/non-breakable items in proper cartons.
- Prepare customer for the rest of the move.
- Inspect materials, products and containers at each step of the packing process.
- Record information such as weight, time and date packaged.
- Plan and load packing materials for a job.
- Lift and move cartons up to 100 pounds with assistance of another person (persons) or equipment (dolly, forklift, etc.)
- Drive packing van/truck to residence.
- Ability to take and follow directions.

8.2.5 Supervisory Responsibilities

This job has no supervisory responsibilities.

8.2.6 Work Environment

The majority of packing is done inside. Some packing is done outdoors.

8.3 Lead Packer/Foreman

8.3.1 Department

Operations

8.3.2 General Description

To prepare and protect customer's household goods and other items for movement to the customer's satisfaction and within the company standards of performance.

8.3.3 Knowledge and Skills

To perform this job successfully, a person must be able to perform each essential duty satisfactorily. The requirements listed are representative of the knowledge, skill and/or ability required.

- High school diploma or general education degree (GED); or one to three months' related experience and/or training; or equivalent combination of education and experience.
- Flexible hours (early morning, late evenings or night and weekends).
- Transportation to and from work.
- Report to work every day on time.
- Present a neat and clean appearance.
- Maintain a good attitude.
- Provide input and accept feedback.

8.3.4 Essential Duties and Responsibilities

- Wrap protective material around breakable items.
- Prepare written inventory of all items being placed in the truck.
- Design cartons for odd sized items.
- Pack breakable/non-breakable items in proper cartons.
- Prepare customer for the rest of the move.
- Inspect materials, products and containers at each step of the packing process.
- Record information such as weight, time and date packaged.
- Plan and load packing materials for a job.
- Lift and move cartons up to 100 pounds.
- Drive packing van/truck to residence.
- Ability to take and follow directions.
- Ability to supervise other packers.

8.3.5 Supervisory Responsibilities

Supervises packers as they pack the customer's household goods.

8.3.6 Work Environment

The majority of packing is done inside. Very little is done outside of the home.

8.4 Warehouse Manager

8.4.1 Department

Operations

8.4.2 General Description

The warehouse manager is responsible for protecting the company's interest in the operation of the warehouse. He/she represents a management presence in the day-to-day functioning of the warehouse.

8.4.3 Knowledge and Skills

To perform this job successfully, a person must be able to perform each essential duty satisfactorily. The requirements listed are representative of the knowledge, skill and/or ability required.

- High school diploma or general education degree (GED); or one to three months' related experience and/or training; or equivalent combination of education and experience.
- Have the ability to supervise the warehouse staff.
- Prepare paperwork associated with household goods and freight shipments.
- Be licensed and certified for each model of powered industrial trucks used by the company.
- Have mechanical knowledge of warehouse equipment (forklift, dollies).

8.4.4 Essential Duties and Responsibilities

- Load and unload trailers and vaults, either individually or with assistance of helpers with or without forklifts.
- Frequent lifting, pulling, pushing, and carrying of household goods and other freight of varying weights, sometimes up and down stairs.
- Have the ability to drive a forklift, straight truck and pack van.
- Read and write to prepare inventories and other documents relating to the moving & storage business.
- Translate work assignments into action steps.
- Manage operational costs of the warehouse by controlling labor costs and preventing loss or damage to property or cargo.
- Keep accurate records to assist in locating cargo within the warehouse.
- Required to lift a minimum of 150 pounds with assistance.
- Required to lift over the head a minimum of 50 pounds without assistance, 100 pounds with assistance.
- Perform facility inspections on a daily basis.
- Maintain a clean and orderly warehouse free of debris and other workplace hazards.

8.4.5 Supervisory Responsibilities

The warehouse manager must be able to budget time to allow the completion of the day's work as well as preparation for the next day's schedule. He/she should assess the abilities of workers assigned to him/her and utilize his/her skills effectively. He/she will often be alone with a group of workers and must exhibit leadership skills sufficient to keep the group focused and working efficiently. He/she will also be charged with maintaining and enforcing company policies and rules regarding warehouse procedures.

Receipt of Roadway Moving Safety Manual

I acknowledge that I have received a copy of the Roadway Moving's Policies and Safety Manual and understand that it sets forth terms and conditions of my employment as well as duties, responsibilities and obligations of my employment with Roadway Moving. In consideration for my employment I understand and agree to the terms of this Safety Manual and that it is my responsibility to read this Manual and to abide by the rules, policies and standards set forth therein.

Signature: _____ Date: _____

Printed Name: _____

Roadway Movers Inc
Balance Sheet
As of July 31, 2022

	Total
ASSETS	
Current Assets	
Bank Accounts	
1000 Bank United RW Movers 3397	1,806,934.68
1001 Chase 2690	182,734.47
Total Bank Accounts	\$ 1,989,669.15
Accounts Receivable	
110000 Accounts Receivable	668,307.83
Total Accounts Receivable	\$ 668,307.83
Other Current Assets	
110001 Allowance for Bad Debts	-59,334.05
110500 Due To Shareholder	270,497.00
115000 Undeposited Funds	0.00
115001 Asset - Bridge	70,233.71
119000 Loan to Officers	0.00
120900 1209 BRA	229,800.00
123000 Penske Lease Trucks - Deposits	5,000.00
127000 Employee Advances	3,200.47
131000 Prepaid Insurance	0.00
131002 PrePaid Insurance (Asset)	539,737.49
131005 - Security Deposit	44,234.00
131500 Prepays - Other	81,392.20
132000 Prepaid Exp	0.00
180000 Petty Cash	0.00
180010 180010 Gift cards	0.00
Total Other Current Assets	\$ 1,184,760.82
Total Current Assets	\$ 3,842,737.80
Fixed Assets	
10030000 Vehicles	
10030020 Smart Car#20	10,463.37
10030021 Smart Car # 21 - JBB6451	6,310.99
10030022 Smart Car # 22 - HWL4772	6,668.02
10030023 RAM Van - Dispatch (Ally)	19,201.78
10031000 Chevrolet Car	4,603.00
Total 10030000 Vehicles	\$ 47,247.16
10080000 Straight Trucks	
10080044 Straight Truck # 44	119,270.00
10080046 Straight Truck # 46	61,588.64
10080048 ST # 48	109,110.00
10080050 ST # 50	80,091.23
10080052 ST # 52	79,279.10

10080054 ST # 54	75,209.86
10080070 ST # 70	101,847.25
10080084 ST # 84	102,301.19
Total 10080000 Straight Trucks	\$ 728,697.27
132500 DEPOSIT TRANSFER	0.00
140030-Security cameras	0.00
140040-Capital Improvement SR	0.00
140100 Computer Equipment	71,957.06
140105 Office Furniture	19,925.97
140200 Computer Software & App Dev	123,995.90
140250 Vaults/Crates/Bins	699,143.20
140270 Investment in Key Moving	0.00
140400 Down Payment on Building	283,261.00
140500 Investment 2020	541,937.88
140501 Investment 2021	359,596.09
140502 Property - Runyon Contract	0.00
140503 Investment in CA	24,831.04
140505 Investment in 900 BRA	49,500.00
140515 Investment office-distpatch	69,324.31
140622 Investment 2022	294,812.21
150010 Office Renovation-We Work	54,862.23
150020 Santini Vehicles	0.00
150021 Santini V - 2010 Int	40,000.00
150022 V Santini Veh - 2007 Isuzu	19,500.00
150023 V Santini Veh - 2002 Int	15,300.00
150024 V Santini Veh - 1998 Int	10,200.00
Total 150020 Santini Vehicles	\$ 85,000.00
150030 Santini Lifts & Machines	93,780.00
160000 Amortization 2	
140260 Invest in Branding-Veterans	50,000.00
140280 Investment - Santini Storage	0.00
140282 Tradename - V Santini	100,000.00
140284 Info Base - V Santini	164,400.00
140300 Website	20,000.00
145555 Domain Name	30,000.00
Total 160000 Amortization 2	\$ 364,400.00
170000 Accumulated Depreciatlon	-1,448,152.49
170001 Accumulated Amortization	-41,002.80
Total Fixed Assets	\$ 2,425,116.03
TOTAL ASSETS	\$ 6,267,853.83
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
200000 Accounts Payable	1,021,749.53
200001 Accrued Expenses (AP)	0.00
200010 Accrued Payroll	0.00

Total Accounts Payable	\$ 1,021,749.53
Credit Cards	
20010000 AMEX Cards	
Amex 2005-20012005 Credit Card Amex 2005	50,479.39
Amex 3002-20013002 Credit Card Amex 3002	11,964.11
Amex 6000-20016000 Credit Card AMEX 5002 (6000)	229.21
Amex 6007-20015009 Credit Card AMEX 4002 (6007)	37,776.89
Total 20010000 AMEX Cards	\$ 100,449.60
20020000 Visa Credit Cards	
20027218 Chase 7218	18,713.24
Visa 2752-20022752 Visa 2752	24,417.77
VISA 7389-20027389 CC 7389 VISA	5,240.50
Visa 9029-20029029 Visa 9029	0.00
Total 20020000 Visa Credit Cards	\$ 48,371.51
2003000 Ramp Card	25,624.06
Total Credit Cards	\$ 174,445.17
Other Current Liabilities	
120100 LOAN BANK UNITED-CREDIT LINE	0.00
120500 SBA PPP Loan	0.00
120550 SBA Advance	0.00
120600 EID Loan	146,944.04
120700 WC Audit	0.00
132100 Accrued Exp (Claim & ParkViol)	152,351.89
132101 Accrued Legal Fees	10,000.00
132200 Accrued Interest	0.00
176550 Ask My Accountant	0.00
177000 Rent Deposit	0.00
178000 Security Deposits	2,000.00
200002 Accrued Payables	0.00
200003 Accrued Revenues	0.00
200004 Insurance Liability	346,894.00
200005 Accrued Exp	442,125.00
200011 Accrued-Payroll	0.00
210000 Customer Deposits	299,226.80
220000 Expense Bridge	0.00
225000 Credit Card Bridge	0.00
230000 Due To/Fm	0.00
230005 Due To/Fm Sapir Realty	251,665.00
230006 Due To/FM SOCOL	0.00
230007 Due To/Fm Roadway Trucking-7380	0.00
230009 Due To/Fm RS Transportion	-1,629,749.98
230015 Due To/Fm RW NJ-5680	0.00
230019 Due To/Fm Laser It	0.00
230021 Due To/Fm exp	0.00
230024 Due To/Fm 438 E.166TH ST	135,000.00
230025 Due To/Fm Infinity Moving	0.00
230026 Due To/ FM Roadway Trucking	0.00

230027 Due To/Fm 888 SOCOL	135,000.00
230029 Due To/Fm -RS FAMILY	0.00
231209 Due To/Fm 1209 BRA	-798,426.94
Total 230000 Due To/Fm	-\$ 1,906,511.92
240000 Payroll Liabilities	0.00
240001 Federal Taxes (941/944)	0.00
240002 Commuter Plan	2,587.50
240003 Federal Unemployment (940)	0.00
240005 NJ Income Tax	0.00
240007 NYS Disability & PFLA	4,958.06
240009 NYS Income Tax	0.00
240020 Garnishment	-286.01
240030 Misc Deduction Payroll	0.00
240050 Payroll Taxes	0.00
240100 Net Payroll	0.00
Total 240000 Payroll Liabilities	\$ 7,259.55
240021- Disability Insurance owed	0.00
240055 COVID ER Deferred SS	33,401.90
240060 NYS UI Liability	0.00
240207 Payroll Offset	0.00
25500 Sales Tax Payable	0.00
970000 Sales Tax to pay	0.00
Out Of Scope Agency Payable	0.00
Three Star Accounting&Tax Payable	0.00
V. Santini Payable	20,916.22
Total Other Current Liabilities	-\$ 445,392.52
Total Current Liabilities	\$ 750,802.18
Long-Term Liabilities	
20030000 Vehicles (Liability)	
20030021 Smart Car # 21 - JBB6451	0.00
20030022 Smart Car # 22 - HWL4772	0.00
20030023 RAM Van - Dispatch (Ally) - Liab	11,148.63
Total 20030000 Vehicles (Liability)	\$ 11,148.63
20080000 Straight Truck Liab/Loan	
20080044 ST 44 - Liab/Loan	90,413.24
20080046 ST # 46 (Liab)	47,697.31
20080048 ST # 48 (Liab)	74,191.11
20080050 ST # 50 (Liab)	58,880.39
20080052 ST # 52 (Liab)	59,227.65
20080054 ST # 54 (Liab)	54,577.61
20080070 ST 70 (Liability)	75,939.46
20080084 ST # 84 - Liab	87,301.19
Total 20080000 Straight Truck Liab/Loan	\$ 548,227.96
Total Long-Term Liabilities	\$ 559,376.59
Total Liabilities	\$ 1,310,178.77
Equity	
30999 Open Balance Equity	0.00

320000 Retained Earnings		4,274,043.79
325000 Distribution to Owner		-1,982,220.00
235999 Shareholder Distributions		-67,518.77
Total 325000 Distribution to Owner	-\$	2,049,738.77
Net Income		2,733,370.04
Total Equity	\$	4,957,675.06
TOTAL LIABILITIES AND EQUITY	\$	6,267,853.83

Wednesday, Aug 31, 2022 07:38:45 AM GMT-7 - Accrual Basis

Roadway Movers Inc
Profit and Loss
 January - July, 2022

	Total
Income	
40200300 Service Income	21,789,696.85
40200500 Storage Income	2,091,326.27
40200700 Third Party Income	1,254,700.54
44700000 Refunds	2,676.27
Total Income	\$ 25,138,399.93
Cost of Goods Sold	
52000000 Payroll C.O.G	5,512,508.14
52058000 LS - IC/Movers	1,327,256.28
53000000 Outside Sales	432,037.08
54000000 Local Services	1,449,630.12
54500000 Operational Supplies-Expenses	1,127,651.53
55000000 Long Distance	3,037,942.30
56000000 Claims	381,369.08
57000000 Insurance	660,914.42
58000000 Third Party	207,927.28
59000000 International Shipping	109,414.99
Total Cost of Goods Sold	\$ 14,246,651.22
Gross Profit	\$ 10,891,748.71
Expenses	
60010000 Rent & Related Exp	1,942,070.51
60020000 Bank & Credit Card Fees	534,901.72
60030000 Computer and IT Expense	383,843.12
60040000 Office Expense	116,803.23
60050000 Payroll SGA	3,261,858.05
60055000 Payroll Related Exp	115,221.93
60060000 Professional Fees	291,178.18
60070000 Dues & Subscriptions	8,969.76
60080000 Marketing/Advertising/Social Media	475,875.97
60090000 Communications	83,688.36
60100000 Transportation and Travels	89,978.27
60110000 Automobile Expense	110,073.80
60120000 Licenses & Registrations	70,945.65
60130000 Bonus	29,665.00
60140000 Charity & Donations	14,646.58
60150000 Business Taxes	35,753.76
60160000 Miscellaneous	12,102.24
60170000 Employee Insurance & Benefits	43,596.02
60175000 Bad Debt Exp	2,141.73
60180000 B - Expenses	32,438.67
Total Expenses	\$ 7,655,752.55

Net Operating Income	\$ 3,235,996.16
Other Expenses	
80010000 Amortization	14,171.08
80020000 Depreciation	432,881.22
80040000 Interest Exp	34,225.49
80050000 Taxes	21,388.33
Total Other Expenses	\$ 502,626.12
Net Other Income	-\$ 502,626.12
Net Income	\$ 2,733,370.04

Wednesday, Aug 31, 2022 07:35:18 AM GMT-7 - Accrual Basis

ROADWAY MOVERS INC. AND AFFILIATES

COMBINED FINANCIAL STATEMENTS

DECEMBER 31, 2021

ROADWAY MOVERS INC. AND AFFILIATES

CONTENTS

	<u>Page</u>
<u>Independent Accountants' Review Report</u>	1-2
<u>Combined Financial Statements</u>	
Combined Balance Sheet at December 31, 2021	3-4
Combined Statement of Income for the Year Ended December 31, 2021	5
Combined Statement of Changes in Equity for the Year Ended December 31, 2021	6
Combined Statement of Cash Flows for the Year Ended December 31, 2021	7
Notes to Combined Financial Statements	8-19

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To The Shareholder and Member
Roadway Movers Inc. and Affiliates
New York, New York

Report on the Financial Statements

We have reviewed the accompanying combined financial statements of Roadway Movers Inc. and Affiliates, which comprise the combined balance sheet at December 31, 2021, and the related combined statements of income, changes in equity and cash flows for the year then ended, and the related notes to the combined financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the combined financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of combined financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of Roadway Movers Inc. and Affiliates and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying combined financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matters

As discussed in Note 2 to the combined financial statements, Roadway Movers Inc. and Affiliates changed its accounting policy related to variable interest entities under common control, whereby it will not apply variable interest entity guidance to such entities. The policy was adopted retrospectively effective January 1, 2021. Our conclusion is not modified with respect to this matter.

As discussed in Note 3 to the combined financial statements, the December 31, 2020 retained earnings has been restated to correct certain misstatements. Our conclusion is not modified with respect to this matter.

Grassi & Co., CPAs, P.C.

GRASSI & CO., CPAs, P.C.

Jericho, New York

June 8, 2022

ROADWAY MOVERS INC. AND AFFILIATES
COMBINED BALANCE SHEET
DECEMBER 31, 2021

ASSETS

CURRENT ASSETS:

Cash	\$ 2,750,938
Accounts receivable, net	323,647
Advances to shareholder	654,982
Current portion of note receivable - shareholder	228,726
Prepaid expenses and other current assets	<u>375,652</u>

Total Current Assets 4,333,945

PROPERTY AND EQUIPMENT, NET

23,516,200

OTHER ASSETS:

Note receivable - shareholder, less current portion	934,274
Security deposits	<u>46,084</u>

Total Other Assets 980,358

TOTAL ASSETS

\$ 28,830,503

See independent accountants' review report and notes to combined financial statements.

ROADWAY MOVERS INC. AND AFFILIATES
COMBINED BALANCE SHEET
DECEMBER 31, 2021

LIABILITIES AND EQUITY

CURRENT LIABILITIES:

Notes payable - bank	\$ 700,000
Current maturities of long-term debt	705,528
Accounts payable	1,974,974
Accrued income taxes payable	39,472
Accrued expenses and other current liabilities	698,280
Contract liabilities	<u>150,000</u>

Total Current Liabilities 4,268,254

LONG-TERM LIABILITIES:

Long-term debt, less current maturities, net	14,775,130
Deferred tax liabilities	<u>1,095,168</u>

Total Long-Term Liabilities 15,870,298

Total Liabilities 20,138,552

COMMITMENTS AND CONTINGENCIES

EQUITY:

Common stock	-
Retained earnings and member's equity	<u>8,691,951</u>

Total Equity 8,691,951

TOTAL LIABILITIES AND EQUITY \$ 28,830,503

See independent accountants' review report and notes to combined financial statements.

ROADWAY MOVERS INC. AND AFFILIATES
COMBINED STATEMENT OF INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

REVENUES	\$ 40,053,417
COST OF REVENUES	<u>22,553,877</u>
GROSS PROFIT	17,499,540
GENERAL AND ADMINISTRATIVE EXPENSES	<u>14,683,588</u>
INCOME FROM OPERATIONS	<u>2,815,952</u>
OTHER (EXPENSE) INCOME:	
Interest expense	(566,586)
Gain on extinguishment of debt	1,564,300
Loss on sale or disposal of property and equipment	<u>(605,466)</u>
Total Other Income	<u>392,248</u>
INCOME BEFORE PROVISION FOR INCOME TAXES	3,208,200
PROVISION FOR INCOME TAXES	<u>397,281</u>
NET INCOME	<u>\$ 2,810,919</u>

See independent accountants' review report and notes to combined financial statements.

ROADWAY MOVERS INC. AND AFFILIATES
 COMBINED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Common Stock, No Par Value	Retained Earnings and Member's Equity	Noncontrolling Interest	Total Equity
BALANCE AT DECEMBER 31, 2020, AS RESTATED	\$ -	\$ 5,208,087	\$ 3,173,972	\$ 8,382,059
CUMULATIVE EFFECT ADJUSTMENT FROM IMPLEMENTATION OF ACCOUNTING STANDARDS UPDATE NO. 2018-17 (NOTE 2)	-	3,173,972	(3,173,972)	-
BALANCE AT DECEMBER 31, 2020, AS ADJUSTED	-	8,382,059	-	8,382,059
DISTRIBUTIONS	-	(2,501,027)	-	(2,501,027)
NET INCOME	-	2,810,919	-	2,810,919
BALANCE AT DECEMBER 31, 2021	<u>\$ -</u>	<u>\$ 8,691,951</u>	<u>\$ -</u>	<u>\$ 8,691,951</u>

See independent accountants' review report and notes to combined financial statements.

ROADWAY MOVERS INC. AND AFFILIATES
 COMBINED STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Net income	\$ 2,810,919
Adjustments to reconcile net income to net cash provided by operating activities:	
Bad debt expense	111,041
Depreciation and amortization	1,786,677
Amortization of deferred financing costs	36,000
Loss on sale or disposal of property and equipment	605,466
Deferred income taxes	117,763
Gain on extinguishment of debt	(1,564,300)
(Increase) decrease in assets:	
Accounts receivable	(251,961)
Prepaid expenses and other current assets	(295,807)
Security deposits	81,016
Increase (decrease) in liabilities:	
Accounts payable	1,161,726
Accrued income taxes payable	39,472
Accrued expenses and other current liabilities	180,179
Contract liabilities	<u>34,713</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>4,852,904</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sale of property and equipment	(222,268)
Purchases of property and equipment	(2,434,999)
Advances to shareholder	<u>(1,541,235)</u>
NET CASH USED IN INVESTING ACTIVITIES	<u>(4,198,502)</u>

CASH FLOWS FROM FINANCING ACTIVITIES:

Proceeds from note payable - bank	700,000
Principal payments of long-term debt	(579,398)
Distributions to shareholder	<u>(2,501,027)</u>
NET CASH USED IN FINANCING ACTIVITIES	<u>(2,380,425)</u>
NET DECREASE IN CASH	(1,726,023)
CASH, BEGINNING OF YEAR	<u>4,476,961</u>
CASH, END OF YEAR	<u>\$ 2,750,938</u>

SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:

Cash paid during the year for income taxes	<u>\$ 224,933</u>
Cash paid during the year for interest	<u>\$ 530,586</u>

SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:

Equipment acquired through financing	<u>\$ 3,494,633</u>
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See independent accountants' review report and notes to combined financial statements.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 1 - Nature of Operations and Principles of Combination

Business Activity

Roadway Movers Inc. ("Roadway") specializes in commercial moving, local residential moving and storage services primarily throughout the United States. Roadway Moving, Inc. ("Moving") specializes in long distance moving services primarily throughout the United States. Roadway and Moving are referred to as "Movers." R.S. Transportation Group Inc. ("RS Transportation") holds the vehicles and equipment used in the operating activities of Movers. Moving and RS Transportation are affiliates of Roadway through common ownership.

Roadway's other affiliates consist of 888 Socol LLC ("Socol"), 438 E. 166th St. Holding Co. LLC ("166th St. Holding"), Sapir Realty LLC ("Sapir"), RS 28th Ave. Family Limited Partnership ("RS 28th"), and 1209 BRA RS Runion Ave. Family Limited ("1209 BRA") (collectively, the "Property Entities"), which are the property entities, holding buildings and parking lots used in the operating activities of Movers; Laser-IT Inc. ("Laser"), which primarily handles the insurance for the Company's employees; Roadway Trucking Inc. ("RTI"), which operates as a small scale red-bin storage provider; and MUUV Movers ("MUUV"), which operates as a small scale local residential moving provider.

The Property Entities are limited liability companies formed under the New York Limited Liability Company Act. The parties to the Limited Liability Company agreements are designated as members. Under the Act, the members are not liable for the debts of the company.

Principles of Combination

The accompanying combined financial statements as of and for the year ended December 31, 2021 reflect the combined operations of Movers, RS Transportation, the Property Entities, Laser, RTI, and MUUV (collectively, the "Company"). The companies are affiliated through common ownership and management. All significant intercompany accounts and transactions have been eliminated upon combination.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation

The accompanying combined financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of combined financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Accounts Receivable

The Company carries its accounts receivable at cost less an allowance for doubtful accounts, if required. The Company estimates the allowance for doubtful accounts based on a review of outstanding receivables and historical collection information by customer. Accounts receivable are written off when they are determined to be uncollectible. The Company's policy for estimating allowances for doubtful accounts with respect to receivables is to record an allowance based on a historical evaluation of write-offs, aging of balances and other qualitative and quantitative analyses. At December 31, 2021, the allowance for doubtful accounts was \$59,334. The Company does not accrue interest on past due receivables.

Property and Equipment

Property and equipment is recorded at cost, net of accumulated depreciation and amortization. Repairs and maintenance are charged to expense as incurred. Betterments and major renewals or replacements are capitalized. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Depreciation of property and equipment, with the exception of trailers and trucks, which are depreciated to salvage value estimated at 25% of the original cost of the asset, is provided utilizing the straight-line method over the estimated useful lives of the respective assets as follows:

Building and improvements	39 years
Trailers	10 years
Trucks	5 years
Furniture and fixtures	7 years
Computer and office equipment	3 to 5 years

Leasehold improvements are amortized over the shorter of the remaining term of the lease or the useful life of the improvement utilizing the straight-line method.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment periodically or whenever events or circumstances indicate that the carrying amount of an asset may not be recoverable in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Subtopic 360-10-35, *Impairment or Disposal of Long-Lived Assets*. When an evaluation is required, the projected future undiscounted cash flows to be generated from the long-lived assets are compared to the carrying value of the long-lived assets to determine if a write-down to fair value is required. Cash flows from long-lived assets vary on a year-to-year basis. There was no impairment recorded during the year ended December 31, 2021.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Deferred Financing Costs

Costs incurred in obtaining long-term financing are amortized over the terms of the long-term financing agreements using the effective interest method and are included in interest expense in the accompanying combined statement of income. The Company follows the provisions of FASB ASC Subtopic 835-30, *Interest - Imputation of Interest*, in order to simplify the presentation of deferred financing costs as a direct deduction from the carrying amount of the corresponding liability. Amortization expense related to deferred financing costs amounted to \$36,000 for the year ended December 31, 2021.

Revenue Recognition

The Company recognizes its revenue in accordance with FASB Accounting Standards Update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. This ASU is the result of a joint project of the FASB and the International Accounting Standards Board ("IASB") to clarify the principles for recognizing revenue and to develop a common revenue standard for U.S. GAAP and International Financial Reporting Standards ("IFRS"). The guidance under Topic 606 affects any entity that either enters into contracts with customers to transfer goods or services or enters into contracts for the transfer of nonfinancial assets unless those contracts are within the scope of other standards.

Topic 606 provides that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. An entity should apply the following five-step process to recognize revenue:

- Step 1: Identify the contract with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognize revenue when (or as) the entity satisfies a performance obligation.

The Company's revenue is primarily derived from commercial and household moves. Contracts with these customers establish rates for services performed, which are predominantly rates that will be paid for transportation services. Contract terms vary depending on the customer; however, there are no forms of variable consideration, and deposits are paid in advance, with the balance due on the day of the move. Revenue is recognized upon the completion of each individual move.

ROADWAY MOVERS INC. AND AFFILIATES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Revenue Recognition (cont'd.)

In fulfilling the Company's performance obligation for transportation of commercial and household moves, control of freight is transferred to the customer at the point when it has been delivered to its specified final destination.

The Company recognizes contract liabilities when cash payments are received in advance of the completion of the performance obligation. Contract liability balances are summarized as follows:

	January 1, 2021	December 31, 2021
Contract liabilities	\$ 115,287	\$ 150,000

Accounts receivable balances are summarized as follows:

	January 1, 2021	December 31, 2021
Accounts receivable	\$ 182,727	\$ 323,647

Advertising Costs

Advertising and promotion costs are expensed as incurred and amounted to \$1,509,647 for the year ended December 31, 2021.

Income Taxes

The shareholder of Roadway, Laser and RTI has elected to have these companies taxed as S corporations under the applicable provisions of the Internal Revenue Code and various state franchise tax codes. Accordingly, the shareholder is responsible for reporting the net taxable income or loss of Roadway, Laser and RTI on its personal income tax return. Therefore, for Roadway, Laser and RTI, no provisions were made for federal corporation or state franchise taxes, other than any applicable state taxes on S corporations.

Moving and RS Transportation are C corporation entities. Income taxes are provided for the tax effects of transactions reported in the combined financial statements and consist of taxes currently due plus deferred taxes arising from temporary differences between income for financial reporting and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will be deductible or taxable when the assets and liabilities are recovered or settled. Deferred taxes are also recognized for operating losses and depreciation method differences that are available to offset future federal and state income taxes. If it is more likely than not that some portion or all of a deferred tax asset will not be realized, a valuation allowance is recognized.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

Income Taxes (cont'd.)

The Property Entities and MUUV are treated as single-member limited liability companies for income tax purposes; therefore, no provision for federal and New York State taxes is required. The taxable income and losses for the Property Entities and MUUV are reported on the member's personal income tax return.

The Company files income tax returns in the U.S. in federal and various state and local jurisdictions. With few exceptions, the Company is no longer subject to U.S. federal, state or local tax examinations by taxing authorities for years before 2018. The years 2018 to 2020 remain subject to examination by taxing authorities.

Change in Accounting Policy

In October 2018, the FASB issued ASU No. 2018-17, *Consolidation (Topic 810): Targeted Improvements to Related Party Guidance for Variable Interest Entities*. The amendments in this ASU provide a private company accounting alternative that allows a private company to elect not to apply variable interest entity ("VIE") guidance to any legal entities under common control (including common control leasing arrangements) if both the parent and legal entity being evaluated for consolidation are not public business entities. The guidance in this ASU will supersede the private company accounting alternative provided by ASU No. 2014-07, *Consolidation (Topic 810): Applying Variable Interest Entities Guidance to Common Control Leasing Arrangements*.

If a company chooses to make the accounting policy election, it must be applied to all current and future legal entities under common control that meet the criteria for applying this alternative. Thus, the alternative cannot be applied selectively. A company choosing the accounting alternative still must provide detailed disclosures about its involvement with and exposure to the legal entity under common control. Upon adoption, the amendments in the ASU must be applied retrospectively, with a cumulative-effect adjustment to retained earnings at the beginning of the earliest period presented.

The amendments of ASU No. 2018-17 are effective for annual reporting periods beginning after December 15, 2020, and interim periods within annual periods beginning after December 15, 2021. Early application is permitted.

The Company adopted this ASU effective January 1, 2021, which resulted in a decrease in noncontrolling interest and an increase in retained earnings of \$3,173,972 as of that date. All entities under common control of Roadway are presented as part of these combined financial statements.

During the year ended December 31, 2021, the Company elected to no longer consolidate the activities of Roadway Movers Inc. and Affiliates ("Movers"). The balances of Movers were included in the December 31, 2020 financial statements. The beginning equity balances of the Company in these combined financial statements have been changed to reflect the deconsolidation of Movers, reported as a change in reporting entity.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 2 - Summary of Significant Accounting Policies (cont'd.)

New Accounting Pronouncement

ASU No. 2016-02

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This ASU is the result of a joint project of the FASB and the IASB to increase transparency and comparability among organizations by recognizing lease assets and lease liabilities on the balance sheet and disclosing key information about leasing arrangements for U.S. GAAP and IFRS. The guidance in this ASU affects any entity that enters into a lease (as that term is defined in this ASU), with some specified scope exemptions. The guidance in this ASU will supersede FASB ASC Topic 840, *Leases*.

The ASU provides that lessees should recognize lease assets and lease liabilities on the balance sheet for leases previously classified as operating leases that exceed twelve months, including leases existing prior to the effective date of this ASU. It also calls for enhanced leasing arrangement disclosures.

For nonpublic entities, the amendments of ASU No. 2016-02 are effective for annual reporting periods beginning after December 15, 2021, and interim periods within annual periods beginning after December 15, 2022, based on the decision in ASU No. 2020-05 to defer the implementation dates. Early application is permitted for all entities.

The Company has not yet determined if this ASU will have a material effect on its combined financial statements.

Note 3 - Prior Period Restatement

The December 31, 2020 combined financial statements have been restated for errors related to certain property and equipment being depreciated using accelerated tax methods on the financial statements. The impact of the restatement is as follows:

	<u>As Previously Stated</u>	<u>As Restated</u>	<u>Effect on Retained Earnings</u>
Property and equipment, net	\$ 18,883,542	\$ 19,756,443	\$ 872,901
Retained earnings, as previously stated at December 31, 2020			<u>4,335,186</u>
Retained earnings, as restated at December 31, 2020			<u>\$ 5,208,087</u>

The effect of the restatement on the net income of the preceding period is not readily determinable.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 4 - Concentration of Credit Risk

The Company maintains cash balances in several financial institutions. Such balances are insured by the Federal Deposit Insurance Corporation ("FDIC") for up to \$250,000 per institution. From time to time, the Company's balances may exceed these limits.

At December 31, 2021, accounts receivable from one customer accounted for approximately 16% of the Company's accounts receivable.

Note 5 - Related Party Transactions

As of December 31, 2021, the Company has advanced \$654,982 to the shareholder. The advances are unsecured, noninterest-bearing and are due on demand.

Note 6 - Property and Equipment

Property and equipment, net at December 31, 2021 is summarized as follows:

Land, building and leasehold improvements	\$ 19,745,895
Trucks and trailers	8,492,965
Furniture and fixtures	905,778
Computer and office equipment	<u>785,953</u>
	29,930,591
Less: Accumulated depreciation and amortization	<u>6,414,391</u>
	<u>\$ 23,516,200</u>

Depreciation and amortization expense related to property and equipment amounted to \$1,786,677 for the year ended December 31, 2021.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 7 - Note Receivable - Shareholder

On December 31, 2021, the Company loaned \$1,163,000 to its shareholder under an unsecured promissory note. The principal amount of \$1,163,000, together with interest of 1.00% per annum, will be payable in full on the maturity date of December 31, 2026.

Aggregate maturities of the note receivable are as follows

Years Ending December 31:

2022	\$	228,726
2023		230,078
2024		232,389
2025		234,724
2026		<u>237,083</u>
	<u>\$</u>	<u>1,163,000</u>

Note 8 - Line of Credit

Movers has a \$700,000 line of credit with its bank that expires June 30, 2022, and is collateralized by the assets of Movers and is guaranteed by RS Transportation and Sapir. The line of credit requires Movers to comply with certain covenants. Interest on the line of credit is at 1% above the prime rate (totaling 4.25% at December 31, 2021). The outstanding balance at December 31, 2021 was \$700,000.

ROADWAY MOVERS INC. AND AFFILIATES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Note 9 - Long-Term Debt

Long-term debt at December 31, 2021 is summarized as follows:

<p>Mortgage loan - Bronx, NY - In February 2020, Sapir refinanced its existing mortgage loan, which included the payoff of RS 28th's mortgage loan, into a new consolidated loan. Per the new mortgage agreement, the mortgage is payable in fixed monthly installments of \$22,961 including interest at 3.47% per annum through the maturity date of October 1, 2024. The loan is secured by the assets of the Company and is guaranteed by Roadway, Moving, RS Transportation, and 166th St. Holding and individually guaranteed by the shareholder. The net book value of the property is approximately \$3,877,308.</p>	<p>\$ 4,999,444</p>
<p>Mortgage loan - Bronx, NY - In August 2021, 1209 BRA entered into mortgage agreement. Per the new mortgage agreement, the mortgage is payable in fixed monthly installments of \$12,000 including interest at 3.25% per annum through the maturity date of September 1, 2026. The net book value of the property is approximately \$3,470,085.</p>	<p>2,434,084</p>
<p>Mortgage loan - Mount Vernon, NY - In February 2020, Socol refinanced and replaced its existing mortgage loan. Per the new mortgage agreement, the mortgage is payable in fixed monthly installments of \$12,888 including interest at 3.99% per annum through the maturity date of February 1, 2025. The loan is secured by the underlying building and is guaranteed by Roadway, Moving, RS Transportation, and Sapir and individually guaranteed by the shareholder. The mortgage loan requires maintenance of certain fiscal year financial covenants. The net book value of the property is approximately \$2,923,612.</p>	<p>2,364,167</p>
<p>Mortgage loan - Bronx, NY - In February 2020, 166th St. Holding refinanced its existing mortgage loan. Per the new mortgage agreement, the mortgage is payable in fixed monthly installments of \$20,268 including interest at 3.99% per annum through the maturity date of October 1, 2024. The loan is secured by the underlying building and is guaranteed by Roadway, Moving, RS Transportation, and Sapir and individually guaranteed by the shareholder. The mortgage loan requires maintenance of certain fiscal year financial covenants. The net book value of the property is approximately \$4,181,248.</p>	<p>3,717,998</p>
<p>Installment loans - Payable in equal monthly installments ranging from \$528 to \$2,803 including interest ranging from approximately 4.99% to 7.48% per annum through December 2026. The loans are collateralized by the underlying assets with a net book value of approximately \$2,211,418.</p>	<p><u>1,783,565</u></p>
<p>Subtotal Carried Forward</p>	<p><u>\$ 15,299,258</u></p>

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 9 - Long-Term Debt (cont'd.)

Subtotal Brought Forward	\$ 15,299,258
<p>Economic Injury Disaster Loans - In June 2020, Roadway and Moving were granted loans from the Small Business Administration ("SBA") in the principal amounts of \$150,000 and \$94,500, respectively, pursuant to the Economic Injury Disaster Loan program (the "EIDL Loans"). The EIDL Loans, which are in the form of promissory notes, are payable in monthly installments ranging from \$461 to \$731, respectively, including principal and interest, over 30 years at an interest rate of 3.75% commencing in June 2022. The EIDL Loans may be prepaid by the Company at any time prior to maturity with no prepayment penalties. The proceeds from these loans must be used solely as working capital to alleviate economic injury caused by the coronavirus ("COVID-19") pandemic. As part of the EIDL Loans, the Company granted the SBA a continuing security interest in and to any and all collateral to secure payment and performance of all debts, liabilities and obligations of Roadway and Moving to the SBA under the EIDL Loans. The collateral includes substantially all tangible and intangible personal property of the Company.</p>	
	<u>244,400</u>
	15,543,658
Less: Current maturities	705,528
Less: Unamortized deferred financing costs	<u>63,000</u>
Long-Term Debt	<u>\$ 14,775,130</u>

Aggregate maturities of long-term debt, net of deferred financing costs, are as follows:

<u>Years Ending December 31:</u>	
2022	\$ 705,528
2023	730,585
2024	4,188,229
2025	7,344,028
2026	2,296,646
Thereafter	<u>215,642</u>
	<u>\$ 15,480,658</u>

ROADWAY MOVERS INC. AND AFFILIATES
 NOTES TO COMBINED FINANCIAL STATEMENTS
 DECEMBER 31, 2021

Note 10 - Other Income - Paycheck Protection Program Loan

During April 2020, the Company applied for and received \$1,564,300 in loans from a bank under the Paycheck Protection Program. The Company received full forgiveness on these loans in May 2021 and has reflected a gain on extinguishment of debt in the combined statement of income for the year ended December 31, 2021.

Note 11 - Commitments and Contingencies

Equipment Leases

The Company leases certain vehicles under operating leases expiring at various dates through December 2025. At December 31, 2021, future minimum rental payments under noncancellable operating leases are as follows:

<u>Years Ending December 31:</u>	
2022	\$ 262,392
2023	262,392
2024	209,252
2025	<u>136,608</u>
	<u>\$ 870,644</u>

Vehicle lease expense for the year ended December 31, 2021 was approximately \$443,000, which is included in cost of revenues.

Real Estate Leases

The Company leases warehouse and office space under leases that expire at various dates through December 2025.

At December 31, 2021, future minimum rental payments under noncancellable real estate leases are as follows:

<u>Years Ending December 31:</u>	
2022	\$ 652,039
2023	633,365
2024	628,574
2025	<u>101,355</u>
	<u>\$ 2,015,333</u>

Rent expense under all operating leases, including month-to-month leases, totaled approximately \$923,000 for the year ended December 31, 2021.

ROADWAY MOVERS INC. AND AFFILIATES
NOTES TO COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2021

Note 11 - Commitments and Contingencies (cont'd.)

Contingencies

There are no contingencies.

The Company is involved in various legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such proceedings and litigation will not materially affect the Company's financial position.

The COVID-19 outbreak in the United States has caused business disruption through mandated and voluntary closings. Although temporary disruptions can be expected, significant uncertainty exists concerning the magnitude and duration of the COVID-19 pandemic's impact on the Company's customers, labor sources, supply chains, and demand for the Company's services. The potential financial impact cannot be reasonably estimated at this time.

The SBA may elect to undertake an audit of the Company's PPP loans.

Note 12 - Provision for Income Taxes

The provision for income taxes is summarized as follows:

<u>Current:</u>	
Federal, state and local	\$ 279,518
 <u>Deferred:</u>	
Federal, state and local	<u>117,763</u>
	<u>\$ 397,281</u>

The net deferred tax liabilities at December 31, 2021 included the following components:

Deferred tax liabilities:	
Accumulated depreciation and amortization	<u>\$ (1,095,168)</u>
Net deferred tax liabilities	<u>\$ (1,095,168)</u>

Note 13 - Common Stock

Movers and RS Transportation each have issued and outstanding 400 shares of common stock with no par value.

Note 14 - Subsequent Events

The Company has evaluated all events or transactions that occurred after December 31, 2021 through June 8, 2022, the date that these combined financial statements were available to be issued. During this period, there were no material subsequent events requiring disclosure.

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