

APPLICATION FOR APPROVAL OF TRANSFER  
AND EXERCISE OF COMMON CARRIER OR CONTRACT RIGHTS

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of Forward Moving, LLC (Home State) - Zippy Shell of PA, LLC (PA name)  
(Applicant/Transferee-Buyer)

as a Common carrier, described at Docket  
(common - contract)

No. \_\_\_\_\_, Folder No. \_\_\_\_\_, issued to Masha Mobile Moving And Storage, LLC  
(Transferor - Seller) → Docket A - 2019 - 3007166  
Carrier ID/ut.code ~~8920288~~  
no. 8920288

for transportation of household goods  
(persons - household goods)

SEE INSTRUCTIONS BEFORE COMPLETING APPLICATION

- |  |                 |
|--|-----------------|
| 1. <u>Forward Moving, LLC</u><br>(Full and Correct Name of Applicant/Transferee) | DATE OF DEPOSIT |
| 2. <u>Zippy Shell of PA, LLC</u><br>(Trade Name, If Any)                         | OCT 28 2022     |

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

The trade name has been registered with the Secretary of the Commonwealth  
(has or has not)

on 09/29/22 (attach copy of stamped registration form.)  
(Date)

3. 11640 Northpark Dr., Suite 300  
(Business Street Address) (P. O. Box, If Any)

Wake Forest Wake NC 27587  
(City) (County) (State) (Zip)

919-429-6788 gkirkpatrick@1800packrat.com  
(Telephone) (E-mail Address)

4. Applicant's attorney (for this application) is:

<u>Garret Kirkpatrick</u>	<u>11640 Northpark Dr, Ste 300, Wake Forest NC, 27587</u>
(Name)	(Address)
<u>919-429-6788</u>	<u>gkirkpatrick@1800packrat.com</u>
(Telephone)	(E-mail Address)

5. Any documents should be mailed to:

Transferee:	<u>Garret Kirkpatrick</u>	<u>see above ↑</u>
	(Name)	(Address)
	<u>gkirkpatrick@1800packrat.com</u>	
	(E-mail Address)	

Transferor:	<u>Stephen Masha</u>	<u>191 S. Keim St. Unit 2D-1, Pottstown PA 19464</u>
	(Name)	(Address)
	<u>smasha@zippyshell.com</u>	
	(E-mail Address)	

6. Applicant does not hold Pa. P. U. C. authority under Docket Number (does or does not)

A-\_\_\_\_\_ and operates as a \_\_\_\_\_ carrier.  
(common or contract)

7. Applicant does not hold Interstate Commerce Commission authority at (does or does not)

Docket No. A-\_\_\_\_\_.

8. Applicant is (check one):

- Individual.
- Partnership. Must attach a copy of the partnership agreement (unless a copy is presently on file with PUC), and list names and addresses of partners below (use additional sheet if necessary).

Name	Address

Name	Address

Name	Address

Limited Liability Company  
~~Corporation~~. Organized under the laws of the state of Delaware  
and qualified to do business in Pennsylvania by registering with the Secretary of the  
Commonwealth on 09/29/2022 (Attach copy of Certificate of  
Incorporation or Authority and statement of charter purpose). Include as an attachment  
a list of corporate officers and their titles and the names, addresses and number of  
shares held by each stockholder. *↳ LLC Agreement and related name change doc provided.*

9. If applicant, its stockholder or partnership members are in control of or affiliated with any other carrier, state name of carrier(s), Docket Number(s) and nature of control or affiliation.

10. Applicant proposes to acquire all of the operating rights now held by transferor.  
(all or part)

Attach a sheet describing rights to be transferred to applicant and rights to be retained by transferor, if any. If any rights are to be omitted give reasons.

11. The reason for the transfer is

Forward Moving, LLC has purchased substantially all of the  
assets of Masha Mobile and is seeking to continue the HHC  
moving business.

12.

a. The following must be attached:

- Sales Agreement → Attached APA, MSA, and relevant disclosure showing PUC permit purchase
- List of equipment to be used to render service. (Summarized by type) - See truck sheet
- Operating authority to be transferred/retained.
- Statement of Financial Position
- Statement of unpaid business debts of transferor and how they will be satisfied. - no unpaid debts
- Statement of Safety Program.
- Statement of transferee's experience.

b. Attach the following, as appropriate (check those attached):

- Partnership Agreement
- Trade Name registration certificate.
- Certificate of Incorporation. (Pa. Corporations only)
- Certificate of Authority. (Foreign (out-of-state) Corporations only).
- Statement of Corporate charter purpose. (Corporations only)
- List of Corporate officers and stockholders. (Corporations only)
- Copy of short form certificate showing date of death of transferor and name of executor/administrator/administratrix.

13. Transferor attests that all General Assessments and fines are paid and agrees to continue to render the service which is to be transferred until this application is approved, whereupon transferor will surrender said certificate or permit for cancellation.

14. Transferee agrees to assume and pay any General Assessments that may be made against transferor as a common carrier for any and all operating periods up to the actual date of the transfer.

WHEREFORE, Transferee and Transferor request that the Commission grant the Transfer.

Transferee sign here:  10/28/2022  
 \_\_\_\_\_ (Date)  
 (Each Partner Must Sign)

(Corporate Seal)

Transferor sign here:   
 \_\_\_\_\_

(Corporate Seal)

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

APPLICATION VERIFICATION

I/We hereby state that the statements made in the application are true and correct to the best of my/our knowledge, information and belief.

The undersigned understand(s) that false statements herein are made subject to the penalties of 18 Pa. C. S. Section 4904 relating to Unsworn Falsification of Authorities.

TRANSFEROR (SELLER)

Stephen Masha (Print Name) [Signature] (Signature) 10/20/22 (Date)

Ashley Masha (Print Name) [Signature] (Signature) 10/20/22 (Date)

(Print Name) (Signature) (Date)

TRANSFeree (BUYER)

Mark Livius (Print Name) [Signature] (Signature) 10/20/2022 (Date) ON BEHALF OF FORWARD MOVING LLC

(Print Name) (Signature) (Date)

(Print Name) (Signature) (Date)

If the Applicant is a sole proprietor, he/she must complete and sign the Application Verification form. If the application is for a partnership, all partners to the partnership agreement must sign this form. If the Applicant is incorporated, the President or Secretary must sign this form.

DATE OF DEPOSIT

OCT 28 2022

\* Please See Verification Supplement for Answers

### VERIFIED STATEMENT OF APPLICANT

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

Forward Moving, LLC

(home state)

Legal Name of Applicant

Zippy Shell of PA, LLC

(PA current name)

Trade Name, if any

11640 Northpark Dr Ste 300,

wake forest

NC

27587

Street Address (principal place of business)

City or Municipality

State

Zip Code

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

At minimum, the Verified Statement of the Applicant should include a discussion of the numbered items listed below and on the following pages. You are encouraged to provide as much information as possible about the particular subject as is necessary to fully explain your plan. If you fail to provide sufficient information about the subjects listed below, it may cause the review of your application to be delayed until you provide the necessary information. If you need more space to provide your explanation, please attach additional pages that list the appropriate item by number.

1. Identify the person making the Verified Statement on behalf of the applicant. If the applicant is a sole proprietor making the statement, this will be the same information as provided above. If an employee/officer of applicant is making the statement, give name, title, business address and telephone number, and indicate that the applicant's directors/owners/partners/etc. have authorized the witness to speak for the business.

\* ALL Questions Answered on Supplement

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

DATE OF DEPOSIT

OCT 28 2022

3. Describe the applicant's business experience, particularly any experience relating to the operation of a transportation service. If practical experience is lacking, please provide an explanation and description of any education or training that you believe may be relevant.
  
4. Describe your facilities, record maintenance plan and your communication network. Please include a description of your physical location, to include the office area, office machines that will be utilized, and the facility to house vehicles. Household goods in use carriers should include a description of their storage facilities, if applicable. Please include an explanation of your plan to maintain records required by the PUC, as well as normal business records. In regard to your communication network, please explain how you will receive customer requests for transportation, how you will dispatch the vehicles to fulfill the request, and how you will maintain continuous communication with your drivers. Finally, please state your intended business hours.
  
5. Please state the number of employees you intend to use, along with a description of their duties. Please explain why that number of employees is appropriate to provide reasonable and efficient service to the geographical territory you will be serving. **(Do not address drivers in your explanation about this item; drivers are addressed separately in item # 6).**
  
6. Please state the number of drivers you intend to use or hire in your business and explain why that number of drivers is appropriate for the size of the geographical territory you will be serving. In addition, please explain:
  - a. Your hiring standards for drivers:
  - b. Your system to ensure prospective drivers will be subject to a criminal background check:
  - c. Your driver training program:
  - d. Your system for ensuring that your drivers are properly licensed at all times:
  - e. Your system to ensure that all drivers will be subject to a criminal background check every two years;
  - f. Your policies regarding alcohol and drug use by your drivers.

7. Please state the number of vehicles you plan to use in your business and why that number is appropriate to provide reasonable and efficient service to the geographical territory you will be serving. If you have already obtained vehicles for your business, please list them in the chart below. Taxicabs and limousines may not be used if the vehicle's age is greater than eight model years.

<u>YEAR</u>	<u>MAKE</u>	<u>MODEL</u>	<u>SEATING CAPACITY</u>	<u>VEHICLE ID #</u>

8. Describe your vehicle safety program. Please include the following in your explanation:
- a. Your periodic vehicle maintenance plan;
  - b. Your system for ensuring your vehicles will continuously comply with Pennsylvania's equipment standards (67 Pa. Code, Chapter 175) that are applicable to the type of vehicles used in your business;
  - c. Your system for ensuring your vehicles will maintain compliance with the PUC's requirements for passenger service at 52 Pa. Code, Section 29.403 (applicable to passenger applicants only);
  - d. Your system for replacing vehicles once they are greater than eight model years in age in compliance with 52 Pa. Code, Section 29.314(d) (applicable to taxicabs) or 52 Pa. Code, Section 29.333(e) (applicable to limousines);
  - e. Your system for ensuring the filing of an annual vehicle list (taxicabs and limousines);
  - f. Your system for ensuring your vehicles will comply with the requirements of 49 CFR Parts 393 and 396, as adopted by the PUC at 52 Pa. Code, Chapter 37 (applicable to HHG applicants).

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

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

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

\_\_\_\_\_ YES      \_\_\_\_\_ NO



12. Financial Data. In addition to demonstrating your technical fitness, you must also demonstrate that you possess the financial fitness to provide the proposed transportation service. Therefore, you must complete both parts of the "Statement of Financial Position", which follows this page. The first part is the Balance Sheet. You need only provide the applicable information. The second part of the Statement of Financial Position is the Projected Income Statement. The projection is your estimation of expected revenues and specific expenses for one year. You should use the projected information, along with the financial data reported on your balance sheet to help you determine if the proposed business can be feasible. Please feel free to also provide clarification information with your "Statement of Financial Position", which explains why you believe you have sufficient funds to ensure your transportation business can provide reliable service to the public in a safe manner.

### Verification of Statement

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

*Garret Kirkpatrick*  
(Signature)  
Garret Kirkpatrick, General Counsel  
(Name and Title, printed or typed)

10/4/22  
(Date)

### DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

\* Please See Attached Excel Spreadsheet

Statement of Financial Position (Balance Sheet)  
As of (date) \_\_\_\_\_  
(Must be less than 6 months old)

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

ASSETS

Current Assets			
Cash	_____		
Accounts Receivable	_____		
Notes Receivable	_____		
Other Current Assets (specify)	_____		
Total Current Assets			_____
Tangible Assets			
Motor Vehicle Equipment	_____		
Less: Accumulated Depreciation	_____	=	_____
-	_____		
Building and Structures	_____		
Less: Accumulated Depreciation	- _____	=	_____
Office Equipment	_____		
Less: Accumulated Depreciation	- _____	=	_____
Land	_____		
Investments and Funds (specify)	_____		
Intangible Assets	_____		
Other Assets (advances and idle equipment – specify)	_____		
TOTAL ASSETS			_____

LIABILITIES

Current Liabilities (Due within one year of date)			
Accounts Payable	_____		
Notes Payable	_____		
Equipment Obligations	_____		
Other Liabilities (Attach schedule)	_____		
Total Current Liabilities			_____
Long Term Liabilities (Due after one year of date)			
Accounts Payable	_____		
Notes Payable	_____		
Equipment Obligations	_____		
Other Liabilities (Attach Schedule)	_____		
Total Long-Term Liabilities			_____
TOTAL LIABILITIES			_____

NET WORTH (Partnerships and individuals, only)

OWNER'S EQUITY (Corporations only)

Capital Stock	_____		
Additional Paid-in Capital	_____		
Retained Earnings	_____		
Less: Treasury Stock	- _____	=	_____
Total Owner's Equity			_____

**TOTAL LIABILITIES & OWNER'S EQUITY**

\_\_\_\_\_

# Please See Attached 2022 P&L #

STATEMENT OF FINANCIAL POSITION  
One Year Projected Income Statement

REVENUE and GAINS

Operating Revenue	_____
Net Revenue from non-carrier operations	_____
Dividend and interest revenues	_____
Other non-operating revenue	_____
Gains	_____
<b>Total Revenue and Gains</b>	_____

EXPENSES

Equipment Maintenance and Garage Expense	_____
Insurance Expense	_____
Employee Salaries	_____
Supervisory Salaries	_____
Officer Salaries	_____
Fuel Expense	_____
Purchased Transportation (Lease Expense)	_____
Materials and Supplies Expense	_____
General Office Expense	_____
Advertising Expense	_____
Telephone Expense	_____
Accounting Expense	_____
Legal Expense	_____
Uncollectible Revenue	_____
Depreciation Expense	_____
Amortization	_____
Operating Taxes and Licenses	_____
Rent Expense	_____
Loss	_____
<b>Total Operating Expenses and Losses</b>	_____

Net Income Before Taxes

Provision for Income Taxes \_\_\_\_\_

Net Income (Loss) \_\_\_\_\_

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

**Verified Statement of Applicant Supplement**

OCT 28 2022

PA PUBLIC UTILITY COMMISSION

The information provided below is a mere snapshot of our business. We are open to discuss any questions or concerns, and if any additional information is provided, we will be more than happy to send it along to ease the PUC concerns, if any. We are confident that the Zippy Shell, Inc. group of companies is more than prepared to handle a local moving business, and we are excited to provide top notch service to the Greater Philly area. We already have the same manager, employees, etc. on board due to the acquisition related to the transferor here, and they are prepared to continue providing PA residents with moving services and adhere to any regulations promulgated by the PUC.

Please do not hesitate to contact me for additional comments or information to the verified statement below – numbers correspond to the application:

1. Garret Kirkpatrick  
Zippy Shell, Inc. / 1-800-Pack-Rat, LLC / Forward Moving, LLC – General Counsel  
11640 Northpark Dr. Suite 300, Wake Forest NC, 27587  
[gkirkpatrick@1800packrat.com](mailto:gkirkpatrick@1800packrat.com)  
919-429-6788
2. None.
3. Forward Moving, LLC is a wholly owned subsidiary of Zippy Shell, Inc. and a sister company of 1-800-Pack-Rat, LLC. All share comment directors and officers. Both companies have been in the moving and storage industry for well over a decade and have a footprint in more than 30 states. Our families of companies are abundantly capitalized and have over 800 employees nationwide. We are planning to retain various employees, including the owner of the transferee to help run this moving business in the greater Philadelphia area.
4. We will continue to lease the 60,000 square foot warehouse that Masha Mobile Moving and Storage (i.e the Transferee) has been operating out of, at 191 S. Keim St., Pottstown, PA 19464. There are two docks and a drive-in door. In addition, there is 2000 square feet of office space at the same address where all administrative activities will occur. Trucks are maintained by the Penske Fleet Management maintenance program located in Reading, PA as well as through an in-house safety and maintenance manager. All trucks have cameras and GPS provided by GPS Insight. As for our plan to maintain business records, our corporate headquarters is set up with One Drive, and the senior management including General Counsel have access to various secure folders that all business records are uploaded to on a regular basis. Our communication network is expansive. We have our

national call center located in Wake Forest, NC where our HQ is located. We have dozens of call center and sales agents that are highly trained and monitored on a daily basis. Our general business hours for customer service agents are different than actual facility hours. Customer service agents are traditionally available from 8am – 10pm EST Monday-Saturday and 9:30am-6:30pm EST Sunday. Our facility and drivers typically work on an 8am-4pm EST Monday-Saturday schedule but may stay open past that deadline depending on volume and time of year.

5. Our warehouses and operations are typically run by a General Manager, as well as an Operations Manager. In this case, the owner of the Transferee will be running the day to day activities of this location as the General Manager. Depending on the size of the facility and the volume of the work, there will be one operations manager with either one or two assistant operations managers and/or an additional dispatch manager. There is also one or two officer workers to field calls and help with day to day needs and sales/customer service on site. We also employ at least one forklift operator, sometimes two if needed. We also employ an in-house maintenance worker for vehicles and container repairs in most locations. Our national HQ handles all customer service, billing, legal, administrative, human resources, and finance issue. The warehouse and on-site operations team handles any field issues and the labor, and administrative issues are handled by our HQ team.
  
6. There are 15 to 20 DOT medical certified drivers depending on the season – as moving is a very cyclical business these numbers are subject to change. There will also be roughly the same amount of loaders and movers. Based on the number of trucks and sales over the past four years by the Transferee, this number of drivers/movers allows for safe coverage of the target territory. However, should this territory increase or should demand spike through this transaction, we have ample resources to hire more employees as needed.
  - a. All applying to and current drivers operating under our federal USDOT number(s) are held to a standard that exceeds the federal criteria identified within Part 385 of FMCSRs. In addition to FMCSR minimum safety fitness criteria, all must meet minimum on-road performance related to moving violations, crash history, adherence to any relevant CDL restrictions, and roadside inspection history. Any reckless driving or similar violation within prior three years is automatic disqualification from a safety sensitive role. Any drug and/or alcohol violation (commercially or otherwise) within prior five years is automatic disqualification from a safety sensitive role. Any at fault crash (commercially or otherwise) within prior three years is automatic disqualification from a safety sensitive role.
  - b. All employees/drivers receive a thorough background check; this is inclusive of a sexual predator search and SSN verification.

- c. All drivers go through a multi-day hands-on training program. Training is inclusive of all relevant key regulatory training items (e.g., Hours of Service, Vehicle Maintenance, Part 385 safety fitness requirements). In addition, cloud-based camera systems are installed in all power units to be used in tandem with Smith System crash avoidance training. In combination, this is utilized to ensure consistent driving standards nationwide.
  - d. All new hire drivers have a full medical MVR pulled to ensure that license status, restrictions, medical certification status is all accurate. In addition, this pre-hire MVR is used to ensure driver meets safe driving standards. All drivers are immediately enrolled in a license monitoring program to immediately notify us in the event of any changes to the information reflected on the driver's history. These notifications can be triggered by numerous actions; moving violations, crashes, new expiration date, update to medical certification, etc. Note that any alerted changes trigger a new MVR be pulled and placed in the driver's qualification file. If no alerts are triggered for a given driver within the prior 12 month period, a new MVR is generated prior to expiration.
  - e. All drivers that possess a Class A or B CDL are enrolled in a drug testing program as required under Part 40 of the FMCSRs. Any Part 40 violations are reported to the FMCSA Clearinghouse as required and driver is immediately removed from a safety sensitive position. Any Part 40 violations immediately trigger a permanent ban on eligibility to rejoin our active roster in the future. Any violations discovered through the onboarding process from previous employers or via the FMCSA Clearinghouse will also result in immediate disqualification.
  - f. \*See Answer E – we monitor for any violations required to be reported\*
7. Please see the included excel spreadsheet titled Trucks for HHG detailing current vehicles. Additional vehicles are added periodically as needed and may be transferred in and out of facilities depending on volume.
8. Vehicle Safety Information Below (Only relevant information provided)
- a. All power units receive scheduled preventative maintenance every 12,500 miles or 180 days, whichever comes first. All trailers receive scheduled preventative maintenance every 180 days.
  - b. All equipment is included on a preventative maintenance schedule that exceeds regulatory requirements referenced in 67 Pa. Code, Chapter 175 as well as the FMCSR standards. In addition to our preventative maintenance schedule, we utilize top app-based pre and pos-trip inspection applications to ensure that daily inspections are thorough and reflective of safety and compliance expectations.

Equipment is grounded when safety related defects are noted, pending satisfaction that adequate repairs have been completed.

c. N/A

d. N/A

e. N/A

f. As a non-excepted interstate carrier we exceed the minimum standards laid out in all relevant FMCSRs. As it relates to this question specifically, we have preventative maintenance schedules in place to ensure proper repair and maintenance standards are met. This is inclusive of pre and post trip inspections, with the potential of multiple drivers in the same power unit daily this provides multiple safety defect checks daily (parts 393 and 396). We utilize ELD technology to manage our Hours of Service and have more strict internal compliance requirements than required in Part 395.

9. The Applicant (Forward Moving, LLC) is a part of a much larger moving and storage conglomerate as described in the answer to question 3. As such, our company wide insurance exceeds the required minimums and all entities in our organization are wholly covered entities, including the applicant. Our insurance team is well equipped to handle any insurance needs that present itself and will adapt to any changes in the requirements or law. We have ample resources to pay any premiums and deductibles above and beyond what is required under PA law for all current and future vehicles and employees.

10. Our customer service standard are top tier. We have various levels of customer service representatives starting at Tier 1 and moving through to managers, and supervisors, and many times we have management jump in as needed to help with customer disputes. Our company slogan is “be the best part of your customer’s day” and we hold true to that. We always want to do right by the customer and make sure they are taken care of during the move process. Of course, many people in this time in their life (moving) are stressed, and we are empathetic to that and our customer service agents work with all customers to try and resolve any issues brought to our attention.

a. Our customer service agents will be trained to inform customers that they may submit formal complaints online as any other type of complaint. We deal with customers that submit BBB complaints and DOJ complaints from time to time, that is inevitable as a large corporation. We will of course work with any customers who want to submit a formal complaint and try and solve their problems first, but if they insist on filing a complaint, we will be prepared to let them know they can submit the formal complaints on the PA PUC’s website.

b. Our intended customer complaint resolution procedure is expansive as we are a large company managing many different entities in various parts of the moving and

storage industry. Each customer is taken on a case by case basis, but we stress that every agent is to be respectful, calm, and attempt to deescalate the situation and try and be as empathetic to the customer's needs as they can be. We know that many times customer's may request things that we cannot accommodate, and we try to let them know the expectations of their move up front and our procedures so that there are no surprises. The unexpected does happen, and when it does, our agents are trained to find creative ways to manage customer expectations and provide them quality service even if we cannot give them exactly what they are asking for. If there are any other questions about customer service, we can certainly discuss those with you and someone on our service team.

11. None.

12. Please see attached documents of our financial position limited to the PA location only. We are more than happy to answer any questions you may have about our financial position, but we are confident that our company is well suited to run a local moving business in the greater Philadelphia area given our national footprint, expansive employee pool, and ample capital to back our family of Zippy Shell, Inc. entities including the Applicant, Forward Moving, LLC. If you would like to discuss more financial information or ask any questions, we can make one of our finance team members available for a call. Our company is far larger than what is depicted on the financial statement, but due to this application being for only one location out of many, we limited our financial outlook to this location only based on numbers and data provided to us as a part of the recent transaction with Masha Mobile Moving and Storage, the Transferee.

**ALL FINANCIAL INFORMATION PROVIDED IS HIGHLY CONFIDENTIAL AND SHALL NOT BE DISSEMINATED OR OTHERWISE DISCLOSED TO THE PUBLIC OR ANY OTHER PERSON OUTSIDE OF NECESSARY PA PUC PERSONELL FOR THE REVIEW OF THE HHG APPLICATION. SHOULD THIS CAUSE ANY ISSUE OR PROBLEM, PLEASE CONTACT APPLICANT TO DISCUSS FURTHER.**





COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE

April 25, 2019

A-8920288  
A-2019-3007166  
USDOT #3060008

**MASHA MOBILE MOVING AND STORAGE LLC  
T/A ZIPPY SHELL OF GREATER PHILADELPHIA  
204 MARIE ROAD  
WEST CHESTER PA 19380**

Re: Application of Masha Mobile Moving And Storage, LLC, t/a Zippy Shell of Greater Philadelphia, 191 South Keim Street, Unit 2A-1, Pottstown, Montgomery County, PA 19464 (484) 220-0599.

To Whom It May Concern:

The purpose of this Letter is to advise you that your application has been reviewed and approved by the Pennsylvania Public Utility Commission (Commission). However, before you begin operations, you must file with the Commission all of the information listed in paragraphs (a) through (d) below. **You cannot operate under the approved motor carrier rights set forth in this Letter until all of the information listed below is filed with, and approved by, the Commission.** Once the information listed below is received and approved by the Commission, you will receive a Certificate of Public Convenience, with PUC No. A-8920288, which authorizes you to begin operating under the motor carrier rights set forth in this Letter.

- (a) An acceptable **Form E** filed by an insurance company which is evidence of bodily injury and property damage liability insurance. **Your insurance company must file a Form E with the exact name of the applicant as it appears on this Letter – Masha Mobile Moving And Storage, LLC, t/a Zippy Shell of Greater Philadelphia. You should also advise your insurance company to place the following numbers at the top of your insurance form – A-8920288 and A-2019-3007166.**
- (b) An acceptable **Form H** filed by an insurance company which is evidence of cargo insurance. **Your insurance company must file a Form H with the exact name of the applicant as it appears on this Letter – Masha Mobile Moving And Storage, LLC, t/a Zippy Shell of Greater Philadelphia. You should also advise your insurance company to place the following numbers at the top of your insurance form – A-8920288 and A-2019-3007166.**
- (c) An acceptable **tariff** establishing just and reasonable rates.

Upon issuance of a Certificate of Public Convenience you are granted the right to operate as follows:

*To transport, as a common carrier, by motor vehicle,  
household goods in use, between points in  
Pennsylvania.*

**FAILURE TO COMPLY WITH ANY PROVISION OF THIS LETTER WITHIN SIXTY (60) DAYS OF THE DATE OF THIS LETTER WILL RESULT IN THE DISMISSAL OF THE APPLICATION AND REQUIRE THE FILING OF A NEW APPLICATION AND FILING FEE.**

If you have not previously submitted a copy of a current satisfactory safety rating from the U.S. Department of Transportation or another state with safety regulations comparable to Pennsylvania, you must demonstrate safety fitness by completing a Safety Fitness Review which will be scheduled by a PUC enforcement officer within 180 days of the date your certificate of public convenience is issued/entered. **Failure to submit to the Safety Fitness Review will result in the cancellation of your certificate.** An overview of the safety regulations for carriers of people, property, and household goods between points in Pennsylvania can be found on the PUC's Website: [www.puc.pa.gov/general/onlineforms/pdf/safety\\_fitness\\_compliance.pdf](http://www.puc.pa.gov/general/onlineforms/pdf/safety_fitness_compliance.pdf)

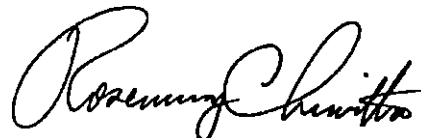
You should become familiar with the requirements of 52 Pa. Code as applicable to the operation of a common carrier as authorized by this grant of authority. Any change in address of ***Masha Mobile Moving And Storage, LLC, t/a Zippy Shell of Greater Philadelphia*** must be reported to the Commission by filing a Change of Address Form. This form can be found on the Commission's website at:

[www.puc.pa.gov/general/onlineforms/pdf/MC\\_Address\\_Change.pdf](http://www.puc.pa.gov/general/onlineforms/pdf/MC_Address_Change.pdf)

Failure to comply with all applicable requirements may subject the carrier to penalties, including fines, suspension of operating rights or cancellation of authority. Title 52 of the Pennsylvania Code may be accessed at [www.pacode.com](http://www.pacode.com).

If you are dissatisfied with the resolution of this matter, you may, as set forth in 52 Pa. Code §5.44, file a petition with the Commission within twenty (20) days of the date of this Letter.


Very truly yours,



Rosemary Chiavetta  
Secretary

Contact: Insurance (717-787-1227)  
Tariff (717-787-3834)  
Safety (717-783-5011)

**PENNSYLVANIA DEPARTMENT OF STATE  
BUREAU OF CORPORATIONS AND CHARITABLE ORGANIZATIONS**

<input type="checkbox"/> Return document by mail to:  Name _____  Address _____  City _____  <input checked="" type="checkbox"/> Return document	<p style="text-align: center;"><b>Foreign Registration Statement</b>  <b>DSCB:15-412</b>  <b>(rev. 2/2017)</b></p>  <p style="text-align: center;">TML220929JD0865</p>
--	--

Read all instructions prior to completing. This form may be

Fee: \$250                       I qualify for a veteran/reservist-owned small business fee exemption (see instructions)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. § 412 (relating to foreign registration statement), the undersigned foreign association hereby states that:

1. The type of association is (check only one):

- |   |  |   |
|---|--|---|
| <input type="checkbox"/> Business Corporation                 | <input type="checkbox"/> Limited Partnership                     | <input type="checkbox"/> Business Trust           |
| <input type="checkbox"/> Nonprofit Corporation                | <input type="checkbox"/> Limited Liability (General) Partnership | <input type="checkbox"/> Professional Association |
| <input checked="" type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Limited Partnership   |   |

2. The full and proper name of the foreign association as registered in its jurisdiction of formation is:

Forward Moving, LLC

2A. If the name in 2 does not contain a required designator or if the name in 2 is not available for use in the Commonwealth, the alternate name under which the association is registering in this Commonwealth is:

Zippy Shell of PA, LLC

3. The jurisdiction of formation is: Delaware

4. The street and mailing address of the association's principal office.

<u>11640 Northpark Dr., Suite 300</u>	<u>Wake Forest</u>	<u>NC</u>	<u>27587</u>
Number and street	City	State	Zip

4A. The street and mailing address of the office, if any, required to be maintained by the law of the association's jurisdiction of formation in that jurisdiction:

_____	_____	_____	_____
Number and street	City	State	Zip

**DATE OF DEPOSIT**

**OCT 28 2022**

**PA DEPT OF STATE**

**SEP 29 2022**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

5. The (a) address of the association's proposed registered office in this Commonwealth or (b) name of its Commercial Registered Office Provider and the county of venue is:

Complete part (a) OR (b) – not both:

(a) \_\_\_\_\_  
Number and street City State Zip County  
OR

(b) c/o: Corporation Service Company Dauphin  
Name of Commercial Registered Office Provider County

6. Check one of the following:

- The association may not have series.
 The association may have one or more series.

7. Effective date of registration of foreign association (check, and if appropriate complete, one of the following):

- The Foreign Registration Statement shall be effective upon filing in the Department of State.
 The Foreign Registration Statement shall be effective on: \_\_\_\_\_ at \_\_\_\_\_.
Date (MM/DD/YYYY) Hour (if any)

8. To be completed by Limited Liability Companies only. Check, and if appropriate complete, one of the following:

- The association is a limited liability company which is not organized to render any of the below professional service(s).
 The association is a restricted professional limited liability company organized to render one or more of the following professional service(s): (If this box is checked, one or more of the fields below must be checked.)

\_\_\_ Chiropractic \_\_\_ Dentistry \_\_\_ Law \_\_\_ Medicine and surgery
\_\_\_ Optometry \_\_\_ Osteopathic medicine and surgery \_\_\_ Podiatric medicine \_\_\_ Public accounting
\_\_\_ Psychology \_\_\_ Veterinary medicine

IN TESTIMONY WHEREOF, the undersigned association has caused this Foreign Registration Statement to be signed by a duly authorized representative thereof this 22nd day of September, 2022.

Forward Moving, LLC
Name of Association
[Signature]
Signature
General Counsel
Title

# Delaware

The First State

Page 1


I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "ZIPPY SHELL STORAGE OPERATIONS, LLC", CHANGING ITS NAME FROM "ZIPPY SHELL STORAGE OPERATIONS, LLC" TO "FORWARD MOVING, LLC", FILED IN THIS OFFICE ON THE TWENTY-FOURTH DAY OF FEBRUARY, A.D. 2022, AT 1:19 O'CLOCK P.M.

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU



  
JEFFREY W. BULLOCK, Secretary of State

5574817 8100  
SR# 20220692790

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

Authentication: 202760289  
Date: 02-24-22

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 01:19 PM 02/24/2022  
FILED 01:19 PM 02/24/2022  
SR 20220692790 - File Number 5574817

**CERTIFICATE OF AMENDMENT  
OF  
ZIPPY SHELL STORAGE OPERATIONS, LLC**

1. The name of the limited liability company is Zippy Shell Storage Operations, LLC.
2. The Certificate of Formation of the limited liability company is hereby amended as follows:

**FIRST:** The name of this limited liability company is Forward Moving, LLC.

**IN WITNESS WHEREOF**, the undersigned has executed this Certificate of Amendment of Zippy Shell Storage Operations, LLC as of this 24th day of February, 2022.

**ZIPPY SHELL STORAGE OPERATIONS, LLC**

By: /s/ Claudia J. Taller

Claudia J. Taller, Authorized Person

THE MEMBERSHIP INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933 OR UNDER ANY OTHER APPLICABLE SECURITIES LAWS. SUCH INTERESTS MAY NOT BE OFFERED, SOLD, ASSIGNED, PLEDGED OR OTHERWISE DISPOSED OF AT ANY TIME WITHOUT EFFECTIVE REGISTRATION UNDER SUCH ACT AND LAWS OR EXEMPTION THEREFROM, AND COMPLIANCE WITH THE OTHER RESTRICTIONS ON TRANSFERABILITY SET FORTH HEREIN.

**SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT**

**ZIPPY SHELL STORAGE OPERATIONS, LLC**  
**(A Delaware Limited Liability Company)**

**DATE OF DEPOSIT**

**Effective as of June 4, 2018**

**OCT 28 2022**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

**SECOND AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT  
OF  
ZIPPY SHELL STORAGE OPERATIONS, LLC**

This limited liability company agreement (the "Agreement") of Zippy Shell Storage Operations, LLC, a Delaware limited liability company (the "Company"), is made effective as of June 4, 2018 (the "Effective Date"), for the organization and operation of the Company.

WHEREAS, the Company has been formed as a limited liability company in accordance with the Delaware Act (defined below); and

WHEREAS, the Member agrees that the membership in and management of the Company shall be governed by the terms set forth herein.

NOW, THEREFORE, the Member declares as follows:

**ARTICLE 1  
DEFINITIONS**

Section 1.1 Definitions. For the purposes of this Agreement, the following terms shall have the following meanings (such meanings to be applicable to both the singular and plural forms of the terms defined):

(a) "Certificate" means the Certificate of Formation of the Company as filed with the Delaware Secretary of State, as the same may be amended from time to time.

(b) "Delaware Act" means the Delaware Limited Liability Company Act, as amended from time to time (and any corresponding provisions of succeeding law).

(c) "Member" means the undersigned and any other person who becomes a member of the Company in accordance with this Agreement, as set forth in Schedule A to this Agreement.

(d) "Membership Interest" means an ownership interest in the Company, together with all rights and interests in the Company afforded to the holder of such ownership interest under this Agreement and the Delaware Act, by virtue of such holder's ownership interest and status as a "member" under this Agreement and the Delaware Act (including without limitation, such Member's economic, voting and management interest; the rights to participate in the management of the business and the business affairs of the Company; the rights to share profits and losses; the rights to receive distributions; control rights; status rights as a Member and the rights as a Member and the right to receive allocations of income, gain, loss, deduction, credit or similar term).

**ARTICLE 2  
FORMATION**

Section 2.1 Formation. The Company was formed on November 14, 2017, by filing the Certificate with the Secretary of State of the State of Delaware.

Section 2.2 Purpose. The business of the Company will be to carry on any lawful business or activity, and to have and exercise all of the powers, rights and privileges which a limited liability company organized pursuant to the Delaware Act may have and exercise.



Section 2.3 Name. The name of the Company shall be Zippy Shell Storage Operations, LLC.

Section 2.4 Principal Place of Business. The principal place of business of the Company will be established and maintained at 3050 K Street, NW, Washington, DC 20007, or at such other or additional place or places as the Member may determine from time to time.

Section 2.5 Registered Agent and Registered Office. The registered agent of the Company for the service of process and the registered office of the Company in the State of Delaware will be that person and location reflected in the Certificate. The Member may, from time to time, change the registered agent or office through appropriate filings with the Secretary of State of the State of Delaware. In the event the registered agent ceases to act for any reason or the registered office should change, the Member will promptly designate a replacement registered agent or file a notice of change of address, as the case may be, in the manner provided by law.

Section 2.6 Term. The term of the Company shall be perpetual unless the Company is dissolved and terminated in accordance with the provisions of Article 9 and the Delaware Act.

### **ARTICLE 3 MEMBERS; MANAGEMENT**

Section 3.1 Member. The name of the Member of the Company and the mailing address of the Member is set forth on Schedule A.

Section 3.2 Authority of the Member. All matters relating to the business or affairs of the Company shall be carried out and otherwise determined by the Member.

Section 3.3 Additional Members. One or more additional members may be admitted to the Company with the consent of the Member. Prior to the admission of any such additional members to the Company, the Member shall amend this Agreement to make such changes as the Member shall determine to reflect the fact that the Company shall have such additional members. Each additional member shall execute and deliver a supplement or counterpart to this Agreement, as necessary.

Section 3.4 Action Without a Meeting. Any action required or permitted to be taken at a meeting of Members may be taken without a meeting, without prior notice and without a vote if the action is evidenced by one or more written consents describing the action taken, signed by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voted. The affirmative vote of the majority of the Membership Interests will be the act of the Members, unless the vote of a greater or lesser proportion or number is otherwise required by the Delaware Act, by the Certificate or by this Agreement.

Section 3.5 Pledging of Interest. Notwithstanding anything to the contrary set forth in this Agreement, the Membership Interests issued hereunder or covered hereby may be pledged, assigned, hypothecated, encumbered, transferred, or otherwise disposed of, in whole or in part, to, by, or in favor of, any Lenders (senior, junior, subordinated or otherwise) or Agent as the Member shall determine from time to time.

Section 3.6 Securities. The Membership Interests of the Member shall not be evidenced by any separate certificate or instrument. So long as any pledge of any Membership Interests is in effect, the Company shall not elect to have the Membership Interests be securities governed by Article 8 of the Uniform Commercial Code as in effect in the State of Delaware and each other applicable jurisdiction.

The Member elects that the Membership Interests are not now and shall not in the future be treated as "securities" or "investment property" (as such terms are defined in the UCC) and, instead, that the Membership Interests are now, and in the future be, treated as general intangibles governed by the rules of Article 9 of the UCC.

Section 3.7 Assignment. Notwithstanding any provisions in this Agreement to the contrary, the Member shall be entitled to pledge, assign, hypothecate, encumber, transfer, or otherwise dispose of, in whole or in part, either voluntarily or by operation of law, the limited liability company membership interests issued hereunder to, and otherwise grant a lien and security interest in its Membership Interests and all of its right, title, and interest under this Agreement in favor of, the Company's lenders, note purchasers, or the like (collectively, the "Lenders") or any agent acting on behalf of any such Lender (the "Agent") without any further consents, approvals or actions required by such Lenders, Agent, the Company, or any other person under this Agreement or otherwise. So long as any such pledge of, or security interest in, the Member's Membership Interests is in effect, no consent of the Company or the Member shall be required to permit a pledgee thereof to exercise its rights under any applicable pledge or security agreement (including any voting rights set forth in any such agreement) or any pledgee or any purchaser of the Member's Membership Interests from such pledgee to be substituted for the Member under this Agreement upon the exercise of such pledgee's rights with respect to such Membership Interests and such substituted member shall have all rights and powers (including Membership Interests) as the Member, under this Agreement. Except as provided in any such pledge, security, or collateral documentation, neither any Agent nor any Lenders shall have any liability solely as a result of such pledge. Without limiting the foregoing, the right of any Agent or Lenders to enforce their rights and remedies under any pledge, security, or collateral documentation is hereby acknowledged and any such action taken in accordance therewith shall be valid and effective under this Agreement and any assignment, sale or other disposition of the interests by any Agent or Lenders pursuant to any such pledge, security, or collateral documentation in connection with the exercise of any rights and powers of such Agent or Lenders shall be valid and effective for all purposes to transfer all right, title, and interest of the Member to the assignee of Member, in accordance with such pledge, security, or collateral documentation and applicable law and such assignee shall become a member of the Company with all rights and powers of the Member. Further, no Agent or Lenders or any such assignee shall be liable for the obligations of the Member assignor to make contributions. So long as any pledge of any Membership Interests is in effect, this provision shall inure to the benefit of such pledgee and its successors, assigns and/or designated agents, as an intended third party beneficiary, and no amendment, modification, or waiver of, or consent with respect to this Section 3 shall in any event be effective without the prior written consent of such pledgee.

Section 3.8 Proxy. All matters requiring a vote may be in person or by proxy and all items allowing for action by written consent may be in person or by proxy.

#### **ARTICLE 4**

#### **MEMBERSHIP INTERESTS AND CAPITAL CONTRIBUTIONS**

Section 4.1 Membership Interests. The name and address of the Members, together with the Membership Interests held by the Member, is reflected on Schedule A, as may be amended from time to time by the Member.

Section 4.2 Additional Capital Contributions. The Member shall have the right but not the obligation to make additional capital contributions to the Company. Any additional capital contribution to the Company shall require the approval of the Member.

Section 4.3 Member Loans. The Member shall have no obligation to make loans or advances to the Company, but the Member may do so in its discretion on such terms and conditions as it deems appropriate.

Section 4.4 Return of Contributions. The Member is not entitled to the return of any part of its capital contribution or to be paid interest in respect of its capital contribution. An unrepaid capital contribution is not a liability of the Company.

## **ARTICLE 5 DISTRIBUTIONS; ALLOCATIONS OF PROFITS AND LOSSES**

Section 5.1 Distributions. The Company shall distribute cash and other assets of the Company to the Member: (a) in accordance with Section 9.2 of this Agreement and (b) at such other times and in such other amounts as the Member shall determine.

Section 5.2 Limitations upon Distributions. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to the Member on account of its Membership Interest if such distribution would violate any provision of the Delaware Act or other applicable law.

## **ARTICLE 6 OFFICERS**

Section 6.1 Generally. The Member may appoint persons to serve as officers of the Company, each to be referred to as an "Officer," and together, "Officers" of the Company. Unless otherwise provided by resolution of the Member, the Officers shall have the titles, power, authority and duties described in the Delaware General Corporation Law for similarly situated persons in a Delaware corporation.

Section 6.2 Number, Titles and Term of Office. The Officers of the Company may include any one or more of the following: a Chief Executive Officer, a President, one or more Vice Presidents (any one or more of whom may be designated Executive Vice President or Senior Vice President), a Treasurer, a Secretary and, such other Officers as the Member may from time to time elect or appoint. Each Officer shall hold office until his successor shall be duly elected and shall qualify or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Any number of offices may be held by the same person.

Section 6.3 Salaries. The salaries or other compensation, if any, of the Officers shall be determined from time to time by the Member.

Section 6.4 Removal. Any Officer elected or appointed by the Member may, subject to any contractual obligations of the Company with respect to such Officer, be removed, either with or without cause, by the Member.

Section 6.5 Vacancies. Any vacancy occurring in any office of the Company may be filled by the Member.

## ARTICLE 7 EXCULPATION AND INDEMNIFICATION

Section 7.1 Exculpation. The Member's liability with respect to the Company shall be limited to the fullest extent permitted by the Delaware Act, this Agreement and any applicable law. The Member shall not, solely by reason of being a member of the Company, be personally liable for any debts, obligations, liabilities or losses of the Company except as expressly required by the Delaware Act. To the fullest extent permitted by the Delaware Act, the Member shall not be liable to the Company, or any other Person who has an interest in the Company, for any loss, damage or claim incurred by reason of any act or omission performed or omitted by the Member in good faith on behalf of the Company and in a manner reasonably believed by the Member to be within the scope of authority conferred on such Member by this Agreement.

Section 7.2 Right to Indemnification of Officers. The Company shall indemnify and hold harmless, to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person (an "Indemnified Person") who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (a "Proceeding"), by reason of the fact that such person, or a person for whom such person is the legal representative, is or was an Officer or, while an Officer of the Company is or was serving at the request of the Company as a director, officer, employee or agent of another limited liability company, partnership, joint venture, corporation, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such Indemnified Person in such Proceeding. Notwithstanding the preceding sentence, except as otherwise provided in Section 7.2, the Company shall be required to indemnify an Indemnified Person in connection with the Proceeding (or part thereof) commenced by such Indemnified Person only if the commencement of such Proceeding (or part thereof) by the Indemnified Person was authorized in advance by the Member.

Section 7.3 Prepayment of Expenses of Officers. The Company shall pay the expenses (including attorneys' fees) incurred by an Indemnified Person in defending any Proceeding in advance of its final disposition, provided, however, that, to the extent required by law, such payment of expenses in advance of the final disposition of the Proceeding shall be made only upon receipt of an undertaking by the Indemnified Person to repay all amounts advanced if it should be ultimately determined that the Indemnified Person is not entitled to be indemnified under this Article 7.

Section 7.4 Claims by Officers. If a claim for indemnification or advancement of expenses under this Article 7 is not paid in full within thirty (30) days after a written claim therefor by the Indemnified Person has been received by the Company, the Indemnified Person may file suit to recover the unpaid amount of such claim and, if successful in whole or in part, shall be entitled to be paid the expense of prosecuting such claim. In any such action the Company shall have the burden of proving that the Indemnified Person is not entitled to the requested indemnification or advancement of expenses under applicable law.

Section 7.5 Indemnification of Employees and Agents. The Company may indemnify and advance expenses to any person who was or is made or is threatened to be made or is otherwise involved in any Proceeding by reason of the fact that such person, or a person for whom such person is the legal representative, is or was an employee or agent of the Company or, while an employee or agent of the Company, is or was serving at the request of the Company as a director, officer, employee or agent of another limited liability company, partnership, joint venture, corporation, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) reasonably incurred by such person in connection with such

Proceeding. The ultimate determination of entitlement to indemnification of persons who are non-director or officer employees or agents shall be made in such manner as is determined by the Member in its sole discretion. Notwithstanding the foregoing sentence, the Company shall not be required to indemnify a person in connection with a Proceeding initiated by such person if the Proceeding was not authorized in advance by the Member.

Section 7.6 Advancement of Expenses of Employees and Agents. The Company may pay the expenses (including attorneys' fees) incurred by an employee or agent in defending any Proceeding in advance of its final disposition on such terms and conditions as may be determined by the Member.

Section 7.7 Non-Exclusivity of Rights. The rights conferred on any person by this Article 7 shall not be exclusive of any other rights which such person may have or hereafter acquire under any statute, provision of the certificate of formation or this Agreement.

Section 7.8 Other Indemnification. The Company's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer or employee of another limited liability company, partnership, corporation, joint venture, trust, organization or other enterprise shall be reduced by any amount such person may collect as indemnification from such other limited liability company, partnership, corporation, joint venture, trust, organization or other enterprise.

Section 7.9 Insurance. The Member may, to the full extent permitted by applicable law as it presently exists, or may hereafter be amended from time to time, authorize an appropriate Officer or Officers to purchase and maintain at the Company's expense insurance: (a) to indemnify the Company for any obligation which it incurs as a result of the indemnification of directors, officers and employees under the provisions of this Article 7; and (b) to indemnify or insure directors, officers and employees against liability including in instances in which they may not otherwise be indemnified by the Company under the provisions of this Article 7.

Section 7.10 Amendment or Repeal. Any repeal or modification of the foregoing provision of this Article 7 shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification. The rights provided hereunder shall inure to the benefit of any Indemnified Person and such person's heirs, executors and administrators.

## ARTICLE 8 FINANCIAL MATTERS

Section 8.1 Fiscal Year. The fiscal year of the Company shall be the calendar year.

Section 8.2 Accounts. The Member may establish one or more separate bank and/or investment accounts and arrangements for or on behalf of the Company.

Section 8.3 Books and Records. The Company shall maintain accurate books and records showing the Company's receipts and expenditures, assets and liabilities, and profits and losses, all in accordance with sound accepted accounting principles, consistently applied, and as required by the Member from time to time. The Company shall produce such reports as the Member shall request from time to time.

Section 8.4 Tax Matters. All matters relating to the taxation of the Company shall be treated as appropriate under applicable law for an entity that is a limited liability company having a single member.

Section 8.5 Allocations. The profits, losses, and other items of the Company will be allocated to the Member. There will be no “special allocations.”

## ARTICLE 9 DISSOLUTION

Section 9.1 Dissolution Event. The Company shall dissolve and commence winding up and liquidating upon, and only upon, the determination of the Member that the Company shall be dissolved, unless otherwise required by the Delaware Act (“Dissolution Event”).

Section 9.2 Winding Up. Upon the occurrence of a Dissolution Event, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and members. Subject to the further provisions of this Section 9.2, the assets of the Company shall be liquidated to the extent determined to be appropriate by the Member, and the proceeds thereof, together with such assets as the Member determines to distribute in kind shall be applied and distributed in the following order:

(1) first, to creditors, including the Member to the extent it is a creditor, in satisfaction of liabilities of the Company (whether by payment or by making of reasonable provision for payment) other than liabilities for distributions to the Member; and

(2) the balance, if any, to the Member.

Section 9.3 Certificate of Cancellation. Upon the dissolution and the completion of winding up of the Company, the Member shall promptly execute and cause to be filed a certificate of cancellation in accordance with the Delaware Act and appropriate instruments under the laws of any other states or jurisdictions in which the Company has engaged in business. Upon such certificate of cancellation becoming effective, the Company shall be terminated.

## ARTICLE 10 MISCELLANEOUS

Section 10.1 Notices. All notices, demands, waivers and other communications required or permitted by this Agreement will be in writing and will be deemed given to a party or the Company when (a) delivered to the appropriate address by hand or by nationally recognized overnight courier service (costs prepaid); (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment; or (c) received or rejected by the addressee, if sent by certified mail, return receipt requested. Any such communication will be addressed to a Member as shown on Schedule A, to the Company at its principal office or in any case to such other address as the party may from time to time designate by written notice to all parties.

Section 10.2 Amendments. This Agreement may be amended at any time by a writing executed by the Member.

Section 10.3 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

Section 10.4 Governing Law. This Agreement will be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict

of law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of laws of any other jurisdiction.

*(Signature page follows)*

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

**The Company:**

Zippy Shell Storage Operations, LLC

By: Mark Keith  
Name: Mark Keith  
Title: CEO

**The Members:**  
Zippy Shell, LLC

By: Mark Keith  
Name: Mark Keith  
Title: CEO



**SCHEDULE A**

<b><u>Name and Address of Member</u></b>	<b><u>Membership Interest</u></b>
Zippy Shell, LLC  3050 K Street, NW Washington, DC 20007	100%

# DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Execution Version

## ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT is made as of September 30, 2022 by and among Forward Moving, LLC, a Delaware limited liability company (“**Purchaser**”), Masha Mobile Moving & Storage, LLC, a Pennsylvania limited liability company (the “**Seller**”), and Stephen Masha and Ashley Masha, in their individual capacities (each, an owner, and collectively, the “**Owners**”). Purchaser, the Seller, and the Owners are sometimes referred to collectively herein as the “**Parties**” or individually as a “**Party**.”

### PRELIMINARY STATEMENTS

A. WHEREAS, the Seller is engaged in the commercial, residential, and student moving and storage business (the “**Business**”) and conducts the Business in the following geographic region: a one hundred (100) mile radius from the Seller’s principal office at 204 Marie Road, West Chester, PA 19380 (the “**Territory**”);

B. WHEREAS, Purchaser desires to purchase from Seller, and Seller desires to sell to Purchaser, substantially all the assets used or held for use by Seller in the conduct of the Business, and Purchaser desires to assume from Seller, and Seller desires to assign to Purchaser, certain Liabilities relating to the Business, all upon the terms and subject to the conditions contained in this Agreement; and

C. WHEREAS, the sole member of the Purchaser and the Owners have approved this Agreement upon the terms set forth herein, and in accordance with Purchaser’s and the Seller’s respective Organizational Documents, as well as in accordance with the applicable provisions of the Delaware Limited Liability Company Act for the Purchaser and Pennsylvania Business Corporation Law for the Seller and Owners.

NOW, THEREFORE, in consideration of the mutual representations, warranties, covenants, and agreements contained in this Agreement, Seller and Purchaser agree as follows:

### ARTICLE I DEFINITIONS; INTERPRETATION

Section 1.1 **Definitions.** The following terms shall have the following meanings for purposes of this Agreement:

“**Accounting Firm**” has the meaning set forth in Section 3.3(d).

“**Accounting Principles**” means the historical accounting principles, policies, and procedures applied by Seller in Section 3.2 to the preparation of the Financial Statements, consistently applied.

“**Affiliate**” means, with respect to any Person, any other Person that directly or indirectly Controls, is Controlled by or is under common Control with such Person. As used herein, the term “**Control**” means (a) the power to vote at least 20% of the voting power of a Person or (b) the

possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, by Contract or otherwise. With respect to the Seller and each member of the Seller, the term “Affiliate” includes (i) each officer and manager of the Seller, and (ii) each Family Member (whether current or former and including adoptive relationships) of any member of the Seller, as well as the trustee or trustees of any such member.

“**Agreement**” means this Asset Purchase Agreement, including all Exhibits and Schedules.

“**Allocation Schedule**” has the meaning set forth in Section 3.4.

“**Assignment and Assumption Agreement**” means the Assignment and Assumption Agreement in the form attached as Exhibit A.

“**Assumed Liabilities**” has the meaning set forth in Section 2.3.

“**Basket**” has the meaning set forth in Section 8.4(b).

“**Benefit Plan**” means each benefit plan, as defined in Section 3(3) of ERISA and a true and complete list of all other multiemployer plan (as defined in Section 3(37) of ERISA), pension plan (as defined in Section 3(2) of ERISA), employee welfare plan (as defined in Section 3(1) of ERISA), profit-sharing, deferred compensation (including a list of participants therein), bonus, equity option, equity purchase, equity bonus, phantom stock, vacation pay, holiday pay, severance, excess, incentive compensation, salary continuation, medical, life or other insurance, employment, consulting or supplemental unemployment or arrangements, including all unwritten employee benefit plans, programs, agreements and arrangements, if any, maintained or contributed to by the Seller for the benefit of its Employees (or former employees) or independent contractors and/or their beneficiaries.

“**Best Efforts**” means the efforts that a prudent Person wanting to achieve the result in question would take under similar circumstances to achieve that result as expeditiously as possible.

“**Bill of Sale**” means the Bill of Sale in the form attached as Exhibit B.

“**Breach**” means there is or has been (a) any inaccuracy in or breach of, or any failure to perform or comply with, any representation, warranty, covenant, obligation, or other provision of this Agreement, any Transaction Document, or (b) any claim (by any Person) or other occurrence or circumstance that is or was inconsistent with any representation, warranty, covenant, obligation, or other provision of this Agreement, any Transaction Document, or any other Contract.

“**Business**” has the meaning set forth in the preliminary statements to this Agreement.

“**Business Copyrights**” means the copyrights and works of authorship (and any applications for registration of the same) owned by Seller and used in or held for use in the Business.

“**Business Data**” has the meaning set forth in Section 4.11(a).

**“Business Day”** means a day on which banks are open for business in West Chester, Pennsylvania, but does not include a Saturday, Sunday, or a statutory holiday in the State of Pennsylvania.

**“Business Intellectual Property”** has the meaning set forth in Section 2.1(g).

**“Business IT Systems”** means the information technology and computer systems, including Software, hardware, networks, interfaces, and related systems, relating to the transmission, storage, maintenance, organization, presentation, generation, processing, or analysis of data and information, whether in electronic format, used by Seller in the Business.

**“Business Patents”** means the Patents and pending Patent applications owned by Seller and used in or held for use in the Business.

**“Business Records”** has the meaning set forth in Section 2.1(c).

**“Business Trademarks”** means the trade names, Trademarks, service names, service marks, and Domain Names (and applications for registration of the same) owned by Seller and used in or held for use in the Business.

**“Claim Notice”** has the meaning set forth in Section 8.2(a).

**“CARES Act”** means the Coronavirus Aid, Relief, and Economic Security Act of 2020, as may be amended from time to time, including any rules or regulations, promulgated thereunder, any executive order or executive memo (including the Memorandum on Deferring Payroll Tax Obligations in Light of the Ongoing Covid-19 Disaster, dated August 8, 2020) intended to address the consequences of Covid-19, and any analogous or similar provisions under applicable law.

**“Closing”** has the meaning set forth in Section 2.5.

**“Closing Date”** has the meaning set forth in Section 2.5.

**“Closing Date Net Working Capital”** means an amount equal to Current Assets minus Current Liabilities, in each case as of 11:59 p.m., Eastern Time, on the calendar day immediately preceding the Closing Date.

**“Code”** means the Internal Revenue Code of 1986, as amended.

**“Confidential Information”** means all information (whether written, oral or in other form) that is treated as confidential or proprietary by Seller or the Seller, including, but not limited to, the Seller Intellectual Property and the Seller’s trade secrets, customer lists, manufacturers, suppliers and pricing information, and all documents or materials prepared by Seller or the Seller containing or reflecting such information.

**“Consent”** means a consent, authorization, or approval of, or a filing, notification, or registration with, a Person.

**“Contract”** means any oral or written contract, agreement, deed, mortgage, lease, license,

instrument, note, commitment, legally enforceable undertaking, or other legally enforceable arrangement.

**“Copyrights”** means all: (i) works of authorship, whether in published or unpublished works, databases, data collections, mask work rights, Software, web site content, or any other copyrightable work; (ii) rights to compilations, collective works and derivative works of any of the foregoing; (iii) registrations and applications for registration for any of the foregoing and any renewals or extensions thereof in the United States Copyright Office or in any similar office or agency of any other country or political subdivision; and (iv) moral rights and economic rights of others in any of the foregoing.

**“Current Assets”** means cash and cash equivalents, accounts receivable, and prepaid expenses, but excluding (a) the portion of any prepaid expense that Purchaser will not receive the benefit following the Closing; (b) deferred Tax assets; and (c) receivables from any of the Seller’s Affiliates, directors, employees, officers, or stockholders and any of their respective Affiliates, determined in accordance with the Accounting Principles.

**“Current Liabilities”** means accounts payable, accrued Taxes and accrued expenses, but excluding payables to any of the Seller’s Affiliates, directors, employees, officers, or stockholders and any of their respective Affiliates, deferred Tax Liabilities, and the current portion of long-term debt, determined in accordance with GAAP applied using the Accounting Principles.

**“Damages”** means, with respect to any Person, any Liability, cost, damage, deficiency, penalty, interest, expense, fine, Lien, fee, diminution in value, or obligations, including court costs and reasonable attorneys’ fees and expenses, whether arising out of a Third-Party Claim, against or affecting such Person.

**“Disclosure Schedule”** means those schedules prepared by Seller accompanying this Agreement and made a part herein by reference.

**“Dollars”** or numbers preceded by the symbol “\$” mean amounts in United States Dollars.

**“Domain Names”** means Internet electronic addresses, uniform resource locators and alphanumeric designations associated therewith registered with or assigned by any domain name registrar, domain name registry or other domain name registration authority as part of an electronic address on the Internet and all applications for any of the foregoing.

**“Employees”** has the meaning set forth in Section 4.15(b).

**“Enforceability Limitations”** means limitations on enforcement and other remedies imposed by or arising under or in connection with applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium, and other similar Laws relating to or affecting creditors’ rights generally from time to time in effect or general principles of equity (including concepts of materiality, reasonableness, good faith, and fair dealing with respect to those jurisdictions that recognize such concepts).

**“Environmental Laws”** means all state, federal and local laws, ordinances, regulations,

codes, rules, Orders and agency guidelines, including common law, relating to the Release, generation, presence, handling, manufacturing, treatment, storage, use or transportation (whether accidental or intentional) of Hazardous Materials or the protection of the environment or human health and safety, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. and the Resource Conservation and Recovery Act, 42 U.S.C. § 6901 et seq., the Clean Air Act, 42 U.S.C. § 7401 et seq., the Emergency Planning and Community Right to Know Act, 42 U.S.C. §11001 et seq., the Federal Water Pollution Control Act, 33 U.S.C. § 1251 et seq., the Oil Pollution Act of 1990, 33 U.S.C. § 2701 et seq., the Toxic Substances and Control Act, 15 U.S.C. § 2601 et seq., the Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq., and the Occupational Safety and Health Act, 29 U.S.C. § 651 et seq., and similar United States federal, state, provincial or local laws, and all amendments adopted thereto, and all regulations and publications promulgated pursuant thereto, and local Laws and ordinances and the regulations and rules implementing such Laws.

**“Environmental Liabilities”** means all Liabilities relating to the operation by Seller or the Seller of the Business and consisting of or relating to the following:

(i) any Hazardous Materials, environmental matters, or conditions (including on-site or off-site contamination and regulation of chemical substances or products);

(ii) fines, penalties, judgments, awards, settlements, legal or administrative Proceedings, Damages, losses, claims, demands and investigative, remedial, or inspection costs and expenses arising under Environmental Laws or relating to Hazardous Materials;

(iii) financial responsibility under Environmental Laws for cleanup costs or corrective action, including any investigation, cleanup, removal, containment, or other remediation or response actions (**“Cleanup”**) required by applicable Environmental Laws (whether such Cleanup has been required or requested by any Governmental Authority or any other Person) and for any natural resource Damages; or

(iv) any other compliance, corrective, investigative or remedial measures required under Environmental Laws or relating to Hazardous Materials.

**“Environmental Permits”** mean all Permits with respect to Environmental Law or Hazardous Materials.

**“ERISA”** means the Employee Retirement Income Security Act of 1974, as amended.

**“Escrow Account”** means the account established by the Escrow Agent pursuant to the Escrow Agreement to hold the Escrow Amount.

**“Escrow Agent”** means Citibank NA.

**“Escrow Agreement”** means the escrow agreement in the form, attached as Exhibit C.

**“Escrow Amount”** means Five Hundred Thousand Dollars (\$500,000).

**“Excluded Assets”** has the meaning set forth in Section 2.2.

**“Excluded Liabilities”** has the meaning set forth in Section 2.4.

**“Export Laws”** means the applicable Laws related to export control, trade embargoes and foreign corrupt practices in effect on the Closing Date, including, without limitation, the Foreign Corrupt Practices Act, the International Emergency Economic Powers Act, the Trading with the Enemy Act, the Export Administration Act, the Arms Export Control Act, all as amended as of the Closing Date, and all regulations and Orders promulgated or issued under such acts, including, without limitation, the regulations administered by the Office of Foreign Assets Control, the Export Administration Regulations and the International Traffic in Arms Regulations.

**“Family Member”** means, with respect to any individual, any other individual having a relationship by blood (to the third degree of consanguinity), marriage, or adoption to such individual, including former relationships.

**“Financial Statements”** has the meaning set forth in Section 4.4(a).

**“Fundamental Representations”** means the representations and warranties set forth in Section 4.2 (Authorization of Seller), Section 4.7 (Title; Sufficiency of Assets), Section 4.16 (Taxes), Section 4.21 (Seller and Affiliates); Section 4.25 (Brokers), and Section 4.26 (PPP).

**“GAAP”** means U.S. generally accepted accounting principles, as in effect from time to time.

**“Governmental Authority”** means any foreign, federal, state, provincial or local government or other subdivisions or instrumentalities thereof, including, without limitation any agency, commission, department, board, bureau, official, minister, tribunal, court, arbitral, administration and panel, whether national, state, provincial, local, foreign or multinational, exercising executive, legislative, judicial, regulatory or administrative functions of a nation, state, province or local government or any political subdivision thereof, whether permanent or ad hoc.

**“Hazardous Materials”** means (i) hazardous materials, hazardous substances, extremely hazardous substances, toxic substances, hazardous wastes, pollutants, contaminants, solid wastes, or words of similar meaning as defined, listed or regulated under any Environmental Laws; (ii) petroleum and petroleum byproducts, including without limitation, crude oil or any fraction thereof; (iii) any radioactive material; (iv) asbestos in any form or condition regulated under applicable Environmental Laws; (v) polychlorinated byphenyls (“PCB”) or PCB-containing materials regulated under applicable Environmental Laws; (vi) urea formaldehyde; (vii) flammable explosives; (viii) any toxic molds, spores, fungus or other toxic or harmful microbial matter; (ix) infectious substances or raw materials which include hazardous constituents; (x) paint material containing more than 0.5% lead by dry weight; and (xi) any other material, substance or waste to which liability or standards of conduct may be imposed under any Environmental Laws.

**“HHG Permit”** means Permit No. PUC 8920288, issued by the Pennsylvania Public Utilities Commission, relating to the Business.

**“Indebtedness”** of any Person means, without duplication, (a) the principal of and accrued interest, fees, penalties and premium (if any) in respect of (i) indebtedness of such Person for money borrowed and (ii) indebtedness evidenced by notes, debentures, bonds or other similar

instruments for the payment of which such Person is responsible or liable; (b) all obligations of such Person under leases required to be capitalized in accordance with GAAP; (c) all obligations of such Person for the reimbursement of any obligor on any letter of credit, banker's acceptance or similar credit transaction; (d) all derivative contracts (including foreign exchange facilities, options and swap contracts); (e) obligations of such Person to redeem any of its equity interest; (f) dividends or other distributions due to the equity holders of such Person with respect to the equity interest of such Person; and (g) all obligations of the type referred to in clauses (a) through (f) of other Persons for the payment of which such Person is responsible or liable, directly or indirectly, as obligor, guarantor, surety or otherwise, including guarantees of such obligations; and (h) all obligations of the type referred to in clauses (a) through (g) of other Persons secured by any Lien on any property or asset of such Person (whether such obligation is assumed by such Person).

**"Indemnified Person"** means the Person or Persons entitled to indemnification under ARTICLE VIII.

**"Indemnifying Person"** means the Person or Persons obligated to provide indemnification under ARTICLE VIII.

**"Improvement"** means any addition to, or enlargement, improvement, extension or alternation of, any real property (whether leased or owned), including, without limitation, all buildings, plants, structures, fixtures, building systems and equipment, and all components thereof, including the roof, foundation, load-bearing walls and other structural elements thereof, heating, ventilation, air conditioning, mechanical, electrical, plumbing and other building systems, environmental control, remediation and abatement systems, sewer, storm and waste water systems, irrigation and other water distribution systems, parking facilities, fire protection, security and surveillance systems, and telecommunications, computer, wiring and cable installations, included in or constituting a portion of such real property.

**"Intellectual Property"** means all intellectual property rights in any jurisdiction throughout the world, by whatever name or terms known or designated, tangible or intangible, whether arising by operation of Law, Contract, or otherwise, including, without limitation: (a) Copyrights; (b) Domain Names; (c) Patents; (d) Software; (e) Trademarks; (f) Trade Secrets; (g) master work rights and trade secrets and other Confidential Information, know-how, proprietary processes, formulae, algorithms, models and methodologies, (h) Intellectual Property Licenses; and (i) claims and rights in and to all income, royalties, Damages, claims, and payments now or hereafter due or payable with respect to all or any of the foregoing, and in and to all causes of action, either in law or in equity, for past, present or future infringement, misappropriation, violation, dilution, unfair competition or other unauthorized use or conduct in derogation or violation of or based on any of the foregoing rights, and the right to receive all proceeds and Damages therefrom.

**"Intellectual Property Licenses"** means all agreements between the Seller, on the one hand, and any other Person on the other hand, granting any right to use or practice any rights under any of the Intellectual Property owned either by the Seller or by any other Person, including licenses of Software (including "shrink-wrap" and similar generally available commercial binary code end-user licenses).



**“Inventory”** has the meaning set forth in Section 2.1(a).

**“Knowledge”** of any Person, means that an individual will be deemed to have knowledge of a particular fact or matter if: (a) that individual is aware of the fact or matter, or (b) a prudent individual could be expected to discover that fact or matter after reasonable due inquiry within such individual’s area of expertise or authority. For purposes of this Agreement, “Seller’s Knowledge,” “Knowledge of Seller,” or words to such effect shall mean the Knowledge of Stephen Masha and Michael Masha.

**“Law”** means any law, common law, statute, ordinance, regulation, rule, code, treaty, judgment, Order, decree, Permit, concession, grant, franchise, license, agreement or other governmental restriction or any interpretation or administration of any of the foregoing by any Governmental Authority or other requirement having the force of law of any Governmental Authority.

**“Lease”** has the meaning set forth in Section 4.8(b).

**“Liability”** or **“Liabilities”** means any or all obligations (whether to make payments, to give notices or to perform or not perform any action), commitments, contingencies and other liabilities of a Person (whether known or unknown, asserted or not asserted, whether absolute, accrued, contingent, fixed or otherwise, determined or determinable, liquidated or unliquidated, and whether due or to become due), and including, without limitation, any Damages.

**“Lien”** means any mortgage, deed of trust, pledge, lien, security interest, charge, claim, equitable interest, encumbrance, restriction on transfer, conditional sale or other title retention device or arrangement (including a capital lease, operating lease, option to lease or option to purchase), transfer for the purpose of subjection to the payment of any Indebtedness, or restriction on the creation of any of the foregoing, whether relating to any property or right or the income or profits therefrom.

**“Losses”** means all losses, claims, damages, costs, expenses (including reasonable attorneys’, consultants’, experts’, and other professional advisors’ fees and expenses), penalties, judgment amounts, interest, amounts paid in settlement, Taxes, Liabilities, and other charges, including costs of mitigation, damages for lost profits, damages based on a multiple of earnings or a diminution in value, and special, indirect, and consequential damages, in each case, whether arising out of a Third Party Claim, but excluding any punitive damages, except to the extent such punitive damages are paid to a third party in connection with a Third Party Claim.

**“Material Adverse Effect”** means any change or effect having a material adverse effect on the properties, assets (including, without limitation, Contracts), Liabilities, results of operations, condition (financial or otherwise), employee or customer relations, or prospects of the Seller; provided that, Material Adverse Effect does not include any change or effect resulting from: (a) any changes in general United States or global political, economic or market conditions, unless such changes have a materially disproportionate adverse effect on the Seller; (b) any changes in conditions generally affecting the industry in which the Seller operates, unless such changes have a materially disproportionate adverse effect on the Seller; (c) any changes in Law or applicable accounting regulations or principles or the interpretations thereof; (d) acts of terrorism, war

(whether declared) or civil unrest, or escalations thereof, or natural disasters, unless such acts or disasters have a materially disproportionate adverse effect on the Seller; (e) any announcement of the Transactions; or (f) a Party's compliance with the terms of, or taking any action required by, this Agreement or any of the Transaction Documents.

**"Material Contracts"** has the meaning set forth in Section 4.12.

**"Material Customer"** has the meaning set forth in Section 4.19(a).

**"Material Supplier"** has the meaning set forth in Section 4.19(a).

**"MSA"** means the Management Services Agreement, to be entered into upon Closing by and between the Purchaser and the Seller, in the form attached hereto as Exhibit D.

**"Net Working Capital"** has the meaning set forth in Section 3.3(a).

**"Object Code"** means computer Software that is substantially or entirely in binary form and that is intended to be directly executable by a computer after suitable processing and linking but without any intervening steps of compilation or assembly.

**"Order"** means any order, writ, injunction or decree of any Governmental Authority, arbitrator or mediator and any settlement agreement or compliance agreement entered in connection with any Proceeding.

**"Ordinary Course of Business"** means any action taken by a Person that (a) is materially consistent in nature, scope and magnitude with the past practices of such Person and is taken in the ordinary or usual course of the normal, day-to-day operations of such Person; (b) does not require authorization by the board of directors or managers of such Person (or by any Person or group of Persons exercising similar authority); and (c) such action is similar in nature and magnitude to actions customarily taken by other Persons that are in the same line of business of such Person, without any authorization by the board of directors or managers of such Person (or by any Person or group of Persons exercising similar authority), in the ordinary course of normal day-to-day operations of other Persons that are in the same line of business as such Persons.

**"Organizational Documents"** means the certificate or articles of incorporation, certificate of formation, bylaws, limited liability company agreement, or other governing documents of an entity, as applicable, in each case as amended.

**"Party"** and **"Parties"** have the meanings set forth in the preamble to this Agreement.

**"Patents"** means all patents and patent rights, including, without limitation, industrial and utility models, industrial designs, petty patents, patents of importation, patents of addition, certificates of invention, design patents, patent applications, patent disclosures, and any other indicia of invention ownership issued or granted by any Governmental Authority, including all provisional applications, priority and other applications, divisionals, continuations (in whole or in part), extensions, reissues, reexaminations or equivalents or counterparts of any of the foregoing, and economic rights of inventors in any of the foregoing.

**“Paycheck Protection Program”** means the “Paycheck Protection Program” set forth in subsection 36 of Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as implemented, modified and amended by the Laws administrated by the U.S. Small Business Administration.

**“Permits”** means all licenses, permits, registrations, certifications, authorizations, consents, approvals, or other authority from or required by any Governmental Authority or pursuant to any Law.

**“Permitted Liens”** means: (a) Liens for or in respect of Taxes or other governmental charges that are not yet due and payable or that are being contested in good faith by appropriate Proceedings and, in each case, for which an appropriate reserve has been established in accordance with GAAP; (b) workers’, mechanics’, materialmen’s, repairmen’s, suppliers’, carriers’, tenants’, or similar Liens arising in the ordinary course of business or by operation of law with respect to obligations that are not yet due and payable; (c) all covenants, conditions, restrictions (including any zoning, entitlement, conservation, restriction, and other land use and environmental regulations by Governmental Authorities), easements, charges, rights-of-way, and other Liens that, individually or in the aggregate, do not materially impair the use of the real property affected thereby; and (d) all other Liens on tangible personal property that, individually or in the aggregate, do not materially impair the value of the property subject to such Liens or the use of such property in the Business.

**“Person”** means any natural individual, corporation, partnership, limited liability company, joint venture, association, bank, trust company, trust, or other entity, whether legal entities, or any Governmental Authority.

**“PPP Loans”** means all Paycheck Protection Program loans under the Small Business Administration 7(a) loan program received by the Seller in connection with the CARES Act, as supplemented by the Paycheck Protection Program.

**“Pre-Closing Tax Period”** means any Tax period that ends on or prior to the Closing Date and the portion of any Straddle Period ending on the Closing Date.

**“Preliminary Allocation Schedule”** has the meaning set forth in Section 3.4.

**“Proceeding”** means any litigation (in law or in equity), arbitration, mediation, action, lawsuit, proceeding (whether civil, criminal, administrative, investigative, or informal), complaint, charge, claim, demand, hearing, inquiry, investigation or like matter commenced, brought, conducted, or heard by or before any Governmental Authority, whether administrative, judicial or arbitration in nature.

**“Purchase Price”** has the meaning set forth in Section 3.1.

**“Purchased Assets”** has the meaning set forth in Section 2.1.

**“Purchaser”** has the meaning set forth in the preamble to this Agreement.

**“Purchaser Indemnified Party”** has the meaning set forth in Section 8.3(a).

**“Related Person,”** means:

(a) with respect to a particular individual, (i) each Family Member of such individual, (ii) any Person that is directly or indirectly controlled by such individual or one or more of such individual’s Family Members, (iii) any Person in which such individual or Family Members of such individual hold (individually or in the aggregate) any material interest in such Person; and (iv) any Person with respect to which such individual or one or more Family Members of such individual serves as a manager, director, officer, partner, executor, or trustee (or in a similar capacity); and

(b) with respect to a specified Person other than an individual, (i) any Person that directly or indirectly controls, is directly or indirectly controlled by, or is directly or indirectly under common control with such specified Person; (ii) any Person that holds a material interest in such specified Person; (iii) each Person that serves as a manager, director, officer, partner, executor, or trustee of such specified Person (or in a similar capacity); (iv) any Person in which such specified Person holds a material interest; (v) any Person with respect to which such specified Person serves as a general partner or a trustee (or in a similar capacity); and any Related Person of any individual described in clause (b)(iii) of this definition.

**“Release”** means any actual or Threatened release, spill, emission, leaking, pumping, pouring, emptying, disposing, injection, deposit, discharge, leaching, or migration into any media, whether soil, surface water, ground water, building interior or components, air or any combination of the foregoing, and the movement of any contamination through any media, and including the abandonment or discarding of barrels, drums, containers and other closed receptacles containing any Hazardous Materials.

**“Representative”** of any Person means such Person’s Affiliates or their respective principals, representatives, agents, and legal, accounting, and other advisors.

**“Seller”** has the meaning set forth in the preamble to this Agreement.

**“Seller Indemnified Party”** has the meaning set forth in Section 8.1(b).

**“Seller Intellectual Property”** means all Intellectual Property owned by the Seller or used in or necessary for the operation of the Business including, without limitation, all right, title, and interest in and to the name or derivation of “Masha Mobile Moving & Storage.”

**“Software”** means all (i) computer programs, including all software implementations of algorithms, models and methodologies, whether in Source Code or Object Code, (ii) computer databases and computer compilations, including all data and collections of data, whether machine readable or otherwise, (iii) descriptions, development tools, user interfaces, flow-charts, data, and other work product used to design, plan, organize and develop any of the foregoing, (iv) technology supporting the respective internet site(s), and (v) all documentation, including user manuals and training materials, relating to any of the foregoing.

**“Source Code”** means computer Software that may be displayed or printed in human-readable form, including all related programmer comments, annotations, flowcharts, diagrams,

help text, data and data structures, instructions, procedural, object-oriented or other human-readable code, and that is not intended to be executed directly by a computer without the intervening step of compilation or assembly.

**“Target Net Working Capital”** means One Hundred Ninety-Nine Thousand Dollars (\$199,000.00).

**“Straddle Period”** means any Tax period that begins before the Closing Date and ends after the Closing Date.

**“Subsidiary”** of a Person means any corporation, partnership, limited liability company or other entity of which the securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions are directly or indirectly owned by such Person.

**“Tax”** or **“Taxes”** means all federal, state, local, foreign and other income, corporate, capital gains, excise, gross receipts, ad valorem, sales, goods and services, harmonized sales, use, employment, franchise, profits, gains, property, transfer, payroll, social security contributions, license, severance, occupation, premium, windfall profits, environmental, customs duties, capital stock, withholding, unemployment, disability, registration, value added, estimated, alternative or add-on minimum, intangibles and other taxes, fees, stamp taxes, duties, charges, levies or assessments of any kind whatsoever (whether payable directly or by withholding), including liability under escheat and unclaimed property laws, and whether disputed or not, together with any interest and any penalties, additions to tax or additional amounts imposed by any Governmental Authority with respect thereto, whether disputed or not, and any liability for the payment of any amounts of the type described above because of being a member of an affiliated, consolidated, combined or unitary group for any period, because of a tax-sharing, tax allocation, or tax indemnification agreement, arrangement or understanding, or because of being liable for another Person’s taxes, as a transferee or successor, by contract or otherwise, and the term **“Tax”** means any one of the foregoing Taxes.

**“Tax Returns”** means all federal and state tax returns, declarations, reports, statements, elections, schedules, claims for refund, forms and other documents filed or required to be filed by the Seller in respect of any Taxes, including any supplement or attachment thereto and any amendment thereof, and the term **“Tax Return”** means any one of the foregoing Tax Returns.

**“Third Party Claim”** has the meaning set forth in Section 8.4(d).

**“Threatened”** means that any demand or statement has been made (orally or in writing) or any notice has been given (orally or in writing) with respect to, or if any other event has occurred or any other circumstances exist, that would lead a reasonably prudent Person to conclude that a claim, Proceeding, dispute, action, or other matter will be, or is likely to be, asserted, commenced, taken, or otherwise pursued in the future.

**“Trade Secrets”** means anything that would constitute a “trade secret” under applicable Law and, without limitation, all other inventions (whether patentable or not), industrial designs, discoveries, improvements, ideas, designs, models, formulae, specifications, technologies, processes, algorithms, architectures, layouts, look-and-feel, methodologies, patterns,

compilations, data collections, drawings, blueprints, mask works, devices, methods, techniques, processes, know-how, Confidential Information, proprietary information, research and development, compositions, manufacturing and production processes and techniques, customer lists, supplier lists, pricing and cost information, business and marketing plans, and proposals, and the moral and economic rights of authors and inventors in any of the foregoing.

**“Trademarks”** means trademarks, service marks, trade dress, trade style, fictional business names, trade names, commercial names, certification marks, collective marks, and other proprietary rights to any words, names, slogans, symbols, logos, devices, identifiers or combinations thereof used to identify, distinguish and indicate the source or origin of goods or services, registrations, renewals, applications for registration, equivalents and counterparts of the foregoing, and the goodwill of the business associated with each of the foregoing.

**“Transaction”** or **“Transactions”** or words of similar import (whether capitalized) means, collectively, the transactions contemplated by this Agreement, and the transactions contemplated by any Transaction Document.

**“Transaction Documents”** means this Agreement and all the other agreements, certificates, instruments, and other documents to be executed or delivered by one or more of the Parties in connection with the Transactions.

**“Transaction Expenses”** means all of the Owners’ and the Seller’s expenses, fees and charges incurred in connection with the preparation, negotiation, execution and delivery of this Agreement and the Transaction Documents and the consummation of the Closing and the other Transactions, including all attorneys’, accountants’, consultants’, professionals’, investment bankers’ and other advisors’ fees and expenses payable by the Owners or the Seller that remain unpaid at Closing.

**Section 1.2 Other Definitional Provisions and Interpretation; Schedules.** The headings preceding the text of Articles and Sections included in this Agreement and the headings to Exhibits and Schedules attached to this Agreement are for convenience only and shall not be deemed part of this Agreement or be given any effect in interpreting this Agreement. The use of the masculine, feminine, or neuter gender or the singular or plural form of words in this Agreement shall not limit any provision of this Agreement. The meaning assigned to each term defined in this Agreement shall be equally applicable to both the singular and the plural forms of such term. The use of “including” or “include” will in all cases mean “including, without limitation” or “include, without limitation,” respectively. The use of “or” is not intended to be exclusive unless expressly indicated otherwise. Reference to any Person includes such Person’s successors and assigns to the extent such successors and assigns are permitted by the terms of any applicable Contract, and reference to a Person in a particular capacity excludes such Person in any other capacity or individually. Reference to any Contract (including this Agreement), document, or instrument shall mean such Contract, document, or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms of this Agreement. Reference to any statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. Underlined references to Articles, Sections, clauses, Exhibits or Schedules shall refer to those portions of this Agreement. The use of the terms “hereunder,” “hereof,” “hereto,” and

words of similar import shall refer to this Agreement as a whole and not to any Article, Section, paragraph, or clause of, or Exhibit or Schedule to, this Agreement. All terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant to this Agreement, unless otherwise defined in such certificate or other document. Any information disclosed in any Schedule shall be deemed to be disclosed for purposes of any other Schedule that such disclosure is relevant, but only to the extent that it is readily apparent from the face of such disclosure that such disclosure is relevant to such other Schedule.

## ARTICLE II SALE AND PURCHASE OF THE PURCHASED ASSETS; ASSUMPTION OF THE ASSUMED LIABILITIES; CLOSING

Section 2.1 **Sale and Purchase of the Purchased Assets.** On the terms and subject to the conditions contained in this Agreement, at the Closing, Seller shall sell, assign, convey, transfer, and deliver to Purchaser, and Purchaser shall purchase from Seller, all of Seller's right, title, and interest in and to all of the assets, properties, rights, and claims, of every kind and nature and wherever located, whether tangible or intangible, real, personal, or mixed, owned, leased, or licensed by Seller, or that Seller is otherwise entitled, in each case that relate to, arise out of, or are used, held for use, or useful in the operation of the Business (such assets, properties, rights, and claims are collectively referred to in this Agreement as the "**Purchased Assets**"), including the following:

- (a) all inventories of materials, supplies, finished goods and other materials used in or held for use in the Business (collectively, the "**Inventory**");
- (b) all improvements, fixtures, machinery, equipment, vehicles, and other items of tangible personal property and assets used in or held for use in the Business;
- (c) all customer lists, supplier lists, product price lists, sales records, product specifications, advertising materials, engineering data, maintenance schedules, operating and production records, and other books and records relating to or generated by the Business, provided that Seller shall retain its QuickBooks account/software and will provide Purchaser access to such QuickBook records as needed (collectively, the "**Business Records**");
- (d) except for any Contracts relating to the incurrence of Indebtedness or the placing of any Lien (other than Permitted Liens) on any of the Purchased Assets, all Contracts for Seller to provide services or products to customers or otherwise relating to the Business (collectively, the "**Business Contracts**"), including the Leases, any Business Intellectual Property licenses ("**IP Licenses**"), and the Material Contracts, and all rights of Seller relating to or arising under such Contracts;
- (e) to the extent transferrable, all Permits used in or held for use in the Business, including the Permits set forth on Section 4.13 of the Disclosure Schedule;
- (f) the HHG Permit and all rights pursuant to such permit;

(g) all Intellectual Property used in or held for use in the Business (collectively, the “**Business Intellectual Property**”), including the Business Trademarks, the Business Patents, the Business Copyrights, the Software set forth on Schedule 2.1(g), and all rights to the name “Masha Moving & Storage,” or any derivation thereof;

(h) the Business Data;

(i) all personnel, employee compensation, and benefits records relating to Employees hired by Purchaser;

(j) the amount of any proceeds received by Seller under any Insurance Policies covering the Purchased Assets or the Business because of any claim made against such Insurance Policies prior to the Closing Date that is paid after the Closing Date;

(k) all other rights, claims, or causes of action against third parties (including rights under and pursuant to all warranties, representations, and guarantees made by suppliers of products, materials, or equipment, or components thereof) relating to or arising out of the Business or any Purchased Assets;

(l) all confidentiality agreements entered into by Seller with any Person in connection with the proposed sale of the Business, and all rights of Seller relating to or arising under such agreements;

(m) all goodwill relating to or arising out of the Business or any Purchased Assets; and

(n) all other properties, assets, rights, and claims of every kind and nature used, held for use, or useful in the operation of the Business or relating to or arising out of the Business or any Purchased Assets.

**Section 2.2 Excluded Assets.** Notwithstanding Section 2.1, Seller is not selling, and Purchaser is not purchasing, the following assets, properties, rights, and claims of Seller (collectively, the “**Excluded Assets**”):

(a) all cash and cash equivalents, including checks, money orders, marketable securities, short-term instruments, negotiable instruments, funds in time and demand deposits or similar accounts on hand, in lock boxes, in financial institutions or elsewhere, including all cash residing in any collateral cash account securing any obligation or contingent obligation, together with all accrued but unpaid interest thereon, and all bank, brokerage, or other similar accounts;

(b) all bank accounts, safe deposit boxes, and lock boxes maintained by or on behalf of Seller;

(c) all accounts payable to the extent included in Net Working Capital, all prepaid items, and other rights to payment;

(d) the minute books, Organizational Documents, stock certificates, stock ledger, and other organizational, financial, or tax records of Seller;



- (e) all rights of Seller under this Agreement and any Transaction Document;
- (f) all claims for and rights to receive refunds, rebates, or similar payments of Taxes relating to any taxable period or portion thereof ending before the Closing Date, and all Tax Returns, notes, worksheets, files, or other documents relating thereto;
- (g) the Insurance Policies and Seller's rights thereunder, except as provided in Section 2.1(j) above;
- (h) the assets set forth on Schedule 2.2(h); and
- (i) all rights, claims, or causes of action against third parties relating to or arising out of any Excluded Assets.

**Section 2.3 Assumed Liabilities.** On the terms and subject to the conditions contained in this Agreement, at the Closing, Purchaser shall assume and agree to pay, perform, and discharge when due the following Liabilities of Seller, in each case other than the Excluded Liabilities (the Liabilities so assumed being referred to in this Agreement, collectively, as the "Assumed Liabilities"):

- (a) all Liabilities of Seller to be paid, performed, or discharged after the Closing Date under the Business Contracts, except to the extent such Liabilities, but for a breach or default by Seller, would have been paid, performed, or discharged on or before the Closing Date or to the extent such Liabilities relate to or arise out of any such breach or default;
- (b) all obligations and Liabilities accruing, arising out of, or relating to the Business, the Purchased Assets and/or Purchaser's acts or omissions from and after the Closing;
- (c) all accounts payable of the Business to the extent such accounts payable are part of the Net Working Capital; and
- (d) all liabilities listed on Section 2.3 of the Disclosure Schedule.

**Section 2.4 Excluded Liabilities.** Notwithstanding anything to the contrary in Section 2.3, Purchaser is not assuming, and Seller shall retain and be responsible for paying, performing, and discharging when due, all Liabilities of Seller other than the Assumed Liabilities (collectively, the "Excluded Liabilities"), including the following:

- (a) all Liabilities relating to or arising out of the manufacture, marketing, sale, or distribution of the products and services of the Business before the Closing, whether arising under warranty, contract, equity, tort, strict liability, product liability, statute or otherwise;
- (b) all Liabilities relating to or arising out of any claims, causes of action, or Proceedings relating to or arising out of the operation of the Business or the ownership of the Purchased Assets before the Closing, including the Proceedings set forth on Section 4.18 of the Disclosure Schedule, regardless of whether such claims, causes of action, or Proceedings were made or brought before or after the Closing;

- (c) all Liabilities relating to or arising out of any act or omission by Seller on or before the Closing Date;
- (d) all Liabilities relating to or arising out of any violation of, non-compliance with, or breach of any Law, including any Environmental Law, in connection with the operation of the Business or the ownership of the Purchased Assets before the Closing;
- (e) all Taxes, fees, and other amounts arising out of the operation of the Business or the ownership of the Purchased Assets before the Closing;
- (f) all Liabilities relating to Employees arising out of the operation of the Business before the Closing;
- (g) all Liabilities of Seller relating to or arising out of the negotiation and execution of this Agreement and the Transaction Documents, or the consummation of the transactions contemplated by this Agreement and the Transaction Documents;
- (h) all Liabilities of Seller under this Agreement or any Transaction Document;
- (i) all Liabilities to any Affiliate of Seller;
- (j) all Liabilities relating to any Indebtedness of Seller; and
- (k) all Liabilities relating to or arising out of the Excluded Assets.

**Section 2.5 Closing.** The consummation of the transactions contemplated by this Agreement (the “**Closing**”) is taking place via the electronic exchange and delivery of duly executed agreements simultaneously with the execution and delivery of this Agreement by the Parties on the date hereof (the “**Closing Date**”).

**Section 2.6 Payments by Purchaser.** Concurrently with the execution and delivery of this Agreement:

- (a) Purchaser is paying Seller an amount equal to the Estimated Purchase Price minus the Escrow Amount by wire transfer of immediately available funds to the account Seller previously designated in writing to Purchaser; and
- (b) Purchaser is delivering to the Escrow Agent the Escrow Amount by wire transfer of immediately available funds to the Escrow Account.

**Section 2.7 Deliveries by Purchaser.** Concurrently with the execution and delivery of this Agreement, Purchaser is delivering to Seller each of the following:

- (a) evidence of the payments made pursuant to Section 3.1;
- (b) the Assignment and Assumption Agreement, executed by Purchaser;
- (c) the Bill of Sale, executed by Purchaser;

- (d) the Escrow Agreement, executed by Purchaser and the Escrow Agent;
- (e) the offer letter of employment for Stephen Masha, executed by Purchaser;
- (f) the MSA;
- (g) a release of all personal guarantees related to the Leased Real Property, executed by the landlord of such Leased Real Property;
- (h) each other Transaction Document that the Purchaser is a party, executed by Purchaser; and
- (i) a certificate, dated as of the Closing Date and executed by the secretary or an assistant secretary (or similar officer) of Purchaser, certifying as to (i) the resolutions approved by the board of directors (or similar governing body) of Purchaser authorizing the execution, delivery, and performance by Purchaser of this Agreement and its Transaction Documents and the consummation by Purchaser of the transactions contemplated by this Agreement and its Transaction Documents and (ii) the names and signatures of the officers of Purchaser authorized to execute this Agreement, its Transaction Documents, and the other documents to be delivered by Purchaser under this Agreement and its Transaction Documents.

**Section 2.8 Deliveries by Seller.** Concurrently with the execution and delivery of this Agreement, Seller is delivering to Purchaser each of the following:

- (a) the Assignment and Assumption Agreement, executed by Seller;
- (b) the Bill of Sale, executed by Seller;
- (c) an offer letter of employment for Stephen Masha, executed by Stephen Masha;
- (d) the Escrow Agreement, executed by Seller;
- (e) each other Transaction Document that Seller is a party, executed by Seller;
- (f) a subsistence certificate from the Secretary of the Commonwealth of Pennsylvania and a certificate of foreign entity from each other state or jurisdiction for the Seller, dated not more than five (5) days prior to the Closing Date;
- (g) certificates of title (or similar documents) with respect to any vehicles or other equipment included in the Purchased Assets for which a certificate of title is required to transfer title;
- (h) if applicable, a payoff letter issued by each of holder of Indebtedness not earlier than two (2) Business Days prior to the Closing Date, that sets forth (A) the amount required to repay in full all Indebtedness owed to such holder on the Closing Date, (B) the wire transfer instructions for the repayment of such Indebtedness to such holder, and (C) a release of all Liens granted by the Seller to such holder or otherwise arising with respect to such

Indebtedness, effective upon repayment of such Indebtedness (collectively, the “Payoff Letters”);

(i) evidence of the receipt of all consents and approvals listed on Section 4.3 of the Disclosure Schedule or otherwise required to be obtained in connection with the Transactions;

(j) evidence, reasonably satisfactory to the Purchaser, that the Seller has applied for forgiveness of its Paycheck Protection Program loans;

(k) UCC-3 termination statements and other Lien terminations or releases (including Intellectual Property security interest releases in form and substance necessary for recordation in the United States Patent and Trademark Office, United States Copyright Office, or any other similar Governmental Authority) evidencing the release or termination of all Liens (other than Permitted Liens) on or secured by the Purchased Assets, if any; and

(l) a certificate, dated as of the Closing Date and executed by the secretary or an assistant secretary (or similar officer) of Seller, certifying as to (i) the resolutions approved by the board of directors (or similar governing body) of Seller authorizing the execution, delivery, and performance by Seller of this Agreement and its Transaction Documents and the consummation by Seller of the transactions contemplated by this Agreement and its Transaction Documents and (ii) the names and signatures of the officers of Seller authorized to execute this Agreement, its Transaction Documents, and the other documents to be delivered by Seller under this Agreement and its Transaction Documents.

### ARTICLE III PURCHASE PRICE

Section 3.1 **Payment.** The aggregate consideration Purchaser shall pay to Seller for the Purchased Assets (the “Purchase Price”) shall be an amount equal to:

(i) five million dollars (\$5,000,000) (the “Cash Consideration”);

(ii) plus the amount that Closing Date Net Working Capital exceeds Target Net Working Capital or minus the amount that Target Net Working Capital exceeds Closing Date Net Working Capital;

(iii) minus the aggregate amount of Indebtedness of the Seller unpaid and outstanding as of the Closing Date (the “Closing Indebtedness”), and

(iv) minus the aggregate amount of Transaction Expenses unpaid and outstanding as of the Closing Date, including any unpaid transaction bonuses or other special payments promised by the Seller or the Owners to any Seller employees (the “Closing Transaction Expenses”).

Section 3.2 **Estimates and Closing Funds Flow Statement.**

(a) Seller shall have provided to Purchaser a funds flow statement (the

“**Closing Funds Flow Statement**”), signed by the president of the Seller, as of a date not less than three (3) Business Days prior to the date hereof setting forth the Seller’s good faith estimate immediately prior to the Closing of the following (together with the Cash Consideration, the “**Estimated Purchase Price**”):

- (i) the Closing Date Net Working Capital;
- (ii) the Closing Indebtedness (“**Estimated Indebtedness**”);
- (iii) the Closing Transaction Expenses (“**Estimated Transaction Expenses**”); and
- (iv) a list of all Persons to be paid at Closing, including but not limited to the Seller and those receiving payments pursuant to Sections 3.2(a)(i) through (iii) and wire transfer instructions for the account of each such Person, together with all Payoff Letters and invoices with respect to such amounts and any other documentation reasonably requested by Purchaser.

(b) **Payment at Closing.** At the Closing, Purchaser shall pay, by wire transfer of immediately available funds, the following amounts to Seller to the accounts on the Closing Funds Flow Statement as follows:

- (i) the amount of the Estimated Indebtedness to the payees thereof;
- (ii) the amount of Estimated Transaction Expenses to the payees thereof;
- (iii) the amount that Closing Date Net Working Capital exceeds Target Net Working Capital or decrease by the amount that Target Net Working Capital exceeds Closing Date Net Working Capital;
- (iv) the Escrow Amount to the Escrow Agent to be held pursuant to the Escrow Agreement; and
- (v) Purchaser shall pay the remainder (after taking into account the payments pursuant to subsections (i) through (iv) above) of the Purchase Price to Seller by confirmed wire transfers to Seller’s designated accounts as set forth in the Closing Funds Flow Statement.

**Section 3.3 Determination of Final Purchase Price.**

(a) The Target Net Working Capital consists of the Net Working Capital components identified on Schedule 3.3(a).

(b) Within ninety (90) days after the Closing Date, Purchaser shall prepare and deliver to Seller a statement (the “**Initial Closing Statement**”) setting forth Purchaser’s good faith calculation of Closing Date Net Working Capital and, based thereon, the Purchase Price. Purchaser shall prepare the Initial Closing Statement in accordance with this Agreement

and the Accounting Principles.

(c) Seller will be entitled to review the Initial Closing Statement during the thirty (30) day period beginning on the date Seller receives the Initial Closing Statement. During such thirty (30) day period, Seller the Owners and their Representatives will have reasonable access to the books and records of the Business, to work papers prepared by Purchaser or Purchaser's Representatives to the extent they relate to the Initial Closing Statement, and to such historical financial information relating to the Initial Closing Statement as Seller jointly may reasonably request, and will be entitled to meet with Representatives of Purchaser on a mutually convenient basis in order to obtain and discuss such information; provided, that such access does not interrupt the normal course of the Business. At or prior to the end of such thirty (30) day period, Seller jointly shall either:

(i) deliver a notice to Purchaser confirming that no adjustments are proposed jointly by Seller to Purchaser's calculation of Closing Date Net Working Capital and based thereon, the Purchase Price, as set forth on the Initial Closing Statement (a "Notice of Acceptance"); or

(ii) deliver a notice to Purchaser to the effect that Seller jointly disagrees with Purchaser's calculation of Closing Date Net Working Capital and, based thereon, the Purchase Price, as set forth on the Initial Closing Statement (a "Notice of Disagreement"), and specifying in reasonable detail the nature of such disagreement (that shall only include disagreements based on mathematical errors or based on Closing Date Net Working Capital not being calculated in accordance with this Agreement and the Accounting Principles) and the adjustments that, in Seller's view, should be made to the calculation of Closing Date Net Working Capital and, based thereon, the Purchase Price in order to comply with this Agreement and the Accounting Principles (collectively, the "**Proposed Adjustments**"); provided, however, that if Seller fails to deliver a Notice of Acceptance or a Notice of Disagreement within such thirty (30) day period, then the Initial Closing Statement and the calculation of the Purchase Price as set forth in the Initial Closing Statement shall be final and binding on the Parties as the "**Final Closing Statement**" and "**Final Purchase Price**," respectively.

(d) If there are any Proposed Adjustments, Purchaser shall, no later than thirty (30) days after Purchaser's receipt of the Notice of Disagreement, notify Seller whether Purchaser accepts or rejects each such Proposed Adjustment. Thereafter, Seller and Purchaser shall work in good faith to resolve any differences that remain with respect to the Proposed Adjustments. If any of the Proposed Adjustments are not so resolved (the "**Unresolved Adjustments**," and the aggregate difference between the Parties' respective calculations of the Purchase Price resulting from the Unresolved Adjustments, the "**Unresolved Balance**") within thirty (30) days after Purchaser's notice to Seller of its rejection of any Proposed Adjustments (or such longer period as the Parties may mutually agree in writing), then, at the request of either Seller or Purchaser, the Unresolved Adjustments will be submitted to a mutually agreed nationally recognized firm with no material relationships with Seller, Purchaser, or any of their respective Affiliates and with accounting expertise and relevant experiences in resolving similar purchase price adjustment disputes (the "**Accounting Firm**"). Each Party shall submit to the Accounting Firm its position with respect to the Unresolved Adjustments as set forth in the Initial Closing Statement, in the case of Purchaser, and the Notice of Disagreement, in the case

of Seller, and shall make available to the Accounting Firm the books and records of the Business, work papers prepared by Purchaser, Seller, or their respective Representatives to the extent they relate to the Initial Closing Statement or the Notice of Disagreement, as the case may be, and other historical financial information relating to the Initial Closing Statement, in each case as the Accounting Firm may request. The scope of the review by the Accounting Firm will be limited to: (i) a disposition of the Unresolved Adjustments through a strict application of the Accounting Principles; (ii) based on its determination of the matters described in clause (i) and all items and amounts that were previously accepted or agreed upon or deemed agreed upon by the Parties in accordance with this Section 3.3, as applicable, a calculation of Closing Date Net Working Capital and, based thereon, the Purchase Price; and (iii) an allocation of the fees and expenses of the Accounting Firm determined in accordance with the formula specified below in this Section 3.3(c). The Accounting Firm may, at its discretion, conduct a conference concerning the Unresolved Adjustments, at which conference Purchaser and Seller shall have the right to present additional books and records, work papers, documents, materials, and other information and to have their respective Representatives present, but in no event shall either Party or its Representatives have any *ex parte* communications or meetings with the Accounting Firm without the prior written Consent of the other Party. The Accounting Firm is not entitled to, and the Parties shall not individually request the Accounting Firm to, (A) make any determination other than as set forth above, (B) determine any Unresolved Adjustment to be a value higher than the highest value or lower than the lowest value proposed by the Parties in their submissions to the Accounting Firm, or (C) undertake any independent investigation of the facts relating to the Unresolved Adjustments. The Accounting Firm will be instructed to render its written decision resolving the matters submitted to it as promptly as practicable and, if possible, within thirty (30) days after such submission of the Unresolved Adjustments. The determination of the Purchase Price by the Accounting Firm and the statement prepared by the Accounting Firm setting forth such determination will, absent manifest error, be final and binding on the Parties as the “**Final Purchase Price**” and the “**Final Closing Statement**,” respectively, and judgment may be entered upon such determination and statement in any court of competent jurisdiction. The fees and expenses of the Accounting Firm incurred pursuant to this Section 3.3(c) shall be borne by Purchaser, on the one hand, and Seller, on the other hand, as determined by the Accounting Firm based on the inverse of the percentage that the Accounting Firm’s determination (before such allocation) bears to the total value of each party’s respective position in relation to the total amount of the Unresolved Balance. For purposes of illustration only, if the Unresolved Balance is \$100, and the written determination of the Accounting Firm states that \$80 of the Unresolved Balance is resolved in Purchaser’s favor and \$20 of the Unresolved Balance is resolved in Seller’s favor, Purchaser would bear 20% of the Accounting Firm’s costs and expenses, on the one hand, and Seller would bear 80% of such costs and expenses, on the other hand. All other fees, expenses, and costs incurred by a Party or its Representatives in connection with this Section 3.3 shall be borne by such Party.

(e) If the Final Purchase Price is greater than the Estimated Purchase Price, then Purchaser shall pay to Seller, by wire transfer of immediately available funds to the account Seller designates in writing to Purchaser, an amount in cash equal to such difference. If the Final Purchase Price is less than the Estimated Purchase Price, then Seller shall pay to Purchaser, by wire transfer of immediately available funds to the account Purchaser designates in writing to Seller, an amount in cash equal to such difference. In either case, such payment shall be made within five (5) Business Days after the date that the Final Purchase Price becomes final and

binding pursuant to this Section 3.3.

(f) The Parties shall treat any payments made pursuant to this Section 3.3 as an adjustment to the Purchase Price for Tax purposes, unless otherwise required by Law

**Section 3.4 Allocation of Consideration.** Schedule 3.4 contains a schedule allocating the Estimated Purchase Price among the Purchased Assets, specifically including as a line item the HHG Permit and the rights granted thereto, in accordance with section 1060 of the Code (the "**Preliminary Allocation Schedule**"). Purchaser and Seller will cooperate to update (applying the same principles as used to determine the Preliminary Allocation Schedule) and finalize such allocation in a timely manner (as updated, the "**Allocation Schedule**"). The Parties agree, unless otherwise required by Law, not to take any position inconsistent with the Allocation Schedule for Tax reporting purposes. Any adjustment to the Purchase Price shall be allocated as provided by Treas. Reg. §1.1060-1(c). Purchaser and Seller agree that if any taxing authority does not agree with any allocation of the Purchase Price agreed to by the Parties in accordance with this Agreement, they will cooperate in good faith to determine a different allocation acceptable to such authority and thereafter will amend the allocation in its respective Tax Returns.

**Section 3.5 Prorations.** In addition to the apportionment of taxes set forth in Section 6.1 below, Purchaser and Seller shall prorate, apportion, and credit all revenues and expenses arising out of the ownership or operation of the Purchased Assets and the Business that are incurred, accrued, or payable as of the Closing and are customarily prorated, apportioned, and credited by buyers and Seller in comparable transactions. Unless otherwise provided below, prorations will be made as of 11:59 p.m. Eastern Time on the day prior to the Closing Date, based upon a 365-day year, with Purchaser being deemed the owner of the Purchased Assets during the entire day of the Closing Date and being entitled to receive all operating income of the Purchased Assets, and being obligated to pay all operating expenses of the Purchased Assets, with respect to the Closing Date, and the net amount thereof shall be added to (if such net amount is in Seller's favor) or deducted from (if such net amount is in Purchaser's favor) the Estimated Purchase Price payable at Closing. In determining such prorations, apportionment, and credits, Purchaser and Seller agree:

(a) All charges or amounts payable by customers will be prorated based on amounts collected as of 11:59 p.m. Eastern Time on the day prior to the Closing Date. Long distance move settlements or other amounts payable by customers that have accrued but are not collected as of such time will not be prorated at Closing. Any such amounts collected after the Closing by Purchaser which are attributable to the period prior to the Closing Date will be paid to Seller promptly following collection.

(b) All security deposits and other deposits under the Leases will be credited to Seller at the Closing; provided, however, if the deposit is in the form of a letter of credit, Purchaser will replace such letter of credit with a letter of credit or other security instrument acceptable to the landlord by the Closing.

(c) The Parties agree that utility accounts in Seller's name for the real property, if any, will be closed as of the Closing, and Seller will be liable and responsible for all charges for service through the Closing Date and Purchaser will be responsible for reopening and



reinstating such service in Purchaser's name, and shall be responsible for any fees, charges, and deposits required in connection with such new account.

(d) Seller shall prepare and deliver to Purchaser a draft schedule of the prorations, apportionments, and cost allocations described in this Section 3.5 (the "**Prorations Schedule**") at least three (3) Business Days prior to the Closing. Thereafter, Purchaser and Seller shall work in good faith to finalize the Proration Schedule prior to the Closing, and the final amounts shown thereon shall be reflected on a closing statement.

(e) In the event any prorations, apportionments, or credits made hereunder prove to be incorrect for any reason, then the Parties shall be entitled to an adjustment to correct the same. Any item that cannot be finally prorated because of the unavailability of information shall be tentatively prorated based on the best data then available and reprorated when the information is available. Notwithstanding anything to the contrary set forth herein, all reprorations contemplated by this Agreement shall be completed within one hundred and eighty (180) days after Closing and thereafter shall be deemed accepted by the Parties.

**Section 3.6 Withholding.** Purchaser shall be entitled to deduct and withhold from any amount payable under this Agreement, including the Purchase Price, such amounts as may be required to be deducted and withheld from or with respect to such payment under the Code or other applicable Law relating to Taxes. To the extent that amounts are so deducted and withheld, such amounts shall be treated for all purposes of this Agreement as having been paid to Seller.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF SELLER**

Owners and Seller jointly and severally represent and warrant to Purchaser that each of the following statements contained in this Article IV are true and correct as of the Closing Date, except as qualified and limited by the disclosures set forth in the disclosure schedule attached hereto:

**Section 4.1 Organization of Seller.** Seller is validly existing and in good standing under the Laws of its jurisdiction of formation and has all requisite limited liability company power and authority to own, lease, and operate the Purchased Assets and to conduct the Business as currently conducted. Seller is validly licensed or qualified to do business and (where such concept is applicable) is in good standing under the Laws of each jurisdiction in which the ownership or operation of the Purchased Assets or the conduct of the Business as currently conducted makes such licensing or qualification necessary. A correct list of all the jurisdictions in which Seller is so licensed or qualified to do business is set forth on Section 4.1 of the Disclosure Schedule.

**Section 4.2 Authorization of Seller.** Seller has all requisite limited liability company power and authority to execute, deliver, and perform this Agreement and its Transaction Documents and to consummate the transactions contemplated by this Agreement and its Transaction Documents. The execution, delivery, and performance by Seller of this Agreement and its Transaction Documents and the consummation by Seller of the transactions contemplated by this Agreement and its Transaction Documents have been validly authorized by all necessary

limited liability company action by Seller and, if applicable, its stockholders. Seller has validly executed and delivered this Agreement and each of its Transaction Documents. This Agreement and each of Seller's Transaction Documents constitutes a legal, valid, and binding obligation of Seller, enforceable against Seller in accordance with its terms, subject to the Enforceability Limitations.

#### Section 4.3 **Governmental Consents; No Conflicts.**

(a) The execution, delivery, and performance by Seller of this Agreement and its Transaction Documents, and the consummation by Seller of the transactions contemplated by this Agreement and its Transaction Documents, do not and will not require any Consent of or with any Governmental Authority, other than (i) any Consent that is required because of any facts or circumstances relating solely to Purchaser or any of its Affiliates and (ii) the Consents set forth on Section 4.3(a) of the Disclosure Schedule.

(b) Except as set forth on Section 4.3(b) of the Disclosure Schedule, the execution, delivery, and performance by Seller of this Agreement and its Transaction Documents, and the consummation by Seller of the transactions contemplated by this Agreement and its Transaction Documents, do not and will not violate, conflict with, result in a breach, cancellation, or termination of, constitute a default under, result in the creation of any Lien on any of the Purchased Assets under, or result in a circumstance that, with or without notice or lapse of time or both, would constitute any of the foregoing under (i) any Law or Order applicable to or binding on Seller, any of the Purchased Assets, or the Business, (ii) any Contract that Seller is a party or that Seller or any of the Purchased Assets is bound, including any Material Contract, Lease, or IP Licenses, (iii) any Permit, including any Environmental Permit, held by Seller, or (iv) any of the Organizational Documents of Seller, except, in the case of each of clauses (i), (ii), and (iii), where such violation, conflict, breach, cancellation, termination, or default would not, individually or in the aggregate, be material to the Business.

#### Section 4.4 **Financial Statements; No Undisclosed Liabilities.**

(a) To Seller's Knowledge, Section 4.4 of the Disclosure Schedule includes true, correct and complete copies of (i) the unaudited internal balance sheets and profit and loss statements of the Seller as of and for the years ended December 31, 2019, December 31, 2020, and December 31, 2021 (collectively, the "**Annual Financial Statements**") and (ii) the unaudited internal balance sheets and profit and loss statements of the Seller for each of the calendar months from January 2021 through latest month end available prior to Closing (such financial statements, the "**Interim Financial Statements**" and together with the Annual Financial Statements, the "**Financial Statements**")

(b) To Seller's Knowledge, the Financial Statements are based upon information contained in the books and records of the Seller, and present fairly, the financial position, results of operations and cash flows of the Seller for the periods covered by such statements and have been prepared in accordance with tax methodology, consistently throughout the periods indicated, subject, in the case of the Interim Financial Statements, to customary year-end adjustments and the absence of footnotes.

(c) The Seller maintains a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's authorization, (ii) transactions are recorded as necessary to permit preparation of financial statements that fairly present the results of operations and the methodology used to record such transactions has been consistently applied throughout the periods and (iii) all inter-company transactions, charges or expenses are accurately reflected at fair arms' length value in all Financial Statements.

**Section 4.5 No Liabilities.** The Seller does not have any Indebtedness or Liabilities as of the Closing except for (a) those Liabilities set forth in the Closing Funds Flow Statement to be deducted from the Purchase Price and (b) amounts owed under the Paycheck Protection Program.

**Section 4.6 Operation of the Business Prior to Closing.** Except as set forth on Section 4.6 of the Disclosure Schedule, since December 31, 2021:

(a) The Seller has been operated in the Ordinary Course of Business consistent with past practice and the Seller has not suffered or been Threatened with any event, circumstance or Claim relating to the Business or the operations of the Seller that has had or would reasonably be expected to have a Material Adverse Effect.

(b) The Seller has not:

(i) made any change in the assets, liabilities, or member's equity of the Seller other than in the Ordinary Course of Business;

(ii) sold, transferred, leased, or assigned any of its assets or property, except for sales of inventory in the Ordinary Course of Business consistent with past practice;

(iii) to Seller's Knowledge, incurred any Damage to or destruction or Liability of any material asset, whether covered by insurance;

(iv) transferred, assigned, or granted any license or sublicense of any rights under or with respect to the Seller Intellectual Property;

(v) discharged, assumed, or incurred any Liabilities for the benefit of Seller or any Affiliate of Seller or any Owner;

(vi) borrowed any money or issued any bonds, debentures, notes, or other securities evidencing money borrowed, or permitted any of its assets to become subject to a Lien, other than draws on the existing revolver facilities in the Ordinary Course of Business for working capital purposes;

(vii) made any capital expenditures in an amount that exceeds twenty-five thousand dollars (\$25,000), individually or in the aggregates, other than as set forth in Section 4.6(b)(vii) of the Disclosure Schedule;

(viii) terminated the employment or otherwise materially modified the terms and conditions of employment (including any increase or decrease in the bonus, salary or

other compensation of any officer, employee, consultant, or independent contractor of the Seller or entering into, renewing or amending any offer letter or other employment or consulting Contract) of any employee or consultant of the Seller other than in the Ordinary Course of Business;

(ix) made any increase or decrease in the bonus, salary or other compensation of any officer, employee, consultant, or independent contractor of the Seller; or instituted or made any material amendment to any Benefit Plan;

(x) adopted, amended, modified, or terminated any bonus, profit sharing, incentive, severance or other plan, Contract, or commitment for the benefit of any employee, manager, or officer of the Seller;

(xi) paid or received, either independently or through an Affiliate, any compensation, consideration, or other benefits to or from any officer, employee, consultant or independent contractor of the Seller, or any of their Affiliates, other than in the Ordinary Course of Business of the Seller and as reflected on the Financial Statements, or entered into any Contract or arrangement, either independently or through an Affiliate, to pay to or receive from any officer, employee, consultant or independent contractor of the Seller, or any of their Affiliates, any such compensation, consideration, or benefit;

(xii) made any change in any method of accounting or keeping its books of account or accounting practices or policies or method of application thereof, including, but not limited to, changes in estimates or valuation methods;

(xiii) to Seller's Knowledge, cancelled, settled, compromised, waived, or released any right or Claim (or series of related rights and Claims) for an amount more than twenty thousand dollars (\$20,000), or agreed to cancel, settle, compromise, waiver or release any such right or Claim (or series of related rights and claims);

(xiv) made any declaration or payment of any dividend or other distribution of any kind (however described), loan or advance of any amount to or in respect of, or the sale, transfer or lease of any properties or assets (whether real, personal or mixed, tangible or intangible) to, or entered into any agreement, arrangement or transaction with, any member, manager, officer or employee of the Seller;

(xv) made, adopted, changed or revoked any Tax election or method of accounting for Tax purposes, amended any Tax Return, settled any claim or assessment for Taxes or executed any waiver of statutory period of limitations with respect to the assessment or collection of Taxes;

(xvi) to Seller's Knowledge, taken or omitted to take any action that has had or would reasonably be expected to have a Material Adverse Effect; or

(xvii) entered into any Contract to do any of the matters referred to in this Section 4.6(b).

**Section 4.7 Title; Sufficiency of Assets.** The Seller has good and marketable title to,

or a valid leasehold interest in, all the assets used by it in the conduct of the Business, in each case free and clear of all Liens. The assets of the Seller include all the assets that are used in or necessary for the operations of the Seller as presently conducted and are adequate to conduct the Business of the Seller as presently conducted and as conducted since December 31, 2021. The assets of the Seller are in good operating condition and repair, normal wear and tear excepted, and to Seller's Knowledge, are not in need of maintenance or repairs other than routine maintenance, and such routine maintenance has been completed on schedule and not been deferred. Currently and at no time since January 1, 2022: (a) has the Seller been a party to any Contract or other business relationship with any Owner or any Affiliate of the Seller or any Owner other than normal employment arrangements and Benefit Plans, (b) has the Seller owed any amount of money to any Owner or any Affiliate of any Owner (excluding employee compensation and other ordinary incidents of employment) for services, assets or other arrangements, and (c) no property or interest in any property that relates to and is or will be necessary or useful in the present or currently contemplated future operation of the business of the Seller, was owned by or leased by or to the Owners or any Affiliate of the Owners.

#### Section 4.8 Real Property.

(a) The Seller does not own or has ever owned any real property.

(b) Section 4.8(b) of the Disclosure Schedule identifies by street address all real property leased and/or licensed by the Seller (the "Leased Real Property") and each lease, whether written or oral, pursuant to which the Seller leases the Leased Real Property (each, a "Lease"). Seller has delivered to Purchaser a true and accurate written summary setting forth the terms and conditions of the Leases. To Seller's Knowledge, the Seller complies with the terms and requirements of each Lease, and each other Person that is party to such Lease complies with the terms and requirements of such Lease. The Seller has provided to Purchaser true, correct, and complete copies of each written Lease (and any amendments thereto) and any guaranties with respect to the Leased Real Property. To Seller's Knowledge, the terms, and conditions (including rent) for each Lease are at market terms (as of the date hereof) for the local geography in which the relevant Leased Real Property is located. All accrued and currently payable base rents, additional rents and other payments required by each Lease have been paid. Neither the Owners nor the Seller has any right or option of any nature whatsoever, whether pursuant to the Leases or otherwise, to purchase the Leased Real Property, or any portion thereof or any interest therein.

(c) Neither the Seller nor any Owner has received any notice of, and otherwise has any Knowledge of any Proceeding regarding the conduct of the Business at, the location of any of the Improvements on, or use of the Leased Real Property. The Seller has not assigned, sublet, transferred, hypothecated, or otherwise disposed of any interest in the Leases and/or the Leased Real Property, or any part thereof. Neither the Seller nor any Owner has received any notice of violation of any Laws related to the use, occupancy or condition of the Leases or the Leased Real Property. To Seller's Knowledge, none of the Improvements are in violation of any building, zoning, anti-pollution, health, occupational safety or other Law or any Permit applicable to the Leased Real Property.

(d) Seller has not received any written notice of any pending, contemplated or

Threatened (i) condemnation or taking Proceedings against all or any portion of any of the Leased Real Property or (ii) Proceedings to amend or modify any building code or zoning or land use Laws that would reasonably be expected to adversely affect the use or occupancy of the Leased Real Property as currently used or occupied by the Seller.

(e) The Seller has not made any Improvements to the Leased Real Property. The Leased Real Property is supplied with utilities and other services necessary for the operation of the Business, all of which are available to the Seller at normal and customary rates and are adequate to serve the Leased Real Property as presently used and occupied. To Seller's Knowledge, there are no structural deficiencies or latent defects affecting the Leased Real Property and there are no facts or conditions affecting the Leased Real Property that would, individually or in the aggregate, interfere in any respect with the use or occupancy of the Leased Real Property or any portion thereof in the Business as presently conducted and as conducted since December 31, 2021.

#### **Section 4.9 Environmental Matters.**

(a) To Seller's Knowledge, the Seller is and has been always in compliance with all applicable Environmental Laws and Environmental Permits. To Seller's Knowledge, the Seller possesses all Environmental Permits that are required or necessary for the operation of the Business. All such Environmental Permits held by the Seller are valid, uncontested, in good standing and in full force and effect and the Environmental Permits will continue to be valid, uncontested, in good standing and in full force and effect on identical terms following the consummation of the Transactions. Neither the Seller nor the Owners have any reports, studies, analyses, tests and/or monitoring results in their possession or control regarding environmental matters.

(b) The Seller (i) has not received any notice from any Governmental Authority or other Person within the past ten (10) years regarding any actual, alleged or Threatened violation of any Environmental Laws or Environmental Permits arising out of or related to the operation of the Business, and (ii) is not subject to any Proceeding relating to the presence or alleged presence of Hazardous Material in, at, under or upon any real property owned, leased or operating by the Seller at any time. The Seller has not received any notice or claim from any Governmental Authority or other Person regarding any Environmental Liability or request for information or investigatory, remedial, monitoring, or corrective obligations relating to the Seller or the operation of the Business by the Seller arising under Environmental Laws. To Seller's Knowledge, the Leased Real Property and any other real property owned or operated by the Seller at any time is free of any contamination by Hazardous Materials. Neither the Owners nor the Seller has, directly or indirectly, introduced or caused any contamination by Hazardous Materials to the Leased Real Property or any other real property owned or operated by the Seller at any time. To Seller's Knowledge, there has been no Threatened Release of Hazardous Materials on, from or to the Leased Real Property or other real property owned or operated by the Seller at any time. Neither the Owners nor the Seller, directly or indirectly, has caused any Release of Hazardous Materials on, from or to the Leased Real Property or other real property owned or operated by the Seller at any time. All operations or activities upon, or use or occupancy of, the Leased Real Property and any other real property owned or operated by the Seller at any time, or any portion thereof, by the Seller or, to the Seller's Knowledge, any prior

owner or occupant, are or have been, in all material respects in compliance with all Environmental Laws.

(c) The Seller has not entered into, assumed, undertaken, become subject to, or provided an indemnity with respect to, by Contract or operation of Law or otherwise, any Environmental Liability or Order, settlement, judgment, or decree relating to or arising under Environmental Laws.

(d) To Seller's Knowledge, there are no facts, circumstances, or conditions that could restrict, under any Environmental Law or Environmental Permit, the ownership, occupancy, use or transferability of any Leased Real Property or give rise to any Liability under the Environmental Laws pertaining to any Leased Real Property.

(e) To Seller's Knowledge, all Hazardous Materials removed from any property owned or operated by the Seller have been handled, transported, transferred, stored, treated, recycled, and disposed of in compliance with all Environmental Laws. To Seller's Knowledge, no Hazardous Materials have been used, generated, processed, manufactured, stored, located, buried, or accumulated in, on, about or under the Leased Real Property or any other real property owned or used by the Seller at any time or disposed of or released on or off-site by the Seller on any real property. The Seller has not at any time engaged in or permitted any Release (whether legal or illegal, accidental or intentional) of Hazardous Materials, at, on, in, under or about the Leased Real Property, any other real property, or any portion thereof, and, to the Seller's Knowledge, no prior owner has engaged in or permitted any Release (whether legal or illegal, accidental or intentional) of Hazardous Materials, at, on, in, under or about the Leased Real Property or any portion thereof.

(f) To Seller's Knowledge, there are no past or present events, conditions, circumstances, activities, practices, uses, incidents, actions or plans that may give rise to any common law or legal Liability or otherwise form the basis of any Proceeding, hearing or notice of violation, study or investigation relating to the environment or to human health and safety arising under any Environmental Laws, that would relate to or affect the Leased Real Property or any Person because of such Person holding title to, possessing, occupying or operating the Leased Real Property or any portion thereof at any time, or that would give rise to any Environmental Liabilities.

#### **Section 4.10 Intellectual Property.**

(a) Section 4.10(a) of the Disclosure Schedule contains a list of (i) all Seller Intellectual Property and (ii) all Intellectual Property Licenses (whether oral or written). All of the Seller Intellectual Property used in the operation of the Business is either owned by the Seller, free and clear of all Liens, or validly licensed to the Seller pursuant to written agreements. Except as set forth on Section 4.10(a) of the Disclosure Schedule, to the Seller's Knowledge, no Seller Intellectual Property rights have lapsed, expired, or been abandoned, disclaimed, withdrawn, been the subject of any holding, declaration or final judgment of invalidity or final judgment of unenforceability, been the subject of a refusal to reissue by any domestic or foreign governmental agency, or been canceled within the past twelve (12) months, or are involved in any interference, reexamination, opposition or similar active Proceeding. All the Intellectual

Property Licenses are in full force and effect and are valid and enforceable in accordance with their terms. The Seller is the sole owner of or has the sole right to use under valid Intellectual Property Licenses all Seller Intellectual Property used by the Seller that is material to the operation of the Business and none of the Seller Intellectual Property necessary for the operation of the Business is in the possession, custody, or control of any Person, other than the Seller.

(b) The Seller and, to the Seller's Knowledge, each other Person that is party to an Intellectual Property License, complies with all terms and requirements of such Intellectual Property License. The conduct of the Business as currently conducted and as conducted since December 31, 2021, and the exercise of the rights of the Seller relating to the Seller Intellectual Property does not infringe upon, misappropriate, or otherwise violate the intellectual property rights or other proprietary rights of any Person. The Seller has not received any notice, demand, claim or a Threatened claim with respect to any actual or alleged infringement, misappropriation, misused or violation (including any claim that the Seller must refrain from using) the Intellectual Property of any Person. There are no Proceedings pending, or to the Seller's Knowledge, Threatened against the Seller: (i) challenging the validity, effectiveness, enforceability, ownership, or use of the Seller Intellectual Property by the Seller or any Intellectual Property used by the Seller pursuant to Intellectual Property Licenses; or (ii) claiming that the use, distribution, license, sublicense or other exercise of rights in the Seller Intellectual Property owned or used by the Business, infringes or will infringe on any Intellectual Property of any other Person. Except as set forth on Section 4.10(b) of the Disclosure Schedule, to the Seller's Knowledge, no Person is misappropriating, infringing, diluting or otherwise violating any of the Seller Intellectual Property. Within the past three (3) years, there have been no Proceedings pending or Threatened by the Seller against any Person with respect to the misappropriation, infringement, dilution, or violation of Seller Intellectual Property. There are no settlements, consents, Proceedings, or other Contract that restrict the Seller's rights to use the Seller Intellectual Property or that permit other Persons to use the Seller Intellectual Property.

(c) To Seller's Knowledge, the Seller has used reasonable measures to maintain the secrecy, confidentiality, and value of all Trade Secrets of the Seller. The Seller has not received any Order or other notification from any Governmental Authority regarding noncompliance or violation of any data protection Law. The Seller is not a party nor has ever been party to any Proceeding or subject to any Order with respect to the loss of or unauthorized disclosure or transfer of personal data, and no facts or circumstances exist that might give rise to such a claim. Section 4.10(c) of the Disclosure Schedule provides a list of all Persons (including their affiliation to the Seller) who are a party to a nondisclosure and assignment of inventions agreement with respect to the Intellectual Property. The Seller has not used any Intellectual Property rights in the work product of employees, consultants or contractors employed or engaged by the Seller. The Seller is not aware of any misappropriation by any Person, including any former employees, of any Trade Secrets necessary for the operation of the Business.

(d) The Seller has no obligation to compensate or provide any other consideration to any Person for the development, use, sale, disposition, or exploitation of the Seller Intellectual Property. Except as set forth in Section 4.10(d) of the Disclosure Schedule, there are no royalties, honoraria, fees, or other monetary consideration of any sort owing to any third party by reason of the Seller's ownership, development, use, license, sale, exploitation, or disposition of Seller Intellectual Property rights.



(e) The Seller is not, nor because of the consummation of the Transactions will the Seller be, in Breach of or create on behalf of any third party a consent right or the right to accelerate or increase any payment obligation or to terminate or materially modify any Intellectual Property Licenses.

(f) Section 4.10(f) of the Disclosure Schedule sets forth a true, correct, and complete list of all technology for Software systems including call center systems, websites, accounting systems and any other system involved in the operating of the Seller and the Business, including the complete, true, and correct associated passwords, logins, and assigned Persons and contact information to assist with password retrieval or system access.

#### **Section 4.11 Information Technology; Data Privacy and Security.**

(a) Seller has good and valid title to, or a valid right to use, all the data included in the Business Intellectual Property and other information (including personal information regarding any Person) that is used in or generated by the Business and contained in any database used or maintained by Seller (collectively, the “**Business Data**”), free and clear of any Lien (other than Permitted Liens).

(b) Seller has established, maintains, and is in material compliance with a written information security program covering the Business that (i) includes safeguards for the security, confidentiality, and integrity of transactions and confidential or proprietary Business Data and (ii) is designed to protect against unauthorized use, access, interruption, modification, or corruption of the Business IT Systems, the Business Data, and the systems of any third party service providers that have access to any Business Data or Business IT Systems. Seller tests such information security program on a periodic basis, and such program has proven effective upon testing in all material respects.

(c) Since January 1, 2021, to Seller’s knowledge, there has been no (i) data security breach or other unauthorized use, access, interruption, modification, or corruption of any Business IT System or any Business Data that has had or could have a material adverse effect on the Purchased Assets or the Business, or (ii) complaints from, notices from, or Proceedings conducted or claims asserted by any Person, including any Governmental Authority, against Seller regarding (A) any actual or alleged security breach or other unauthorized use, access, interruption, modification, or corruption of any Business IT System or (B) the collection or use of Business Data.

**Section 4.12 Contracts.** Section 4.12 of the Disclosure Schedule contains a list of the following Contracts that the Seller is a party or otherwise bound or a beneficiary of as of the date hereof (each a “**Material Contract**”):

(a) Contracts that the Seller is obligated to pay any other Person, or any other Person is obligated to pay to the Seller, a royalty for the use of any Intellectual Property (excluding “shrink wrap” licenses);

(b) Intellectual Property Licenses;

(c) Contracts that the Seller is obligated to maintain the confidentiality of the

Confidential Information of another Person;

(d) Contracts that any Person is obligated to maintain the confidentiality of confidential or proprietary information of the Seller;

(e) Contracts that any Person is restricted from engaging in any line of business that competes with the Business in any area or territory;

(f) Contracts that any Person has delivered to the Seller any work product that constitutes "work made for hire" within the meaning of 17 U.S. Code Section 101;

(g) Contracts for the employment or engagement of any officer, employee, or other Person on a full-time, part-time, or consulting basis, including, without limitation, all management agreements, severance agreements, executive compensation plans, bonus agreements, Benefit Plan or other similar Contracts that are currently in effect or that which there is or may be any existing or future Liability;

(h) Contracts relating to Indebtedness or placing a Lien on any assets or properties of the Seller, including, without limitation, loan or credit agreements, promissory notes, bonds, debentures, security agreements, pledge agreements, mortgages, indentures, factoring agreements, guaranties, letters of credit, performance bonds, completion bonds, surety agreements, indemnification agreements or similar financing arrangements;

(i) Contracts pursuant to which the Seller leases, either as lessee or as lessor, of any personal property, including capital leases, which agreements involve annual payments more than twenty-five thousand dollars (\$25,000);

(j) Contracts or a series of related Contracts with customers, suppliers, and vendors of the Seller for the purchase or sale of goods or services involving annual payments more than thirty-five thousand dollars (\$35,000) or which cannot be canceled by the Seller without payment or penalty upon notice of thirty (30) days or less;

(k) Contracts whereby either the Seller or any other party to such agreement is required to purchase all its requirements for a product or service from the other party;

(l) Contracts with respect to the acquisition or disposition of any business, assets or securities outside the Ordinary Course of Business, or any equity or debt investment in or any loan to any Person, and all Contracts related to such acquisition or disposition;

(m) Partnership agreements, joint venture agreements and all other similar Contracts that involve a sharing of profits, losses, costs, or Liabilities by the Seller with another Person;

(n) Contracts involving commitments to others to make expenditures, purchases, or sales more than twenty-five thousand dollars (\$25,000) or the performance of which will extend over a period of more than one year;

(o) Contracts between the Seller and any Affiliate of the Seller or the Owners;

(p) Contracts that in any way could limit the freedom of the Seller or any of its Affiliates to engage in any line of business, to compete with any Person in any area or territory, to set its prices or otherwise restrict its respective business; and

(q) Contracts that provide any customer with pricing, discounts or benefits that change based on the pricing, discounts or benefits offered to other customers, including, without limitation, Contracts containing “most favored nation” provisions;

(r) Contracts relating to the distribution, marketing, or sales of products, including agreements with sales representatives or agreements providing for the payment of commissions upon the sale of the Seller’s products; and

(s) Contracts material to the Business or that would reasonably be expected to have a Material Adverse Effect.

All the Material Contracts are in full force and effect and are valid and enforceable in accordance with their terms, and the Material Contracts will continue to be valid and in full force and effect, on identical terms immediately following the consummation of the Transactions. The Seller complies in all respects with the terms and requirements of each Material Contract, including, without limitation, the payment of all royalties due and owing under Intellectual Property Licenses, and each other Person that is party to such Material Contract follows the terms and requirements of such Material Contract. No event has occurred or condition exists (including, without limitation, the noncompliance by the Seller with the terms and requirements of any Material Contract) that, with or without the passage of time or giving of notice or both, would constitute a Breach of a Material Contract, result in termination of a Material Contract or give any party to a Material Contract the right to terminate such Material Contract, result in loss of a material right under a Material Contract, result in the payment of any Damages or penalties under a Material Contract or result in creation of a Lien pursuant to a Material Contract. To Seller’s Knowledge, there are no disputes between the Seller, on the one hand, and any other party, on the other hand, with respect to any Material Contract and the Seller has not sent or received a notice of cancellation or termination with respect to such Material Contracts. Seller has delivered to Purchaser true, accurate and complete copies of each Material Contract, in each case, as amended or otherwise modified and in effect. Seller has delivered to Purchaser a true and accurate written summary setting forth the terms and conditions of each oral Material Contract.

**Section 4.13 Permits.** Seller possesses or has applied for all Permits required by applicable Law to own, lease, and operate the Purchased Assets and to conduct the Business as currently conducted. Section 4.13 of the Disclosure Schedule sets forth a correct list of all such Permits. All such Permits are in full force and effect, and Seller has performed all its obligations under and is, and since January 1, 2021, has been, in compliance with all such Permits. Seller has not received any written or, to Seller’s Knowledge, oral notice from any Governmental Authority (a) indicating or alleging that Seller does not possess any Permit required to own, lease, and operate its properties and assets or to conduct the Business as currently conducted or (b) threatening or seeking to withdraw, revoke, terminate, or suspend any of such Permits. None of such Permits will be subject to withdrawal, revocation, termination, or suspension because of the execution and delivery of this Agreement or the consummation of the transactions contemplated by this Agreement.

**Section 4.14 Employee Benefits.** Section 4.14 of the Disclosure Schedule sets forth a list of all the Seller's Benefit Plans. Section 4.14 of the Disclosure Schedule also contains written summaries of any such Benefit Plans that have not been reduced to writing. An arrangement will not fail to be a Benefit Plan simply because it only covers one individual, or because obligations under the plan arise by reason of its being a "successor employer" under applicable law.

(a) To Seller's Knowledge, all Benefit Plans are, and in administering such plans the Seller is, in compliance in all material respects with all applicable laws, including, without limitation, the currently applicable provisions of ERISA and the currently applicable provisions of Code and the regulations thereunder. Section 4.14(a) of the Disclosure Schedule lists each Benefit Plan pursuant to which any amount may become payable (whether currently or in the future), any of the benefits that will be increased, or the vesting of the benefits under which will be accelerated, by the occurrence of any of the Transactions.

(b) To Seller's Knowledge, each Benefit Plan has been operated in all material respects in accordance with its terms.

(c) The Seller does not maintain any plan that provides (or will provide) medical or death benefits to one or more, current or future former employees (including retirees) beyond their retirement or other termination of service, other than benefits that are required to be provided pursuant to Section 4980B of the Code or state law continuation coverage or conversion rights.

(d) To Seller's Knowledge, all costs of administering and contributions required to be made by the Seller to each Benefit Plan under the terms of that Benefit Plan, ERISA, the Code, or any other applicable law have been timely made. All amounts properly accrued to date as liabilities of the Seller under or with respect to each Benefit Plan (including administrative expenses and incurred but not reported claims) for the current plan year of the Benefit Plan have been recorded on the appropriate books, to the extent required by law or the Seller's historical bookkeeping practices consistently applied.

**Section 4.15 Employee and Labor Matters.**

(a) The employment by the Seller of any Person (whether there is a written employment Contract) is at-will and may be terminated for any reason whatsoever not prohibited by current Laws, without penalty or liability of any kind, other than accrued (i) wages and commissions which are not due and payable, and (ii) accrued sick leave and vacation pay. Neither the execution of this Agreement or the other Transaction Documents nor the consummation of the Transactions will cause the Seller to be in Breach of any Contract with any employee or consultant of the Seller or cause the Seller to have any Liability with respect to any severance, bonus, or other amount to any employee of or consultant to the Seller. To Seller's Knowledge, no officer or other employee of the Seller intends to terminate employment with the Seller following the Closing.

(b) Section 4.15(b) of the Disclosure Schedule sets forth the names, job title, location, current annual salary rates or current hourly wages of all full-time employees of the Seller ("**Employees**") with respect to the fiscal year ended December 31, 2021, and for the period

beginning January 1, 2022, and ending on August 31, 2022. All compensation, including wages, commissions, bonuses and benefits payable to or on behalf of the Employees for services performed (i) on or prior to the date hereof have been paid in full in accordance with Law and the Seller's customary payroll and commission practices or properly accrued on the books and records of the Seller, and (ii) on or prior to the Closing Date will have been paid in full in accordance with Law and with the Seller's customary payroll and commission practices or properly accrued on the books and records of the Seller on or prior to the Closing Date. There are no outstanding Contracts, understandings, or commitments to the Employees with respect to any compensation, severance obligations, change in control benefits, employee benefits, commissions, or bonuses. Section 4.15(b) of the Disclosure Schedule sets forth (A) the names of each current independent contractor retained by the Seller and the current rate of compensation paid to each such independent contractor.

(c) No employees of the Seller, other than seasonal or temporary employees, have been terminated by the Seller since December 31, 2021.

(d) There is not presently pending or, to the Seller's Knowledge, Threatened, and for the past three (3) years there has not been any (i) strike, slowdown, picketing, work stoppage or employee grievance process affecting the Seller; (ii) charge, grievance Proceeding or other claim against or affecting the Seller relating to the alleged violation of any Law pertaining to labor relations or employment matters, including, without limitation, any charge or complaint filed by an employee or union with the National Labor Relations Board, the Equal Employment Opportunity Commission or any comparable Governmental Authority; (iii) union organizational activity or other labor or employment dispute against or affecting the Seller; or (iv) application for certification of a collective bargaining agent with respect to the employees of the Seller. No event has occurred, or circumstances exist that could provide the basis for any work stoppage or other labor dispute with respect to the Seller.

(e) With respect to the contemplated Transaction, any notice required under any Law to any employee has been given prior to the Closing Date. Within the past three (3) years, the Seller has not implemented any plant closing or layoff of employees that could implicate the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar foreign, state, or local law, regulation, or ordinance (collectively, the "WARN Act"). Within ninety (90) days preceding the date hereof, no employee of the Seller has suffered an "employment loss" with the Seller, as such term is defined in the WARN Act.

(f) All sales representatives are employees of the Seller identified pursuant to Section 4.15(b)(i) of the Disclosure Schedule and are not independent sales representatives. Each Employee and each other Person who provides services to the Seller is properly classified with respect to employment status for all purposes, including employment, labor, wage and hour compliance and Tax purposes. There has been no determination by any Governmental Authority that any Person classified as an independent contractor of the Seller constitutes an employee of the Seller. The Seller is and for the past three (3) years has been in compliance with (i) all applicable Laws respecting employment and employment practices and (ii) all terms and conditions of employment (including, those pertaining to wages and hours, discrimination, equal employment opportunity, occupational health and safety, and unemployment compensation).

(g) Section 4.15(g) of the Disclosure Schedule lists all officers and managers of the Seller.

**Section 4.16 Tax Matters.**

(a) Except for the federal and state tax returns for the year ending December 31, 2021, all Tax Returns required to be filed by Seller have been timely filed and are true, correct, and complete in all respects. All Taxes due and owing by the Seller (whether shown on any Tax Return) have been paid. All Taxes or other amounts required to be withheld or collected by the Seller from employees, independent contractors, creditors or other third parties for Taxes (including without limitation sales and use, social security, and unemployment insurance Taxes) have been collected or withheld, and timely paid in full to the applicable Governmental Authorities. The Seller is currently the beneficiary of an extension of time within to file the 2021 Tax Returns required to be filed with respect to the Seller. Seller has provided Purchaser with true, complete, and correct copies of all Tax Returns filed by the Seller for each taxable year beginning after December 31, 2016, and the 2021 extension. The Seller has not received any audits since December 31, 2016.

(b) The Seller is not party to any Tax allocation or sharing agreement among members of an affiliated group filing a consolidated, combined, or unitary Tax Return, nor does the Seller have any Liability to any person with respect to any previously terminated Tax allocation or sharing agreement.

(c) There is no agreement, arrangement, Contract, or plan of the Seller covering any Person that, individually or collectively could give rise to the payment of any amount that would not be deductible by Purchaser or the Seller by reason of Section 280G of the Code (or any corresponding provision of state, local or foreign Law).

(d) There is no dispute, claim, audit, or other Proceeding concerning any Liability for Taxes of the Seller (or the Owners with respect to the Seller) pending, Threatened, or proposed. There are no Tax rulings, requests for rulings, or closing agreements that could affect the Liability for Taxes of the Seller for any period (or portion of a period) after the Closing Date. There are no Tax deficiencies of any kind assessed against the Seller with respect to any taxable period ending on or before the Closing Date and there is no unassessed tax deficiency proposed or Threatened against the Seller. There are no Liens for Taxes upon any of the assets of the Seller.

(e) Neither the Owners nor the Seller has waived any statute of limitations in respect to Taxes or agreed to any extension of time with respect to a Tax assessment or deficiency.

(f) Neither the Owners nor the Seller has any Liability for the unpaid Taxes of any Person (other than the Seller) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law), as a transferee or successor, by contract or otherwise.

(g) All Taxes that the Seller was or is required to withhold or collect, in connection with any amounts paid or owing to any employee, independent contractor, creditor,

equity owner, or other third party, have been withheld and collected and have been timely paid over to the proper Governmental Authorities.

(h) The unpaid Taxes of the Seller did not, as of the date of the Interim Financial Statements of the Seller, exceed the reserve for Liability for Taxes (rather than any reserve for deferred Taxes established to reflect timing differences between book and Tax income) set forth on the face of the Interim Financial Statements of the Seller, and will not exceed that reserve as adjusted in the Ordinary Course of Business through the Closing Date in accordance with the past practices of the Seller in filing Tax Returns. Since the date of the Interim Financial Statements, the Seller has not incurred any Liability for Taxes arising from extraordinary gains or losses outside the Ordinary Course of Business.

(i) No written claim and, to the Seller's Knowledge, no non-written claim has ever been made by a Governmental Authority in a jurisdiction where the Seller does not file Tax Returns that it may be subject to taxation by that jurisdiction.

(j) Section 4.16(j) of the Disclosure Schedule sets forth all jurisdictions that the Seller has filed or will file Tax Returns for each taxable period, or portion thereof, ending on or before the Closing Date. Except as provided in Section 4.16(j) of the Disclosure Schedule, there are no other jurisdictions where the Seller is required to file Tax Returns.

(k) All "nonqualified deferred compensation plans" (as defined in Section 409A of the Code and the Treasury Regulations promulgated thereunder) of the Seller have been operated in compliance with Section 409A of the Code and all applicable guidance (including the Treasury Regulations) promulgated thereunder.

(l) The Seller has not been a United States real property holding Seller within the meaning of Code Section 897(c)(2) during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(m) No adjustments have been made by the Seller under Section 481 of the Code that will affect the Taxes of the Seller or Purchaser for any taxable year that ends on or after the Closing Date. Neither the Seller nor the Purchaser will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Closing Date because of (i) a change in method of accounting, (ii) a closing agreement as described in Section 7121 of the Code (or any corresponding or similar provision of state, local or foreign Tax Law), (iii) inter-company transaction or excess loss account described in Treasury Regulations under Section 1502 of the Code (or any corresponding or similar provision of state, local or foreign Tax Law), (iv) installment sale or open transaction disposition made on or prior to the Closing Date, (v) prepaid amount received on or prior to the Closing Date, or (vi) the use of an improper method of accounting for a taxable year ending on or before the Closing Date, or void an election under Section 108(i) of the Code.

(n) The Seller is not and has not been a party to any "listed transaction" as defined in Section 6707(A)(c)(2) of the Code and Treasury Regulations Section 1.6044(b)(2).

(o) The amounts provided as a current liability on the Financial Statements for all Taxes are, and the amount taken into account in calculating Closing Date Net Working

Capital for all Taxes will be, adequate to cover all unpaid Liabilities for all Taxes, whether disputed, that have accrued with respect to or are applicable to the period ended on and including the date thereof or to any periods prior thereto (as determined on an accrual basis) and that each Owner may be directly or contingently liable in its own right or as a transferee or successor, by Contract or otherwise

**Section 4.17 Litigation.** Except as set forth in Section 4.17 of the Disclosure Schedule, there are no, and during the past five (5) years there have not been any, Proceedings of any kind pending or, to the Seller's Knowledge, Threatened by or against the Seller or to which the Seller is a party, except for customer complaints received in the ordinary course of business individually with claims of Losses no greater than \$5,000. Except as set forth in Section 4.17 of the Disclosure Schedule, the Seller is not party to, or otherwise bound by, any Order or Contract entered into in connection with any Proceeding.

**Section 4.18 Compliance with Laws.** The Seller is, and for the past five (5) years, has been, in material compliance with all applicable Laws and Orders. The Seller has not received any notice of or been charged with any violation of Laws or Orders and no Order has been issued that is applicable to, or otherwise affects, its respective businesses. To the Seller's Knowledge, no event has occurred or circumstance exists that (with or without notice or lapse of time, or both) (i) may constitute or result in a violation by the Seller of, or a failure on the part of the Seller to comply with any Law or Orders, or (ii) may give rise to any obligation on the part of the Seller to undertake, or to bear all or any portion of the cost of, any remedial action of any nature.

**Section 4.19 Material Customers and Material Suppliers.**

(a) Section 4.19(a) of the Disclosure Schedule sets forth a correct list of (i) the top ten (10) customers of the Business (based on the total number of units rented to such customer) for the year ended December 31, 2021, and for the nine-month period ended September 30, 2022 (each, a "**Material Customer**"), showing the total number of units rented to each such Material Customer during the applicable period and the percentage of the total sales of the Business represented by such sales, and (ii) the top ten (10) suppliers and vendors to the Business (based on total amount purchased from such supplier or vendor) for the year ended December 31, 2021, and for the nine-month period ended September 30, 2022 (each, a "**Material Supplier**"), showing the total amount of purchases by the Business from each such Material Supplier during the applicable period and the percentage of the total amount of purchases by the Business represented by such purchases.

(b) Except as set forth in Section 4.19(b) of the Disclosure Schedule, since January 1, 2021, there has been (i) no adverse change in the business relationship, or any material dispute, between the Business and any Material Customer or Material Supplier, (ii) no change in any material term or condition of any Contract with any Material Customer or Material Supplier, and (iii) no indication that any Material Customer or Material Supplier intends to reduce its purchases from or sales to, as applicable, the Business or that any Material Customer or Material Supplier intends to terminate, not renew, or materially amend the terms and conditions of any Contract with such Material Customer or Material Supplier.

(c) Since January 1, 2021, no Material Customer or Material Supplier has



made any breach of contract, indemnification, or similar claim against Seller in respect of the Business.

**Section 4.20 Seller and Affiliates.** Except as set forth in Section 4.20 of the Disclosure Schedule:

(a) The Seller is not indebted to any of its current or past members, managers, or officers (or to their Family Members), or any Affiliate or former Subsidiary in any amount whatsoever other than for salaries payable or for expenses incurred on behalf of the Seller in the Ordinary Course of Business that are not yet due and payable;

(b) The Seller has not entered into any Contract, either independently or through an Affiliate, to pay to or receive from the Owners or any Affiliate of the Owners, any compensation, consideration, or benefit, other than compensation in the Ordinary Course of Business of the Seller as reflected on the Financial Statements;

(c) The Seller has not paid or received, either independently or through an Affiliate, any compensation, consideration, or other benefits to or from any officer, employee, consultant or independent contractor of the Seller, or any of their Affiliates, other than in the Ordinary Course of Business of the Seller and as reflected on the Financial Statements, or entered into any Contract or arrangement, either independently or through an Affiliate, whether written, verbal or implied, to pay to or receive from any officer, employee, consultant or independent contractor of the Seller, or any of their Affiliates, any such compensation, consideration, or benefit; and

(d) Seller does not own any equity, debt, or other interest, directly or indirectly, in any Person engaged in a business competitive with the Business or in any customer, vendor or Affiliate of the Seller or any Person engaged in a business competitive with the Business.

**Section 4.21 Insurance.** Section 4.21 of the Disclosure Schedule lists each fire, theft, general liability, worker's compensation, business interruption, product liability, life, property, automobile, and other insurance policy maintained by the Seller, specifying the type, carrier, amount and period of coverage, the annual premium, and the deductible (collectively, the "**Insurance Policies**"). All Insurance Policies are in full force and effect, and the Seller is not in Breach or default under any such policies. All premiums on the Insurance Policies that are payable prior to the date hereof have been paid, and all premiums on the Insurance Policies that are payable prior to the Closing Date will have been paid on or prior to the Closing Date. Since the respective dates of such policies, no written or oral notice of termination, cancellation or non-renewal has been received by the Owners or the Seller with respect to any Insurance Policy. The Seller has not received a denial of claim for coverage made by the Seller within twelve (12) months immediately preceding the date of this Agreement. All Insurance Policies now or hereafter maintained by the Seller (including the Insurance Policies) will remain in place immediately following the Closing. Accurate and complete copies of all Insurance Policies (and correspondence relating to coverage thereunder) that the Seller is a party or that the Seller is or has been covered since December 31, 2021, have been provided to Purchaser.

**Section 4.22 Product Liability.** The services and ancillary products marketed and sold by the Seller (the “**Products**”) have been marketed, provided, sold, or distributed (as applicable) in compliance with all applicable Laws. Each Product complies with all applicable labeling requirements of each applicable product safety agency, commission, board, or other Governmental Authority.

**Section 4.23 Absence of Certain Commercial Practices.**

(a) The Seller is in compliance with all applicable Export Laws and all Permits issued pursuant to Export Laws, and the Seller has not violated any Export Laws, including, without limitation the Foreign Corrupt Practices Act of 1977 or permits issued pursuant to Export Laws.

(b) The Seller has not exported, re-exported or retransferred, directly, or indirectly, any goods, technology or services to Cuba, Iraq, Iran, Libya, North Korea, Sudan, or Syria.

(c) The Seller has not violated the anti-boycott prohibitions contained in 50 U.S.C. Section 2401 et seq. or taken any action that can be penalized under Section 999 of the Code. During the last five (5) years, neither the Seller nor any Owner has been a party to, is or has been a beneficiary under or has sold any product under any contract under which a product has been sold by the Seller to customers in Bahrain, Iraq, Jordan, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Sudan, Syria, the United Arab Emirates or the Republic of Yemen.

(d) None of the Seller or any of its respective members, managers, officers or employees have (i) used the Seller’s funds for unlawful contributions, gifts, entertainment or other unlawful expenses relating to political activity, or (ii) made any unlawful payments on behalf of the Seller to foreign or domestic government officials or employees or to foreign or domestic political parties or campaigns from the Seller’s funds. To Seller’s Knowledge, no customer, distributor, sales representative, supplier or other agent of the Seller has made any unlawful payments on behalf of the Seller or in connection with the purchase, sale and distribution of any of the Products (x) to foreign or domestic government officials or employees, (y) to foreign or domestic political parties or campaigns, or (z) in violation of any Export Law or other applicable Law.

**Section 4.24 Brokers.** The Seller has not engaged any broker, finder, or investment banker in connection with this Agreement, any of the Transaction Documents or any of the Transactions, and no Person is or will be entitled to any fee from any broker, finder, investment banker, financial advisor, or similar Representative from the Seller in connection with this Agreement, any of the Transaction Documents or any of the Transactions.

**Section 4.25 PPP Loans.** The Seller received forgiveness of its PPP Loans in full on October 27, 2020, and September 8, 2021. Since such dates, (i) there have been no amounts outstanding under or any other liabilities incurred, owed or payable with respect to the PPP Loans and (ii) neither the Seller nor any of its Affiliates has had any obligations with respect to the PPP Loans. Other than the PPP Loans, neither the Seller nor any of its Affiliates has applied for or accepted any benefit from an assistance program related to COVID-19 devised or

supervised by a Governmental Authority, including any loans, grants, Tax holidays or other Tax benefits or relief under the Paycheck Protection Program or other provisions of the CARES Act or any similar applicable Law.

**Section 4.26 Material Misstatements or Omissions.** No representation or warranty made by the Seller or the Owners on behalf of the Seller in this Agreement or in any Transaction Document, Disclosure Schedule, Exhibit, certificate, or document furnished or to be furnished to Purchaser or its Representatives pursuant to this Agreement or in any Transaction Document, or in connection with the Transactions (the “**Furnished Documents**”) contains or will contain any untrue statement of a material fact, or omits or will omit to state a material fact necessary to make the statements of fact contained therein, in light of the circumstances in which they are made, not misleading. Notwithstanding anything to the contrary contained in a **Furnished Document**, all statements of fact made, and data presented by the Owners, or the Seller in any **Furnished Document** are deemed to be representations and warranties made under this Agreement by the Seller and the Owners. There are no facts that (individually or taken together) would reasonably be expected to have a Material Adverse Effect that have not been set forth in this Agreement or the exhibits and schedules hereto.

EXCEPT AS EXPRESSLY SET FORTH IN THIS ARTICLE IV: (I) THE PURCHASED ASSETS ARE SOLD “AS IS, WHERE IS” WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND; AND (II) SELLER AND ITS REPRESENTATIVES DISCLAIM ALL OTHER REPRESENTATIONS OR WARRANTIES, WHETHER EXPRESS OR IMPLIED, WRITTEN OR ORAL, STATUTORY OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY, TITLE, FITNESS FOR A PARTICULAR PURPOSE OR USE, AND NON-INFRINGEMENT.

## **ARTICLE V REPRESENTATIONS AND WARRANTIES OF PURCHASER**

Purchaser hereby represents and warrants to Seller and the Owners that:

**Section 5.1 Organization.** Purchaser is a limited liability company duly organized, validly existing and in good standing under the Laws of the State of Delaware.

**Section 5.2 Power and Authority.** Purchaser has full corporate power and authority to enter into and perform this Agreement and all the other Transaction Documents to be executed or delivered by Purchaser in connection with the Transactions. The execution, delivery and performance of this Agreement and the other Transaction Documents by Purchaser and the consummation by Purchaser of the Transactions have been duly and validly approved by the board of directors of Purchaser. No other approvals or actions are necessary on the part of Purchaser to authorize the execution, delivery and performance of this Agreement and the other Transaction Documents by Purchaser and the consummation by Purchaser of the Transactions.

**Section 5.3 Enforceability.** This Agreement has been duly authorized, executed and delivered by duly authorized officers or other signatories of Purchaser and constitutes a legal, valid, and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms. The Transaction Documents delivered by Purchaser have been duly executed and

delivered by duly authorized officers of Purchaser and constitute legal, valid, and binding obligations of Purchaser, enforceable in accordance with their terms.

**Section 5.4 Consents; Non-contravention.** Purchaser is not required to give any notice to make any filing with or obtain any authorization, consent, Order, or approval of any Person (including, without limitation, any Governmental Authority) in connection with the execution and delivery of this Agreement and the other Transaction Documents or the consummation of the Transactions. Neither the execution, delivery and performance of this Agreement and the other Transaction Documents, nor the consummation of the Transactions would reasonably be expected to: (a) violate any provision of the Organizational Documents of the Purchaser; (b) conflict with, result in a Breach of, or constitute an event creating rights of acceleration, termination, modification or cancellation or a loss of rights under, any written or oral Contract or Permit to which Purchaser is a party, subject or otherwise bound; (c) violate any Law to which Purchaser or any of Purchaser's assets or businesses is subject or otherwise bound; or (d) result in the creation or imposition of any Lien upon any of the assets or businesses of Purchaser.

**Section 5.5 Brokers.** Purchaser has not engaged any broker, finder, or investment banker in connection with this Agreement, any of the Transaction Documents or any of the Transactions, and no Person is or will be entitled to any fee from any broker, finder, investment banker, financial advisor, or similar Representative from Purchaser in connection with this Agreement, any of the Transaction Documents or any of the Transactions.

**Section 5.6 Sufficiency of Funds.** Purchaser has sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Purchase Price and consummate the Transactions contemplated by this Agreement.

## **ARTICLE VI ADDITIONAL TAX MATTERS**

### **Section 6.1 Preparation and Filing of Tax Returns.**

(a) Purchaser shall prepare and file all Tax Returns of the Seller required to be filed after the Closing Date. Any federal income Tax Return of the Seller for a Pre-Closing Tax Period shall be delivered to Seller for review and comments (which comments Purchaser shall consider in good faith) at least twenty (20) days prior to filing. Seller shall pay the amount of any Taxes shown to be due on a Tax Return for a Pre-Closing Tax Period or the portion the Taxes shown to be due on a Tax Return for a Straddle Period that is allocable to the portion of the Straddle Period ending on the Closing Date. In the case of any Straddle Period, the amount of any Taxes based on or measured by income, sales, payroll or receipts of the Seller for the Pre-Closing Tax Period shall be determined based on an interim closing of the books as of the close of business on the Closing Date and the amount of other Taxes of the Seller for a Straddle Period that relate to the Pre-Closing Tax Period shall be deemed to be the amount of such Tax for the entire Taxable period multiplied by a fraction, the numerator of which is the number of days in the Taxable period ending on the Closing Date and the denominator of which is the number of days in such Straddle Period.

(b) Seller and Purchaser reasonably and in good faith shall cooperate with each other in preparing and filing all Tax Returns required to be filed by Purchaser under Section 6.1(a). The Parties also agree to make available to each other all books and records necessary in connection with the preparation and filing of such Tax Returns or other Tax matters, whether relating to periods before or after the Closing.

(c) Seller shall pay any applicable sales, use, transfer, and documentary Taxes (which for avoidance of doubt shall not include any income, gross receipts, or similar Tax) and similar Tax recording and filing fees associated with the transfer of the Purchased Assets to Purchaser.

(d) If, after the Closing Date, Purchaser or the Seller receives any notice, letter, correspondence, claim or decree, in all cases in writing, relating to any Pre-Closing Tax Period from any Governmental Authority (the "Tax Notice"), such Person shall promptly deliver such Tax Notice to Seller. If, after the Closing Date, Seller receives a Tax Notice, such Person shall promptly notify Purchaser.

## ARTICLE VII POST-CLOSING COVENANTS

### Section 7.1 **Non-Competition and Non-Solicitation.**

(a) Seller and the Owners acknowledge that an important part of the benefit that Purchaser will receive in connection with the Transactions is the ability to conduct the Business free from competition from Seller or the Owners. In order that Purchaser may enjoy such benefits: (i) during the Noncompetition Period, neither Seller nor any Owner will, anywhere within the Restricted Area, directly or indirectly, engage or participate or have any ownership or other financial interest in, or in any way assist (as an officer, director, manager, employee, agent, consultant, investor, partner, member, shareholder or otherwise) any Person to engage in, any business or enterprise that competes with or otherwise engages in the Business or any Business that provides storage by the box or similar solutions or services; and (ii) neither Seller nor any Owner will attempt to induce or encourage others to induce any employee, consultant or agent of Purchaser or the Seller to: (1) terminate such person's employment with Purchaser or the Seller (in the case of an employee), or cease providing services to Purchaser or the Seller (in the case of a consultant or agent) during a two-year period following the date of this Agreement; (2) hire or encourage any Person to hire any full-time employee of Purchaser or the Seller or any person who was a full-time employee of Purchaser or the Seller during a one-year period following the date of this Agreement; or (3) divert, solicit or attempt to divert, or assist or encourage any Person in diverting, soliciting or attempting to divert, to or for any business or enterprise in competition with Purchaser or the Seller, any customer or supplier of Purchaser or the Seller during a two-year period following the date of this Agreement; *provided, however*, that this provision shall not prohibit the Owners from acquiring, solely as an investment, securities of any Person listed on a national securities exchange or regularly traded in the over-the-counter market (including any such Person that is subsequently taken private) of not more than one percent (1%).

(b) For purposes of this Section 7.1, the following terms shall have their

corresponding definitions:

(i) “**Noncompetition Period**” means the period commencing on the date of this Agreement through the third (3<sup>rd</sup>) anniversary of the date of this Agreement.

(ii) “**Restricted Area**” means anywhere in the Territory that the Seller competes or has taken active steps to compete in, as of the date hereof.

(c) Seller and the owners acknowledge that the preservation of the Confidential Information by Seller and the Owners is an essential premise of the bargain among Seller, the Owners, and Purchaser, and that Purchaser would be unwilling to enter into this Agreement in the absence of this Section 7.1(c). Accordingly, Seller and the Owners hereby agree that they will not at any time on or after the Closing Date, directly or indirectly, without the prior written consent of Purchaser, use, disclose, communicate, or otherwise divulge, any Confidential Information. The Owners shall be responsible for any Breach or violation of the provisions of this Section 7.1 by Seller, any Owner, or their Affiliates.

(d) Seller and the Owners acknowledge that the duration, geographic restrictions and scope of the covenant not to compete, the non-solicitation/no-hire, confidentiality and other provisions described in this Section 7.1 are fair, reasonable and necessary in order to protect the legitimate interests of Purchaser, and that adequate consideration has been received by Seller for such obligations. If, however, for any reason any court determines that the restrictions in this Section 7.1 are not reasonable or that such consideration is inadequate, such restrictions shall be interpreted, modified or rewritten to include as much of the duration, scope and geographic area identified in this Section 7.1 as will render such restrictions valid and enforceable.

(e) Seller and the Owners acknowledge that any Breach of the provisions contained in this Section 7.1 will result in serious and irreparable injury to Purchaser. Therefore, Seller and the Owners acknowledge and agree that in the event of a Breach of these provisions, Purchaser will be entitled to, in addition to any other remedy at Law or in equity to which Purchaser may be entitled, equitable relief against Seller or the Owners.

**Section 7.2 Seller’s Release.** Upon consummation of the Closing, and except for obligations of Purchaser arising under this Agreement, the Transaction Documents, Seller and the Owners, on their own behalf, and on behalf of each of its Representatives, does hereby irrevocably, unconditionally, voluntarily, knowingly, fully, finally and completely forever release and discharge each of Purchaser and the Seller, and each of their respective successors, assigns and predecessors (the “**Released Parties**”) from, against and with respect to all actions, accounts, agreements, causes of action, complaints, charges, claims, covenants, contracts, costs, Damages, demands, debts, defenses, duties, expenses, executions, fees, injuries, interest, judgments, liabilities, losses, obligations, penalties, promises, reimbursements, remedies, suits, sums of money, and torts of whatever kind or character, whether in law, equity or otherwise, or direct or indirect, that Seller now have, or may hereafter have or acquire, against any of the Released Parties with respect to the ownership of the Purchased Assets, or the ownership, operation, business, affairs, management or financial condition of the Business or the Seller; provided, however, that nothing contained herein will operate to release any obligations of any of

the Released Parties or any rights of Seller or the Owners arising under this Agreement or under any Transaction Document.

**Section 7.3 Further Assurances.** Subject to the terms and conditions herein provided, the Parties hereto shall use their Best Efforts to take, or cause to be taken, such actions and to execute and deliver, or cause to be executed and delivered, such additional documents and instruments, things necessary, proper or advisable under the provisions of this Agreement and under applicable Law to consummate and make effective the Transactions by this Agreement and the Transaction Documents, including actions necessary to assist Purchaser with the items set forth on Section 4.10(f) of the Disclosure Schedules.

**Section 7.4 Affiliate License Termination.** Seller shall terminate, or cause the termination of, all Intellectual Property Licenses granted to all Persons set forth on Section 4.12(b) of the Disclosure Schedule, and such Persons shall not hyperlink, represent, display, market, communicate, or otherwise use in any way any Intellectual Property of the Seller after September 30, 2022.

**Section 7.5 Release of Personal Guarantees.** Purchaser shall use commercially reasonable efforts to assist the Seller and the Owners in having removed all personal guarantees provided to the owner of the Leased Real Property by the Seller or parties related to the Seller. Purchaser shall cooperate with Seller, the Seller and owner, in providing financial information regarding the Purchaser requested by the owner of the Leased Real Property to facilitate the release of such personal guarantees.

**Section 7.6 Purchaser's Contribution to Seller's Excess Tax Liability.** Upon determination of the Seller's tax liability post-Closing, Purchaser shall pay Seller fifty percent (50%) of the difference in the Seller's tax liability resulting from the transaction being consummated as an asset transaction as opposed to a stock transaction. Purchaser shall make such payment to Seller within ten (10) Business Days of receipt of documentation evidencing the Seller's tax liability. All disputes between the parties regarding this Section 7.6 shall be resolved using the procedures set forth in Section 3.3.

## ARTICLE VIII INDEMNIFICATION

### Section 8.1 Indemnification by Seller, the Owners, and Purchaser.

(a) Indemnification by the Seller and the Owners. Subject to the terms and conditions of this Agreement, the Seller and the Owners, jointly and severally, will indemnify and hold harmless Purchaser, their Affiliates and their respective shareholders, members, partners, officers, directors, employees, agents, successors and permitted assigns (collectively, the "**Purchaser Indemnified Parties**") against and in respect of any Damages suffered or incurred by any Purchaser Indemnified Party based upon, arising out of or otherwise in respect of any of the following:

(i) any Breach of any representation or warranty set forth in Article IV in this Agreement or any representation or warranty of the Seller or the Owners set forth in the Transaction Documents;

(ii) any Breach of or nonfulfillment of any covenant or agreement of the Seller or the Owners in this Agreement, or in any Transaction Document;

(iii) (A) any Taxes (or the non-payment thereof) for a Pre-Closing Tax Period including but not limited to Taxes or other Liabilities owed because of an election under subchapter S of the Code, state sales Taxes, state franchise fees or foreign qualification fees or penalties for failure to pay any of the preceding, (B) any Tax of another Person imposed on the Seller because of an act or transaction occurring prior to the Closing or as the result of being a member of a consolidated, combined or unified group prior to the Closing (C) all Taxes and Damages arising out of, or resulting from, a Breach of the representations, warranties or covenants contained in Section 4.16 hereof, and (D) any costs, expenses or other Damages with respect to Taxes indemnified hereunder; or

(iv) any Transaction Expenses or Indebtedness, to the extent not included in the calculation of Closing Funds Flow Statement.

(b) Indemnification by Purchaser. Subject to the terms and conditions of this Agreement, Purchaser will indemnify and hold harmless Seller and the Owners and their Affiliates and their respective members, partners, officers, managers, employees, agents, successors and permitted assigns (collectively, the “**Seller Indemnified Parties**”) against and in respect of any Damages suffered or incurred by any Seller Indemnified Party based upon, arising out of or otherwise in respect of any of the following:

(i) any Breach of any representation or warranty set forth in Article V in this Agreement or any representation or warranty of Purchaser set forth in the Transaction Documents; or

(ii) any Breach of or nonfulfillment of any covenant or agreement of Purchaser in this Agreement or any Transaction Document.

## Section 8.2 **Indemnification Procedures.**

(a) If a claim for Damages (a “**Claim**”) is proposed to be made by a Party entitled to indemnification hereunder (the “**Indemnitee**”) against the Party from whom indemnification is claimed (the “**Indemnitor**”), the Indemnitee will give notice (a “**Claim Notice**”) to the Indemnitor promptly after the Indemnitee becomes aware of any fact, condition or event that may give rise to Damages for which indemnification may be sought under this Section 8.2. The failure to deliver a Claim Notice shall not affect whether the Indemnitor is liable for indemnification hereunder unless and only to the extent that an Indemnitor is materially prejudiced thereby.

(b) If any Person commences any Proceeding (a “**Third-Party Claim**”) with respect to any matter as to which any of the Purchaser Indemnified Parties intends to seek indemnification under Section 8.1(a), or with respect to any matter as to which any of Seller Indemnified Parties intends to seek indemnification under Section 8.1(b), the Indemnitee will promptly notify the Indemnitor of the commencement of such Proceeding (and in any event within ten (10) Business Days after the service of any summons or citation). The failure of any Indemnitee to give timely notice hereunder will not affect rights to indemnification hereunder



unless and only to the extent that an Indemnitor is materially prejudiced thereby.

(c) The Indemnitor will be entitled at any time to participate at its sole cost and expense in the defense of any Third-Party Claim with counsel of its own choice, and the Parties agree to cooperate fully with one another in connection with the defense and/or settlement thereof. Notwithstanding the foregoing, if the Indemnitor irrevocably acknowledges in writing its obligation to indemnify the Indemnitee for all Damages relating to such Third-Party Claim, including amounts more than the limits set forth in Section 8.4 and amounts below the Basket Amount, the Indemnitor may elect to assume and control the defense thereof with counsel selected by the Indemnitor and reasonably satisfactory to Indemnitee. If the Indemnitor assumes such defense, the Indemnitee shall have the right to participate in the defense thereof and to employ counsel, at its own expense, separate from the counsel employed by the Indemnitor, it being understood that the Indemnitor shall control such defense; provided that the Indemnitee shall be entitled to participate in any such defense with counsel of its own choice at the expense of the Indemnitor if the Indemnitee shall have reasonably concluded that a conflict of interests exists between the Indemnitee and the Indemnitor which makes representation of both Parties inappropriate under applicable standards of professional conduct. If a Purchaser Indemnified Party is the Indemnitee, the Indemnitor will not have the right to assume and control the defense of such Third-Party Claim (or, if already assumed, the Indemnitee will have the right to reassume and control the defense of such Third-Party Claim), and the Indemnitor shall pay the fees and expenses of counsel retained by the Indemnitee, if the Third-Party Claim (i) seeks non-monetary relief, (ii) involves criminal or quasi-criminal allegations, (iii) involves a claim with respect to a Straddle Period or which the Indemnitee reasonably believes a settlement or adverse judgment would have a Material Adverse Effect on, or may establish a precedent or custom materially adverse to, the Business or a Tax position of the Indemnitee or its Affiliates or may increase the Tax liability of the Indemnitee or its Affiliates in a Tax period ending after the Closing Date; (iv) involves any claim made by any customer or supplier of the Seller; (v) involves a claim if, because of the application of the provisions of Section 8.4, less than 100% of the Damages reasonably expected to result from the Third-Party Claim would be indemnifiable hereunder; or (vi) the Indemnitor fails to conduct the defense of such Third-Party Claim actively and diligently.

(d) If the Indemnitor fails to assume the defense of any Claim within the time period specified in Section 8.2(c), the Indemnitee will have the right, but not the obligation, to undertake the defense of such Third-Party Claim for the account of the Indemnitor. If the Indemnitee assumes the defense of such Third-Party Claim, (i) the Indemnitor will no longer have the right to control such defense; (ii) the Indemnitee will control the defense of the Third-Party Claim actively and diligently; and (iii) the Indemnitor will cooperate with the Indemnitee in such defense and make available to the Indemnitee, at the Indemnitor's expense, all such witnesses, records, materials and information in the Indemnitor's possession or under the Indemnitor's control relating thereto as is reasonably requested by the Indemnitee.

(e) Any Party conducting the defense of a Third-Party Claim will keep the other Party advised as to the current status and progress thereof. The Party conducting the defense of a Third-Party Claim shall have the right to settle and compromise any Third-Party Claim (i) if the Party conducting the defense is the Indemnitee, only if the Indemnitor provides its prior written consent to such settlement or compromise, which consent shall not be

unreasonably withheld or delayed; or (ii) if the Party conducting the defense is the Indemnitor, upon prior written notice to the Indemnitee, so long as such settlement or compromise (A) expressly and unconditionally releases the Indemnitee from all liabilities and obligations with respect to such claim or demand and (B) will not impose any injunctive or other equitable relief against the Indemnitee; provided that if the Third-Party Claim involves Taxes, the Indemnitor may settle or compromise such Third-Party Claim only with the prior written consent of the Indemnitee (which consent shall not be unreasonably withheld or delayed).

**Section 8.3 Survival.**

(a) all representations and warranties contained in this Agreement will survive the Closing for twelve (12) months.

(b) Notwithstanding anything to the contrary set forth in this Agreement, Claims for Damages arising out of Section 8.1(a)(ii), (iii), (iv), or Section 8.1(b)(ii) will survive the Closing for the applicable statute of limitations;

(c) Amounts not forgiven by the SBA or other lender for the Seller's loans under the Paycheck Protection Program by the twelve-month anniversary of the Closing Date will survive Closing for the applicable statute of limitations; and

(d) Claims for Damages arising from any intentional misrepresentation, gross negligence, intentional misconduct, any fraudulent act, or fraudulent omission will survive Closing without limitation as to time.

(e) No indemnification will be payable for any Claim for Damages pursuant to Section 8.1(a)(i), or Section 6.1(b) with respect to any Breach of any representation or warranty after termination of the applicable survival period specified in this Section 8.3 except with respect to Claims made prior to such termination pursuant to Section 8.2 but not then resolved (such representation or warranty surviving with respect to such Claim until resolution of such Claim).

**Section 8.4 Limitations.** The rights to indemnification under Section 8.1 are subject to the following limitations:

(a) Cap. Except as set forth in Section 8.4(c), the aggregate amount which all of the Purchaser Indemnified Parties will be entitled to receive for all Claims under Section 8.1(a)(i) for any misrepresentation or Breach by Seller or the Owners of the representations and warranties set forth in this Agreement is limited to one million two hundred fifty thousand dollars (\$1,250,000) (the "Cap"). Except as set forth in Section 8.4(c), the aggregate amount which all of the Seller Indemnified Parties will be entitled to receive for all claims under Section 8.1(b)(i) for any misrepresentation or Breach by Purchaser of the representations and warranties set forth in this Agreement is limited to the Cap.

(b) Basket. Except as set forth in Section 8.4(c), neither Seller nor the Owners will have an obligation to indemnify any Purchaser Indemnified Parties for any Claims under Section 8.1(a)(i) until the aggregate amount of all Damages incurred by the Purchaser Indemnified Parties for which a Claim is brought under Section 8.1(a)(i) exceeds fifty thousand

Dollars (\$50,000) (the “**Basket Amount**”), after which Seller and the Owners must indemnify the Purchaser Indemnified Parties to the full extent of Damages, including, without limitation, all Damages used in calculating the Basket Amount, subject to the Cap.

(c) Exclusions from Section 8.4(a) and (b) Limitations. The limitations under Section 8.4(a) and (b) will not apply to claims for:

- (i) indemnification under Section 8.1(a)(ii), (iii), or (iv);
- (ii) all amounts still owed by the Seller pursuant to the Paycheck Protection Program;
- (iii) relating to any gross negligence, intentional misconduct, intentional misrepresentation, fraudulent act or fraudulent omission or breaches of the Fundamental Representations.

(d) Escrow. Purchaser may seek recourse against the Escrow Amount for any Damages incurred by it arising from a Claim; provided that recourse to the Escrow Amount will not be Purchaser’s sole or exclusive remedy for such Damages.

(i) Initial Release Date. On the six (6) month anniversary of the Closing Date, the Escrow Agent shall release fifty percent (50%) of the Escrow Amount to Seller, less the sum of (A) the amount of Claims, if any, outstanding as of such date and (B) the aggregate amount paid to Purchaser from the Escrow Amount before such date.

(ii) Final Release Date. On the twelve (12) month anniversary of the Closing Date, the Escrow Agent shall release from the Escrow Amount to Seller such balance remaining in the Escrow Amount as of such date, less the sum of (x) the amount of Claims, if any, outstanding as of such date and (y) the aggregate amount paid to Purchaser from the Escrow Amount before such date.

**Section 8.5 No Execution on Seller’s Residence.** Notwithstanding the fact that the Owners and the Seller are jointly and severally liable, in exercising its rights for indemnification under this Article V, Purchaser shall not be permitted to foreclose or execute upon the Owner’s residence currently located at 715 Southwinds Drive, Bryn Mawr, PA 19010.

**Section 8.6 Treatment of Indemnification Payments.** For all purposes hereunder, any indemnification payments made pursuant to this Article VIII will be treated as an adjustment to the Purchase Price for Tax purposes, to the maximum extent permitted by law.

**Section 8.7 Materiality.** Each of the representations and warranties that contain any “Material Adverse Effect,” “in all material respects” or other materiality (or correlative meaning) qualifications shall be deemed to have been given as though there were no “Material Adverse Effect,” “in all material respects” or other materiality (or correlative meaning) qualification for purposes of calculating Damages under this Article VIII.

**ARTICLE IX  
MISCELLANEOUS**

**Section 9.1 Notices.** All notices required or permitted to be given hereunder shall be in writing and may be delivered by hand, by facsimile, by electronic transmission in PDF format or similar format, by nationally recognized private courier, or by United States mail. Notices delivered by mail shall be deemed given three (3) Business Days after being deposited in the United States mail, postage prepaid, registered, or certified mail, return receipt requested. Notices delivered by hand shall be deemed delivered when actually delivered. Notices given by nationally recognized private courier shall be deemed delivered on the date delivery is promised by the courier. Notices given by facsimile or by electronic transmission shall be deemed given on the date transmitted. All notices shall be addressed as follows:

If to the Seller: Masha Mobile Moving & Storage, LLC  
715 Southwinds Drive  
Bryn Mawr, PA 19010

With a copy to:  
Barley Snyder  
2755 Century Boulevard  
Wyomissing, PA 19610  
Attn: Charles J. Phillips, Esquire

If to Purchaser: Forward Moving, LLC  
c/o Zippy Shell Incorporated  
11640 Northpark Drive, Suite 300  
Wake Forest, NC 27587  
Attn: Mark Linville

With a copy to:  
Egan Nelson LLP  
1330 Post Oak Road, Suite 3301  
Houston, TX 77056  
Attn: Vince Cangolosi

or to such other respective addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 9.1.

**Section 9.2 Entire Agreement; Amendments.** This Agreement, including all schedules and exhibits, along with the Transaction Documents and all schedules and exhibits thereto, contains and is intended as a complete statement of all of the terms and the arrangements between the Parties with respect to the matters provided for, supersedes any previous agreements and understandings between the Parties with respect to those matters (including, without limitation, all term sheets, letters of intent, or other understandings between the Seller, the Owners, or the Purchaser, except for expressly binding provisions thereof, which shall survive execution of this Agreement only until the Closing Date), and cannot be changed or terminated orally.

**Section 9.3 Non-Waiver; Cumulative Remedies.** No omission or course of dealing on the part of any of the Parties in exercising any right, power, or remedy under this Agreement or under any of the Transaction Documents shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy under this Agreement or under any of the Transaction Documents. The remedies provided for in this Agreement are cumulative and in addition to any other rights, powers, or privileges held under this Agreement, any of the Transaction Documents, or by operation of law, by contract or otherwise.

**Section 9.4 Counterparts.** This Agreement may be executed in any number of counterparts and by facsimile or PDF, and by the different Parties hereto in separate counterparts, each of which will be deemed an original for all purposes and all of which together will constitute the same instrument.

**Section 9.5 Parties in Interest.** This Agreement is binding upon and inure solely to the benefit of each Party hereto, and nothing in this Agreement, express or implied, is intended to or will be construed to or will confer upon any other Person any right, claim, cause of action, benefit, or remedy of any nature whatsoever under or by reason of this Agreement, including, without limitation, by way of subrogation.

**Section 9.6 Assignment.** This Agreement is binding upon, inures to the benefit of, and is enforceable by the successors and permissible assigns of Seller and Purchaser, including any Affiliates thereof. This Agreement and any rights and obligations hereunder will not be assigned, hypothecated, or otherwise transferred by any Party hereto (by operation of Law or otherwise) without the prior written consent of the other Parties hereto, which consent will not unreasonably be withheld; provided, however, that Purchaser may collaterally assign its rights under this Agreement to its lenders or to any Affiliate of Purchaser.

**Section 9.7 Delivery by Electronic Transmission.** This Agreement and any other Transaction Document, and any amendments hereto or thereto, to the extent signed and delivered by means of a facsimile machine, PDF, or other electronic transmission, shall be treated in all manner and respects as an original contract and shall be considered to have the same binding legal effects as if it were the original signed version thereof delivered in person. At the request of any Party hereto or to any such contract, each other Party hereto or thereto shall re-execute original forms thereof and deliver them to all other Parties. No Party hereto or to any such contract shall raise the use of a facsimile machine, PDF, or other electronic transmission to deliver a signature or the fact that any signature or contract was transmitted or communicated through the use of facsimile machine, PDF or other electronic transmission as a defense to the formation of a contract and each such Party forever waives any such defense.

**Section 9.8 Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect under any applicable Law in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other provision or any other jurisdiction, and, for purposes of such jurisdiction, such provision or portion thereof shall be struck from the remainder of this Agreement, which shall remain in full force and effect. This Agreement shall be reformed, construed, and enforced in

such jurisdiction so as to give best effect to the intent of the Parties under this Agreement.

**Section 9.9 Applicable Law.** This Agreement and any controversy related to or arising, directly or indirectly, out of caused by or resulting from this Agreement shall be governed by and construed in accordance with the domestic Laws of the State of Delaware, without giving effect to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware.

**Section 9.10 Waiver of Jury Trial.** EACH PARTY TO THIS AGREEMENT ACKNOWLEDGES AND AGREES THAT ANY CONTROVERSY WHICH MAY ARISE UNDER THIS AGREEMENT IS LIKELY TO INVOLVE COMPLICATED AND DIFFICULT ISSUES, AND THEREFORE THE PARTIES HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT AND ANY OF THE AGREEMENTS DELIVERED IN CONNECTION HERewith OR TRANSACTIONS HEREBY OR THEREBY. EACH PARTY HERETO CERTIFIES AND ACKNOWLEDGES THAT (A) NO AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION OR OTHER DISPUTE RESOLUTION PROCEEDING, SEEK TO ENFORCE SUCH WAIVER, (B) IT UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF SUCH WAIVER, (C) IT MAKES SUCH WAIVER VOLUNTARILY, AND (D) IT HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 9.10.

**Section 9.11 Specific Performance.** The Parties agree that irreparable Damages would occur in the event any provision of this Agreement is not performed in accordance with the terms hereof and each of the Parties is entitled to specified performance of the terms hereof or injunctive relief, in addition to any other remedy at Law or in equity that may be available under applicable Law.

**Section 9.12 Expenses.** Each Party shall bear their own fees and expenses incurred in connection with the transaction, it being understood that the Owners shall be responsible for all their and of the Seller's costs and expenses incurred in connection with the Transactions.

**Section 9.13 Construction.** This Agreement has been drafted jointly by the Parties and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any of the provisions of this Agreement. The Recitals are incorporated into this Agreement.

**Section 9.14 Interpretive Provisions.** Unless otherwise indicated to the contrary herein by the context or use thereof: (a) all references to the preamble, recitals, sections, articles, schedules or exhibits are to the preamble, recitals, sections, articles, schedules or exhibits of or to this Agreement; (b) the words, "herein," "hereto," "hereof" and words of similar import refer to this Agreement as a whole and not to any particular Section or paragraph hereof; (c) masculine gender shall also include the feminine and neutral genders, and vice versa; (d) words importing


the singular shall also include the plural, and vice versa; and (e) the word “including” shall mean “including without limitation.” Any representation or warranty contained herein as to the enforceability of a contract (including this Agreement and any Transaction Document) will be subject to the effect of any bankruptcy, insolvency, reorganization, moratorium, or other similar law affecting the enforcement of creditors’ rights generally and to general equitable principles (regardless of whether such enforceability is considered in a Proceeding in equity or at law). Whenever this Agreement refers to a number of days, unless specified otherwise, such number will refer to calendar days.

[Signatures to Follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**PURCHASER:**

MOVING FORWARD, LLC

  
\_\_\_\_\_  
Mark Linville  
Chief Financial Officer

**SELLER:**

MASHA MOBILE MOVING & STORAGE, LLC

\_\_\_\_\_  
Stephen Masha  
President


**OWNERS:**

\_\_\_\_\_  
Stephen Masha,  
in his individual capacity

\_\_\_\_\_  
Ashley Masha,  
in her individual capacity

For purposes of Article VIII:

ZIPPY SHELL INCORPORATED

  
\_\_\_\_\_  
Mark Linville  
Chief Financial Officer



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**PURCHASER:**

**MOVING FORWARD, LLC**

\_\_\_\_\_  
Mark Linville  
Chief Financial Officer

**SELLER:**

**MASHA MOBILE MOVING & STORAGE, LLC**

\_\_\_\_\_  
Stephen Masha  
President

**OWNERS:**

\_\_\_\_\_  
Stephen Masha,  
in his individual capacity

\_\_\_\_\_  
Ashley Masha,  
in her individual capacity

For purposes of Article VIII:

**ZIPPY SHELL INCORPORATED**

\_\_\_\_\_  
Mark Linville  
Chief Financial Officer

**Exhibit A**

**Assignment and Assumption Agreement**

### Assignment and Assumption Agreement

This Assignment and Assumption Agreement (the “**Agreement**”), effective as of September 30, 2022 (the “**Effective Date**”), is by and between Forward Moving, LLC, a Delaware limited liability company (“**Purchaser**”), and Masha Mobile Moving & Storage, LLC, a Pennsylvania limited liability company (“**Seller**”). Purchaser and Seller are sometimes referred to in this Agreement as a “**Party**,” and collectively as the “**Parties**.” Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Asset Purchase Agreement (defined in the Recitals below).

WHEREAS, Seller and Purchaser have entered into a certain Asset Purchase Agreement, dated as of the date hereof (the “**Asset Purchase Agreement**”), pursuant to which, among other things, Seller has agreed to assign all of its rights, title and interests in, and Purchaser has agreed to assume all of Seller’s duties and obligations under, certain Contracts (the “**Transferred Contracts**”).

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:


1. Definitions. All capitalized terms used in this Agreement but not otherwise defined herein are given the meanings set forth in the Asset Purchase Agreement.
2. Assignment and Assumption. Seller hereby sells, assigns, grants, conveys, and transfers to Purchaser all of Seller’s right, title and interest in and to the Transferred Contracts. Purchaser hereby accepts such assignment and assumes all of Seller’s duties and obligations under the Transferred Contracts and agrees to pay, perform, and discharge, as and when due, all of the obligations of Seller under the Transferred Contracts accruing on and after the Effective Date.
3. Terms of the Asset Purchase Agreement. The terms of the Asset Purchase Agreement, including, but not limited to, the representations, warranties, covenants, agreements, and indemnities relating to the Transferred Contracts are incorporated herein by this reference. The Parties acknowledge and agree that the representations, warranties, covenants, agreements, and indemnities contained in the Asset Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the terms of the Asset Purchase Agreement and the terms hereof, the terms of the Asset Purchase Agreement shall govern.
4. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Delaware without giving effect to any choice or conflict of law provision or rule (whether of the State of Delaware or any other jurisdiction).
5. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

6. Further Assurances. Each of the Parties shall execute and deliver, at the reasonable request of the other Party, such additional documents, instruments, conveyances, and assurances and take such further actions as such other Party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written.

**PURCHASER:**  
FORWARD MOVING, LLC

BY:   
Name: Mark Linville  
Title: Chief Financial Officer

**SELLER:**  
MASHA MOBILE MOVING & STORAGE, LLC

By: \_\_\_\_\_  
Stephen Masha, Manager

**IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written.**

**PURCHASER:  
FORWARD MOVING, LLC**

By: \_\_\_\_\_  
Name: Mark Lirville  
Title: Chief Financial Officer

**SELLER:  
MASHA MOBILE MOVING & STORAGE, LLC**

By: Stephen Masha  
Stephen M. Masha, President

*Exhibit B*  
*Bill of Sale*

## Execution Version

### BILL OF SALE

This BILL OF SALE AND ASSUMPTION AGREEMENT (this “**Bill of Sale**”) is made and entered into as of September 30, 2022, by and between Forward Moving, LLC, a Delaware limited liability company (“**Purchaser**”), and Masha Mobile Moving & Storage, LLC, a Pennsylvania limited liability company (“**Seller**”). Purchaser and Seller are sometimes referred to in this Agreement as a “**Party**,” and collectively as the “**Parties**.” Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Asset Purchase Agreement (defined in the Recitals below).

### RECITALS:

WHEREAS, Purchaser and Seller, among others, are parties to that certain Asset Purchase Agreement, dated as of the date hereof (the “**Asset Purchase Agreement**”), pursuant to which Purchaser hereby agrees to purchase from Seller, and Seller hereby agrees to sell, convey, transfer and assign to Purchaser, on the Closing Date, all of Seller’s right, title and interest in and to substantially all of the assets of the Business of Seller, as more fully described in the Asset Purchase Agreement; and

WHEREAS, the execution of this Bill of Sale is a condition precedent under the Asset Purchase Agreement.

### AGREEMENT:

NOW, THEREFORE, in consideration of the terms, covenants and conditions hereinafter set forth, the Parties agree as follows:

1. Purchased Assets. In accordance with and subject to terms, conditions and limitations set forth in the Asset Purchase Agreement, Seller hereby agrees to sell, convey, transfer and assign to Purchaser all of Seller’s right, title and interest in and to the Purchased Assets, free and clear of all Liens other than Permitted Liens TO HAVE AND TO HOLD; provided, however, that with respect to the Contracts transferred as Purchased Assets (the “**Transferred Contracts**”), Seller sells, conveys, transfers and assigns to Purchaser all of Seller’s right, title and interest in, under and to such Contracts from and after the Closing, to the extent that such Contracts are, or hereafter become, legally assignable or any necessary consents to assignment have been (or are hereafter) obtained.

2. Excluded Assets. Notwithstanding anything to the contrary contained elsewhere in this Bill of Sale, the Excluded Assets are not sold hereby, but are retained by Seller, and the Purchased Assets exclude all the Excluded Assets.

3. Assumed Liabilities. In accordance with and subject to the terms, conditions and limitations set forth in the Asset Purchase Agreement, and subject to the proviso set forth in Section 1 hereof, Seller hereby sells, conveys, transfers, assigns and delivers to Purchaser all of the Assumed Liabilities.



## Execution Version

4. Acceptance and Assumption. In accordance with and subject to the terms, conditions and limitations set forth in the Asset Purchase Agreement, the Purchaser hereby (a) accepts the Purchased Assets as conveyed herein, (b) purchases and accepts the sale, transfer, assignment, conveyance and delivery of Seller's right, title and interests in, under and to the Transferred Contracts (to the extent that necessary consents to assignment have been obtained), as well as all other Assumed Liabilities, and (c) assumes, undertakes and agrees, to pay, satisfy, perform and discharge in full, as and when due, all obligations and liabilities of any kind arising out of, or required to be performed under, such Transferred Contracts and all other Assumed Liabilities.

5. Further Assurances. Each Party hereby agrees to execute and deliver such other instruments and documents, and take such other actions, as the other Party may from time to time hereafter reasonably request to further evidence the sale, transfer and conveyance to Purchaser of the Purchased Assets, the assignment of Transferred Contracts and the assumption and performance of the Assumed Liabilities; provided, that, with respect to any such request, the requesting Party bears the reasonable costs of preparing, executing and delivering such instruments or taking of such actions, unless the other Party is expressly obligated, under any terms or provisions of the Asset Purchase Agreement, to execute and deliver such documents or to take any such action.

6. The Asset Purchase Agreement. Nothing contained in this Bill of Sale shall be deemed to supersede or otherwise affect any of the obligations, agreements, covenants, representations or warranties of Seller or Purchaser contained in the Asset Purchase Agreement.

7. Execution in Counterparts. This Bill of Sale may be executed in separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Bill of Sale shall become effective when counterparts have been signed by each of the Parties and delivered by facsimile or other means to the other Party.

8. Binding Effect. This Bill of Sale, and all the covenants, terms and conditions set forth herein shall be binding upon, and shall inure to the benefit of, the Parties and their respective heirs, successors and assigns.

9. Governing Law. This Agreement, its construction and the remedies for its enforcement or breach are to be applied pursuant to, and in accordance with, the Laws of the State of Delaware, without regard to the principles of conflicts of law thereof.

10. Interpretation. In the event of any conflict or questions of interpretation between the terms and provisions set forth in this Bill of Sale and the Asset Purchase Agreement, the terms and provisions of the Asset Purchase Agreement shall govern the obligations of the Parties.

*[remainder of page intentionally left blank]*

IN WITNESS WHEREOF, and intending to be legally bound hereby, Seller and Purchaser have executed this Bill of Sale on this 30<sup>th</sup> day of September, 2022.

**SELLER:**

**PURCHASER:**

**FORWARD MOVING, LLC**

  
\_\_\_\_\_  
DIANA MASHA

BY: \_\_\_\_\_  
MARK LINVILLE  
CHIEF FINANCIAL OFFICER

IN WITNESS WHEREOF, and intending to be legally bound hereby, Seller and Purchaser have executed this Bill of Sale on this 30<sup>th</sup> day of September, 2022.

**SELLER:**

\_\_\_\_\_  
DIANA MASHA

**PURCHASER:**

**FORWARD MOVING, LLC**

BY: 

\_\_\_\_\_  
MARK LINVILLE  
CHIEF FINANCIAL OFFICER

**Exhibit C**  
**Escrow Agreement**

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “**Agreement**”) is made and entered into as of September 30, 2022, by and between Forward Moving, LLC, a Delaware limited liability company, (the “**Purchaser**”), Masha Mobile Moving and Storage, LLC, a Pennsylvania limited liability company, (the “**Seller**” and, together with the “**Purchaser**”, sometimes referred to individually as a “**Party**” and collectively as the “**Parties**”), and Citibank, N.A., as escrow agent (the “**Escrow Agent**”). Capitalized terms used that are not otherwise defined herein shall have the meanings for such terms as set forth in the Purchase Agreement (as defined below), provided that the Escrow Agent shall not be deemed to have any knowledge of or duty to ascertain the meaning of any capitalized term not otherwise defined in this Agreement.

## RECITALS

WHEREAS, the Parties have entered into that certain Asset Purchase Agreement, dated as of the date hereof (the “**Purchase Agreement**”) whereby Purchaser shall acquire substantially all the assets of Seller pursuant to the terms and conditions therein; and

WHEREAS, the Purchase Agreement includes certain indemnification provisions, including the deposit of \$500,000 into an escrow account to cover potential indemnifiable events, 50% of which (less pending claims) is to be released to the Seller on the sixth (6<sup>th</sup>) month anniversary of the Closing and the remainder (less pending claims) to be released to Seller on the one-year anniversary of the Closing.

NOW THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter set forth, the Parties hereto agree as follows:

1. Appointment. The Parties hereby appoint the Escrow Agent as their escrow agent for the purposes set forth herein, and the Escrow Agent hereby accepts such appointment and agrees to act as escrow agent in accordance with the terms and conditions set forth herein.

2. Escrow Funds.

(a) Simultaneous with the execution and delivery of this Agreement, the Purchaser is depositing with the Escrow Agent the Escrow Amount in immediately available funds. The Escrow Agent hereby acknowledges receipt of the Escrow Amount, together with all products and proceeds thereof, including all interest, dividends, gains and other income (collectively, the “**Escrow Earnings**”) earned with respect thereto (collectively, the “**Escrow Funds**”) in separate and distinct account (the “**Escrow Account**”), subject to the terms and conditions of this Agreement.

(b) For greater certainty, all escrow earnings shall be retained by the Escrow Agent and reinvested in the Escrow Funds and shall become part of the Escrow Funds; and shall be disbursed as part of the Escrow Funds in accordance with the terms and conditions of this Agreement.

3. Investment of Escrow Funds.

(a) Unless otherwise instructed in writing and executed by an Authorized Representative (as defined in Section 4(iv) below) of both Parties, the Escrow Agent shall hold the Escrow Funds in a “noninterest-bearing deposit account” insured by the Federal Deposit Insurance Corporation (“FDIC”) to the applicable limits. The Parties acknowledge that the initial interest rate is subject to change from time to time and shall be reflected in the monthly statement provided to the Parties. The Escrow Funds shall at all times remain available for distribution in accordance with Section 4 below.

(b) The Escrow Agent shall send an account statement to each of the Parties on a monthly basis reflecting activity in the Escrow Account for the preceding month.

(c) The Escrow Agent shall have no responsibility for any investment losses resulting from the investment, reinvestment or liquidation of the escrowed property, as applicable, provided that the Escrow Agent has made such investment, reinvestment or liquidation of the escrowed property in accordance with the terms, and subject to the conditions of this Agreement. The Escrow Agent does not have a duty nor will it undertake any duty to provide investment advice.

#### 4. Disposition and Termination of the Escrow Funds.

(a) Escrow Funds. The Parties shall act in accordance with, and the Escrow Agent shall hold and release the Escrow Funds as provided in, this Section 4(a) as follows:

(i) Upon receipt of a Joint Release Instruction, substantially in the form of Exhibit B annexed hereto, with respect to the Escrow Funds, the Escrow Agent shall promptly, but in any event within two (2) Business Days after receipt of a Joint Release Instruction, disburse all or part of the Escrow Funds in accordance with such Joint Release Instruction.

(ii) Upon receipt by the Escrow Agent of a copy of Final Determination from any Party, the Escrow Agent shall on the fifth (5th) Business Day following receipt of such determination, disburse as directed, part or all, as the case may be, of the Escrow Funds (but only to the extent funds are available in the Escrow Funds) in accordance with such Final Determination. The Escrow Agent will act on such Final Determination without further inquiry.

(iii) All payments of any part of the Escrow Funds shall be made by wire transfer of immediately available funds or check as set forth in the Joint Release Instruction or Final Determination, as applicable.

(iv) Any instructions setting forth, claiming, containing, objecting to, or in any way related to the transfer or distribution of any funds on deposit in any Escrow Account under the terms of this Agreement must be in writing, executed by the appropriate Party or Parties as evidenced by the signatures of the person or persons set forth on Exhibit A-1 and Exhibit A-2 (the “Authorized Representatives”) and delivered to the Escrow Agent either (i) by confirmed facsimile only at the fax number set forth in Section 11 below (and receipt by the Escrow Agent confirmed) or (ii) attached to an e-mail received on a Business Day sent to an e-mail address set forth in Section 11 (and receipt by the Escrow Agent confirmed) below. In the

event a Joint Release Instruction or Final Determination is delivered to the Escrow Agent, whether in writing, by facsimile or otherwise, the Escrow Agent is authorized to seek confirmation of such instruction by telephone call back to the person or persons designated in Exhibit A-1 and/or A-2 annexed hereto (the “**Call Back Authorized Individuals**”), and the Escrow Agent may rely upon the confirmations of anyone purporting to be a Call Back Authorized Individual. To assure accuracy of the instructions it receives, the Escrow Agent may record such call backs. If the Escrow Agent is unable to verify the instructions, or is not satisfied with the verification it receives, it will not execute the instruction until all such issues have been resolved. The persons and telephone numbers for call backs may be changed only in writing, executed by an Authorized Representative of the Party and actually received and acknowledged by the Escrow Agent.

(b) Certain Definitions.

(i) “**Business Day**” means any day that is not a Saturday, not a Sunday or any other day on which banks are not required or authorized by law to be closed in New York, New York.

(ii) “**Final Determination**” means a final non-appealable order of any court of competent jurisdiction which may be issued, together with (A) a certificate executed by an Authorized Representative of the prevailing Party, to the effect that such order is final and non-appealable and from a court of competent jurisdiction having proper authority and (B) the written payment instructions executed by an Authorized Representative of the prevailing Party, to effectuate such order.

(iii) “**Joint Release Instruction**” means the joint written instruction executed by an Authorized Representative of each of the Purchaser and the **Seller**, directing the Escrow Agent to disburse all or a portion of the Escrow Funds, as applicable.

(iv) “**Person**” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity or any department, agency or political subdivision thereof.

5. Escrow Agent. The Escrow Agent undertakes to perform only such duties as are expressly set forth herein, which shall be deemed purely ministerial in nature, and no other duties, including but not limited to any fiduciary duties, shall be implied. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of, nor have any requirements to comply with, the terms and conditions of any other agreement, instrument or document between the Parties, in connection herewith, if any, including without limitation the Purchase Agreement, nor shall the Escrow Agent be required to determine if any Person has complied with any such agreements, nor shall any additional obligations of the Escrow Agent be inferred from the terms of such agreements, even though reference thereto may be made in this Agreement. Notwithstanding the terms of any other agreement between the Parties, the terms and conditions of this Agreement will control the actions of Escrow Agent. The Escrow Agent may rely upon and shall not be liable for acting or refraining from acting upon any Joint Release Instruction or Final Determination furnished to it hereunder and reasonably believed by it to be genuine and to

have been signed by an Authorized Representative of the proper Party or Parties. Concurrent with the execution of this Agreement, the Parties shall deliver to the Escrow Agent the authorized representative's forms in the form of Exhibit A-1 and Exhibit A-2 attached hereto. The Escrow Agent shall be under no duty to inquire into or investigate the validity, accuracy, or content of any such document, notice, instruction or request. The Escrow Agent shall have no duty to solicit any payments which may be due it or the Escrow Funds. In the event that the Escrow Agent shall be uncertain as to its duties or rights hereunder or shall receive instructions, claims or demands from any Party hereto which, in its opinion, conflict with any of the provisions of this Agreement, it shall be entitled to refrain from taking any action and its sole obligation shall be to keep safely all property held in escrow until it shall be directed otherwise in a Joint Release Instruction or Final Determination. The Escrow Agent may interplead all of the assets held hereunder into a court of competent jurisdiction or may seek a declaratory judgment with respect to certain circumstances, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets or any action or nonaction based on such declaratory judgment. The Escrow Agent may consult with legal counsel of its selection in the event of any dispute or question as to the meaning or construction of any of the provisions hereof or its duties hereunder. The Escrow Agent will not be liable for any action taken, suffered or omitted to be taken by it in good faith except to the extent that the Escrow Agent's gross negligence or willful misconduct was the cause of any direct loss to either Party. To the extent practicable, the Parties agree to pursue any redress or recourse in connection with any dispute without making the Escrow Agent a party to the same. Anything in this Agreement to the contrary notwithstanding, in no event shall the Escrow Agent be liable for any special, indirect, punitive, incidental or consequential losses or damages of any kind whatsoever (including but not limited to lost profits), even if the Escrow Agent has been advised of the likelihood of such losses or damages and regardless of the form of action.

6. Resignation and Removal of Escrow Agent. The Escrow Agent (a) may resign and be discharged from its duties or obligations hereunder by giving thirty (30) calendar days advance notice in writing of such resignation to the Parties specifying a date when such resignation shall take effect or (b) may be removed, with or without cause, by the Purchaser and the Seller acting jointly at any time by providing written notice executed by an Authorized Representative of each Party, to the Escrow Agent. Any corporation or association into which the Escrow Agent may be merged or converted or with which it may be consolidated, or any corporation or association to which all or substantially all of the escrow business of the Escrow Agent's line of business may be transferred, shall be the Escrow Agent under this Agreement without further act. The Escrow Agent's sole responsibility after such thirty (30) day notice period expires or after receipt of written notice of removal shall be to hold and safeguard the Escrow Funds (without any obligation to reinvest the same) and to deliver the same (i) to a substitute or successor escrow agent pursuant to a joint written designation from the Parties, (ii) as set forth in a Joint Release Instruction or (iii) in accordance with the directions of a Final Determination, and, at the time of such delivery, the Escrow Agent's obligations hereunder shall cease and terminate. In the event the Escrow Agent resigns, if the Parties have failed to appoint a successor escrow agent prior to the expiration of thirty (30) calendar days following receipt of the notice of resignation, the Escrow Agent may petition any court of competent jurisdiction for the appointment of such a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the Parties hereto.



7. Fees and Expenses. All fees and expenses of the Escrow Agent are described in Schedule 1 attached hereto and shall be paid one-half by the Purchaser and one-half by the Seller. The fees agreed upon for the services to be rendered hereunder are intended as full compensation for the Escrow Agent services as contemplated by this Agreement.

8. Indemnity. Each of the Parties shall jointly and severally indemnify, defend, and hold harmless the Escrow Agent and its affiliates and their respective successors, assigns, directors, officers, agents and employees (the "Indemnitees") from and against any and all losses, damages, claims, liabilities, penalties, judgments, settlements, actions, suits, proceedings, litigation, investigations, costs or expenses (including the reasonable fees and expenses of one outside counsel and experts and their staffs and all expense of document location, duplication and shipment) (collectively "Escrow Agent Losses") arising out of or in connection with (a) the Escrow Agent's execution and performance of this Agreement, tax reporting or withholding, the enforcement of any rights or remedies under or in connection with this Agreement, or as may arise by reason of any act, omission or error of the Indemnitee, except to the extent that such Escrow Agent Losses, as adjudicated by a court of competent jurisdiction, have been caused by the fraud, gross negligence or willful misconduct of such Indemnitee, or (b) its following any instructions or other directions from the Purchaser or the Seller. The Parties hereby grant the Escrow Agent a lien on, right of set-off against and security interest in, the Escrow Funds for the payment of any reasonable claim for indemnification, expenses and amounts due hereunder. In furtherance of the foregoing, the Escrow Agent is expressly authorized and directed, but shall not be obligated, upon prior written notice to the Parties, to charge against and withdraw from the Escrow Funds for its own account or for the account of an Indemnitee any amounts due to the Escrow Agent or to an Indemnitee under this Section 8. Notwithstanding anything to the contrary herein, the Purchaser and the Seller agree, solely as between themselves, that any obligation for indemnification under this Section 8 (or for reasonable fees and expenses of the Escrow Agent described in Section 7) shall be borne by the Party or Parties determined by a court of competent jurisdiction to be responsible for causing the loss, damage, liability, cost or expense against which the Escrow Agent is entitled to indemnification or, if no such determination is made, then one-half by the Purchaser and one-half by the Seller. The Parties acknowledge that the foregoing indemnities shall survive the resignation or removal of the Escrow Agent or the termination of this Agreement.

9. Tax Matters.

(a) Seller shall be responsible for and the taxpayer on all taxes due on the interest or income earned, if any, on the Escrow Funds for the calendar year in which such interest or income is earned. The Escrow Agent shall report any interest or income earned on the Escrow Funds, if any, to the IRS or other taxing authority on IRS Form 1099. Prior to the date hereof, the Parties shall provide the Escrow Agent with certified tax identification numbers by furnishing appropriate forms W-9 or W-8 as applicable and such other forms and documents that the Escrow Agent may request.

(b) The Escrow Agent shall be responsible only for income reporting to the Internal Revenue Service with respect to income earned on the Escrow Funds. The Parties hereby represent to the Escrow Agent that no other tax reporting of any kind is required given the underlying transaction giving rise to this Agreement. The Escrow Agent shall withhold any

taxes required to be withheld by applicable law, including but not limited to required withholding in the absence of proper tax documentation, and shall remit such taxes to the appropriate authorities.

(c) The Escrow Agent, its affiliates, and its employees are not in the business of providing tax or legal advice to any taxpayer outside of Citigroup, Inc., and its affiliates. This Agreement and any amendments or attachments hereto are not intended or written to be used, and may not be used or relied upon, by any such taxpayer or for the purpose of avoiding tax penalties. Any such taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

10. Covenant of Escrow Agent. The Escrow Agent hereby agrees and covenants with the Purchaser and the Seller that it shall perform all of its obligations under this Agreement and shall not deliver custody or possession of any of the Escrow Funds to anyone except pursuant to the express terms of this Agreement or as otherwise required by law.

11. Notices. Except as otherwise expressly required in Section 4(a)(iv), all communications required under this Agreement shall be in writing, in English, and shall be deemed to have been duly given if delivered (i) personally, (ii) by facsimile transmission with written confirmation of receipt, (iii) on the day of transmission if sent by electronic mail ("e-mail") with a PDF attachment executed by an Authorized Representative of the Party/ Parties to the e-mail address given below, and written confirmation of receipt is obtained promptly after completion of the transmission, (iv) by overnight delivery with a reputable national overnight delivery service, or (v) by mail or by certified mail, return receipt requested, and postage prepaid. If any notice is mailed, it shall be deemed given five Business Days after the date such notice is deposited with the United States Postal Service. If notice is given to a Party, it shall be given at the address for such Party set forth below. It shall be the responsibility of the Parties to notify the Escrow Agent and the other Party in writing of any name or address changes.

If to the Seller: Masha Mobile Moving & Storage, LLC  
204 Marie Road  
West Chester, PA 19380

With a copy to:  
Barley Snyder  
2755 Century Boulevard  
Wyomissing, PA 19610  
Attn: Charles J. Phillips, Esquire

If to Purchaser: Forward Moving, LLC  
c/o Zippy Shell Incorporated  
11640 Northpark Drive, Suite 300  
Wake Forest, NC 27587  
Attn: Mark Linville

With a copy to:

Egan Nelson LLP  
1330 Post Oak Road, Suite 3301  
Houston, TX 77056  
Attn: Vince Cangolosi

or, if to the Escrow Agent, then to:

Citibank, N.A.  
Citi Private Bank  
388 Greenwich Street  
Tower Building, 29<sup>th</sup> Floor  
New York, NY 10013  
Attn: Rola Tseng-Pappalardo  
Telephone No.: 212-783-7030  
Facsimile No.: 212-783-7131  
E-mail: rola.tsengpappalardo@citi.com

Notwithstanding the above, in the case of communications delivered to the Escrow Agent pursuant to the foregoing clause (i) through (iv) of this Section 11, such communications shall be deemed to have been given on the date received by the Escrow Agent. In the event that the Escrow Agent, in its sole discretion, shall determine that an emergency exists, the Escrow Agent may use such other means of communication as the Escrow Agent deems appropriate.

12. Termination. This Agreement shall terminate on the first to occur of (a) the distribution of all of the amounts in the Escrow Funds in accordance with this Agreement or (b) delivery to the Escrow Agent of a written notice of termination executed jointly by an Authorized Representative of Purchaser and the Seller, after which this Agreement shall be of no further force and effect except that the provisions of Section 8 hereof shall survive termination.

13. Miscellaneous. The provisions of this Agreement may be waived, altered, amended, or supplemented, in whole or in part, only by a writing signed by all of the Parties and Escrow Agent. Neither this Agreement nor any right or interest hereunder may be assigned in whole or in part by any Party without the prior consent of the other parties. This Agreement shall be governed by and construed under the laws of the State of Delaware. Each Party and the Escrow Agent irrevocably waives any objection on the grounds of venue, forum non-conveniens or any similar grounds and irrevocably consents to service of process by mail or in any other manner permitted by applicable law and consents to the jurisdiction of the courts located in the State of Delaware. The Parties and the Escrow Agent hereby waive any right to a trial by jury with respect to any lawsuit or judicial proceeding arising from or relating to this Agreement. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. All signatures of the parties to this Agreement may be transmitted by facsimile or electronic transmission in portable document format (.pdf), and such facsimile or .pdf will, for all purposes, be deemed to be the original signature of such party whose signature it reproduces, and will be binding upon such party. If any provision of this Agreement is determined to be prohibited or unenforceable by reason of any applicable law of a jurisdiction, then such provision shall, as to such

jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions thereof, and any such prohibition or unenforceability in such jurisdiction shall not invalidate or render unenforceable such provisions in any other jurisdiction. The Parties represent, warrant and covenant that each document, notice, instruction or request provided by such Party to the Escrow Agent shall comply with applicable laws and regulations. Where, however, the conflicting provisions of any such applicable law may be waived, they are hereby irrevocably waived by the Parties hereto to the fullest extent permitted by law, to the end that this Agreement shall be enforced as written. Except as expressly provided in Sections 7 and 8, nothing in this Agreement, whether express or implied, shall be construed to give to any person or entity other than the Escrow Agent and the Parties any legal or equitable right, remedy, interest or claim under or in respect of this Agreement or any funds escrowed hereunder.

14. Compliance with Court Orders. In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the Parties or to any other Person, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

15. Further Assurances. Following the date hereof, each Party shall deliver to the other Parties such further information and documents and shall execute and deliver to the other Parties such further instruments and agreements as any other Party shall reasonably request to consummate or confirm the transactions provided for herein, to accomplish the purpose hereof or to assure to any other Party the benefits hereof.

16. Assignment. No assignment of the interest of any of the Parties shall be binding upon the Escrow Agent unless and until written notice of such assignment shall be filed with and consented to by the Escrow Agent (such consent not to be unreasonably withheld). Any transfer or assignment of the rights, interests, or obligations hereunder in violation of the terms hereof shall be void and of no force or effect.

17. Force Majeure. The Escrow Agent shall not incur any liability for not performing any act or fulfilling any obligation hereunder by reason of any occurrence beyond its control (including, but not limited to, any provision of any present or future law or regulation or any act of any governmental authority, any act of God or war or terrorism, or the unavailability of the Federal Reserve Bank wire services or any electronic communication facility), it being understood that the Escrow Agent shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

18. Compliance with Federal Law. To help the U.S. Government fight the funding of terrorism and money laundering activities and to comply with Federal law requiring financial

institutions to obtain, verify and record information on the source of funds deposited to an account, the Parties agree to provide the Escrow Agent with the name, address, taxpayer identification number, and remitting bank for all Parties depositing funds at Citibank pursuant to the terms and conditions of this Agreement. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Escrow Agent will ask for documentation to verify its formation and existence as a legal entity. The Escrow Agent may also ask to see financial statements, licenses, an identification, and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

19. Use of Citibank Name. No publicly distributed printed or other material in any language, including prospectuses, notices, reports, and promotional material which mentions "Citibank" by name or the rights, powers, or duties of the Escrow Agent under this Agreement shall be issued by any other Parties hereto, or on such Party's behalf, without the prior written consent of the Escrow Agent.

20. Use of Electronic Records and Signatures. As used in this Agreement, the terms "writing" and "written" include electronic records, and the terms "execute," "signed" and "signature" include the use of electronic signatures. Notwithstanding any other provision of this Agreement or the attached Exhibits and Schedules, any electronic signature that is presented as the signature of the purported signer, regardless of the appearance or form of such electronic signature, may be deemed genuine by Escrow Agent in Escrow Agent's sole discretion, and such electronic signature shall be of the same legal effect, validity and enforceability as a manually executed, original, wet-ink signature; provided, however, that any such electronic signature must be an actual and not a typed signature. In accordance with Section 8 of this Agreement, Escrow Agent shall be indemnified and held harmless from any Escrow Agent Losses it incurs as a result of its acceptance of and reliance on electronic signatures that it deems to be genuine. Any electronically signed agreement, instruction or other document shall be an "electronic record" established in the ordinary course of business and any copy shall constitute an original for all purposes. The terms "electronic signature" and "electronic record" shall have the meaning ascribed to them in 15 USC § 7006. This Agreement and any instruction or other document furnished hereunder may be transmitted by facsimile or as a PDF file attached to an email.


21. Return of Funds. If the Escrow Agent releases any funds, including but not limited to the Escrow Amount or any portion of it, to a Party and subsequently determines, in its sole discretion, that the payment or any portion of it was made in error, the Party shall, upon notice, promptly refund the erroneous payment. Any such erroneous payment by the Escrow Agent, and the Party's return thereof to the Escrow Agent, shall not affect any obligation or right of either the Escrow Agent or the Parties. Each of the Parties agrees not to assert discharge for value, bona fide payee, or any similar doctrine as a defense to the Escrow Agent's recovery of any erroneous payment.

\* \* \* \* \*

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth above.

Purchaser:

**FORWARD MOVING, LLC**

By:   
Name: Mark Linville  
Its: Chief Financial Officer

Seller:

**MASHA MOBILE MOVING & STORAGE, LLC**

By: \_\_\_\_\_  
Name: Stephen Masha  
Its: Manager

ESCROW AGENT:

**CITIBANK, N.A.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date set forth above.

Purchaser:

**FORWARD MOVING, LLC**

By: \_\_\_\_\_  
Name: Mark Linville  
Its: Chief Financial Officer

Seller:

**MASHA MOBILE MOVING & STORAGE, LLC**

By: \_\_\_\_\_  
Name: Stephen Masha  
Its: Manager

ESCROW AGENT:

**CITIBANK, N.A.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Rola Tseng Pappalardo, Senior Vice President  
Citi Private Bank  
388 Greenwich Street, 29th floor  
New York, NY 10013  
212-783-7030

## Schedule 1

### **ESCROW AGENT FEE SCHEDULE Citibank, N.A., Escrow Agent**

#### **Acceptance Fee**

To cover the acceptance of the Escrow Agency appointment, the study of the Agreement, and supporting documents submitted in connection with the execution and delivery thereof, and communication with other members of the working group:

**Fee: WAIVED**

#### **Administration Fee**

The annual administration fee covers maintenance of the Escrow Account including safekeeping of assets in the escrow account, normal administrative functions of the Escrow Agent, including maintenance of the Escrow Agent's records, follow-up of the Agreement's provisions, and any other safekeeping duties required by the Escrow Agent under the terms of the Agreement. Fee is based on Escrow Amount being deposited in a non-interest bearing deposit account, FDIC insured to the applicable limits.

**Fee: WAIVED**

#### **Tax Preparation Fee**

To cover preparation and mailing of Forms 1099-INT, if applicable for the escrow parties for each calendar year:

**Fee: WAIVED**

#### **Transaction Fees**

To oversee all required disbursements or release of property from the escrow account to any escrow party, including cash disbursements made via check and/or wire transfer, fees associated with postage and overnight delivery charges incurred by the Escrow Agent as required under the terms and conditions of the Agreement:

**Fee: WAIVED**

#### **Other Fees**

Material amendments to the Agreement: additional fee(s), if any, to be discussed at time of amendment.

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**TERMS AND CONDITIONS:** The above schedule of fees does not include charges for out-of-pocket expenses or for any services of an extraordinary nature that Citibank or its legal counsel may be called upon from time to time to perform. Fees are also subject to satisfactory review of the documentation, and Citibank reserves the right to modify them should the characteristics of the transaction change. Citibank's participation in this program is subject to internal approval of the third-party depositing monies into the escrow account to be established hereunder. The Acceptance Fee, if any, is payable upon execution of the Agreement. Should this schedule of fees be accepted and agreed upon and work commenced on this program but subsequently halted and the program is not brought to market, the Acceptance Fee and legal fees incurred, if any, will still be payable in full.



EXHIBIT A-1

Certificate as to Buyer's Authorized Signatures

The specimen signatures shown below are the specimen signatures of the individuals who have been designated as authorized representatives of the Buyer and are authorized to initiate and approve transactions of all types for the escrow account or accounts established under this Escrow Agreement, on behalf of the Buyer. The below listed persons (must list at least two individuals) have also been designated Call Back Authorized Individuals and will be notified by Citibank, N.A. upon the release of Escrowed Funds from the Escrow Account.

<u>Name / Title / Telephone</u>	<u>Specimen Signature</u>
<u>MARIC LINVILLE</u> Name	<u></u> Signature
<u>CFD</u> Title	<u>MLINVILLE@1800PACKRAT.COM</u> E-mail
<u>N/A</u> Phone	<u>336-682-0554</u> Mobile Phone
<u>Garret Kirkpatrick</u> Name	<u></u> Signature
<u>General Counsel</u> Title	<u>g.kirkpatrick@1800packrat.com</u> E-mail
<u>N/A</u> Phone	<u>919-441-0722</u> Mobile Phone
<u>Kevin Page</u> Name	<u></u> Signature
<u>VP Finance</u> Title	<u>kpage@1800Packrat.com</u> E-mail
<u>N/A</u> Telephone	<u>919-271-8388</u> Mobile Phone

**EXHIBIT A-2**

Certificate as to Seller's Authorized Signatures

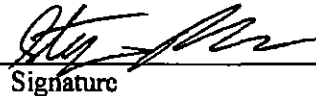
The specimen signatures shown below are the specimen signatures of the individuals who have been designated as authorized representatives of the Seller and are authorized to initiate and approve transactions of all types for the escrow account or accounts established under this Escrow Agreement, on behalf of the Seller. The below listed persons (must list at least two individuals) have also been designated Call Back Authorized Individuals and will be notified by Citibank N.A. upon the release of Escrowed Funds from the Escrow Account.

Name / Title / Telephone

Specimen Signature

Stephen Masha

Name



Signature

Manager

Title

smasha@zippyshell.com

E-mail

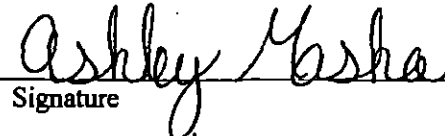
Phone

484-459-1693

Mobile Phone

Ashley Masha

Name



Signature

Member

Title

ashleymasha@gmail.com

E-mail

Phone

832-296-0510

Mobile Phone

**EXHIBIT B**  
**Form of Joint Release Instruction**

[Date]

[Via Email]

[Via Fax]

[212.780.7131]

Citibank, N.A.

Escrow Services

388 Greenwich Street

Tower Building, 29<sup>th</sup> Floor

New York, NY 10013

Attn:

RE: [Name of Parties] – Escrow Agreement dated [ ]

Escrow Account number [25Dxxxxxxxx]

We refer to an escrow agreement dated [ ] between [ ] and Citibank, N.A. as Escrow Agent (the “**Escrow Agreement**”)

Capitalized terms in this letter that not otherwise defined shall have the same meaning given to them in the Escrow Agreement.

Pursuant to Section [ ] of the above referenced escrow agreement, the Parties instruct the Escrow Agent to release [\$ ] to the specified parties instructed below.

[Bank name]

[ABA number]

[Bank Address]

[Beneficiary name]

[Beneficiary Account number]

Thank you.

Purchaser

\_\_\_\_\_

**Seller**

\_\_\_\_\_

**Exhibit D**

**Management Services Agreement**

## MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (this “**Agreement**”) is entered into this 30th day of September 2022 (the “**Effective Date**”), by and between Masha Mobile Moving & Storage, LLC, a Pennsylvania limited liability company (the “**Licensee**”), and Forward Moving, LLC, a Delaware limited liability company (the “**Purchaser**”) and together with Licensee, the “**Parties**” with each individually being a “**Party**”. All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the APA (as defined below).

**WHEREAS**, Purchaser and Licensee have entered into an Asset Purchase Agreement dated as of the date hereof (the “**APA**”) wherein Purchaser is acquiring (the “**Asset Purchase**”) substantially all of Licensee’s assets (the “**Purchased Assets**”) related to Licensee’s local and long-distance moving and containerized storage business for residential and commercial customers in the Philadelphia, Pennsylvania metropolitan area (the “**Business**”);

**WHEREAS**, Licensee is the owner of a Household Goods Permit (Permit Number: PUC 8920288) (the “**Permit**”) issued by the Pennsylvania Public Utilities Commission ( the “**PUC**”);

**WHEREAS**, the Permit is included among the Purchased Assets, and is required for the post-Closing continued operation of the Business by Purchaser;

**WHEREAS**, Purchaser, in conjunction with Licensee, will submit a request with the PUC for the transfer of the existing Permit to Purchaser; and

**WHEREAS**, the Parties desire that before the PUC approves the transfer of the Permit to Purchaser, the Purchaser shall assume all management responsibilities over the operations of the Business from the Closing of the Asset Purchase, and Licensee will assist in the operation of that portion of the Business which requires the Permit, pursuant to the terms of this Agreement, until the earlier of the PUC’s transfer of the Permit to Purchaser, or this Agreement terminates pursuant to the terms herein.

**NOW THEREFORE**, the Parties, intending to be legally bound and in consideration of the mutual promises, performances and covenants set forth herein, enter into this Agreement.

### SECTION I RECITALS

**1.1 Incorporation of Recitals.** The Recitals set forth above are hereby incorporated by reference herein and shall be considered representations of the Parties material to each Party’s decision to enter into this Agreement.

**SECTION II**  
**APPOINTMENT OF PURCHASER; OPERATION OF THE**  
**BUSINESS**

**2.1 Appointment: Duties and Responsibilities.** As of the Effective Date, Licensee hereby appoints Purchaser as an independent contractor to supervise, direct and control the management, personnel, licensure, compliance, and operation of the Business. Purchaser shall have the right, authority, obligation, and duty to supervise, control, operate and manage the Business in accordance with the terms of this Agreement and applicable law. Without limitation, Purchaser's scope of authority shall include:

(a) operate and conduct the day-to-day operations and address the day-to-day functions of the Business, including, without limitation, the payment of all operating expenses of the Business;

(b) select and purchase the inventory and products to be sold by the Business;

(c) recruit, train, hire, fire and manage Licensee's and/or the Business' employees;

(d) prepare and submit to Licensee all filings with the Commonwealth of Pennsylvania, the County of Montgomery, Commonwealth of Pennsylvania, or the PUC as may be required to maintain the Permit, including any required audits and the annual report;

(e) enter into contracts and agreements with third parties deemed necessary or desirable for the profitable operation of the Business; provided however, Purchaser shall not enter into any contracts or agreements that do not fully comply with applicable law or would jeopardize Licensee's continued ownership of the Permit;

(f) At Purchaser's sole discretion, change or alter the name of the Business or rebrand the Business or its operations as approved by the PUC; and

(g) (h) conduct all marketing and sales efforts in compliance with all local and commonwealth rules and regulations at the sole discretion of Purchaser.

**2.2 Limitations of Authority.** Notwithstanding the language of Section 2.1 above, Purchaser's authority shall be limited as follows:

(a) This Agreement does not delegate any authority to Purchaser to engage in any actions which Pennsylvania statutes, rules, or regulations do not permit Licensee to delegate to a third-party purchaser;

(b) Purchaser shall not take any actions, without the prior written consent of Licensee, that a reasonably prudent and reasonably knowledgeable purchaser should recognize as, more likely than not, having an adverse, negative impact upon Licensee's ability to maintain its Permit in good standing with the PUC or any other Pennsylvania governmental authorities; and

(c) Purchaser shall not have the right, power, or duty to defend or institute, on behalf

of or in the name of Licensee, any claim, suit, cause or right of action and shall provide prompt notice to Licensee upon Purchaser's obtaining notice of same.

**2.3 Operating Permits and Licenses.** Purchaser shall maintain all licenses, permits, authorizations, certifications, and accreditations that are necessary to operate or manage the Business and shall be responsible for all costs related to the same. Licensee shall cooperate with Purchaser, at Purchaser's sole cost and expense, and use commercially reasonable efforts to (a) maintain and keep in full force and effect the Permit and all other governmental approvals required to own and operate the Business; and (b) comply in all material respects with and cause the Business to comply in all material aspects with any and all city, county and/or commonwealth legal requirements affecting the ownership and operation of a Business.

**2.4 Authority and Responsibilities.** Pursuant to this Agreement, Licensee exclusively provides Purchaser all authority and power necessary and proper for Purchaser to undertake its responsibilities, duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated under applicable laws. Accordingly, during the Term (as defined below) of this Agreement, Licensee and any of its workers, employees, agents, consultants and principals who will work with or for Licensee in connection with the Business shall perform any and all functions, operations and tasks necessary or desirable for the management and operation of the Business and shall have full responsibility, oversight and control over any and all decisions, contracts, relationships and arrangements relating to the Business, in each case, to the minimum extent required by applicable laws.

**2.5 Consideration.** The consideration for Licensee's obligations under this Agreement was the Purchase Price paid to Licensee pursuant to the APA, and Purchaser's obligations under Section 2.6 of this Agreement. No additional consideration, other than Purchaser's obligations hereunder, is or shall be due and owing to Licensee.

**2.6 Applications for Permit.** Purchaser shall apply for the transfer of the Permit with the PUC within thirty (30) days of the Effective Date. Failure to adhere to the deadlines in this section shall be considered a breach of Purchaser's obligations under this Agreement.

**2.7 Reimbursement of Licensee's Costs.** To the extent there are any fees, costs or other expenses related solely to the Licensee's obligations pursuant to this Agreement that the Licensee is required to pay ("Unreimbursed Fees"), which have not been paid by the Purchaser, the Purchaser shall reimburse Licensee for all such Unreimbursed Fees within ten (10) Business Days of Licensee's submission thereof.

### **SECTION III LICENSEE OVERSIGHT**

**3.1 Retained Authority and Duties.** Licensee expressly retains all authority and duties required of a holder of the Permit that may not be delegated to a third party pursuant to city, county and/or commonwealth statutes, ordinances, rules or regulations.

**3.2 Licensee Representative.** Licensee shall designate a representative (the "Licensee

**Representative”)** who shall have authority, on behalf of Licensee, to oversee and inspect the management and operation of the Business during the Term of this Agreement. The Licensee Representative shall perform all non-delegable duties of the Permit holder as required under appropriate law. Licensee represents and warrants that the Licensee Representative shall have full power and authority to act on behalf of and to provide the consent, where required, of the Licensee without further approval of any other Representative, officer or director of Licensee and Licensee agrees to be legally bound by any such approvals or consents given by the Licensee Representative. It is expressly understood and agreed that Purchaser may rely upon the authority of the Licensee Representative for all purposes set forth in this Agreement without conducting further inquiry or investigation as to the scope of the Licensee’s authority to bind Licensee. The Licensee Representative shall always be deemed exclusively an employee of Licensee, under the direction and control of Licensee and shall be compensated by Licensee. Brian Linsey is hereby designated as the Licensee Representative and shall serve in that capacity for the Term of this Agreement unless Licensee provides written notice to Purchaser that he has been removed from such position and a replacement has been named. To the extent the Licensee Representative takes actions, of a material nature or that may have a material impact on Licensee, the Licensee Representative shall provide notice of such actions to Stephen Masha, the President of Licensee. The Licensee Representative shall have access to the Business for the following purposes:

(a) To inspect, on behalf of Licensee, all aspects of the Business, including daily operations;

(b) To obtain information requested by Licensee respecting Business operations, and reporting the same to Licensee;

(c) To investigate any problems relating to the operation of the Business which Licensee has been made aware, and to report the same to Licensee; and

(d) To discharge Licensee’s obligations to ensure that the Business is being operated in compliance with Pennsylvania law.

**3.3 Insurance.** The Purchaser shall maintain all status quo insurance policies in amounts that are adequate under applicable law and under industry standards, for the entire Term of the Agreement. Insurance shall name the Licensee as an insured party. In the event Licensee is required to maintain insurance, all payments for insurance paid by Licensee hereunder shall be reimbursed to Licensee by Purchaser within ten (10) Business Days of Licensee’s submission thereof.

#### **SECTION IV EMPLOYEES**

**4.1 Employees.** As of the Effective Date and continuing for the duration of the Term of this Agreement, all employees and personnel Purchaser designates as necessary and proper for operating the Business shall be employees of under the absolute and sole authority and control of Purchaser, and Purchaser be responsible for the payment of all employee related expenses,



taxes, or obligations.

## **SECTION V TRADE NAMES, TRADEMARKS, AND SERVICE MARKS.**

**5.1 Retail Name.** Purchaser may change or alter the name of the Business or rebrand the Business or its operations in Purchaser's sole and absolute discretion and as approved by the appropriate Pennsylvania governmental authority.

## **SECTION VI TERM AND TERMINATION**

**6.1 Term.** This Agreement shall commence on the Effective Date and shall terminate upon the issuance of permits to the Purchaser, or the transfer of the Permit to the Purchaser by the PUC, whichever is applicable, or six (6) months from the Effective Date, whichever is sooner (the "Term").

**6.2 Termination.** This Agreement may be terminated upon the mutual consent of both Parties but may only be terminated by a single Party under the following circumstances:

(a) If one Party materially breaches this Agreement, which breach cannot reasonably be cured or remains uncured for thirty (30) days after the non-breaching Party provides written notice of the breach to the breaching Party, the non-breaching Party may terminate this Agreement; and

(b) A Party may immediately terminate the Agreement if the other Party does one or more of the following: applies for or consents to the appointment of a receiver, trustee, or liquidator for all or a substantial part of its assets; admits in writing its inability to pay its debts as they become due; makes a general assignment for the benefit of creditors; files a petition or answer seeking an order for relief, reorganization, or an arrangement with creditors; or takes advantage of any insolvency law.

**6.3 Reformation and Immediate Termination.** If at any time, either Party becomes subject to imminent enforcement action by a governmental agency on the basis that a material portion or provision of this Agreement does not comply with applicable law, then the Parties shall use good faith efforts to reform this Agreement in such a manner to ensure it complies with applicable law.

## **SECTION VII INDEMNIFICATION**

**7.1 Indemnification By Licensee.** Licensee hereby indemnifies, defends, and holds Purchaser (along with its officers, employees, agents, and directors) harmless from any liability, cost, or expense (including reasonable attorneys' fees) arising out of any claim asserted by a third party against Purchaser which claim is based upon the intentional acts or omissions of Licensee in the performance of its obligations and responsibilities under this Agreement. If Purchaser seeks indemnification from Licensee, it shall give Licensee notice of such claim, and Licensee shall defend and settle such claim at its sole expense, provided that

Purchaser may elect to engage counsel to participate in such defense at its own expense.

**7.2 Indemnification By Purchaser.** Purchaser hereby indemnifies and holds Licensee (along with its officers, employees, agents, and members) harmless from any liability, cost, or expense (including reasonable attorneys' fees) arising out of the Business, and any claim asserted by a third party against Licensee which claim is based on: (i) the operation of the Business; (ii) the Purchaser's breach of any covenants or agreements under this Agreement; or the intentional acts or omissions of Purchaser in the performance of its obligations and responsibilities under this Agreement. If Licensee seeks indemnification from Purchaser, it shall give Purchaser notice of such claim, and Purchaser shall defend and settle such claim at its sole expense, provided that Licensee shall cooperate in such defense, and further provided that Licensee may elect to engage counsel to participate in such defense at its own expense.

## **SECTION VIII OTHER MISCELLANEOUS MATTERS**

**8.1 Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

**8.2 Notices.** Any notice to either Party in connection with this Agreement shall be deemed given and effective upon delivery and confirmation thereof, by electronic mail, mail courier, or overnight mail at the addresses set forth below, or such other address provided in writing:

If to Purchaser: Forward Moving, LLC  
c/o Zippy Shell Incorporated  
11640 Northpark Drive, Suite 200  
Wake Forest, NC 27587  
Attn: Mark Linville

With a copy to: Egan Nelson LLP  
1330 Post Oak Blvd, Suite 3301  
Houston, TX 77056  
Attn: Vince Cangolosi

If to Licensee: Masha Moving & Storage, LLC  
715 Southwinds Drive  
Bryn Mawr, PA 19010  
Attn: Stephen and Ashley Masha

With a copy to: Barley Snyder  
2755 Century Boulevard  
Wyomissing, PA 19610  
Attn: Charles J. Phillips, Esquire

**8.3 Assignment.** This Agreement, or any part hereof, shall not be subject to assignment or transfer by either Party without the express written consent of the other Party except that,

subject to any approvals required by applicable law, either Party, by written notice to the other but without the necessity of obtaining its consent, may assign this Agreement to any entity that controls, is controlled by, or is under common control with the assigning Party. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assignees subject to applicable law.

**8.4 Severability.** The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted.

**8.5 Waivers.** The waiver by either Party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation. The failure of either Party at any time or times to require performance of any provision hereof shall in no manner effect the right of such Party later to enforce the same. No waiver by either Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach or a waiver of the breach of any other term of covenant contained in this Agreement.

**8.6 No-Third Party Beneficiary.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person any rights or remedies under or by reason of this Agreement, except as set forth herein.

**8.7 Entire Understanding; Conflict.** The Parties agree that this Agreement contains the entire understanding between the Parties regarding the subject matter herein, and there are no other understandings, representations, or agreements, written or oral, other than as set forth in this Agreement. In the event of any inconsistency, conflict or ambiguity as to the rights and obligations of the Parties under this Agreement, and the APA, the terms of the APA shall control and supersede any such inconsistency, conflict or ambiguity.

**8.8 Amendment.** The Parties agree that this Agreement may be amended at any time by the Parties, provided any such amendment is agreed upon by both Parties in writing and signed by both Parties.

**8.9 Counterparts.** This Agreement may be executed electronically, in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

**8.10 Regulatory Approvals.** Notwithstanding anything contained herein to the contrary, if this Agreement and any amendment, modification, or other change to it is deemed subject to the approval by Pennsylvania governmental authorities, including without limitation the PUC, this Agreement and/or any such amendment shall not be deemed effective until such approval is obtained.


**8.11 Independent Contractor Status.** Purchaser shall only be an independent contractor to Licensee and shall be liable and responsible for all licensure, taxes, withholdings, etc., associated with any compensation received from Licensee. In addition to all insurance policies required to be maintained by Purchaser hereunder, Purchaser may obtain all insurance policies it deems reasonable or prudent.

**8.12 Regulatory Compliance.** It is and will remain, in perpetuity, the intention of the Parties hereto that this Agreement comply in all respects with all applicable laws and the Parties have structured their relationship with that specific intent. Therefore, in the event that any provision of this Agreement is rendered invalid or unenforceable by a court of competent jurisdiction, or any applicable laws are altered by any legislative or regulatory body, or either Party notifies the other Party in writing of its reasonable belief that this Agreement or any of its provisions may be declared null, void, unenforceable, or in violation of applicable laws, the remaining provisions, if any, of this Agreement shall nevertheless continue in full force and effect. Furthermore, in such event the Parties agree to negotiate in good faith an amendment to the Agreement to comply with all applicable laws while fully remaining consistent with the Parties' original intent allowable by all applicable laws.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**PURCHASER:**  
FORWARD MOVING, LLC



---

Mark Linville  
Chief Financial Officer

**LICENSEE:**  
MASHA MOBILE MOVING & STORAGE, LLC

---

Stephen Masha  
President

**IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.**

**PURCHASER:  
FORWARD MOVING, LLC**

---

**Mark Linville  
Chief Financial Officer**

**LICENSEE:  
MASHA MOBILE MOVING & STORAGE, LLC**

---

**Stephen Masha  
President**

**DISCLOSURE SCHEDULES**

to the

**ASSET PURCHASE AGREEMENT**

by and among:

**FORWARD MOVING, LLC (AS PURCHASER)**

and

**MASHA MOBILE MOVING & STORAGE, LLC (AS SELLER)**

Dated as of September 30, 2022

These Disclosure Schedules (the "Schedules") are part of that certain Asset Purchase Agreement, dated September 30, 2022 (the "Agreement"), by and among Forward Moving, LLC (the "Purchaser"), Masha Mobile Moving & Storage, LLC (the "Seller"), and Stephen Masha and Ashley Masha, in their individual capacities. The section numbers herein refer to the corresponding section numbers in the Agreement. The inclusion of any item in a section of these Schedules shall not constitute an admission to any third party that a violation, right of termination, default, liability or other obligation of any kind exists with respect to such item, but rather is intended only to qualify certain representations and warranties contained in the Agreement and to set forth other information required by the Agreement. The headings with respect to each item are included for convenience only, and are not a part of the responses to the requirements or a qualification of the representations and warranties set forth in the Agreement. No exceptions to any representations or warranties on one exhibit shall constitute an exception to any other representations or warranties made in the Agreement unless the exception is disclosed as provided on each such other applicable exhibit. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Agreement.

**DATE OF DEPOSIT**

**OCT 28 2022**

**PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU**

**SCHEDULE 3.4**  
**ALLOCATION OF CONSIDERATION**

<b>Class</b>	<b>Allocation of Allocable Consideration</b>
I (cash, demand deposits, etc.)	Actual amount of Class I assets on the Closing Date
II (marketable stock, government securities, etc.)	Fair market value of Class II assets on the Closing Date
III (accounts receivables, mortgages, etc.)	Actual face amount of Class III assets on the Closing Date
IV (inventory, etc.)	Fair market value of Class IV assets on the Closing Date
V (assets other than Class I, II, III, IV, VI, or VII assets)	Estimated on the Closing Date to be \$1.1 million. <sup>1</sup>
Restrictive Covenants (including the non-compete)	Allocation of Restrictive Covenants, HHG Permit, and Class VI Assets to be determined in a Post-Closing valuation.
HHG Permit	
VI (§197 intangibles other than goodwill and going concern value)	
VII (goodwill and going concern value)	
VII (goodwill and going concern value)	Residual

<sup>1</sup> The amounts provided for the Class V Items are an estimate as of the Closing Date and will be actualized following the Closing pursuant to the terms of the Agreement.



## MANAGEMENT SERVICES AGREEMENT

This Management Services Agreement (this “**Agreement**”) is entered into this 30th day of September 2022 (the “**Effective Date**”), by and between Masha Mobile Moving & Storage, LLC, a Pennsylvania limited liability company (the “**Licensee**”), and Forward Moving, LLC, a Delaware limited liability company (the “**Purchaser**”) and together with Licensee, the “**Parties**” with each individually being a “**Party**”. All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the APA (as defined below).

**WHEREAS**, Purchaser and Licensee have entered into an Asset Purchase Agreement dated as of the date hereof (the “**APA**”) wherein Purchaser is acquiring (the “**Asset Purchase**”) substantially all of Licensee’s assets (the “**Purchased Assets**”) related to Licensee’s local and long-distance moving and containerized storage business for residential and commercial customers in the Philadelphia, Pennsylvania metropolitan area (the “**Business**”);

**WHEREAS**, Licensee is the owner of a Household Goods Permit (Permit Number: PUC 8920288) (the “**Permit**”) issued by the Pennsylvania Public Utilities Commission ( the “**PUC**”);

**WHEREAS**, the Permit is included among the Purchased Assets, and is required for the post-Closing continued operation of the Business by Purchaser;

**WHEREAS**, Purchaser, in conjunction with Licensee, will submit a request with the PUC for the transfer of the existing Permit to Purchaser; and

**WHEREAS**, the Parties desire that before the PUC approves the transfer of the Permit to Purchaser, the Purchaser shall assume all management responsibilities over the operations of the Business from the Closing of the Asset Purchase, and Licensee will assist in the operation of that portion of the Business which requires the Permit, pursuant to the terms of this Agreement, until the earlier of the PUC’s transfer of the Permit to Purchaser, or this Agreement terminates pursuant to the terms herein.

**NOW THEREFORE**, the Parties, intending to be legally bound and in consideration of the mutual promises, performances and covenants set forth herein, enter into this Agreement.

### SECTION I RECITALS

**1.1 Incorporation of Recitals.** The Recitals set forth above are hereby incorporated by reference herein and shall be considered representations of the Parties material to each Party’s decision to enter into this Agreement.

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY’S BUREAU

**SECTION II**  
**APPOINTMENT OF PURCHASER; OPERATION OF THE**  
**BUSINESS**

**2.1 Appointment: Duties and Responsibilities.** As of the Effective Date, Licensee hereby appoints Purchaser as an independent contractor to supervise, direct and control the management, personnel, licensure, compliance, and operation of the Business. Purchaser shall have the right, authority, obligation, and duty to supervise, control, operate and manage the Business in accordance with the terms of this Agreement and applicable law. Without limitation, Purchaser's scope of authority shall include:

(a) operate and conduct the day-to-day operations and address the day-to-day functions of the Business, including, without limitation, the payment of all operating expenses of the Business;

(b) select and purchase the inventory and products to be sold by the Business;

(c) recruit, train, hire, fire and manage Licensee's and/or the Business' employees;

(d) prepare and submit to Licensee all filings with the Commonwealth of Pennsylvania, the County of Montgomery, Commonwealth of Pennsylvania, or the PUC as may be required to maintain the Permit, including any required audits and the annual report;

(e) enter into contracts and agreements with third parties deemed necessary or desirable for the profitable operation of the Business; provided however, Purchaser shall not enter into any contracts or agreements that do not fully comply with applicable law or would jeopardize Licensee's continued ownership of the Permit;

(f) At Purchaser's sole discretion, change or alter the name of the Business or rebrand the Business or its operations as approved by the PUC; and

(g) (h) conduct all marketing and sales efforts in compliance with all local and commonwealth rules and regulations at the sole discretion of Purchaser.

**2.2 Limitations of Authority.** Notwithstanding the language of Section 2.1 above, Purchaser's authority shall be limited as follows:

(a) This Agreement does not delegate any authority to Purchaser to engage in any actions which Pennsylvania statutes, rules, or regulations do not permit Licensee to delegate to a third-party purchaser;

(b) Purchaser shall not take any actions, without the prior written consent of Licensee, that a reasonably prudent and reasonably knowledgeable purchaser should recognize as, more likely than not, having an adverse, negative impact upon Licensee's ability to maintain its Permit in good standing with the PUC or any other Pennsylvania governmental authorities; and

(c) Purchaser shall not have the right, power, or duty to defend or institute, on behalf

of or in the name of Licensee, any claim, suit, cause or right of action and shall provide prompt notice to Licensee upon Purchaser's obtaining notice of same.

**2.3 Operating Permits and Licenses.** Purchaser shall maintain all licenses, permits, authorizations, certifications, and accreditations that are necessary to operate or manage the Business and shall be responsible for all costs related to the same. Licensee shall cooperate with Purchaser, at Purchaser's sole cost and expense, and use commercially reasonable efforts to (a) maintain and keep in full force and effect the Permit and all other governmental approvals required to own and operate the Business; and (b) comply in all material respects with and cause the Business to comply in all material aspects with any and all city, county and/or commonwealth legal requirements affecting the ownership and operation of a Business.

**2.4 Authority and Responsibilities.** Pursuant to this Agreement, Licensee exclusively provides Purchaser all authority and power necessary and proper for Purchaser to undertake its responsibilities, duties and obligations provided for in this Agreement, except in cases wherein such authority may not be delegated under applicable laws. Accordingly, during the Term (as defined below) of this Agreement, Licensee and any of its workers, employees, agents, consultants and principals who will work with or for Licensee in connection with the Business shall perform any and all functions, operations and tasks necessary or desirable for the management and operation of the Business and shall have full responsibility, oversight and control over any and all decisions, contracts, relationships and arrangements relating to the Business, in each case, to the minimum extent required by applicable laws.

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**2.7 Reimbursement of Licensee's Costs.** To the extent there are any fees, costs or other expenses related solely to the Licensee's obligations pursuant to this Agreement that the Licensee is required to pay ("Unreimbursed Fees"), which have not been paid by the Purchaser, the Purchaser shall reimburse Licensee for all such Unreimbursed Fees within ten (10) Business Days of Licensee's submission thereof.

### **SECTION III LICENSEE OVERSIGHT**

**3.1 Retained Authority and Duties.** Licensee expressly retains all authority and duties required of a holder of the Permit that may not be delegated to a third party pursuant to city, county and/or commonwealth statutes, ordinances, rules or regulations.

**3.2 Licensee Representative.** Licensee shall designate a representative (the "Licensee

**Representative**”) who shall have authority, on behalf of Licensee, to oversee and inspect the management and operation of the Business during the Term of this Agreement. The Licensee Representative shall perform all non-delegable duties of the Permit holder as required under appropriate law. Licensee represents and warrants that the Licensee Representative shall have full power and authority to act on behalf of and to provide the consent, where required, of the Licensee without further approval of any other Representative, officer or director of Licensee and Licensee agrees to be legally bound by any such approvals or consents given by the Licensee Representative. It is expressly understood and agreed that Purchaser may rely upon the authority of the Licensee Representative for all purposes set forth in this Agreement without conducting further inquiry or investigation as to the scope of the Licensee’s authority to bind Licensee. The Licensee Representative shall always be deemed exclusively an employee of Licensee, under the direction and control of Licensee and shall be compensated by Licensee. Brian Linsey is hereby designated as the Licensee Representative and shall serve in that capacity for the Term of this Agreement unless Licensee provides written notice to Purchaser that he has been removed from such position and a replacement has been named. To the extent the Licensee Representative takes actions, of a material nature or that may have a material impact on Licensee, the Licensee Representative shall provide notice of such actions to Stephen Masha, the President of Licensee. The Licensee Representative shall have access to the Business for the following purposes:

- (a) To inspect, on behalf of Licensee, all aspects of the Business, including daily operations;
- (b) To obtain information requested by Licensee respecting Business operations, and reporting the same to Licensee;
- (c) To investigate any problems relating to the operation of the Business which Licensee has been made aware, and to report the same to Licensee; and
- (d) To discharge Licensee’s obligations to ensure that the Business is being operated in compliance with Pennsylvania law.

**3.3 Insurance.** The Purchaser shall maintain all status quo insurance policies in amounts that are adequate under applicable law and under industry standards, for the entire Term of the Agreement. Insurance shall name the Licensee as an insured party. In the event Licensee is required to maintain insurance, all payments for insurance paid by Licensee hereunder shall be reimbursed to Licensee by Purchaser within ten (10) Business Days of Licensee’s submission thereof.

## **SECTION IV EMPLOYEES**

**4.1 Employees.** As of the Effective Date and continuing for the duration of the Term of this Agreement, all employees and personnel Purchaser designates as necessary and proper for operating the Business shall be employees of under the absolute and sole authority and control of Purchaser, and Purchaser be responsible for the payment of all employee related expenses,

taxes, or obligations.

## **SECTION V TRADE NAMES, TRADEMARKS, AND SERVICE MARKS.**

**5.1 Retail Name.** Purchaser may change or alter the name of the Business or rebrand the Business or its operations in Purchaser's sole and absolute discretion and as approved by the appropriate Pennsylvania governmental authority.

## **SECTION VI TERM AND TERMINATION**

**6.1 Term.** This Agreement shall commence on the Effective Date and shall terminate upon the issuance of permits to the Purchaser, or the transfer of the Permit to the Purchaser by the PUC, whichever is applicable, or six (6) months from the Effective Date, whichever is sooner (the "Term").

**6.2 Termination.** This Agreement may be terminated upon the mutual consent of both Parties but may only be terminated by a single Party under the following circumstances:

(a) If one Party materially breaches this Agreement, which breach cannot reasonably be cured or remains uncured for thirty (30) days after the non-breaching Party provides written notice of the breach to the breaching Party, the non-breaching Party may terminate this Agreement; and

(b) A Party may immediately terminate the Agreement if the other Party does one or more of the following: applies for or consents to the appointment of a receiver, trustee, or liquidator for all or a substantial part of its assets; admits in writing its inability to pay its debts as they become due; makes a general assignment for the benefit of creditors; files a petition or answer seeking an order for relief, reorganization, or an arrangement with creditors; or takes advantage of any insolvency law.

**6.3 Reformation and Immediate Termination.** If at any time, either Party becomes subject to imminent enforcement action by a governmental agency on the basis that a material portion or provision of this Agreement does not comply with applicable law, then the Parties shall use good faith efforts to reform this Agreement in such a manner to ensure it complies with applicable law.

## **SECTION VII INDEMNIFICATION**

**7.1 Indemnification By Licensee.** Licensee hereby indemnifies, defends, and holds Purchaser (along with its officers, employees, agents, and directors) harmless from any liability, cost, or expense (including reasonable attorneys' fees) arising out of any claim asserted by a third party against Purchaser which claim is based upon the intentional acts or omissions of Licensee in the performance of its obligations and responsibilities under this Agreement. If Purchaser seeks indemnification from Licensee, it shall give Licensee notice of such claim, and Licensee shall defend and settle such claim at its sole expense, provided that

Purchaser may elect to engage counsel to participate in such defense at its own expense.

**7.2 Indemnification By Purchaser.** Purchaser hereby indemnifies and holds Licensee (along with its officers, employees, agents, and members) harmless from any liability, cost, or expense (including reasonable attorneys' fees) arising out of the Business, and any claim asserted by a third party against Licensee which claim is based on: (i) the operation of the Business; (ii) the Purchaser's breach of any covenants or agreements under this Agreement; or the intentional acts or omissions of Purchaser in the performance of its obligations and responsibilities under this Agreement. If Licensee seeks indemnification from Purchaser, it shall give Purchaser notice of such claim, and Purchaser shall defend and settle such claim at its sole expense, provided that Licensee shall cooperate in such defense, and further provided that Licensee may elect to engage counsel to participate in such defense at its own expense.

## **SECTION VIII OTHER MISCELLANEOUS MATTERS**

**8.1 Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the Commonwealth of Pennsylvania.

**8.2 Notices.** Any notice to either Party in connection with this Agreement shall be deemed given and effective upon delivery and confirmation thereof, by electronic mail, mail courier, or overnight mail at the addresses set forth below, or such other address provided in writing:

If to Purchaser:           Forward Moving, LLC  
                                  c/o Zippy Shell Incorporated  
                                  11640 Northpark Drive, Suite 200  
                                  Wake Forest, NC 27587  
                                  Attn: Mark Linville

With a copy to:           Egan Nelson LLP  
                                  1330 Post Oak Blvd, Suite 3301  
                                  Houston, TX 77056  
                                  Attn: Vince Cangolosi

If to Licensee:           Masha Moving & Storage, LLC  
                                  715 Southwinds Drive  
                                  Bryn Mawr, PA 19010  
                                  Attn: Stephen and Ashley Masha

With a copy to:           Barley Snyder  
                                  2755 Century Boulevard  
                                  Wyomissing, PA 19610  
                                  Attn: Charles J. Phillips, Esquire

**8.3 Assignment.** This Agreement, or any part hereof, shall not be subject to assignment or transfer by either Party without the express written consent of the other Party except that,

subject to any approvals required by applicable law, either Party, by written notice to the other but without the necessity of obtaining its consent, may assign this Agreement to any entity that controls, is controlled by, or is under common control with the assigning Party. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their permitted successors and assignees subject to applicable law.

**8.4 Severability.** The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted.

**8.5 Waivers.** The waiver by either Party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation. The failure of either Party at any time or times to require performance of any provision hereof shall in no manner effect the right of such Party later to enforce the same. No waiver by either Party of the breach of any term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed to be, or construed as, a further or continuing waiver of any such breach or a waiver of the breach of any other term of covenant contained in this Agreement.

**8.6 No-Third Party Beneficiary.** Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon or give any person any rights or remedies under or by reason of this Agreement, except as set forth herein.

**8.7 Entire Understanding; Conflict.** The Parties agree that this Agreement contains the entire understanding between the Parties regarding the subject matter herein, and there are no other understandings, representations, or agreements, written or oral, other than as set forth in this Agreement. In the event of any inconsistency, conflict or ambiguity as to the rights and obligations of the Parties under this Agreement, and the APA, the terms of the APA shall control and supersede any such inconsistency, conflict or ambiguity.

**8.8 Amendment.** The Parties agree that this Agreement may be amended at any time by the Parties, provided any such amendment is agreed upon by both Parties in writing and signed by both Parties.

**8.9 Counterparts.** This Agreement may be executed electronically, in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute one and the same instrument.

**8.10 Regulatory Approvals.** Notwithstanding anything contained herein to the contrary, if this Agreement and any amendment, modification, or other change to it is deemed subject to the approval by Pennsylvania governmental authorities, including without limitation the PUC, this Agreement and/or any such amendment shall not be deemed effective until such approval is obtained.

**8.11 Independent Contractor Status.** Purchaser shall only be an independent contractor to Licensee and shall be liable and responsible for all licensure, taxes, withholdings, etc., associated with any compensation received from Licensee. In addition to all insurance policies required to be maintained by Purchaser hereunder, Purchaser may obtain all insurance policies it deems reasonable or prudent.


**8.12 Regulatory Compliance.** It is and will remain, in perpetuity, the intention of the Parties hereto that this Agreement comply in all respects with all applicable laws and the Parties have structured their relationship with that specific intent. Therefore, in the event that any provision of this Agreement is rendered invalid or unenforceable by a court of competent jurisdiction, or any applicable laws are altered by any legislative or regulatory body, or either Party notifies the other Party in writing of its reasonable belief that this Agreement or any of its provisions may be declared null, void, unenforceable, or in violation of applicable laws, the remaining provisions, if any, of this Agreement shall nevertheless continue in full force and effect. Furthermore, in such event the Parties agree to negotiate in good faith an amendment to the Agreement to comply with all applicable laws while fully remaining consistent with the Parties' original intent allowable by all applicable laws.

[SIGNATURES ON FOLLOWING PAGE]



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

**PURCHASER:**  
FORWARD MOVING, LLC



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Mark Linville  
Chief Financial Officer

**LICENSEE:**  
MASHA MOBILE MOVING & STORAGE, LLC

---

Stephen Masha  
President

**IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.**

**PURCHASER:  
FORWARD MOVING, LLC**

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**Mark Linville  
Chief Financial Officer**

**LICENSEE:  
MASHA MOBILE MOVING & STORAGE, LLC**

  
\_\_\_\_\_  
**Stephen Masha  
President**

**Forward Moving, LLC  
Fleet Safety Policy**

## **1. Statement of Fleet Safety Policy/Scope**

Forward Moving, LLC ("Forward Moving", the "Company", "we" or "our"), including all subsidiaries, actively promotes safety and training programs to reduce our accident, injury, illness and property damage claims while increasing customer satisfaction. The objective of this policy is to strive to reduce or eliminate motor vehicle accidents, other incidents and associated injuries by following the safe practices established in this policy. This policy is integrated into the Company's Employee Handbook and the Company's Operations Manuals and is a collaborative effort that includes all employees. Compliance with this policy is mandatory for all Company drivers. Violations of this policy may result in disciplinary action up to and including suspension of driving privileges or termination of employment. The Company is committed to the safety of all of its employees and the public at large and desires for all of its employees to return home safety from work each and every day.

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 the Company 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, cost of locating a substitute driver, loss of public goodwill, the loss of a customer or national account's goodwill through unnecessary delay or loss of cargo and many others.

A conscious effort on the part of all employees to share the responsibility for implementing and enforcing this policy will result in a reduction of our claims and maintain the reputation for quality service that we at Forward Moving have built over the years.

### **1.1 Policy Changes Disclaimer**

Forward 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 policy 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 contained in this policy if, at its sole discretion, the circumstances require.

### **1.2 Terminology**

**Driver:** For the purposes of this policy, the term "driver" will refer to all employees, contractors, sub-contractors and/or independent owner-operators that drive for Forward Moving or anyone who may, in the course of their employment, operate a Company-owned commercial vehicle, a rented/leased commercial motor vehicle, and/or a personal commercial motor vehicle on Company business.

**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 Forward Moving.

**DATE OF DEPOSIT**

## **2. Hiring Procedures**

### **2.1 Application**

The Forward Moving employment hiring process is designed to ensure that the safest individuals are hired to operate our motor vehicles. This multi-step process shall be used for all driver applicants and will be administered uniformly without bias toward race, color, religion, gender, age, national origin, disability, sexual orientation or any other criteria deemed unlawful by state, federal or local law. All prospective drivers will be required to complete a Driver's Application.

### **2.2 Documentation and Background Checks**

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

- Driving records/motor vehicle records for all drivers covering a minimum of the previous 3 years license history, including licenses held prior to current license (FMCSR 391.23)
- Safety performance history records request
- Criminal background check
- See also Section 5 below for additional requirements including Medical Certification/Physical.

### **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 disciplinary action up to, and including, termination of employment and/or cancellation of contract.

## **3. New Driver Safety Orientation**

### **3.1 Drivers**

All new drivers at Forward Moving will receive a safety orientation. The orientation will inform you about safe work practices as well as potential hazards in the workplace. A copy of this Fleet Safety Policy will be given to each driver during orientation.

The new hire orientation will include the following subjects:

- Operations and the Company's Operations Manual
- Safety Rules
- Personal Protective Equipment (PPE)
- Packing/Loading (when appropriate)
- Truck training
- Hours of Service
- Seatbelt usage
- Nonuse of Company equipment for personal business
- Unauthorized passengers
- Accident reporting and review
- Emergency equipment
- Pre- and post-trip inspections

- Speed and space management
- Vehicle and cargo security
- Cell phone usage

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 and that they have received a copy of the Forward Moving, LLC Fleet Safety Policy.

## 4. Drug-Free Workplace Policy

Forward 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. Notwithstanding that the recreational use of certain substances (eg, Cannabinoids (marijuana)) may be permitted by certain State laws, Forward Moving follows Federal Laws with respect to such substances and will continue to test for and discipline for the use of any such substances.

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

- Amphetamines (speed, pep pills)
- Barbituates (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 a Company facility or other property, or on any public property, waiting to be dispatched, unless the driver has been relieved from duty by the Company.
- 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 all positions and in an indiscriminate manner. Forward Moving has contracted with a third party to conduct applicable testing.

Any applicant hired by Forward Moving will be directed to a clinic, at Company expense, to undergo Pre-Employment/Post-Offer Drug/Alcohol testing. The clinic will release the results to a 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. No driver applicant will perform any work or activity for Forward Moving until a negative test result has been obtained for the driver applicant.

If the results of the drug test are positive, a Company representative 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 Company representative 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 drivers will be randomly tested for controlled substances and alcohol as required by Section 382.305 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 drivers may be randomly selected for drug and/or alcohol testing. 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. All drivers will be randomly tested, whether or not the driver has a commercial drivers' license, with all testing meeting the requirements of Section 382.305 of the FMCSR.

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**

Appropriate regulated Drug and Alcohol testing will be done if the accident was reportable under US DOT criteria or if a citation has been issued for a moving violation as a result of the accident. If medical attention is required, the driver will be directed to have the injury taken care of and to provide a breath and urine specimen 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 a 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, the driver's supervisor 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 the employee's supervisor 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 result in immediate termination. In addition, an employee who refuses to submit to the testing procedure will be regarded as refusing to be tested, which will result in 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 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 specimen 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 a 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 result in 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**

Forward Moving reserves the right under all applicable laws to test any employee for alcohol and illegal drugs if he/she shows cause. 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 a Regional Manager or a member of the fleet/safety team to confirm the reasonable cause. Upon 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.

Supervisors must obtain approval from the Human Resources and/or the Safety/Compliance department prior to requiring that an employee undergo reasonable cause 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 result in immediate termination. If the test comes back negative, the employee will 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 result in immediate termination. If he/she becomes hostile, he/she will be considered insubordinate, which will result in 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.
- Forward Moving will be responsible for any and all expenses incurred for testing.

## **4.8 Confidentiality**

Any and all information, interviews, reports, statements, memoranda and test results written or otherwise received by Forward 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
- 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 FMCSA 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**

Prior to the beginning the performance of safety-sensitive functions, the following information must be requested from all of a driver's previous employers for the prior three year period:

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

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

## **4.11 Training**

The individuals 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

## **4.12 Referral**

Each employee who tests positive will be given a list of treatment and substance abuse professionals in the area.

# **5. Fleet Safety**

Forward 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 the Company operate in a safe 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 18 will not drive commercial trucks for the Company.

### **5.1.3 Driver Screening Criteria**

Forward Moving will not consider any driver who does not meet our requirements, which we reserve the right to change at any time.

### **5.1.4 Medical Certification/Physical**

All prospective drivers will be required to undergo a physical evaluation and pass a DOT physical evaluation. Results of the physical evaluation will be compared to the necessary physical requirements for a driver for the 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, Training and Orientation**

All new drivers will be required to attend a Safety Orientation as outlined in Section 3 of this policy. In addition, all new drivers of vehicles with a Forward Moving Mini-Mover will be accompanied by a supervisor or other experienced driver for a minimum of 25 touches (the "road test"), with a touch defined as the pick-up and/or delivery of a Forward Moving container. The road test will require the driver to safely and competently complete tasks. They will be made in normal traffic conditions 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 use of seat belts and other safety devices is mandatory during all road tests. This road test will be completed before a new driver is allowed to operate a commercial vehicle for Company business without supervision.

### **5.1.7 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 Forward 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
- Copy of Motor Vehicle Record
- 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
- Acknowledgement and Receipt of Drug-Free Workplace Policy
- Past employment verifications
- Background and criminal records checks
- I-9 form

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.

## **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, supplies and required paperwork are on the truck.

### **5.2.1 Pre & Post-Trip Inspections**

Forward Moving is committed to following a rigid, daily vehicle inspection program. All drivers will be trained on proper inspection procedures and are required to perform both pre and post-trip inspections on their vehicles using the Driver's Vehicle Inspection Report form provided by the Company. The current forms are attached to this policy. If a deficiency is found, the form will be forwarded to the Operations Manager to confirm the equipment malfunction, complete repairs and sign off on the completed identification form. If anything unsafe is discovered during the pre-trip inspection, it must be fixed immediately. The Driver's Vehicle Inspection Report will be retained by the Company for three (3) months from the date the report was prepared.

### **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 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 twelve months. Additional inspections will be completed as required. Documentation of these inspections on the proper form must be turned in to Forward 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, Forward 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 and other DOT equivalent inspections.

## **5.3 Hours of Service**

Hours of Service, as prescribed by the U.S. Department of Transportation, will not be exceeded. Forward 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.

Falsification of logs is not tolerated by Forward 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 statement.
  - 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.

#### **5.4.2 Accident Reporting**

As soon as possible following the accident, contact your immediate supervisor. This person 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 must be reported within 24 hours.

#### **5.4.3 Accident Investigation and Review**

An incident report must be filled out by the driver and the Operations Manager and submitted to the Company within 24 hours of the incident. Forward Moving will evaluate driver performance in regard to accident frequency, severity and preventability. Accidents will be judged on a case-by-case basis. Drivers involved in preventable accidents are subject to disciplinary measures up to and including 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. 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 Other Driver Safety Rules**

Company drivers are responsible for complying with all Forward Moving rules. In addition to the above, driver safety rules include:

- Do not operate the vehicle unless all occupants are wearing a seat belt.
- Do not allow any unlicensed/unauthorized person to operate a Company motor vehicle.
- Do not operate any vehicle while impaired, affected, or influenced by alcohol, illegal drugs, medication, illness, fatigue or injury.
- Do not engage in distracted activities while driving. This includes using a cell phone for talking or texting, eating, using a computer, GPS or MP3 player, reading, looking at maps or any other activity that takes a person's eyes or attention away from driving.
- Do not use a radar detector.
- Obey the posted maximum and minimum speed limits at all times.
- Do not pick up hitchhikers or allow unauthorized passengers inside the motor vehicle.
- Do not drive a motor vehicle that is mechanically unsafe to operate.
- Do not operate a motor vehicle with unsecured cargo or equipment.
- Move to another traffic lane and slow down when approaching an emergency vehicle along the side of the roadway.
- Observe all state and local laws while operating the motor vehicle.
- Do not push or pull another vehicle or tow a trailer without Company authorization.
- Do not transport hazardous materials or other flammable liquids or gases.

### **5.12 Space Management**

A following distance of at least 3-5 seconds 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, whether received while driving for Forward Moving or otherwise. MVR's will be pulled at least annually and reviewed for the driver's continued eligibility per the driving criteria as stated above. In the event that a driver is licensed in a jurisdiction that allows third-party monitoring, this satisfies the annual MVR requirement. Any driver who does not meet these criteria will be removed from driver status, and their employment may be terminated. 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 Forward Moving are the responsibility of the driver, and the Company will not pay for any fines received.

Drivers will not operate a Company vehicle if their license is suspended, revoked, or canceled, or if they are disqualified from driving. The driver must notify the Company if their license is suspended, revoked or canceled.

## **5.14 Vehicle & Cargo Security**

### **5.14.1 Key Control**

Never leave the keys in the vehicle. Company-owned vehicles are to be returned to the warehouse and not kept at the employee, contractor or sub-contractor's home overnight or over the weekend, without your supervisor's prior approval.

### **5.14.2 Vehicle/Cargo Security**

- When leaving the truck, always take the keys and lock the vehicle.
- Cargo securement is extremely important to the safety of the driver, the vehicle and other vehicles using the road. Loads must be examined prior to each departure. All tie-downs, doors, signs, etc., are to be verified as secure, meaning that they cannot come loose and fall off the vehicle.

## **5.15 Law Enforcement Stops/Roadside Inspections/Weigh Stations**

Forward Moving expects drivers to behave in a professional and courteous manner when pulled over by law enforcement, going through weigh stations or if asked to participate in a roadside inspection. Directions given by the official should be strictly followed. Failure to comply with the procedures set forth below may result in disciplinary actions up to and including termination.

When a driver is required to participate in any of the above actions, he or she must pull off the road immediately to an area designated by the officer. If the driver believes the designated area is unsafe for the driver and/or the officer, the driver will state his or her concerns to the officer in a professional and courteous manner. Once the inspection is underway, the driver shall follow the directions given by the officer and act appropriately.

The results of all stops and inspections must be reported to the Company at the time of the drivers next return to the warehouse. The driver must turn in all inspection reports upon arrival. If the driver is not scheduled to return to a Company location within the next 24 hours, the driver must notify the Company of the inspection and result of the inspection via telephone.

If the vehicle or driver is placed out of service, the driver must notify his or her supervisor immediately so Forward Moving can notify the customer of any delays that may result. A vehicle that has been placed out of service cannot be operated until all repairs required by the out of service notice have been completed. Upon receiving a roadside inspection report, Forward Moving will make arrangements to correct any defects still outstanding.



## **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.
- Every position in Forward 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, trucks and Mini-Movers. 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.
- 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.
- The Company will do on-site inspections on a regular basis. They will be noting the safe behaviors of the crew as part of this inspection.

### **6.2 Facility Inspections**

The warehouse and all equipment will be inspected on a regular basis by the Company using approved inspection reports provided by the Company.

### **6.3 Incident Reporting and Investigation**

#### **6.3.1 Incident Reporting**

Employees must report all injuries/accidents immediately to their direct supervisor. This person will provide direction as to drug and alcohol testing if necessary. 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. Company representatives must report all injuries/accidents involving a fatality or serious injury to the insurance agent and/or carrier as soon as possible. All other incidents must be reported within 24 hours. The Company will report all fatality, injury and illness information to the government as required by law, and shall log (and post) all reportable incidents on an OSHA 300 Log as required by law.

### **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. 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 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 may, in the Company's sole discretion, be put to work in jobs such as checking shipments into the warehouse, completing paperwork for drivers on jobs, cleaning the warehouse, filing in the office, assisting in dispatch or other such jobs as available. Job descriptions have been developed and provided to care centers treating injured employees to assist with an improved evaluation of the health of the employee and their ability to return to work. A sample listing of potential job duties during the employee's rehabilitation period will be supplied to all injured employees and the care center personnel.

### **6.3.4 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, customers' locations, or in the warehouse, or on Company premises. Violation of this policy may result in disciplinary action up to and including termination.

## **6.5 Forklift Operation/Truck Operation/Forward Moving Mini-Mover Operation**

Only personnel that have been trained and certified to operate the Company's forklifts, trucks and Mini-Mover are permitted to operate such equipment. Training is given to all new drivers joining the Company on the Mini-Mover, forklift and truck. The driver will be required to be recertified on an annual basis or as deemed necessary by the company following an accident, workplace injury or incident, if the employee has been observed operating in an unsafe manner, the employee has been involved in a near-miss incident, the employee has received an evaluation that reveals the employee is not operating safely, the employee has been assigned to operate a different type of truck or forklift or a condition in the workplace changes in a manner that could affect safe operation of the truck, forklift or Mini-Mover. Equipment safety rules must be strictly complied with at all times. Violation of this policy may result in disciplinary action up to and including termination.

Attached are the Company's current forklift, truck and Mini-Mover training and operating policies.

## **6.6 Container Assembly/Container Disassembly**

Forward Moving containers may only be assembled and disassembled in accordance with the procedures attached hereto.

## **6.7 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.

## **6.8 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, truck steps, slippery surfaces, inappropriate footwear, poor lighting, 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.

### **6.8.1 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 pins should be used and personnel should always be aware of when the slip-resistant coating on the board is beginning to lose grip. All walk boards should be inspected on a regular basis and before each use. Notify a supervisor if a walk board is beginning to wear down 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.

## **6.9 Safety Committee**

### **6.9.1 Safety Committee**

Forward Moving has an active Safety Committee in place. This committee is composed of representatives from various 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.

## **6.10 Security**

### **6.10.1 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 any gates are locked.

### **6.10.2 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. 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. All employees, including supervisors and managers, must 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.

### **6.10.3 Robbery**

- Cooperate with the individual.
- Call 911 immediately after the individual leaves.
- Inform a supervisor of the incident.
- Fill out a report.

#### **6.10.4 Vehicle Theft**

- Call 911 immediately after discovering the theft.
- Inform a supervisor or lead person of the incident.
- Fill out a report if the theft was witnessed.
- Provide the following information to law enforcement:
  - License plate number of the truck and/or trailer
  - VIN numbers of the truck and/or trailer
  - A detailed description of the truck and/or trailer
  - A description of the load, including value
  - Note the officer's name, phone number and case number and give it to your supervisor as soon as possible.

### **6.11 Personal Protective Equipment (PPE)**

#### **6.11.1 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. Make sure your shoes are in good shape, the right size and correct for the job. Discard worn-out shoes with smooth soles and other defects. Avoid footwear with soles that have poor floor traction - especially on smooth surfaces. Never jump from equipment and vehicles or off of steps. Always use the handrail and all the steps provided. Avoid stepping onto loose rocks, slippery surfaces, oil spills, etc.

#### **6.11.2 Gloves**

Gloves should be worn to protect the hands from cuts, slivers, and burns. Gloves are to be worn as set forth in the Company's Operations Manuals. Thick leather gloves with a good grip are ideal.

#### **6.11.3 Goggles**

Always wear safety goggles as set forth in the Company's Operations Manuals.

### **6.12 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.

#### **6.12.1 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.

#### **6.12.2 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.

### **6.12.3 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.

### **6.12.4 Tornado**

#### **At the Warehouse**

- The Operations Manager will keep staff informed of conditions by listening to both news radio and weather radio (if available).
- 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.
- 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 Operations to check in.

#### **6.12.5 Winter Storm**

- Dress warmly.
- Avoid overexertion.
- Know the symptoms of hypothermia and frostbite.
- Know the appropriate winter driving techniques.

#### **6.12.6 Flood**

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

#### **6.12.7 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.

#### **6.12.8 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.

## **6.13 Hazardous Materials**

### **6.13.1 List of Hazardous Materials**

A list of all hazardous materials used by the Company is below. Further information regarding any of these chemicals can be obtained by reviewing its respective MSDS, a copy of which is located in the warehouse office. Materials that can be purchased by the ordinary household consumer, and that are used in the same fashion and amount as by the ordinary household consumer, are not required to be included in this list.

Hazardous Chemical (same name as on container label and MSDS)  
Propane

## **7. Safety Incentive Programs**

The Company has various safety incentive programs, which will be communicated to the drivers separately from this policy. The Company reserves the right to modify, replace, amend, terminate, etc. any safety incentive program at any time in its sole discretion.

## **8. Forms**

1. Receipt of the Forward Moving, LLC Fleet Safety Policy.
2. Pre- and post-trip vehicle inspection forms.
3. Forklift training and operating policies.
4. Truck training and operating policies.
5. OSHA 300 Log



Truck Schedule

\*Current Trucks for PA Location ONLY\*

YEAR	MAKE	MODEL	VIN NUMBER	Mileage 8/30/22
2017	Ford	F350	1FT8X3DT6HEE79358	196710
2017	Ford	F250	1FT7W2BT9HEF43913	222332
2018	Ford	F550	1FDUF5GT4JDA03728	125028
2019	Ford	F150	1FTEW1E43KFA 91187	85974
2020	Ford	F350	1FT8X3BT3LEE71381	68753
2018	Isuzu	ZS	JALE5W165J7303537	44297
2018	Isuzu	ZS	JALE5W163J7304122	43471
2019	Freightliner	M2 106	3A1ACWFB8KDKH7027	120,000
2018	International	DuraStar 4300	3HAMMMML0JL003837	134,000
2023	Mack	MD	1M2MDBAA9PS004891	18,000

DATE OF DEPOSIT

OCT 28 2022

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

\* 2022 forecasted P&L for PA Location ONLY\*

**2022 Forecasted P&L**

	<b>2022</b>
	<b>FY</b>
<b>Revenue</b>	\$ 3,303,773
<b>COGS</b>	\$ 1,791,034
<b>Total Gross Margin</b>	\$ 1,512,740
<b>Total Payroll Expenses</b>	\$ 158,250
<b>Total Advertising Expense</b>	\$ 118,251
<b>Total Delivery Expense</b>	\$ -
<b>Total Facility Expense</b>	\$ 324,289
<b>Total General &amp; Administrative Expense</b>	\$ 231,628
<b>Total Operating Expenses</b>	\$ 832,418
<b>Net Ordinary Income (Loss)</b>	\$ 680,322
<b>Net Other Inc/(Exp)</b>	\$ -
<b>Net Income (Loss)</b>	\$ 680,322
<b>Addback Interest</b>	\$ -
<b>Addback Depreciation and Amortization</b>	\$ -
<b>Pro Forma EBITDA</b>	\$ 680,322

**DATE OF DEPOSIT**

**OCT 28 2022**

PA PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

\* Balance Sheet Pre-Acquisition Numbers \*  
\* Limited to PA location ONLY \*

**Reported Balance Sheet**  
**5/31/2022**

Cash	
AR	246,076
Other Receivables	223,789
	86,089
<b>Current Assets</b>	<b>555,953</b>
Fixed Assets & Intangibles	1,321,687
Accum Depreciation	(1,250,507)
<b>Fixed Assets &amp; Intangibles (Net)</b>	<b>71,180</b>
<b>Intangibles (Net)</b>	<b>209,479</b>
<b>Total Assets</b>	<b>836,613</b>
Accounts Payable	63,962
Other Payables	29,941
<b>Current Liabilities</b>	<b>93,903</b>
Debt	210,000
Equity	532,709
<b>Total Liabilities and Equity</b>	<b>836,613</b>

**DATE OF DEPOSIT**

**OCT 28 2022**

**PA PUBLIC UTILITY COMMISSION**  
**SECRETARY'S BUREAU**

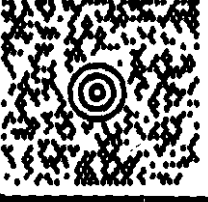
GARRET KIRKPATRICK  
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1-BDD - PACK - RAT 6000  
11640 NORTH PARK DRIVE  
WAKE FOREST NC 27587

1 LBS 1 OF 1

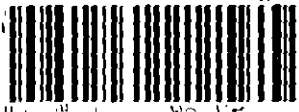
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SECRETARY OF PA PUBLIC UTILITY COMM  
SECOND FLOOR  
400 NORTH 2ND STREET

SHIP TO: 26/Oct/2022 19:09 1701

SECRETARY OF PA PUBLIC UTILITY COMM  
400 NORTH ST  
HARRISBURG PA 17101

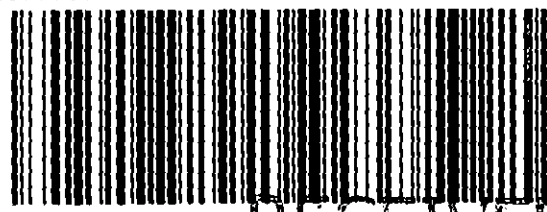


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UPS NEXT DAY AIR SAVER 1P  
TRACKING #: 1Z 278 R3X 13 3541 1491



BILLING: P/P

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Reference No. 1: 6000-122 PA PUBLIC UTILITY COMMIS  
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