

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

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

Application of CHHJ PA Pittsburgh, LLC as a common carrier, described at Docket No. A-2016-2570920 issued to BLL Charles, Inc. for transportation of household goods.

SEE INSTRUCTIONS BEFORE COMPLETING APPLICATION

1. CHHJ PA Pittsburgh, LLC
(Full and Correct Name of Applicant/Transferee)
2. COLLEGE HUNKS HAULING JUNK & MOVING
(Trade Name, If Any)

The trade name has been registered with the Secretary of the Commonwealth

On October 15, 2024 (attach copy of stamped registration form.)
(Date)

3. 1101 William Flinn Hwy Glenshaw PA 15116
(Business Street Address)

(Telephone) 412-226-0859

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

Andrew J. Horowitz, Esq.
Obermayer Rebmann Maxwell & Hippel LLP
525 William Penn Place, Ste. 1710
Pittsburgh, PA 15219
412-288-2461
andrew.horowitz@obermayer.com

5. Any documents should be mailed to:

Transferee: Travis Mellish 4411 West Tampa Bay Blvd, Tampa, FL 33614
(Name) (Address)

Travis.mellish@chhj.com
(E-mail Address)

Transferor: Laura Charles
(Name)

10737 Babcock Blvd, Gibsonia, PA 15044
(Address)

lauraleachar@gmail.com
(E-mail Address)

6. Applicant does not hold Pa. P. U. C. authority

7. Applicant does hold Interstate Commerce Commission authority at Docket No. 4311444.

8. Applicant is a Corporation. Organized under the laws of the state of Pennsylvania and qualified to do business in Pennsylvania by registering with the Secretary of the Commonwealth on October 9, 2024 It is a wholly-owned subsidiary of CHHJ Corporate Stores, LLC

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.

Applicant is a wholly-owned subsidiary of CHHJ Corporate Stores LLC, which owns a four other regional carriers. College Hunks Hauling Junk and Moving also has approximately 200 franchised locations nationwide.

The other regional carriers owned by CHHJ Corporate Stores LLC are:

- CHHJ, LLC – located in Rockville, MD
 - DOT # - **1442953**
 - MC # - **MC-545874**
- Mansari, LLC – located in Tampa, FL
 - DOT # - **2292338**
 - MC # - **MC-1108815**
- CHHJ New Jersey, LLC – located in Fairfield, NJ
 - DOT # - **3315186**
 - MC # - **MC-1053812**
- CHHJ NC Raleigh, LLC – located in Raleigh, NC
 - DOT # - **4196479**
 - MC # - **MC-1618099**

9. Applicant proposes to acquire all of the operating rights now held by transferor.

10. The reason for the transfer is: Applicant is currently Transferor's franchisor. Transferor wishes to sell its franchise business and Applicant decided to buy it and operate it as a company-owned location.

12.

a. The following must be attached:

- ✓ Sales Agreement
- ✓ List of equipment to be used to render service. (Summarized by type)
- ✓ Operating authority to be transferred/retained.
- ✓ Statement of Financial Position
- ✓ Statement of unpaid business debts of transferor and how they will be satisfied.
- ✓ 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. Transferor further attests that it has no unpaid business debts.

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:

DocuSigned by:
Nick Friedman 11/15/2024
27B1C8D4AB31428...
 (Each Partner Must Sign)

DocuSigned by:
Omar Soliman 11/14/2024
4A94AD3FD0BEF472...
 (Date)

(Corporate Seal)

Transferor sign here:  11/14/2024

(Corporate Seal)

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 o Authorities.

TRANSFEROR (SELLER)

| | | |
|---------------|---|------------|
| Laura Charles | <small>DocuSigned by:</small> <i>Laura Charles</i> | 11/14/2024 |
| (Print Name) | <small>5E800D34F48649F...</small> (Signature) | (Date) |

| | | |
|--------------|-------------|--------|
| (Print Name) | (Signature) | (Date) |
|--------------|-------------|--------|

| | | |
|--------------|-------------|--------|
| (Print Name) | (Signature) | (Date) |
|--------------|-------------|--------|

TRANSFeree (BUYER)

| | | |
|---------------|---|------------|
| Nick Friedman | <small>DocuSigned by:</small> <i>Nick Friedman</i> | 11/15/2024 |
| (Print Name) | <small>27B1C8D4AB31428...</small> (Signature) | (Date) |

| | | |
|--------------|--|------------|
| Omar Soliman | <small>DocuSigned by:</small> <i>Omar Soliman</i> | 11/14/2024 |
| (Print Name) | <small>14A91AD3FDBEF472...</small> (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.

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.

Legal Name of Applicant

CHHJ PA Pittsburgh, LLC

Trade Name, if any

College HUNKS Hauling Junk & Moving

| Street Address (principal place of business) | City or Municipality | State | Zip Code |
|--|----------------------|-------|----------|
| 1101 William Flinn Hwy | Glenshaw | PA | 15116 |

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.

Travis Mellish, VP of Franchise Development and Legal Affairs, 4411 West Tampa Bay Boulevard, Tampa, FL 33614, 813-381-4679. Mr. Mellish is authorized by Applicant's owners to make this statement.

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

Applicant is a wholly-owned subsidiary of CHHJ Corporate Stores LLC, which owns a four other regional carriers. College Hunks Hauling Junk and Moving also has approximately 200 franchised locations nationwide.

The other regional carriers owned by CHHJ Corporate Stores LLC are:

- CHHJ, LLC – located in Rockville, MD
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 - MC # - **MC-1108815**
- CHHJ New Jersey, LLC – located in Fairfield, NJ
 - DOT # - **3315186**
 - MC # - **MC-1053812**
- CHHJ NC Raleigh, LLC – located in Raleigh, NC
 - DOT # - **4196479**
 - MC # - **MC-1618099**

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.

College HUNKS Hauling Junk & Moving currently operates 4 Corporate-owned locations, with the intention of this Pittsburgh being the 5th location. We will do ~\$18M in revenue between the locations, with healthy profitability margins around 10%.

The locations leadership team will consist of Dan Whalen (VP of Operations), Greg Mullis (Manager of Corporate Operations) and Josh Mastascusa (Managing Partner).

Josh has been in the moving and transportation industry for almost 20 years, with expertise in operations management and a consistent track record of leading profitable businesses. In addition to other progressively responsible business experience, Josh spent over a decade with Two Men and a Truck, as Vice President of the Pittsburgh franchise and managed over 100 team members with a 25+ truck operation. He is familiar with the relevant DOT and PUC regulations and competent to run a compliant business.

Greg Mullis is the Manager of Corporate Operations, overseeing all the corporate-owned locations and would be directly working with Josh. Greg has almost 3 years of experience with College HUNKS and currently manages 4 other CHHJ locations that are on track to do ~\$18M in revenue in 2024 and completed almost 26,000 jobs throughout our communities last year. Through our dedication to training and an exceptional customer experience, we've collected over 7,200 Google Reviews with an average of 4.9 rating. Greg has worked in both Franchise and Corporate Operations and has worked with many of the top performing franchises in the system to identify and develop systems and processes that lead to success and operational excellence. Prior to joining College HUNKS, Greg spent 10 years in the Fitness Industry working at Gold's Gym as the District Manager, overseeing the NC/SC market locations.

Dan brings 9 years of experience in the Moving industry. Dan started in the Tampa corporate store, where he helped grow that location from \$1M in revenue to over \$6M in revenue, all while being very profitable. Dan's success in the Tampa corporate store led to him moving over to the corporate (franchisor) team, where he was able to leverage his experience and take the principles and strategies he applied in Tampa and share them with other franchise locations. In addition to having the corporate stores under his footprint, Dan also works with the franchise locations through his team of Franchise Business Coaches. Dan brings a wealth of operational experience, leadership and team development expertise. He is also an accomplished author and speaker.

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.

The facility is a multi-tenant industrial complex. We have a warehouse that is roughly 1500 sq ft, with about 500 sq ft of office space. There is 1 garage opening from our office into a central foyer with shared space with other tenants. There's also an outer garage door that leads to the outside where we will load up on trucks with any supplies necessary. Parking for trucks is along with outside wall, along with additional parking spaces across the parking lot. There are also approximately 15 parking spaces for staff vehicles. The office machines that will be used are the standard computers, printers, and phones.

For maintenance records, we leverage "Fleetio" software to keep track of all preventative and ongoing maintenance of our fleet, along with all regulatory inspections that are required by any state or federal regulations.

We have a national call center that fields all inbound telephone calls from customer requests. We have our own internal software that we use to book our clients on our calendar along with all applicable job notes and quotes that will be leveraged by our teams to dispatch and complete the jobs. We will review the job notes to determine which team would best fit the need, and review any applicable job information needed with the team before they are dispatched. We have telematics in all vehicles that will be used for tracking where our drivers are at, and we stay in constant communication with them throughout the day via phone calls and text messages. They also use our internal software so that we can see where they are at in the process of the transportation throughout the day. For example, when they leave the facility to head to the origin address, they will click "Start Travel", which will notify the client that we are on the way, and also timestamp the day and time that we left. When they begin the work, they will click "Start Work" which is when the clock starts for the client, and the management team will be able to see these being completed in real time from each team throughout the day.

We will maintain all records as required by the PUC via our internal software "Hunkware", along with keeping all printed paperwork filed away in a safe, locked filing cabinet.

Our intended Business Hours will be from 7am – 7pm Mon-Sun.

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).**

We intend to have around 35 non-driver employees, but that number can fluctuate up or down depending on seasonality. Most of those employees will be drivers and general laborers who will be conducting the services for our Moving and Junk Removal clients. We will also have a few managers who will oversee and manage the team members who are on the trucks, along with recruiting and training, client communications, claims management, administrative tasks, along with providing leadership, accountability and management to our teams.

This number of employees is appropriate because we've found that we typically need to have around 2 Drivers and 3 Laborers per truck. Since we plan to operate with 10 Trucks (7 Move and 3 Junk Trucks), we would need approximately 20 Drivers and 30 laborers, and the remaining 5 would be Office Staff and Managers.

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.

We intend to use twenty drivers, as explained above. We believe that this number is appropriate since in our experience we need two drivers per truck and we intend to operate ten trucks. This is based on the experience of Transferor in operating the business, as well as our own corporate experience.

In addition, please explain:

- a. Your hiring standards for drivers: *We look for a clean motor vehicle record with a track record of safe driving. No more than 1 incident in the past 24 months. We also look for individuals who are responsible and mature and understand the true magnitude and responsibilities of driving these large commercial vehicles. They must also be in alignment of our Core Values as an organization and have a good positive attitude and be coachable.*
 - b. Your system to ensure prospective drivers will be subject to a criminal background check: *we use TURN technologies for both criminal background checks and Motor Vehicle Reports for all prospective new hires. We will also utilize PA State Police criminal history records and that of every other state where the applicant resided during the preceding twelve months.*
 - c. Your driver training program: *Drivers go through extensive training via online and hands on training. They will start with our internal online training platform and go through all Drive Training courses and best practices. They will then go through Driver Certification with one of our Drive Trainers, which consists of 2 separate sessions behind the wheel, going through various scenarios that they will encounter while driving our commercial vehicles such as parking, maneuvering tight corners, reversing, maintaining safe distance from the vehicle in front, both local and highway driving, driving in wet or inclement conditions. They must pass all of these scenarios before they are certified to drive our vehicles. We also have Samsara Telematics that monitors their driving and we are alerted of any unsafe driving incidents which we coach immediately and then use for ongoing training.*
 - d. Your system for ensuring that your drivers are properly licensed at all times: *We leverage TURN Technologies, Inc. for ongoing MVR reports to ensure that drivers are properly licensed at all times and to be alerted of any motor-vehicle related incidents or issues. We will review motor vehicle records from the appropriate agency of every state in which the driver held an operator's license or permit during the preceding three years. Once drivers are hired, we will review their history every twelve months, from every state where they were licensed during that time period.*
 - e. Your system to ensure that all drivers will be subject to a criminal background check every two years: *We also use TURN Technology to do on-going Criminal background checks on an annual basis. We will also obtain and review a PA State Police criminal history report for each driver every two years from the date of their last criminal history check. These criminal history records will be kept in the employee's personnel file for the duration of their employment and for three years following termination.*
 - f. Your policies regarding alcohol and drug use by your drivers. *We have a zero-tolerance policy for alcohol and drug use by our drivers. We reserve the right to conduct random drug screenings, along with requiring a drug and alcohol test for anyone involved in any sort of accident or incident.*
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.

We plan to operate 7 Moving Trucks in our fleet. 5 of these are already obtained as part of the purchase of an existing business. Those are listed below. The additional 2 trucks have not yet been purchased, but will be brand new trucks.

| <u>YEAR</u> | <u>MAKE</u> | <u>MODEL</u> | <u>SEATING CAPACITY</u> | <u>VEHICLE ID #</u> |
|-------------|-------------|----------------|-----------------------------|---------------------|
| 2016 | Isuzu | NPR | 3 | 54DC4W1B6GS809789 |
| 2012 | GMC | Savanna G33903 | 2 | 1GD374CG7C1905581 |
| 2017 | Ford | F650 | 3 | 1FDNF6AY2HDB07501 |
| 2017 | Ford | F650 | 3 | 1FDNF6AY6HDB02933 |
| 2021 | Isuzu | NPR | 3 | 54DC4W1D0MS206687 |

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

- a. Your periodic vehicle maintenance plan: *we do regular quarterly preventive maintenance on all our Trucks, along with semi-annual and annual inspections by Certified Inspection Mechanics. Oil Changes and Filters are replaced according to the manufacturer's recommendations.*
- 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: *We will use Fleetio software to keep track of all compliance requirements and get notifications when it's time for inspections or any regulatory renewals.*
- 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); *Not applicable.*
- 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); *Not applicable.*
- e. Your system for ensuring the filing of an annual vehicle list (taxicabs and limousines); *N/A*
- 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). *We will ensure our vehicles comply with Part 393 by doing Pre-Trip and Post-Trip inspections via Fleetio software, along with our quarterly detailed inspections. We will comply with Part 396 by keeping all maintenance records, quarterly and annual inspection reports, and Pre/Post Trip inspections in Fleetio software.*

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.

We have set unit pricing for auto liability insurance and auto physical damage insurance for all our corporate stores, meaning we know exactly how much we pay per unit (regardless of state) per year. As we already have 4 operational stores, this annual premium figure per truck is already known for this policy year (which runs from 5/1 - 4/30 of every year) and factored into our financial analysis and projections. We will simply need to endorse this entity onto the policy, which we can do at any time.

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.

Our customer service standards and expectations are incredibly high. HUNKS is an acronym that stands for Honest, Uniformed, Nice, Knowledge & Service. We take every one of these very seriously, but Service is something that we attempt to go above and beyond on as we know that plays a huge impact on whether they use us again in the future and whether they will refer their friends and family to us.

When a customer has a complaint with us, they may let us know a couple of different ways: they can call us directly to speak about it, they can also file a claim via their customer portal online. We have a manager who is assigned to handling claims in a timely manner and reaching amicable terms of resolution. Our Managing Partner of the location would handle any escalated claims that go above the normal scope, in an attempt to resolve the clients' complaints. We comply with local and state guidelines on valuation and will oftentimes offer above and beyond what the minimal requirements are when we have damaged their items. We also work with local contractors to resolve any property damage that happened as a result of a move we completed for a client.

In the rare event that we are unable to satisfy the customer, we will inform them of the process to file a informal or formal complaint with the PUC.

They can file an Informal Complaint one of three ways:

1. On the website at www.puc.pa.gov
2. Calling the PUC Bureau of Investigation and Enforcement (I&E) at 717-787-7598
3. Sending a complaint by mail to I&E to:
Bureau of Investigation & Enforcement
PA Public Utility Commission
400 North Street
Harrisburg, PA 17120

They can file a Formal Complaint by sending a written Formal Complaint Form (can be downloaded at www.puc.pa.gov) to the PUC. This can be done via eFile on the website, or by overnight delivery to the Secretary at this mailing address:

Secretary's Bureau
PA Public Utility Commission
400 North Street
Harrisburg, PA 17120

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?

NO

11. 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.

Applicant's financial statements are attached. Please note that Applicant's EBIDTA projection is positive at \$62,000. We've made \$82,000 worth of deductions for amortization and depreciation, which results in a \$20,000 loss for tax purposes but we anticipate the operation itself to be cash flow positive, hence the \$62,000 EBITDA figure.

Verification of Statement

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

(Signature)  24E15B9B8BA746F...

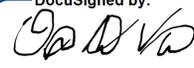
(Date) 11/15/2024

(Name and Title, printed or typed) Travis Mellish

VP of Franchise Development & Legal Affairs

CHHJ PA Pittsburgh, LLC Balance Sheet As of October 11, 2024

| | Total |
|---|---------|
| ASSETS | |
| Current Assets | |
| Cash | 125,000 |
| Accounts Receivable | 0 |
| Total Current Assets | 125,000 |
| Tangible Assets | |
| Motor Vehicle Equipment | 25,782 |
| Accumulated Depreciation | -25,782 |
| Total Vehicles | 0 |
| Intangible Assets | 100,000 |
| Accumulated Amortization | 0 |
| Total Intangible Assets | 100,000 |
| TOTAL ASSETS | 225,000 |
| LIABILITIES AND EQUITY | |
| Liabilities | |
| Current Liabilities | |
| Accounts Payable | 0 |
| Other Current Liabilities | 0 |
| Total Liabilities | 0 |
| Owner's Equity | |
| Owner Contributions | 225,000 |
| Retained Earnings | 0 |
| Net Income | 0 |
| Total Equity | 225,000 |
| TOTAL LIABILITIES & OWNER'S EQUITY | 225,000 |

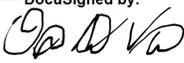
DocuSigned by:

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10/11/2024

V.P. of Finance

CHHJ PA Pittsburgh, LLC
Profit and Loss
October 2024 - September 2025

| | <u>Total</u> |
|--|------------------|
| REVENUE & GAINS | |
| Operating Revenue | 1,318,000 |
| Total Income | 1,318,000 |
| Expenses | |
| Other Cost of Sales | 259,000 |
| Equipment Maintenance & Garage Expense | 23,000 |
| Insurance Expense | 93,000 |
| Employee Salaries | 451,000 |
| Officer Salaries | 130,000 |
| Fuel Expense | 50,000 |
| Materials and Supplies Expense | 34,000 |
| General Office Expense | 5,000 |
| Advertising Expense | 163,000 |
| Utilities Expense | 7,000 |
| Accounting & Legal Expense | 14,000 |
| Uncollectible Revenue | 1,000 |
| Travel & Entertainment | 3,000 |
| Depreciation Expense | 74,000 |
| Amortization | 8,000 |
| Rent Expense | 20,000 |
| Other Expenses | 3,000 |
| Total Operating Expenses and Losses | 1,338,000 |
| Net Income Before Taxes | -20,000 |
| Provision for Income Taxes | 0 |
| Net Income | -20,000 |

DocuSigned by:

D9AFBBEEA7E94ED...

10/11/2024

V.P. of Finance



0013976641



COMMONWEALTH OF PENNSYLVANIA
 Department of State
 Bureau of Corporations and Charitable Organizations
 PO Box 8722
 Harrisburg, Pennsylvania 17105-8722
CERTIFICATE OF ORGANIZATION -
LIMITED LIABILITY COMPANY
 Fee: \$125

Pennsylvania Department of State

-FILED-

File #: 0013976641
Date Filed: 10/9/2024

B0742-3598 10/09/2024 8:00 AM Received by Pennsylvania Department of State

DSCB:15-8821 (rev. 2/2017)

In compliance with the requirements of [15 Pa.C.S. § 8821](#) relating to certificate of organization), the undersigned desiring to organize a limited liability company, hereby certifies that:

| | |
|-----------------------------------|------------------------------------|
| Limited Liability Company Type | |
| Filing type | Domestic Limited Liability Company |
| Limited liability company subtype | Limited Liability Company |

| | |
|--------------------------------|-------------------------|
| Limited Liability Company Name | |
| Entity name | CHHJ PA Pittsburgh, LLC |

| | |
|---|--|
| Effective Date | |
| The filing shall be effective when filed with the Department of State | |

| | |
|--|------|
| Registered Office | |
| The name of the commercial registered office provider and the county of venue is | |
| Northwest Registered Agent LLC | |
| Commercial Registered Office Provider | |
| Venue and Publication County | ERIE |

| Organizers | |
|------------------------------------|--|
| Name of individual or organization | Address |
| Northwest Registered Agent, LLC | 502 W 7TH ST STE 100 ERIE, PA 16502-1333 |

| | |
|-------------------------------|--|
| Additional provisions, if any | |
| Additional provisions | |

I qualify for a veteran/reservist-owned small business fee exemption (see help)

| | |
|--|--|
| Electronic Signature | |
| IN TESTIMONY WHEREOF, the organizer(s) has (have) executed this Certificate of Organization. | |

| | |
|---------------------------------|-------------------|
| <i>Nat Smith</i> | <u>10/08/2024</u> |
| Northwest Registered Agent, LLC | Date |



0013981629



COMMONWEALTH OF PENNSYLVANIA
 Department of State
 Bureau of Corporations and Charitable Organizations
 PO Box 8722
 Harrisburg, Pennsylvania 17105-8722
REGISTRATION OF FICTITIOUS NAME
 Fee: \$70

Pennsylvania Department of State

-FILED-

File #: 0013981629
Date Filed: 10/15/2024

B0743-5094 10/15/2024 8:39 AM Received by Pennsylvania Department of State

DSCB: 54-311 (rev. 2/2017)

In compliance with the requirements of 54 Pa.C.S. § 311 (relating to registration), the undersigned entity(ies) desiring to register a fictitious name under 54 Pa.C.S. Ch. 3 (relating to fictitious names), hereby state(s) that:

Fictitious Name

Fictitious name College Hunks Hauling Junk & Moving

Additional Information

A brief statement of the character or nature of the business or other activity to be carried on under or through the fictitious name is: Commercial and residential moving, junk removal, labor, and related services

The applicant is familiar with the provisions of 54 Pa.C.S. § 332 (relating to effect of registration) and understands that filing under the Fictitious Names Act does not create any exclusive or other right in the fictitious name.

The address, including number and street, if any, of the principal place of business (P.O. Box alone is not acceptable):

Address 502 W 7TH ST STE 100
ERIE, PA 16502
PA

Individuals interested in the business

| Full Name | Address |
|--------------|---------|
| None Entered | |

Associations interested in the business

| Name of organization | Form of Organization | Formation Locale | Principal Office | Registered Office Address |
|--|----------------------|------------------|------------------|---------------------------|
| CHHJ PA Pittsburgh, LLC Domestic Limited Liability Company Commercial Registered Office Provider Northwest Registered Agent LLC State or Country of Origin PENNSYLVANIA | | | None | None |

Agents

| Full Name |
|--------------|
| None Entered |

Additional provisions, if any

I qualify for a veteran/reservist-owned small business fee exemption (see help)

Electronic Signature

IN TESTIMONY WHEREOF, the undersigned have caused this Application for Registration of Fictitious Name to be executed.

Travis Mellish

10/15/2024

CHHJ PA Pittsburgh, LLC

Date

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "**Agreement**") is dated as of November 7th, 2024 (the "**Signing Date**") and is entered into by and between BLL Charles, Inc. ("**Seller**") and CHHJ PA Pittsburgh, LLC ("**Buyer**"). Each of Seller and Buyer may be referred to herein individually as a "**Party**," and collectively as the "**Parties**".

PREAMBLE

WHEREAS, Seller operates a business providing moving and junk removal services in the "College Hunks Hauling Junk and College Hunks Moving" name and desires to sell the assets related to its operation in Pittsburgh, PA in those territories set forth in **Exhibit A** (the "**Business**"); and

WHEREAS, Buyer will purchase substantially all of the assets used by Seller in the Business and assume certain liabilities of Seller in return for the consideration described below and Seller desires to sell, transfer, and assign to Buyer, and Buyer desires to purchase and acquire from Seller, such assets, all in accordance with the terms and conditions set forth in this Agreement; and

WHEREAS, in connection with this Agreement, Buyer and Seller will enter into that certain Assignment and Assumption of Franchise Agreement on the Closing Date (hereinafter defined), set forth as **Exhibit B** (the "**Assignment-Assumption Agreement**") ; and

WHEREAS, the Parties desire to set forth certain agreements made as an inducement to the execution and delivery of this Agreement.

NOW, THEREFORE, in consideration of the premises and mutual promises herein contained, and pursuant to the terms and conditions herein set forth, the Parties, intending to be legally bound, hereby covenant and agree as follows:

ARTICLE 1 SALE AND PURCHASE OF ASSETS; CLOSING

1.1 **Sale and Purchase of Assets.** Upon the terms and subject to the conditions contained herein, at Closing (defined below), Seller shall sell, transfer, assign, convey, and deliver to Buyer, and Buyer shall purchase, accept, and acquire from Seller, good and marketable title, free and clear from all Liens (defined below), to all of Seller's right, title, and interest in all of the assets and properties of Seller used or useful in the operation of the Business, other than the Excluded Assets (defined below), including but not limited to the following (all of the assets and rights to be sold and purchased hereunder are referred to herein collectively as the "**Purchased Assets**"):

(a) The trucks and related equipment (including the assignment of the vehicle leases where applicable), including, but not limited to, those items set forth on **Schedule 1.1(a)**;

(b) Any contracts with vendors and customers to provide or receive goods and services desired by Buyer as set forth on **Schedule 1.1(b)** hereto (collectively, the "**Assigned Contracts**"), including any prepayments, bookings, reservations, down payments, deposits and similar items;

(c) All phone numbers and websites owned by the Business, not any owned by the Franchisor;

(d) All licenses and permits issued by any governmental agency, whether federal, state or local, which are transferable;

(e) All of Seller's books, records, files, and papers pertaining to the Business or the Purchased Assets which are maintained in the ordinary course of the Business and are required, necessary, or advisable in order for Buyer to conduct the Business from and after the Closing in the manner in which it is presently being conducted, including, without limitation, office files, personnel records, customer lists and contracts, general and administrative files, all books and records related to the Assigned Contracts, and any other books and records necessary or desirable to demonstrate that the Purchased Assets are free and clear of all Liens; and

(f) All non-expired and unused inventory and other assets necessary or useful to operate the Business, including without limitation all other equipment and materials, whether real, personal, tangible or intangible, currently being utilized by or in connection with, and those necessary or desirable to the operation of, the day-to-day operation of the Business, all records regarding customers, potential customers, pitches, proposals, bid, offers, invitations and similar matters.

1.2 **Excluded Assets.** Notwithstanding **Section 1.1**, the Purchased Assets will not include the following (collectively, the "**Excluded Assets**"):

(a) Any assets not desired by the Buyer, as set forth on Schedule **1.2(c)**, if any.

(b) Seller is not transferring any intangible or intellectual property, although the Buyer will obtain a license to use certain intellectual property currently used in the Business pursuant to the Franchise Agreement.

1.3 **Closing.** Subject to and in accordance with the provisions of this Agreement, the consummation of the transactions contemplated hereby (the "**Closing**") will occur at the offices of Buyer's counsel, on or about January 6, 2025 (the "**Closing Date**"). All transfers of the Purchased Assets will be deemed to occur as of the close of business on the Closing Date. The Closing Date is subject to change if regulatory approval for the transfer of Seller's authority to transport households good to Buyer has not been approved by the applicable regulatory agency. Seller and Buyer will work in good faith to select a mutually agreeable closing date should the need arise to postpone the Closing Date. For the avoidance of doubt, the Closing shall not occur if the necessary regulatory approval for all licenses required to operate the business are not granted for any reason.

ARTICLE 2 LIABILITIES

2.1 **Assumption of Liabilities.** Buyer hereby agrees to assume and pay, perform, and discharge, promptly when due, all duties, liabilities, and obligations of Seller with respect to the Assigned Contracts which arise following the Closing Date (collectively, the "**Assumed Liabilities**"). Buyer shall not assume any other obligations or liabilities of Seller pursuant to this Agreement, including, but not limited to (i) any employee compensation, employee benefit plans, or severance payouts of the Business; (ii) any liabilities prior to the Closing Date; or (iii) any other liabilities other than the Assumed Liabilities. Any and all obligations and liabilities of the Business relating to the period prior to the Closing Date shall remain the obligations of Seller, and the Parties acknowledge and agree that Buyer shall have no liability or obligation with respect to such liabilities. If Buyer receives what it reasonably determines to be valid notice of an amount due for an obligation of Seller incurred prior to the Closing Date, Buyer shall have the option of forwarding such notice to Seller or to pay such amount due and receive such funds from the Seller.

ARTICLE 3 CONSIDERATION FOR TRANSFER

3.1 **Purchase Price.** The purchase price to be paid to Seller for the Purchased Assets will be [REDACTED] (the "**Purchase Price**").

3.2 **Payment of Purchase Price.** At the Closing, Buyer shall pay the Purchase Price to Seller by delivering to the Seller in good funds by wire transfer or cashier's check.

3.3 **Allocation of Purchase Price.** Buyer will allocate the Purchase Price among the Purchased Assets and provide such allocations to Seller immediately upon Closing. Seller and Buyer agree that they shall each report the allocation of the Purchase Price in a manner entirely consistent with such allocation in all tax returns and forms (including, without limitation, Form 8594 which shall be filed with their respective federal income tax returns for the taxable year in which the Closing Date occurs), and in the course of any tax audit, tax review, or tax litigation relating thereto.

3.4 **True Up.** Buyer and Seller acknowledge that Buyer funded Seller's business bank account with [REDACTED] on October 1, 2024 ("Funds"). Buyer and Seller agree the Funds are to be used for the sole purpose of operating the Business as a going concern from October 1, 2024, until the Closing Date. Buyer shall be entitled to retain any and all profits the Business generates from October 1, 2024, until the Closing Date. Seller shall be entitled to retain all cash, less any liabilities accrued prior to October 1, 2024, present in Seller's Business bank account as of the close of business on September 30, 2024.

There may be (i) certain prepayments of rents, vehicle loans or services made by a Party that cover periods after the Closing Date, (ii) failures to make payments for rents, vehicle loans or services made by a Party that cover periods before the Closing Date, (iii) certain payments or amounts received by a Party and/or (iv) certain adjustments in receivables made by a Party prior to the Closing Date that will need to be reconciled and dispersed to the appropriate Party. Accordingly, within sixty (60) days after the Closing date, Buyer and Seller shall in good faith provide each other with documentation for, and true-up, such prepayments (which shall be prorated) and receipts in accordance with normal and customary settlement procedures making net adjustment payments as necessary to effect the true-up and give effect to the transfer of the Business on the Closing Date - it being understood that it is the intention of the parties that the Buyer have no indebtedness for the time period on or prior to the Closing other than the balance coming due on certain vehicle loans/leases from and after the Closing Date. Such true-up payments shall be made by the applicable Party within fifteen (15) days of receiving notice of the net amount owed the other Party.

After all true-up payments are paid, Buyer shall pay to Seller within 10 business days of all true-up payments an additional [REDACTED].

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF SELLER

Seller represents and warrants to Buyer, as of the Signing Date and as of the Closing Date, as follows:

4.1 **Organization and Good Standing; Capitalization.** Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Pennsylvania, with all requisite corporate power to carry on the business in which it is engaged and to own the properties it owns. Seller does not have any subsidiaries.

4.2 **Authorization and Validity.** The execution, delivery, and performance of this Agreement, and all other documents contemplated herein (the "**Transaction Documents**"), by Seller, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the managers and members of Seller. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Seller, enforceable against it in accordance with its respective terms.

4.3 **No Violation.** To Seller's knowledge, the execution and delivery of this Agreement by Seller does not, and the consummation of the transactions contemplated herein will not, violate or constitute an occurrence of default under any provision of or conflict with or give rise to a right by any party to terminate its obligations under any agreement, instrument, or any order, judgment, decree, or other arrangement to which

Seller is a party or is bound or by which Seller's assets, including the Purchased Assets, would be affected, other than relating to any trucks desired by Seller that are subject to a lien (as per Section 2.1).

4.4 **Title to Purchased Assets.** Except as set forth on **Schedule 4.4**, Seller has the right to convey all of the Purchased Assets pursuant to the Bill of Sale and the Assignment and Assumption Agreement (as defined below), free and clear of any and all liens, pledges, claims, charges, security interests, restrictions, or encumbrances of any kind of nature whatsoever (collectively, "**Liens**"), or any agreement to create or grant any Liens or prohibiting Seller from granting Liens on the Purchased Assets. The Purchased Assets constitute substantially all of the assets necessary for the present conduct of the Business.

4.5 **Assigned Contracts.** **Schedule 1.1(b)** contains a complete and accurate list, and Seller has delivered to Buyer true and complete copies, of all Assigned Contracts.

4.6 **Consents.** Prior to the Closing Date, Seller will obtain, and Buyer will assist Seller with obtaining, third party consents or approvals, to the extent required pursuant to the Assigned Contracts, in connection with the execution, delivery, and performance of this Agreement or the transfer of any of the Purchased Assets from Seller to Buyer (collectively, the "**Required Consents**").

4.7 **Litigation.** There is no litigation or proceeding before any court, agency, administrative, or regulatory authority or other person or entity pending or threatened which would affect the Business, the Purchased Assets, or the transactions contemplated by this Agreement.

4.8 **Finder's Fee.** Seller has not incurred any obligation for any finder's, broker's, or agent's fee in connection with this Agreement for which Buyer may be liable or for which a claim could be asserted against the Purchased Assets.

4.9 **Customer Records.** The Purchased Assets include customer and client lists that accurately, fully and completely reflect all sales effected by the Seller to customers located in the territories listed on **Exhibit A** (the "**Territory**") with the six-month period ending on the date of Closing and all orders, bids, and quotations, with or related to past, present and prospective customers of the Seller in the Territory and all customer and prospect files lists, records, studies, surveys, reports, correspondence and similar materials related to the foregoing, and that, to the best of the Seller's knowledge, reflect current names and addresses for all customers in the Territory for whom the Seller has performed services or to whom the Seller has sold products or other related merchandise to during said period.

4.10 **Completeness of Statements.** To Seller's knowledge, no representation by the Seller in this Agreement or in any statement (including financial statements), exhibit, schedule, certificate, document, or instrument provided Buyer pursuant to or in connection with this Agreement, including, but not limited to, that certain financial information related to the Business set forth on **Schedule 4.10**, and the transactions contemplated by this Agreement contains any untrue statement of a material fact or omits to state a material fact necessary to make any such statements misleading.

4.11 **Creditor List.** **Schedule 4.11** contains an accurate and complete list of the Seller's creditors as of the Signing Date that relate to operations in the Territory and would be materially affected by the sale of the Business, including the name and business address of each creditor of the Seller and the amount due each such creditor, and the names and business address of all persons who are known to the Seller to have asserted claims against the Seller, and the amount of the asserted claims, even though such claims may be or being disputed by the Seller. All such creditors will be paid before the Closing Date if and only to the extent the failure to pay them by then would materially and adversely affect the Business.

4.12 **Solvency.** The Seller is not in the hands of a receiver, nor is there any application for receivership of the Seller pending. No proceedings are pending by or against the Seller under any bankruptcy, or other insolvency statutes or reorganization laws in any state or federal court.

4.13 **Compliance.** To Seller's knowledge, the Seller is not in violation or in default under any of the Assigned Contracts.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller, as of the Signing Date and as of the Closing Date, as follows:

5.1 **Organization and Good Standing.** Buyer is a corporation duly organized, validly existing and in good standing under the laws of the state of Pennsylvania, with all requisite corporate power to carry on the business in which it is engaged and to own the properties it owns.

5.2 **Authorization and Validity.** The execution, delivery, and performance of this Agreement, and all other Transaction Documents by Buyer, and the consummation of the transactions contemplated hereby and thereby, have been duly authorized by the managers and members of Buyer. This Agreement and each Transaction Document constitute legal, valid, and binding obligations of Buyer, enforceable against Buyer in accordance with its respective terms.

5.3 **No Violation.** The execution and delivery of this Agreement by Buyer does not, and the consummation of the transactions contemplated herein will not, violate or constitute an occurrence of default under any provision of or conflict with or give rise to a right by any party to terminate its obligations under any agreement, instrument, or any order, judgment, decree, or other arrangement to which Buyer is a party or is bound or by which Buyer's assets would be affected.

5.4 **Consents.** No authorization, consent, approval, permit or license of, or filing with, any person or governmental authority is required to authorize, or is required in connection with, the execution, delivery, and performance of this Agreement or the Transaction Documents on the part of Buyer, other than the Required Consents listed in **Section 4.6**.

5.5 **Finder's Fee.** Buyer has not incurred any obligation for any finder's, broker's, or agent's fee in connection with this Agreement for which Seller may be liable.

ARTICLE 6 COVENANTS BEFORE THE CLOSING

6.1 **Consummation of Agreement.** Each Party will use its commercially reasonable efforts to cause the consummation of the transactions contemplated by this Agreement in accordance with its terms.

6.2 **Business Operations.** Seller will operate the Business only in the ordinary course of business consistent with past practice and will not introduce any new method of management, operation, or accounting. Seller will use commercially reasonable efforts to preserve the Business intact, to retain Seller's present employees and customers so that they will be available to Buyer after the Closing, and to cause consummation of the transactions contemplated by this Agreement in accordance with its terms.

6.3 **Hiring Employees.** Seller will cooperate with all requests made by Buyer for the purpose of allowing Buyer to hire those employees of Seller designated by Buyer, such employment to be effective as of the Closing Date; provided, however, that nothing in this Section will require Buyer to hire any employee of Seller.

6.4 **No Negotiation.** Until the Closing Date, Seller will not, directly or indirectly, solicit, initiate, or encourage any inquiries or proposals from, discuss, or negotiate with, or provide any non-public information to, any person or entity (other than Buyer) relating to any transaction involving the sale of the Business or substantially all of the assets of Seller, or any of the ownership interest of the Seller, or any merger, consolidation, business combination, funding, employment, or similar transaction involving Seller.

6.5 **Required Consents.** Seller will use its commercially reasonable efforts to secure as soon as practicable all Required Consents in order to consummate the transactions contemplated herein.

**ARTICLE 7
CONDITIONS TO THE OBLIGATIONS OF SELLER**

The obligations of Seller to consummate the transactions contemplated hereby are subject to the fulfillment and to the reasonable satisfaction of Seller, on or before the Closing Date, of each of the following conditions precedent; provided, however, that any of such conditions precedent may be waived by Seller on or before the Closing Date. If the Closing occurs and any condition precedent to Seller's obligation to close has not been fulfilled, Seller shall be deemed to have waived such conditions precedent by closing the transactions contemplated hereunder. If the following have not occurred by January 6, 2025 (or any rescheduled closing date), the Seller may elect to terminate this Agreement.

7.1 **Representations and Warranties.** The representations and warranties of Buyer contained herein shall be accurate in all material respects as of the Signing Date and as of the Closing.

7.2 **Covenants.** Buyer shall have performed and complied in all material respects with all covenants or conditions required by this Agreement to be performed and complied with by Buyer before the Closing.

7.3 **Execution and Delivery of Documents.** Buyer shall have executed and delivered all documents required to be delivered by Buyer under **Section 9.3**, and Buyer shall have delivered and taken such other actions as Seller reasonably may request in order to carry out the transactions contemplated by this Agreement.

7.4 **No Proceeding.** No action, proceeding, or order by any court or governmental body or agency has been threatened in writing, asserted, instituted, or entered to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

7.5 **Assignment-Assumption.** Buyer shall have signed the Assignment-Assumption Agreement attached hereto as Exhibit B.

**ARTICLE 8
CONDITIONS TO THE OBLIGATIONS OF BUYER**

The obligations of Buyer to consummate the transactions contemplated hereby are subject to the fulfillment and to the reasonable satisfaction of Buyer, on or before the Closing Date, of each of the following conditions precedent; provided, however, that any of such conditions precedent may be waived by Buyer on or before the Closing Date. If the Closing occurs and any condition precedent to Buyer's obligation to close has not been fulfilled, Buyer shall be deemed to have waived such conditions precedent by closing the transaction contemplated hereunder. If the following have not occurred prior to January 6, 2025 (or any rescheduled closing date), the Buyer may terminate this Agreement.

8.1 **Representations and Warranties.** The representations and warranties of Seller contained herein shall be accurate in all material respects as of the Signing Date and as of the Closing.

8.2 **Covenants.** Seller shall have performed and complied in all material respects with all covenants or conditions required by this Agreement to be performed and complied with by Seller before the Closing.

8.3 **Execution and Delivery of Documents.** Seller shall have executed and delivered all documents required to be delivered by Seller under **Section 9.2**, including but not limited to, the Assigned

Contracts, and Seller shall have delivered and taken such other actions as Buyer reasonably may request in order to carry out the transactions contemplated by this Agreement.

8.4 **Delivery of Purchased Assets.** Seller shall deliver all Purchased Assets to Buyer at Closing. Delivery shall include the right to exercise dominion and control over all Purchased Assets and, if appropriate, the physical transfer of such Purchased Assets to Buyer. In connection with the delivery of Purchased Assets, Seller shall deliver to Buyer all means of access to the Purchased Assets, including, without limitation, all keys, combinations, access codes, account numbers, and passwords, if applicable, associated with the Purchased Assets.

8.5 **No Proceeding.** No action, proceeding, or order by any court or governmental body or agency has been threatened in writing, asserted, instituted, or entered to restrain or prohibit the carrying out of the transactions contemplated by this Agreement.

8.6 **Due Diligence.** Buyer shall have completed its due diligence investigation of Seller and the review of the Franchise Disclosure Document ("**FDD**"), confirming that the business, assets, prospects, and financial and legal condition of Seller are satisfactory to Buyer in Buyer's sole discretion.

8.7 **Regulatory Approval.** Buyer and Seller will have received all necessary or required regulatory approvals, including, without limitation, all approvals in connection with the transportation of household goods and any other approvals that may be necessary from state and federal governmental entities for operators as household goods carriers in Pennsylvania and between states.

8.8 **Release of Liens; Payoff of Creditors.** Seller shall have paid off all creditors set forth on **Schedule 4.11**, or have provided payoff instructions for the Buyer to pay a portion of the Purchase Price directly to such creditors.

ARTICLE 9 DOCUMENTS TO BE DELIVERED AT CLOSING

9.1 **Condition Precedent.** Each Party's obligation to consummate the transactions contemplated by this Agreement is conditioned on the delivery to such Party of each of the documents listed in this Article unless such delivery is expressly waived by such Party in writing.

9.2 **Documents Delivered by Seller.** In addition to the delivery of the Purchased Assets as provided in **Section 8.4**, Seller shall deliver the following documents to Buyer on the Closing Date, each in form and substance satisfactory to Buyer:

(a) **Consents.** The Required Consents, duly executed by all third parties whose approval or consent is required pursuant to **Section 4.6**;

(b) **Bill of Sale.** A bill of sale conveying the Purchased Assets, duly executed by an authorized officer of Seller (the "**Bill of Sale**") in substantially the form attached hereto as **Exhibit C**;

(c) **Resolutions.** Certified resolutions of the member and manager of Seller authorizing the execution of this Agreement and the Transaction Documents and the consummation of the transaction contemplated thereby in form reasonably agreeable to Buyer;

(d) **Assignment of Vehicle Leases.** Executed lease assignments for the vehicles set forth on Schedule 1.1(a) that are subject to lease agreements with any 3rd-party lessor at the time of Closing; and

(e) Other. Such other documents and instruments as Buyer may reasonably require for the consummation of the transactions contemplated by this Agreement, including but not limited to the Transfer and Termination Document required by the Franchisor.

9.3 **Documents Delivered by Buyer**. In addition to immediately available funds of [REDACTED], Buyer shall deliver the following documents to Seller on the Closing Date, each in form and substance satisfactory to Seller:

(a) Bill of Sale. A counterpart to the Bill of Sale, duly executed by an authorized officer of Buyer.

(b) Assignment-Assumption Agreement. Buyer will deliver to Seller the Assignment-Assumption Agreement, fully executed by Buyer and CHHJ Franchising LLC, which shall be executed by Seller at Closing.

(c) Other. Such other documents and instruments as Seller may reasonably require for the consummation of the transactions contemplated by this Agreement.

ARTICLE 10 FRANCHISE AGREEMENT

10.1 **Reliance of Facts and Figures Provided**. Seller acknowledges that Buyer is making the purchase set forth herein solely in reliance of the due diligence materials delivered to Seller by Buyer pertaining solely to the Business; and no other representations or promises by Buyer or Franchisor.

10.2 **Priority of Documents**. The Parties agree that in the event of conflict between the documents, the order of preference shall be (1) this Agreement, (2) the Assignment-Assumption Agreement, and (3) the Franchise Agreement.

ARTICLE 11 COVENANTS AFTER THE CLOSING

11.1 **Cooperation**. Following the Closing Date, Seller will, on request by Buyer, execute and deliver to Buyer such other documents as may be reasonably necessary to evidence the transactions herein provided for, and Buyer will, on request by Seller, execute and deliver like documents to Seller.

ARTICLE 12 INDEMNIFICATION

12.1 **Seller's Indemnity**. Subject to the terms of this **Article 12**, and except for the Assumed Liabilities expressly assumed by Buyer, Seller will indemnify Buyer and its members, managers, officers, directors, employees, agents, attorneys, insurers, reinsurers, parent companies, affiliates, and subsidiaries and their respective representatives, successors, and assigns, from and against all lawsuits, losses, claims, charges, obligations, demands, debts, and proceedings, assessments, penalties, liabilities, costs, damages (including incidental and consequential damages), reasonable attorneys' fees and expenses (collectively, "**Damages**"), incurred by any or all of them or assessed against the Purchased Assets or the Business, arising, directly or indirectly, from or in connection with:

(a) A material breach of any representation or warranty or a material breach or default of or under any covenant or agreement made by Seller in this Agreement, including any of the Schedules or Exhibits hereto or in any other Transaction Document or a material omission or inaccuracy in the Seller's due diligence responses to the Buyer; or

(b) Any claims or liabilities arising out of or relating to occurrences of any nature relating to the Business or the conduct thereof before the Closing Date or related to any liability other than an Assumed Liability.

12.2 **Buyer's Indemnity.** Subject to the terms of this **Article 12**, Buyer will indemnify Seller and its members, managers, officers, agents, attorneys and affiliates, and their respective representatives, successors, and assigns, from and against all Damages, incurred by any or all of them arising, directly or indirectly, from or in connection with:

(a) A material breach of any representation or warranty or a material breach or default of or under any covenant or agreement made by Buyer in this Agreement, including any of the Schedules hereto or in any other Transaction Document; or

(b) The failure of Buyer to pay, perform, or discharge when due any of the Assumed Liabilities; or

(c) Any claims or liabilities arising out of or relating to occurrences of any nature relating to the Business or the conduct thereof after the Closing Date.

12.3 **Procedure for Indemnification – Third Party Claims.** The respective indemnification obligations and liabilities of one Party (the "**Indemnifying Party**") to the other (the "**Indemnified Party**") with respect to claims resulting from the assertion of liability by third parties will be subject to the following terms:

(a) Within twenty (20) days (or such earlier time as might be required to avoid prejudicing the Indemnifying Party's position) after receipt of notice of commencement of any legal action evidenced by service of process or other legal pleading, or with reasonable promptness after the assertion in writing of any claim by a third party, the Indemnified Party shall give the Indemnifying Party written notice thereof together with a copy of such claim, process or other legal pleading, and the Indemnifying Party will have the right to undertake the defense thereof by representatives of its own choosing (but subject to the approval of the Indemnified Party, which approval may not be unreasonably withheld or delayed) and at its own expense; provided, however, that the Indemnified Party may participate in the defense with counsel of its own choice and at its own expense and provided further, however, that the failure of the Indemnified Party to give timely notice will not affect the right to indemnification hereunder except to the extent (and then only to the extent) the Indemnifying Party proves actual Damages caused by such failure.

(b) If the Indemnifying Party, by the thirtieth (30th) day after receipt of notice of any such claim (or, if earlier, by the tenth (10th) day preceding the day on which an answer or other pleading must be served in order to prevent judgment by default in favor of the third party asserting such claim), does not elect to defend against such claim, the Indemnified Party will (upon further notice to the Indemnifying Party) have the right to undertake the defense, compromise, or settlement of such claim on behalf of and for the account and risk of the Indemnifying Party and at the Indemnifying Party's expense.

(c) Notwithstanding anything contrary in this Section, the Indemnifying Party may not settle any claim without the consent of the Indemnified Party unless such settlement involves only the payment of money, and the claimant provides to the Indemnified Party a release from all liability in respect of such claim. If the settlement of the claim involves more than the payment of money, the Indemnifying Party may not settle the claim without the prior consent of the Indemnified Party, which consent may not be unreasonably withheld.

**ARTICLE 13
MISCELLANEOUS**

13.1 **Entire Agreement.** This Agreement (including the Schedules and other documents referred to herein) constitutes the entire agreement between the Parties and supersedes any prior understandings, agreements, or representations by or among the Parties, written or oral, to the extent they related in any way to the subject matter hereof.

13.2 **Amendment and Waiver; Remedies.** No provision of this Agreement may be amended, modified, supplemented, or waived except by an instrument in writing executed by both Parties or, in the case of an asserted waiver, executed by the Party against which enforcement of the waiver is sought. The rights and remedies of the Parties to this Agreement are cumulative and not alternative.

13.3 **Assignment.** Neither Party may assign its rights or delegate its duties under this Agreement to any other person or entity without the prior written consent of the non-assigning Party.

13.4 **Notice.** Any notice or communication must be in writing and given by (i) depositing the same in the United States mail, addressed to the Party to be notified, postage prepaid and registered or certified with return receipt requested, (ii) depositing same with a national overnight delivery service (e.g., Federal Express or UPS) addressed to the Party to be notified, air bill prepaid for next day delivery, or (iii) by delivering the same in person, by fax or electronic mail. Such notice will be deemed received on the date on which it is hand-delivered or faxed (with evidence of successful transmittal), on the next business day following delivery to an overnight delivery service, or on the third business day following the date on which it is so mailed. For purposes of notice, the addresses of the Parties shall be:

[Redacted address block]

[Redacted address block]

[Redacted address block]

[Redacted address block]

Any Party may change its address for notice by written notice given to the other Party in accordance with this **Section 13.4**.

13.5 **Severability.** If any provision of this Agreement is held to be illegal, invalid, or unenforceable under present or future laws effective during the term hereof, such provision shall be fully severable, and this Agreement shall be construed and enforced as if such illegal, invalid, or unenforceable provision never comprised a part hereof, and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid, or unenforceable provision or by its severance here from.

13.6 **Governing Law.** The validity and effect of this Agreement shall be governed by and construed and enforced in accordance with the laws of the Pennsylvania, without regard to its conflicts of law rules.

13.7 **Expenses.** Each of the Parties will bear its own costs and expenses (including legal fees and expenses) incurred in connection with this Agreement and the transactions contemplated hereby.

13.8 **Headings.** The section headings contained in this Agreement are inserted for convenience only and shall not affect in any way the meaning or interpretation of this Agreement.

13.9 **Counterparts.** This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument. This Agreement, and any amendments thereto, to the extent signed and delivered by means of facsimile transmission or as an attachment to an electronic mail message in "PDF" or similar format, shall be treated in all manner and respects as an original agreement or instrument and shall have the same binding legal effect as if it were the original signed version thereof delivered in person.

13.10 **Time of Essence.** With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

IN WITNESS WHEREOF, the Parties, intending to be legally bound, have executed this Agreement on November 7th 2024.

SELLER: BLL Charles, Inc.

DocuSigned by:
By: Laura Charles
Name: Laura Charles
Title: Owner

BUYER: CHHJ PA Pittsburgh, LLC

DocuSigned by:
By: Roman Cowan
Name: Roman Cowan
Title: Brand President

Exhibit A

Territories

Exhibit B

Assignment-Assumption Agreement

Exhibit C

Bill of Sale

Schedules

1.1(a) - Vehicles

1.1(b) - Assigned Contracts

1.2 (c) - Excluded Assets

1.1(f) - Equipment

4.4 - Title to Purchased Assets

4.6 - Consents

4.10 - Financial Statements

4.11 - Creditor List

Schedule 1.1(a) - Vehicles

| Name | Make/Model | Year | VIN | Lic Plate |
|------------------|--------------------|-------------|------------|------------------|
| Junk 2 | Isuzu NPR | 2017 | | |
| Junk 3 | Isuzu NPR | 2019 | | |
| Move 1 | Isuzu NPR | 2016 | | |
| Move 2 | GMC Savanna G33903 | 2012 | | |
| Move 3 | Ford F650 | 2017 | | |
| Move 4 | Ford F650 | 2017 | | |
| Move 5 | Isuzu NPR | 2021 | | |
| Estimator | Nissan Versa | 2013 | | |

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Schedule 1.1(b) - Assigned Contracts

Contract between Seller and Samsara Inc. dated October 23, 2024

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Schedule 1.2(c) – Excluded Assets

Seller and Buyer agree that any asset not expressly included in this Agreement shall be considered an Excluded Asset

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Schedule 1.1(f) – Equipment

All moving blankets, dollies, hand trucks, tools, office furniture, cabinets, desks, computers, printer, phones, boxes, shrink wrap, packing tape, as well as all other non-expired and unused inventory and other assets necessary or useful to operate the Business

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Schedule 4.4 – Title to Purchased Assets

Seller represents and warrants that Seller has the right to convey all of the Purchased Assets and that there are no Purchased Assets that Seller does not have the right to convey.

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Schedule 4.6 – Consents

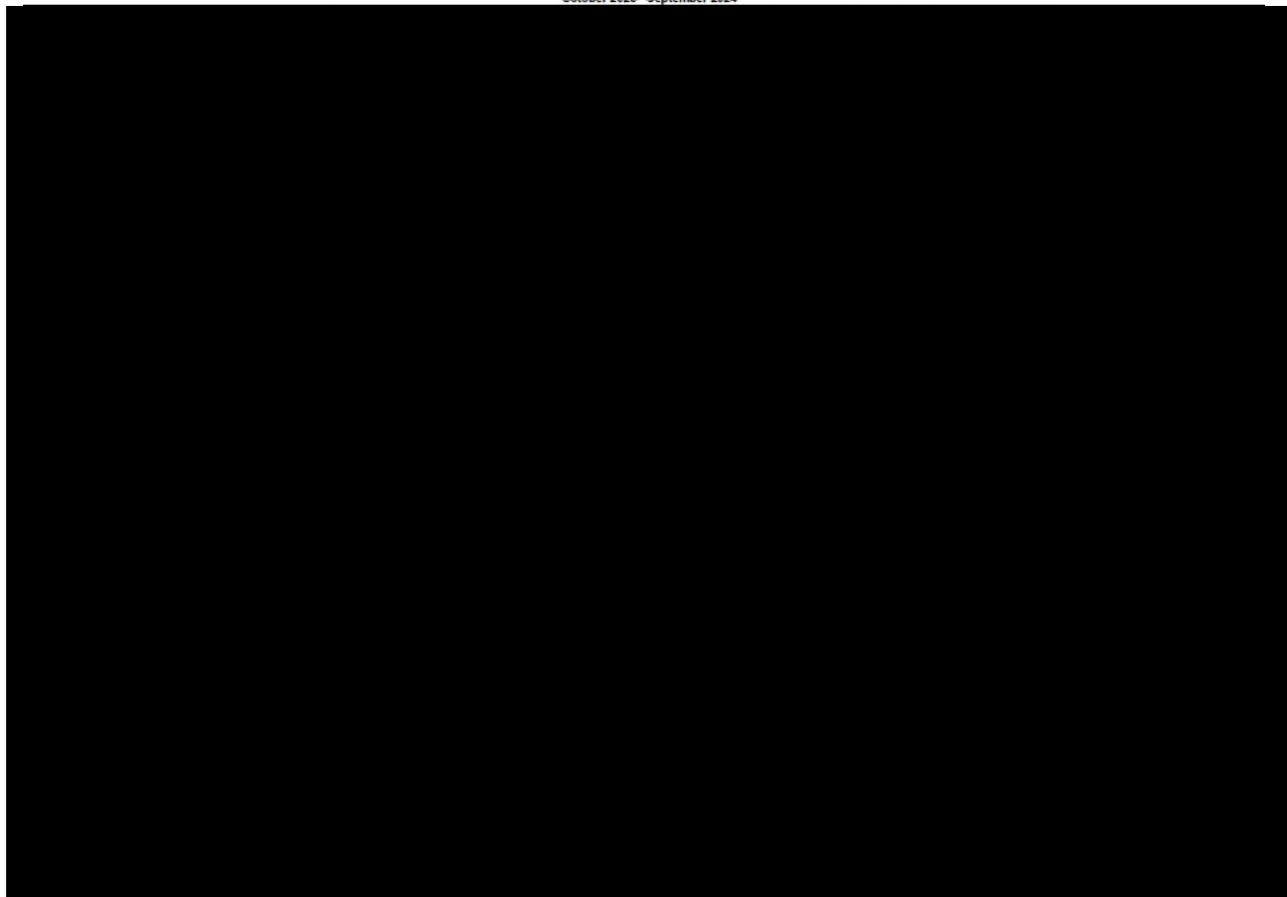
Seller and Buyer agree that the consent of the Pennsylvania Public Utilities Commission for the transfer and exercise of Seller's common carrier or contract rights to Buyer is required before the Closing may occur

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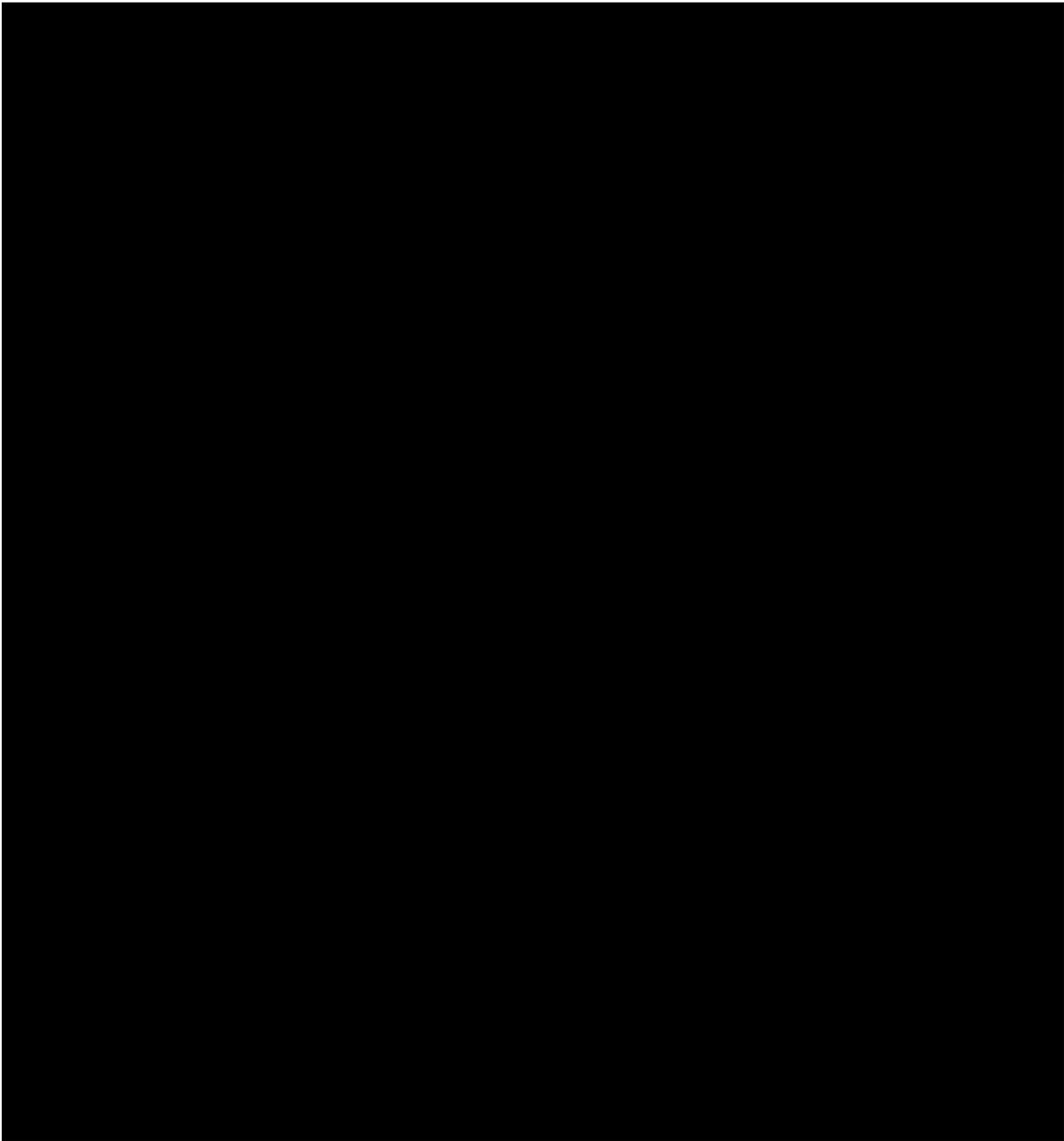
Schedule 4.10 – Financial Statements

PA - Pittsburgh West - Charles
Profit and Loss
October 2023 - September 2024



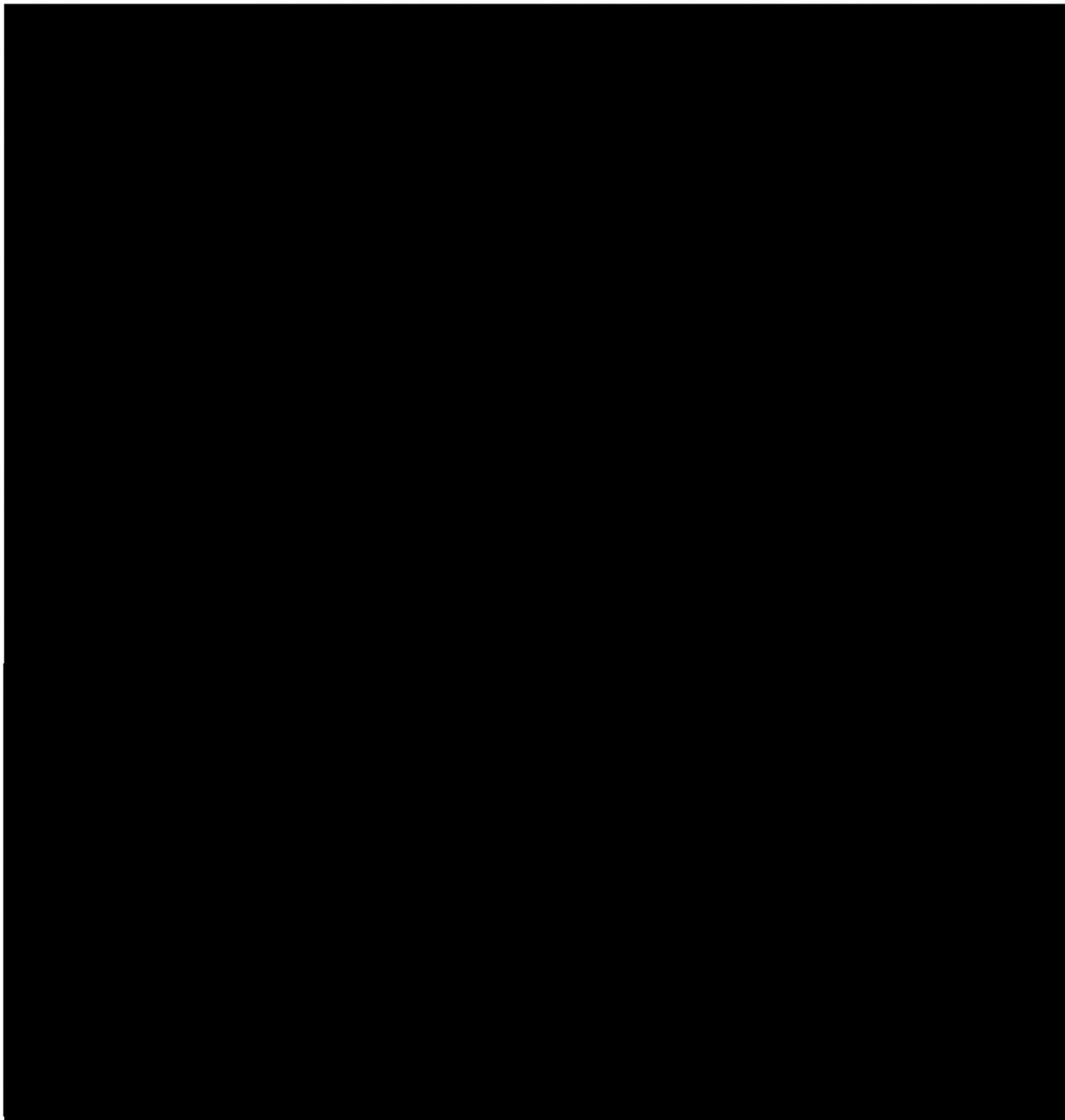
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PA - Pittsburgh West - Charles
Balance Sheet
As of September 30, 2024



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Schedule 4.11 – Creditor List

Seller represents and warrants that Seller has no creditors as of the Signing Date that relate to operations in the Territory and that would materially affect the sale of the Business. Seller further represents and warrants that Seller is not aware of any person or entity that has asserted a claim(s) against Seller, regardless of whether Seller disputes the claim(s).

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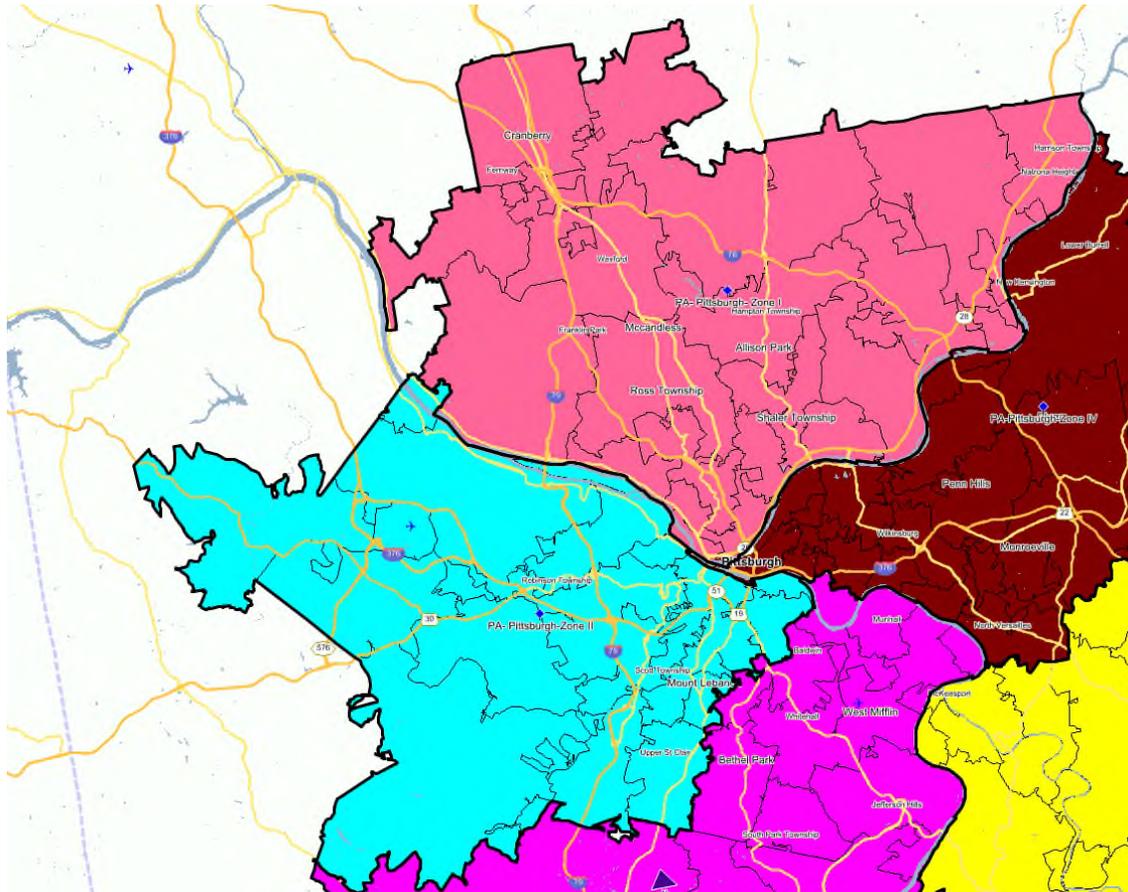
EXHIBIT A

ZONES ENCOMPASSING THE DESIGNATED TERRITORY

The following are the Zone(s) which, when taken together, are identified as Franchisee’s Designated Territory. This Exhibit shall be updated when necessary, in the event Franchisee purchases additional Zones, and each such updated version shall be executed by Franchisee and Franchisor and will then supersede and replace this Exhibit "A" in its entirety.

PA – Pittsburgh - Zone I: 15005, 15007, 15014, 15015, 15024, 15030, 15044, 15049, 15051, 15065, 15076, 15084, 15086, 15090, 15101, 15116, 15143, 15144, 15202, 15209, 15212, 15214, 15215, 15223, 15229, 15233, 15237, 15238, 16046, 16066

PA - Pittsburgh - Zone II: 15017, 15026, 15031, 15046, 15056, 15057, 15064, 15071, 15106, 15108, 15126, 15136, 15142, 15203, 15204, 15205, 15210, 15211, 15216, 15220, 15225, 15226, 15228, 15231, 15241, 15243, 15275, 15321



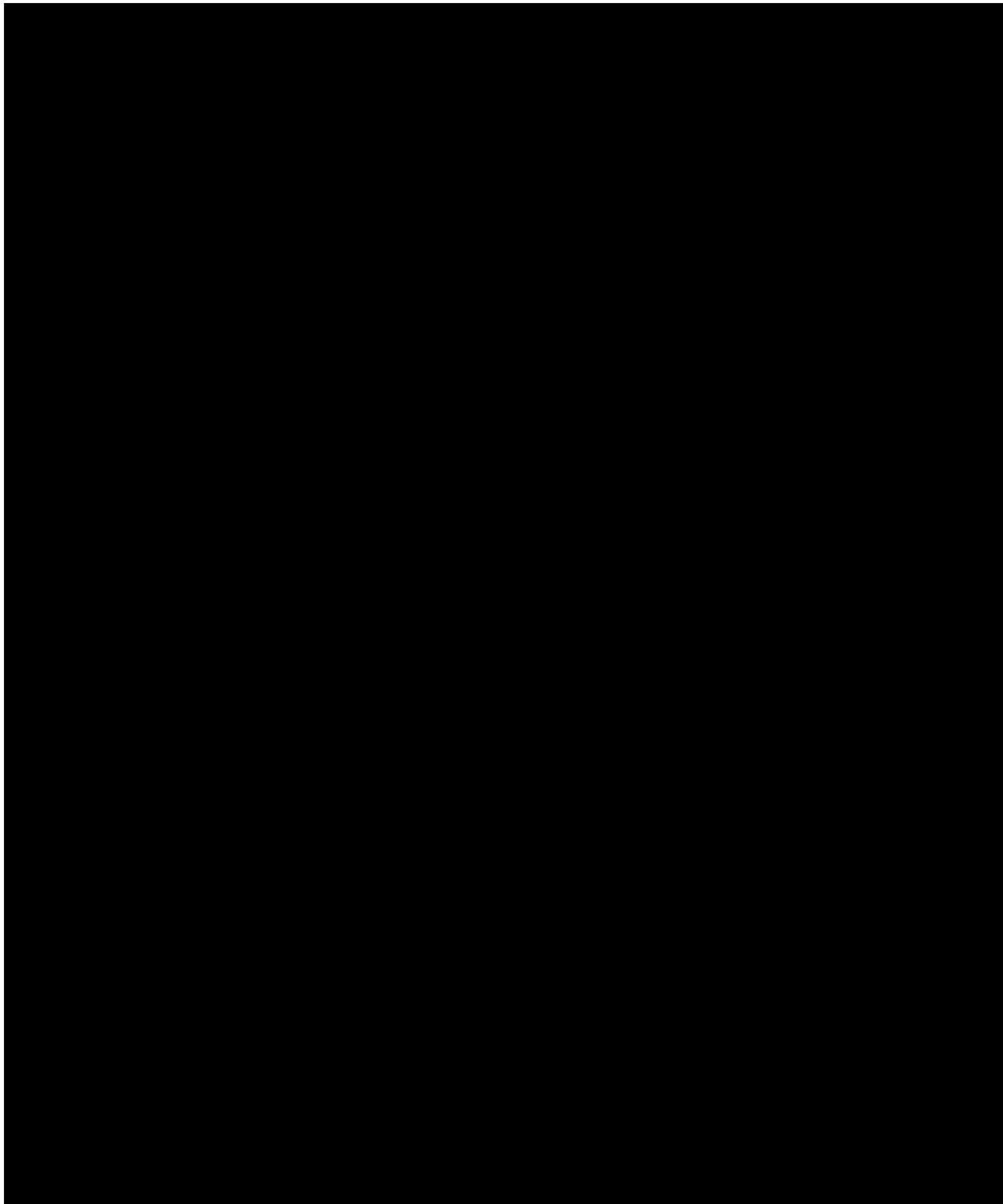
**Map is for visual purposes only. Zip Codes define Designated Territory.*

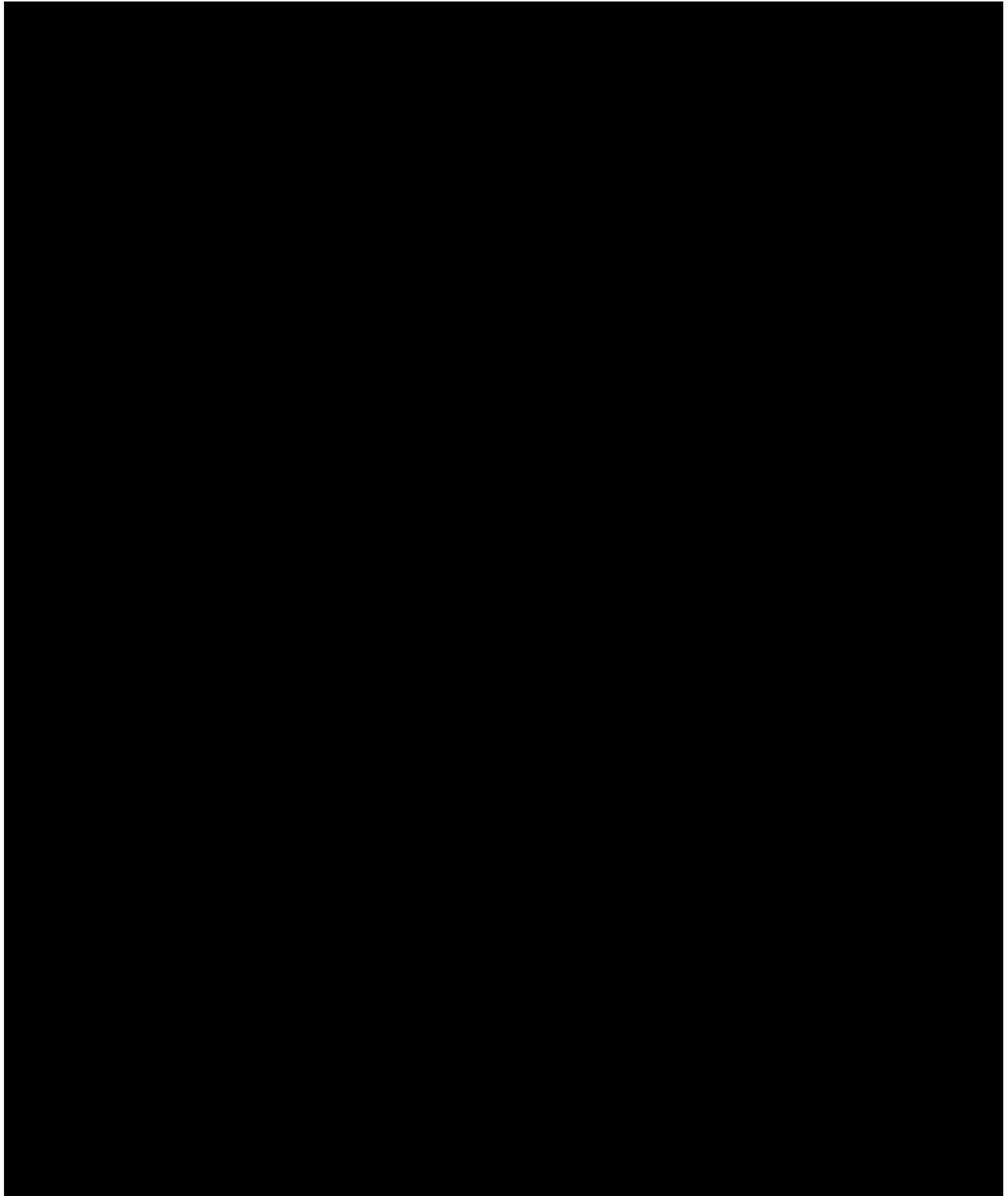
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EXHIBIT B

**ASSIGNMENT AND ASSUMPTION
OF FRANCHISE AGREEMENT**





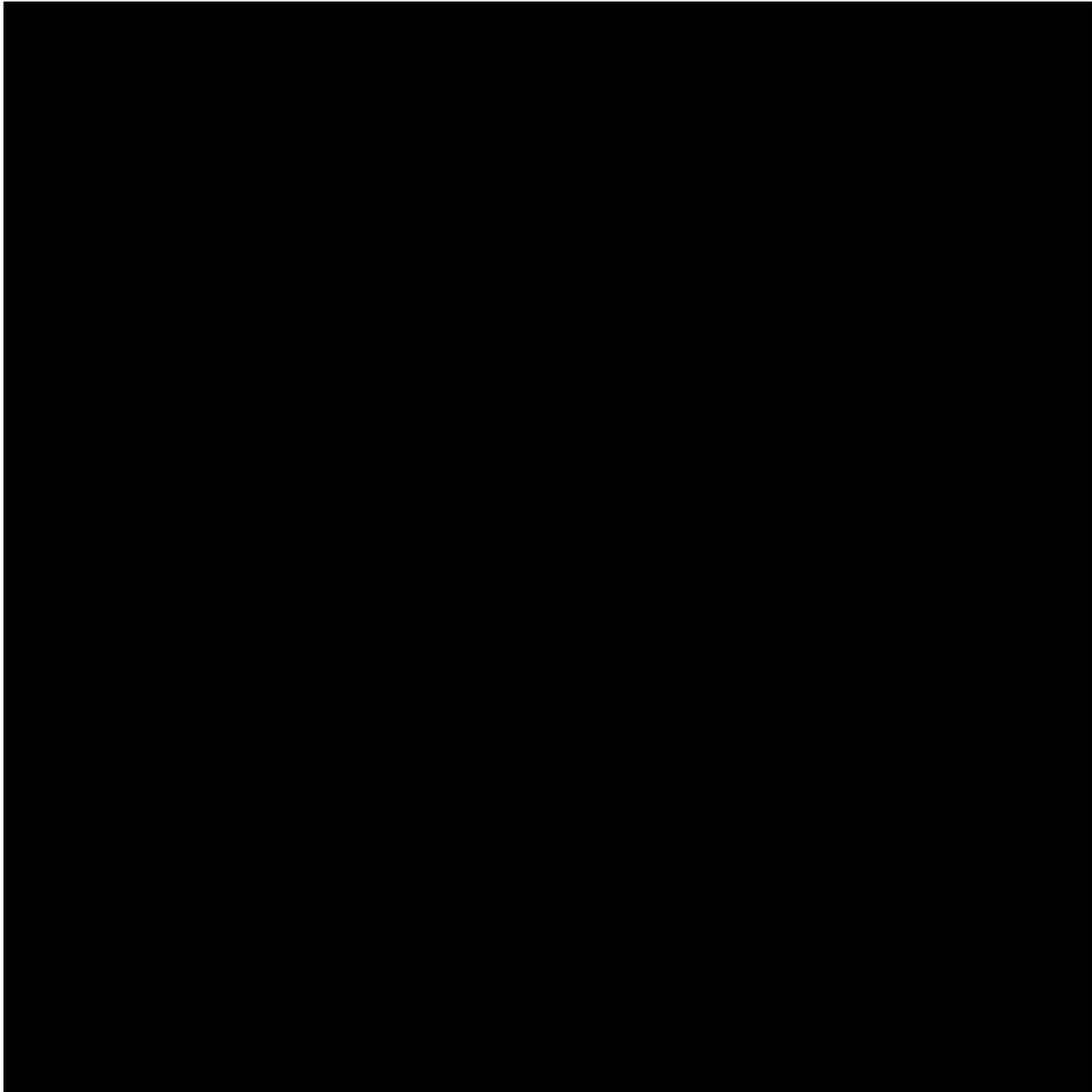
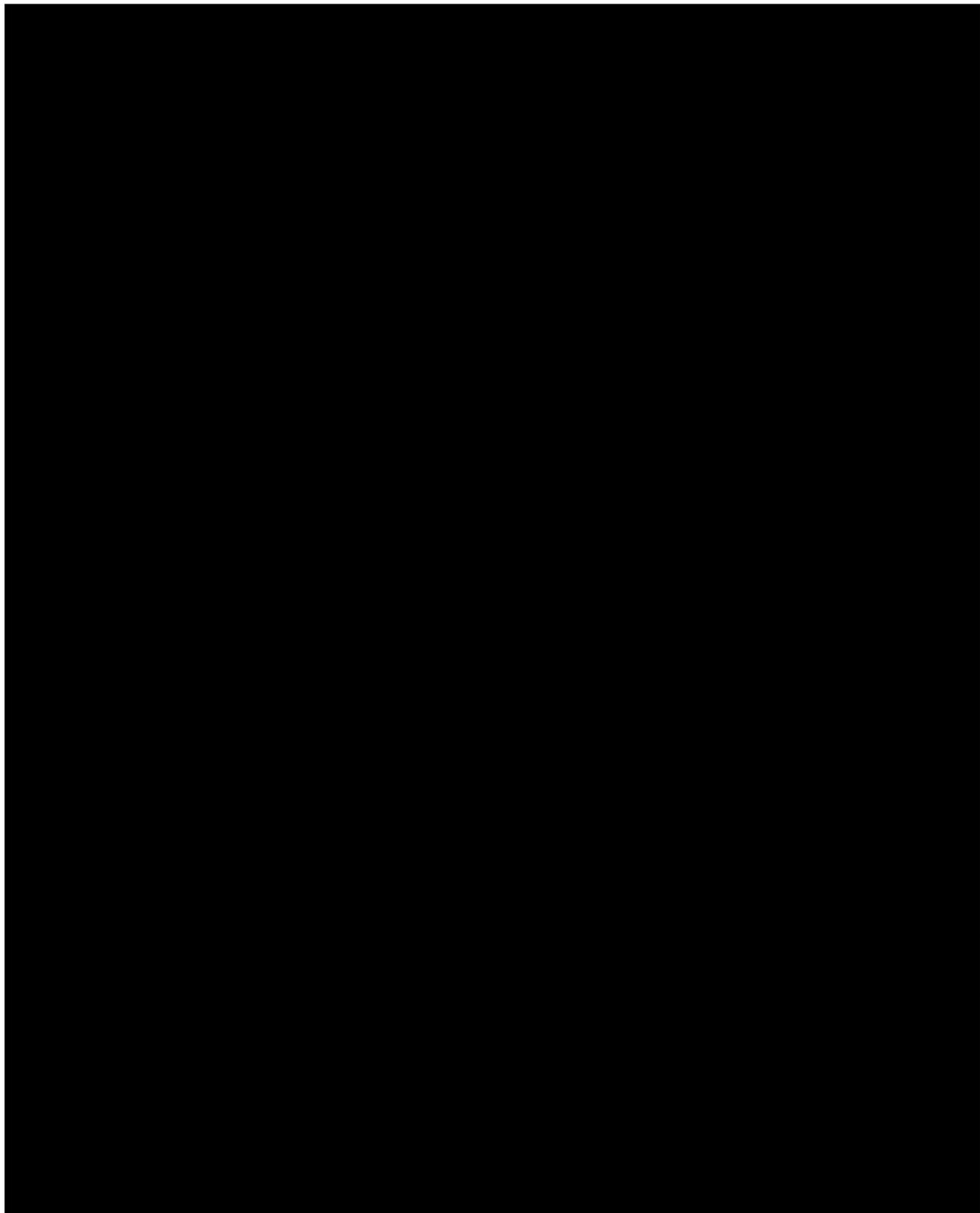


EXHIBIT "A"
RELEASE



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EXHIBIT C

BILL OF SALE AND GENERAL ASSIGNMENT OF RIGHTS

This instrument is being given by **BLL Charles, Inc**, located at 11011 William Flynn Highway, Glenshaw, PA 15116 (the “Assignor”) in favor of **CHHJ PA Pittsburgh LLC**, located at 11011 William Flynn Highway, Glenshaw, PA 15116 (the “Assignee”) as of this ____ day of January, 2025.

NOW, THEREFORE, Seller for the consideration described and provided for in that certain Asset Purchase Agreement, dated November ___, 2024, by and among Buyer and Seller (the “Agreement”), the receipt and sufficiency of which is hereby acknowledged, does hereby sell, assign, transfer, convey and deliver unto Buyer, free and clear of all Liens, subject in all respects to the terms and provisions of the Agreement, all of the Assets set forth in **Exhibit 1** attached thereto.

The Assets are being conveyed by Assignor to Assignee on an “as is” and “where is” basis, without any representation or warranty as to their merchantability or fitness for any particular use or purpose.

All capitalized terms not otherwise defined in this Bill of Sale shall have the meanings ascribed to them in the Agreement, and the terms of construction set forth in Section 13.3 of the Agreement shall apply to this Bill of Sale. Seller may execute and deliver this Bill of Sale by means of electronic mail and the parties agree that the receipt of such Bill of Sale shall be binding on Seller and shall be construed as an original.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed as of the day and date first above written.

ASSIGNOR:

BLL Charles, Inc

By: _____

Name: Laura Charles

Its: Member

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EXHIBIT 1

All moving blankets, dollies, hand trucks, tools, office furniture, cabinets, desks, computers, printer, phones, boxes, shrink wrap, packing tape, as well as all other non-expired and unused inventory and other assets necessary or useful to operate the Business

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