

## **R2-08.1 APPLICATIONS FOR CERTIFICATES OF EXEMPTION; TRANSFERS, AND NOTICE**

### **(a) For New Applications.**

- (1) Application to operate as a common carrier of household goods must be made on forms furnished by the Commission, and all the required exhibits must be attached to and made a part of the application. The original and three (3) complete copies of the application, including exhibits, must be filed with the Commission with a fourth copy for the Public Staff's Transportation Division.
- (2) The application shall be signed and sworn to by the applicant. If the applicant is a partnership, one partner may sign and verify for all; but the names and addresses of all partners must appear in the application and a certified copy of the partnership agreement, as filed in the county wherein the principal office of the partnership is located, must be filed with the Commission. Trade names will not be allowed unless the names and addresses of all owners are given. If the applicant is a corporation, a duly authorized officer of the corporation must verify the application. The names and addresses of all principals including the directors and officers for the corporation or member-managers and nonmember managers for an LLC must be given and a certified copy of the corporate charter filed with the application. This does not alleviate the responsibility that all the partners or principals are required to individually submit completed "Authority for Release of Information" forms allowing use of principal's fingerprints for a criminal history records check, pursuant to G.S. 114-19.32, and citizen certifications or employment authorization as set forth in Rule R2-8.1(a)(3)(F and G).
- (3) Pursuant to G.S. 62-261(8), the applicant shall provide proof or certification of the following:
  - a. That the applicant is fit, willing, and able to properly provide the transportation of household goods in intrastate commerce and has a reasonable and adequate knowledge of the moving industry;
  - b. That the applicant is financially solvent and able to furnish adequate service on a continuing basis, including adequate insurance protection, maintenance of safe, dependable equipment, and the financial ability to settle any damage claims for which it is liable;
  - c. That the applicant maintains minimum limits of liability insurance coverage of \$100,000/\$300,000/\$50,000, or such higher amount as may be required by federal law, and cargo insurance coverage of \$35,000/\$50,000; and
  - d. That the applicant maintains a minimum amount of \$50,000 general liability insurance coverage.
  - e. That the applicant certifies that only persons possessing valid driver's licenses will operate the motor vehicles that will be used for transporting household goods;
  - f. That the applicant or each of its partners/principals shall submit (i) a completed Fingerprint Card with fingerprints that have been taken and imprinted by a law enforcement agency; (ii) a completed "Authority for Release of Information" form signed by principal consenting to use of his or her fingerprints for a criminal history records check; (iii) a money order or cashier's check in the amount due for criminal history records checks (\$38.00 per principal or as subsequently modified by the Commission), made payable to the "North Carolina Department of Commerce/Utilities Commission," to cover the Commission's direct cost of obtaining a criminal history records check; and
  - g. That the applicant or all its partners/principals certifies that he or she (1) is a United States citizen or (2) if not a United States citizen, to submit employment authorization document(s) proving legal status to work within the United States.

### **(b) For Approval of Sale, Lease, or Other Transfer of Certificate of Exemption. (Also see Rule R2-9.)**

- (1) Application for approval of sale, lease, or other transfer of certificate of exemption shall be typewritten, shall be filed with the Commission with a copy to the Public Staff, by providing an original and three (3) copies. Such applications may necessarily differ according to the nature of the transaction involved, but must include the following:
  - a. The names and addresses of all parties to the transaction.
  - b. A full and complete explanation of the nature of the transaction and its purpose.
  - c. That the applicant or all its partners/principals complete the requirements set forth in R2-8.1(a)(3).
- (2) If the application is for approval of a lease of certificate of exemption, a copy of the proposed lease agreement must be filed with the application and must contain the entire agreement between the parties.

- (3) If the application is for approval of a sale of certificate of exemption, a copy of the proposed sales agreement must be filed with the application and must contain the entire agreement between the parties, including the purchase price agreed upon, and all the terms and conditions with respect to the payment of same.
  - (4) No sale of a certificate of exemption will be approved unless the seller complies with the provisions of G.S. 62-111 by filing a statement under oath, as therein required, with respect to debts and claims; a statement showing gross operating revenues and total number of miles traveled for the latest three months' period preceding the date of filing the application, or for the latest three months' period preceding the date of authority to suspend operations, if theretofore granted by this Commission; and no such sale will be approved unless the purchaser files with the Commission a statement under oath attesting to his fitness and ability to provide household goods transportation service and of his assets and liabilities from which it must appear that the purchaser is solvent and in financial condition to meet such reasonable demands as the business may require.
  - (5) If the transferee is a corporation, a certified copy of its corporate charter must be filed with said application unless same is already on file with the Commission.
  - (6) If the application is for approval of a merger of two or more carriers, or of any agreement by which one carrier seeks to acquire an interest in or control over another carrier, the application shall set out the purpose of such merger, combination or agreement, and the extent of any transfers of other properties of the carriers involved, the changes in the financial status and obligations of the individual carriers involved, and all other matters necessary to a full understanding of the transaction and its effect upon other motor carriers.
- (c) Notice of Application and Hearings.
- (1) Upon receipt of an application for a certificate of exemption for the transportation of household goods, same shall be made available for review on the Commission's website. Any party desiring to file a protest must do so in writing by setting forth the reasons for the protest and filing that protest with the Commission no later than 15 days from the filing date of the application. Protests may be filed based only upon the applicant's fitness or financial solvency.
  - (2) If no protests are filed to the application within the 15-day time period provided for in Rule R2-8.1(c)(1), or as extended by order of the Commission, the Commission may proceed to decide the application on the basis of information contained in the application and such additional information as the Commission may choose to obtain.

(NCUC Docket No. T-100, Sub 49, 02/02/04; NCUC Docket No. T-100, Sub 69, 8/29/08; NCUC Docket No. M-100, Sub 140, 12/03/13.)