

00125 AIR EXPRESS INTERNATIONAL, CORP. 1978 1

00125

**Freight Forwarders  
(Class A)**
**Annual Report Form  
F-1**
**1978**

Due: March 31, 1979

 Approved by GAO  
B-180230 (R0254)  
Expires 10-31-79

 1. CORRECT NAME AND ADDRESS IF DIFFERENT THAN  
SHOWN (See instructions)

 ILLINOIS  
COMMERCE COMMISSION  
RECEIVED  
MAY 18 1979  
ADMINISTRATIVE SERVICES  
MAIL UNIT

 FF000403 AIR EXPR A O A 125  
AXFF AIR EXPRESS INTERNATIONAL CORPORAT  
151 HARVARD AVENUE  
STAMFORD CT 06902

2. State whether respondent is an individual owner, partnership, corporation, association, etc.

CORPORATION

3. If a partnership, state the names and addresses of each partner including silent or limited, and their interests.

Name	Address	Proportion of Interest

4. If a corporation, association or other similar form of enterprise, give:

(a) Dates and States of incorporation or organization:

ILLINOIS SEPT 21, 1946

(b) Directors' names, addresses, and expiration dates of terms of office:

Name	Address	Term Expires
JOSEPH MAILMAN	460 PARK AVENUE N.Y. N.Y.	11/79
JOSEPH BERG	151 HARVARD AVE STAMFORD CT.	11/79
FRED SCHWARTZSTEIN	151 HARVARD AVE STAMFORD CT	11/79
HERBERT BRAMER	151 HARVARD AVE STAMFORD	11/79

(c) The names and titles of principal general officers:

Name	Title
JOSEPH BERG	PRESIDENT
MARTIN HOFFENBURG	SECRETARY
FRED SCHWARTZSTEIN	TREASURER
HERBERT BRAMER	ASST. TREASURER

5. Give the voting power, elections, and stockholders, as follows:

A. Total voting securities outstanding

(1) Common	3420 408	shares	3420 408	votes
(2) 1st Preferred	4 827	shares	4 827	votes
(3) 2nd Preferred		shares		votes
(4) Other securities		shares		votes

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action?

If so, describe each such class or issue, showing the character and extent of such privileges:



C. State for each class of stock the total number of stockholders of record at the latest date of closing of stock book or compilation of list of stockholders prior to date of submitting this report:

(1) Common

(2) 1st Preferred

(3) 2nd Preferred

(4) Other \_\_\_\_\_

(5) Date of closing stock book .....

6. Give names of the ten security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him. If any such holder held securities in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such ten security holders as of the close of the year.

[illegible]

7. The respondent is required to send to the Bureau of Accounts, immediately upon preparation two copies of its latest annual report to stockholders.

Check appropriate box:

- { } Two copies are attached to this report.

- [ ] Two copies will be submitted \_\_\_\_\_  
(date)

- 1) No annual report to stockholders is prepared.

8. If the respondent was formed as a result of consolidations or mergers during the year, name all constituent companies, and give specific references to charters or general laws governing each organization, date and authority for each consolidation and each merger received from a regulatory body, and date of consummation.

9. If the respondent was reorganized during the year, give name of original corporation and the laws under which it was organized, or the name of owner or partners, the reason for the reorganization, and date of reorganization.

10. If the respondent was subject to a receivership during the year, state—

A Date of receivership--

B. Court of jurisdiction under which operations were conducted

C Date when possession under it was required \_\_\_\_\_

D. Name of receiver, receivers, or trustee \_\_\_\_\_

11. If any individual, individuals, association, or corporation held control, as trustee, other than receivership, over the respondent at the close of the year, state--

- A. Date of trusteeship \_\_\_\_\_
- B. Authority for trusteeship \_\_\_\_\_
- C. Name of trustee \_\_\_\_\_
- D. Name of beneficiary or beneficiaries \_\_\_\_\_
- E. Purpose of trust \_\_\_\_\_

12. Give a list of companies under common control with respondent:

13. Furnish a complete list of all companies controlled by the respondent, either directly or indirectly, at the close of the year. List under each directly controlled company the companies controlled by it and under each company any others of more remote control. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company:

14. Give a complete list showing companies controlling the respondent, as of the close of the year. Commence with the company which is the most remote and list under each such company the company immediately controlled by it. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company. When any company listed is immediately controlled by or through two or more companies jointly, list all such companies and list the controlled company under each of them, indicating its status by appropriate cross references:

15. States in which traffic is originated and/or terminated: (check appropriate boxes)

Alabama	<input checked="" type="checkbox"/>	Georgia	<input checked="" type="checkbox"/>	Maryland	<input checked="" type="checkbox"/>	New Jersey	<input checked="" type="checkbox"/>	South Carolina	<input checked="" type="checkbox"/>
Alaska	<input checked="" type="checkbox"/>	Hawaii	<input checked="" type="checkbox"/>	Massachusetts	<input checked="" type="checkbox"/>	New Mexico	<input checked="" type="checkbox"/>	South Dakota	<input checked="" type="checkbox"/>
Arizona	<input checked="" type="checkbox"/>	Idaho	<input checked="" type="checkbox"/>	Michigan	<input checked="" type="checkbox"/>	New York	<input checked="" type="checkbox"/>	Tennessee	<input checked="" type="checkbox"/>
Arkansas	<input checked="" type="checkbox"/>	Illinois	<input checked="" type="checkbox"/>	Minnesota	<input checked="" type="checkbox"/>	North Carolina	<input checked="" type="checkbox"/>	Texas	<input checked="" type="checkbox"/>
California	<input checked="" type="checkbox"/>	Indiana	<input checked="" type="checkbox"/>	Mississippi	<input checked="" type="checkbox"/>	North Dakota	<input checked="" type="checkbox"/>	Utah	<input checked="" type="checkbox"/>
Colorado	<input checked="" type="checkbox"/>	Iowa	<input checked="" type="checkbox"/>	Missouri	<input checked="" type="checkbox"/>	Ohio	<input checked="" type="checkbox"/>	Vermont	<input checked="" type="checkbox"/>
Connecticut	<input checked="" type="checkbox"/>	Kansas	<input checked="" type="checkbox"/>	Montana	<input checked="" type="checkbox"/>	Oklahoma	<input checked="" type="checkbox"/>	Virginia	<input checked="" type="checkbox"/>
Delaware	<input checked="" type="checkbox"/>	Kentucky	<input checked="" type="checkbox"/>	Nebraska	<input checked="" type="checkbox"/>	Oregon	<input checked="" type="checkbox"/>	Washington	<input checked="" type="checkbox"/>
District of Columbia	<input checked="" type="checkbox"/>	Louisiana	<input checked="" type="checkbox"/>	Nevada	<input checked="" type="checkbox"/>	Pennsylvania	<input checked="" type="checkbox"/>	West Virginia	<input checked="" type="checkbox"/>
Florida	<input checked="" type="checkbox"/>	Maine	<input checked="" type="checkbox"/>	New Hampshire	<input checked="" type="checkbox"/>	Rhode Island	<input checked="" type="checkbox"/>	Wisconsin	<input checked="" type="checkbox"/>
								Wyoming	<input checked="" type="checkbox"/>



## 16. COMPARATIVE BALANCE SHEET STATEMENT - ASSET SIDE

Give the following financial data at the beginning of the year and at the close of the year (omit cents):

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
		<b>I. CURRENT ASSETS</b>	
1	2066000	(100) Cash	2067000
2		(101) Special cash deposits (Sec. 18)	
3		(102) Temporary cash investments	
4	XXXXXX	1. Pledged \$	XXXXXX
5		2. Unpledged \$	
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	20314000	(105) Accounts receivable	25476000
9		(106) Less: Reserve for doubtful accounts	795000
10	2460000	(107) Accrued accounts receivable	295000
11	915000	(108) Materials and supplies	576000
12		(109) Other current assets	
13	23539000	(110) Deferred income tax charges (Sec. 19)	28129000
		Total current assets	
		<b>II. SPECIAL FUNDS AND DEPOSITS</b>	
14	XXXXXX	(120) Sinking and other funds	XXXXXX
15		Less: Nominally outstanding	
16	XXXXXX	(121) Special deposits	XXXXXX
17		Less: Nominally outstanding	
18		Total special funds	
		<b>III. INVESTMENT SECURITIES AND ADVANCES</b>	
19	295000	(130) Investments in affiliated companies (Sec. 20)	583000
20	XXXXXX	1. Pledged \$	XXXXXX
21		2. Unpledged \$	
22	417000	Undistributed earnings from certain investments in affiliated companies (Sec. 21)	947000
23	XXXXXX	(131) Other investments (Sec. 20)	XXXXXX
24		1. Pledged \$	
25		2. Unpledged \$	
26	712000	(132) Less: Reserve for adjustment of investments in securities	
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	
		Total investment securities and advances	1530000
		<b>IV. TANGIBLE PROPERTY</b>	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	1937000
28	1548000	(149) Less: Depreciation and amortization reserve	856000
		Transportation property (Sec. 22-B)	1082000
29	XXXXXX	(160) Nontransportation property (Sec. 23)	3703000
30	603000	(161) Less: Depreciation reserve	190800
31	2149000	Nontransportation property (Sec. 23)	1795000
		Total tangible property	2877000
		<b>V. INTANGIBLE PROPERTY</b>	
32		(165) Organization	
33		(166) Other intangible property	
34		Total intangible property	
		<b>VI. DEFERRED DEBITS AND PREPAID EXPENSES</b>	
35		(170) Prepayments	
36		(172) Other deferred debits	
37		(173) Accumulated deferred income tax charges (Sec. 19)	
38		Total deferred debits and prepaid expenses	
		<b>VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES</b>	
39	XXXXXX	(190) Reacquired and nominally issued long-term debt	XXXXXX
40	XXXXXX	Reacquired: 1. Pledged	XXXXXX
41	XXXXXX	2. Unpledged	XXXXXX
42	XXXXXX	Nominally issued: 1. Pledged	XXXXXX
43	XXXXXX	2. Unpledged	XXXXXX
44	XXXXXX	(191) Nominally issued capital stock	XXXXXX
45	XXXXXX	1. Pledged \$	
46	2645000	2. Unpledged \$	
		<b>TOTAL ASSETS</b>	32536000
47		Contingent assets (not included above)	

\* Compensating balances not legally restricted, see Sec. 17.

## COMPARATIVE BALANCE SHEET STATEMENT—LIABILITY SIDE

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
	\$	<b>VIII. CURRENT LIABILITIES</b>	\$
48	1596 000	(200) Notes payable	1305 000
49	20542 000	(201) Accounts payable	24171 000
50		(202) Accrued interest	
51		(203) Dividends payable	
52	570 000	(204) Accrued taxes	442 000
53		(205) Accrued accounts payable	
54		(208) Deferred income tax credits (Sec. 19)	480 000
55	614 000	(209) Other current liabilities	76392 000
56	23322 000	Total current liabilities	
		<b>IX. LONG-TERM DEBT</b>	
		(b1) Less—Nominally outstanding (b2) Less—Nominally issued	
57	1980000	(210) Funded debt (Sec. 29) \$ \$	2107 000
58		(210.5) Capitalized leased obligations	
59		(211) Receivers' and trustees' securities (Sec. 29)	
60		(212) Amounts payable to affiliated companies (Sec. 30)	
61		(213) Long-term debt in default (Sec. 29)	
62		(218) Discount on long-term debt	
63		(219) Premium on long-term debt	
64	1930000	Total long-term debt	2107 000
		<b>X. RESERVES</b>	
65		(220) Insurance reserves	
66		(221) Provident reserves	
67	42000	(222) Other reserves	
68	42000	Total reserves	
		<b>XI. DEFERRED CREDITS</b>	
69		(231) Other deferred credits	
70		(232) Accumulated deferred income tax credits (Sec. 19)	
71		Total deferred credits	
		<b>XII. CAPITAL AND SURPLUS</b>	
72	36 000	(240) Capital stock (Sec. 31)	40 000
73		(241) Premiums and assessments on capital stock	
74		Total (Lines 70 and 71)	40,000
75		Less—Nominally issued capital stock	
76		(242) Discount, commission and expense on capital stock	
77		Total (Lines 73 and 74)	
78		Total (Lines 72 and 75)	40,000
79		(243) Proprietorial capital	
80	6931 000	(250) Unearned surplus	7403 000
81	XXXXXXXX	1. Paid in \$ 2. Other \$	XXXXXXXX
82		(260) Earned surplus—Appropriated	
83	(5917 000)	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	(3704 000)
84	XXXXXXXX	1. Distributed \$ 2. Undistributed \$	XXXXXXXX
85		(279) Net unrealized loss on noncurrent marketable equity securities	
86		(280) Less: Treasury stock	203 000
87	XXXXXXXX	1. Pledged \$ 2. Unpledged \$	XXXXXXXX
88	1050 000	Total capital and surplus	3531 000
89	26400 000	TOTAL LIABILITIES	32536 000
90		Contingent liabilities (not included above)	



## COMPARATIVE BALANCE SHEET STATEMENT—EXPLANATORY NOTES

Estimated accumulated net Federal income tax reduction realized since December 31, 1949, under section 168 (formerly section 124-A) of the Internal Revenue Code because of accelerated amortization of emergency facilities in excess of recorded depreciation \$

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$

Accelerated depreciation since December 31, 1953, under section 167 of the Internal Revenue Code.

Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(1) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended.

(2) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit at beginning of year \$

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$

Other adjustments (indicate nature such as recapture on early disposition) \$

Total deferred investment tax credit at close of year \$

Investment tax credit carryover at year end \$

Cost of pension plan:

Past service costs determined by actuaries at year end \$

Total pension costs for year:

Normal costs \$

Amortization of past service costs \$

Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$

State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610).  
YES \_\_\_\_\_ NO \_\_\_\_\_

Marketable Equity Securities—to be completed by companies with \$10.0 million or more in gross operating revenues:

## 1. Changes in Valuation Accounts

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$	\$	\$	x x x x
as of / /	Noncurrent Portfolio			x x x x	
Previous year	Current Portfolio			x x x x	x x x x
as of / /	Noncurrent Portfolio			x x x x	x x x x

## 2. At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$	\$
Noncurrent		

3. A net unrealized gain (loss) of \$ on the sale of marketable equity securities was included in net income for (year). The cost of securities sold was based on the (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to their filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / - date - Balance sheet date date of the current year unless specified as previous year.

**17.—COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS**

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing arrangements if operating revenues are \$10 million or more. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements, should be included in section 18, account 101, Special cash deposits.
5. Compensating balances under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements and are reported in account 121, Special deposits, should also be separately disclosed below.
6. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
7. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.



## 18.—SPECIAL CASH DEPOSITS

For other than compensating balances, state separately each item of \$10,000 or more reflected in account 101. Special cash deposits, at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items less than \$10,000". For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
	Interest special deposits:	\$
1		
2		
3		
4		
5		
6	Total	
	Dividend special deposits:	
7		
8		
9		
10		
11		
12	Total	
	Miscellaneous special deposits:	
13		
14		
15		
16		
17		
18	Total	
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total	





21. Report below the details of all investments in common stocks included in account 130. Investments in affiliated companies, which qualify for the equity method under instruction 28 in the Uniform System of Accounts for Freight Forwarders.

Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 28(b) (11) of the Uniform System of Accounts.

Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost at date of acquisition. See instruction 28(b)(4).

The total of column (c) must agree with column (b), line 21, Section 16.

#### UNDISTRIBUTED EARNINGS FROM CERTAIN INVESTMENTS IN AFFILIATED COMPANIES

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
1	Carriers. (List specifics for each company)	\$	\$	\$	\$	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total						
19	Noncarriers (Show totals only for each column)						
20	Total (lines 18 and 19)						

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$	\$	\$	\$	\$
142. Motor and other highway vehicles					
143. Land and public improvements					
144. Terminal and platform equipment					
145. Other property account charges					
Total					

Property accounts:	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$	\$	\$	\$	\$
142. Motor and other highway vehicles					
143. Land and public improvements (depreciable property)					
144. Terminal and platform equipment					
145. Other property account charges (depreciable property)					
Total					

23. Give details of investment in nontransportation property, and depreciation reserve for balances at close of the year, as stated for accounts (160) and (161) in section 16.

Description of property	Book cost of property	Depreciation reserve
	\$	\$
Total		



## 24.—RENTAL EXPENSE OF LESSEE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Otherwise, show total rental expense (reduced by rentals from subleases) entering into the determination of results of operations for each period for which an income statement is presented. Rental payments under short-term leases for a month or less which are not expected to be renewed need not be included. Contingent rentals, such as those based on usage or sales, shall be reported separately from the basic or minimum rentals.

Line No.	Type of lease (a)	Current year (b)	Prior year (c)
	<b>Financing leases:</b>		
1	Minimum rentals		
2	Contingent rentals		
3	Sublease rentals		
4	Total financing leases		
	<b>Other leases:</b>		
5	Minimum rentals		
6	Contingent rentals		
7	Sublease rentals		
8	Total other leases		
9	Total rental expense of lessee		

NOTE: As used in sections 24 through 28, a "financing lease" is defined as a lease which, during the noncancellable lease period, either (a) covers 75% or more of the economic life of the property or (b) has terms which assure the lessor a full recovery of the fair market value (which would normally be represented by its investment) of the property at the inception of the lease plus a reasonable return on the use of the assets invested subject only to limited risk in the realization of the residual interest in the property and the credit risks generally associated with secured loans.

### 25.—MINIMUM RENTAL COMMITMENTS

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Show the minimum rental commitments under all noncancellable leases, as of the date of the latest balance sheet presented, in the aggregate (with disclosure of the amounts applicable to noncapitalized financing leases) for (a) each of the five succeeding fiscal years; (b) each of the next three five-year periods; and, (c) the remainder as a single amount. The amounts so determined should be reduced by rentals to be received from existing noncancellable subleases (with disclosure of the amounts of such rentals). For purposes of this rule, a noncancellable lease is defined as one that has an initial or remaining term of more than one year and is noncancellable, or is cancellable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

Line No.	Year ended (a)	A			B	
		Financing leases (b)	Other Leases (c)	Total (d)	Sublease rentals*	
					Financing leases (e)	Other leases (f)
1	Next year	\$	\$	\$	\$	\$
2	In 2 years					
3	In 3 years					
4	In 4 years					
5	In 5 years					
6	In 6 to 10 years					
7	In 11 to 15 years					
8	In 16 to 20 years					
9	Subsequent					

\* The rental commitments reported in Part A of this schedule have been reduced by these amounts.



## 26.—LESSEE DISCLOSURE

Complete this schedule only if carrier operating revenues are \$10 million or more.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line  
No.

(a)

1

2

3

4

5

6

7

8

(b)

9

10

11

12

13

14

15

16

(c)

17

18

19

20

21

22

23

24

(d)

25

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28

29

30

31

32

(e)

33

34

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36

37

38

39

40

### 27.—LEASE COMMITMENTS—PRESENT VALUE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if the present value of the minimum lease commitments are more than five percent of the sum of the long-term debt, stockholders' equity and the present value of the minimum lease commitments, or if the impact on net income (as computed in section 28, Income impact—Lessee) is three percent or more of the average net income for the most recent three years.

Show all noncapitalized financing leases, the present value of the minimum lease commitments in the aggregate and by major categories of properties. Present values shall be computed by discounting net lease payments (after subtracting, if practicable, estimated, or actual amounts, if any, applicable to taxes, insurance, maintenance and other operating expenses) at the interest rate implicit in the terms of each lease at the time of entering into the lease.

Show either the weighted average interest rate (based on present value) and range of rates or specific interest rates for all lease commitments.

Line No.	Asset category (a)	Present value		Range		Weighted average	
		Current year (b)	Prior year (c)	Current year (d)	Prior year (e)	Current year (f)	Prior year (g)
		\$	\$	%	%	%	%
1	Structures						
2	Revenue equipment						
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify):						
6							
7							
8							
9							
10	Total						



## 28.—INCOME IMPACT—LESSEE

Complete this schedule only if carrier operating revenues are \$10 million or more.

If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to that effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
		\$	\$
1	Amortization of lease rights _____		
2	Interest _____		
3	Rent expense _____		
4	Income tax expense _____		
5	Impact (reduction) on net income _____		

29. Give details of long-term outstanding at the close of the year as stated for accounts (210), (211), and (213) in section 16.

Description of obligation	Date of issue	Date of maturity	Interest rate (percent)	Balance at close of year
CHEMICAL BANK	12-31-74		1/2% ABOVE PRIME	\$ 1,220,000
EQUIPMENT NOTES DUE IN INSTALMENTS TO 1982 BEARING INTEREST RATES FROM 12 3/8% TO 17%				277,000
DEMAND NOTES PAYABLE TO PRINCIPAL STOCK HOLDERS			1/2% ABOVE PRIME	609,000
Total	XXX	XXX	XXX	\$ 2,106,000

30. Give details of advances payable for each item of \$1,000 or more included in account (212), section 16. Items of less than \$1,000 may be combined in a single entry and described as "Misc. items each less than \$1,000."

Name of _____ and nature of advance	Rate of interest (percent)	Balance at close of year
	\$ _____	\$ _____
Total	XXXXXXXX	

31. Give details of balance of capital stock outstanding at the close of the year stated for account (249), in section 16.

Line No.	Title and Description (a)	Number of Shares (b)	Amount (c)
	Par value:		\$
1			
2			
3			
4			
5	Total par value		
6	Nonpar		
7	Grand total - Par value and nonpar stock		



32. Show items of Earned surplus—Unappropriated for the year, classified in accordance with the Uniform System of Accounts for Freight Forwarders. All contra entries hereunder should be indicated in parentheses. Include in column (b) only amounts applicable to earned surplus exclusive of any amounts included in column (c). Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting. See account (270) in section 16.

Line No.	Item (a)	Retained earnings accounts (b)	Equity in undistributed earnings of affiliated companies (c)
1	(270) Earned surplus (or deficit) at beginning of year	\$ (5917000)	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	xxx	
3	(300) Income balance (Sec. 33)	2308000	
4	(301) Miscellaneous credits		
5	(302) Prior period adjustments to beginning earned surplus account		
6	(310) Miscellaneous debits		xxx
7	(311) Miscellaneous reservations of earned surplus		xxx
8	(312) Dividend appropriations of earned surplus	(3707000)	xxx
9	(270) Earned surplus (or deficit) at close of year	xxx	
10	Equity in undistributed earnings (losses) of affiliated companies at end of year		xxx
11	Balance from line 10(c)		xxx
12	Total unappropriated earned surplus and equity in undistributed earnings (losses) of affiliated companies at end of year (lines 9 and 11)		xxx

Net of assigned income taxes: account 301 \$ \_\_\_\_\_ (explain)  
 account 310 \_\_\_\_\_ (explain)

## 33.—INCOME STATEMENT FOR THE YEAR

Give the following income account for the year (omit cents):

Line No.	Item (a)	Amount (b)
<b>ORDINARY ITEMS</b>		
<b>FORWARDER OPERATING INCOME</b>		
1	(400) Operating revenues (Sec. 34) _____	\$ 45411189
2	(410) Operating expenses (Sec. 35) _____	42776119
3	*Net revenue from forwarder operations (line 1; line 2) _____	2635070
4	(411) Transportation tax accruals (Sec. 36) _____	2635070
5	*Net revenue, less taxes, from forwarder operations (line 3; line 4) _____	
<b>OTHER INCOME</b>		
6	(401) Dividend (other than from affiliates) and interest income _____	
7	(402) Release of premium on long-term debt _____	117562
8	(403) Miscellaneous income _____	
9	Income from affiliated companies _____	
10	Dividends _____	117562
11	Equity in undistributed earnings (losses) _____	2752632
12	Total other income _____	
12	*Total income (line 5; line 11) _____	
<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>		
13	(412) Provision for uncollectible accounts _____	
14	(413) Miscellaneous tax accruals _____	20245
15	(414) Miscellaneous income charges _____	20245
16	Total income deductions _____	2732387
17	*Income from continuing operations before fixed charges (Lines 12, 16) _____	
<b>FIXED CHARGES</b>		
18	(420) Interest on long-term debt _____	338731
19	(421) Other interest deductions _____	
20	(422) Amortization of discount on long-term debt _____	338731
21	Total fixed charges _____	338731
22	(423) Unusual or infrequent items _____	2343656
23	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	
<b>PROVISION FOR INCOME TAXES</b>		
24	(431) Income taxes on income from continuing operations (Sec. 36) _____	1204084
25	(432) Provision for deferred taxes _____	1189572
26	Income (loss) from continuing operations (lines 23-25) _____	
<b>DISCONTINUED OPERATIONS</b>		
27	(433) Income (loss) from operations of discontinued segments** _____	
28	(434) Gain (loss) on disposal of discontinued segments** _____	
29	Total income (loss) from discontinued operations (lines 27, 28) _____	1189572
30	*Income before extraordinary items (lines 26, 29) _____	
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>		
31	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	1020000
32	(450) Income taxes on extraordinary and prior period items-Debit (Credit) (p. 20) _____	
33	(451) Provision for deferred taxes-Extraordinary and prior period items _____	1020000
34	Total extraordinary items _____	
35	(452) Cumulative effect of changes in accounting principles** _____	1020000
36	Total extraordinary items and accounting changes (lines 34, 35) _____	2209572
37	*Net income transferred to earned surplus (lines 30, 36) _____	
<p>*If a loss or debit, show the amount in parentheses.</p> <p>**Less applicable income taxes of:</p> <p>(433) Income (loss) from operations of discontinued segments _____ \$ _____</p> <p>(434) Gain (loss) on disposal of discontinued segments _____ \$ _____</p> <p>(452) Cumulative effect of changes in accounting principles _____ \$ _____</p>		



## 33.—INCOME STATEMENT - EXPLANATORY NOTES

1. (a) Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit:  
 Flow-through----- Deferral-----  
 (b) If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit----- \$-----  
 (c) If deferral method was elected, indicate amount of investment tax credit utilized as reduction of tax liability for current year----- \$-----  
 Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes----- (\$-----)  
 Balance of current year's investment tax credit used to reduce current year's tax accrual----- \$-----  
 Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual----- \$-----  
 Total decrease in current year's tax accrual resulting from use of investment tax credits----- \$-----

2. An explanation of all items included in accounts 435, "Extraordinary items," and 450, "Income taxes on extraordinary items" should be made in the space below. (See instruction 540.0-4, Uniform System of Accounts for Freight Forwarders.) AIC 435 EXTRAORDINARY

Item of \$1,020,000 Represents The Utilization of Income Tax Loss Carried Over

## 34.—OPERATING REVENUES

Show the forwarder operating revenues of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account (a)	Amount (b)
	<b>I. TRANSPORTATION REVENUE</b>	
1	501. Forwarder revenue	\$ 15503636
	<b>II. TRANSPORTATION PURCHASED—DR.</b>	
2	511. Railroad transportation	
3	512. Motor transportation	1621714
4	513. Water transportation	
5	514. Pick-up, delivery, and transfer service	9724824
6	515. Other transportation purchased* AIR TRANSPORTATION	92378637
7	Total transportation purchased	104635180
8	Revenue from transportation (line 1 minus line 7)	45411189
	<b>III. INCIDENTAL REVENUE</b>	
9	521. Storage—Freight	
10	522. Rent revenue	
11	523. Miscellaneous	
12	Total incidental revenues	
13	Total operating revenues (line 8 plus line 12)	45411189

\*Report separately hereunder, by type of transport (air, express, forwarder, or any other type), the amounts included in Account 515. "Other transportation purchased".

## 35.—OPERATING EXPENSES

Show the forwarder operating expenses of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account (a)	Amount (b)
1	601. General office salaries	\$ 745548
2	602. Traffic department salaries	-0-
3	603. Law department salaries	-0-
4	604. Station salaries and wages*	4661704
5	605. Loading and unloading by others	1699169
6	606. Operating rents	970557
7	607. Traveling and other personal expense	1571071
8	608. Communications	199006
9	609. Postage	741835
10	610. Stationery and office supplies	18949
11	611. Tariffs	-0-
12	612. Loss and damage—Freight	190089
13	613. Advertising	395708
14	614. Heat, light, and water	217887
15	615. Maintenance	471421
16	616. Depreciation and amortization	( 93572 )
17	617. Insurance	899141
18	618. Payroll taxes (Sec. 36)	1193938
19	619. Commissions and brokerage	( 42726 )
20	620. Vehicle operation (Sec. 36)	188126
21	621. Law expenses	17569496
22	622. <del>Depreciation adjustment</del> EXPENSE AT FOREIGN STATIONS	4429502
23	630. Other expenses	43776119
24	Total operating expenses	

\*Includes debits totaling \$\_\_\_\_\_ for the pay of employees engaged in handling freight over platforms.

## 36.—TAXES

Give particulars called for with respect to taxes and licenses accrued to accounts (411) and (431) in Section 33, and accounts (618) and (620) in Section 35.

Line No.	Kind of tax (a)	(411) Transportation tax accruals (b)	(431) Income taxes on income from continuing operations (c)	(618) Payroll taxes (d)	(620) Vehicle operation (e)	Total (f)
1	Social security taxes	\$	\$	\$ 899141	\$	\$ 899141
2	Real estate and personal property taxes					
3	Gasoline, other fuel and oil taxes					
4	Vehicle licenses and registration fees					
5	Corporation taxes					
6	Capital stock taxes					
7	Federal excise taxes					
8	Federal excess profits taxes		843071			843071
9	Federal income taxes					
10	State income taxes					
11	Other taxes (describe) FOREIGN INCOME TAX		361013			361013
12	(a)					
13	(b)					
14	(c)					
15	(d)					
16	(e)					
17	Total		1204084	899141		2103225



37. Give particulars as called for with respect to motor vehicles owned outright and held under purchase obligations at the close of the year:

Line No.	Vehicle		Book value included in account (140) of sec. 16	Accrued depreciation included in account (149) of sec. 16
	Make, kind and capacity (a)	Number of (b)		
1			\$	\$
2				
3				
4				
5				
6				
7				
8	Total			

38. Give the particulars as called for concerning the respondent's employees and their compensation for the year. The data on number of employees shall be based on the number of employees on the payroll at close of pay period containing the 12th day of the months specified. If operations were interrupted during such period due to strikes, fires, floods, etc., the data should be reported for the nearest representative payroll period. Enter the total number of employees in each class on the payrolls covered by this report who worked full or part time or received pay for any part of the period reported.

Line No.	Class	Number of employees on payroll at close of the pay period containing the 12th day of				Total compensation during year
		February	May	August	November	
	General office employees:					
1	Officers	10	10	10	10	\$ 463268
2	Clerks and attendants	203	206	205	203	1406809
3	Total	213	216	215	213	1870077
	Traffic department employees:					
4	Officers	1	1	1	1	36910
5	Managers	2	2	2	2	40432
6	Solicitors	2	2	2	2	51187
7	Clerks and attendants	5	3	3	3	111524
8	Total	5	3	3	3	111524
	Law department employees:					
9	Officers	1	1	1	1	41904
10	Solicitors	2	2	2	2	37081
11	Attorneys	2	2	2	2	37081
12	Clerks and attendants	3	3	3	3	78485
13	Total	3	3	3	3	78485
	Station and warehouse employees:					
14	Superintendents					
15	Foremen					
16	Clerks and attendants	508	508	513	512	8937023
17	Laborers					
18	Total	500	508	513	512	8937023
	All other employees (specify):					
19	Pick-up + DELIVERY	136	139	140	140	2261328
20	OFFICERS FOREIGN	5	5	5	5	113922
21	OFFICERS U.S.	8	8	8	8	262431
22	OTHER FOREIGN	8	8	8	8	5486
23	Total	168	161	162	161	3253533
24	Grand total	844	843	848	844	14857147

Length of payroll period: (Check one) ☐ one week; ☐ two weeks; ☐ other (specify):

NON-UNION 1 wk - 2 weeks  
UNION 1 week

39. Give the various statistical items called for concerning the forwarders' operations of the respondent during the year. State tons of 2,000 pounds.

Line No.	Item (a)	Number (b)
1	Tons of freight received from shippers	53,513
2	Number of shipments received from shippers	575,329

#### 40.—COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Section 5, item (b) and (c) of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties and in addition, all other officers, directors, pensioners or employees, if any, to whom the respondent similarly paid \$40,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "Other compensation" should be explained in a footnote. If an officer, director, etc., receives compensation from another transportation company (whether a subsidiary or not), reference to this fact should be made in his aggregate compensation amounts to \$40,000 or more, and the details as to division of the salary should be stated. By salary column (c) is meant the annual rate at which an employee is paid, rather than the amount actually paid. If salary of an individual was changed during the year, show salary before each change as well as at close of year.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	JOSEPH BERG	PRESIDENT	\$7,406	\$
2	BARRY HANSON	VICE PRESIDENT	47,048	
3	MARTIN HEFFENBERG	SECRETARY	41,004	
4	FRED SCHWARTZSTEIN	TREASURER	34,430	
5	HERBERT BARNER	ASST. TREASURER	44,392	
6	FRANK CASSI	VICE PRESIDENT	49,879	
7	PETER MUNSON	VICE PRESIDENT	43,435	
8	REGINALD TUTHILL	VICE PRESIDENT	40,943	
9	EDWARD CARUSO	VICE PRESIDENT	10,030	
10	RICHARD FRIEDL	VICE PRESIDENT	44,477	
11	LOUIS MOBILIA	VICE PRESIDENT	36,771	
12	HARVEY SELMAN	VICE PRESIDENT	6,327	
13	ARTHUR STEPHENSON	VICE PRESIDENT	18,269	
14	FRANK DE MITLACHOWSKI	VICE PRESIDENT	39,960	
15	JOHN KENNEDY	VICE PRESIDENT	40,952	
16	SIEGFRIED KRATZOFF	VICE PRESIDENT	38,983	
17	GLENN MADDOX	VICE PRESIDENT	27,411	
18	PHILIP ROSSO	VICE PRESIDENT	36,910	
19	JOHN RUSSO	VICE PRESIDENT	38,816	
20	MICHAEL PATRANOFF	VICE PRESIDENT	9,636	
21	GUNTER BOHRMANN	VICE PRESIDENT	6,000	
22	RICHARD SUN	VICE PRESIDENT	34,919	
23	BRYAN BULMAN	VICE PRESIDENT	35,673	
24				
25				
26				
27				
28				
29				
30				



## 41.—COMPETITIVE BIDDING. — CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and except such purchases shall be made from, or such

dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010-Competitive Bids through Part 1010.7 - Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

Line No.	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
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16							
17							
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20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

## NOTES AND REMARKS



# Schedule 42.—SUMMARY OF FREIGHT LOSS AND DAMAGE CLAIMS

This schedule was adopted by the Commission in No. 35345 (Sub-No. 2) July 1, 1977

Approved by GAO Effective 12-23-77

Exclude from this schedule the revenues and claims incurred in connection with freight forwarder services and shipments which have a prior or subsequent movement by air. Line 1 should show all freight forwarder revenue in Account 501. Line 2 should show the number of claims paid during the year for robbery, theft and pilferage, and other shortage as defined below:

**Robbery** - Failure to deliver all or part of a shipment as the result of stealing, including hijacking, with the use of force or threat of force against a person or persons. Claims for physical damage to freight in the same or other shipments resulting from robbery should be reported under Robbery.

**Theft and Pilferage** - Failure to deliver all or part of a shipment as the result of known stealing, or under circumstances indicating the probable cause was stealing, without use of force or threat of force against a person or persons, when it is known the freight was in the carrier's custody.

Claims for physical damage to freight in the same or other shipments resulting directly from theft or pilferage should be reported under Theft and Pilferage.

**Other Shortage** - Failure to deliver all or part of a shipment for unknown reasons. This includes the unexplained disappearance of all or part of a shipment for reasons other than robbery or theft and pilferage as defined above.

Line 3 should show the number of all other claims paid in full or in part during the year not reported on line 2.

Line 4 should include the *net* dollar amount of claims paid during the year. This includes claims paid in full or paid in part, less amounts recovered from underlying carriers, salvage, insurance, and claim refund cancellations.

Line 5 should show the ratio in percentage form (two decimal places).

Line	Item		
1	Freight revenue (Account 301) _____	\$	_____
2	Number of theft related claims paid _____		_____
3	Number of other claims paid _____		_____
4	Net dollars paid (See instructions) _____	\$	_____
5	Claims expense/revenue ratio (line 4 ÷ 1) _____		_____ %

Name, title, telephone number and address of the person to be contacted concerning this report:

NAME Herbert Bramler TITLE ASSISTANT TREASURER  
TELEPHONE NUMBER 203-327-1950  
(Area code) (Telephone number)  
OFFICE ADDRESS 151 HARVARD AVE STAMFORD CT 06902  
(Street and number) (City, State, and ZIP Code)

OATH

(To be made by the officer having control of the accounting of the respondent)

STATE OF CONN  
COUNTY OF FAIRFIELD ss.  
HERBERT S BRAMLER makes oath and says that he is  
ASSISTANT TREASURER  
(Insert here the official title of the affiant)  
of AIR EXPRESS INTERNATIONAL CORP  
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said reports is a correct and complete statement of the business and affairs of the above-named respondent during the period of the time from and including 12/31, 1979 and including 1/1, 1979 to

Herbert S Bramler  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,  
this 15th day of MAY, 1979

My commission expires 3/31/82

USE AN L. S.  
IMPRESSION  
SEAL

(Signature of officer authorized to administer oaths)

ANTOINETTE M. SALOOMEY  
NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1982



00125

Freight Forwarders

(Class A)

Annual Report Form

F-1

1978

Approved by GAO

B-180230 (R0254)

Expires 10-31-79

Due: March 31, 1979

1. CORRECT NAME AND ADDRESS IF DIFFERENT THAN SHOWN (See instructions)

INTERSTATE  
COMMERCE COMMISSION  
RECEIVED

JUN 28 1979

ADMINISTRATIVE SERVICES  
MAIL UNITFF000403 AIR EXPR A O A 125  
AXFF AIR EXPRESS INTERNATIONAL CORPORAT  
151 HARVARD AVENUE  
STAMFORD CT 06902

2. State whether respondent is an individual owner, partnership, corporation, association, etc.:

CORPORATION

3. If a partnership, state the names and addresses of each partner including silent or limited, and their interests:

Proportion  
of Interest

Name

Address

4. If a corporation, association or other similar form of enterprise, give:

(a) Dates and States of incorporation or organization:

ILLINOIS SEPT 21, 1946

(b) Directors' names, addresses, and expiration dates of terms of office:

Name	Address	Term Expires
JOSEPH MAILMAN	460 PARK AVENUE N.Y. N.Y.	11/79
JOSEPH BERG	151 HARVARD AVE STAMFORD CT	11/79
FRED SCHWARTZSTEIN	151 HARVARD AVE STAMFORD CT	11/79
HERBERT BRAMER	151 HARVARD AVE STAMFORD	11/79

(c) The names and titles of principal general officers:

Name

Title

JOSEPH BERG	PRESIDENT
MARTIN HOFFENBURG	SECRETARY
FRED SCHWARTZSTEIN	TREASURER
HERBERT BRAMER	ASST. TREASURER

5. Give the voting power, elections, and stockholders, as follows:

A. Total voting securities outstanding

	shares	votes
(1) Common	3480 408	
(2) 1st Preferred	4827	
(3) 2nd Preferred		
(4) Other securities		

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action?

If so, describe each such class or issue, showing the character and extent of such privileges:

(1) Common \_\_\_\_\_ (2) 1st Preferred \_\_\_\_\_ (3) 2nd Preferred \_\_\_\_\_  
(4) Other \_\_\_\_\_ (5) Date of closing stock book \_\_\_\_\_

6. Give names of the ten security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him. If any such holder held securities in trust, give (in a footnote) the particulars of the trust. If the stock book was not closed or the list of stockholders compiled within such year, show such ten security holders as of the close of the year.

[illegible]

Check appropriate box:

[ ] Two copies will be submitted \_\_\_\_\_  
(date)

8. If the respondent was formed as a result of consolidations or mergers during the year, name all constituent companies, and give specific references to charters or general laws governing each organization, date and authority for each consolidation and each merger received from a regulatory body, and date of consummation.

10. If the respondent was subject to a receivership during the year, state:

D. Name of receiver, receivers, or trustee



11. If any individual, individuals, association, or corporation held control, as trustee, other than receivership, over the respondent at the close of the year, state--

- A. Date of trusteeship \_\_\_\_\_  
 B. Authority for trusteeship \_\_\_\_\_  
 C. Name of trustee \_\_\_\_\_  
 D. Name of beneficiary or beneficiaries \_\_\_\_\_  
 E. Purpose of trust \_\_\_\_\_

12. Give a list of companies under common control with respondent:

13. Furnish a complete list of all companies controlled by the respondent, either directly or indirectly, at the close of the year. List under each directly controlled company the companies controlled by it and under each company any others of more remote control. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company:

14. Give a complete list showing companies controlling the respondent, as of the close of the year. Commence with the company which is the most remote and list under each such company the company immediately controlled by it. Each step of control should be appropriately indented from the left margin. After each company state the percentage, if any, of the voting power represented by securities owned by the immediately controlling company. When any company listed is immediately controlled by or through two or more companies jointly, list all such companies and list the controlled company under each of them, indicating its status by appropriate cross references:

15. States in which traffic is originated and/or terminated: (check appropriate boxes)

Alabama	<input checked="" type="checkbox"/>	Georgia	<input checked="" type="checkbox"/>	Maryland	<input checked="" type="checkbox"/>	New Jersey	<input checked="" type="checkbox"/>	South Carolina	
Alaska	<input checked="" type="checkbox"/>	Hawaii		Massachusetts	<input checked="" type="checkbox"/>	New Mexico	<input checked="" type="checkbox"/>	South Dakota	<input checked="" type="checkbox"/>
Arizona	<input checked="" type="checkbox"/>	Idaho	<input checked="" type="checkbox"/>	Michigan	<input checked="" type="checkbox"/>	New York	<input checked="" type="checkbox"/>	Tennessee	<input checked="" type="checkbox"/>
Arkansas	<input checked="" type="checkbox"/>	Illinois	<input checked="" type="checkbox"/>	Minnesota	<input checked="" type="checkbox"/>	North Carolina	<input checked="" type="checkbox"/>	Texas	<input checked="" type="checkbox"/>
California	<input checked="" type="checkbox"/>	Indiana	<input checked="" type="checkbox"/>	Mississippi	<input checked="" type="checkbox"/>	North Dakota	<input checked="" type="checkbox"/>	Utah	<input checked="" type="checkbox"/>
Colorado	<input checked="" type="checkbox"/>	Iowa		Missouri	<input checked="" type="checkbox"/>	Ohio	<input checked="" type="checkbox"/>	Vermont	<input checked="" type="checkbox"/>
Connecticut	<input checked="" type="checkbox"/>	Kansas		Montana		Oklahoma	<input checked="" type="checkbox"/>	Virginia	<input checked="" type="checkbox"/>
Delaware	<input checked="" type="checkbox"/>	Kentucky	<input checked="" type="checkbox"/>	Nebraska		Oregon	<input checked="" type="checkbox"/>	Washington	<input checked="" type="checkbox"/>
District of Columbia	<input checked="" type="checkbox"/>	Louisiana	<input checked="" type="checkbox"/>	Nevada		Pennsylvania	<input checked="" type="checkbox"/>	West Virginia	<input checked="" type="checkbox"/>
Florida	<input checked="" type="checkbox"/>	Maine		New Hampshire		Rhode Island		Wisconsin	<input checked="" type="checkbox"/>
								Wyoming	

## 16. COMPARATIVE BALANCE SHEET STATEMENT - ASSET SIDE

Give the following financial data at the beginning of the year and at the close of the year (omit cents):

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
		<b>I. CURRENT ASSETS</b>	
1	20667000	(100) Cash	20670000
2		(101) Special cash deposits (Sec. 18)	
3		(102) Temporary cash investments	
4	XXXXXX	1. Pledged \$	XXXXXX
5		2. Unpledged \$	
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	20314000	(105) Accounts receivable	25976000
9		(106) Less: Reserve for doubtful accounts	765000
10	20314000	(107) Accrued accounts receivable	25810000
11	910000	(108) Materials and supplies	255000
12		(109) Other current assets	576000
13	23589000	(110) Deferred income tax charges (Sec. 19)	22129000
		Total current assets	
		<b>II. SPECIAL FUNDS AND DEPOSITS</b>	
14	XXXXXX	(120) Sinking and other funds	XXXXXX
15		Less: Nominally outstanding	
16	XXXXXX	(121) Special deposits	XXXXXX
17		Less: Nominally outstanding	
18		Total special funds	
		<b>III. INVESTMENT SECURITIES AND ADVANCES</b>	
19	295000	(130) Investments in affiliated companies (Sec. 20)	583000
20	XXXXXX	1. Pledged \$	XXXXXX
21	417000	2. Unpledged \$	XXXXXX
22		Undistributed earnings from certain investments in affiliated companies (Sec. 21)	947000
23	XXXXXX	(131) Other investments (Sec. 20)	XXXXXX
24		1. Pledged \$	
25		2. Unpledged \$	
26	712000	(132) Less: Reserve for adjustment of investments in securities	
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	153000
		Total investment securities and advances	
		<b>IV. TANGIBLE PROPERTY</b>	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	1437000
28	1540000	(149) Less: Depreciation and amortization reserve	855000
		Transportation property (Sec. 22-B)	3703000
29	XXXXXX	(160) Nontransportation property (Sec. 23)	XXXXXX
30	603000	(161) Less: Depreciation reserve	1903000
31	2144000	Nontransportation property (Sec. 23)	1795000
		Total tangible property	2877000
		<b>V. INTANGIBLE PROPERTY</b>	
32		(165) Organization	
33		(166) Other intangible property	
34		Total intangible property	
		<b>VI. DEFERRED DEBITS AND PREPAID EXPENSES</b>	
35		(170) Prepayments	
36		(172) Other deferred debits	
37		(173) Accumulated deferred income tax charges (Sec. 19)	
38		Total deferred debits and prepaid expenses	
		<b>VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES</b>	
39	XXXXXX	(190) Reacquired and nominally issued long-term debt	XXXXXX
40	XXXXXX	Reacquired: 1. Pledged	XXXXXX
41	XXXXXX	2. Unpledged	XXXXXX
42	XXXXXX	Nominally issued: 1. Pledged	XXXXXX
43	XXXXXX	2. Unpledged	XXXXXX
44	XXXXXX	(191) Nominally issued capital stock	XXXXXX
45	XXXXXX	1. Pledged \$	
46	2040000	2. Unpledged \$	
		TOTAL ASSETS	33536000
47	XXXXXX	Contingent assets (not included above)	

For compensating balances not legally restricted, see Sec. 17.



## COMPARATIVE BALANCE SHEET STATEMENT—LIABILITY SIDE

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
		<b>VIII. CURRENT LIABILITIES</b>	
48	\$ 1596 000	(200) Notes payable	\$ 1305 000
49	20548 000	(201) Accounts payable	24171 000
50		(202) Accrued interest	
51		(203) Dividends payable	
52	570 000	(204) Accrued taxes	442 000
53		(205) Accrued accounts payable	
54		(208) Deferred income tax credits (Sec. 19)	
55	614 000	(209) Other current liabilities	426 000
56	23322 000	Total current liabilities	26378 000
		<b>IX. LONG-TERM DEBT</b>	
		(b1) Less—Nominally outstanding (b2) Less—Nominally issued	
57	1480000	(210) Funded debt (Sec. 29) \$ \$	2107 000
58		(210.5) Capitalized leased obligations	
59		(211) Receivers' and trustees' securities (Sec. 29)	
60		(212) Amounts payable to affiliated companies (Sec. 30)	
61		(213) Long-term debt in default (Sec. 29)	
62		(218) Discount on long-term debt	
63		(219) Premium on long-term debt	
64	1920000	Total long-term debt	2107 000
		<b>X. RESERVES</b>	
65		(220) Insurance reserves	
66		(221) Provident reserves	
67	42000	(222) Other reserves	
68	42000	Total reserves	
		<b>XI. DEFERRED CREDITS</b>	
69		(231) Other deferred credits	
70		(232) Accumulated deferred income tax credits (Sec. 19)	
71		Total deferred credits	
		<b>XII. CAPITAL AND SURPLUS</b>	
72	36000	(240) Capital stock (Sec. 31)	40 000
73		(241) Premiums and assessments on capital stock	
74		Total (Lines 70 and 71)	40 000
75		Less—Nominally issued capital stock	
76		(242) Discount, commission and expense on capital stock	
77		Total (Lines 73 and 74)	
78		Total (Lines 72 and 75)	40 000
79		(243) Proprietorial capital	
80	6931 000	(250) Unearned surplus	7403 000
81	XXXXXX	1. Paid in \$ 2. Other \$	XXXXXX
82	(5917000)	(260) Earned surplus—Appropriated	(3704 000)
83	XXXXXX	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	XXXXXX
84		1. Distributed \$ 2. Undistributed \$	
85		(279) Net unrealized loss on noncurrent marketable equity securities	
86		(280) Less: Treasury stock	203 000
87	XXXXXX	1. Pledged \$ 2. Unpledged \$	XXXXXX
88	1050 000	Total capital and surplus	3531 000
89	26400 000	TOTAL LIABILITIES	32536 000
90		Contingent liabilities (not included above)	

# COMPARATIVE BALANCE SHEET STATEMENT—EXPLANATORY NOTES

Estimated accumulated net Federal income tax reduction realized since December 31, 1949, under section 168 (formerly section 174-A) of the Internal Revenue Code because of accelerated amortization of emergency facilities in excess of recorded depreciation \$

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$

—Accelerated depreciation since December 31, 1953, under section 167 of the Internal Revenue Code.

—Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

—Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(1) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended

(2) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit at beginning of year \$

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$

Other adjustments (indicate nature such as recapture on early disposition) \$

Total deferred investment tax credit at close of year \$

Investment tax credit carryover at year end \$

Cost of pension plan:

Past service costs determined by actuaries at year end \$

Total pension costs for year:

Normal costs \$

Amortization of past service costs \$

Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$

State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610).  
YES— NO—

Marketable Equity Securities—to be completed by companies with \$10.0 million or more in gross operating revenues:

## 1. Changes in Valuation Accounts

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$	\$	\$	x x x x
as of / /	Noncurrent Portfolio			x x x x	\$
Previous year	Current Portfolio			x x x x	x x x x
as of / /	Noncurrent Portfolio			x x x x	x x x x

2. At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$	\$
Noncurrent		

3. A net unrealized gain (loss) of \$ on the sale of marketable equity securities was included in net income for (year). The cost of securities sold was based on the (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to their filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / - date - Balance sheet date of the current year unless specified as previous year.



17.—COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing arrangements if operating revenues are \$10 million or more. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements, should be included in section 18, account 101, Special cash deposits.
5. Compensating balances under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements and are reported in account 121, Special deposits, should also be separately disclosed below.
6. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
7. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

## 18.—SPECIAL CASH DEPOSITS

For other than compensating balances, state separately each item of \$10,000 or more reflected in account 101: Special cash deposits, at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items less than \$10,000". For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
	Interest special deposits:	\$
1		
2		
3		
4		
5		
6	Total	
	Dividend special deposits:	
7		
8		
9		
10		
11		
12	Total	
	Miscellaneous special deposits:	
13		
14		
15		
16		
17		
18	Total	
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total	





21 Report below the details of all investments in common stocks included in account 130. Investments in affiliated companies, which qualify for the equity method under instruction 28 in the Uniform System of Accounts for Freight Forwarders.

Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 28(b) (11) of the Uniform System of Accounts.

Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.

Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost at date of acquisition. See instruction 28(b)(4).

The total of column (g) must agree with column (b), line 21, Section 16.

# UNDISTRIBUTED EARNINGS FROM CERTAIN INVESTMENTS IN AFFILIATED COMPANIES

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
1	Carriers (List specifics for each company)	\$	\$	\$	\$	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18	Total						
19	Noncarriers (Show totals only for each column)						
20	Total (lines 18 and 19)						



Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$	\$	\$	\$	\$
142. Motor and other highway vehicles					
143. Land and public improvements					
144. Terminal and platform equipment					
145. Other property account charges					
Total					

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$	\$	\$	\$	\$
142. Motor and other highway vehicles					
143. Land and public improvements (depreciable property)					
144. Terminal and platform equipment					
145. Other property account charges (depreciable property)					
Total					

23. Give details of investment in nontransportation property, and depreciation reserve for balances at close of the year, as stated for accounts (160) and (161) in section 16.

[illegible]

## 24.—RENTAL EXPENSE OF LESSEE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Otherwise, show total rental expense (reduced by rentals from subleases) entering into the determination of results of operations for each period for which an income statement is presented. Rental payments under short-term leases for a month or less which are not expected to be renewed need not be included. Contingent rentals, such as those based on usage or sales, shall be reported separately from the basic or minimum rentals.

Line No.	Type of lease (a)	Current year (b)	Prior year (c)
	Financing leases:		
1	Minimum rentals		
2	Contingent rentals		
3	Sublease rentals		
4	Total financing leases		
	Other leases:		
5	Minimum rentals		
6	Contingent rentals		
7	Sublease rentals		
8	Total other leases		
9	Total rental expense of lessee		

NOTE: As used in sections 24 through 28, a "financing lease" is defined as a lease which, during the noncancellable lease period, either (a) covers 75% or more of the economic life of the property or (b) has terms which assure the lessor a full recovery of the fair market value (which would normally be represented by his investment) of the property at the inception of the lease plus a reasonable return on the use of the assets invested subject only to limited risk in the realization of the residual interest in the property and the credit risks generally associated with secured loans.



## 25.-MINIMUM RENTAL COMMITMENTS

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Show the minimum rental commitments under all noncancellable leases, as of the date of the latest balance sheet presented, in the aggregate (with disclosure of the amounts applicable to noncapitalized financing leases) for (a) each of the five succeeding fiscal years; (b) each of the next three five-year periods; and, (c) the remainder as a single amount. The amounts so determined should be reduced by rentals to be received from existing noncancellable subleases (with disclosure of the amounts of such rentals). For purposes of this rule, a noncancellable lease is defined as one that has an initial or remaining term of more than one year and is noncancellable, or is cancellable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

Line No.	Year ended (a)	A			B	
		Financing leases (b)	Other Leases (c)	Total (d)	Sublease rentals*	
					Financing leases (e)	Other leases (f)
		\$	\$	\$	\$	\$
1	Next year					
2	In 2 years					
3	In 3 years					
4	In 4 years					
5	In 5 years					
6	In 6 to 10 years					
7	In 11 to 15 years					
8	In 16 to 20 years					
9	Subsequent					

\* The rental commitments reported in Part A of this schedule have been reduced by these amounts.

# 26.—LESSEE DISCLOSURE

Complete this schedule only if carrier operating revenues are \$10 million or more.  
 Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line No.	
	(a)
1	
2	
3	
4	
5	
6	
7	
8	
	(b)
9	
10	
11	
12	
13	
14	
15	
16	
	(c)
17	
18	
19	
20	
21	
22	
23	
24	
	(d)
25	
26	
27	
28	
29	
30	
31	
32	
	(e)
33	
34	
35	
36	
37	
38	
39	
40	



# **—LEASE COMMITMENTS—PRESENT VALUE—**

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if the present value of the minimum lease commitments are more than five percent of the sum of the long-term debt, stockholders' equity and the present value of the minimum lease commitments, or if the impact on net income (as computed in section 28, Income impact—Lessee) is three percent or more of the average net income for the most recent three years.

Show all noncapitalized financing leases, the present value of the minimum lease commitments in the aggregate and by major categories of properties. Present values shall be computed by discounting net lease payments (after subtracting, if practicable, estimated, or actual amounts, if any, applicable to taxes, insurance, maintenance and other operating expenses) at the interest rate implicit in the terms of each lease at the time of entering into the lease.

Show either the weighted average interest rate (based on present value) and range of rates or specific interest rates for all lease commitments.

Line No.	Asset category (a)	Present value		Range		Weighted average	
		Current year (b)	Prior year (c)	Current year (d)	Prior year (e)	Current year (f)	Prior year (g)
		\$	\$	%	%	%	%
1	Structures						
2	Revenue equipment						
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify):						
6							
7							
8							
9							
10	Total						

## 28.—INCOME IMPACT—LESSEE

Complete this schedule only if carrier operating revenues are \$10 million or more.

If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to that effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
1	Amortization of lease rights	\$	\$
2	Interest		
3	Rent expense		
4	Income tax expense		
5	Impact (reduction) on net income		



29. Give details of long term outstanding at the close of the year as shown for accounts (210), (211), and (213) in section 16.

Description of obligation	Date of issue	Date of maturity	Interest rate (percent)	Balance at close of year
CHEMICAL BANK	12-31-74		1 1/2% ABOVE PRIME	\$ 1,220,000
EQUIPMENT NOTES DUE IN INSTALMENTS TO 1988 BEARING INTEREST RATES FROM 12 3/8% TO 15%				277,000
DEMAND NOTES PAYABLE TO PRINCIPAL STOCK HOLDERS			1 1/2% ABOVE PRIME	609,000
Total	xxx	xxx	xxx	\$ 2,106,000

30. Give details of advances payable for each item of \$1,000 or more included in account (212), section 16. Items of less than \$1,000 may be combined in a single entry and described as "Minor items each less than \$1,000."

Name of creditors and nature of advance	Rate of interest (percent)	Balance at close of year
	\$	\$
Total	xxxxxxx	

31. Give details of balance of capital stock outstanding at the close of the year stated for account (240) in section 16.

Line No.	Title and Description (a)	Number of Shares (b)	Amount (c)
	Par value:		\$
1			
2			
3			
4			
5	Total par value		
6	Nonpar		
7	Grand total - Par value and nonpar stock		

32. Show items of Earned surplus—Unappropriated for the year, classified in accordance with the Uniform System of Accounts for Freight Forwarders. All contra entries hereunder should be indicated in parentheses. Include in column (b) only amounts applicable to earned surplus exclusive of any amounts included in column (c). Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting. See account (270) in section 16.

Line No.	Item (a)	Retained earnings accounts (b)	Equity in undistributed earnings of affiliated companies (c)
1	(270) Earned surplus (or deficit) at beginning of year	\$ (5917000)	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	xxx	
3	(300) Income balance (Sec. 33)	220300	
4	(301) Miscellaneous credits		
5	(302) Prior period adjustments to beginning earned surplus account		
6	(310) Miscellaneous debits		
7	(311) Miscellaneous reservations of earned surplus		xxx
8	(312) Dividend appropriations of earned surplus		xxx
9	(270) Earned surplus (or deficit) at close of year	(3707000)	xxx
10	Equity in undistributed earnings (losses) of affiliated companies at end of year	xxx	
11	Balance from line 10(c)		xxx
12	Total unappropriated earned surplus and equity in undistributed earnings (losses) of affiliated companies at end of year (lines 9 and 11)		xxx

Net of assigned income taxes: account 301 \$ \_\_\_\_\_ (explain)  
 account 310 \_\_\_\_\_ (explain)



Give the following income account for the year (omit cents)

Line No.	Item (a)	Amount (b)
<b>ORDINARY ITEMS</b>		
<b>FORWARDER OPERATING INCOME</b>		
1	(400) Operating revenues (Sec. 34) _____	\$ 45411189
2	(410) Operating expenses (Sec. 35) _____	42776119
3	*Net revenue from forwarder operations (line 1, line 2) _____	2635070
4	(411) Transportation tax accruals (Sec. 36) _____	
5	*Net revenue, less taxes, from forwarder operations (line 3, line 4) _____	2635070
<b>OTHER INCOME</b>		
6	(401) Dividend (other than from affiliates) and interest income _____	
7	(402) Release of premium on long-term debt _____	117562
8	(403) Miscellaneous income _____	
9	Income from affiliated companies _____	
10	Dividends _____	
11	Equity in undistributed earnings (losses) _____	117562
12	Total other income _____	2752632
13	Total income (line 5, line 12) _____	
<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>		
14	(412) Provision for uncollectible accounts _____	
15	(413) Miscellaneous tax accruals _____	20246
16	(414) Miscellaneous income charges _____	20246
17	Total income deductions _____	2732387
18	*Income from continuing operations before fixed charges (Lines 12, 16) _____	
<b>FIXED CHARGES</b>		
19	(420) Interest on long-term debt _____	338731
20	(421) Other interest deductions _____	
21	(422) Amortization of discount on long-term debt _____	338731
22	Total fixed charges _____	
23	(423) Unusual or infrequent items _____	2393556
24	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	
<b>PROVISION FOR INCOME TAXES</b>		
25	(431) Income taxes on income from continuing operations (Sec. 36) _____	1204084
26	(432) Provision for deferred taxes _____	1189572
27	Income (loss) from continuing operations (lines 23-25) _____	
<b>DISCONTINUED OPERATIONS</b>		
28	(433) Income (loss) from operations of discontinued segments** _____	
29	(434) Gain (loss) on disposal of discontinued segments** _____	
30	Total income (loss) from discontinued operations (lines 27, 28) _____	1189572
31	*Income before extraordinary items (lines 26, 29) _____	
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>		
32	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	1020000
33	(450) Income taxes on extraordinary and prior period items-Debit (Credit) (p. 20) _____	
34	(451) Provision for deferred taxes-Extraordinary and prior period items _____	1020000
35	Total extraordinary items _____	
36	(452) Cumulative effect of changes in accounting principles** _____	1020000
37	Total extraordinary items and accounting changes (lines 34, 35) _____	2204572
38	*Net income transferred to earned surplus (lines 30, 36) _____	

\*If a loss or debit, show the amount in parentheses.

\*\*Less applicable income taxes of:

(433) Income (loss) from operations of discontinued segments \_\_\_\_\_

(434) Gain (loss) on disposal of discontinued segments \_\_\_\_\_

(452) Cumulative effect of changes in accounting principles \_\_\_\_\_

## 33. INCOME STATEMENT - EXPLANATORY NOTES

1. (a) Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit:

Flow-through----- Deferral-----

(b) If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit----- \$-----

(c) If deferral method was elected, indicate amount of investment tax credit utilized as reduction of tax liability for current year----- \$-----

Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes----- (\$-----)

Balance of current year's investment tax credit used to reduce current year's tax accrual----- \$-----

Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual----- \$-----

Total decrease in current year's tax accrual resulting from use of investment tax credits----- \$-----

2. An explanation of all items included in accounts 435, "Extraordinary items," and 450, "Income taxes on extraordinary items" should be made in the space below (See instruction 540.0-4, Uniform System of Accounts for Freight Forwarders.) 11C 435 EXTRAORDINARY

Item of \$1,020,000 REPRESENTS THE UTILIZATION OF INCOME TAX LOSS CARRYFORWARDS

## 34. OPERATING REVENUES

Show the forwarder operating revenues of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account (a)	Amount (b)
<b>I. TRANSPORTATION REVENUE</b>		
1	501. Forwarder revenue-----	\$ 15503636
<b>II. TRANSPORTATION PURCHASED--DR.</b>		
2	511. Railroad transportation-----	
3	512. Motor transportation-----	1621714
4	513. Water transportation-----	
5	514. Pick-up, delivery, and transfer service-----	4724828
6	515. Other transportation purchased* AIR TRANSPORTATION	48278637
7	Total transportation purchased-----	104625180
8	Revenue from transportation (line 1 minus line 7)-----	45411189
<b>III. INCIDENTAL REVENUE</b>		
9	521. Storage--Freight-----	
10	522. Rent revenue-----	
11	523. Miscellaneous-----	
12	Total incidental revenues-----	
13	Total operating revenues (line 8 plus line 12)-----	45411189

\*Report separately hereunder, by type of transport (air, express, forwarder, or any other type), the amounts included in Account 515, "Other transportation purchased".



## 35.—OPERATING EXPENSES

Show the forwarder operating expenses of the respondent for the year, classified by accounts as follows (omit cents):

Line No.	Account (a)	Amount (b)
1	601. General office salaries	\$ 745,548
2	602. Traffic department salaries	- 0 -
3	603. Law department salaries	- 0 -
4	604. Station salaries and wages*	462,704
5	605. Loading and unloading by others	16,916
6	606. Operating rents	970,557
7	607. Traveling and other personal expense	157,107
8	608. Communications	199,006
9	609. Postage	741,835
10	610. Stationery and office supplies	12,447
11	611. Tariffs	- 0 -
12	612. Loss and damage—Freight	19,089
13	613. Advertising	395,908
14	614. Heat, light, and water	2,190,371
15	615. Maintenance	471,421
16	616. Depreciation and amortization	( 93,572 )
17	617. Insurance	849,141
18	618. Payroll taxes (Sec. 36)	114,398
19	619. Commissions and brokerage	( 42,736 )
20	620. Vehicle operation (Sec. 36)	188,186
21	621. Law expenses	175,644
22	622. <del>Depreciation and amortization</del> EXPENSE AT FOREIGN STATIONS	442,952
23	630. Other expenses	437,761
24	Total operating expenses	

\*Includes deburs totaling \$\_\_\_\_\_ for the pay of employees engaged in handling freight over platforms

## 36.—TAXES

Give particulars called for with respect to taxes and licenses accrued to accounts (411) and (431) in Section 33, and accounts (618) and (620) in Section 35.

Line No.	Kind of tax	(411) Transportation tax actuals (b)	(431) Income taxes on income from continuing operations (c)	(618) Payroll taxes (d)	(620) Vehicle operation (e)	Total (f)
1	Social security taxes	\$	\$	\$ 899,141	\$	\$ 899,141
2	Real estate and personal property taxes					
3	Gasoline, other fuel and oil taxes					
4	Vehicle licenses and registration fees					
5	Corporation taxes					
6	Capital stock taxes					
7	Federal excise taxes					
8	Federal excess profits taxes					
9	Federal income taxes		843,071			843,071
10	State income taxes					
11	Other taxes (describe): FOREIGN INCOME TAX		361,013			361,013
12	(b)					
13	(c)					
14	(d)					
15	(e)					
16	Total		1,204,084	899,141		2,103,225

37. Give particulars as called for with respect to motor vehicles owned outright and held under purchase obligations at the close of the year:

Line No.	Vehicle		Book value included in account (140) of sec. 16	Accrued depreciation included in account (149) of sec. 16
	Make, kind and capacity (a)	Number of (b)		
1			\$	\$
2				
3				
4				
5				
6				
7				
8	Total			

38. Give the particulars as called for concerning the respondent's employees and their compensation for the year. The data on number of employees shall be based on the number of employees on the payroll at close of pay period containing the 12th day of the months specified. If operations were interrupted during such period due to strikes, fires, floods, etc., the data should be reported for the nearest representative payroll period. Enter the total number of employees in each class on the payrolls covered by this report who worked full or part time or received pay for any part of the period reported.

Line No.	Class	Number of employees on payroll at close of the pay period containing the 12th day of				Total compensation during year
		February	May	August	November	
General office employees:						
1	Officers	10	10	10	10	\$ 4,326.9
2	Clerks and attendants	202	206	205	203	140,680.7
3	Total	212	216	215	213	145,007.7
Traffic department employees:						
4	Officers	1	1	1	1	69.10
5	Managers	2	2	2	2	4,432.00
6	Solicitors					
7	Clerks and attendants	2	2	2	2	9,184.00
8	Total	5	5	5	5	14,524.00
Law department employees:						
9	Officers	1	1	1	1	4,180.00
10	Solicitors					
11	Attorneys	2	2	2	2	3,908.00
12	Clerks and attendants					
13	Total	3	3	3	3	8,088.00
Station and warehouse employees:						
14	Superintendents					
15	Foremen					
16	Clerks and attendants	500	508	513	512	89,970.23
17	Laborers					
18	Total	500	508	513	512	89,970.23
All other employees (specify):						
19	PACKING & DELIVERY	136	139	140	143	23,133.50
20	OFFICERS FOREIGN	5	5	5	5	11,344.00
21	OFFICERS DOMESTIC	2	2	2	2	2,448.00
22	OTHER FOREIGN					1,512.00
23	Total	163	166	167	170	38,437.50
24	Grand total	874	893	895	894	148,514.70

Length of payroll period (Check one) ☐ one week; ☐ two weeks; ☐ other (specify):

NEW-UNION 1st - 2 weeks  
UNION 1 week



Line No.	Item (a)	Number (b)
1	Tons of freight received from shippers	53,513
2	Number of shipments received from shippers	575,329

## 40.—COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Section 5, item (b) and (c) of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties and in addition, all other officers, directors, pensioners or employees, if any, to whom the respondent similarly paid \$40,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "Other compensation" should be explained in a footnote. If an officer, director, etc., receives compensation from another transportation company (whether a subsidiary or not), reference to this fact should be made if his aggregate compensation amounts to \$40,000 or more, and the details as to division of the salary should be stated. By salary column (c) is meant the annual rate at which an employee is paid, rather than the amount actually paid. If salary of an individual was changed during the year, show salary before each change as well as at close of year.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	Joseph BERG	PRESIDENT	\$7,406	\$
2	BARRY HANSEN	VICE PRESIDENT	47,948	
3	MARTIN HOFFENBERG	SECRETARY	41,494	
4	FRED SCHWARTZSTEIN	TREASURER	34,434	
5	HERBERT BRAMER	ASST. TREASURER	44,394	
6	FRANK CASSI	VICE PRESIDENT	42,877	
7	PETER MUNSON	VICE PRESIDENT	43,435	
8	RODINALD TUTHILL	VICE PRESIDENT	40,943	
9	EDWARD CARUSO	VICE PRESIDENT	10,430	
10	RICHARD FRIEDL	VICE PRESIDENT	44,877	
11	LOUIS MORILIA	VICE PRESIDENT	36,271	
12	HARVEY SELMAN	VICE PRESIDENT	6,327	
13	ARTHUR STEPHENSON	VICE PRESIDENT	12,264	
14	FRANK DE MATACHOSKI	VICE PRESIDENT	39,860	
15	JOHN KENNEDY	VICE PRESIDENT	40,952	
16	SIEGFRIED KRATZBERG	VICE PRESIDENT	38,983	
17	GLENN MADDOX	VICE PRESIDENT	27,411	
18	PHILIP ROSSO	VICE PRESIDENT	36,710	
19	JOHN RUSSO	VICE PRESIDENT	38,216	
20	MICHAEL PATRANOSTE	VICE PRESIDENT	9,636	
21	GUNTHER BUKHMAN	VICE PRESIDENT	6,000	
22	RICHARD SUN	VICE PRESIDENT	34,914	
23	BRYAN BULMAN	VICE PRESIDENT	35,673	
24				
25				
26				
27				
28				
29				
30				

## 41.—COMPETITIVE BIDDING — CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and except such purchases shall be made from, or such

dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010-Competitive Bids through Part 1010.7-Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

Line No.	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1							
2							
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# Schedule 2.—SUMMARY OF FREIGHT LOSS AND DAMAGE CLAIMS

This schedule was adopted by the Commission in No. 35345 (Sub-No. 2) July 1, 1977

Approved by GAO Effective 12-23-77

Exclude from this schedule the revenues and claims incurred in connection with freight forwarder services and shipments which have a prior or subsequent movement by air. Line 1 should show all freight forwarder revenue in Account 501. Line 2 should show the number of claims paid during the year for robbery, theft and pilferage, and other shortage as defined below.

**Robbery** - Failure to deliver all or part of a shipment as the result of stealing, including hijacking, with the use of force or threat of force against a person or persons. Claims for physical damage to freight in the same or other shipments resulting from robbery should be reported under Robbery.

**Theft and Pilferage** - Failure to deliver all or part of a shipment as the result of known stealing, or under circumstances indicating the probable cause was stealing, without use of force or threat of force against a person or persons, when it is known the freight was in the carrier's custody.

Claims for physical damage to freight in the same or other shipments resulting directly from theft or pilferage should be reported under Theft and Pilferage.

**Other Shortage** - Failure to deliver all or part of a shipment for unknown reasons. This includes the unexplained disappearance of all or part of a shipment for reasons other than robbery or theft and pilferage as defined above.

Line 3 should show the number of all other claims paid in full or in part during the year not reported on line 2.

Line 4 should include the *net* dollar amount of claims paid during the year. This includes claims paid in full or paid in part, less amounts recovered from underlying carriers, salvage, insurance, and claim refund cancellations.

Line 5 should show the ratio in percentage form (two decimal places).

Line	Item		
1	Freight revenue (Account 501) _____	\$	_____
2	Number of theft related claims paid _____		_____
3	Number of other claims paid _____		_____
4	Net dollars paid (See instructions) _____	\$	_____
5	Claims expense/revenue ratio (line 4 ÷ 1) _____		_____%

Name, title, telephone number and address of the person to be contacted concerning this report

NAME Herbert Bramler TITLE Assistant Treasurer  
TELEPHONE NUMBER 203-327-1950  
(Area code) (Telephone number)  
OFFICE ADDRESS 151 Harvard Ave STAMFORD CT 06902  
(Street and number) (City, State, and ZIP Code)

### OATH

(To be made by the officer having control of the accounting of the respondent)

STATE OF CONN  
COUNTY OF FAIRFIELD  
HERBERT S BRAMLER makes oath and says that he is  
ASSISTANT TREASURER  
(Insert here the official title of the affiant)  
of AIR EXPRESS International Corp  
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of the time from and including 12/31, 1979, to and including 1/1, 1979.

Herbert S Bramler  
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and County above named,  
this 15th day of MAY, 1979  
My commission expires 3/31/82

[USE AN L. S.  
IMPRESSION  
SEAL]

(Signature of officer authorized to administer oaths)

ANTOINETTE M. SALOOMEY  
NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1982