

01450 LIFSCHULTZ FAST FREIGHTS, INC. 1978

01450

Freight Forwarders
(Class A)

TENTATIVE

Annual Report Form
F-1

1978

Due: March 31, 1979

Approved by GAO
B-180230 (R0234)
Expires 10-31-79

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

INTERSTATE
COMMERCE COMMISSION
RECEIVED

APR 4 1979

ADMINISTRATIVE SERVICES
MAIL UNIT

FF000095 LIFSCHUFAST A O A 1450
LIFS LIFSCHULTZ FAST FREIGHT, INC.
28 NORTH FRANKLIN ST
CHICAGO IL 60606

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: 11/22/67 - Delaware

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

Name	Address	Term Expires
Schedule Attached		

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

Name	Title
Sidney B. Lifschultz	Chairman of the Board and Chief Executive Officer
Merrill E. Brown	President
Howard J. Schor	Executive Vice President
Arthur Rubenstein	Vice President & Assistant Secretary
David K. Lifschultz	Vice President & Assistant Secretary
Nora L. Bergman	Secretary
Robert Schmidt	Treasurer

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

A. Total voting securities outstanding:	5,580	shares	5,580	votes
(1) Common	5,580	shares	None	votes
(2) 1st Preferred		shares		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?
No If so, describe each such class or issue, showing the character and extent of such privileges:

TENTATIVE

2

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 33 (2) 1st Preferred 33 (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.

Name of security holder (a)	Address (b)	Number of votes, to which entitled (c)	Number of votes, classified			
			Common (d)	1st Preferred (e)	2nd Preferred (f)	Other securities (g)
Sidney B. Lifschultz	New York City	720	720			
Nora L. Bergman	Chicago	720	720			
Rose L. Grossman	Chicago	720	720			
(1) Samuel E. Lifschultz Trust	Chicago	720	720			
Bernice Brown Eisenberg	Chicago	420	420			
Sherry Schor	Atherton, Calif.	225	225			
Barbara Klegar	Sarasota, Florida	225	225			
Ronna Lerner	Chicago	225	225			
(2) David Bergman Trust	Chicago	225	225			
(3) Lawrence H. Brown Trust	Chicago	225	225			

(1), (2), (3) - See Attachment

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)

☐ 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:

- A. Lifschultz Terminal and Leasing Co., Inc.
 B. 28 North Franklin Building Corp.
 C. Trans-Air Freight Systems, Inc.
 D. Arrow-Lifschultz Freight Forwarders
 E. Wolf & Gerber, Inc.

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

TENTATIVE

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)
		I. CURRENT ASSETS	\$ 499,159
1	1,474,930	(100) Cash	
2	2,036,477	(101) Special cash deposits (Sec. 18)	3,012,631
3		(102) Temporary cash investments	
4	XXXXXX	1. Pledged \$	XXXXXX
5	5,445	2. Unpledged \$ 3,012,631	5,445
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	1,861,432	(105) Accounts receivable	2,065,818
9	25,516	(106) Less: Reserve for doubtful accounts	26,263
10		(107) Accrued accounts receivable	
11		(108) Materials and supplies	
12	131,350	(109) Other current assets	117,319
13	5,535,150	(110) Deferred income tax charges (Sec. 19)	5,726,635
		Total current assets	
		II. SPECIAL FUNDS AND DEPOSITS	
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	
		III. INVESTMENT SECURITIES AND ADVANCES	
19		(130) Investments in affiliated companies (Sec. 20)	XXXXXX
20	XXXXXX	1. Pledged \$	
21		2. Unpledged \$	
22		Undistributed earnings from certain investments in affiliated companies (Sec. 21)	
23	XXXXXX	(131) Other investments (Sec. 20)	XXXXXX
24		1. Pledged \$	
25		2. Unpledged \$	
26		(132) Less: Reserve for adjustment of investments in securities	
27		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	
		Total investment securities and advances	
		IV. TANGIBLE PROPERTY	
27	XXXXXX	(140) Transportation property (Sec. 22-A)	922,682
28	489,824	(149) Less: Depreciation and amortization reserve	XXXXXX
29	XXXXXX	Transportation property (Sec. 22-B)	414,835
30		(160) Nontransportation property (Sec. 23)	XXXXXX
31	489,824	(161) Less: Depreciation reserve	
		Nontransportation property (Sec. 23)	507,847
		Total tangible property	
		V. INTANGIBLE PROPERTY	
32		(165) Organization	
33		(166) Other intangible property	
34		Total intangible property	
		VI. DEFERRED DEBITS AND PREPAID EXPENSES	
35	107,027	(170) Prepayments	103,639
36	87,277	(172) Other deferred debits	170,153
37		(173) Accumulated deferred income tax charges (Sec. 19)	
38	194,304	Total deferred debits and prepaid expenses	273,792
		VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES	
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	
45	XXXXXX	1. Pledged \$ 2. Unpledged \$	
46	6,219,278	TOTAL ASSETS	6,508,274
47	N/A	Contingent assets (not included above)	N/A

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)
		VIII. CURRENT LIABILITIES	
	\$		\$
	14,780	(200) Notes payable	23,301
48	964,048	(201) Accounts payable	1,572,320
49		(202) Accrued interest	172,980
50	201,420	(203) Dividends payable	15,782
51	398,037	(204) Accrued taxes	1,331,936
52	1,263,989	(205) Accrued accounts payable	
53		(208) Deferred income tax credits (Sec. 19)	9,984
54		(209) Other current liabilities	3,126,303
55	2,842,274	Total current liabilities	
56		IX. LONG-TERM DEBT	
		(b1) Less—Nominally outstanding (b2) Less—Nominally issued	
	302,913	(210) Funded debt (Sec. 29)	267,963
57	11,109	(210.5) Capitalized leased obligations	16,312
58		(211) Receivers' and trustees' securities (Sec. 29)	
59		(212) Amounts payable to affiliated companies (Sec. 30)	
60		(213) Long-term debt in default (Sec. 29)	
61		(218) Discount on long-term debt	
62		(219) Premium on long-term debt	284,275
63	314,022	Total long-term debt	
64		X. RESERVES	
65		(220) Insurance reserves	
66		(221) Provident reserves	300,000
67	300,000	(222) Other reserves	300,000
68	300,000	Total reserves	
		XI. DEFERRED CREDITS	
	1,134	(231) Other deferred credits	3,312
69		(232) Accumulated deferred income tax credits (Sec. 19)	3,312
70	1,134	Total deferred credits	
71		XII. CAPITAL AND SURPLUS	
	618,750	(240) Capital stock (Sec. 31)	618,750
72		(241) Premiums and assessments on capital stock	618,750
73		Total (Lines 70 and 71)	
74		Less—Nominally issued capital stock	
75		(242) Discount, commission and expense on capital stock	
76		Total (Lines 73 and 74)	618,750
77		Total (Lines 72 and 75)	
78		(243) Proprietorial capital	362,850
79	362,850	(250) Unearned surplus	XXXXXXX
80	XXXXXXX	1. Paid in \$ 2. Other \$	
81		(260) Earned surplus—Appropriated	1,836,284
82	1,796,352	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	XXXXXXX
83	XXXXXXX	1. Distributed \$ 2. Undistributed \$ 1,836,284	
84		(279) Net unrealized loss on noncurrent marketable equity securities	23,500
85	16,104	(280) Less: Treasury stock	XXXXXXX
86	XXXXXXX	1. Pledged \$ 2. Unpledged \$ 23,500	
87	2,761,848	Total capital and surplus	2,794,384
88	6,219,278	TOTAL LIABILITIES	6,508,274
89	509,910	Contingent liabilities (not included above) *	444,103
90			

*Unfunded past service costs for company pension plan.

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 \$ N/A

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

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. Information to follow

(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 \$ N/A

Add investment tax credits applied in reduction of current year's tax liability but deferred for accounting purposes \$ N/A

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

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

Total deferred investment tax credit at close of year \$ N/A

Investment tax credit carryover at year end \$ N/A

Cost of pension plan:

Past service costs determined by actuaries at year end \$ 1,992,693

Total pension costs for year:

Normal costs \$ 107,896

Amortization of past service costs \$ 31,910

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 \$ N/A

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 X

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

1. Changes in Valuation Accounts *Two securities are carried at cost which approximates market.

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$ 98,900	\$ N/A*	\$	x x x x
As of / /	Noncurrent Portfolio			x x x x	\$
Previous year	Current Portfolio	98,900	N/A*	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.

TENTATIVE

LIFSCHULTZ FAST FREIGHT, INC.

28 NORTH FRANKLIN STREET

CHICAGO, ILLINOIS 60606

ANNUAL REPORT FORM F-1 CLASS A FREIGHT FORWARDERS

FOR THE YEAR ENDED DECEMBER 31, 1978

PAGE 1 - SECTION 5(b)

<u>Directors Name</u>	<u>Address</u>	<u>Term Expires</u>
Sidney B. Lifschultz	386 Park Avenue South, New York, New York	Until next annual stockholders' meeting and successors are duly elected and qualified.
Rose L. Grossman	3150 North Lake Shore Drive, Chicago, Illinois	
Bernice Brown Eisenberg	1300 North Lake Shore Drive, Chicago, Illinois	
Nora L. Bergman	1040 North Lake Shore Drive, Chicago, Illinois	
Conrad K. Grossman	3150 North Lake Shore Drive, Chicago, Illinois	
Merrill E. Brown	1261 Fairfield Road, Glencoe, Illinois	
Arthur Rubenstein	28 North Franklin Street, Chicago, Illinois	

PAGE 2 - SECTION 6

- (1) Estate trusts arising from will of Samuel Lifschultz, deceased.
- (2) Irrevocable nonrevisionary trusts.
- (3) Revocable trust for the benefit of Lawrence H. Brown, grantor.

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.

- None -

TENTATIVE

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:	5
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 (a) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 28(b) (1) 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)						

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 noncancelable 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.

Information to follow.

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 1979	x	x	x	x	x
2	In 2 years 1980					
3	In 3 years 1981					
4	In 4 years 1982					
5	In 5 years 1983					
6	In 6 to 10 years 1984-1988					
7	In 11 to 15 years 1989-1993					
8	In 16 to 20 years					
9	Subsequent					

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

Information to follow.

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

Information to follow.

(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

27.—LEASE COMMITMENTS—PRESENT VALUE

N/A

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						

N/A

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 _____		

The impact on net income is less than three percent of the average net income for the most recent three years.

[illegible]

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

Line No.	Title and Description (a)	Number of Shares (b)	Amount (c)
	Par value: Common \$10 par	5,625	\$ 56,250
1	8% cumulative preferred \$100 par	5,625	562,500
2			
3			
4		11,250	618,750
5	Total par value		
6	Nonpar	11,250	618,750
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)
		\$ 1,796,352	xxx
1	(270) Earned surplus (or deficit) at beginning of year	xxx	
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	363,976	
3	(300) Income balance (Sec. 33)		
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	(324,044)	xxx
8	(312) Dividend appropriations of earned surplus		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)		
12	Total unappropriated earned surplus and equity in undistributed earnings (losses) of affiliated companies at end of year (lines 9 and 11)	1,836,284	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)
ORDINARY ITEMS		
FORWARDER OPERATING INCOME		
1	(400) Operating revenues (Sec. 34) _____	\$ 11,979,310
2	(410) Operating expenses (Sec. 35) _____	11,375,892
3	*Net revenue from forwarder operations (line 1; line 2) _____	603,418
4	(411) Transportation tax accruals (Sec. 36) _____	6,279
5	*Net revenue, less taxes, from forwarder operations (line 3; line 4) _____	597,139
OTHER INCOME		
6	(401) Dividend (other than from affiliates) and interest income _____	150,693
7	(402) Release of premium on long-term debt _____	
8	(403) Miscellaneous income _____	14,909
9	Income from affiliated companies:	
10	Dividends _____	
11	Equity in undistributed earnings (losses) _____	165,602
12	Total other income _____	762,741
MISCELLANEOUS DEDUCTIONS FROM INCOME		
13	(412) Provision for uncollectible accounts _____	
14	(413) Miscellaneous tax accruals _____	
15	(414) Miscellaneous income charges _____	26,679
16	Total income deductions _____	26,679
17	*Income from continuing operations before fixed charges (Lines 12, 16) _____	736,062
FIXED CHARGES		
18	(420) Interest on long-term debt _____	
19	(421) Other interest deductions _____	19,655
20	(422) Amortization of discount on long-term debt _____	
21	Total fixed charges _____	19,655
22	(423) Unusual or infrequent items _____	
23	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	716,407
PROVISION FOR INCOME TAXES		
24	(431) Income taxes on income from continuing operations (Sec. 36) _____	338,400
25	(432) Provision for deferred taxes _____	14,031
26	Income (loss) from continuing operations (lines 23-25) _____	363,976
DISCONTINUED OPERATIONS		
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) _____	
30	*Income before extraordinary items (lines 26, 29) _____	
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
31	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	
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 _____	
34	Total extraordinary items _____	
35	(452) Cumulative effect of changes in accounting principles** _____	
36	Total extraordinary items and accounting changes (lines 34, 35) _____	
37	*Net income transferred to earned surplus (lines 30, 36) _____	363,976

*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-----
 Information to follow. \$-----
 (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.)

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)
	I. TRANSPORTATION REVENUE	\$ 31,149,133
1	501. Forwarder revenue-----	
	II. TRANSPORTATION PURCHASED—DR.	10,842,763
2	511. Railroad transportation-----	1,786,576
3	512. Motor transportation-----	
4	513. Water transportation-----	6,574,677
5	514. Pick-up, delivery, and transfer service-----	
6	515. Other transportation purchased*-----	19,204,016
7	Total transportation purchased-----	11,945,117
8	Revenue from transportation (line 1 minus line 7)-----	
	III. INCIDENTAL REVENUE	7,255
9	521. Storage—Freight-----	
10	522. Rent revenue-----	26,938
11	523. Miscellaneous-----	34,193
12	Total incidental revenues-----	11,979,310
13	Total operating revenues (line 8 plus line 12)-----	

*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	\$ 1,084,960
2	602. Traffic department salaries	907,970
3	603. Law department salaries	1,715,397
4	604. Station salaries and wages*	3,776,888
5	605. Loading and unloading by others	578,964
6	606. Operating rents	301,995
7	607. Traveling and other personal expense	204,788
8	608. Communications	153,964
9	609. Postage	179,745
10	610. Stationery and office supplies	23,741
11	611. Tariffs	97,858
12	612. Loss and damage—Freight	66,357
13	613. Advertising	83,003
14	614. Heat, light, and water	151,661
15	615. Maintenance	63,029
16	616. Depreciation and amortization	262,021
17	617. Insurance	265,867
18	618. Payroll taxes (Sec. 36)	489,823
19	619. Commissions and brokerage	
20	620. Vehicle operation (Sec. 36)	44,920
21	621. Law expenses	
22	622. Depreciation adjustment	922,941
23	630. Other expenses	11,375,892
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	\$ 5,745	\$	\$ 187,568	\$	\$ 187,568
2	Real estate and personal property taxes					5,745
3	Gasoline, other fuel and oil taxes					
4	Vehicle licenses and registration fees	504				504
5	Corporation taxes					
6	Capital stock taxes					
7	Federal excise taxes					
8	Federal excess profits taxes		297,700			297,700
9	Federal income taxes		40,700			40,700
10	State income taxes					
11	(Other taxes (describe): Federal U/C			11,197		11,197
12	(a) State U/C			67,102		67,102
13	(b) St. Corp. filing fee	15				15
14	(c) Miscellaneous	15				15
15	(d)					
16	(e)	6,279	338,400	265,867		610,546
17	Total					

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	7	7	7	7	\$ 500,916
2	Clerks and attendants	50	49	53	53	584,044
3	Total	57	56	60	60	1,084,960
	Traffic department employees:					
4	Officers	1	1	1	1	25,809
5	Managers					
6	Solicitors	34	34	34	36	458,801
7	Clerks and attendants	41	38	37	35	423,360
8	Total	76	73	72	72	907,970
	Law department employees:					
9	Officers					
10	Solicitors					
11	Attorneys					
12	Clerks and attendants					
13	Total					
	Station and warehouse employees:					
14	Superintendents	10	10	10	10	264,150
15	Foremen	4	4	4	4	114,785
16	Clerks and attendants	94	95	98	94	1,109,614
17	Laborers	17	16	17	17	226,848
18	Total	125	125	129	125	1,715,397
	All other employees (specify):					
19						
20						
21						
22						
23	Total					
24	Grand total	258	254	261	257	3,708,327

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

TENTATIVE

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	160,912
2	Number of shipments received from shippers	497,918

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	Sidney B. Lifschultz	Chairman of the Board	\$	\$ 156,333
2	Merrill E. Brown	President		119,219
3	Howard J. Schor	Exec. Vice President		135,264
4				
5	Above officers receive a fixed percentage of company's profits.			
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
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							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

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 501) _____	\$ 31,149,133
2	Number of theft related claims paid _____	
3	Number of other claims paid _____	
4	Net dollars paid (See instructions) _____	\$ 97,858
5	Claims expense/revenue ratio (line 4 ÷ 1) _____	.314 %

Completed information to follow.

NOTES AND REMARKS

NONE

TENTATIVE

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

NAME ROBERT SCHMIDT TITLE TREASURER
 TELEPHONE NUMBER 312 558-5060
(Area code) (Telephone number)
 OFFICE ADDRESS 28 NORTH FRANKLIN STREET CHICAGO, ILLINOIS 60606
(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 ILLINOIS)
 COUNTY OF COOK) ss:
ROBERT SCHMIDT makes oath and says that he is
TREASURER

(Insert here the official title of the affiant)

of LIFSCHULTZ FAST FREIGHT, INC.
 (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 January 1, 1978, to and including December 31, 1978.

Robert Schmidt

(Signature of affiant)

NOTARY

Subscribed and sworn to before me, _____, in and for the State and County above named,

this 30th day of MARCH, 1979

My commission expires May 7 - 1981

[USE AN L. S.
IMPRESSION
SEAL]

Mildred R. Sayler

(Signature of officer authorized to administer oaths)

01450

AMENDED

**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)

FF000095 LIFSCHUFAS A O A 1450
LIFS LIFSCHULTZ FAST FREIGHT, INC.
28 NORTH FRANKLIN ST
CHICAGO IL 60606

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: 11/22/67 - Delaware

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

Name	Address	Term Expires
Schedule Attached	INTERSTATE COMMERCE COMMISSION RECEIVED JUL 22 1979	

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

Name	Title
Sidney B. Lifschultz	Chairman of the Board and Chief Executive Officer
Merrill E. Brown	President
Howard J. Schor	Executive Vice President
Arthur Rubenstein	Vice President & Assistant Secretary
David K. Lifschultz	Vice President & Assistant Secretary
Nora L. Bergman	Secretary
Robert Schmidt	Treasurer

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

A. Total voting securities outstanding	shares	votes
(1) Common <u>5,580</u>	<u>5,580</u>	
(2) 1st Preferred <u>5,580</u>	<u>None</u>	
(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?
No If so, describe each such class or issue, showing the character and extent of such privileges:

AMENDED

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 33 (2) 1st Preferred 33 (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.

Name of security holder (a)	Address (b)	Number of votes to which entitled (c)	Number of votes, classified			
			Common (d)	1st Preferred (e)	2nd Preferred (f)	Other securities (g)
Sidney B. Lifschultz	New York City	720	720			
Nora L. Bergman	Chicago	720	720			
Rose L. Grossman	Chicago	720	720			
(1) Samuel E. Lifschultz Trust	Chicago	720	720			
Bernice Brown Eisenberg	Chicago	420	420			
Sherry Schor	Atherton, Calif.	225	225			
Barbara Klegar	Sarasota, Florida	225	225			
Ronna Lerner	Chicago	225	225			
(2) David Bergman Trust	Chicago	225	225			
(3) Lawrence H. Brown Trust	Chicago	225	225			

(1), (2), (3) - See Attachment

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)

☐ 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:

- A. Lifschultz Terminal and Leasing Co., Inc.
- B. 28 North Franklin Building Corp.
- C. Trans-Air Freight Systems, Inc.
- D. Arrow-Lifschultz Freight Forwarders
- E. Wolf & Gerber, Inc.

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

AMENDED

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)
		I. CURRENT ASSETS	\$ 499,159
1	1,474,930	(100) Cash	
2	2,036,477	(101) Special cash deposits (Sec. 18)	3,012,631
3		(102) Temporary cash investments	
4	XXXXXX	1. Pledged \$	XXXXXX
5	5,445	2. Unpledged \$ 3,012,631	5,445
6	XXXXXX	(103) Working advances	XXXXXX
7	XXXXXX	(104) Notes receivable	XXXXXX
8	1,861,432	(105) Accounts receivable	2,065,818
9	25,516	(106) Less: Reserve for doubtful accounts	26,264
10		(107) Accrued accounts receivable	
11		(108) Materials and supplies	
12	131,350	(109) Other current assets	117,450
13	5,535,150	(110) Deferred income tax charges (Sec. 19)	5,726,767
		Total current assets	
		II. SPECIAL FUNDS AND DEPOSITS	
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	
		III. INVESTMENT SECURITIES AND ADVANCES	
19		(130) Investments in affiliated companies (Sec. 20)	XXXXXX
20	XXXXXX	1. Pledged \$	
21		2. Unpledged \$	
22		Undistributed earnings from certain investments in affiliated companies (Sec. 21)	
23	XXXXXX	(131) Other investments (Sec. 20)	XXXXXX
24		1. Pledged \$	
25		2. Unpledged \$	
26		(132) Less: Reserve for adjustment of investments in securities	
27		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	
28		Total investment securities and advances	
		IV. TANGIBLE PROPERTY	
29	XXXXXX	(140) Transportation property (Sec. 22-A)	922,682
30	489,824	(149) Less: Depreciation and amortization reserve	507,847
31		Transportation property (Sec. 22-B)	
32	XXXXXX	(160) Nontransportation property (Sec. 23)	XXXXXX
33		(161) Less: Depreciation reserve	
34		Nontransportation property (Sec. 23)	507,847
35	489,824	Total tangible property	
		V. INTANGIBLE PROPERTY	
36		(165) Organization	
37		(166) Other intangible property	
38		Total intangible property	
		VI. DEFERRED DEBITS AND PREPAID EXPENSES	
39	107,027	(170) Prepayments	103,639
40	87,277	(172) Other deferred debits	170,153
41		(173) Accumulated deferred income tax charges (Sec. 19)	273,792
42	194,304	Total deferred debits and prepaid expenses	
		VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES	
43	XXXXXX	(190) Reacquired and nominally issued long-term debt	XXXXXX
44	XXXXXX	Reacquired 1. Pledged	XXXXXX
45	XXXXXX	2. Unpledged	XXXXXX
46	XXXXXX	Nominally issued 1. Pledged	XXXXXX
47	XXXXXX	2. Unpledged	XXXXXX
		(191) Nominally issued capital stock	
		1. Pledged \$ 2. Unpledged \$	
	6,219,278	TOTAL ASSETS	6,508,406
	N/A	Contingent assets (not included above)	N/A

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)
		VIII. CURRENT LIABILITIES	\$ 11,651
48	14,780	(200) Notes payable	1,572,320
49	964,048	(201) Accounts payable	172,980
50		(202) Accrued interest	84
51	201,420	(203) Dividends payable	1,331,936
52	398,037	(204) Accrued taxes	9,984
53	1,263,989	(205) Accrued accounts payable	3,098,955
54		(208) Deferred income tax credits (Sec. 19)	
55		(209) Other current liabilities	
56	2,842,274	Total current liabilities	
		IX. LONG-TERM DEBT	
		(b1) Less—Nominally outstanding (b2) Less—Nominally issued	
			279,613
57	302,913	(210) Funded debt (Sec. 29)	16,312
58	11,109	(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	295,925
64	314,022	Total long-term debt	
		X. RESERVES	
65		(220) Insurance reserves	
66		(221) Provident reserves	300,000
67	300,000	(222) Other reserves	300,000
68	300,000	Total reserves	
		XI. DEFERRED CREDITS	3,312
69	1,134	(231) Other deferred credits	
70	1,134	(232) Accumulated deferred income tax credits (Sec. 19)	3,312
71		Total deferred credits	
		XII. CAPITAL AND SURPLUS	618,750
72	618,750	(240) Capital stock (Sec. 31)	
73		(241) Premiums and assessments on capital stock	
74		Total (Lines 70 and 71)	
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)	
79		(243) Proprietary capital	362,850
80	362,850	(250) Unearned surplus	XXXXXXX
81	XXXXXXX	1. Paid in \$ 2. Other \$	
82		(260) Earned surplus—Appropriated	1,852,114
83	1,796,352	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	XXXXXXX
84	XXXXXXX	1. Distributed \$ 2. Undistributed \$ 1,852,114	
85		(279) Net unrealized loss on noncurrent marketable equity securities	23,500
86	16,104	(280) Less: Treasury stock	XXXXXXX
87	XXXXXXX	1. Pledged \$ 2. Unpledged \$ 23,500	
88	2,761,848	Total capital and surplus	2,810,214
89	6,219,278	TOTAL LIABILITIES	6,508,406
90	509,910	Contingent liabilities (not included above) *	444,105

*Unfunded past service costs for company pension plan.

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 \$ N/A

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

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. Information to follow

(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 \$ N/A

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

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

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

Total deferred investment tax credit at close of year \$ N/A

Investment tax credit carryover at year end \$ N/A

Cost of pension plan: \$ 1,992,693

Past service costs determined by actuaries at year end \$ 107,896

Total pension costs for year: \$ 31,910

Normal costs \$ 31,910

Amortization of past service costs \$ 31,910

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 \$ N/A

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 X

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

1. Changes in Valuation Accounts *Two securities are carried at cost which approximates market.

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$ 98,900	\$ N/A*		\$ x x x x
as of / /	Noncurrent Portfolio			x x x x	\$ x x x x
Previous year	Current Portfolio	98,900	N/A*	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.

LIFSCHULTZ FAST FREIGHT, INC.

28 NORTH FRANKLIN STREET

CHICAGO, ILLINOIS 60606

ANNUAL REPORT FORM F-1 CLASS A FREIGHT FORWARDERS

FOR THE YEAR ENDED DECEMBER 31, 1978

PAGE 1 - SECTION §(b)

Directors Name	Address	Term Expires
Sidney B. Lifschultz	386 Park Avenue South, New York, New York	Until next annual stockholders' meeting and successors are duly elected and qualified.
Rose L. Grossman	3150 North Lake Shore Drive, Chicago, Illinois	
Bernice Brown Eisenberg	1300 North Lake Shore Drive, Chicago, Illinois	
Nora L. Bergman	1040 North Lake Shore Drive, Chicago, Illinois	
Conrad K. Grossman	3150 North Lake Shore Drive, Chicago, Illinois	
Merrill E. Brown	1261 Fairfield Road, Glencoe, Illinois	
Arthur Rubenstein	28 North Franklin Street, Chicago, Illinois	

PAGE 2 - SECTION 6

- (1) Estate trusts arising from will of Samuel Lifschultz, deceased.
- (2) Irrevocable nonrevisionary trusts.
- (3) Revocable trust for the benefit of Lawrence H. Brown, grantor.

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.

- None -

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:	5
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 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)						

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	584,589	583,203
6	Contingent rentals		
7	Sublease rentals	5,625	6,700
8	Total other leases	578,964	576,503
9	Total rental expense of lessee	578,964	576,503

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 1979	\$ 10,000	\$ 188,000	\$ 198,000	\$	\$
2	In 2 years 1980	8,900	173,000	181,900		
3	In 3 years 1981	5,000	147,000	152,000		
4	In 4 years 1982	600	116,000	116,600		
5	In 5 years 1983		116,000	116,000		
6	In 6 to 10 years 1984-1988		580,000	580,000		
7	In 11 to 15 years 1989-1993		310,000	310,000		
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) According to the provisions of one lease, rental payments are based upon the present value of future minimum rentals, and interest is added.

(b) Several leases contain an escalation clause for the purpose of paying real estate taxes on the rental premise.

(c) The mortgage on one leased premise is guaranteed by Lifschultz Fast Freight, Inc.; the outstanding mortgage at December 31, 1978 was approximately \$839,000.

(d) No restrictions exist because of any financing lease.

(e) For one lease the expense is amortized on a straight-line basis over the remaining term of the lease, effecting a timing difference between rental expense recorded for book purposes and rental expense reported for tax purposes. The related income taxes are recorded on the books as deferred taxes.

17.—LEASE COMMITMENTS—PRESENT VALUE

N/A

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						

N/A

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 _____		

The impact on net income is less than three percent of the average net income for the most recent three years.

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	\$ 1,796,352	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	xxx	
3	(300) Income balance (Sec. 33)	379,807	
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	(324,045)	xxx
8	(312) Dividend appropriations of earned surplus		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)	1,852,114	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)
ORDINARY ITEMS		
FORWARDER OPERATING INCOME		
1	(400) Operating revenues (Sec. 34) _____	\$ 11,979,310
2	(410) Operating expenses (Sec. 35) _____	11,375,892
3	*Net revenue from forwarder operations (line 1; line 2) _____	603,418
4	(411) Transportation tax accruals (Sec. 36) _____	6,279
5	*Net revenue, less taxes, from forwarder operations (line 3; line 4) _____	597,139
OTHER INCOME		
6	(401) Dividend (other than from affiliates) and interest income _____	150,693
7	(402) Release of premium on long-term debt _____	14,909
8	(403) Miscellaneous income _____	
Income from affiliated companies:		
9	Dividends _____	
10	Equity in undistributed earnings (losses) _____	165,602
11	Total other income _____	762,741
12	*Total income (line 5; line 11) _____	
MISCELLANEOUS DEDUCTIONS FROM INCOME		
13	(412) Provision for uncollectible accounts _____	
14	(413) Miscellaneous tax accruals _____	
15	(414) Miscellaneous income charges _____	26,679
16	Total income deductions _____	26,679
17	*Income from continuing operations before fixed charges (Lines 12, 16) _____	736,062
FIXED CHARGES		
18	(420) Interest on long-term debt _____	19,655
19	(421) Other interest deductions _____	
20	(422) Amortization of discount on long-term debt _____	19,655
21	Total fixed charges _____	
22	(423) Unusual or infrequent items _____	716,407
23	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	
PROVISION FOR INCOME TAXES		
24	(431) Income taxes on income from continuing operations (Sec. 36) _____	322,700
25	(432) Provision for deferred taxes _____	13,900
26	Income (loss) from continuing operations (lines 23-25) _____	379,807
DISCONTINUED OPERATIONS		
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) _____	
30	*Income before extraordinary items (lines 26, 29) _____	
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
31	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	
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 _____	
34	Total extraordinary items _____	
35	(452) Cumulative effect of changes in accounting principles** _____	
36	Total extraordinary items and accounting changes (lines 34, 35) _____	
37	*Net income transferred to earned surplus (lines 30, 36) _____	379,807
<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>		

AMENDED

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-----
 information to follow. \$-----

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

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

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

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

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

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.)

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)
	I. TRANSPORTATION REVENUE	
1	501. Forwarder revenue-----	\$ 31,149,133
	II. TRANSPORTATION PURCHASED—DR.	
2	511. Railroad transportation-----	10,842,763
3	512. Motor transportation-----	1,786,576
4	513. Water transportation-----	
5	514. Pick-up, delivery, and transfer service-----	6,574,677
6	515. Other transportation purchased*-----	
7	Total transportation purchased-----	19,204,016
8	Revenue from transportation (line 1 minus line 7)-----	11,945,117
	III. INCIDENTAL REVENUE	
9	521. Storage—Freight-----	7,255
10	522. Rent revenue-----	26,938
11	523. Miscellaneous-----	34,193
12	Total incidental revenues-----	
13	Total operating revenues (line 8 plus line 12)-----	11,979,310

*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 _____	\$ 1,084,960
2	602. Traffic department salaries _____	907,970
3	603. Law department salaries _____	
4	604. Station salaries and wages* _____	1,715,397
5	605. Loading and unloading by others _____	3,776,888
6	606. Operating rents _____	578,964
7	607. Traveling and other personal expense _____	301,995
8	608. Communications _____	204,788
9	609. Postage _____	153,964
10	610. Stationery and office supplies _____	179,745
11	611. Tariffs _____	23,741
12	612. Loss and damage—Freight _____	97,858
13	613. Advertising _____	66,357
14	614. Heat, light, and water _____	83,003
15	615. Maintenance _____	151,661
16	616. Depreciation and amortization _____	63,029
17	617. Insurance _____	262,021
18	618. Payroll taxes (Sec. 36) _____	265,867
19	619. Commissions and brokerage _____	489,823
20	620. Vehicle operation (Sec. 36) _____	
21	621. Law expenses _____	44,920
22	622. Depreciation adjustment _____	
23	630. Other expenses _____	922,941
24	Total operating expenses _____	11,375,892

*Includes debts 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 tax, on income from continuing operations (c)	(618) Payroll taxes (d)	(620) Vehicle operation (e)	Total (f)
1	Social security taxes _____	\$ 5,745	\$	\$ 187,568	\$	\$ 187,568
2	Real estate and personal property taxes _____					5,745
3	Gasoline, other fuel and oil taxes _____					
4	Vehicle licenses and registration fees _____	504				504
5	Corporation taxes _____					
6	Capital stock taxes _____					
7	Federal excise taxes _____					
8	Federal excess profits taxes _____		297,700			297,700
9	Federal income taxes _____		25,000			25,000
10	State income taxes _____					
	Other taxes (describe):					
11	(a) Federal U/C _____			11,197		11,197
12	(b) State U/C _____			67,102		67,102
13	(c) St. Corp. filing fee _____	15				15
14	(d) Miscellaneous _____	15				15
15	(e) _____	6,279	322,700	265,867		594,846
16	Total _____					

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 (c)	Accrued depreciation included in account (149) of sec. 16 (d)
	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	
1	General office employees:					
2	Officers	7	7	7	7	\$ 500,916
3	Clerks and attendants	50	49	53	53	584,044
4	Total	57	56	60	60	1,084,960
5	Traffic department employees:					
6	Officers	1	1	1	1	25,809
7	Managers					
8	Solicitors	34	34	34	36	458,801
9	Clerks and attendants	41	38	37	35	423,360
10	Total	76	73	72	72	907,970
11	Law department employees:					
12	Officers					
13	Solicitors					
14	Attorneys					
15	Clerks and attendants					
16	Total					
17	Station and warehouse employees:					
18	Superintendents	10	10	10	10	264,150
19	Foremen	4	4	4	4	114,785
20	Clerks and attendants	94	95	98	94	1,109,614
21	Laborers	17	16	17	17	226,848
22	Total	125	125	129	125	1,715,397
23	All other employees (specify):					
24						
25						
26						
27	Total					
28	Grand total	258	254	261	257	3,708,327

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

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)
		160,912
1	Tons of freight received from shippers	497,918
2	Number of shipments received from shippers	

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	Sidney B. Lifschultz	Chairman of the Board		156,333
2	Merrill E. Brown	President		119,219
3	Howard J. Schor	Exec. Vice President		135,264
4				
5	Above officers receive a fixed percentage of company's profits.			
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
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							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

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 501)	\$ 31,149,133
2	Number of theft related claims paid	477
3	Number of other claims paid	967
4	Net dollars paid (See instructions)	\$ 97,858
5	Claims expense/revenue ratio (line 4 ÷ 1)	.314 %

NOTES AND REMARKS

NONE

AMENDED

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

NAME ROBERT SCHMIDT TITLE TREASURER
 TELEPHONE NUMBER 312 558-5060
(Area code) (Telephone number)
 OFFICE ADDRESS 28 NORTH FRANKLIN STREET CHICAGO, ILLINOIS 60606
(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 ILLINOIS
 COUNTY OF COOK
ROBERT SCHMIDT makes oath and says that he is
TREASURER

(Insert here the official title of the affiant)

of LIFSCHULTZ FAST FREIGHT, INC.
 (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 January 1, 1978, to and including December 31, 1978.

X Robert Schmidt
 (Signature of affiant)

NOTARY

Subscribed and sworn to before me, a _____, in and for the State and County above named,
 this 18TH day of JULY, 1979
 My commission expires May 2, 1982

[USE AN L. S.
 IMPRESSION
 SEAL]

X Rita Plager
 (Signature of officer authorized to administer oaths)