

FF 000352 NORTH AMERICAN INTERNATIONAL, INC 1979 1

FF000352

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

ORIGINAL

1979

Due: March 31, 1980

Approved by GAO  
B-180230 (R0254)  
Expires1. CORRECT NAME AND ADDRESS IF DIFFERENT THAN  
SHOWN. (See instructions)

FF000352 121018 A 0 1650  
NORTH AMERICAN INTERNATIONAL, INC.  
P. O. BOX 201  
NEW HAVEN IN 06774

ICC - P. O. 2040

Corporation

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

## 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: May 27, 1963, Indiana

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

Name	Address	Term Expires
Kenneth W. Maxfield	Fort Wayne, Indiana	April 1981
Martin A. Weissert	Fort Wayne, Indiana	April 1981
B. Wade Monroe	Fort Wayne, Indiana	April 1981

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

Name	Title
Kenneth W. Maxfield	President
G. Zan Golden	Vice-President
Margaret S. Vegeler	Secretary
Martin A. Weissert	Assistant Secretary
B. Wade Monroe	Treasurer

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

A. Total voting securities outstanding:

(1) Common	One	shares	One	votes
(2) 1st Preferred	None	shares	Not Applicable	votes
(3) 2nd Preferred	None	shares	Not Applicable	votes
(4) Other securities	None	shares	Not Applicable	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:

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 One (2) 1st Preferred None (3) 2nd Preferred None  
 (4) Other None (5) Date of closing stock book December 29, 1979

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)
North American Van Lines, Inc.	P.O. Box 988, Ft. Wayne, IN	One	One	None	None	None

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.

Not Applicable

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.

Not Applicable

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

A. Date of receivership Not Applicable

B. Court of jurisdiction under which operations were conducted Not Applicable

C. Date when possession under it was required Not Applicable

D. Name of receiver, receivers, or trustee Not Applicable



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--

Not Applicable

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:

PepsiCo, Inc.  
 Frito Lay, Inc.  
 Wilson Sporting Goods, Inc.  
 North American Van Lines, Inc.  
 Lee Way Motor Freight, Inc.  
 and other companies owned or controlled by PepsiCo, 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.

None

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.

PepsiCo, Inc.  
 North American Van Lines, Inc. 100%  
 North American Forwarding, Inc. 100%

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

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



16. COMPARATIVE BALANCE SHEET STATEMENT - ASSET SIDE			
Give the following financial data at the beginning of the year and at the close of the year (omit cents):			
Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
		<b>I. CURRENT ASSETS</b>	
1	None	(100) Cash	None
2	None	(101) Special cash deposits (Sec. 18)	None
3	None	(102) Temporary cash investments	None
4	xxxxxxx	1. Pledged \$	xxxxxxx
5	None	2. Unpledged \$	None
6	xxxxxxx	(103) Working advances	xxxxxxx
7	xxxxxxx	(104) Notes receivable	xxxxxxx
8	None	(105) Accounts receivable	None
9	None	(106) Less: Reserve for doubtful accounts	None
10	None	(107) Accrued accounts receivable	None
11	None	(108) Materials and supplies	None
12	None	(109) Other current assets	None
13	None	(110) Deferred income tax charges (Sec. 19)	None
		Total current assets	None
		<b>II. SPECIAL FUNDS AND DEPOSITS</b>	
14	xxxxxxx	(120) Sinking and other funds	xxxxxxx
15	None	Less: Nominally outstanding	None
16	xxxxxxx	(121) Special deposits	xxxxxxx
17	None	Less: Nominally outstanding	None
18	None	Total special funds	None
	2271734	<b>III. INVESTMENT SECURITIES AND ADVANCES</b>	2563911
19		(130) Investments in affiliated companies (Sec. 20)	
20	xxxxxxx	1. Pledged \$	xxxxxxx
21	None	2. Unpledged \$	None
22	None	Undistributed earnings from certain investments in affiliated companies (Sec. 21)	None
23	xxxxxxx	(131) Other investments (Sec. 20)	xxxxxxx
24	None	1. Pledged \$	None
25	None	2. Unpledged \$	None
26	2271734	(132) Less: Reserve for adjustment of investments in securities	None
		(133) Allowance for net unrealized loss on noncurrent marketable equity securities	2563911
		Total investment securities and advances	
		<b>IV. TANGIBLE PROPERTY</b>	
27	xxxxxxx	(140) Transportation property (Sec. 22-A)	xxxxxxx
28	None	(149) Less: Depreciation and amortization reserve	None
29	xxxxxxx	Transportation property (Sec. 22-B)	xxxxxxx
30	None	(160) Nontransportation property (Sec. 23)	None
31	None	(161) Less: Depreciation reserve	None
		Nontransportation property (Sec. 23)	None
		Total tangible property	
		<b>V. INTANGIBLE PROPERTY</b>	
32	None	(165) Organization	None
33	None	(166) Other intangible property	None
34	None	Total intangible property	None
		<b>VI. DEFERRED DEBITS AND PREPAID EXPENSES</b>	
35	None	(170) Prepayments	(130)
36	None	(172) Other deferred debits	None
37	None	(173) Accumulated deferred income tax charges (Sec. 19)	None
38	None	Total deferred debits and prepaid expenses	None (130)
		<b>VII. REACQUIRED AND NOMINALLY ISSUED SECURITIES</b>	
39	xxxxxxx	(190) Reacquired and nominally issued long-term debt	xxxxxxx
40	xxxxxxx	Reacquired 1. Pledged	xxxxxxx
41	xxxxxxx	2. Unpledged	xxxxxxx
42	xxxxxxx	Nominally issued 1. Pledged	xxxxxxx
43	xxxxxxx	2. Unpledged	xxxxxxx
44	xxxxxxx	(191) Nominally issued capital stock	xxxxxxx
45	xxxxxxx	1. Pledged \$	None
46	2271734	2. Unpledged \$	None
		<b>TOTAL ASSETS</b>	2563781
47	2271734	Contingent assets (not included above)	2563781

## COMPARATIVE BALANCE SHEET STATEMENT—LIABILITY SIDE

Line No.	Balance at beginning of year (a)	Item (b)	Balance at close of year (c)
	\$	<b>VIII. CURRENT LIABILITIES</b>	\$
48	None	(200) Notes payable	None
49	None	(201) Accounts payable	None
50	None	(202) Accrued interest	None
51	None	(203) Dividends payable	None
52	299550	(204) Accrued taxes	326817
53	None	(205) Accrued accounts payable	None
54	None	(208) Deferred income tax credits (Sec. 19)	None
55	None	(209) Other current liabilities	None
56	299550	Total current liabilities	326817
		<b>IX. LONG-TERM DEBT</b>	
		(b1) Less—Nominally outstanding (b2) Less—Nominally issued	
57	None	(210) Funded debt (Sec. 29) \$ \$	None
58	None	(210.5) Capitalized leased obligations	None
59	None	(211) Receivers' and trustees' securities (Sec. 29)	None
60	None	(212) Amounts payable to affiliated companies (Sec. 30)	None
61	None	(213) Long-term debt in default (Sec. 29)	None
62	None	(218) Discount on long-term debt	None
63	None	(219) Premium on long-term debt	None
64	None	Total long-term debt	None
		<b>X. RESERVES</b>	
65	60192	(220) Insurance reserves	99801
66	None	(221) Provident reserves	None
67	None	(222) Other reserves	None
68	60192	Total reserves	99801
		<b>XI. DEFERRED CREDITS</b>	
69	None	(231) Other deferred credits	(8433)
70	(29000)	(232) Accumulated deferred income tax credits (Sec. 19)	(69000)
71	(29000)	Total deferred credits	(77433)
		<b>XII. CAPITAL AND SURPLUS</b>	
72	1000	(240) Capital stock (Sec. 31)	1000
73	None	(241) Premiums and assessments on capital stock	None
74	1000 None	Total (Lines 70 and 71)	1000 None
75	None	Less—Nominally issued capital stock	None
76	None	(242) Discount, commission and expense on capital stock	None
77	None	Total (Lines 73 and 74)	None
78	None	Total (Lines 72 and 75)	1000 None
79	None	(243) Proprietary capital	None
80	None	(250) Unearned surplus	None
81	XXXXXXX	1. Paid in \$ 2. Other \$	XXXXXXX
82	None	(260) Earned surplus—Appropriated	None
83	1939992	(270) Earned surplus—Unappropriated (Deficit in paren.) (Sec. 32)	2213596
84	XXXXXXX	1. Distributed \$ 2. Undistributed \$	XXXXXXX
85	None	(279) Net unrealized loss on noncurrent marketable equity securities	None
86	None	(280) Less Treasury stock	None
87	XXXXXXX	1. Pledged \$ 2. Unpledged \$	XXXXXXX
88	1940992	Total capital and surplus	2214546
89	2271734	TOTAL LIABILITIES	2563781
90	None	Contingent liabilities (not included above)	None



## 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 \$ None

Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ None

—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. None

(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 \$ None

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$ None

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$ None

Other adjustments (indicate nature such as recapture on early disposition) \$ None

Total deferred investment tax credit at close of year \$ None

Investment tax credit carryover at year end \$ None

Cost of pension plan:

Past service costs determined by actuaries at year end \$ None

Total pension costs for year:

Normal costs \$ 8840

Amortization of past service costs \$ None

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 \$ None

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

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

## 1. Changes in Valuation Accounts

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
Current year	Current Portfolio	\$ <u>None</u>	\$ <u>None</u>	\$ <u>None</u>	<u>x x x x</u>
as of / /	Noncurrent Portfolio	<u>None</u>	<u>None</u>	<u>x x x x</u>	\$ <u>None</u>
Previous year	Current Portfolio	<u>None</u>	<u>None</u>	<u>x x x x</u>	<u>x x x x</u>
as of / /	Noncurrent Portfolio	<u>None</u>	<u>None</u>	<u>x x x x</u>	<u>x x x x</u>

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

	Gains	Losses
Current	\$ <u>None</u>	\$ <u>None</u>
Noncurrent	<u>None</u>	<u>None</u>

3. A net unrealized gain (loss) of \$ None on the sale of marketable equity securities was included in net income for \_\_\_\_\_ (year). The cost of securities sold was based on the \_\_\_\_\_ (method) cost of all the shares of each security held at time of sale.

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

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



17.—COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

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

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

Not Applicable

## 1B.—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)
		\$ None
	Interest special deposits:	
1		
2		
3		
4		
5		
6	Total _____	None
	Dividend special deposits:	
7		
8		
9		
10		
11		
12	Total _____	None
	Miscellaneous special deposits:	
13		
14		
15		
16		
17		
18	Total _____	None
	Compensating balances legally restricted:	
19	Held on behalf of respondent _____	
20	Held on behalf of others _____	
21	Total _____	None



19. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other", including State and other taxes deferred if computed separately. Minor items each less than \$100,000 may be combined in a single entry under "Other".

Indicate in column (b) the beginning of the year balance of accumulated deferred tax credits (debits) applicable to each particular in column (a).

Indicate in column (c) the net change in accounts 110, 173, 208 and 232 for the net tax effect of timing difference originating and reversing in the current accounting period.

The total of net credits (charges) for the current year in column (c) should agree with the contra charges (credits) to account 432, Provision for deferred taxes, and account 433, Provision for deferred taxes. Extraordinary and prior period items, for the current year.

Indicate in column (d) any adjustment as appropriate, including adjustments to eliminate or reinstate deferred tax effect (credits or debits) due to applying or recognizing a loss carryforward or a loss carryback.

Indicate in column (e) the cumulative total of columns (b), (c) and (d). The total of column (e) must agree with the balances in accounts 110, 173, 208 and 232 in Section 16.

#### ANALYSIS OF FEDERAL INCOME AND OTHER TAXES DEFERRED

Line No.	Particulars	Beginning of Year Balance (b)	Net credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C. Guideline lives pursuant to Rev. Proc. 62-21	\$	\$	\$	\$
2	Accelerated amortization of facilities Sec. 168 I.R.C.				
3	Other (Specify)				
4	Cargo Claims Liability	29000	40000	None	69000
5					
6					
7	Investment tax credit	29000	40000	None	69000
8	TOTALS	29000	40000	None	69000

20. Give the details called for of investments in securities and advances held at the close of the year as stated for accounts (130) and (131) in section 16.

Names of issuing company and description of security held	Par value	Number of shares	Book cost	Income earned during year	
				Kind	Amount
North American Van Lines, Inc.			\$ 2563911		\$ None
Total	XXXXXXXX	XXXXXXXX	2563911	XXXXXXXX	None



21. Report below the details of all investments in common stocks included in account 30. Investments in affiliated companies, which qualify for the equity method under instruction 24 in the Uniform System of Accounts for Freight Forwarders.

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

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

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

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

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

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at close of year (g)
1	Carriers (List specifics for each company)	\$	\$	\$	\$	\$	\$
2	Not Applicable						
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)						

22. Give details as called for of investment in transportation property, and reserve for depreciation and amortization for balances as stated for accounts (140) and (149) in section 16.

### A. INVESTMENT

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
	\$	\$	\$	\$	\$
141. Furniture and office equipment	None				None
142. Motor and other highway vehicles	None				None
143. Land and public improvements	None				None
144. Terminal and platform equipment	None				None
145. Other property account charges	None				None
Total	None				None

#### B. DEPRECIATION AND AMORTIZATION RESERVE

Property accounts	Balance at beginning of year	Charges	Credits	Adjustments Dr. - Debit Cr. - Credit	Balance at close of year
141. Furniture and office equipment	\$ None	\$	\$	\$	\$ None
142. Motor and other highway vehicles	None				None
143. Land and public improvements (depreciable property)	None				None
144. Terminal and platform equipment	None				None
145. Other property account charges (depreciable property)	None				None
Total	None				None

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



## 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	Not Applicable	
2	Contingent rentals		
3	Sublease rentals	( )	( )
4	Total financing leases		
	Other leases		
5	Minimum rentals		
6	Contingent rentals		
7	Sublease rentals	( )	( )
8	Total other leases		
9	Total rental expense of lessee		

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



### 25.—MINIMUM RENTAL COMMITMENTS

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

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

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

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

## 26.—LESSEE DISCLOSURE

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

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

Line  
No.

(a)

Not Applicable

(b)

(c)

(d)

(e)



## 27.—LEASE COMMITMENTS—PRESENT VALUE

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

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

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

Line No.	Asset category (a)	Present value		Range		Weighted average	
		Current year (b)	Prior year (c)	Current year (d)	Prior year (e)	Current year (f)	Prior year (g)
		\$	\$				
1	Structures Not Applicable						
2	Revenue equipment						
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify)						
6							
7							
8							
9							
10	Total						



**28.—INCOME IMPACT—LESSEE**

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

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

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

Line No.	Item (a)	Current year (b)	Prior year (c)
1	Amortization of lease rights <u>Not Applicable</u>	\$	\$
2	Interest		
3	Rent expense		
4	Income tax expense		
5	Impact (reduction) on net income		





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	\$ 1939992	xxx
2	(300) Equity in undistributed earnings (losses) of affiliated companies at beginning of year	xxx	None
3	(300) Income balance (Sec. 33)	273604	None
4	(301) Miscellaneous credits		None
5	(302) Prior period adjustments to beginning earned surplus account		None
6	(310) Miscellaneous debits		None
7	(311) Miscellaneous reservations of earned surplus		xxx
8	(312) Dividend appropriations of earned surplus		xxx
9	(270) Earned surplus (or deficit) at close of year	2213596	xxx
10	Equity in undistributed earnings (losses) of affiliated companies at end of year	xxx	None
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)	2213596	xxx

Net of assigned income taxes: account 301 \$ None (explain)  
 account 310 None (explain)

## 33.—INCOME STATEMENT FOR THE YEAR

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

Line No.	Item (a)	Amount (b)
<b>ORDINARY ITEMS</b>		
<b>FORWARDER OPERATING INCOME</b>		
1	(400) Operating revenues (Sec. 34) _____	\$ 1598921
2	(410) Operating expenses (Sec. 35) _____	1038117
3	*Net revenue from forwarder operations (line 1; line 2) _____	560804
4	(411) Transportation tax accruals (Sec. 36) _____	None
5	*Net revenue, less taxes, from forwarder operations (line 3; line 4) _____	560804
<b>OTHER INCOME</b>		
6	(401) Dividend (other than from affiliates) and interest income _____	None
7	(402) Release of premium on long-term debt _____	None
8	(403) Miscellaneous income _____	None
9	Income from affiliated companies _____	None
	Dividends _____	None
10	Equity in undistributed earnings (losses) _____	None
11	Total other income _____	560804
12	*Total income (line 5; line 11) _____	
<b>MISCELLANEOUS DEDUCTIONS FROM INCOME</b>		
13	(412) Provision for uncollectible accounts _____	None
14	(413) Miscellaneous tax accruals _____	None
15	(414) Miscellaneous income charges _____	None
16	Total income deductions _____	None
17	*Income from continuing operations before fixed charges (Lines 12, 16) _____	560804
<b>FIXED CHARGES</b>		
18	(420) Interest on long-term debt _____	None
19	(421) Other interest deductions _____	None
20	(422) Amortization of discount on long-term debt _____	None
21	Total fixed charges _____	None
22	(423) Unusual or infrequent items _____	None
23	*Income from continuing operations before income taxes (lines 17, 21, 22) _____	560804
<b>PROVISION FOR INCOME TAXES</b>		
24	(431) Income taxes on income from continuing operations (Sec. 36) _____	287200
25	(432) Provision for deferred taxes _____	
26	Income (loss) from continuing operations (lines 23-25) _____	273604
<b>DISCONTINUED OPERATIONS</b>		
27	(433) Income (loss) from operations of discontinued segments** _____	None
28	(434) Gain (loss) on disposal of discontinued segments** _____	None
29	Total income (loss) from discontinued operations (lines 27, 28) _____	None
30	*Income before extraordinary items (lines 26, 29) _____	273604
<b>EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES</b>		
31	(435) Extraordinary items-Net Credit (Debit) (p. 20) _____	None
32	(450) Income taxes on extraordinary and prior period items-Debit (Credit) (p. 20) _____	None
33	(451) Provision for deferred taxes-Extraordinary and prior period items _____	None
34	Total extraordinary items _____	None
35	(452) Cumulative effect of changes in accounting principles** _____	None
36	Total extraordinary items and accounting changes (lines 34, 35) _____	None
37	*Net income transferred to earned surplus (lines 30, 36) _____	273604
*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 _____		None None None



### 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----- \$ None

(c) If deferral method was elected, indicate amount of investment tax credit utilized as reduction of tax liability for current year----- \$ None

Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes----- (\$ None)

Balance of current year's investment tax credit used to reduce current year's tax accrual----- \$ None

Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual----- \$ None

Total decrease in current year's tax accrual resulting from use of investment tax credits----- \$ None

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)
	<b>I. TRANSPORTATION REVENUE</b>	\$ 6461986
1	501. Forwarder revenue	
	<b>II. TRANSPORTATION PURCHASED—DR.</b>	
2	511. Railroad transportation	4892650
3	512. Motor transportation	
4	513. Water transportation	156852
5	514. Pick-up, delivery, and transfer service	
6	515. Other transportation purchased*	5049502
7	Total transportation purchased	1412484
8	Revenue from transportation (line 1 minus line 7)	
	<b>III. INCIDENTAL REVENUE</b>	
9	521. Storage—Freight	
10	522. Rent revenue	186437
11	523. Miscellaneous	186437
12	Total incidental revenues	1598921
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	\$ 87073
2	602. Traffic department salaries	39000
3	603. Law department salaries	
4	604. Station salaries and wages*	
5	605. Loading and unloading by others	
6	606. Operating rents	48778
7	607. Traveling and other personal expense	9980
8	608. Communications	15499
9	609. Postage	1151
10	610. Stationery and office supplies	101
11	611. Tariffs	56
12	612. Loss and damage—Freight	
13	613. Advertising	
14	614. Heat, light, and water	
15	615. Maintenance	
16	616. Depreciation and amortization	
17	617. Insurance	4701
18	618. Payroll taxes (Sec. 36)	10314
19	619. Commissions and brokerage	778850
20	620. Vehicle operation (Sec. 36)	
21	621. Law expenses	
22	622. Depreciation adjustment	
23	630. Other expenses	32345
24	Total operating expenses	1038117

\*Includes debits totaling \$ None 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 35, 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	\$ None	\$ None	\$ 7081	\$ None	\$ 7081
2	Real estate and personal property taxes	None	None	None	None	None
3	Gasoline, other fuel and oil taxes	None	None	None	None	None
4	Vehicle licenses and registration fees	None	None	None	None	None
5	Corporation taxes	None	None	None	None	None
6	Capital stock taxes	None	None	None	None	None
7	Federal excise taxes	None	None	None	None	None
8	Federal excess profits taxes	None	None	None	None	None
9	Federal income taxes	None	234000	None	None	234000
10	State income taxes	None	53200	None	None	53200
	Other taxes (describe)					
11	(a) Unemployment Taxes	None	None	3232	None	3232
12	(b)	None	None	None	None	None
13	(c)	None	None	None	None	None
14	(d)	None	None	None	None	None
15	(e)	None	None	None	None	None
16	Total	None	287200	10313	None	297513



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	None		\$	\$
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					
2	Clerks and attendants	7	7	7	7	69472
3	Total	7	7	7	7	69472
	Traffic department employees:					
4	Officers					
5	Managers					
6	Solicitors					
7	Clerks and attendants	5	5	5	5	66581
8	Total	5	5	5	5	66581
	Law department employees:					
9	Officers					
10	Solicitors					
11	Attorneys					
12	Clerks and attendants					
13	Total					
	Station and warehouse employees:					
14	Superintendents					
15	Foremen					
16	Clerks and attendants					
17	Laborers					
18	Total					
	All other employees (specify):					
19						
20						
21						
22						
23	Total					
24	Grand total	12	12	12	12	136053

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)
1	Tons of freight received from shippers	14703
2	Number of shipments received from shippers	5803

#### 46.—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	Not Applicable		\$	\$
2				
3				
4				
5				
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## 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	None						
2							
3							
4							
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30							

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

NAME Karlton Holle TITLE General Manager  
TELEPHONE NUMBER 219-429-2248  
(Area code) (Telephone number)  
OFFICE ADDRESS 5001 U.S. Highway 30 West, Fort Wayne, Indiana 46816  
(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 Indiana )  
COUNTY OF Allen ) ss:

B. Wade Monroe

Treasurer

\_\_\_\_\_ makes oath and says that he is

(Insert here the official title of the affiant)

of North American Forwarding

(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 December 31, 1978, to and including December 29, 1979.

B Wade Monroe

(Signature of affiant)

Subscribed and sworn to before me, a \_\_\_\_\_, in and for the State and County above named,  
this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_.

My commission expires \_\_\_\_\_

[ USE AN L. S.  
IMPRESSION  
SEAL ]

\_\_\_\_\_  
(Signature of officer authorized to administer oaths)