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ANNUAL REPORT 1974 CLASS 1 R.R. 1 of 2

REA EXPRESS INC.

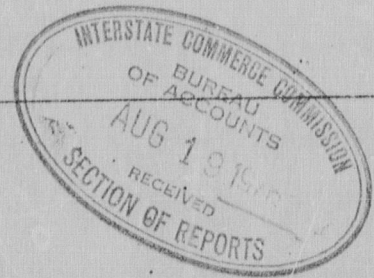
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ANNUAL REPORT

OF

REA EXPRESS, INC.



TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1974

Name, official title, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) A. E. TARGEN (Title) CONTROLLER

(Office address) 150 EAST 42ND STREET, NEW YORK, NEW YORK 10017
(Street and number, city, State, and ZIP Code)

SCHEDULE 10—ORGANIZATION

1. State full and exact name of respondent making this report: REA Express, Inc.doing business as REA Express, Inc.

2. Name, title, telephone, and address of officer, owner or partner to whom correspondence concerning this report should be addressed.

A. E. Larsen

(Name)

Controller

(Title)

Telephone Number

212

(Area Code)

557-8809

(Telephone Number)

150 East 42nd Street

(Number)

(Street)

New York

(City)

New York 10017

(State and ZIP Code)

3. Address of office where accounting records are maintained:

150 East 42nd Street

(Number)

(Street)

New York

(City)

New York 10017

(State of ZIP Code)

4. Carrier is Corporation

(Individual, partnership, corporation, association, etc.)

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

Name

Address

Proportion of interest

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

A. Incorporation or organization was—

In the State of

Delawareon December 7, 19 28

B. The directors' names, addresses, and terms of office are:

Name

Address

Term expires

Number of voting
shares of carrier
actually or bene-
ficially ownedTom Kole219 East 42nd St.Oct 23, 1975NoneNew York, New York 10017James G. Cunningham219 East 42nd St.Oct 23, 1975NoneNew York, New York 10017Spencer D. MoseleyRoute 2, Box 22
Barrington, Ill. 60010Oct 23, 1975None

C. The names and titles of principal general officers are:

Name

Title

Number of voting
shares of carrier
actually or bene-
ficially ownedTom KoleChairman, President &
Chief Executive OfficerNoneJames G. CunninghamSenior Vice President,
Operations/MaintenanceNoneRichard A. SimpsonSenior Vice PresidentNoneRaymond F. MaixnerMarketing & SalesTreasurerNoneA. E. LarsenControllerNoneRoger J. CorgelVice President LaborNoneRelations & Service Control

NOTES AND REMARKS

C. The Names and Titles of Principal
General Officers Are:

NAME

TITLE

Number of vot-
ing shares of
carrier actu-
ally or bene-
ficially owned

Continued from page 1

John J.C. Martin	Vice President, Traffic & Economic Regulation	None
James A. Teter	Vice President, Air & International Sales	None
Merle Hilgert	Vice President Transportation Services	None
Raymond R. Miller	Vice President, Field Operations	None
Wesley M. Coon	Vice Pres. Central Area	None
Thomas J. Delutis	Vice Pres. Eastern Area	None
Philip H. Mason	Vice Pres. Southern Area	None
E. E. Parkinson	Vice Pres. Western Area	None
V. Madeline Stratenwerth	Corporate Secretary	None
A. R. Taintor, Jr.	Assistant Secretary	None

SCHEDULE 10—ORGANIZATION—Concluded

7. Voting power, elections and stockholders:

A. Total voting securities outstanding:

(1) Common 2,416,268 shares 2,416,268 votes
 (2) Preferred 0 shares 0 votes
 (3) Other securities 0 shares 0 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. Date of the latest closing of the stock book, or listing of stockholders, if within 1 year prior to the actual filing of this report September 30, 1974. If book is not closed or list prepared within year indicated, check here ☐ and answer item 7-D as of the last day of the reporting period.

D. State for each class of stock the total number of stockholders of record, corresponding to the answer to item 7-C.

(1) Common
 (2) Preferred
 (3) Other

8. Give names of the ten security holders of the respondent who, at the date corresponding to the answer to item 7-C, 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.

Line No.	Name of security holders (a)	Address (b)	Number of votes to which security holder was entitled (c)	Number of Votes, Classified		
				Common (d)	Preferred (e)	Other Securities (f)
1	REA Holding Corporation	219 E. 42nd Street	2,395,508	All		
2		New York, N.Y. 10017				
3						
4	Florida East Coast	1 Malaga Street				
5	Railway Company	St. Augustine, Fla 32084	12,456	All		
6						
7	Chicago Great Western	400 West Madison St.				
8	Railway Company	Chicago, Ill. 60607	8,304	All		
9						
10						

9. If respondent was formed by consolidation or merger during year, furnish following for each transaction: Name of carriers, name of authorizing regulatory body, identification number for such authorization, and date consummated:

List names of carriers acquired during year, and furnish name of authorizing regulatory body, identification number for such authorization, and date consummated:

If operations of any of above carriers are included in this report, furnish names and periods of operations covered:

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

11. If 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 acquired _____
 D. Name of receiver, receivers, or trustee _____

12. 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 _____

SCHEDULES 13-A THROUGH 13-D-RELATIONSHIP OF RESPONDENT WITH AFFILIATED COMPANIES

Enter below in the appropriate schedule, No. 13-A through 13-D, the names of all companies, corporate and noncorporate, which are affiliated with the respondent and submit the information requested in each schedule. Control for the purpose of these schedules shall be construed to include sole or jointly held control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders or voting trust or trusts, a holding or investment company or companies, or through or by any other direct or indirect means; and to include the power to exercise control. For the purposes of these schedules, forms of control shall include the following (among others):

1. Right through ownership of securities, an agreement of some character or through some other source to name the majority of the board of directors, managers, or trustees of the controlled company.
 2. Right to foreclose a first lien upon all or a major part in value of the tangible property of the controlled company.
 3. Right to secure control in consequence of advances made for construction of the operating property of the controlled company.
- Right to control only in a specific respect the action of the controlled company or a lessee interest in the property of a company is not to be classed as a form of control over the lessor company.

SCHEDULE 13-A-COMPANIES CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled solely or jointly by the respondent. If the respondent obtained control over a company during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of each company listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control of the respondent in the controlled company. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter names of other companies, if any, that jointly control the companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	If Jointly Controlled Name Other Parties to the Agreement (e)
1					
2					
3	REXCO, Inc.		Direct	100% of Stock Owned by Respondent	
4					
5					
6					
7					
8	Railway Express Agency, Incorporated of Virginia		Direct	100% of Stock Owned by Respondent	
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					

SCHEDULE 13-B.-COMPANIES INDIRECTLY CONTROLLED BY RESPONDENT

Enter in column (a) the names of all companies which are controlled through intermediary companies. If control was obtained during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
 In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
 In column (c) indicate the form of control exercised over companies listed in column (a).
 In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
 In column (e) enter the names of intermediate companies through which control is exercised over companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Intermediary Through Which Control Exists (e)
1 2 3 4	Rexco Supply Corporation	Distributor of Automotive parts and Supplies	Indirect.	100%	REXCO, Inc. owns 100% of the stock of Rexco Supply Corp.
5 6 7 8 9 10	Fast Service Shipping Terminals, Inc.	Freight Consolidator	Indirect	100%	REXCO, Inc. Owns 100% of the Stock of Fast Service Shipping Terminals.

SCHEDULE 13-C.-COMPANIES UNDER COMMON CONTROL WITH RESPONDENT

1. Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
 2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
 3. In column (c) indicate the form of control exercised over companies listed in column (a).
 4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
 5. In column (e) enter the name of companies controlling those listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Controlling Company or Individual (e)
1 2 3 4 5	The Express Company, Inc.	International Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation
6 7 8 9 10	Rexair Freight, Inc.	Domestic Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation

ICC Auth. No.

Year 1971

SCHEDULE 13-D--COMPANIES CONTROLLING RESPONDENT

1. Enter in column (a) the names of all companies controlling the respondent. Commence with the company which is most remote followed by the company immediately controlled by it. If control over the respondent or control over an intermediary through which respondent is controlled has changed during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised by the company immediately controlled by it.
4. In column (d) indicate the extent of control. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.

Line No.	Name of Controlling Company or Individual (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)
1	REA Holding Corporation		Direct - 99.14% Ownership of all outstanding stock of Respondent	99.14% of voting stock Ownership
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

SCHEDULE 15.-STOCKHOLDERS REPORTS

1. 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.

Schedule 100.-COMPARATIVE STATEMENT OF FINANCIAL POSITION-ASSETS

For instructions covering this schedule, see the text pertaining to Balance Sheet Accounts in the Uniform System of Accounts for Express Companies. The entries in this balance sheet should be consistent with those in the supporting schedules indicated.

Line No.	Schedule No.	Title (a)	Balance at close of year (b)	Balance at beginning of year (c)
Current Assets				
1	(111)	Cash	\$ (1 293 642)	(1 756 698)
2	(112)	Temporary Investments	1 009 232	9 032
3	(113)	Notes Receivable	42 452	43 617
4	(114)	Accounts Receivable	18 989 437	23 160 692
		Less: Allowance for Uncollectible Receivables (Account 115)	(1 500 000)	(1 500 000)
5		Net Receivables	17 489 437	21 660 692
6		Material and Supplies (Account 116)	379 529	245 637
7	(117)	Prepayments	2 309 181	2 743 849
8	(118)	Affiliate Receivables	5 396 590	3 096 843
9	(119)	Other Current Assets	-	-
10	(119-5)	Deferred Income Tax Charges	-	-
11		Total Current Assets	25 332 779	26 043 022
Tangible Property				
12	(121)	Operating Property	46 206 515	59 829 896
13	(122)	Less: Accumulated Depreciation on Operating Property	30 550 608	41 739 816
14		Net Operating Property	15 655 907	18 090 080
15	(123)	Nonoperating Property	1 990 482	2 873 571
16	(124)	Less: Accumulated Depreciation on Nonoperating Property	325 091	788 155
17		Net Nonoperating Property	1 665 391	2 085 416
18		Total Tangible Property	17 321 298	20 175 496
Investment Securities and Advances				
19	(131)	Affiliate Investments	45 049	45 049
20	(131A)	Undistributed Earnings from certain investments in affiliated companies	1 997 065	1 854 163
21	(132)	Other Investments	385 200	2 061 566
22		Total Investments and Advances	2 427 314	3 960 778
Other Assets				
23	(141)	Intangible Property	-	-
24	(142)	Less: Accumulated Amortization on Intangible Property	-	-
25		Net Intangible Property	-	-
26	(143)	Deferred Charges	163 693	232 204
27	(144)	Special Funds	1 577 518	1 788 270
28		Accumulated Deferred Income Tax Charges (Account 145)	-	-
29		Total Other Assets	1 741 211	2 020 474
30		Total Assets	46 822 602	52 199 776
31				

*The totals of accounts 113-5, 144, 219-5 and 243 must correspond to the total of Federal income and other taxes deferred reported in Schedule 119-5, page 26.

NOTES AND REMARKS

*Rail Notes in Dispute and Accrued Interest Applicable Thereto

On September 30, 1971, REA Express, Inc. filed a suit in U. S. District Court for the Southern District of New York contending, among other things, that notes held by various Railroads issued in 1959, amounting to \$27,206,376 are null and void. Such notes had a maturity date of December 31, 1973, and \$24,744,217 of the total was subordinated to all other Long-Term Debt. Interest on such notes has not been paid to the Railroads since April 1, 1971. The Board of Directors, on December 21, 1971, Directed that such notes be removed as Long-Term Debt of the Company. Furthermore, it was directed that no provision be made for interest on such notes. At December 31, 1974 retained earnings (deficit) and current liabilities exclude \$5,101,193 of such interest.

Schedule 100 - COMPARATIVE STATEMENT OF FINANCIAL POSITION-LIABILITIES AND EQUITY

Line No.	Schedule No.	Title (a)	Balance at close of year (b)	Balance at Beginning of yr (c)
Current Liabilities				
41	(211)	Current Long-Term Debt	963 143	1 567 000
42		Dividends Declared (Account 212)	-	-
43	(213)	Notes Payable	3 118 077	3 000 000
44	(214)	Accounts Payable	6 988 889	7 969 250
45	(215)	Income Taxes Accrued	-	-
46	(216)	Other Taxes Accrued and Withheld	9 264 468	5 394 476
47	(217)	Accrued Expenses	21 110 634	33 295 013
48	(218)	Affiliate Payables	4 654 587	1 813 751
49	(219)	Other Current Liabilities	1 591 355	2 794 586
50		Deferred Income Tax Credits (Account 219-5)	-	-
51		Total Current Liabilities	47 691 153	55 534 086
Long Term Obligations				
52	(220)	Equipment Obligations (Acct 221)	793 500	503 496
53	(220)	Bonds (Account 222)	-	-
54	(220)	Other Long-Term Obligations (Acct 223)	-	-
		Total Long-Term Obligations	793 500	503 496
Advance Payable				
56	(231)	Affiliate Advances Payable	840 000	840 000
57	(232)	Other Advances Payable	27 886 708	30 051 390
58		Less: Notes Held by Railroad*	27 206 376	27 206 376
			680 332	2 845 014
		Total Advances Payable	1 520 332	3 685 014
Other Liabilities				
59	(241)	Accumulated Provision For Self-Insurance	3 964 027	4 515 384
60	(242)	Deferred Credits	4 363 302	2 238 282
61		Accumulated Deferred Income Tax Credits (243)	-	-
62		Total Other Liabilities	8 327 329	6 753 666
Stockholders' Equity				
63	(251)	Preferred Stock	-	-
64	(252)	Common Stock	2 416 268	2 416 268
65		Capital Stock Subscribed (Acct 253)	-	-
66	(254)	Capital Surplus	-	-
67	(102A)	Retained Income - Appropriated	-	-
68	(102B)	Retained Income - Unappropriated	(41 132 356)	(41 193 136)
		Adjustment for Rail Notes*	27 206 376	27 206 376
69		Total Shareholders' Equity	(11 509 712)	(14 576 492)
70		Total Liabilities and Equity	46 822 602	52 199 770

Schedule 101.-RESULTS OF OPERATIONS

Report total operating revenues from schedule 300 on line 1 of column (b) and total operating expenses from schedule 500 on line 2 of column (b). Compute the ratios required on lines 27 and 28. Line 5 includes only dividends from investments accounted for under the cost method. Line 7 includes only dividends accounted for under the equity method. Line 8 includes the undistributed earnings(losses) from investments accounted for under the equity method. Line 9 represents the earnings(losses) of investee companies accounted for under the equity method.

Line No.	Schedule No.	Item (a)	Total (b)
ORDINARY ITEMS			
Carrier Operating Income			
1	(300)	Operating Revenues	\$ 277 035 338
2	(500)	Operating Expenses	274 347 909
3		Net Carrier Operating Income	2 687 339
Other Income			
4	(610)	Noncarrier Income	(227 577)
	(620)	Interest and	340 713
5	(630)	Dividends(from investments under cost)	-
6	(640)	Other Income	1 082 528
7		Dividend Income(from investments under equity)	\$ -
8		Equity in Undistributed Earnings(losses)	75 817
9		Equity in Earnings(losses of affiliated companies-lines 7 + 8)	75 817
10		Total Other Income	1 271 481
11		Total Income	3 958 820
Other Deductions From Income			
12	(710)	Interest Expense	1 207 693
13	(720)	Debt Expense and Credit	-
14	(730)	Other Expenses	(117 452)
15		Total Other Deductions	1 090 241
16		Ordinary Income before Income Taxes	2 868 579
17	(810)	Income Taxes on Ordinary Income	\$ (67 351)
18		Provision For Deferred Taxes(Account 820)	-
19		Total Income Tax Deductions(lines 17 + 18)	(67 351)
20		Ordinary Income	2 935 930
EXTRAORDINARY AND PRIOR PERIOD ITEMS			
21		Extraordinary Items(net)(Account 910)	-
22		Prior Period Items(net)(Account 920)	-
23		Income Taxes on Extraordinary and Prior Period Items (Account 930)	-
24		Provision For Deferred Taxes-Extraordinary and Prior Period Items (Account 940)	-
25		Total Extraordinary and Prior Period Items	-
26		Net Income (or loss)	2 935 930
27		Operating Ratio(line 2 ÷ 1)(one decimal)	99.0 %
28		Ordinary income before income taxes ratio(line 16 ÷ line 1)(one decimal)	1.0 %

NOTES AND REMARKS

Schedule 102.-STATEMENT OF RETAINED INCOME

A.-APPROPRIATED

Line No.	Account No.	Description (a)	Balance at close of year (b)
1	(255-01)		\$ - 0 -
2			
3			
4			
5			
6			
		Total	- 0 -

B.-UNAPPROPRIATED

Line No.	Account No.	Description (a)	
		CREDITS	
1	(255-02)	Unappropriated Retained Income(or deficit) at beginning of year	
2		Equity in undistributed earnings(losses of affiliated companies at	
3	(255-03)	Current Net Income	beginning of year
4	(255-04)	Other Credits(detail):	TAX
5		Amount of assigned income tax consequences	Negative-Calendar Year 1973
6		Equity in undistributed earnings of affiliated companies for calendar	
7		year 1973. (Equity accounting was not permitted for calendar year 1973	
8		in accordance with Statement of Findings letter dated February 19, 1974-	
9		See page 28).	
		DEBITS	
10	(255-05)	Current Net Loss	
11	(255-06)	Dividend Appropriations:	
12		Preferred, \$	quarters to
13		Preferred, \$	quarters to
14		Common, \$	per share
15	(255-07)	Other Appropriations(detail):	
16			
17			
18			
19	(255-08)	Other Debits(detail):	
20		Amount of assigned income tax consequences	
21			
22			
23			
24			
25			
26	(255-02)	Unappropriated Retained Income(or deficit) at close of year	
27		Equity in undistributed earnings(losses) of affiliated companies at	
28			end of year
29		Total unappropriated retained income and equity in undistributed earnings	

Schedule 102.-STATEMENT OF RETAINED INCOME-CONTINUED

B.-UNAPPORTIONED

1. Show hereunder the items of the Retained Income Account of the respondent for the year, classified in accordance with the Uniform System of Accounts for Express Companies.
2. All contra entries hereunder should be indicated in parentheses.
3. Segregate in column (c) all amounts applicable to the equity in undistributed earnings(losses) of affiliated companies based on the equity method of accounting.
4. Line 3 (line 10, if debit balance), column (c) should agree with line 9, column (b), schedule 101. The total of columns (b) and (c), lines 3 and 10, should agree with line 26, column (b), schedule 101, (except for reconciling difference explained in Footnote).
5. Include in column (b) only amounts applicable to Retained Income exclusive of any amounts included in column (b), schedule 101.

		Retained Income Accounts (b)	Equity in Undistributed Earnings of Affiliated Companies (c)	Line No.
		\$ (44 199 136)	\$ XXXXXXXXXXXXXXXXXX	1
		XXXXXXXXXXXXXXXXXXXX	1 899 212	2
		8 260 532	75 817 *	3
		63 766		4
			67 085 **	5
				6
				7
				8
Total Credits		8 324 298	142 902	
		5 257 518		10
	Cash	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	11
	Stock	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	12
		XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXXXX	13
Total		- 0 -	XXXXXXXXXXXXXXXXXXXX	14
			XXXXXXXXXXXXXXXXXXXX	15
			XXXXXXXXXXXXXXXXXXXX	16
			XXXXXXXXXXXXXXXXXXXX	17
			XXXXXXXXXXXXXXXXXXXX	18
Total(255-07)		- 0 -		
				19
				20
				21
				22
Total(255-08)			- 0 -	23
Total Debits		5 257 518	- 0 -	24
Net Increase(decrease)during year		3 066 780	142 902	25
		(41 132 356)	XXXXXXXXXXXXXXXXXXXX	26
		XXXXXXXXXXXXXXXXXXXX	2 042 114	27
	Balance from line 27(c)	2 042 114	XXXXXXXXXXXXXXXXXXXX	28
	(losses) of affiliated companies			
	at end of year(lines 26 and 28)	(39 090 242)	XXXXXXXXXXXXXXXXXXXX	29

* Subsidiary Net Income for 1974 (Account 650-01) is Included in Current Net Income and Current Net Loss Accounts since it is includible in the current year's Income Statement.

** Subsidiary Net Income for 1973 was booked directly to surplus but excluded from the ICC Annual Report since equity accounting was not permitted for calendar year 1973.

SCHEDULE 103.—STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for investment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Line No.	Description (a)	Amount (b)
	Source of funds:	\$
1.	Net income (Schedule 101).....	
2.	Add non-cash charges for depreciation and amortization (Schedule 500).....	
	Add non-cash charges for additions (deduct for decreases) to estimated liabilities:	
3.	Self insurance.....	
4.	Personal injuries, property damage, workmen's compensation.....	
5.	Cargo loss and damage claims.....	
6.	Overcharge claims.....	
7.	Other important items (specify).....	
8.	Total non-cash charge: (Lines 2 thru 7).....	
9.	Funds provided by operations (Lines 1 and 8).....	
10.	Proceeds from sale of capital stock of own issue.....	
11.	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations).....	
12.	Proceeds from sale of equipment obligations of own issue.....	
13.	Book cost of depreciable transportation property retired during year.....	
14.	Less accumulated depreciation.....	
15.	Net book value of depreciable transportation property retired during year.....	
16.	Net book value of miscellaneous physical property disposed of during year.....	
17.	Net book value of investment securities disposed of during year.....	
18.	Advances, notes and other debts repaid by affiliated companies.....	
19.	Advances, notes and other debts repaid by other companies.....	
20.	Net decrease in sinking and other special funds.....	
21.	Net decrease in working capital (total current assets less total current liabilities).....	
22.	Other sources (specify).....	
23.		
24.		
25.		
26.	Total sources of funds (should be same as line 44).....	
	Application of funds:	
27.	Investment in transportation property.....	
28.	Investment in miscellaneous physical property.....	
29.	Investments and advances, affiliated ICC regulated carriers.....	
30.	Investments and advances, other affiliated companies.....	
31.	Total investments and advances, affiliated companies.....	
32.	Investments in nonaffiliated companies.....	
33.	Advances, notes and other debts repaid to other companies.....	
34.	Capital stock of own issue reacquired.....	
35.	Funded debt and other obligations paid or reacquired (except equipment obligations).....	
36.	Equipment obligations paid or reacquired.....	
37.	Net increase in sinking and other special funds.....	
38.	Payment of dividends (other than stock dividends).....	
39.	Net increase in working capital.....	
40.	Other applications (specify).....	
		
		
		
	Total application of funds (should be same as line 26).....	

SCHEDULE 103 - STATEMENT OF CHANGES IN
FINANCIAL POSITION

FUNDS WERE PROVIDED BY:

Operations -

Net Income for the Period	\$ 2 935 930
Non cash charges (credits) -	
Depreciation and amortization	2 710 470
Gain on sale and lease back amortized during the period	(25 898)
Gain on sale of preference stock of Interway Corporation	(1 039 311)
	4 581 191

Other -

Book value of property retired	1 584 276
Decrease in other assets	279 263
Net proceeds from sale of preference stock of Interway Corporation less 830,950 not affecting working capital	1 870 261
Increase in long term obligation	290 004
Increase in deferred credits	2 125 020
Liability for installment purchase of vehicles	793 500
Other - net	65 762
	<u>11 589 277</u>

FUNDS WERE USED FOR:

Reduction in long-term debt	2 164 682
Additions to tangible property	1 440 548
Decrease in loss and damage claims	551 357
	<u>4 156 587</u>

INCREASE IN WORKING CAPITAL

\$ 7 432 690

SCHEDULE 104.—NOTES TO FINANCIAL STATEMENTS

The notes listed below are provided for the purpose of disclosing supplementary financial information which is an important aspect of carrier operations. This information is not disclosed in the financial statements or schedules.

1. Depreciation Accounting:

The Internal Revenue Code (IRC) prescribes depreciation accounting that differs from the depreciation accounting prescribed by the Commission. Although the carrier may follow the Commission rules for accounting purposes, he may calculate his Federal Income Tax using IRC depreciation accounting.

If the carrier uses IRC depreciation accounting in either (a) or (b) below, show the dollar amount of any charges to account 900, Federal Income Tax Expense, that represents the *difference* between the IRS and Commission depreciation accounting. The dollar amount in each case should be a net figure. If there is a net increase, this should be indicated by parentheses.

(a) Show net increase or decrease in charges to account 900 caused by the difference between Accelerated Amortization of Emergency Facilities prescribed by the IRC (Section 168, formerly 124-A) and straight line depreciation prescribed by the Commission:

Current Year	\$	None
Accumulated since December 31, 1949	\$	None

(b) Show net increase or decrease in charges to account 900 caused by the difference between the following IRC guidelines and the Commission guidelines:

- Accelerated depreciation under section 167 of the IRC (December 31, 1953)
- Guideline lives pursuant to Revenue Procedure 62-21 (December 31, 1961)
- Guideline lives under the Class Life System (Asset Depreciation Range) as provided in the Revenue Act of 1971 (December 31, 1970).

Current Year	\$	None
Accumulated since the applicable date listed above	\$	None

2. Investment Tax Credit:

(a) Complete the section that applies to the accounting method you used for the Investment Tax Credit (Deferral or Flow Through) in the current year for tax accounting purposes.

Deferral Method	Deferred	Applied To Tax Accrual
	\$	
Beginning balance in Deferred Investment Tax Credit	2 286 649	XXXXXXXXXX
Investment Tax Credit from current year operations reported to the Internal Revenue Service	XXXXXXXXXX	\$
Amount of current year's (above) Investment Tax Credit deferred for accounting purposes		()
Prior years Deferred Investment Tax Credit applied to reduce current year tax accrual	()	
Other (specify, i.e., recapture) Additions and Recapture	170 257	
Ending Balance in Deferred Investment Tax Credit	2 456 906	XXXXXXXXXX
Total Investment Tax Credit applied to current year tax accrual	XXXXXXXXXX	

Flow-Through Method

Show net increase (or decrease) in tax accrual because of the Investment Tax Credit

(b) Show estimated accumulated reduction in Federal Income Tax Expense since December 31, 1961, because of the Investment Tax Credit authorized by the Revenue Act of 1962, as amended, and the Revenue Act of 1971

- 0 -

3. Pension Costs:

(a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year. Policy is to accrue annually an amount sufficient to provide for normal cost and amortization of past service costs.

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. \$

(c) Is any part of pension plan funded? Specify. Yes X No

(i) If funding is by insurance, give name of insuring company

(ii) If funding is by trust agreement, list trustee(s) Morgan Guaranty Trust Company

Date of trust agreement or latest amendment Amendment to Trust Agreement June 30, 1965

If respondent is affiliated in any way with the trustee(s), explain affiliation No Affiliation

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under agreement

(e)(i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify. Yes No X

If yes, give number of the shares for each class of stock or other security

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes No X If yes, who determines how stock is voted?

4. How did you elect to be taxed under the Internal Revenue Code:

II Sole Proprietorship or Partnership?

IX Corporation?

5. Amount of Net Operating Loss Carryover remaining after filing a Federal Income Tax return for the current year. Fiscal year ended June 30, 1975

\$ 43,765.498

6. Explain any stock purchase options granted to officers and employees
None

7. Explain any entires for net income or retained income restricted under provisions of mortgages and other arrangements
None

SCHEDULE 104.—NOTES TO FINANCIAL STATEMENTS—Concluded

2. Contingent Assets and Liabilities: Show the requested information with respect to contingent assets and liabilities at the close of the year. Examples of contingent liabilities are items which may become obligations as a result of pending litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property. If carrier has no contingent assets or liabilities, insert the word "None".

[illegible]

9. Give a brief description for all items, regardless of amount, included during the year in accounts 910, "Extraordinary items (Net)", 920, "Prior items (Net)", and 930, "Income taxes on extraordinary and prior period items".

10. In accordance with Docket No. 34178 (Sub-No. 2), show below the effect of deferred taxes on prior years net income as reported in annual reports to the Commission. Debit amounts in column (b) and (d), and credit amounts in column (c) should be indicated by parentheses.

Year (a)	Net income as reported (b)	Provision for deferred taxes (c)	Adjusted net income (d)
1973	\$ (8,499,452)	\$	\$ (8,499,452)
1972	(4,246,651)		(4,246,651)
1971	(9,691,396)		(9,691,396)

NOTES AND REMARKS

BALANCE SHEET SUPPLEMENTCONTINGENT LIABILITIES

December 31, 1974

(Not Reflected in Balance Sheet Liabilities Page 7)

PENSION PLANS(a) Supplemental Retirement Plan \$1,294,000

This plan covers substantially all employees not represented by collective bargaining agreements. The amount shown represents the excess of the actuarially computed value of vested benefits over the market value of the pension fund as of June 1, 1972.

(b) Unfunded Retirement Plan \$1,900,000

This older plan covers former employees. Although the company is not legally obligated to continue payments under the plan, the amount shown represents the estimated liability at June 30, 1974.

OBLIGATIONS UNDER LEASE AGREEMENT OF \$7,000,000 PER ANNUM (APPROXIMATE)

A major portion of the Company's leases of terminal facilities, office and transportation equipment are for terms of three years or less.

105. GUARANTIES AND SURETYSHIPS

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. (Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Finance Docket number, title, maturity date and concise description of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	None		\$	
2				
3				
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11				
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2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1	None		\$	
2				
3				
4				
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9				

Schedule 111.-CASH

17

State separately each item of \$10,000 or more reflected on the books at close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Account No.	Purpose of deposit (a)	Balance at close of year (b)
1	(00 to 81) Cash and Working Funds: Total	\$ (2,328,402)
2	(91) Special Deposits of Interest	
3		
4		
5		
6	Total	- 0 -
7	(92) Special Deposits of Dividends:	
8		
9		
10		- 0 -
11	Total	
12	(93) Miscellaneous Special Deposits:	
13	See Page 17A Attached	
14		
15		
16	Total	1,004,560
17	(94) Cash in Transit Chattanooga R.A.O.	Total 30,200.-
18	Grand Total	(1,293,642)

Schedule 112.-TEMPORARY INVESTMENTS

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000"

Account No.	Name of company or individual No.	Description of security held	Balance at Close of Year		
			Pledged (c)	Unpledge (d)	Total (e)
			\$	\$	\$
1	General Motors Acceptance Corp.	Short Term Commercial Paper (Interest 8 3/4%)		1,000,000	1,000,000
2					
3	U.S. Government	U.S. Treasury Bond			
4		Cost \$8600			
5		Interest 4%		9,232	9,232
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Account No.	Purpose of Deposit (a)	Balance At Close of Year (b)
	Schedule 111 - Cash	
(93)	Miscellaneous Special Deposits:	
	Nolan/Johnston & Co. - Advertising	200,000 -
	Certificate of Deposit - Irving Trust Co. (Shell Oil Co.)	150,000 -
	Certificate of Deposit - Irving Trust Co. (Mobil Oil Co.)	150,000 -
	Certificate of Deposit - Irving Trust Co. (General Tire & Rubber Co.)	50,000 -
	Certificate of Deposit - Irving Trust Co. (Atlantic Richfield Co.)	100,000 -
	Certificate of Deposit - Irving Trust Co. (Gulf Oil Co.)	50,000 -
	TEXACO Oil Co.	15,000 -
	New York Telephone Company	64,000 -
	Certificate of Deposit - Bank of Albany (N.Y.State Highway Tolls)	30,000 -
	British Petroleum Oil Co.	20,000 -
	Merit Transportation Equipment Leasing Co., Inc.	50,000 -
	Merit Transportation Equipment Leasing Co.	50,000 -
	Union Oil Co.	50,000 -
	Minor Items Each Less Than \$10,000 -	25,560 -

TOTAL - Page 17 Line 16

1,004,560 -

Schedule 113.-NOTES RECEIVABLE

12

State separately each item of \$10,000 or more reflected on the books at single entry and described as "Minor items each less than \$10,000" the close of the year. Items of less than \$10,000 may be combined in a

Account No.	Name of debtor (a)	State whether secured or unsecured (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (percentage) (e)	Balance at close of year (f)
(01) Customers:						\$ -
(02) Employees:	Total	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXX	- 0 -
Advance to D. Simpson -						
Senior V.P. Sales		Unsecured	6/29/72			\$30,000 -
Minor Items each less than \$10,000.00		Unsecured	Various			\$ 2,465 -
Total		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXX	\$32,465 -
(03) Others:						
Minor Items each less than \$10,000.00		Unsecured	Various			\$9,987 -
Total		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXX	\$ 9,987 -
Grand Total		XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXX	\$42,452 -

Schedule 114.-ACCOUNTS RECEIVABLE

Show the requested information concerning accounts receivable reflected on the books at the close of the year.

Account No.	Subaccount (a)	Balance at close of year (b)
Customers and Interline:		\$
(01 and 10) Customers		13,354,750 -
(02, 11 and 17) Interline		58,672 -
Total		13,413,422 -
Agents, Employees and Others:		
(03, 12 and 18) Agents		3,907,356 -
(04) Employees		24,641 -
(05 to 09 and 20) Others		1,562,536 -
114-07 Interest Receivable		51,682 -
114-19 Advances to Employees		1,100 -
114-21 Employee Travel Advances		28,700 -
Total		5,576,015 -
Grand Total		18,989,437 -

Schedule 117.-PREPAYMENTS

Show the requested information for each of the subdivisions of this account.

Line No.	Account No.	Items (a)	Balance at close of year (b)
1	(01)	Taxes and Licenses	\$ 409,080 -
2	(02)	Insurance	563,345 -
3	(03)	Interest	32,563 -
4	(04)	Rents	89,332 -
5	(05)	Miscellaneous	1,214,861 -
6			
7			
8		Total	2,309,181 -

Schedule 118, -AFFILIATE RECEIVABLES

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000."

Line No.	Account No.	Name of debtor (a)	Date of issue (b)	Date of maturity (c)	Rate of interest (percent) (d)	Balance at close of year (e)
		(01) Loans Receivable:				\$
1						
2						
3						
4						
5						
6						
7						
8						
					Total	- 0 -
		(02) Accounts Receivable:				
9		The Express Company, Inc. (Expressco) (118-05)			\$	4,501,000 -
10		REXCO Supply Corporation (118-06)				825,313 -
11		FAST Service Shipping Terminals - (118-07)				16,297 -
12		REA Holding Corporation (118-08)				53,980 -
13						
14						
15						
16					Total	\$ 5,396,590 -
		(03 and 04) Interest and Dividends Receivable:				
17						
18						
19						
20						
21						
22						
23						
24					Total	- 0 -
25					Grand Total	\$ 5,396,590 -

Schedule 121.-OPERATING PROPERTY

Account No.	Description of property (Subcontract) (a)	Balance at beginning of year (b)	Additions and betterments during year (c)	Book cost of property retired (est. July 1st-A) (d)	Adjustments During Year		Balance at close of year (e)
					Credit Account No. (f)	Amount (g)	
(01)	Land and Landrights	2 962 693		246 828		180	2 716 043
(02)	Structures on Land Owned	6 055 198		822 819		1 468	5 233 817
(03)	Reserve Equipment	32 568 318	815 534	10 427 181		(858 727)	22 097 944
(04)	Service Cars and Equipment	8 720	20 100	21 721		13 001	20 100
(05)	Shop and Garage Equipment	692 802	35 428	3 770		(1 061)	687 971
(06)	Furniture & Office Equipment	2 574 509	92 139	13 259		(18 777)	2 577 901
(07)	Miscellaneous Equipment	7 921 226	185 089	126 411		(2 483 031)	5 403 923
(08)	Leasehold Improvements	3 581 673	292 258	480 190		(77 168)	3 204 404
(09)	Unfinished Construction	6 326 662				(28 061)	6 249 862
(10)	Structures on Land Not Owned	4 802				(4 802)	-0-
(11)	Leas. Constr. Land Not Owned	6 864				(6 864)	-0-
(12)	Unfin. Constr. Leaschd. Improv.	62 703 467	1 440 548	12 483 176		(3 463 842)	48 105 097
	Total						

Schedule 121-A.-OPERATING PROPERTY RETIRED DURING YEAR

Account No.	Description of property (Subcontract) (a)	Books cost of property retired (b)	Depreciation accrued (c)	Amortization accrued (d)	Insurance recovered (e)	Salvage, trade-in, or other amount received less cost of disposal (f)	Gain or loss on disposition (Average) (g)		Other loss or gain (h)
							Debit (i)	Credit (j)	
(01)	Land and Landrights								
(02)	Structures on Land Owned								
(03)	Reserve Equipment								
(04)	Service Cars & Equip.								
(05)	Shop & Garage Equip.								
(06)	Furniture & Office								
(07)	Miscellaneous Equip.								
(08)	Leasehold Improvement								
(09)	Structures on Unowned								
	Total								

NOTES AND REMARKS

Schedule 121-B, -REVENUE EQUIPMENT OWNED AND LEASED

The total number of units reported in columns (l), (m), (n), and (o), must agree with the number reported in column (i). Also, the number reported in columns (p) and (r) must agree with the number reported in column (i) and the number reported in

Line No.	Description	Number of units		CHANGES DURING YEAR				
		On Hand At Beginning of Year		Owned Acquired		Leased		Retired
		Owned	Leased	Number of units	Cost	Number of units	Annual lease rental	Number of units
(a)		(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Trucks				\$		\$	
1	Van							
2	Box and flatbed							
3	Refrigerator							
4	Tank							
5	Other (Describe)							
6								
7								
8	Total Trucks							
9	Truck tractors							
	Semitrailers:							
10	Van							
11	Box and flatbed							
12	Refrigerator							
13	Tank							
14	Other (Describe)							
15								
16								
17	Total Semitrailers							
	Full trailers:							
18	Van							
19	Box and flatbed							
20	Refrigerator							
21	Tank							
22	Other (Describe)							
23								
24								
25	Total Full Trailers							
26	Total Semi & Full Trailers							
27	Other revenue equipment							
28	Cargotainers & Containers							
29								
30								
31	Total Other Revenue equipment							
32	Grand Total							

(A) Includes capitalized leases in the amount of \$2,201,262

(B) Includes capitalized leases in the amount of \$489,101

* Totals for individual classifications not available.

NOTE - Statistical information other than that presented herein was not available at date of schedule preparation.

The amount reported in column (k), line 32, must agree with the amount shown in column (g), line 3, schedule 121.

ON HAND AT CLOSE OF YEAR

Number of units		Owned- Cost	Number				Number Used Principally In				Line No.
(a)	leased (b)		OWNED-type of engine				Inhaul service		Pickup and Delivery Service		
			Gasoline (c)	Diesel (d)	"LP Gas" (e)	Other (f)	Owned (g)	Leased (h)	Owned (i)	Leased (j)	
2740	706	17249382	(A)				-	-	2740	706	1
139	864	3793224	(B)				15	475	124	389	2
											3
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214	2445	1053023					-	2445	214	-	26
		2015									27
											28
											29
											30
3093	4015	22097944					15	2920	3078	1095	31

Schedule 122.-ACCUMULATED DEPRECIATION ON OPERATING PROPERTY

Account No.	Description of property (a)	Balance at beginning of year (b)	CREDITS	DEBITS	OTHER ITEMS, Dr. or Cr.		Balance at close of year (g)
			Charges to depreciation expense (c)	Depreciation account on property retired (Sch. 122-A) (d)	Contra Account No. (e)	Amount (f)	
(02)	Structures on Land Owned	\$ 1 950 574	\$ 78 681	\$ 513 195		\$ *33 518 (64 680)	1 484 898
(03)	Revenue Equipment	29 938 785	1 484 948	9 759 572		(3 327 450)	18 336 711
(04)	Service Cars and Equipment	7 902	14 614	21 305		3	1 214
(05)	Shop and Garage Equipment	565 508	22 386	2 336		(37 345)	548 213
(06)	Furniture and Office Equipment	2 574 509	103 048	13 259		(335 226)	2 329 072
(07)	Miscellaneous Equipment	4 130 143	373 568	107 264		(692 317)	3 704 130
(08)	Leasehold Improvements	1 286 500	425 606	439 138		* 439 1050 275	2 323 682
(09)	Structures on Land Not Owned	2 074 050	207 619	42 831		* 1 007 (92 066)	2 147 779
	Total	42 527 971	2 710 470	10 898 900	x x x x	(3 463 842)	30 875 699

* Depreciation expense on non-operating property (total - \$34,964.)

Schedule 119.-OTHER CURRENT ASSETS

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Account No.	Description (a)	Balance at close of year (b)
1	(01) Resale Property:		\$ -
2			
3			
4			
5			
		Total	- 0 -
6	(02) Salvage Property:		
7			
8			
9			
10			
		Total	- 0 -
11	(03) Miscellaneous:		
12			
13			
14			
15			
16			
17			
18			
		Total	- 0 -
		Grand Total	- 0 -

Schedule 123.-NONOPERATING PROPERTY

Line No.	Description of property (a)	Purpose for which used (b)	Balance at close of year (c)
1	Land	Subleased to Others	\$ 622,110
2	Structures on Land Owned	Subleased to Others	1,287,038
3	Structures on Land Not Owned	Subleased to Other	74,219
4	Lease hold Improvements	Subleased to Others	7,065
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
		TOTAL	\$1,990,432

Schedule 124.-ACCUMULATED DEPRECIATION ON NONOPERATING PROPERTY

Line No.	Description (a)	Balance at beginning of year (b)	Additions during Year (c)	Retirement during year (d)	OTHER ITEMS, F. or Cr. (e)	Amount (f)	Balance at close of year (g)
1	Structures on Land	\$ 788,155-	\$ 35,007-	\$ 498,071-		\$	\$ 325,091-

Schedule 119-5.-ANALYSIS OF FEDERAL INCOME AND OTHER TAXES DEFERRED

1. 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".
2. Indicate in column (b) the beginning of the year balance of accumulated deferred tax credits(debits) applicable to each particular in column (a).
3. Indicate in column (c) the net change in accounts 119-5, 145, 219-5, and 243 for the net tax effect of timing difference originating and reversing in the current accounting period.
4. The total of net credits(charges)for the current year in column (c) should agree with the contra charges(credits)to account 821, Provision For Deferred Taxes, and account 941, Provision For Deferred Taxes-Extraordinary and Prior Period Items, for the current year.
5. Indicate in column (d) any adjustments 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.
6. 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 119-5, 145, 219-5 and 243 in Schedule 100.

Line No.	Particulars (a)	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	\$ None	\$	\$	\$ None
2	Accelerated amortization of facilities Sec. 168 I.R.C.	None			None
3	Other (Specify)				
4					
5					
6					
7	Investment tax credit	None			None
8	Totals	- 0 -			- 0 -

Notes and Remarks

The Company does not utilize the "Particulars" as indicated above since the Federal Income Tax Return is filed on a fiscal year basis and net losses have been incurred for the preceding two fiscal years.

(The straight - line method of depreciation, with extended lives, is used for tax purposes).

NOTES AND REMARKS

Schedule 131.-AFFILIATE INVESTMENTS

Give the details of the securities and other obligations held by respondent during the year. Classify the investments by indicating the appropriate symbol (as shown on opposite page) in column (b).

Line No.	Name of company	Class symbol	Par, stated, or face value* of stocks or bonds	Balance at beginning of year	CHANGES MADE	
					Investments made Book cost	Investments Book cost
	(a)	(b)	(c)	(d)	(e)	(f)
1	REXCO, Inc.	A	\$ 100.00	\$ 20,000		
2	REA of Canada	A	1.00	49		
3	Railway Express Agency	A	No Par -	25,000		
4	Inc. of Virginia		250 Shares			
5						
6						
7						
8						
9						
10						
11						
12	Total	XXXXXX	XXXXXXXXXXXX	45,049		

*For nonpar stock, without stated value, show the number of shares.

Schedule 131A.-UNDISTRIBUTED EARNINGS FROM CERTAIN INVESTMENTS IN AFFILIATED COMPANIES

1. Report below the details of all investments in common stocks included in account 131, Affiliate Investments, which qualify for the equity method under instruction 2-2 in the Uniform System of Accounts for Express Companies.

2. Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of accounting in accordance with instruction 2-2(c)(11).

Line No.	Name of issuing company and description of security held	Balance at beginning of year	Adjustment for investments qualifying for equity method
	(a)	(b)	(c)
1	Carriers: (list specifics for each)		
2	REXCO, Inc.	\$ 1,854,163	\$ 67085 * (1973 Equity)
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	Totals	1,854,163 -	67085
19	Noncarriers: (Show totals only for each column)		
20	Grand Totals	1,854,163 -	67085

* Equity Accounting was not permitted for Calendar year 1973 I.C.C. Report in accordance with statement of findings letter dated February 19, 1974.

Schedule 131.-AFFILIATE INVESTMENTS-CONTINUED

(A) Common Stocks. (B) Preferred Stocks. (C) Bonds. (D) Notes. (E) Other Investments
(F) Advances.

DURING YEAR disposed of Selling Price	ADJUSTMENTS		BALANCE AT CLOSE OF YEAR			Rate of interest or dividends	Income earned during year	Line No.
	Contra Account No.	Amount	Pledged	Unpledged	Total Book Cost			
(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	
\$		\$	\$	\$20,000	\$20,000	- 0 -	\$ - 0 -	1
				49	49	- 0 -	- 0 -	2
				25,000	25,000	- 0 -	- 0 -	3
								4
								5
								6
								7
								8
								9
								10
								11
								12
				45,049	45,049	- 0 -	- 0 -	

Schedule 131A.-CONTINUED

of the Uniform System of Accounts.

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

4. 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 2-2(c)(4).

5. The total of column (g) must agree with column (b), line 21, schedule 100.

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)	Line No.
\$	\$	\$	\$	
75,817	- 0 -	- 0 -	1,997,065	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
75,817	- 0 -	- 0 -	1,997,065	17
				18
75,817	- 0 -	- 0 -	1,997,065	19
				20

Schedule 132. - OTHER INVESTMENTS

Give the details of the securities and other obligations held by respondent during the year. Classify the investments by indicating the appropriate symbol (as shown on opposite page) in column (b).

Line No.	Name of Company	Class Symbol	Par, stated, or face value* of stock or bonds	Balance at beginning of year	CHANGES MADE	
					Investments made Book Cost	Investments Book cost
	(a)	(b)	(c)	(d)	(e)	(f)
1	Central Co-operative Oil					
2	Association	A	25	40		
3	Terminal Property Notes	D		328,918		
4	Terminal Property Notes	D		66,707		
5	Pinnacle Club	E	1,000	4,000		
6	Interway Corp.	B	105,225 shares	1,661,901		
7	Total			2,061,566		

* For nonpar stock, without stated value, show the number of shares.

Schedule 144. - SPECIAL FUNDS

Show the requested information for each item of \$10,000 or more recorded in account 144, Special Funds, during the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000."

Line No	Name and Purpose of Fund	Description of Security	Par, stated or face value of Stock or Bonds	Balance at beginning of Year
	(a)	(b)	(c)	(d)
1	Collateral Held by N.Y.C. Sheriff's Office (Litigation)	Order of Attachment-Lien on REA Property		32,518
2	Note for License of Vehicles in State of Illinois-1st National Bank of Chicago	Certificate of Deposit		
3	Support Claims Insurance with commercial Union Insurance Company - Irving Trust	Certificate of Deposit		30,000
4	Collateral for Commercial Union Insurance Co. - Cargo	Certificate of Deposit		
5	Insurance - 1st Penn Bank			1,000,000
6	Deposit on Performance Bonds - INA Insurance Co. - Wells Fargo Bank	Collateral - Security Deposit		500,000
7	Collateral - For Performance Bonds - Commercial Union Ins. Co. - 1st Penn. Bank	Certificate of Deposit		78,250
8	Collateral - Maryland Fuel Users	Collateral - Security Deposits		118,000
9	Minor Item Less than \$10,000	Various		12,000
10	Total			1,758,270

* For nonpar stock, without stated value, show the number of shares.

Schedule 132. - OTHER INVESTMENTS - CONTINUED

(A) Common Stocks, (B) Preferred Stocks, (C) Bonds, (D) Notes (E) Other Investments
(F) Advances

DURING YR.	ADJUSTMENTS		BALANCE AT CLOSE OF YEAR			Rate of Interest or dividends	Income Earned During Year	Line No.
Disposed of Selling Price (g)	Contra Acct. No. (h)	Amount (i)	Pledged (j)	Unpledged (k)	Total Book Cost (l)			
								1
				40	40			2
				320,042	320,042	6.8%	22,218	3
				61,118	61,118	6.8%	4,443	4
				4,000	4,000			5
2,726,213								6
2,726,213				385,200	385,200		26,661	7

Schedule 144. - SPECIAL FUNDS - CONTINUED

CHANGES DURING YEAR			BALANCE IN FUND/CLOSE OF YEAR			Rate of Interest or Dividends	Income Earned During Year	Line No.
Additions Book Cost	Withdrawals Book Cost	Selling Price	Securities	Cash	Total Book Cost			
								1
			32,518		32,518			2
								3
								4
34,000	30,000		34,000		34,000	5.0%	1,600	5
300,000			300,000		300,000	9%	2,325	6
200,000			200,000		200,000	8 3/4	2,965	7
								8
1,000,000			1,000,000		1,000,000	9%	3,500	9
	1,000,000					6.8%	40,000	10
	500,000					10.875%	22,743	11
								12
								13
								14
	78,250							15
								16
								17
	118,000					9.3%	2,094	18
	18,000							19
	502		11,000		11,000	Various	-	20
1,534,000	1,744,752		1,577,518		1,577,518		75,227	

Schedule 141.-INTANGIBLE PROPERTY							
Show the requested information for each of the accounts.							
Line No.	Acct. No.	Description of changes during year (a)	Balance at beginning of year (b)	Additions during year (c)	Retirements during year (d)	Adjustments during year (e)	Balance at close of year (f)
1	(01)	Organization	- 0 -				- 0 -
2	(02)	Franchises	- 0 -	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
3			XXXXXXXXXX				XXXXXXXXXX
4	(03)	Patents	- 0 -				- 0 -
5			XXXXXXXXXX				- 0 -
6	(04)	Other	- 0 -				- 0 -
7		Total	- 0 -				- 0 -

Schedule 142.-ACCUMULATED AMORTIZATION ON INTANGIBLE PROPERTY								
Line No.	Acct. No.	Description (a)	Balance at beginning of year (b)	Additions during year (c)	Retirements during year (d)	OTHER DEBITS, DR. OR CR.		Balance at close of year (g)
						Contra Account No. (e)	Amount (f)	
			\$	\$				
1	(01)	Organization	- 0 -					- 0 -
2	(02)	Franchises	- 0 -					- 0 -
3	(03)	Patents	- 0 -					- 0 -
4	(04)	Other	- 0 -					- 0 -
		TOTAL	- 0 -			XXXXX		- 0 -

Schedule 143.-DEFERRED CHARGES									
Show the requested information separately for each issue of long-term or equipment obligations recorded in account 143-01, Debt Discount. State separately each item of \$10,000 or more recorded in accounts 143-02 to 143-05 at the close of the year. Items of less than \$10,000 may be combined in a single entry described "Minor items each less than \$10,000".									
Line No.	Description (a)	Principal amount of debt to which related (b)	Original amount of discount and expense (c)	AMORTIZATION PERIOD		Balance in account at beginning of year (f)	Charges to account during year (g)	Credits to account during year (h)	Balance at close of year (i)
		\$	\$	From— (d)	To— (e)	\$	\$	\$	\$
1	143-01 Debt Discount:			Year	Year				
2									
3									
4	Total								
5	143-02 Capital	Description of stock							
6	Stock Discount:								
7									
8	Total					-0-	-0-	-0-	- 0 -
9	143-04 Capital								
10	Stock Commission:								
11									
12	Total					-0-	-0-	-0-	- 0 -
13	143-02 Other Deferred Debits:								
14	Oil on which actual bills were later received					14,861	82,119		96,980
15	minor items each less than \$10,000					107,149	14,961	110,142	24,592
16	143-05 Interest:								
17	Amortization of Deferred								
18	Interest on dollar option								
19	Lease Contracts.					110,194		87,148	23,046
20	TOTAL					22204	14143229	14211740	163693

Schedule 213.-NOTES PAYABLE

State separately each item of \$10,000 or more recorded in accounts 213-01 and 213-02. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

[illegible]

Schedule 214.-ACCOUNTS PAYABLE

Show the requested information concerning accounts payable reflected on the books at the close of the year.

Line No.	Subaccount (a)	Close of Year Balance (b)
1	(01) Vendors:	6,932,253
2	(02) Interlines:	(10,180)
3	(03) Employees:	27,940
4	(04) Unremitted Paid Beyond:	-
5	(05) Others:	33,092
6	(06) Accrued Interlines:	2,183
7	(07) Garnishments:	3,898
8	TOTAL:	6,988,889

Schedule 218.-AFFILIATE PAYABLES

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Name of creditor (a)	Date of issue (b)	Date of maturity (c)	Rate of interest (percent) (d)	Balance at close of year (e)
1	(01) Loans Payable:				
2					
3					
4					
5					
6					
7					
8					
9					
10				Total	- 0 -
11	(02) Accounts Payable:				
12	(218-05) Expressco				3,072,161
13	(218-06) Rexco Supply Corporation				1,011,897
14	(218-07) Fast Service Shipping Terminals, Inc.				295,699
15	Minor items Each less than \$10,000				1,475
16					
17					
18					
19					
20				Total	4,381,232
21	(03) Interest Payable:				
22	Due Fast Service Shipping Terminals for promissory note				
23	\$340,000 At 5% due anytime on demand after 12/28/75				123,355
24					
25	Due Fast Service Shipping Terminals for promissory note				
26	\$500,000 At 7.5% due anytime on demand after 1/6/76				150,000
27					
28				Total	273,355
29	(04) Dividends Payable:				
30					
31					
32					
33					
34					
35					
36				TOTAL	- 0 -
37				GRAND TOTAL	4,654,587

Schedule 215.-INCOME TAXES ACCRUED

Line No.	Description (a)	Balance at close of year (b)
1	(01) Federal:	\$ - 0 -
2	(02) State:	- 0 -
3	(03) Local (describe):	- 0 -
4		
5		
6		
7	TOTAL	- 0 -

Schedule 216.-OTHER TAXES ACCRUED AND WITHHELD

Line No.	Description (a)	Balance at close of year (b)
1	(01) Real Estate: Leased Property	\$ 293,497
2	(02) Personal Property:	115,139
3	(03) and (04) Railroad Retirement and Unemployment:	6,989,401
4	(06 to (08) Federal, State and City Withholding:	1,055,471
5	(05) Other Taxes Accrued	536,734
6	(11) Real Estate Taxes Accrued-Company Owned Property	43,535
7	(10) Air Excise Taxes Accrued	230,691
8		
9		
10		
11	TOTAL	9,264,468

Schedule 217.-ACCRUED EXPENSES

Line No.	Description (a)	Balance at close of year (b)
1	(01) Wages Payable:	\$ 2,447,759
2	(02) Interest:	150,114
3	(03) Rents:	
4	(04) Insurance:	1,342,117
5	(08) to (11) Vacation:	9,674,840
6	(07) (12) Other Accrued Exp. (07) Group Ins. (12)	510,474
7	Amounts Claimed by Airlines and accrued line haul expense	6,985,330
8		
9	Total	21,110,634

Schedule 219.-OTHER CURRENT LIABILITIES

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Description (a)	Balance at close of year (b)
1	Savings Bond Deductions From Employees Payroll	\$ 52,710
2	Unremitted COD's	1,438,943
3	Union Dues Deductions	95,657
4	Minor Items Each Less Than \$10,000	4,045
5		
6		
7	TOTAL	1,591,355
8		

Schedule 211, -CURRENT LONG-TERM DEBT
Schedule 220, -LONG-TERM OBLIGATIONS

State the particulars of each series of obligations recorded in accounts 211, Current Long-Term Debt; 221, Equipment Obligations; 222, Bonds and 223, Other Long-Term Obligations.

A. -EQUIPMENT OBLIGATIONS

Description of obligation	Date of issue	Date of maturity	TOTAL FACE VALUE AUTHORIZED		Interest rate (percent)	BALANCES AT CLOSE OF YEAR						
			Amount	I.C.C. No. or other authority		UNMATURED OBLIGATIONS						
						Total	Required Securities		Nominally issued securities	Unmatured Obligations Actually Outstanding	In hands of the public	
							Face value held by carrier (a)	Face value held by others (b)			In sinking or other special funds	Due within 1 year (account 211)
(c)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
Loan from Equitable Life Assurance Company with Morgan Guaranty Trust Co. As Trustee - To supply funds for the Building of Express Terminals	6/62	12/31/77	\$12,500,000	22,212	7%	607,908						
				22,775							607,908	-
				23,452								
Totals	x x x x	x x x x		y y x x x	x x x x	607,908					607,908	-

B. -CAPITALIZED LEASE OBLIGATIONS

State the particulars of each series of obligations of the carrier at the close of the year.

Description of obligation	Date of lease	Expiration date	Amount	Annual payments	UNMATURED OBLIGATIONS ACTUALLY OUTSTANDING		
					Total	Due within 1 year	Due after 1 year
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
General Motors Acceptance Corporation Purchase of 200 Chevrolet Trucks from Kinney Motors Inc. Financing between REA and GMAC	11/6/73	6/6/79	\$1,288,384	257,677	1,051,177	257,677	793,500
International Harvester Corporation - various dollar option purchase leases for Trucks and Tractors	3/68	7/75	6,040,649	615,592	97,558	97,558	-
Totals	x x x x	x x x x		x x x x x	1,148,735	355,235	793,500

Schedule 211.-CHARTERED BANKS-CONTINUED
Schedule 220.-LONG TERM OBLIGATIONS-CONTINUED

C.-BONDS AND DEBENTURES

Line No.	Description of obligation	Date of issue	Date of maturity	TOTAL FACE VALUE AUTHORIZED		Interest rate (percent)	BALANCES AT CLOSE OF YEAR						
				Amount	I.C.C. No. or other authority		Unmatured Obligations						
							Total	Reacquired Securities		Mortgage secured securities	Unmatured Obligations Actually Outstanding	At the close of the year	
								Face value held by reporting carrier (Sec. 2341)	Unpledged			In sinking or other special funds	At the close of the year (Sec. 211)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	
25			\$			\$	\$	\$	\$	\$	\$	\$	
26													
27													
28													
29													
30													
31													
32													
33													
34	Totals	x x x x	x x x x	- 0 -	x x x x	x x x x						- 0 -	- 0 -

D.-OTHER LONG-TERM OBLIGATIONS

35												acct. 211	acct. 220
36													
37													
38													
39													
40													
41													
42													
43													
44													
45													
46													
47													
48													
49													
50													
51													
52													
53	Totals	xxxxxx	xxxxxxxx	- 0 -	xxxxxx	xxxxxx						- 0 -	- 0 -
54	Grand Totals	xxxxxx	xxxxxxxx		xxxxxx	xxxxxx						963143	793500

Schedule 231.-AFFILIATE ADVANCES PAYABLE

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Account No.	Name of creditor (a)	Date of issue (b)	Date of maturity (c)	Rate of interest (percent) (d)	Balance at close of year (e)
		(01) Notes Payable:				
1		East Service Shipping Terminals	12/28/72	*	5%	340,000
2		East Service Shipping Terminals	1/6/73	**	7.5%	500,000
3						
4						
5		* Anytime on Demand After 12/28/75				
6		** Anytime on Demand After 1/6/76				
7		(02) Accounts Payable:				
8						
9						
10						
11						
12						
13						
14		(03) Interest Payable:				
15						
16						
17						
18						
19						
20						
21					Total	840,000

Schedule 232.-OTHER ADVANCES PAYABLE

State separately each item of \$10,000 or more reflected on the books at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Name of creditor (a)	Date of issue (b)	Date of maturity (c)	Rate of interest (percent) (d)	Due within 1 year (account 211) (e)	Due after 1 year (account 232) (f)
	(01) Other Notes Payable:					
1	Notes to various Railroads	10/1/59	12/31/78	5%	\$	27,206,376
2	(Not Paid - Legal Action Pending)					
3						
4						
5						
6						
7	(02) Other Accounts Payable:					
8	Supplemental Retirement Plan (Pension)					680,332
9						
10						
11						
12						
13						
14	(03) Other Interest Payable:					
15	See Note Page 6A					
16						
17						
18						
19						
20						
21					Total	27,886,708

Schedule 241.-ACCUMULATED PROVISION FOR SELF-INSURANCE

Show the requested information for each of the subdivisions of this account.

Line No.	Account No.	Description of property (a)	Character of risk (b)	Rate used (c)	Amount (d)
1		(01) General Insurance:			\$
2					
3					
4					
5					
6					
7			Total	XXXXXXXX	- 0 -
8		(02) Public Liability:			
9					
10					
11					
12					
13					
14			Total	XXXXXXXX	- 0 -
15		(03) Workmen's Compensation:			
16					
17					
18					
19					
20			Total	XXXXXXXX	- 0 -
21		(04) Surface Cargo Loss and (05) Air Cargo Loss	Surface	Air Cargo	Total
		Balance at beginning of year	\$ 2,945,463	\$ 1,069,921	\$ 4,015,384
		Credits during the year:			
22		(a) Through accruals charged to secondary account 12, Insurance	5,381,054	1,609,252	6,990,306
23		(b) Through reimbursement received from other carriers, insurance companies and salvage recovered	309,168	48,648	357,816
24		(c) Other credits	20,745	6,045	26,790
25		Total Credits	5,710,967	1,663,945	7,374,912
		Debits during the year:			
26		(a) Amounts payable to shippers, other carriers and insurance companies in settlement of claims	5,420,943	2,199,084	7,620,027
27		(b) Other Debits	294,539	11,703	306,242
28		Total Debits	5,715,482	2,210,787	7,926,269
29		Balance at end of year	2,940,948	523,079	3,464,027
30		(06) Other: Liability for Overcharge of Tariff			500,000
31		Charges			
32					
33					
34					
35					
36		Total			500,000
37		Grand Total (lines 7, 14, 20, 29 and 36)	XXXXXXXX	XXXXXXXX	3,964,027

Schedule 241.-SUPPLEMENTAL INFORMATION

Line No.	Description (a)	Amount (b)
	Detail of Account 12, Insurance (cargo loss and damage):	\$
38	(a) Insurance premiums-Net of refund	185,273
39	(b) Accruals for claims (see line 22)	6,990,306
40	(c) Claims charged directly to secondary account 12	
41	(d) Other (describe)	
42		
43		
44	Total	7,175,579
45	Total amount representing unsettled claims on the last day of the reporting period	448,820

Explain basis for determining the amount accrued:

Basis is statistical ratios of claims paid to registered and payment total to number of claims paid.

Shipment volume X claims registered (ratio) X claims paid (ratio) X cost per claim = Estimated liability.

Schedule 242.-DEFERRED CREDITS

On lines 1 through 11, show the requested information separately for each issue of long-term or equipment obligations recorded in account 242, Deferred Credits, for unamortized premium on debt.

On lines 12 through 28, state each item of \$10,000 or more reflected in account 242, for other deferred credits at the close of the year. Items of less than \$10,000 may be combined in a single entry and described as "Minor items each less than \$10,000".

Line No.	Description (a)	Principal amount of debt to which related (b)	Original amount of premium (c)	AMORTIZATION PERIOD		Balance at beginning of year (f)	Credits to account during year (g)	Charges to account during year (h)	Balance at close of year (i)
				From-- (year) (d)	To-- (year) (e)				
1	Unamortized premium on debt:	\$	\$			\$	\$	\$	\$
2									
3									
4									
5									
6									
7									
8									
9									
10									
11	Total			X X X	X X X				- 0 -
Other deferred credits:									
12	Deferred Profit on Sale of Chicago Garage - Sold								
13	June 1967 - Amortized Over 20 Years								323,729-
14	Deferred Proceeds on Sale of Building in Virginia								
15	Prior to Jan 1963 - Payable to REA Virginia								20,558-
16	Reserve for Checks one Year Old and Written Off								100,000-
17	Reserve For Taxes Claimed by Penn Central Railroad								
18	Subsequent to July 20, 1970								1,597,408-
19	Reserve for Taxes Claimed by Penn Central Railroad								
20	to July 20, 1970								550,868-
21	Minor Items Less Than \$10,000 -								(26,616)-
22	(A/C 242-07) Reserve for Potential Vacation Claims								1,797,355-
23									
24									
25									
26									
27									
28								Total	4,363,302-
29								Grand Total	4,363,302-

25

Give particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.

In case any "Preferred" or "Debt" stock is outstanding, the rate of dividend requirements should be shown in column (c) and it should be stated whether the dividends are cumulative or noncumulative.

13

* For larger stock, without stated value, show the number of shares.

Schedule 251-A.—PREFERRED CAPITAL

ISSUED DURING THE WAR

Schedule 252-A.—COMMON CAPITAL STOCK ISSUED DURING THE YEAR

Give full particulars of capital stock nominally or actually issued (either original issues or reissues) during the year. In column (a) state whether issued for purchase of property, for conversion, for reorganization, or if for other purposes specify the purpose. Also state the name of the public authority under whose control such issue was made and the date and number of the authorization. For nominally issued stock and stock issued as dividends show returns in columns (a), (b), (c), and (d) only. If entries are made in column (f), a statement should be included on this schedule clearly setting forth the nature of the consideration.

[illegible]

For noncumulative stock without stated value show the number of shares.

Schedule 251-B.—PREFERRED CAPITAL STOCK REACQUIRED OR CANCELED DURING THE YEAR

Schedule 252-B.—COMMON CAPITAL STOCK REACQUIRED OR CANCELED DURING THE YEAR

[illegible]

Schedule 254. CAPITAL SURPLUS

Show the requested information covering changes in account 254, Capital Surplus, during the year.

Line No.	Description (a)	Amount (b)
	(01) Capital Stock Premium:	\$ - 0 -
1	Balance at beginning of year	
2	Additions during the year(describe):	
3		
4		
5		
6	Total additions during the year	- 0 -
7	Deductions during the year(describe):	
8		
9		
10		
11		
12	Total deductions during the year	- 0 -
13	Balance at close of year	- 0 -
	(02) Other Capital Surplus:	- 0 -
14	Balance at beginning of year	
15	Additions during the year(describe):	
16		
17		
18		
19		
20		
21		
22		
23	Total additions during the year	- 0 -
24	Deductions during the year(describe):	
25		
26		
27		
28		
29		
30		
31		
32	Total deductions during the year	- 0 -
33	Balance at close of year	- 0 -
34	Balance at close of year(lines 13 and 33)	- 0 -

Schedule 300.-OPERATING REVENUES

Line No.	Subaccount (a)	Amount	
		(b)	(c)
		XXXXXXXXXX	273,053,195
1	(310) Domestic Express	XXXXXXXXXX	
2	(311) Surface	168,281,874	
3	(312) Air	104,771,321	
4	(320) Foreign Express	XXXXXXXXXX	
5	(321) Surface		
6	(322) Air		
7	(330) Interline Express	XXXXXXXXXX	1,236,767
8	(331) Surface	526,652	
9	(332) Air	710,115	
10	(340) Other Express	XXXXXXXXXX	51,987
11	(350) Other Revenue	XXXXXXXXXX	2,693,389
12	(351) Advertising Revenue	593,433	
13	(352) Customs Brokerage Fees	-0-	
14	(353) C.O.D. Service Fees	443,945	
15	(354) Storage Fees	1,560,459	
16	(255) Miscellaneous Revenue	95,552	
17	Total	XXXXXXXXXX	277,035,338

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES

Line No.	Account (a)	Total (b)	(01) Payroll (c)	(02) Employee Welfare (d)	(03) Advertise (e)
510	Equipment Maintenance:				
1	(511) Maintenance Management	1 985 779	1 137 854	419 344	
2	(512) Line Haul Maintenance	9 722 387	2 801 548	1 033 377	
3	(513) Pickup and Delivery Maintenance	6 477 183	3 031 044	1 097 969	
4	(514) Service Cars	234 865	58 366	21 538	
5	(515) Railroad Car Maintenance	(703)			
6	TOTAL	18 419 515	7 028 812	2 572 228	
520	Transportation:				
7	(522) Line Haul Transportation	28 842 806	10 905 299	4 037 531	
8	(523) Pickup and Delivery Transportation	67 701 807	39 008 778	14 319 517	
9	(524) Air Transportation	35 702 944	22		
10	(525) Railroad Transportation	4 223 157			
11	TOTAL	136 470 714	49 914 099	18 357 048	
530	Terminal:				
12	(531) Terminal Management	40 392 791	13 798 793	5 077 063	39
13	(532) Cargo Handling	43 018 348	31 421 089	11 521 356	
14	(534) Property Maintenance	948 616	479 183	176 925	
15	TOTAL	84 359 755	45 699 065	16 775 344	39
540	Operations:				
16	(541) Operations Management	2 757 004	1 549 441	562 532	
17	(542) Fleet Maintenance	808 168	373 801	137 722	
18	(543) Transportation Management	482 524	292 583	109 064	
19	(544) Engineering	174 683	97 432	35 575	
20	(545) Real Estate	81 271	46 554	17 130	
21	(546) Communications	63 556	37 380	13 816	
22	(547) Licensing	68 970	49 289	18 157	
23	(548) Systems Engineering	525 522	286 778	103 491	
24	(549) Safety	330 603	131 836	46 180	
25	TOTAL	5 292 301	2 865 100	1 043 567	
550	Marketing:				
26	(552) Sales	6 003 936	3 125 398	1 144 465	276
27	(553) Freight Claims	919 400	567 760	208 622	
28	(554) Surface Advertising	811 304	24 667	9 125	496 391
29	(555) Air Advertising	1 077 132	8 719	3 113	978 099
30	(556) Market Research	93 619	67 448	25 008	
31	(557) Traffic	511 628	247 805	91 344	
32	(559) Foreign Services Management	-		404 997	
33	TOTAL	9 417 019	4 041 797	1 886 674	1 474 768
560	Finance and Administration				
34	(561) Treasurer's	271 855	60 748	22 610	
35	(562) Corporate Accounting & Disbursements	1 808 231	1 153 528	423 815	
36	(563) Financial Analysis	211 301	129 423	43 351	
37	(564) Regional Accounting Offices	7 608 111	4 788 493	1 735 234	
38	(565) Tax	184 388	118 478	43 627	
39	(566) Internal Auditing	743 008	388 216	143 806	
40	(567) Data Processing	4 526 067	1 385 941	509 849	
41	(568) Systems and Procedures	634 654	295 274	111 152	
42	(569) Insurance	173 130	101 289	37 652	
43	TOTAL	16 160 725	8 421 389	3 076 096	

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES - CONTINUED

(04) Taxes and Licenses (f)	(05) Utilities (g)	(06) Supplies (h)	(07) Services Purchased (i)	(08) Unclass- ified (j)	(09) Traveling (k)	(10) Communi- cations (l)	(11) Pensions (m)	(12) Insurance (n)	Line No.
503	1 069	81 944	50 860	15 100	10 288	8 030			1
		2 152 742	3 335 252	17 031	653				2
		1 341 053	792 122	1 740	483	158		(616)	3
30 391		35 291	41 691						4
			(491)	(212)					5
30 894	1 069	3 611 030	4 219 434	33 659	11 424	8 188		(616)	6
766 355	385	49 985	21 774	8 175	364 944	127 549		375 292	7
722 428		4 724	2 965	4 183	874	87 876		6 632 158	8
1 654 837			76 610					776 572	9
				(3 109)					10
3 143 620	385	54 709	101 349	9 249	365 818	215 425		7 784 022	11
1 744 975	1 727 107	1 852 272	1 418 522	112 731	307 503	3 831 706		261 160	12
55		26 367	34 638	18	67	(4)			13
		58 869	232 018	1 483	157	(8)			14
1 745 030	1 727 107	1 937 508	1 685 178	114 232	307 727	3 831 694		261 160	15
864	195	131 607	40 323	41 624	352 306	10 458			16
240		16 045	169 043	1 009	102 360	(44)			17
157		6 643	1 342	1 489	48 636	13 533			18
		1 323	7 742	445	20 345	1 340			19
		142	664	491	3 767				20
		1 340	146	125	22 198	(11 683)			21
(7)		132	363	187	849				22
		19 344	25 039	6 332	77 520	6 691			23
316		87 371	923	2 127	49 267				24
1 570	195	263 947	245 585	53 829	677 248	20 295			25
2 796		46 857	11 848	134 668	1 136 081	71 931			26
	2 376	35 740	9 068	612	6 504	3 065			27
		9 996	231 597	5 233	7 292	1 984			28
		2 798	72 873	2 020	1 038	2 442			29
		(416)	(4)	62	833	688			30
(5)		52 722	81 476	13 944	9 939	2 028			31
									32
2 791	2 376	147 697	406 858	156 539	1 161 737	82 138			33
(7)		2 778	1 403	171 213	8 085	5 268			34
	6 198	14 095	52 471	2 833	31 212	6 485			35
		277	22 039	128	8 660	2 374			36
		484 142	164 257	(317 726)	19 427	91 400			37
		346	5 104	3 015	10 409				38
432		981	394	1 031	167 496				39
		263 749	106 279	9 610	22 704	215 230			40
		7 480	149 987	3 225	33 341	20 830			41
		487	564	1 121	6 334	(1 489)			42
425	6 198	774 335	502 548	(125 550)	307 668	340 098			43

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES - CONTINUED

Line No.	Account (a)	(13) Depreciation (c)	(14) Profess. Services (p)	(15) Tolls (q)	(16) Uncollec. Revenues (r)	(17) Equipment Rentals (s)
	510 Equipment Maintenance:					
1	(511) Maintenance Management	(1 668)				478
2	(512) Line Haul Maintenance					9
3	(513) Pickup and Delivery		250			752
4	(514) Service Cars					
5	(515) Railroad Car Maintenance					
6	TOTAL	(1 668)	250			1 239
	520 Transportation:					
7	(522) Line Haul Transportation	(355 525)	3 342	982 582		4 230 610
8	(523) Pickup and Delivery	(276 577)		83 459		2 115 491
9	(524) Air Transportation					
10	(525) Railroad Transportation	(476 482)				(262)
11	TOTAL	(1 108 584)	3 342	1 066 041		6 345 839
	530 Terminal:					
12	(531) Terminal Management	3 815 407		2 989		261 647
13	(532) Cargo Handling					23 189
14	(534) Property Maintenance					(11)
15	TOTAL	3 815 407		2 989		284 825
	540 Operations:					
16	(541) Operations Management					64 218
17	(542) Fleet Maintenance		(7 556)			15 064
18	(543) Transportation Management					8 043
19	(544) Engineering		10 481			
20	(545) Real Estate		12 523			
21	(546) Communications					234
22	(547) Licensing					
23	(548) Systems Engineering					327
24	(549) Safety					12 401
25	TOTAL		15 448			100 287
	550 Marketing:					
26	(552) Sales		(1 875)			289 872
27	(553) Freight Claims		80 438			3 647
28	(554) Surface Advertising		25 014			
29	(555) Air Advertising		6 000			
30	(556) Market Research					
31	(557) Traffic		9 651			
32	(559) Foreign Service Management					
33	TOTAL		119 228			293 519
	560 Finance and Administration:					
34	(561) Treasurer's		(233)			(10)
35	(562) Corp. Accounting & Disbursements		116 052			7 124
36	(563) Financial Analysis					
37	(564) Regional Accounting Offices		(52)		464 763	54 216
38	(565) Tax		3 389			
39	(566) Internal Auditing					36 902
40	(567) Data Processing		921			1 997 836
41	(568) Systems and Procedures		12 848			517
42	(569) Insurance		27 870			(693)
43	TOTAL		160 795		464 763	2 095 887

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES - CONTINUED

(18) Purchase Transpt. (t)	(19) Comm. Agents (u)	(20) Real Prop. Rentals (v)	(21) Tires and Tubes (w)	(22) Motor Fuel and Oil (x)	(23) Demurrage Detention (v)	(24) Regula- tory Fee (z)	(25) Fire & Wreck (aa)	(26) Gain-Loss on Asset (bb)	(93) Other Expense Transfers (cc)	Line No.
		262 127	(15)					(135)		1
			816 588				(434 813)			2
			318 972	390			(107 045)	(85)		3
			550	46 628						4
										5
		262 127	1 136 505	47 018			(541 858)	(110)		6
2 531 775				4 524 819	211		438 131	(170 428)		7
572 308		(31 254)	139	4 448 534			100 044	(94 870)	1 030	8
33 194 903										9
4 532 135					62 723		(100)	108 252		10
46 831 121		(31 254)	139	8 973 353	62 934		538 075	(15, 046)	1 030	11
679	1 425 548	4 808 857	776	126		20	(192)	(141 557)	(3 380)	12
			810	30					(9 263)	13
										14
679	1 425 548	4 898 857	1 586	156		20	(192)	(141 557)	(12 643)	15
										16
		(67)	3 238				262			17
			939				(50)		(408)	18
			1 034							19
										20
										21
										22
										23
			182							24
		(67)	5 393				212		(408)	25
										26
			25 766				14 760	6	1 085	27
		1 568								28
			5							29
		(20)								30
						2 678	725		(679)	31
									(404 997)	32
		1 548	25 771			2 678	15 485	6	(404 591)	33
										34
		26 368							(31 950)	35
										36
	8	123 949								37
										38
		1 674	870				1 206			39
		13 948								40
										41
										42
	8	165 939	870				1 206		(31 950)	43

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES - CONTINUED

Account (a)	Total (b)	(01) Payroll (c)	(02) Employee Welfare (d)	(03) Advertise (e)	(04) Taxes and Licenses (f)	(05) Utilities (g)
570 Personnel:						
44 (571) Labor Relations	198 786	129 549	47 283		(7)	
45 (572) Office Services	164 089	45 538	17 054			
46 (573) Employee Benefits	-	9 622 333	(44 232 739)		22 683 282	
47 (574) Personnel Management	373 937	122 726	49 205			
48 TOTAL	736 872	9 941 151	(44 119 195)		22 683 275	
590 Executive:						
49 (591) Executive Management	1 793 973	373 184	137 891		120 860	11 217
50 (592) Law	625 326	107 817	40 155		(22)	
51 (593) Purchasing	205 047	115 305	42 538			
52 (594) Security	807 774	475 842	172 805		74	
53 (595) Regulatory	58 978	42 136	14 749			
TOTAL	3 491 098	1 114 284	468 139		120 912	11 217
GRAND TOTAL	274 347 999	129 025 693	- 0 -	1 474 807	27 728 517	1 748 547

Account (a)	(13) Depreci- ation (o)	(14) Profess. Services (p)	(15) Tolls (q)	(16) Uncollect. Revenues (r)	(17) Equip. Rentals (s)	(18) Purchased Transpt. (t)
570 Personnel:						
44 (571) Labor Relations		2 087			4 273	
45 (572) Office Services		61			44 662	
46 (573) Employee Benefits		5 058				
47 (574) Personnel Management		347			1 476	
48 TOTAL		7 553			50 411	
590 Executive:						
49 (591) Executive Management	5 315	100 674	(4 182)		32 710	
50 (592) Law		397 214			2 375	
51 (593) Purchasing					58	
52 (594) Security		25	696		25 304	
53 (595) Regulatory						
TOTAL	5 315	497 910	(3 486)		60 447	
GRAND TOTAL	2 710 470	804 526	1 055 544	464 763	9 232 454	40 831 800

Schedule 500. - OPERATIONS AND MAINTENANCE EXPENSES - CONTINUED

(06) Supplies (h)	(07) Services Purchased (i)	(08) Unclass- ified (j)	(09) Traveling (k)	(10) Communi- cations (l)	(11) Pensions (m)	(12) Insurance (n)	Line No.
3 047	(1 084)	724	10 390	2 451			44
51 032	2 664	1 454	1 624				45
(4)	123	(48)	488	(26)	991 953	10 919 575	46
30 993	106 697	45 888	5 664				47
85 068	108 400	48 018	18 166	2 425	991 953	10 919 575	48
13 495	45 004	481 557	169 461	38 587		30 903	49
7 207	42 601	21 872	5 878				50
43 736	717	172	1 223	1 298			51
46 200	10 870	5 762	67 213	1 276			52
148		434	1 476				53
110 786	99 192	509 797	245 251	41 161		30 903	54
6 985 080	7 368 544	799 773	3 095 039	4 541 424	991 953	18 995 044	

(19) Comm. Agents (u)	(20) Real Prop. Rentals (v)	(21) Tires and Tubes (w)	(22) Motor Fuel and Oil (x)	(23) Demurrage Detention (y)	(24) Regula- tory Fee (z)	(25) Fire & Wreck (aw)	(26) Gain-Loss on Assets (bb)	(93) Other Expense Transfers (cc)	Line No.
		73							44
									45
									46
		73							47
									48
	269 214	336				135		(32 385)	49
					428			(200)	50
		1 516			121	70			51
					35				52
	269 214	1 852			584	205		(32 585)	53
1 425 556	5 566 364	1 172 189	9 020 527	62 934	3 282	13 133	(298 817)	(481 147)	54

Schedule 504.-OPERATING TAXES AND LICENSES

The taxes charged to secondary account (4) shall be segregated to show the amount paid to the Federal Government and the amount paid each State. Amounts paid to counties, municipalities, or other political subdivisions shall be included in the amount for the State in which situated. Line 54, column (g) should agree with schedule 500, line 54, column (f).

Line No	Taxing authority (a)	Highway Use Tax (b)	Vehicle License & Registration (c)	Real Estate Personal Property (d)	Retirement & Unemployment (e)	Other Taxes (f)	Total (g)
1	Federal.....			*****	22 683 282	1 649 805	24 333 087
2	Alabama.....	25 859	12 359	5 295		10 124	53 637
3	Alaska.....					25	25
4	Arizona.....		7 594			3 397	10 991
5	Arkansas.....	2 395	8 230	2 693		2 822	16 140
6	California.....	29 460	90 712	133 675		78 888	332 735
7	Colorado.....	8 651	6 319	8 844		1 853	25 607
8	Connecticut.....	12 328	16 796	38 370		6 304	73 798
9	Delaware.....	1 933	1 121	3 267		6 557	12 878
10	Dist. of Columbia.....					36	36
11	Florida.....	643	59 241	13 580		20 038	93 502
12	Georgia.....	3 625	35 194	21 391		8 605	68 315
13	Hawaii.....		831	122		206	1 159
14	Idaho.....	4 192	1 291	30		354	5 867
15	Illinois.....	5 559	126 085	146 419		40 555	318 618
16	Indiana.....	22 848	11 654	31 997		1 084	67 577
17	Iowa.....	3 918	20 993	8 787		1 168	34 866
18	Kansas.....	5 047	13 713	2 770		429	21 959
19	Kentucky.....	23 731	11 595	4 603		778	40 707
20	Louisiana.....	13 491	10 353	4 706		2 126	30 676
21	Maine.....	760	48 622	5 352		1 272	56 006
22	Maryland.....	26 432	12 590	62 638		3 429	105 089
23	Massachusetts.....		16 148	94 738		3 589	114 475
24	Michigan.....	21 220	69 029	36 451		7 076	133 776
25	Minnesota.....	8 496	16 511	12 233		6 262	43 502
26	Mississippi.....	38	26 932	2 543		547	30 060
27	Missouri.....	3 882	33 071	14 716		7 484	59 153
28	Montana.....		4 251	11 393		606	16 250
29	Nebraska.....	4 061	4 786	5 254		160	15 161
30	Nevada.....	3 189	5 538	414		1 348	10 489
31	New Hampshire.....	99	3 232	6 083		310	9 724
32	New Jersey.....	3 664	61 053	36 531		9 429	108 677
33	New Mexico.....	2 918	507	127		119	3 761
34	New York.....	100 377	73 938	268 625		62 078	525 018
35	North Carolina.....		34 598	25 951		10 112	70 661
36	North Dakota.....		4 350	4 399		57	8 806
37	Ohio.....	34 761	45 543	67 630		18 711	166 645
38	Oklahoma.....		3 826	730		121	4 677
39	Oregon.....	11 236	3 925	3 018		1 606	19 785
40	Pennsylvania.....	69 940	141 808	56 269		15 999	284 016
41	Rhode Island.....		1 823			1 292	3 115
42	South Carolina.....	3 737	8 566	3 111		465	15 879
43	South Dakota.....	888	3 783	16		129	4 816
44	Tennessee.....		40 665	38 588		5 038	84 291
45	Texas.....	193	41 139	25 785		34 947	102 064
46	Utah.....	6 291	6 704	1 522		178	14 695
47	Vermont.....	2 150	3 279	457		2 468	6 354
48	Virginia.....	42 210	6 001	15 681		877	64 769
49	Washington.....	632	19 068	5 816		2 136	28 652
50	West Virginia.....	687	5 859	3 329		1 395	12 170
51	Wisconsin.....	512	24 228	14 117		1 400	40 267
52	Wyoming.....	6 390	983	277		149	10 799
53	Foreign countries.....					4 339	4 339
54	TOTAL.....	500 563	1 212 971	1 270 357	22 683 282	2 041 344	27 728 517

* Air Excise Tax paid to Airlines under Domestic Agreement.

Schedule 526.-GAIN OR LOSS ON SALE OF ASSETS

Show the requested information for items included in secondary account 26.

Line No.	Description of items (a)	Amount (b)
1	1564-1658 Lakeside Ave., Cleveland, Ohio, Land and Building	\$ 249,046
2	2436 Bagley Ave. Detroit, Michigan, Land and Buildings	59,245
3	840 Brittan Ave. San Carlos, California, Land and Building	(23,429)
4	Old Brookfield Road, Danbury, Conn, Terminal	(3,931)
5	1448 South Street, Beaumont, Texas, Garage	(3,277)
6	Miscellaneous Other Properties and Equipment Sold	21,163
7	Net Gain-Credit	298,817

Schedule 610.-NONCARRIER INCOME-NET

Show the requested information concerning items included in the account during the year.

Line No.	Description of Operation (a)	Account 611 Total Revenue (b)	Account 612 Total Expenses (c)	Net Amount During Year (d)
1	Rents From Owned Operating Property	(67,433)		
2	Rents From Owned Non-Operating Property	13,822		
3	Rents From Subleased Property	262,825		
4	Sundry Income	519		
5	NonCarrier Expense		(1,616)	
6	Rent Paid on Lease-NonOperating Property		30,815	
7	Real Estate Taxes		40,304	
8	NonCarrier Expense - Utilities		14,423	
9	NonCarrier Expense - Supplies		1,759	
10	NonCarrier Expense - Services Purchased		30,631	
11	NonCarrier Expense - Depreciation		255	
12	NonCarrier Expense - Real Property Rentals		296,667	
13	NonCarrier Expense - Professional Services		24,072	
14				
15	Total	209,733	437,310	(227,577)

Schedule 620.-INTEREST INCOME

Schedule 630.-DIVIDEND INCOME

Show the sources of interest and dividend income recorded during the current year.

Line No.	Source (a)	Account 620 Interest (b)	Account 630 Dividend (c)	Total (d)
	(621 and 631) Investments:			
1	A/C 621-01 Terminal Property Notes	26,457		26,457
2	A/C 621-01 Certificates of Deposits & short-term comm. paper	310,719		310,719
3	(622 and 632) Miscellaneous Security Deposits	1,031		1,031
4	U.S. Treasury Bonds	685		685
	Total	338,892		338,892
	(623) Miscellaneous Interest Income:			
5	Interest on State Tax Refunds, Notes for	1,821		1,821
6	Sale of 2 Properties in Michigan & Other Misc.			
7	Smaller Items			
8				
9				
10				
11				
12				
13	Total	1,821	- 0 -	1,821
	Grand Total	340,713	- 0 -	340,713

Schedule 640.-OTHER INCOME

State separately each item included in the account during the year.

Line No.	Description of item (a)	Amount (b)
1	Profit on Sale of 165,225 shares of Interway Corp. convertible	\$
2	Preferred Stock on February 26, 1974.	1,064,311
3		
4	Uncashed checks (Payroll, COD's, Claims etc.) over 13 months old	15,962
5		
6	Miscellaneous income	2,255
7		
8		
9		
10		Total 1,082,528

Schedule 710.-INTEREST EXPENSE

Schedule 720.-DEBT EXPENSE AND CREDIT

Show the debt classification of interest expense recorded during the year.

Line No.	Description of each class of debt applicable. (a)	Amount (b)
1	(710-03) Interest Expense	\$ 185,385
2	(711-02) Bonds	
3	(711-03) Equipment Obligations	167,000
4	(711-04) Other Long-term Obligations	-
5	(711-05) Current Obligations	800,808
6	(712) Affiliate Interest Expense	54,500
7	(721) Debt Discount Expense	-
8	(722) Debt Premium-CREDIT	-
9		Total 1,207,693

Schedule 730.-OTHER EXPENSES

State separately each item reflected in the books at the close of the year.

Line No.	Description (a)	Amount (b)
1	(01) Contract Guarantees	\$ 5,605
2		
3	(02) Loss Reimbursements	-
4		
5	(03) Nonoperating Bad Debts	-
6		
7	(04) Taxes and Licenses	676
8		-
9	(05) Nonoperating Donations	-
10		
11		
12	(06) Fines and Penalties	52,749
13		
14	(07) Excess Life Insurance Premiums	-
15		
16	(08) Sundry Expenses	(32,708)
17		
18	(12) Costs for Nonoperating Property	33,880
19		
20	(13) and (26) Depreciation on Nonoperating Property	(174,654)
21		
22	(09) Salvage Value of Revenue Equipment	-
23		
24		Total (117,452)

Schedule 800.-INCOME TAXES ON ORDINARY INCOME

Show the requested information for items included in the account during the year.

Line No.	Account (a)	Amount (b)
	811 Federal Income Taxes:	
1	Applicable to the current year	(67 351)
2	Adjustments applicable to previous years, net debit*	- 0 -
3	Normal tax and surtax(line 1 plus 2)	(67 351)
4	Excess profits tax	- 0 -
5	Total Federal income tax on ordinary income(line 3 plus 4)	(67 351)
	813 Other Income Taxes(Specify):	
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24	Total Other income taxes	- 0 -
25	Total income taxes on ordinary income(lines 5 and 24)	(67 351)

*Indicate credit in parenthesis.

Schedule 902.- EMPLOYEES, SERVICE AND COMPENSATION

Particulars of the numbers of employees, of the services rendered by them, and of the compensation paid for such services should be compiled in accordance with the following instructions:

COLUMN 1-"Reporting divisions" refers to the divisions of employees shown in the Classification of Express Employees adopted by the Interstate Commerce Commission.

COLUMN 2-Number of employees actually at work, on leave with pay, or not working account of assigned day of rest, as of the 15th of the month of report, or as of the next preceding full day if the 15th falls on a Saturday, Sunday or holiday.

Line No.	D. V. No.	REPORTING DIVISION (1)	NUMBER OF EMPLOYEES AT MIDDLE OF MONTH (2)	NUMBER OF EMPLOYEE MONTHS (COMPUTED) (3)
		I. EXECUTIVES, OFFICIALS, AND STAFF ASSISTANTS		
1	1	Executive and general officers.....	38	38
2	2	Staff officials, division officers, and assistants.....	349	360
3	(901)	TOTAL (EXECUTIVES, OFFICIALS, AND STAFF ASSISTANTS).....	387	398
		II. PROFESSIONAL, CLERICAL, AND GENERAL		
4	3	Professional and subprofessional assistants.....	16	17
5	4	Chief clerks (A).....	15	16
6	5	Chief clerks (B), head clerks, and clerical specialists.....	485	504
7	6	Clerks.....	910	915
8	7	Nonlisting, adding, and calculating-machine operators....	36	37
9	8	Stenographers and typists.....	132	135
10	9	Office attendants.....	56	58
11	10	Division supervisors.....		
12	11	Agents--office, depot, and terminal.....	416	439
13	12	Foremen--vehicle, depot, and platform.....	1 004	1 034
14	13	Warehouse and platform clerks.....	1 555	1 606
15	14	Warehouse and platform laborers.....	947	963
16	15-A	Vehicle employees: Agency service.....	3 446	3 504
17	15-B	Vehicle employees: Over the road truck service.....	681	791
18	16	Police.....	30	30
19	17	Claim agents and claim adjusters.....	6	6
20	(902)	TOTAL (PROFESSIONAL, CLERICAL, AND GENERAL).....	9 735	10 055
		III. TRAIN TRANSPORTATION		
21	18	Train messengers.....		
22	19	Train helpers and guards.....		
23	(903)	TOTAL (TRAIN TRANSPORTATION).....		
		IV. MAINTENANCE AND STORES		
24	20	Foremen.....	111	112
25	21	Machinists.....	306	306
26	22	Other craftsmen.....	38	38
27	23	Apprentices and helpers--all trades.....	8	8
28	24	Garage employees.....	66	66
29	25	Laborers, unclassified.....	6	7
30	(904)	TOTAL (MAINTENANCE AND STORES).....	535	537
31	(905)	GRAND TOTAL, ALL EMPLOYEES.....	10 657	10 990

Schedule 902. - EMPLOYEES, SERVICE, AND COMPENSATION

COLUMN 3-Total hours of straight time divided by 8 times the number of calendar days (less Saturdays, Sundays and holidays) in the month. This gives the number of persons required to accomplish the work done under straight time if each person worked 8 hours a day except Saturdays, Sundays and holidays.

COLUMN 4-There should be stated for each of the Reporting Divisions, the total number of hours paid for at straight time rates by the employees whose service is includible in the particular Division.

COLUMN 5-Overtime hours of all employees. COLUMN 6-Enter the total of columns 4 and 5. COLUMN 7-Enter the compensation for the time shown in column 4. COLUMN 8-Enter the compensation for the time shown in column 5.

COLUMN 9-Enter the total of columns 7 and 8.

SERVICE HOURS			COMPENSATION (WHOLE DOLLARS)			Line No.
TOTAL STRAIGHT-TIME HOURS (4)	OVERTIME HOURS (5)	TOTAL TIME PAID FOR (6)	TOTAL COMPENSATION FOR STRAIGHT TIME (7)	COMPENSATION FOR OVERTIME (8)	TOTAL COMPENSATION (9)	
77 032		77 032	1 172 818		1 172 818	1
725 133		725 133	5 844 469		5 844 469	2
802 165		802 165	7 017 287		7 017 287	3
34 500		34 500	263 489		263 489	4
31 851	128	31 979	186 403	1 205	187 608	5
1 015 685	21 668	1 037 353	5 690 496	171 845	5 862 341	6
1 844 194	37 357	1 881 551	9 639 982	297 635	9 937 617	7
75 011	1 588	76 599	382 667	12 709	395 376	8
271 757	1 358	273 115	1 370 779	10 303	1 381 082	9
117 872	1 877	119 749	624 612	14 922	639 534	10
						11
884 629	1 560	886 189	5 482 255	12 849	5 495 104	12
2 084 354	66 972	2 151 326	11 478 920	533 170	12 012 090	13
3 238 217	100 045	3 338 262	16 915 055	789 888	17 704 943	14
1 941 325	60 814	2 002 139	10 080 452	475 174	10 555 626	15
7 063 436	546 521	7 609 957	37 169 837	4 261 531	41 431 368	16
1 594 914	50	1 594 964	10 754 222	336	10 754 558	17
60 568		60 568	330 813		330 813	18
13 058	16	13 074	87 889	166	88 055	19
20 271 371	839 954	21 111 325	110 457 872	6 582 033	117 039 911	20
						21
						22
						23
226 692	6 605	233 297	1 577 314	74 687	1 652 001	24
617 667	21 563	639 230	4 048 463	216 289	4 264 752	25
76 711	1 426	78 137	484 278	12 005	496 283	26
15 425	1 127	16 552	88 012	9 225	97 237	27
132 718	3 225	135 943	694 524	25 847	720 371	28
13 871	264	14 135	77 491	2 367	79 858	29
1 033 031	34 300	1 117 331	6 970 092	340 421	7 310 513	30
22 156 620	874 254	23 030 874	124 445 257	6 922 454	*131 367 711	31

*Includes payment of service bonus (\$2,095,717) Accrued in 1973 in accordance with labor agreement dated May 3, 1973.

Schedule 902A.-COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary and other compensation, such as bonus, commission, gift, reward or fee of each of its officers, directors, pensioners, or employees to whom the respondent paid \$40,000 or more during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties. 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 salary of an individual was changed during the year, show salary before each change as well as at close of year. If an officer, director, etc., receives compensation from more than one transportation company (whether a subsidiary or not) or from a subsidiary company, reference to this fact should be made if his aggregate compensation amounts to \$40,000 or more and the detail as to division of 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 for a part of the year when the salary is changed. Also, when a 10 percent (or other percent) reduction is made, the net rate and not the basic rate should be shown.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instruction) (c)	Other compensation during the year (d)
1	James G. Cunningham	Sen. Vice. Pres.	\$ 65,000.00	\$ none
2		Operations Maint.		
3	Richard A. Emerson	Sen. Vice Pres.	50,000.00	none
4		Marketing & Sales		
5	Raymond R. Miller	Vice President	52,000.00	None
6		Field Operations		
7	Roger L. Corgel	Vice Pres. Labor	45,000.00	none
8		Relations and		
9		Service Control		
10	Wesley M. Coon	Vice President	45,000.00	None
11		Central Area		
12	John J. C. Martin	Vice President	40,000.00	none
13		Traffic & Economic		
14		Regulation		
15	E. S. Parkinson	Vice President,	40,000.00	None
16		Western Area		
17	Robert A. Potts	Director - Marketing	40,000.00	None
18	Archie L. Peery, Jr.	Director - Sales	40,000.00	None
19	Charles M. Moll	Director - Air	40,000.00	None
20		Marketing		
21				
22				
23				
24				
25				

Schedule 902B.-PAYMENTS FOR SERVICES NOT RENDERED BY EMPLOYEES

Give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate to \$40,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of the respondent's employees covered in preceding schedule) for services or as a donation. In the case of contributions of under \$40,000 which are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespective of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$40,000 or more.

To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, brokers, insurance companies, trustees, promoters, solidators, consultants, actuaries, investigators, inspectors, and efficiency engineers. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local governments, payments for heat, light, power, telegraph, and telephone service, and payments to other carriers on the basis of lawful tariff charges, as well as other payments for services which both as to their nature and amount may be reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services should be reported.

If any doubt exists in the mind of the reporting officer as to the reportability of any type of payment, request should be made for a ruling before filing this report.

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)
1	Associated Hospital Serv. of N.Y.	Medical Insurance	\$ 5,664,093
2	Frank B. Hall	Cargo Insurance	4,700,257
3	Blue Cross & Blue Shield	Medical Insurance	1,761,849
4	Nolan-Johnston, Inc.	Advertising	1,295,262
5	Connecticut General Life		
6	Insurance Company	Medical Insurance	527,117
7	Communications Jax	Advertising	443,733
8	Equitable Life Assurance		
9	Society of U.S.	Life Insurance	315,351
10	Mainstem, Inc.	Data Processing	103,200
11	Arthur Andersen & Co.	Auditing	61,950
12	Andersen, Russell, Kill & Olick	Legal	54,863
13	Arthur M. Wisehart	Legal	44,000
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25		Total	14,971,675

Schedule 903.-OPERATING STATISTICS

1974

Show the number of shipments, miles operated and tonnage hauled in the respective modes of service, the revenues from which are included in accounts 310, 320, 330 and 340. Averages should be computed as directed and carried to three decimal points.

three decimal points.											
Line No.	Items (a)	Domestic Intercity			Foreign		Interline			Other Express (j)	Domest. Local (k)
		Surface		Air (d)	Surface (e)	Air (f)	Surface		Air (i)		
		Rail (b)	Motor (c)				Rail (g)	Motor (h)			
	Statistics										
1	Number of shipments	-	8,938,000	5,011,000	-	-	52,345	-	43,059	-	-
	Miles operated by:										
2	Owned equipment	-	-	-	-	-	-	-	-	-	-
3	Leased equipment	-	-	-	-	-	-	-	-	-	-
4	Total miles (lines 2 & 3)	-	50,454,633	- *	-	-	* -	-	* -	-	-
5	Tons of revenue freight	-	670,350	85,187	-	-	3,926	-	732	-	-
6	Ton-miles	-	* -	81,071,988	-	-	* -	-	** -	-	-
7	Freight Revenue	-	168,281,874	104,771,321	-	-	526,652	-	710,115	51,987	-
8	COD Shipments	-	-	-	-	-	-	-	-	-	-
	Averages										
	Freight revenue per:										
9	Shipment (line 7 ÷ 1)	-	18.83	20.91	-	-	10.06	-	16.49	-	-
10	Ton (line 7 ÷ line 5)	-	251.04	1,229.90	-	-	134.15	-	970.10	-	-
11	Mile (line 7 ÷ line 4)	-	3.34	-	-	-	-	-	-	-	-
12	Ton-mile (line 7 ÷ 6)	-	-	1.29	-	-	-	-	-	-	-
	Average load per:										
13	Shipment (line 5 ÷ 1)	-	.075	.017	-	-	0.075	-	.017	-	-
14	Mile (line 5 ÷ line 4)	-	.013	-	-	-	-	-	-	-	-
	Average haul per:										
15	Shipment (line 6 ÷ 1)	-	-	16.18	-	-	-	-	-	-	-
16	Ton (line 6 ÷ line 5)	-	-	951.69	-	-	-	-	-	-	-
	Pickup & Delivery Statistics										
	Shipments picked up or delivered	-	8,714,550	3,006,600	-	-	52,345	-	43,059	-	-
18	Tons for shipments-line 17	-	653,591	51,112	-	-	3,926	-	732	-	-
	Shipments on which allowance is given	-	-	-	-	-	-	-	-	-	-
19	Tons for shipments-line 19	-	-	-	-	-	-	-	-	-	-
20											

* Data not available from records maintained by REA Express

** Interline statistics were combined with Domestic statistics and cannot be extracted.

**Schedule 909A. - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning each contract, agreement or arrangement (written or unwritten) in effect at any time during the year between the respondent and the affiliated companies listed in Schedules 13-A through 13-D or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

(a) Lawful tariff charges for transportation services.

(b) Payments to or from other carriers for interline services and interchange of equipment.

(c) Payment to or from other carriers for services which may reasonably be regarded as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.

(d) Agreements relating to joint pension plans with affiliated companies should be reported in Schedule 101A.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$10,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$10,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges in column (d). If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$10,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 909A a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions during the year; or, alternatively, attach a "Pro forma" balance sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, terminal or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in annual report Form H; and should be noted, (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate form of affiliation or control between the respondent and the company or person identified in column (a) as follows:

(a) If respondent directly controls affiliate insert the word "direct".

(b) If respondent controls through another company insert the word "indirect".

(c) If respondent is under common control with affiliate insert the word "common".

(d) If respondent is controlled directly or indirectly by the company listed in column (a) insert the word "controlled".

(e) If control is exercised by other means such as a management contract or other arrangement of whatever kind insert the word "other" and footnote to describe such arrangements.

4. In column (c) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (h).

5. In column (d) fully describe the basis for computing charges under each contract, agreement, etc.

6. In columns (e) and (f) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

7. In column (g) indicate purchase items with the symbol "P" and sales items with the symbol "S".

8. In column (h) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (c). Do not report net figures when services are both provided and received between the respondent and an affiliate.

909A. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT
FOR SERVICES RECEIVED OR PROVIDED-Continued

Line No.	Name of Company or Individual and percent of gross income from respondent carrier (a)	%	Form of Affiliation (b)	Character of Service (c)	Basis of Charges (d)	Contract		Total Charges for Year	
						Date (e)	Term (f)	Purchase or sales (g)	Amount (h)
1. 2. 3. 4. 5.	Rexco Supply Corporation	95.4	Indirect	Purchases of Automotive parts and supplies	Percentage above cost			"P"	\$ 2,325,863
6. 7. 8.	Rexco Supply Corporation		Indirect	Management fees	Allocation of time spent			"S"	14,658
9. 10. 11.	Rexco Supply Corporation		Indirect	Accounting Fees	Allocation of time spent			"S"	22,800
12. 13. 14. 15.	East Service Shipping Terminals	100	Indirect	Leased Equipment	Rate Per Piece			"P"	48,370
16. 17. 18. 19. 20. 21.	REA Holding Corporation		Controlled	Management Fees	Salaries and expenses of key management personnel			"P"	339,000
22. 23. 24.	Expressco		Common	Management Fees	Allocation of Time spent			"S"	30,445
25. 26. 27. 28.	Expressco		Common	Trucking Charges	Direct Billing			"S"	46,515
29. 30. 31. 32. 33. 34. 35. 36. 37.	Expressco		Common	Air Express	Direct Billing			"S"	* 144,130

* Includes approximately \$14,000 of surface transportation charges the precise amount of which cannot be readily determined.

ICC Auth. No.

Year 1974

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909B. OTHER TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT

1. Furnish the information called for below concerning transactions between the respondent and the affiliated companies listed in Schedules 13A through 13-D, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not limited to, purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$10,000 in value for the year.
2. In column (a) enter the name of the affiliated company, person, or agent with which respondent transacted purchase, sale or transfer.
3. In column (b) indicate form of affiliation or control between the respondent and company or person identified in column (a) in accord with instruction No. 3 to schedule 909A.
4. In column (c) briefly describe the kind of asset purchased, sold or transferred.
5. In column (d) report the total of all purchases, sales or transfers of property with a value of \$10,000 or more. If individual items are less than that amount, report the total of all purchases or sales with the company or individual named in column (a) when the aggregate of such items is \$10,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".
6. In column (e) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (d).
7. In column (f) report the net profit or loss for each item (column (d) less column (e)).
8. Answer all questions at bottom of schedule.

Line No.	Name of Company or Individual (a)	Form of Affiliation (b)	Description of Item (c)	Sales or Purchase Price (d)	Net Book Value (e)	Gain or (Loss) (f)
1	NONE			\$	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (a)? Specify. Yes.... No.... If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between respondent and affiliated companies or individuals during the year for which no charges were assessed? Specify. Yes..... No..... If yes, explain.

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**909C. TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning transactions between noncarrier subsidiaries of the respondent and other affiliated companies for services received or provided in accord with instruction No. 1 to Schedule 909A.
2. In column (a) enter the name of the noncarrier subsidiary of respondent.
3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary received or provided services aggregating \$10,000 or more for the year.
4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 909A.
5. In column (d) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. If more than one type of service is provided, list each type of service separately. When services are both provided and received between the noncarrier subsidiary and other affiliate they should be listed separately and the amounts shown separately in column (i).
6. In column (e) fully describe the basis for computing charges under each contract, agreement, etc.
7. In columns (f) and (g) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".
8. In column (h) indicate purchase items with the symbol "P" and sales items with the symbol "S".
9. In column (i) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (d). Do not report net figures when services are both provided and received between the noncarrier subsidiary and other affiliate.

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of other Affiliated Company (b)	Form of Affiliation (c)	Character of Service (d)	Basis of Charge (e)	Contract		Total charges for year	
						Date (f)	Term (g)	Purchase or Sales (h)	Amount (i)
1	NONE								\$
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
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002700

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REA EXPRESS INC

909D. OTHER TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS

1. Furnish the information called for below concerning other transactions between non carrier subsidiaries of the respondent and other affiliated companies in accord with instruction No. 1 to Schedule 909A.
2. In column (a) enter the name of the noncarrier subsidiary of respondent.
3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary transacted a purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$10,000 in value for the year.
4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 909A.
5. In column (d) briefly describe the kind of asset purchased, sold or transferred.
6. In column (e) report the total of all purchases, sales or transfers of property with a value of \$10,000 or more. If individual items are less than that amount, report the total of all purchases or sales when the aggregate of such items is \$10,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".
7. In column (f) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (e).
8. In column (g) report the net profit or loss for each item (column (e) less column (f)).
9. Answer all questions at bottom of schedule.

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Description of Item (d)	Sales or Purchase Price (e)	Net Book Value (f)	Gain or (Loss) (g)
1	NONE				\$	\$	\$
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (b)? Specify. Yes.... No.... If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between noncarrier subsidiaries of respondent and other affiliated companies or individuals for which no charges were assessed? If so, explain. *NONE*

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Year 1974

Schedule 910. - CONTRACTS, AGREEMENTS, ETC.

Here give a concise statement of all important contracts, agreements, arrangements, etc., with other companies or persons, together with revisions, modifications, terminations, and other changes thereof, concerning the transportation of express matter or the conduct of express business, which became effective or were renewed during the year covered by this report. Give the statement in the following order:

1. Railroad companies.
2. Electric transportation companies or lines.
3. Carriers by water.
4. Motor carriers.
5. Other express companies.
6. United States Government.
7. Other contacts.

Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$25,000 per year, and which, by its terms, is otherwise unimportant.

Compliance with the requirements of this schedule does not relieve the respondent of the duty placed upon common carriers by Section 6(5), Part I, of the Interstate Commerce Act, which reads as follows:

"Every common carrier subject to this part shall also file with said Commission copies of all contracts, agreements, or arrangements with other common carriers in relation to any traffic affected by the provisions of this part to which it may be a party."

1. Railroad Companies

Schedule Page 66A

- No. 2 - None
- No. 3 - None
- No. 4 - None
- No. 5 - None
- No. 6 - None
- No. 7 - None

8. Airline Companies

A new Air Express Agreement of Continuing duration was negotiated with the airlines in 1974 but was subsequently disapproved by the Civil Aeronautics Board on April 9, 1975. The matter is currently in litigation.

Real Property Leases with Railroads which Became Effective
or Were Renewed During the Year 1974

<u>City and State and Local Address</u>	<u>Railroad Lessor</u>	<u>Effective or Renewed</u>	<u>Monthly Rental</u>
Texarkana, Arkansas Union Passenger Station Building	Board of Control Texarkana Union Station Trust	Amended 3/8/74	\$ 500.26
Sacramento, Calif. Southern Pacific Co. Station	Southern Pacific Trans- portation Company	Effective 2/1/74	514.00
Cedar Rapids, Iowa Rock Island Depot	Chicago, Rock Island & Pacific R.R. Co.	Renewal 1/1/74	300.00
Sioux City, Iowa Illinois Central R/W	Illinois Central Gulf Railroad Company	Renewal of ground lease 1/1/74	910.00 per year
Lansing, Michigan Grand Trunk Western R/W	Grand Trunk Western Railroad Company	Renewal of ground lease 1/1/74	850.00 per year
Lansing, Michigan (South St.)	Grand Trunk Western Railroad Company	Renewal of parking area 1/1/74	480.00 per year
Omaha, Nebraska Union Pacific R.R. Freifhrhouse	Union Pacific Railroad Company	Amended 7/1/74	1483.50
Las Vegas, Nevada Union Pacific R.R. R/W	Union Pacific Land Resources Corporation	Renewal 7/1/74	560.00
Cincinnati, Ohio Express Building (McLean Avenue)	Cincinnati Union Terminal Company	Effective 1/1/74	7913.83
Nashville, Tennessee L&N R/W (11th Ave. So.)	Louisville and Nashville Railroad Company	Renewal (trailer parking) 4/9/74	150.00
Nashville, Tennessee L&N R/W (Demonbruen St. & Kayne Ave.)	Louisville and Nashville Railroad Company	Renewal (truck parking) 4/9/74	55.00

VERIFICATION

To verify the foregoing report, both the Oath and the Supplemental Oath must be executed by one of the respective parties designated below. Alteration of the Verification, in any manner, is not permitted.

OATH

(To be made only by the sole proprietor, partner, or officer, as may be applicable to the respondent)

STATE OF New York

COUNTY OF New York

A. E. Larsen

(Insert here the name of the affiant)

— makes oath and says that he

Controller

(Insert here the title of the affiant)

of REA Express, 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 knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period

of time from and including the 1st day of Jan., 1974, to and including, the 31st day of Dec., 1974

A. E. Larsen

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public

county above named, this 12th day of August, 1976

My commission expires

HENRY FULLE
NOTARY PUBLIC, State of New York
Qualified in Putnam County
Commission Expires March 30, 1978

(Signature of officer authorized to administer oaths)

USE AN L. S.
IMPRESSION
SEAL

SUPPLEMENTAL OATH

(To be made only by the sole proprietor, partner, president, or other chief officer, as may be applicable to the respondent)

STATE OF

COUNTY OF

(Insert here the name of the affiant)

— makes oath and says that he is

(Insert here the official title of the affiant)

of

(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its

property during the period of time from and including the day of , 19 , to and including the

day of , 19

(Signature of affiant)

Subscribed and sworn to before me, a , in and for the State and

county above named, this day of , 19

USE AN L. S.
IMPRESSION
SEAL

My commission expires

(Signature of officer authorized to administer oaths)

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