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ANNUAL REPORT 1976 CLASS 1 of 2

REA EXPRESS, INC. (BANKRUPT)

002700

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INTERSTATE
COMMERCE COMMISSION
RECEIVED

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ADMINISTRATIVE SERVICES
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ANNUAL REPORT

OF

REA EXPRESS, INC. (BANKRUPT)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1976

ANNUAL REPORT

OF

REA EXPRESS, INC. (BANKRUPT)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1976

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

(Name) A. E. LARSEN (Title) Controller

(Office address) 141 East 44th Street, New York, N. Y. 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. (Bankrupt)

doing business as

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)

557-8809

(Telephone Number)

Telephone Number

(Area Code)

141 East 44th Street

New York

New York 10017

(City

(State and ZIP Code)

3. Address of office where accounting records are maintained:

141 East 44th Street

New York

New York 10017

(Number)

(Street)

(City)

(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 Delaware

December 7, 1928

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

Name _____

Address

Term expires

Number of voting
shares of carrier
actually or bene-
ficially owned

NONE

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

Name _____

Title

Number of voting
shares of carrier
actually or bene-
ficially owned

NONE

SCHEDULE 10—ORGANIZATION—Continued

7. Voting power, elections and stockholders:

A. Total voting securities outstanding:

2,416,268 shares 2,416,268 votes
 (1) Common 0 shares 0 votes
 (2) Preferred 0 shares 0 votes
 (3) Other securities

B. Does any class of securities carry any special privileges in any elections or in the control of corporate action? NO If so, describe each such class or issue, showing the character and extent of such privileges.

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
 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 3
 (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)	1976 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	150 East 42nd St.	2,395,508	All		
2		New York, N.Y. 10017				
3						
4	Florida East Coast	1 Malaga Street	12,456	All		
5	Railway Company	St. Augustine, Fla.				
6		32084				
7						
8	Chicago Great Western	400 West Madison St.	8,304	All		
9	Railway Company	Chicago, Ill. 60607				
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 November 6, 1975
 B. Authority for trusteeship Bankruptcy, U.S. District Court SDNY
 C. Name of trustee C. Orvis Sowerwine
 D. Name of beneficiary or beneficiaries Creditors of REA Express, Inc.
 E. Purpose of trust Liquidation of the Bankrupt Estate

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, 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).

Inc. 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	(A) Rexco Supply Corporation	Distributor of Automotive parts and Supplies	Indirect	100%	REXCO, Inc. owns 100% of the stock of Rexco Supply Corp.
2					
3					
4					
5	Fast Service Shipping Terminals Inc.	Freight Consolidator	Indirect	100%	REXCO, Inc. Owns 100% of the Stock of Fast Service Shipping Terminals.
6					
7					
8					
9	(A) Adjudicated Bankrupt 11/6/75,	Bankruptcy No. 75B254			
0					

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

- Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
- 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 name of companies controlling those listed in column (a).

Inc. 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	(B) The Express Company, Inc.	International Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation
2					
3					
4					
5	Rexair Freight, Inc.	Domestic Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation
6					
7					
8					
9	(B) Adjudicated Bankrupt 11/6/75,	Bankruptcy No. 75B252			
10					

ICC Auth No.

Year 1976

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% of voting stock ownership
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14	Note: REA Holding Corporation adjudicated bankrupt 11/6/75. Bankruptcy No. 75 B 251		99.14% ownership of all outstanding stock of respondent	
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.

For instructions concerning 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.

Schedule 70. COMPARATIVE STATEMENT OF FINANCIAL POSITION

Line	Schedule No.	Title	Balance at close of year (b)	Balance at beginning of year (c)
------	--------------	-------	------------------------------	----------------------------------

1	(111)	Cash*	\$ 2,376,465	\$ 1,977,705
2	(112)	Temporary Investments	5,051,167	1,509,382
3	(113)	Notes Receivable	26,025	30,451
4	(114)	Accounts Receivable	4,207,189	6,154,486
5		Less: Allowance for Uncollectible Receivables (Account 115)	2,169,382	2,133,664
6		Net Receivables	2,037,807	4,020,822
7	(116)	Material and Supplies (Account 116)	-	-
8	(117)	Prepayments	4,334	542,684
9	(118)	Affiliate Receivables	1,678,175	1,514,479
10	(119)	Other Current Assets	-	-
11	(119-5)	Deferred Income Tax Charges**	-	-
12		Total Current Assets	11,173,973	9,595,523
13	(121)	Operating Property	6,007,425	34,180,984
14	(122)	Less: Accumulated Depreciation on Operating Property	1,458,301	21,085,951
15		Net Operating Property	4,549,124	13,095,033
16	(123)	Nonoperating Property	-	1,977,160
17	(124)	Less: Accumulated Depreciation on Nonoperating Property	-	359,115
18		Net Nonoperating Property	-	1,618,045
19		Total Tangible Property	4,549,124	14,713,078
20	(131)	Affiliate Investments	-	-
21	(131A)	Undistributed Earnings from certain Investments in affiliated companies	-	-
22	(132)	Other Investments	361,566	385,200
23		Total Investments and Advances	361,566	385,200
24	(141)	Intangible Property	-	-
25	(142)	Less: Accumulated Amortization on Intangible Property	-	-
26		Net Intangible Property	-	-
27	(143)	Deferred Charges	48,441	1,012
28	(144)	Special Funds	1,933,782	3,863,452
29		Accumulated Deferred Income Tax Charges (Account 145)**	-	-
30		Total Other Assets	1,982,223	3,864,464
31		Total Assets	18,066,886	28,558,265

* For consolidating balances not legally restricted, see Schedule 110.

** The totals of accounts 119-5, 145, 219-5 and 243 must correspond to the total of Federal income and other taxes deferred reported in Schedule 119-5.

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 year (c)
Current Liabilities				
41	(211)	Current Long-Term Debt	\$ -	\$ -
42		Dividends Declared(Account 212)	-	-
43	(213)	Notes Payable	-	-
44	(214)	Accounts Payable	110,743	688,468
45	(215)	Income Taxes Accrued	-	-
46	(216)	Other Taxes Accrued and Withheld	28,351	154,747
47	(217)	Accrued Expenses	303,650	313,292
48	(218)	Affiliate Payables	295,442	-
49	(219)	Other Current Liabilities	48,274	224,293
50		Deferred Income Tax Credits(Account 219-5)**	-	-
51		Total Current Liabilities	(A) 786,460	1,380,800
Long-Term Obligations				
52	(220)	Equipment Obligations(Account 221)	-	-
53	(220)	Bonds(Account 222)	-	-
54	(220)	Other Long-Term Obligations(Account 223)	-	-
55		Total Long-Term Obligations	-	-
Advances Payable				
56	(231)	Affiliate Advances Payable	-	-
57	(232)	Other Advances Payable	-	-
58		Total Advances Payable	-	-
Other Liabilities				
59	(241)	Accumulated Provision For Self-Insurance	-	-
60	(242)	Deferred Credits	214,890	500,000
61		Accumulated Deferred Income Tax Credits (243)**	-	-
62		Total Other Liabilities	(A) 214,890	500,000
		Deferred Liabilities-Prior to Chapter XI	(B) 40,903,225	42,798,759
		Deferred Liabilities-Chapter XI Period	(B) 19,945,091	21,941,175
Shareholders' Equity				
63	(251)	Preferred Stock	-	-
64	(252)	Common Stock	2,530,450	2,530,450
65		Capital Stock Subscribed(Account 253)	-	-
66	(254)	Capital Surplus	-	-
67	(102A)	Retained Income-Appropriated	-	-
68	(102B)	Retained Income-Unappropriated	(73,405,424)	(67,85,113)
69		Adjustment for Rail Notes	27,206,376	27,206,376
69		Less: Treasury stock (Account 256)	114,182	(114,182)
70		Total Shareholders' Equity	(43,782,780)	(38,062,469)
71		Total Liabilities and Equity	18,066,886	28,558,265

Notes: (A) Liabilities of Trustee in Bankruptcy at December 31, 1976.
 (B) Schedule Page 7B.

*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.

In 1975, the I.C.C. concluded that the notes had been validly approved by the Commission. After a petition for reconsideration was denied, a three Judge District Court, also sitting by special designation as a Second Circuit court of Appeals affirmed the Commission on November 18, 1976.

The U.S. Supreme Court on June 13, 1977 refused to hear an appeal and affirmed prior decisions that the debt was legally incurred and valid.

At February 18, 1975, when REA began operations as a Debtor in Possession, retained earnings (deficit) and current liabilities excluded \$5,287,427 of such interest.

Deferred Liabilities - December 31, 1976

Deferred Liabilities - Prior to Chapter XI (February 18, 1975)

<u>Account No.</u>	<u>Title of Account</u>	<u>Amount</u>
214	Accounts Payable	\$14,765,581
216	Other Taxes Accrued and Withheld	5,159,351
217	Accrued Expenses	14,050,986
218	Affiliate Payables	1,292,883
219	Other Current Liabilities	61,994
231	Affiliate Advances Payable	840,000
232	Other Advances Payable	27,911,457
241	Accumulated Provision for Self-Insurance	25,000
242	Deferred Credits	4,002,349
		<u>68,109,601</u>
232	Less: Notes Held by Railroads (Page 7A)	<u>27,206,376</u>
	Total Deferred Liabilities-Prior to Chapter XI (2/18/75) (Page 7)	<u>\$40,903,225</u>

Deferred Liabilities - Chapter XI Period (February 18, 1975 - November 6, 1975)

<u>Account No.</u>	<u>Title of Account</u>	<u>Amount</u>
211	Current Long - Term Debt	\$ 333,529
213	Notes Payable	45,807
214	Accounts Payable	9,336,718
216	Other Taxes Accrued and Withheld	4,190,406
217	Accrued Expenses	4,706,344
218	Affiliate Payables	410,751
219	Other Current Liabilities	65,039
220	Equipment Obligations	706,261
241	Accumulated Provision for Self-Insurance	20,697
242	Deferred Credits	<u>129,339</u>
	Total Deferred Liabilities - Chapter XI Period (2/18/75-11/6/75) (Page 7)	<u>\$19,945,091</u>

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	\$14,025,856
2	(500)	Operating Expenses	16,513,384
3		Net Carrier Operating Income	(2,487,528)
Other Income			
4	(610)	Noncarrier Income	22,879
	(620)	Interest and	213,178
5	(630)	Dividends(from investments under cost)	
6	(640)	Other Income	33,107
7		Dividend Income(from investments under equity) \$	XXXXXXXXXX
8		Equity in Undistributed Earnings(losses)	XXXXXXXXXX
9		Equity in Earnings(losses of affiliated companies-lines 7 + 8)	
10		Total Other Income	269,164
11		Total Income	(2,218,364)
Other Deductions From Income			
12	(710)	Interest Expense	(76,941)
13	(720)	Debt Expense and Credit	
14	(730)	Other Expenses	4,046,920
15		Total Other Deductions	3,969,979
16		Ordinary Income before Income Taxes	(6,188,343)
17	(810)	Income Taxes on Ordinary Income \$	XXXXXXXXXX
18		Provision For Deferred Taxes(Account 820)	XXXXXXXXXX
19		Total Income Tax Deductions(lines 17 + 18)	
20		Ordinary Income	(6,188,343)
EXTRAORDINARY AND PRIOR PERIOD ITEMS			
21		Extraordinary Items(net)(Account 910)	468,032
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	468,032
26		Net Income (or loss)	(5,720,311)
27		Operating Ratio(line 2 ÷ 1)(one decimal)	117.7 %
28		Ordinary income before income taxes ratio(line 16 ÷ line 1)(one decimal)	(44.1) %

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)		\$
2			
3			
4			
5			
6			
Total			

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):	
5		Amount of assigned income tax consequences	
6			
7			
8			
9			
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.-UNAPPROPRIATED

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.

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.
			\$ (67,685,113)	\$ XXXXXXXXXXXX	1
			XXXXXXXXXXXX		2
					3
					4
					5
					6
					7
					8
Total Credits			(67,685,113)		9
			5,720,311		10
	Cash	Stock	XXXXXXXXXXXX	XXXXXXXXXXXX	11
	\$	\$	XXXXXXXXXXXX	XXXXXXXXXXXX	12
			XXXXXXXXXXXX	XXXXXXXXXXXX	13
Total			-0-	XXXXXXXXXXXX	14
				XXXXXXXXXXXX	15
				XXXXXXXXXXXX	16
				XXXXXXXXXXXX	17
Total(255-07)			-0-	XXXXXXXXXXXX	18
					19
					20
					21
					22
Total(255-08)			-0-		23
Total Debits			5,720,311		24
Net Increase(decrease)during year			(5,720,311)		25
			(73,405,424)	XXXXXXXXXXXX	26
			XXXXXXXXXXXX		27
Balance from line 27(c)			-0-	XXXXXXXXXXXX	28
(losses) of affiliated companies					
at end of year(lines 26 and 28)			(73,405,424)	XXXXXXXXXXXX	29

SCHEDULE 100—STATEMENT OF CHANGES IN FINANCIAL POSITION (See Note below)

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 charges (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).....	
41.		
42.		
43.		
44.	Total application of funds (should be same as line 26).....	

Note: Summary not completed as Company filed petition February 18, 1975 to operate as Debtor in Possession and subsequently was adjudicated bankrupt on November 6, 1975.

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	1,962,489	XXXXXXXX
Investment Tax Credit from current year operations reported to the Internal Revenue Service	XXXXXXXX	\$
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)	Recapture 564,900	
Ending Balance in Deferred Investment Tax Credit	1,397,589	XXXXXXXX
Total Investment Tax Credit applied to current year tax accrual	XXXXXXXX	

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-

SCHEDULE 104.—NOTES TO FINANCIAL STATEMENTS—Continued

3. Pension Costs: See Footnote*

(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 _____

(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 _____ No _____

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

(ii) If funding is by trust agreement, list trustee(s) _____

Date of trust agreement or latest amendment _____

If respondent is affiliated in any way with the trustee(s), explain 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 _____

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 _____ If yes, who determines how stock is voted? _____

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

☐ Sole Proprietorship or Partnership?

☒ 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, 1976 \$ 52,606,316

6. Explain any stock purchase options granted to officers and employees

None

7. Explain any cures for net income or retained income restricted under provisions of mortgages and other arrangements

None

*The U.S. District Court for the Southern District of New York issued a court order terminating the Supplemental Retirement Plan on November 6, 1975. The Pension Benefit Guaranty Corp. was subsequently appointed trustee of the Plan.

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				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				

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				
5				
6				
7				
8				

Schedule III.-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".

Line No.	Account No.	Purpose of deposit (a)	Balance at close of year (b)
	(00 to		
1	(81) Cash and Working Funds	Total	1,840,515
	(91) Special Deposits of Interests:		
2			
3			
4		Total	-0-
5	(92) Special Deposits of Dividends:		
6			
7			
8		Total	-0-
9	(93) Miscellaneous Special Deposits:		
	Compensating balances legally restricted:		
10			
11			
12		Total	-0-
13	Other: See Page 17A attached		
15			
16			
17		Total	535,950
18	(94) Cash in Transit	Total	-0-
19		Grand Total	2,376,465

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"

Line No.	Account No.	Name of company or individual (a)	Description of security held (b)	Balance at Close of Year		
				Plugged (c)	Unpledge (d)	Total (e)
1		Irving Trust Company	C/D 4.375% 1/10/77	\$ 491,635	\$	\$ 491,635
2			C/D 4.50 % 1/10/77		4,300,000	4,300,000
3			C/D 4.30 % 1/10/77		250,000	250,000
4						
5		U.S. Government	U.S. Treasury/2/18/80		9,532	9,532
6			4%			
7						
8						
9						
0						
1						
2						
3						
4						
5						
6						
7						
			Total	491,635	4,559,532	5,051,167

NOTES AND REMARKS		
Account No.	Purpose of Deposit (a)	Balance at Close of Year (b)
	Schedule 111 Cash	
(93)	Miscellaneous Special Deposits:	
	Blue Cross - Blue Shield	\$103,437
	Protective Insurance Co.	100,000
	Irving Trust Co.	100,000
	Commercial Union Insurance Company (Performance Bonds)	96,755
	Mid-Continent Bank	75,000
	New York Telephone Company	26,815
	Commonwealth Edison Company	16,547
	Xerox Corporation	5,000
	Minor items each less than \$10,000	<u>12,396</u>
	Total - Page 17, Line 17	\$535,950

Schedule 113.-NOTES RECEIVABLE

18

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)	State whether secured or unsecured (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (percent) (e)	Balance at close of year (f)
		(01) Customers:					\$
1		Sanford J. Heilner, Inc.	unsecured	6/4/75	1/23/77	9%	15,932
2							
3							
4							
5							
6							
7							
8		Total	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXX		15,932
9		(02) Employees:					
10		Minor items each less					
11		than \$10,000	unsecured	Various			1,827
12							
13							
14							
15							
16		Total	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXX		1,827
17		(03) Others:					
18		Minor items each less					
19		than \$10,000	unsecured	Various			8,266
20							
21							
22							
23							
24		Total	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXX		8,266
25		Grand Total	XXXXXXXXXXXXXXXXXXXX	XXXXXXXXXXXX	XXXXXX		26,025

Schedule 114.-ACCOUNTS RECEIVABLE

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

Line No.	Account No.	Subaccount (a)	Balance at close of year (b)
			\$
		Customers and Interline:	
1		(01 and 10) Customers	1,703,443
2		(02, 11 and 17) Interline	-
3		Total	1,703,443
		Agents, Employees and Others:	
4		(03, 12 and 18) Agents	-
5		(04) Employees	-
6		(05 to 09 and 20) Others	2,474,068
7			
8		(114-19) Advances to employees	1,580
9		(114-21) Employees travel advances	28,098
10			
11			
12			
13			
14			
15			
16		Total	2,503,746
17		Grand Total	4,207,189

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		\$ -
2	(02) Insurance		1,140
3	(03) Interest		-
4	(04) Rents		3,194
5	(05) Miscellaneous		-
7			
8		Total	4,334

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						
6						
7						
8						
					Total	-0-
	(02) Accounts Receivable:					
9	(118-02) REA of Canada					11,404
10	(118-02) REXCO Inc. (\$1,636); REA Seven Arts (\$338)					1,974
11	(118-04) REXCO Division - offset in affiliate payables (218-04)					152,838
12	(118-05) The Express Company, Inc.				Page 34	1,402,029
13	(118-06) REXCO Supply Corporation					217
14	(118-07) Fast Service Shipping Terminals, Inc.					200
15	(118-08) REA Holding Corporation					109,513
16					Total	1,678,175
	(03 and 04) Interest and Dividends Receivable:					
17						
18						
19						
20						
21						
22						
23						
24					Total	-0-
25					Grand Total	1,678,175

Schedule 121.-OPERATING PROPERTY

Line No.	Account No.	Description of property (Subcontract) (a)	Balance at beginning of year (b)	Additions and betterments during year (c)	Book cost of property retired (schedule 121-A) (d)	Adjustments During Year		Balance at close of year (g)
						Contra Account No. (e)	Amount (f)	
1		(01) Land and Landrights	2,060,568	\$	\$ 1,411,953	\$	\$ 108,593	\$ 757,208
2		(02) Structures on Land Owned	3,946,602		2,090,160		211,906	2,068,348
3		(03) Revenue Equipment	13,038,730		13,093,886		55,156	-
4		(04) Service Cars and Equipment	20,100		20,100			-
5		(05) Shop and Garage Equipment	674,338		674,338			-
6		(06) Furniture & Office Equipment	2,523,576		2,513,576		3,779	13,779
7		(07) Miscellaneous Equipment	5,103,407		5,103,407			-
8		(08) Leasehold Improvements	2,325,320		2,325,190		(130)	-
9		(09) Unfinished Construction			XXXXXXXXXX			
10		(10) Structures on Land Not Owned	4,488,343		1,320,253			3,168,090
11		(11) Unfin. Constr. Land Not Owned			XXXXXXXXXX			
12		(12) Unfin. Constr. Leasehd. Improv.			XXXXXXXXXX			
13		Total	34,180,984		28,552,863	XXXXXXXXXX	379,304	6,007,425

Schedule 121-A.-OPERATING PROPERTY RETIRED DURING YEAR

Line No.	Account No.	Description of property (Subcontract) (a)	Book cost of property retired (b)	Depreciation accrued (c)	Amortization accrued (d)	Insurance recovered (e)	Salvage, trade-in, or other amount received, less cost of removal (f)	Gain or loss on disposition (Account 260)		Other Items (Dr. or Cr.)	
								Debit Loss (g)	Credit Gain (h)	Account No. (i)	Amount (j)
1		(01) Land and Landrights	\$ 1,411,953	XXXXXXXXXX		XXXXXXX		XXXXXXXXXX	XXXXXXXXXX		
2		(02) Structures on Owned	2,090,160	576,866				1,161,710			
3		(03) Revenue Equipment	13,093,886	10,332,839				622,971			
4		(04) Service Cars & Equip.	20,100	3,828				15,858			
5		(05) Shop & Garage Equip.	674,338	548,364					344,279		
6		(06) Furniture & Office	2,513,576	2,300,807					200,279		
7		(07) Miscellaneous Equip.	5,103,407	3,498,283				350,562			
8		(08) Leasehold Improvement	2,325,190	2,008,757				312,572			
9		(10) Structures on Unowned	1,320,253	435,066				871,685			
10											
11		Total	28,552,863	19,704,810				3,335,358	544,558	XXXXXXXXXX	

NOTES AND REMARKS

Schedule 121-B. REVENUE EQUIPMENT OWNED AND LEASED

The total number of units reported in columns (1), (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 (1) and the number reported in

Line No.	Description (a)	Number of units On Hand At Beginning of Year		CHANGES DURING YEAR				
				Owned Acquired		Leased		Retired
		Owned	Leased	Number of units	Cost	Number of units	Annual lease rental	Number of units
		(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	1,702						1,702
9	Truck tractors	177						177
	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	178						178
27	Other revenue equipment							
28								
29								
30								
31	Total Other Revenue equipment							
32	Grand Total	2,057						2,057

Note - Assets auctioned during the period February 2, 1976 through March 26, 1976 inclusive

Schedule 122.-ACCUMULATED DEPRECIATION ON OPERATING PROPERTY

Account No.	Description of property	Balance at beginning of year	CREDITS	DEBITS	OTHER ITEMS, Dr. or Cr.		Balance at close of year
			Charges to depreciation expense	Depreciation accrued on property (Sch. 122-A)	Contra Account No.	Amount	
	(a)	(b)	(c) *	(d)	(e)	(f)	(g)
(02) Structures on Land Owned		\$ 1,135,257	-	576,866		\$ (23,910)	\$ 534,481
(03) Revenue Equipment		10,305,580	-	10,332,839		27,259	-
(04) Service Cars and Equipment		3,828	-	3,828			-
(05) Shop and Garage Equipment		548,364	-	548,364			-
(06) Furniture and Office Equipment		2,309,960	-	2,300,807		2,887	12,040
(07) Miscellaneous Equipment		3,498,283	-	3,498,283			-
(08) Leasehold Improvements		2,008,757	-	2,008,757			-
(09) Structures on Land Not Owned		1,275,922	-	435,066		70,924	911,780
Total		21,085,951	-	19,704,810		77,160	1,458,301

Note * - Utilization discontinued prior to date of auction sales (i.e. 2/2/76 - 3/26/76)

Schedule 119.-OTHER CURRENT ASSETS

25

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		Total	-0-
18		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			\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
		TOTAL	-0-

Schedule 124.-ACCUMULATED DEPRECIATION ON NONOPERATING PROPERTY

Line No.	Description (a)	Balance at beginning of year (b)	Additions during Year (c)	Retirements during year (d)	OTHER ITEMS, Dr. or Cr.		Balance at close of year (g)
					Contra Account No. (e)	Amount (f)	
1	Structures on land owned and not owned	\$ 359,115	\$	\$ 359,115		\$	\$ -0-

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	NONE		\$	\$	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
	Total	XXXXXX	XXXXXXXXXXXX	-0-		

*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	NONE		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	Totals		
19	Noncarriers: (Show totals only for each column)		
20	Grand Totals	-0-	

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)	
		\$	\$	\$	\$		\$	1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
			-0-	-0-	-0-			

Schedule 131A.-CONTINUED

of the Uniform System of Accounts.

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

Enter in column (e) the amortization for the year of the excess of cost over equity in net assets(equity over cost)at date of acquisition. See instruction 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.
\$	\$	\$	\$	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
			-0-	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 stocks 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		\$	\$	\$	\$
2	Oil Association	A	25	40		
3	Terminal Property Notes	D		320,042		
4	" "	D		61,118		
5	Pinnacle Club	E	1,000	4,000		
6						
7						
8						
9						
10						
11						
12	Total			385,200		

*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 stocks or bonds	Balance at beginning of year
	(a)	(b)	(c)	(d)
1	Collateral Held by NYC Sheriff's Ofc. (Litigation)	Order of Attachment- Lien on REA Property	\$	\$
2	Collateral for Commercial Union Ins. Co. Appeal Bond	Certificate of Deposit		32,518
3	Collateral with Peerless Ins. to Reimburse US Customs for claims against Company	Custom Bonds		13,133
4	Cash deposits for potential claims arising from traffic dated prior to 2/18/75			35,000
5	Subsequent to 2/18/75			2,220,363
6	Minor items each less than \$10,000			1,550,000
7				12,438
8				
9				
10				
11				
12				
13				
14				
15				
16		Total		3,863,492

*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 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)	
\$		\$	\$	\$	\$		\$	1
		(40)			-0-			2
		(14,478)		305,564	305,564	6.8%	10,142*	3
		(9,116)		52,002	52,002	6.8%	1,719*	4
				4,000	4,000			5
								6
								7
								8
								9
								10
		(23,634)		361,566	361,566		11,861	11
								12

*Interest accrued to 6/30/76. Source of income was REA rents.

Premises vacated no later than 6/30/76.

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			
(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$	\$	\$	\$	\$	\$		\$	1
	181				32,337			2
								3
	13,133							4
								5
								6
			35,000		35,000			7
								8
	571,638				1,648,725			9
	1,339,206				210,794			10
								11
								12
2,008	7,520				6,926	Various	356	13
								14
								15
2,008	1,931,678		35,000		1,933,782		356	16

Schedule 141.-INTANGIBLE PROPERTY

Show the requested information for each of the accounts.

32

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					-0-
4	(03) Patents		-0-				XXXXXXXXXX
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 DEBS. DR. OR CR. Contra Account No. (e)	Amount (f)	Balance at close of year (g)
1	(01) Organization		-0-					-0-
2	(02) Franchises		-0-					-0-
3	(03) Patents		-0-					-0-
4	(04) Other		-0-					-0-
	Total		-0-			XXXXXX		-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			XXXXXXXXXX	XXXXXXXXXX	-0-			-0-
5	143-03 Capital Stock Discount:								
6									
7									
8	Total					-0-			-0-
9	143-04 Capital Stock Commissions:								
10									
11	Total					-0-			-0-
12	Charges due from IATA Carriers					-0-	42,116	-0-	42,116
13	143-02 Other Deferred Debits:					1,012	1246,205	1240,892	6,325
14	Minor items less than \$10,000					1,012	1246,321	1240,892	48,441
15	Total								
16	143-05 Interest:								
17									
18	TOTAL					-0-			-0-
	GRAND TOTAL					1,012	1288,381	1240,892	48,441

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".

	Name of holder (a)	Purpose of issue (b)	DATE OF--		Rate of interest (percent) (e)	Balance at close of year (f)
			Issue (c)	Maturity (d)		
1	(01) Demand Notes Payable					\$
2	NONE					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
					Total	- 0 -
19	(02) Fixed Term Notes Payable:					\$
20	NONE					
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
					TOTAL	- 0 -
					GRAND TOTAL	- 0 -

Schedule 214.-ACCOUNTS PAYABLE

-34

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

Line	Subaccount (a)	Close of Year Balance (b)
1	(01) Vendors:	75,622
2	(02) Interlines:	-0-
3	(03) Employees:	-0-
4	(04) Unremitted Paid Beyonds:	-0-
5	(05) Others:	35,121
6	(06) Accrued Interlines:	-0-
7	(07) Garnishments:	-0-
8	TOTAL	110,743

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	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					
11	(02) Accounts Payable:				
12	(218-04) REA Express (Rexco Div)-offset in affil.receive(118-04)				152,838
13	(218-05) The Express Company, Inc.				34,240
14	(218-06) Rexco Supply Corporation				58,140
15	(218-07) East Service Shipping Terminals, Inc.				50,224
16					
17					
18					
19					
20				Total	295,442
21	(03) Interest Payable:				
22					
23					
24					
25					
26					
27					
28				Total	-0-
29	(04) Dividends Payable:				
30					
31					
32					
33					
34					
35					
36				TOTAL	-0-
37				TOTAL	295,442

Schedule 215.-INCOME TAXES ACCRUED

35

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:	\$ -0-
2	(02) Personal Property:	-0-
3	(03) and (04) Railroad Retirement and Unemployment:	20,344
4	(06 to (08) Federal, State and City Withholding:	8,007
5	(05) and (10) Other(describe):	-0-
6		
7		
8		
10	TOTAL	28,351

Schedule 217.-ACCRUED EXPENSES

Line No.	Description (a)	Balance at close of year (b)
1	(01) Wages Payable:	\$ 21,184
2	(02) Interest:	-0-
3	(03) Rents:	-0-
4	(04) Insurance:	120,773
5	(08) to (11) Vacation:	-0-
6	(07)(12) and (13) Others(describe):	20,383
7	(12) Group Insurance Withholdings	141,310
8	(23) Line Haul	303,650
9	Total	

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	(02) Savings Bond Deductions	\$ 88
2	(03) Unremitted C.O.D.'s	43,423
3	(05) Union Dues Deductions	4,763
4		
5		
6		
7		
8	Total	48,274

55

36

36

36

36

36

36

Schedule 211.-CURRENT LONG-TERM DEBT-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	Required Securities		Nominally Insured Securities	Unmatured Obligations Actually Outstanding	
								Face value held by reporting carrier (see 2341)	Face value held by other carriers (see 2342)		In sinking or other special funds	In hands of third parties
(a)	(b)	(c)	(d)	(e)	(f)	(g)	Hedged (h)	Unpledged (i)	(j)	(k)	Due within 1 year (account (l) 211)	Due after 1 year (acct. 22 (m) 22)
25	NONE		\$			\$	\$	\$	\$	\$	\$	\$
26												
27												
28												
29												
30												
31												
32												
33												
34	Totals	x x x x	x x x x		x x x x x	x x x x					0	0

D.-OTHER LONG-TERM OBLIGATIONS

												acct.211	acct.22
35													
36	NONE												
37													
38													
39													
40													
41													
42													
43													
44													
45													
46													
47													
48													
49													
50													
51													
52													
53	Totals	xxxxxx	xxxxxxxx		xxxxxxxx	xxxxxx						-0-	-0-
54	Grand Totals	xxxxxx	xxxxxxxx		xxxxxxxx	xxxxxx						-0-	-0-

Schedule 231.-AFFILIATE ADVANCES PAYABLE

38

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:			\$	\$ -0-
1						
2						
3						
4						
5						
6						
		(02) Accounts Payable:				-0-
7						
8						
9						
10						
11						
12						
13						
		(03) Interest Payable:				-0-
14						
15						
16						
17						
18						
19						
20						
21						
Total						-0-

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:				\$	\$ -0-
1						
2						
3						
4						
5						
6						
	(02) Other Accounts Payable:					-0-
7						
8						
9						
10						
11						
12						
13						
	(03) Other Interest Payable:					-0-
14						
15						
16						
17						
18						
19						
20						
21						
Total					-0-	-0-

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	xxxxxxx	-0-
8	(02)	Public Liability;			
9					
10					
11					
12					
13					
14			Total	xxxxxxx	-0-
15	(03)	Workmen's Compensation;			
16					
17					
18					
19			Total	xxxxxxx	-0-
20					
21	(04) Surface Cargo Loss and (05) Air Cargo Loss		Surface	Air Cargo	Total
22	Balance at beginning of year		\$ 1,828,350	\$ 195,505	\$ 2,023,855
23	Credits during the year:				
24	(a) Through accruals charged to secondary account 12, Insurance		-	-	-
25	(b) Through reimbursement received from other carriers, insurance companies and salvage recovered		-	-	-
26	(c) Other credits		175,073	211,656	386,729
27	Total Credits		175,073	211,656	386,729
28	Debits during the year:				
29	(a) Amounts payable to shippers, other carriers and insurance companies in settlement of claims		1,116,741	389,150	1,505,891
30	(b) Other Debits		840,985	18,011	858,996
31	Total Debits		1,957,726	407,161	2,364,887
32	Balance at end of year		45,697	-0-	45,697
33	(06) Other:				-0-
34	For balance sheet presentation above balances included in Deferred Liabilities, Page 7B:				
35	Cargo claims reserve for traffic prior to 2/18/75				(25,000)
36	Cargo claims reserve for traffic subsequent to 2/18/75 (Chapter XI)				(20,697)
37	Total				(45,697)
38	Grand Total (lines 7, 14, 20, 29 and 36)		xxxxxxxxx	xxxxxxxxx	-0-

Schedule 231.-AFFILIATE ADVANCES PAYABLE

38

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:			\$	\$ -0-
1						
2						
3						
4						
5						
6						
	(02)	Accounts Payable:				-0-
7						
8						
9						
10						
11						
12						
13						
	(03)	Interest Payable:				-0-
14						
15						
16						
17						
18						
19						
20						
21						
Total						-0-

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:				\$	\$ -0-
1						
2						
3						
4						
5						
6						
	(02) Other Accounts Payable:					-0-
7						
8						
9						
10						
11						
12						
13						
	(03) Other Interest Payable:					-0-
14						
15						
16						
17						
18						
19						
20						
21						
Totals					-0-	-0-

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	\$ 144,320
39	(b) Accruals for claims (see line 22)	-
40	(c) Claims charged directly to secondary account 12	-
41	(d) Other (describe)	-
42		
43		
44	Total	144,320
45	Total amount representing unsettled claims on the last day of the reporting period *	3,522,782

Explain basis for determining the amount accrued: No accrual this year.

Past experience based upon 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.

*Represents total approved Loss and Damage Claims unpaid at close of period and included in Accounts Payable (Account 214), Deferred Liabilities, Page 7B in the following amounts:

Prior to Chapter XI (2/18/75)	\$2,312,309
Chapter XI Period (2/18/75 - 11/6/75)	<u>1,210,473</u>
	<u>\$3,522,782</u>

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	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	-0-		x x x	x x x	-0-			-0-
12	Other deferred credits:								
13	Accruals for Penn Central Rents								47,134
14	Reserve for Termination Expenses								165,509
15	Minor items each less than \$10,000								2,247
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									
27									
28									
29									
							Total		214,890
							Grand Total		214,890

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	\$ 144,320
39	(b) Accruals for claims (see line 22)	-
40	(c) Claims charged directly to secondary account 12	-
41	(d) Other (describe)	-
42		
43		
44	Total	144,320
45	Total amount representing unsettled claims on the last day of the reporting period *	3,522,782

Explain basis for determining the amount accrued: No accrual this year.

Past experience based upon 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.

*Represents total approved Loss and Damage Claims unpaid at close of period and included in Accounts Payable (Account 214), Deferred Liabilities, Page 7B in the following amounts:

Prior to Chapter XI (2/18/75)	\$2,312,309
Chapter XI Period (2/18/75 - 11/6/75)	<u>1,210,473</u>
	<u>\$3,522,782</u>

Schedule 251.-PREFERRED STOCK
Schedule 252.-COMMON STOCK

If the designation of any class of stock shown in column (a) is not sufficiently descriptive to state clearly its dividend rights and equity in the assets of the respondent, a complete statement of the facts should be given.

For "Common" stock, state in column (a) whether par or nonpar, and if nonpar indicate either with or without stated value.

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 "Debenture" 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.

Title and description of issue	Number of shares authorized by charter or bylaws	Par or stated value of each share of stock issued*	Amount in capital stock accounts at close of year	CAPITAL STOCK ACQUIRED AT CLOSE OF YEAR				Actually NOMINALLY ISSUED STOCK: AT CLOSE OF YEAR		CAPITAL STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR			
				Pledged		Unpledged		Number of shares (i)	Amount (j)	In sinking or other funds		Other outstanding stock	
				Number of shares (c)	Amount (f)	Number of shares (g)	Amount (h)			Number of shares (k)	Amount (m)	Number of shares (n)	Amount (o)
(a)	(b)	(e)	(d)										
Common Stock - Par	2,576,000	\$ 1.00	\$ 2,530,450			114,182	\$ 114,182	2530450	2530450				
										Total outstanding stock			
										As of December 31, 1976			
										was 2,416,268			
										Total Issued (Outstanding			
										and Treasury Shares)			
										As of December 31, 1976			
										was 2,530,450			
TOTAL			2,530,450	X X X		X X X X	114,182	X X X X		X X X X		X X X X	

For blank cells without stated value, show the number of shares.

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

[illegible]

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

[illegible]

* For par or stated value capital stock show total amount reflected in accounts 251 & 252 for the shares. For nonpar stock without stated value show prorata share of the total amount reflected in 251 - 252 for all such stock.

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:	\$
1	Balance at beginning of year	-0-
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:	
14	Balance at beginning of year	-0-
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)
1	(310) Domestic Express	XXXXXXXXXX	14,030,954
2	(311) Surface	14,038,020	XXXXXXXXXX
3	(312) Air	(7,866)	XXXXXXXXXX
4	(320) Foreign Express	XXXXXXXXXX	-
5	(321) Surface	-	XXXXXXXXXX
6	(322) Air	-	XXXXXXXXXX
7	(330) Interline Express	XXXXXX X	-
8	(331) Surface	-	XXXXXXXXXX
9	(332) Air	-	XXXXXXXXXX
10	(340) Other Express	XXXXXXXXXX	
11	(350) Other Revenue	XXXXXXXXXX	(5,098)
12	(351) Advertising Revenue	(6,873)	XXXXXXXXXX
13	(352) Customs Brokerage Fees	-	XXXXXXXXXX
14	(353) C.O.D. Service Fees	122	XXXXXXXXXX
15	(354) Storage Fees	(8,901)	XXXXXXXXXX
16	(255) Miscellaneous Revenue	10,554	XXXXXXXXXX
17	Total	XXXXXXXXXX	14,025,856

RFA EXPRESS, INC.

Schedule 500 - Operating Expenses

Year 1976

Acct. No. (Sec- ondary)	Account Title	Line Haul (Acct. 520)	Terminal Management (Acct. 530)	Finance & Adminis- tration (Acct. 560)	Total
01	Payroll	\$ 25,363	\$ 487,427	\$1,221,861	\$ 1,734,651
02	Employee Welfare	5,558	26,500	105,823	137,881
03	Advertising	-	-	100,854	100,854
04	Taxes & Licenses	16,105	404,305	176,420	596,830
05	Utilities	-	175,751	18,389	194,140
06	Supplies	9,790	20,772	38,395	68,957
07	Services Purchased	-	33,635	302,161	335,796
08	Unclassified	1,593	2,832	17,109	21,534
09	Traveling	547	-	53,538	54,085
10	Communications	11	144,114	171,401	315,526
12	Insurance	651,776	(284,660)	6,950	374,066
14	Professional Services	-	-	261,766	261,766
16	Uncollectible Revenues	-	-	88,260	88,260
17	Equipment Rentals	1,320	-	(48,968)	(47,648)
18	Purchased Transportation	10,512,323	-	-	10,512,323
19	Commission Agents	-	970,391	-	970,391
20	Real Property Rentals	-	421,752	220,573	642,325
21	Tires and Tubes	3,653	-	-	3,653
22	Motor Fuel and Oil	113,480	-	-	113,480
26	Gain or Loss on Sales of Assets	-	-	34,514	34,514
	Total	<u>\$11,341,519</u>	<u>\$2,402,819</u>	<u>\$2,769,046</u>	<u>\$16,513,384</u>

Schedule 504.-OPERATING TAXES AND LICENSES

The tax charged to secondary account 04 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 74, column (g) should agree with schedule 500, line 56, column (f).

Taxing authority (a)	Highway Use Tax (b)	Vehicle License & Register Fee (c)	Real Estate Personal Property (d)	Retirement & Unemployment (e)	Other Taxes (f)	Total (g)
Federal				244,841		244,841
Alabama		30				30
Alaska		30				30
Arizona		11				11
Arkansas			53,926		10	53,936
California		105			2	107
Colorado		116	19,138		2	19,256
Connecticut		250			2,533	2,783
Delaware		35				35
Dist. of Columbia		30	1,481			1,511
Florida	55	5	(5,108)		4	(5,044)
Georgia						
Hawaii		300				300
Idaho	30	43	10,027		948	11,050
Illinois		15				20
Indiana	5	20				20
Iowa		20	1,002			1,022
Kansas		5			10	15
Kentucky		5				5
Louisiana		10				30
Maine			14,414		1,301	15,715
Maryland			3,293		4	3,297
Massachusetts		10	24,739			24,749
Michigan		13			2	15
Minnesota		15				15
Mississippi		10	2,025		786	2,821
Missouri		5				5
Montana						
Nebraska		10				10
Nevada		150				150
New Hampshire		15			28	43
New Jersey		10				10
New Mexico			102,698		68	102,777
New York	11		(2,230)		1,817	268
North Carolina	669	10				20
North Dakota		20				3
Ohio		53				53
Oklahoma						
Oregon			54,204		2,012	56,216
Pennsylvania		15				15
Rhode Island					2	2
South Carolina		10				10
South Dakota					1,852	10,011
Tennessee	8,159		3,333		11	3,344
Texas		30				30
Utah		35				35
Vermont		20	1,944		1,784	9,101
Virginia	5,353					
Washington		260				260
West Virginia		40				40
Wisconsin						40
Wyoming	40					
TOTAL	14,322	1,283	322,705	244,841	13,179	596,830

*Adjustment of Accruals for Prior Periods.

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	Prior period adjustments	\$ (34,514)
2		
3		
4		
5		
6		
	Loss-Dable Net Realization	(34,514)

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	(611-00) Rental Income	23,399		
2	(612-07) Non-Carrier Expense-Services		520	
3	Purchased			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15	Total	23,399	520	22,879

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)
1	(621 and 631) Investments: A/C 621-01	\$	\$	\$
2	Terminal Property Notes	11,861		11,861
3	Certificates of Deposits & Time Deposit	195,452		195,452
4	U.S. Treasury Bonds	955		955
	Total	208,268		208,268
5	(623) Miscellaneous Interest Incomes:			
6	Primarily interest on security deposits	4,910		4,910
7	(S4,231)			
8				
9				
10				
11				
12	Total	4,910		4,910
13	Grand Total	213,178		213,178

Schedule 640.-OTHER INCOME

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

Line No.	Description of Item (a)	Amount (b)
1	(641-01) Miscellaneous Income	\$33,107
2		
3		
4		
5		
6		
7		
8		
9		
10	Total	33,107

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	\$ 296
2	(711-02) Bonds	
3	(711-03) Equipment Obligations Adjustment of Accruals for Prior Period	(77,237)
4	(711-04) Other Long-term Obligations	
5	(711-05) Current Obligations	
6	(712) Affiliate Interest Expense	
7	(721) Debt Discount Expense	
8	(722) Debt Premiums-CREDIT	
9	Total	(76,941)

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	\$
2		
3	(02) Loss Reimbursements	
4		
5	(03) Nonoperating Bad Debts	
6		
7	(04) Intangible Write-Offs	
8		
9	(05) Nonoperating Donations	
10		
11		
12	(06) Fines and Penalties	6,262
13		
14	(07) Excess Life Insurance Premiums	
15		
16	(08) Sundry Expenses	132,319
17		
18	(19) Commissions and Expenses re Sales of Assets	1,117,539
19		
20	(26) Gain or Loss on Sales of Assets	2,790,800
21		
22	(09) Salvage Value of Revenue Equipment	
23		
24	Total	\$4,046,920

Schedule 810.-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	-0-
2	Adjustments applicable to previous years, net debit*	-0-
3	Normal tax and surtax(line 1 plus 2)	-0-
4	Excess profits tax	-0-
	Total Federal income tax on ordinary income(line 3 plus 4)	-0-
	813 Other Income Taxes(Specify):	
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
20		
21		
22		
23		
24	Total Other income taxes	-0-
25	Total income taxes on ordinary income(lines 5 and 24)	-0-

*Indicate credit in parenthesis.

Schedule 902.- EMPLOYEES, SERVICE AND COMPENSATION.

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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. N C.	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.....	5	5
2	2	Staff officials, division officers, and assistants.....	36	37
3	(901)	TOTAL (EXECUTIVES, OFFICIALS, AND STAFF ASSISTANTS).....	41	42
		II. PROFESSIONAL, CLERICAL, AND GENERAL		
4	3	Professional and subprofessional assistants.....		
5	4	Chief clerks (A).....	3	3
6	5	Chief clerks (B), head clerks, and clerical specialists.....	15	15
7	6	Clerks.....	39	40
8	7	Nonlisting, adding, and calculating-machine operators.....		
9	8	Stenographers and typists.....	15	15
10	9	Office attendants.....		
11	10	Division supervisors.....		
12	11	Agents--office, depot, and terminal.....	9	10
13	12	Foremen--vehicle, depot, and platform.....	5	6
14	13	Warehouse and platform clerks.....		
15	14	Warehouse and platform laborers.....		
16	15-A	Vehicle employees: Agency service.....		
17	15-B	Vehicle employees: Over the road truck service.....		
18	16	Police.....	1	1
19	17	Claim agents and claim adjusters.....		
20	(902)	TOTAL (PROFESSIONAL, CLERICAL, AND GENERAL).....	87	90
		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.....	2	2
25	21	Machinists.....		
26	22	Other craftsmen.....		
27	23	Apprentices and helpers--all trades.....		
28	24	Garage employees.....		
29	25	Laborers, unclassified.....		
30	(904)	TOTAL (MAINTENANCE AND STORES).....	2	2
31	(905)	GRAND TOTAL, ALL EMPLOYEES.....	130	134

Schedule 902.- EMPLOYEES, SERVICE, AND COMPENSATION

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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)	
10,616		10,616	\$201,261		\$201,261	1
73,955		73,955	652,400		652,400	2
84,571		84,571	\$853,661		\$853,661	3
1,494		1,494	\$ 12,321		\$ 12,321	4
6,520		6,520	50,070		50,070	5
28,188		28,188	177,234		177,234	6
78,492		78,492	384,350		384,350	7
						8
28,851		28,851	158,348		158,348	9
408		408	2,362		2,362	10
						11
19,346		19,346	116,958		116,958	12
11,116		11,116	72,714		72,714	13
1,576		1,576	9,243		9,243	14
250		250	1,203		1,203	15
750		750	4,086		4,086	16
						17
2,196		2,196	12,946		12,946	18
904		904	5,483		5,483	19
180,091		180,091	\$1,007,318		\$1,007,318	20
						21
						22
						23
4,144		4,144	\$ 27,310		\$ 27,310	24
536		536	3,333		3,333	25
224		224	1,544		1,544	26
						27
						28
						29
4,904		4,904	\$ 32,187		\$ 32,187	30
269,566		269,566	\$1,893,166		\$1,893,166	31

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.

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, solicitors, 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	Protective Insurance Company	Cargo Insurance	\$ 1,004,810
2	Rabin Bros.	Auctioneer of Company Eqpt.	352,690
3	Price Waterhouse & Co.	Accounting	96,791
4	John Smith	Commissions	90,018
5	Blue Cross & Blue Shield	Medical Insurance	77,234
6	C. Orvis Sowerwine	REA Express Trustee in Bank	50,000
7	Frank B. Hall	Fire & General Liab. Insurance	47,510
8	Mike Marino	Commissions	43,012
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25		Total	\$ 1,762,065

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.										
Items (a)	Domestic Intercity			Foreign		Interline			Other Express (j)	Domestic Local (k)
	Surface		Air (d)	Surface (e)	Air (f)	Surface		Air (i)		
	Rail (b)	Motor (c)				Rail (g)	Motor (h)			
Statistics										
Number of shipments	-	25,268	-	-	-	-	-	-	-	-
Miles operated by:										
Owned equipment	-	-	-							
Leased equipment	-	18,650,165	-							
Total miles(lines 2 & 3)	-	18,650,165	-	-	-	-	-	-	-	-
Tons of revenue freight	-	* -	-							
Ton-miles	-	* -	-							
Freight Revenue	-	14,038,820	-	-	-	-	-	-	-	-
COD Shipments	-	-	-	-	-	-	-	-	-	-
Averages										
Freight revenue per:										
Shipment (line 7 ÷ 1)	-	555.60	-							
Ton (line 7 ÷ line 5)	-	-	-							
Mile(line 7 ÷ line 4)	-	.75	-							
Ton-mile (line 7 ÷ 6)	-	-	-							
Average load per:										
Shipment (line 5 ÷ 1)	-	-	-							
Mile (line 5 ÷ line 4)	-	-	-							
Average haul per:										
Shipment (line 6 ÷ 1)	-	-	-							
Ton (line 6 ÷ line 5)	-	-	-							
Pickup & Delivery Statistics										
Shipments picked up or delivered	-	25,268	-							
Tons for shipments-line 17	-	-	-							
Shipments on which allowance is given	-	-	-							
Tons for shipments-line 19	-	-	-							

*Data not available from records maintained by REA Express.

**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 104.

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 details 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.	NONE								\$
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									
11.									
12.									
13.									
14.									
15.									
16.									
17.									
18.									
19.									
20.									
21.									
22.									
23.									
24.									
25.									
26.									
27.									
28.									
29.									
30.									
31.									
32.									
33.									
34.									
35.									
36.									
37.									

ICC Auth. No.

Year 197 6

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.

Where 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.

**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									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									

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REA EXPRESS, INC (BANKRUPT)

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 noncarrier 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							
17							
18							

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, 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

Schedule 910. - CONTRACT 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 contracts.

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

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)

Controller

(Insert here the title of the affiant)

of REA Express, Inc. (Bankrupt)

(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 January, 1976, to and including, the 31st day of December, 1976.

A. E. Larsen
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public

county above named, this 6th day of June, 1977

My commission expires

Henry Fulle
(Signature of officer authorized to administer oaths)

HENRY FULLE
NOTARY PUBLIC, State of New York
Qualified in Putnam County

Commission Expires March 30, 1980

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

county above named, this day of 19

My commission expires

USE AN L. S.
IMPRESSION
SEAL

(Signature of officer authorized to administer oaths)

Real Property Leases with Railroads which were
Rejected or Terminated During the Year 1976

<u>City and State and Local Address</u>	<u>Railroad Lessor</u>	<u>Rejected or Terminated</u>	<u>Monthly Rental</u>
233-301 No. Main St. Las Vegas, Nevada	Union Pacific Land Resources Corporation	9/3/76	\$ 902.00
Pennsylvania Express Terminal 39th St. & Skillman Long Island City, New York	Penn Central Transportation Co.	5/7/76	1,344.50
N.W. 5th Ave., N.W. 4th Ave. & N.W. Hoyt Street Portland, Oregon	Portland Terminal Railroad Co.	9/3/76	514.00
E/S of 11th and North of Etna Pittsburgh, Pa.	Penn Central Transportation Co.	5/7/76	6,625.00

In addition to the four leases detailed, there were five separate leases rejected with monthly rentals less than \$250.00 by the Trustee in Bankruptcy.

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CORRECTION

The preceding document has been rephotographed to assure legibility and its image appears immediately hereafter.



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ANNUAL REPORT 1976 CLASS

REA EXHIBITS, INC. (MANUSCRIPT)

002700

INTERSTATE
COMMERCE COMMISSION
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JUN 18 1979

ADMINISTRATIVE SERVICES
E MAIL BRANCH

ANNUAL REPORT

OF

REA EXPRESS, INC. (BANKRUPT)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1976

ANNUAL REPORT

OF

REA EXPRESS, INC. (BANKRUPT)

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1976

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

(Name) A. E. LARSEN (Title) Controller

(Office address) 141 East 44th Street, New York, N. Y. 10017
(Street and number, city, State, and ZIP Code)

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
 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 3
 (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)	1976 Address (b)	Number of votes to which security holder was entitled (c)	Number of Votes, Classification		
				Common (d)	Preferred (e)	Other Securities (f)
1	REA Holding Corporation	150 East 42nd St.	2,395,508	All		
2		New York, N.Y. 10017				
3						
4	Florida East Coast	1 Malaga Street	12,456	All		
5	Railway Company	St. Augustine, Fla.				
6		32084				
7						
8	Chicago Great Western	400 West Madison St.	8,304	All		
9	Railway Company	Chicago, Ill. 60607				
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 November 6, 1975
 B. Authority for trusteeship Bankruptcy, U.S. District Court SDNY
 C. Name of trustee C. Orvis Sowerwine
 D. Name of beneficiary or beneficiaries Creditors of REA Express, Inc.
 E. Purpose of trust Liquidation of the Bankrupt Estate

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, 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	REXCO, Inc.		Direct	100% of Stock Owned by Respondent	
2					
3					
4	Railway Express Agency, Incorporated of Virginia		Direct	100% of Stock Owned by Respondent	
5					
6					
7					
8					
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	(A) Rexco Supply Corporation	Distributor of Automotive parts and Supplies	Indirect	100%	REXCO, Inc. owns 100% of the stock of Rexco Supply Corp.
2					
3					
4					
5	Fast Service Shipping Terminal Inc.	Freight Consolidator	Indirect	100%	REXCO, Inc. owns 100% of the stock of Fast Service Shipping Terminals.
6					
7					
8					
9	(A) Adjudicated Bankrupt 11/6/75,	Bankruptcy No. 75B254			
10					

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

Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.

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 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	(B) The Express Company, Inc.	International Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation
2					
3					
4					
5	Rexair Freight, Inc.	Domestic Air Freight Forwarder	Direct 100% Ownership of all stock	100%	REA Holding Corporation
6					
7					
8					
9	(B) Adjudicated Bankrupt 11/6/75,	Bankruptcy No. 75B252			
10					

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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% of voting stock ownership
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14	Note: REA Holding Corporation adjudicated bankrupt 11/6/75. Bankruptcy No. 75 B 251		99.14% ownership of all outstanding stock of respondent	
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 reported.

For instructions concerning 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 the entries in the supporting schedules indicated.

Line No.	Schedule No.	Title	Balance at close of year (b)	Balance at beginning of year (c)
----------	--------------	-------	------------------------------	----------------------------------

Current Assets

1	(111)	Cash *	\$ 2,376,465	\$ 1,977,705
2	(112)	Temporary Investments	5,051,167	1,509,382
3	(113)	Notes Receivable	26,025	30,451
4	(114)	Accounts Receivable	4,207,189	6,154,486
5		Less: Allowance for Uncollectible Receivables (Account 115)	2,169,382	2,133,664
6		Net Receivables	2,037,807	4,020,822
7		Material and Supplies (Account 116)	-	-
8	(117)	Prepayments	4,334	542,684
9	(118)	Affiliate Receivables	1,678,175	1,514,479
10	(119)	Other Current Assets	-	-
11	(119-5)	Deferred Income Tax Charges **	-	-
12		Total Current Assets	11,173,973	9,595,523

13	(121)	Operating Property	6,007,425	34,180,984
14	(122)	Less: Accumulated Depreciation on Operating Property	1,458,301	21,085,951
15		Net Operating Property	4,549,124	13,095,033
16	(123)	Nonoperating Property	-	1,977,160
17	(124)	Less: Accumulated Depreciation on Nonoperating Property	-	359,115
18		Net Nonoperating Property	-	1,618,045
19		Total Tangible Property	4,549,124	14,713,078

20	(131)	Affiliate Investments	-	-
21	(131A)	Undistributed Earnings from certain investments in affiliated companies	-	-
22	(132)	Other Investments	361,566	385,200
23		Total Investments and Advances	361,566	385,200

24	(141)	Intangible Property	-	-
25	(142)	Less: Accumulated Amortization on Intangible Property	-	-
26		Net Intangible Property	-	-
27	(143)	Deferred Charges	48,441	1,012
28	(144)	Special Funds	1,933,782	3,863,452
29		Accumulated Deferred Income Tax Charges ** (Account 145)	-	-
30		Total Other Assets	1,982,223	3,864,464
31		Total Assets	18,066,886	28,558,265

* For consolidating balances not legally restricted, see Schedule 110.
 ** The totals of accounts 119-5, 145, 219-5 and 243 must correspond to the total of Federal income and other taxes deferred reported in Schedule 119-5.

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 year (c)
Current Liabilities				
1	(211)	Current Long-Term Debt	\$ -	\$ -
2		Dividends Declared (Account 212)	-	-
3	(213)	Notes Payable	-	-
4	(214)	Accounts Payable	110,743	688,468
5	(215)	Income Taxes Accrued	-	-
6	(216)	Other Taxes Accrued and Withheld	28,351	154,747
7	(217)	Accrued Expenses	303,650	313,292
8	(218)	Affiliate Payables	295,442	-
9	(219)	Other Current Liabilities	48,274	224,293
10		Deferred Income Tax Credits (Account 219-5)**	-	-
11		Total Current Liabilities	(A) 786,460	1,380,800
Long-Term Obligations				
12	(220)	Equipment Obligations (Account 221)	-	-
13	(220)	Bonds (Account 222)	-	-
14	(220)	Other Long-Term Obligations (Account 223)	-	-
15		Total Long-Term Obligations	-	-
Advances Payable				
16	(231)	Affiliate Advances Payable	-	-
17	(232)	Other Advances Payable	-	-
18		Total Advances Payable	-	-
Other Liabilities				
19	(241)	Accumulated Provision For Self-Insurance	-	-
20	(242)	Deferred Credits	214,890	500,000
21		Accumulated Deferred Income Tax Credits (243)**	-	-
22		Total Other Liabilities	(A) 214,890	500,000
		Deferred Liabilities-Prior to Chapter XI	(B) 40,903,225	42,798,759
		Deferred Liabilities-Chapter XI Period	(B) 19,945,091	21,941,175
Shareholders' Equity				
23	(251)	Preferred Stock	-	-
24	(252)	Common Stock	2,530,450	2,530,450
25		Capital Stock Subscribed (Account 253)	-	-
26	(254)	Capital Surplus	-	-
27	(255)	Retained Income-Appropriated	-	-
28	(256)	Retained Income-Unappropriated	(73,405,424)	(57,685,113)
29		Adjustment for Rail Notes	27,206,376	27,206,376
30		Less: Treasury stock (Account 256)	(114,182)	(114,182)
31		Total Shareholders' Equity	(43,782,780)	(38,062,469)
32		Total Liabilities and Equity	18,066,886	28,558,265

Notes: (A) Liabilities of Trustee in Bankruptcy at December 31, 1976.

(B) Schedule Page 7B.

*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.

In 1975, the I.C.C. concluded that the notes had been validly approved by the Commission. After a petition for reconsideration was denied, a three Judge District Court, also sitting by special designation as a Second Circuit court of Appeals affirmed the Commission on November 18, 1976.

The U.S. Supreme Court on June 13, 1977 refused to hear an appeal and affirmed prior decisions that the debt was legally incurred and valid.

At February 18, 1975, when REA began operations as a Debtor in Possession, retained earnings (deficit) and current liabilities excluded \$5,287,427 of such interest.

Deferred Liabilities - December 31, 1976Deferred Liabilities - Prior to Chapter XI (February 18, 1975)

<u>Account No.</u>	<u>Title of Account</u>	<u>Amount</u>
214	Accounts Payable	\$14,765,581
216	Other Taxes Accrued and Withheld	5,159,351
217	Accrued Expenses	14,050,986
218	Affiliate Payables	1,292,883
219	Other Current Liabilities	51,994
231	Affiliate Advances Payable	840,000
232	Other Advances Payable	27,911,457
241	Accumulated Provision for Self-Insurance	25,000
242	Deferred Credits	<u>4,002,349</u>
		<u>68,109,601</u>
232	Less: Notes Held by Railroads (Page 7A)	<u>27,206,376</u>
	Total Deferred Liabilities-Prior to Chapter XI (2/18/75) (Page 7)	<u>\$40,903,225</u>

Deferred Liabilities - Chapter XI Period (February 18, 1975 - November 6, 1975)

<u>Account No.</u>	<u>Title of Account</u>	<u>Amount</u>
211	Current Long - Term Debt	\$ 333,529
213	Notes Payable	45,807
214	Accounts Payable	9,336,718
216	Other Taxes Accrued and Withheld	4,190,406
217	Accrued Expenses	4,706,544
218	Affiliate Payables	410,751
219	Other Current Liabilities	65,039
220	Equipment Obligations	706,261
241	Accumulated Provision for Self-Insurance	20,697
242	Deferred Credits	<u>129,339</u>
	Total Deferred Liabilities - Chapter XI Period (2/18/75-11/6/75) (Page 7)	<u>\$19,945,091</u>

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	\$14,025,856
2	(500)	Operating Expenses	16,513,384
3		Net Carrier Operating Income	(2,487,528)
Other Income			
4	(610)	Noncarrier Income	22,879
	(620)	Interest and	213,178
5	(630)	Dividends(from investments under cost)	
6	(640)	Other Income	33,107
7		Dividend Income(from investments under equity)	\$
8		Equity in Undistributed Earnings(losses)	
9		Equity in Earnings(losses of affiliated companies-lines 7 + 8)	
10		Total Other Income	269,164
11		Total Income	(2,218,364)
Other Deductions From Income			
12	(710)	Interest Expense	(76,941)
13	(720)	Debt Expense and Credit	
14	(730)	Other Expenses	4,046,920
15		Total Other Deductions	3,969,979
16		Ordinary Income before Income Taxes	(6,188,343)
17	(810)	Income Taxes on Ordinary Income	\$
18		Provision For Deferred Taxes(Account 820)	
19		Total Income Tax Deductions(lines 17 + 18)	
20		Ordinary Income	(6,188,343)
EXTRAORDINARY AND PRIOR PERIOD ITEMS			
21		Extraordinary Items(net)(Account 910)	468,032
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	468,032
26		Net Income (or loss)	(5,720,311)
27		Operating Ratio(line 2 ÷ 1)(one decimal)	117.7 %
28		Ordinary income before income taxes ratio(line 16 ÷ line 1)(one decimal)	(44.1) %

Schedule 102.-STATEMENT OF RETAINED INCOME

A.-APPROPRIATED

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

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		beginning of year	
3	(255-03)	Current Net Income	
4	(255-04)	Other Credits(detail):	
5		Amount of assigned income tax consequences	
6			
7			
8			
9			
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.-UNAPPROPRIATED

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.

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.
			\$ (67,685,113)	\$ XXXXXXXXXXXX	1
			XXXXXXXXXXXX		2
					3
					4
					5
					6
					7
					8
Total Credits			(67,685,113)		9
			5,720,311		10
	Cash	Stock	XXXXXXXXXXXX	XXXXXXXXXXXX	11
	\$	\$	XXXXXXXXXXXX	XXXXXXXXXXXX	12
			XXXXXXXXXXXX	XXXXXXXXXXXX	13
Total			-0-	XXXXXXXXXXXX	14
				XXXXXXXXXXXX	15
				XXXXXXXXXXXX	16
				XXXXXXXXXXXX	17
Total(255-07)			-0-	XXXXXXXXXXXX	18
					19
					20
					21
					22
Total(255-08)			-0-		23
Total Debits			5,720,311		24
Net Increase(decrease)during year			(5,720,311)		25
			(73,405,424)	XXXXXXXXXXXX	26
			XXXXXXXXXXXX		27
Balance from line 27(c)			-0-	XXXXXXXXXXXX	28
(losses) of affiliated companies					
at end of year(lines 26 and 28)			(73,405,424)	XXXXXXXXXXXX	29

SCHEDULE 100 - STATEMENT OF CHANGES IN FINANCIAL POSITION (See Note below)

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 in 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)	
3.	Add non-cash charges for additions (deduct for decreases) to estimated liabilities:	
4.	of insurance	
5.	Personal injuries, property damage, workmen's compensation	
6.	Cargo loss and damage claims	
7.	Overcharge claims	
8.	Other important items (specify)	
9.	Total non-cash charges (Lines 2 thru 7)	
10.	Funds provided by operations (Lines 1 and 9)	
11.	Proceeds from sale of capital stock of own issue	
12.	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations)	
13.	Proceeds from sale of equipment obligations of own issue	
14.	Book cost of depreciable transportation property retired during year	
15.	Less accumulated depreciation	
16.	Net book value of depreciable transportation property retired during year	
17.	Net book value of miscellaneous physical property disposed of during year	
18.	Net book value of investment securities disposed of during year	
19.	Advances, notes and other debts repaid by affiliated companies	
20.	Advances, notes and other debts repaid by other companies	
21.	Net decrease in sinking and other special funds	
22.	Net decrease in working capital (total current assets less total current liabilities)	
23.	Other sources (specify)	
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)	
41.		
42.		
43.		
44.	Total application of funds (should be same as line 26)	

Note: Summary not completed as Company filed petition February 18, 1975 to operate as Debtor in Possession and subsequently was adjudicated bankrupt on November 6, 1975.

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	1,962,489	XXXXXXXX
Investment Tax Credit from current year operations reported to the Internal Revenue Service	XXXXXXXX	\$
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	(564,900)	
Other (specify, i.e., recapture)	Recapture	
Ending Balance in Deferred Investment Tax Credit	1,397,589	XXXXXXXX
Total Investment Tax Credit applied to current year tax accrual	XXXXXXXX	

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-

SCHEDULE 104.—NOTES TO FINANCIAL STATEMENTS—Continued

Pension Cost See Footnote*

(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

(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 No

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

(ii) If funding is by trust agreement, list trustee(s)

Date of trust agreement or latest amendment

If respondent is affiliated in any way with the trustee(s), explain 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

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 If yes, who determines how stock is voted?

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

☐ Sole Proprietorship or Partnership?

☒ 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, 1976 \$ 52,606,316

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

*The U.S. District Court for the Southern District of New York issued a court order terminating the Supplemental Retirement Plan on November 6, 1975. The Pension Benefit Guaranty Corp. was subsequently appointed trustee of the Plan.

Description (a)	Contingent assets (b)	Contingent liabilities (c)
Contingent assets:	\$	\$
Total —		
Contingent liabilities:		
This report does not reflect liabilities or contingent liabilities or changes therein, which may have resulted from the Chapter XI proceeding on February 18, 1975 or the adjudication of REA in Bankruptcy on November 6, 1975 (Case No. 75-B-253 both dates) except as detailed on Page 7B under captions, "Deferred Liabilities - Prior to Chapter XI" and "Deferred Liabilities - Chapter XI Period."		
Total —		

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)
1975	\$ (26,552,757)	-	\$ (26,552,757)
1974	2,935,930	-	2,935,930
1973	(8,499,452)	-	(8,499,452)

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				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				

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)	Name of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1	NONE		\$	
2				
3				
4				
5				
6				
7				
8				

Schedule III.-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".

Line No.	Account No.	Purpose of deposit (a)	Balance at close of year (b)
	(00 to		
1	81) Cash and Working Funds	Total	1,840,515
2	91) Special Deposits of Interest:		
3			
4		Total	-0-
5	(92) Special Deposits of Dividends:		
6			
7			
8		Total	-0-
9	(93) Miscellaneous Special Deposits:		
10	Compensating balances legally restricted:		
11			
12		Total	-0-
13	Other: See Page 17A attached		
14			
15			
16		Total	535,950
17		Total	-0-
18	(94) Cash in Transit	Grand Total	2,376,465
19			

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"

Line No.	Account No.	Name of company or individual (a)	Description of security held (b)	Balance at Close of Year		
				Pledged (c)	Unpledge (d)	Total (e)
1		Irving Trust Company	C/D 4.375% 1/10/77	\$ 491,635	\$	\$ 491,635
2			C/D 4.50 % 1/10/77		4,300,000	4,300,000
3			C/D 4.30 % 1/10/77		250,000	250,000
4						
5		U.S. Government	U.S. Treasury/2/18/80		9,532	9,532
6						
7						
8						
9						
0						
1						
2						
3						
4						
5						
5						
7						
			Total	491,635	4,559,532	5,051,167

NOTES AND REMARKS		
Account No.	Purpose of Deposit (a)	Balance at Close of Year (b)
	Schedule 111 Cash	
(93)	Miscellaneous Special Deposits:	
	Blue Cross - Blue Shield	\$103,437
	Protective Insurance Co.	100,000
	Irving Trust Co.	100,000
	Commercial Union Insurance Company (Performance Bonds)	96,755
	Mid-Continent Bank	75,000
	New York Telephone Company	26,815
	Commonwealth Edison Company	16,547
	Xerox Corporation	5,000
	Minor items each less than \$10,000	<u>12,396</u>
	Total - Page 17, Line 17	\$535,950

Schedule 113.-NOTES RECEIVABLE

18

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)	State whether secured or unsecured (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (percent) (e)	Balance at close of year (f)
		(01) Customers:					\$
1		Sanford J. Heilner, Inc.	unsecured	6/4/75	1/23/77	9%	15,932
2							
3							
4							
5							
6							
7							
8		Total	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXX	15,932
		(02) Employees:					
9		Minor items each less than \$10,000	unsecured	Various			1,827
10							
11							
12							
13							
14							
15							
16		Total	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXX	1,827
		(03) Others:					
17		Minor items each less than \$10,000	unsecured	Various			8,266
18							
19							
20							
21							
22							
23							
24		Total	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXX	8,266
25		Grand Total	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXX	26,025

Schedule 114.-ACCOUNTS RECEIVABLE

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

Line No.	Account No.	Subaccount (a)	Balance at close of year (b)
		Customers and Interline:	\$
1		(01 and 10) Customers	1,703,443
2		(02, 11 and 17) Interline	-
3		Total	1,703,443
		Agents, Employees and Others:	
4		(03, 12 and 18) Agents	-
5		(04) Employees	-
6		(05 to 09 and 20) Others	2,474,068
7			
8		(114-19) Advances to employees	1,580
9		(114-21) Employees travel advances	28,098
10			
11			
12			
13			
14			
15			
16		Total	2,503,746
17		Grand Total	4,207,189

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	-
2	(02)	Insurance	1,140
3	(03)	Interest	-
4	(04)	Rents	3,194
5	(05)	Miscellaneous	-
7			
8		Total	4,334

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)
						\$
1	(01)	Loans Receivable:				
2						
3						
4						
6						
7						
8						
					Total	-0-
9	(02)	Accounts Receivable:				
10	(118-02)	REA of Canada				11,404
11	(118-02)	REXCO Inc. (\$1,636); REA Seven Arts (\$338)				1,974
12	(118-04)	REXCO Division - offset in affiliate payables (218-04)				152,838
13	(118-05)	The Express Company, Inc.				1,402,029
14	(118-06)	REXCO Supply Corporation				217
15	(118-07)	Fast Service Shipping Terminals, Inc.				200
16	(118-08)	REA Holding Corporation				109,513
					Total	1,678,175
17	(03 and 04)	Interest and Dividends Receivable:				
18						
19						
20						
21						
22						
23						
24					Total	-0-
25					Grand Total	1,678,175

Schedule 121.-OPERATING PROPERTY

line no.	Account No.	Description of property (Subcontract) (a)	Balance at beginning of year (b)	Additions and betterments during year (c)	Book cost of property retired (schedule 121-A) (d)	Adjustments During Year		Balance at close of year (g)
						Contra Account No. (e)	Amount (f)	
1		(01) Land and Landrights	2,060,568	\$	1,411,953	\$	108,593	\$ 757,208
2		(02) Structures on Land Owned	3,946,602		2,090,160		211,906	2,068,348
3		(03) Revenue Equipment	13,038,730		13,093,886		55,156	-
4		(04) Service Cars and Equipment	20,100		20,100			-
5		(05) Shop and Garage Equipment	674,338		674,338			-
6		(06) Furniture & Office Equipment	2,523,576		2,513,576		3,779	13,779
7		(07) Miscellaneous Equipment	5,103,407		5,103,407			-
8		(08) Leasehold Improvements	2,325,320		2,325,190		(130)	-
9		(09) Unfinished Construction			XXXXXXXXXX			
10		(10) Structures on Land Not Owned	4,488,343		1,320,253			3,168,090
11		(11) Unfin. Constr. Land Not Owned			XXXXXXXXXX			
12		(12) Unfin. Constr. Leasehd. Improv.			XXXXXXXXXX			
13		Total	34,180,984		28,552,863	XXXXXXXXXX	379,304	6,007,425

Schedule 121-A.-OPERATING PROPERTY RETIRED DURING YEAR

line no.	Account No.	Description of property (Subcontract) (a)	Book cost of property retired (b)	Depreciation accrued (c)	Amortization accrued (d)	Insurance recovered (e)	Advance, trade-in, or other amount received, less cost of removal (f)	Gain or loss on disposition (Account 26)		Other Items Dr. or Cr.	
								Debit (g)	Credit (h)	Account No. (i)	Amount (j)
1		(01) Land and Landrights	1,411,953	XXXXXXXXXX		XXXXXXX		XXXXXXX	XXXXXXX		
2		(02) Structures on Owned	2,090,160	576,866				1,161,710			
3		(03) Revenue Equipment	13,093,886	10,332,839				622,977			
4		(04) Service Cars & Equip.	20,100	3,828				15,858			
5		(05) Shop & Garage Equip.	674,338	548,364					344,279		
6		(06) Furniture & Office	2,513,576	2,300,807					200,279		
7		(07) Miscellaneous Equip.	5,103,407	3,498,283				350,562			
8		(08) Leasehold Improvement	2,325,190	2,008,757				312,572			
9		(10) Structures on Unowned	1,320,253	435,066				871,685			
10											
11		Total	28,552,863	19,704,810				3,335,358	544,558	XXXXXXXXXX	

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 (a)	Number of units On Hand At Beginning of Year		CHANGES DURING YEAR				
				Owned Acquired		Leased		Retired
		Owned (b)	Leased (c)	Number of units (d)	Cost (e)	Number of units (f)	Annual lease rental (g)	Number of units (h)
1	Trucks				\$		\$	
2	Van							
3	Box and flatbed							
4	Refrigerator							
5	Tank							
6	Other (Describe)							
7								
8	Total Trucks	1,702						1,702
9	Truck tractors	177						177
10	Semitrailers:							
11	Van							
12	Box and flatbed							
13	Refrigerator							
14	Tank							
15	Other (Describe)							
16								
17	Total Semitrailers							
18	Full trailers:							
19	Van							
20	Box and flatbed							
21	Refrigerator							
22	Tank							
23	Other (Describe)							
24								
25	Total Full Trailers							
26	Total Semi & Full Trailers	178						178
27	Other revenue equipment							
28								
29								
30								
31	Total Other Revenue equipment							
32	Grand Total	2,057						2,057

Note - Assets auctioned during the period

February 2, 1976 through March 26, 1976 inclusive

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 accrued on property owned (Sch. 122-A) (d)	Contra Account No. (e)	Amount (f)	
(02)	Structures on Land Owned	\$ 1,135,357	-	\$ 576,866		\$ 23,910	\$ 534,481
(03)	Revenue Equipment	10,305,580	-	10,332,839		27,259	-
(04)	Service Cars and Equipment	3,828	-	3,828			-
(05)	Shop and Garage Equipment	548,364	-	548,364			-
(06)	Furniture and Office Equipment	2,309,960	-	2,300,807		2,887	12,040
(07)	Miscellaneous Equipment	3,498,283	-	3,498,283			-
(08)	Leasehold Improvements	2,008,757	-	2,008,757			-
(09)	Structures on Land Not Owned	1,275,922	-	435,066		70,924	911,780
	Total	21,085,951	-	19,704,810		27,160	1,458,301

Note * - Utilization discontinued prior to date of auction sales (i.e. 2/2/76 - 3/26/76)

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			\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
		TOTAL	-0-

Schedule 124.-ACCUMULATED DEPRECIATION ON NONOPERATING PROPERTY

Line No.	Description (a)	Balance at beginning of year (b)	Additions during Year (c)	Retirements during year (d)	OTHER ITEMS, Dr. or Cr.		Balance at close of year (g)
					Contra Account No. (e)	Amount (f)	
1	Structures on land owned and not owned	\$ 359,115	\$	\$ 359,115		\$	\$ -0-

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	NONE		\$	\$	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12	Total	XXXXXXXX	XXXXXXXXXXXXXXXX	-0-		

*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	NONE		
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18	Totals		
19	Noncarriers: (Show totals only for each column)		
20	Grand Totals	-0-	

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)	
		\$	\$	\$	\$		\$	1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
			-0-	-0-	-0-			

Schedule 131A.-CONTINUED

of the Uniform System of Accounts.

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

Enter in column (e) the amortization for the year of the excess of cost over equity in net assets(equity over cost)at date of acquisition. See instruction 2-2(c)(4).

5. The total of column (g) must agree with column (b), line 21, sched. 1a 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.
\$	\$	\$	\$	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
			-0-	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 stocks 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		\$	\$	\$	\$
2	Oil Association	A	25	40		
3	Terminal Property Notes	D		320,042		
4	" " "	D		61,118		
5	Pinnacle Club	E	1,000	4,000		
6						
7						
8						
9						
10						
11						
12	Total			385,200		

*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 stocks or bonds	Balance at beginning of year
	(a)	(b)	(c)	(d)
1	Collateral Held by NYC Sheriff's Ofc. (Litigation)	Order of Attachment- Lien on REA Property	\$	\$
2	Collateral for Commercial Union Ins. Co. Appeal Bond	Certificate of Deposit		32,518
3	Collateral with Peerless Ins. to Reimburse US Customs for claims against Company	Custom Bonds		13,133
4	Cash deposits for potential claims arising from traffic dated prior to 2/18/75			35,000
5	Subsequent to 2/18/75			2,220,363
6	Minor items each less than \$10,000			1,550,000
7				12,438
8				
9				
10				
11				
12				
13				
14				
15				
16		Total		3,863,492

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

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

*Interest accrued to 6/30/76. Source of income was REA rents.
Premises vacated no later than 6/30/76.

Schedule 144.-SPECIAL FUNDS-CONTINUED

[illegible]

Schedule 141.-INTANGIBLE PROPERTY

Show the requested information for each of the accounts.

32

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				-0-
4	(03) Patents		-0-				XXXXXXXXXX
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 ITEMS, DR. OR CR. Contra Account No. (e)	Amount (f)	Balance at close of year (g)
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			XXXXXXXXXX	XXXXXXXXXX	-0-			-0-
5	143-03 Capital Stock Discount:								
6									
7									
8	Total					-0-			-0-
9	143-04 Capital Stock Commissions:								
10									
11									
12	Total					-0-			-0-
13	143-02 Other Deferred Debits:								
14	Charges due from IATA Carriers					-0-	42,116	-0-	42,116
15	Minor items less than \$10,000					1,012	1246,205	1240,892	6,323
16	Total					1,012	1246,321	1240,892	48,441
17	143-05 Interest:								
18									
	TOTAL					-0-			-0-
	GRAND TOTAL					1,012	1246,321	1240,892	48,441

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".

	Name of holder (a)	Purpose of issue (b)	DATE OF--		Rate of interest (percent) (e)	Balance at close of year (f)
			Issue (c)	Maturity (d)		
1	(01) Demand Notes Payable					\$
2	NONE					
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18					Total	-0-
19	(02) Fixed Term Notes Payable:					\$
20	NONE					
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32					TOTAL	-0-
33					GRAND TOTAL	-0-

Schedule 214.-ACCOUNTS PAYABLE

-34

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

Line	Subaccount (a)	Close of Year Balance (b)
1	(01) Vendors:	75,622
2	(02) Interlines:	-0-
3	(03) Employees:	-0-
4	(04) Unremitted Paid Beyond:	-0-
5	(05) Others:	35,121
6	(06) Accrued Interlines:	-0-
7	(07) Garnishments:	-0-
8	TOTAL	110,743

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	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	
11	(02) Accounts Payable:			Page 192	-0-
12	(218-04) REA Express (Rexco Div)-offset in affil.receive			(118-04)	152,838
13	(218-05) The Express Company, Inc.				34,240
14	(218-06) Rexco Supply Corporation				58,140
15	(218-07) Fast Service Shipping Terminals, Inc.				50,224
16					
17					
18					
19					
20				Total	295,442
21	(03) Interest Payable:				
22					
23					
24					
25					
26					
27					
28				Total	-0-
29	(04) Dividends Payable:				
30					
31					
32					
33					
34					
35					
36				TOTAL	-0-
37				TOTAL	295,442

Schedule 215.-INCOME TAXES ACCRUED

35

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

No.	Description (a)	Balance at close of year (b)
1	(01) Real Estate:	\$ -0-
2	(02) Personal Property:	-0-
3	(03) and (04) Railroad Retirement and Unemployment:	20,344
4	(06 to (08) Federal, State and City Withholdings:	8,007
5	(05) and (10) Other(describe):	-0-
6		
7		
8		
10		
11	TOTAL	28,351

Schedule 217.-ACCRUED EXPENSES

Line No.	Description (a)	Balance at close of year (b)
1	(01) Wages Payable:	\$ 21,184
2	(02) Interest:	-0-
3	(03) Rents:	-0-
4	(04) Insurance:	120,773
5	(08) to (11) Vacations:	-0-
6	(07)(12) and (13) Others(describe):	20,383
7	(12) Group Insurance Withholdings	141,310
8	(23) Line Haul	303,650
9	Total	

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	(02) Savings Bond Deductions	\$ 68
2	(03) Unremitted C.O.D.'s	43,423
3	(05) Union Dues Deductions	4,762
4		
5		
6		
7		
8		
9	Total	48,274

36

5

5

5

5

5

Schedule 211.-CURRENT LONG-TERM DEBT-CONTINUED
Schedule 220.-LONG-TERM OBLIGATIONS-CONTINUED

C.—BONDS AND DEBENTURES

D.—OTHER LONG-TERM OBLIGATIONS

D.—OTHER LONG-TERM OBLIGATIONS												acct.211	acct.22
35	NONE												
36													
37													
38													
39													
40													
41													
42													
43													
44													
45													
46													
47													
48													
49													
50													
51													
52													
53	Totals	xxxxxx	xxxxxxxx			xxxxxxxx	xxxxxx						
54	Grand Totals	xxxxxx	xxxxxxxx			xxxxxxxx	xxxxxx					-0-	-0-
												-0-	-0-

Schedule 231.-AFFILIATE ADVANCES PAYABLE

38

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 (per cent) (d)	Balance at close of year (e)
	(01)	Notes Payable:			\$	\$ -0-
1						
2						
3						
4						
5						
6						
	(02)	Accounts Payable:				-0-
7						
8						
9						
10						
11						
12						
13						
	(03)	Interest Payable:				-0-
14						
15						
16						
17						
18						
19						
20						
21						
Totals						-0-

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 (per cent) (d)	Due within 1 year (account) (e) 211	Due after 1 year (account) (f) 212
	(01) Other Notes Payable:				\$	\$ -0-
1						
2						
3						
4						
5						
6						
	(02) Other Accounts Payable:					-0-
7						
8						
9						
10						
11						
12						
13						
	(03) Other Interest Payable:					-0-
14						
15						
16						
17						
18						
19						
20						
21						
Totals					-0-	-0-

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	xxxxxxx	-0-
8	(02) Public Liability;				
9					
10					
11					
12					
13					
14			Total	xxxxxxx	-0-
15	(03) Workmen's Compensation;				
16					
17					
18					
19					
20			Total	xxxxxxx	-0-
21	(04) Surface Cargo Loss and (05) Air Cargo Loss		Surface	Air Cargo	Total
21	Balance at beginning of year		\$ 1,828,350	\$ 195,505	\$ 2,023,855
22	Credits during the year:				
22	(a) Through accruals charged to secondary account 12, Insurance		-	-	-
23	(b) Through reimbursement received from other carriers, insurance companies and salvage recovered		-	-	-
24	(c) Other credits		175,073	211,656	386,729
25	Total Credits		175,073	211,656	386,729
26	Debits during the year:				
26	(a) Amounts payable to shippers, other carriers and insurance companies in settlement of claims		1,116,741	389,150	1,505,891
27	(b) Other Debits		840,989	18,011	858,996
28	Total Debits		1,957,726	407,161	2,364,887
29	Balance at end of year		45,697	-0-	45,697
30	(06) Other:				-0-
31	For balance sheet presentation above balances included in Deferred Liabilities, Page 7B:				
32	Cargo claims reserve for traffic prior to 2/18/75				(25,000)
33	Cargo claims reserve for traffic subsequent to 2/18/75 (Chapter XI)				(20,697)
34	Total				(45,697)
35	Grand Total (lines 7, 14, 20, 29 and 36)		xxxxxxxxxx	xxxxxxxxxx	-0-

Schedule 231.-AFFILIATE ADVANCES PAYABLE

38

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 (per cent) (d)	Balance at close of year (e)
1	(01) Notes Payable:				\$	\$ -0-
2						
3						
4						
5						
6						
7	(02) Accounts Payable:					-0-
8						
9						
10						
11						
12						
13						
14	(03) Interest Payable:					-0-
15						
16						
17						
18						
19						
20						
21						
Total						-0-

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) (e) 211	Due after 1 year (account) (f) 212
1	(01) Other Notes Payable:				\$	\$ -0-
2						
3						
4						
5						
6						
7	(02) Other Accounts Payable:					-0-
8						
9						
10						
11						
12						
13						
14	(03) Other Interest Payable:					-0-
15						
16						
17						
18						
19						
20						
21						
Total					-0-	-0-

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	\$ 144,320
39	(b) Accruals for claims (see line 22)	-
40	(c) Claims charged directly to secondary account 12	-
41	(d) Other (describe)	-
42		-
43		-
44		-
45	Total	144,320
	Total amount representing unsettled claims on the last day of the reporting period *	3,522,782

Explain basis for determining the amount accrued: No accrual this year.

Past experience based upon 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.

*Represents total approved Loss and Damage Claims unpaid at close of period and included in Accounts Payable (Account 214), Deferred Liabilities, Page 7B in the following amounts:

Prior to Chapter XI (2/18/75)	\$2,312,309
Chapter XI Period (2/18/75 - 11/6/75)	1,210,473
	<u>\$3,522,782</u>

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".

Schedule 241.-SUPPLEMENTAL INFORMATION

Line No.	Description (a)	Amount (b)
38	Detail of Account 12, Insurance (cargo loss and damage):	
39	(a) Insurance premiums-Net of refund	\$ 144,320
40	(b) Accruals for claims (see line 22)	-
41	(c) Claims charged directly to secondary account 12	-
42	(d) Other (describe)	-
43		
44		
	Total	144,320
45	Total amount representing unsettled claims on the last day of the reporting period	* 3,522,782

Explain basis for determining the amount accrued: No accrual this year.

Fast experience based upon 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.

*Represents total approved Loss and Damage Claims unpaid at close of period and included in Accounts Payable (Account 214), Deferred Liabilities, Page 7B in the following amounts:

Prior to Chapter XI (2/18/75)	\$2,312,309
Chapter XI Period (2/18/75 - 11/6/75)	<u>1,210,473</u>
	<u>\$3,522,782</u>

Schedule 251.-INFLUENCED STOCK
Schedule 252.-COMMON STOCK

If the designation of any class of stock shown in column (a) is not sufficiently descriptive to state clearly its dividend rights and equity in the assets of the respondent, a complete statement of the facts should be given.

For "Common" stock, state in column (a) whether par or nonpar, and if nonpar indicate either with or without stated value.

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 "Deferment" 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.

For polyploids, without stated value, show the number of chromosomes.

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.

* For nonpar 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]

* For par or stated value capital stock show total amount reflected in accounts 31, 252 for the shares. For nonpar stock without stated value show prorata share of the total amount reflected in 251 - 252 for all such stock.

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 Premiums:	\$
1	Balance at beginning of year	-0-
	Additions during the year(describe):	
2		
3		
4		
5		
6	Total additions during the year	-0-
	Deductions during the year(describe):	
7		
8		
9		
10		
11		
12	Total deductions during the year	-0-
13	Balance at close of year	-0-
	(02) Other Capital Surplus:	
14	Balance at beginning of year	-0-
	Additions during the year(describe):	
15		
16		
17		
18		
19		
20		
21		
22		
23	Total additions during the year	-0-
	Deductions during the year(describe):	
24		
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)
1	(310) Domestic Express	XXXXXXXXXX	14,030,954
2	(311) Surface	14,038,820	XXXXXXXXXX
3	(312) Air	(7,866)	XXXXXXXXXX
4	(320) Foreign Express	XXXXXXXXXX	-
5	(321) Surface	-	XXXXXXXXXX
6	(322) Air	-	XXXXXXXXXX
7	(330) Interline Express	XXXXXXXXXX	-
8	(331) Surface	-	XXXXXXXXXX
9	(332) Air	-	XXXXXXXXXX
10	(340) Other Express	XXXXXXXXXX	-
11	(350) Other Revenue	XXXXXXXXXX	(5,098)
12	(351) Advertising Revenue	(6,873)	XXXXXXXXXX
13	(352) Customs Brokerage Fees	-	XXXXXXXXXX
14	(353) C.O.D. Service Fees	122	XXXXXXXXXX
15	(354) Storage Fees	(8,901)	XXXXXXXXXX
16	(255) Miscellaneous Revenue	10,554	XXXXXXXXXX
17	Total	XXXXXXXXXX	14,025,856

REA EXPRESS, INC.

Schedule 500 - Operating Expenses

Year 1976

Acct. No. (Secondary)	Account Title	Line Haul (Acct. 520)	Terminal Management (Acct. 530)	Finance & Adminis- tration (Acct. 560)	Total
01	Payroll	\$ 25,363	\$ 487,427	\$1,221,861	\$ 1,734,651
02	Employee Welfare	5,558	26,500	105,823	137,881
03	Advertising	-	-	100,854	100,854
04	Taxes & Licenses	16,105	404,305	176,420	596,830
05	Utilities	-	175,751	18,389	194,140
06	Supplies	9,790	20,772	38,395	68,957
07	Services Purchased	-	33,635	302,161	335,796
08	Unclassified	1,593	2,832	17,109	21,534
09	Traveling	547	-	53,538	54,085
10	Communications	11	144,114	171,401	315,526
12	Insurance	651,776	(284,660)	6,950	374,066
14	Professional Services	-	-	261,766	261,766
16	Uncollectible Revenues	-	-	88,260	88,260
17	Equipment Rentals	1,320	-	(48,968)	(47,648)
18	Purchased Transportation	10,512,323	-	-	10,512,323
19	Commission Agents	-	970,391	-	970,391
20	Real Property Rentals	-	421,752	220,573	642,325
21	Tires and Tubes	3,653	-	-	3,653
22	Motor Fuel and Oil	113,480	-	-	113,480
26	Gain or Loss on Sales of Assets	-	-	34,514	34,514
	Total	\$11,341,519	\$2,402,819	\$2,769,046	\$16,513,384

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 Schedule 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.

Where 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.

ICC Auth. No.

Year 1975

Schedule 504.-OPERATING TAXES AND LICENSES

The tax 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 94, column (g) should agree with schedule 500, line 56, column (f).

Taxing authority (a)	Highway Use Tax (b)	Vehicle License & Register Fee (c)	Real Estate Personal Property (d)	Retirement & Unemployment (e)	Other Taxes (f)	Total (g)
Federal				244,841		244,841
Alabama		30				30
Alaska		30				30
Arizona		11				11
Arkansas		11	53,926		10	53,936
Colorado		105			2	107
Connecticut		116	19,138		2	19,256
Delaware		250			2,533	2,783
Dist. of Columbia		35				35
Florida		30	1,481			1,511
Georgia	55	5	(5,108)		4	(5,044)
Hawaii		300				300
Idaho	30	45	10,027		948	11,050
Illinois	5	15				20
Indiana		20				20
Iowa		20	1,002			1,022
Kansas		5			10	15
Kentucky		5				5
Louisiana		30				30
Maine		30	14,414		1,301	15,715
Maryland		10	3,293		4	3,297
Massachusetts		10	24,739			24,749
Michigan		13			2	15
Minnesota		15				15
Mississippi		10	2,025		786	2,821
Missouri		5				5
Montana		10				10
Nebraska		10				10
Nevada		150				150
New Hampshire		15			28	43
New Jersey		10				10
New Mexico	11		100,698		68	100,777
New York	669	10	(2,230)		1,817	266
North Carolina		20				20
North Dakota		53				53
Ohio					3	3
Oklahoma						
Oregon			54,204		2,012	56,216
Pennsylvania		15				15
Rhode Island					2	2
South Carolina		10				10
South Dakota					1,852	1,852
Tennessee	8,159		3,333		11	11,492
Texas		30				30
Utah		35				35
Vermont		20	1,944		1,784	3,728
Virginia	5,353					5,353
Washington		260				260
West Virginia		40				40
Wisconsin						
Wyoming	40					40
Total	14,322	1,783	322,705	244,841	13,179	596,830

*Adjustment of Accruals for Prior Periods.

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)
		\$ (34,514)
1	Prior period adjustments	
2		
3		
4		
5		
6	Loss-Debit Net Realized Gain	(34,514)

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	(611-00) Rental Income	23,399		
2	(612-07) Non-Carrier Expense-Services		520	
3	Purchased			
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14	Total	23,399	520	22,879
15				

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: A/C 621-01	\$ 11,861	\$	\$ 11,861
1	Terminal Property Notes	195,452		195,452
2	Certificates of Deposits & Time Deposit			
3	U.S. Treasury Bonds	955		955
4	Total	208,268		208,268
	(623) Miscellaneous Interest Income:			
5	Primarily interest on security deposits	4,910		4,910
6	(54,231)			
7				
8				
9				
10				
11	Total	4,910		4,910
12	Grand Total	213,178		213,178
13				

Schedule 640.-OTHER INCOME

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

Line No.	Description of Item (a)	Amount (b)
1	(64-01) Miscellaneous Income	\$33,107
2		
3		
4		
5		
6		
7		
8		
9		
10		
Total		33,107

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	\$ 296
2	(711-02) Bonds	
3	(711-03) Equipment Obligations Adjustment of Accruals for Prior Period (77,237)	
4	(711-04) Other Long-term Obligations	
5	(711-05) Current Obligations	
6	(712) Affiliate Interest Expense	
7	(721) Debt Discount Expense	
8	(722) Debt Premium CREDIT	
9		
Total		(76,941)

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	
2		
3	(02) Loss Reimbursements	
4		
5	(03) Nonoperating Bad Debts	
6		
7	(04) Intangible Write-Offs	
8		
9	(05) Nonoperating Donations	6,262
10		
11	(06) Fines and Penalties	
12		
13	(07) Excess Life Insurance Premiums	132,319
14		
15	(08) Sundry Expenses	1,117,539
16		
17	(19) Commissions and Expenses re Sales of Assets	2,790,800
18		
19	(26) Gain or Loss on Sales of Assets	
20		
21	(09) Salvage Value of Revenue Equipment	
22		
23		
Total		\$4,046,920

Schedule 810.-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	-0-
2	Adjustments applicable to previous years, net debit*	-0-
3	Normal tax and surtax(line 1 plus 2)	-0-
4	Excess profits tax	-0-
	Total Federal income tax on ordinary income(line 3 plus 4)	
	813 Other Income Taxes(Specify):	
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
20		
21		
22		
23		-0-
24	Total Other income taxes	-0-
25	Total income taxes on ordinary income(lines 5 and 24)	

*Indicate credit in parenthesis.

Schedule 902.- EMPLOYEES, SERVICE AND COMPENSATION

56

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. N O.	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.....	5	5
2	2	Staff officials, division officers, and assistants.....	36	37
3	(901)	TOTAL (EXECUTIVES, OFFICIALS, AND STAFF ASSISTANTS).....	41	42
		II. PROFESSIONAL, CLERICAL, AND GENERAL		
4	3	Professional and subprofessional assistants.....		
5	4	Chief clerks (A).....	3	3
6	5	Chief clerks (B), head clerks, and clerical specialists.....	15	15
7	6	Clerks.....	39	40
8	7	Nonlisting, adding, and calculating-machine operators.....		
9	8	Stenographers and typists.....	15	15
10	9	Office attendants.....		
11	10	Division supervisors.....		
12	11	Agents--office, depot, and terminal.....	9	10
13	12	Foremen--vehicle, depot, and platform.....	5	6
14	13	Warehouse and platform clerks.....		
15	14	Warehouse and platform laborers.....		
16	15-A	Vehicle employees: Agency service.....		
17	15-B	Vehicle employees: Over the road truck service.....		
18	16	Police.....	1	1
19	17	Claim agents and claim adjusters.....		
20	(902)	TOTAL (PROFESSIONAL, CLERICAL, AND GENERAL).....	87	90
		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.....	2	2
25	21	Machinists.....		
26	22	Other craftsmen.....		
27	23	Apprentices and helpers--all trades.....		
28	24	Garage employees.....		
29	25	Laborers, unclassified.....		
30	(904)	TOTAL (MAINTENANCE AND STORES).....	2	2
31	(905)	GRAND TOTAL, ALL EMPLOYEES.....	130	134

Schedule 902.- EMPLOYEES, SERVICE, AND COMPENSATION

57

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)	
10,616		10,616	\$201,261		\$201,261	1
73,955		73,955	652,400		652,400	2
84,571		84,571	\$853,661		\$853,661	3
1,494		1,494	\$ 12,321		\$ 12,321	4
6,520		6,520	50,070		50,070	5
28,188		28,188	177,234		177,234	6
78,492		78,492	384,350		384,350	7
						8
28,851		28,851	158,348		158,348	9
408		408	2,362		2,362	10
						11
19,346		19,346	116,958		116,958	12
11,116		11,116	72,714		72,714	13
1,576		1,576	9,243		9,243	14
250		250	1,203		1,203	15
750		750	4,086		4,086	16
						17
2,196		2,196	12,946		12,946	18
904		904	5,483		5,483	19
180,091		180,091	\$1,007,318		\$1,007,318	20
						21
						22
						23
4,144		4,144	\$ 27,310		\$ 27,310	24
536		536	3,333		3,333	25
224		224	1,544		1,544	26
						27
						28
						29
4,904		4,904	\$ 32,187		\$ 32,187	30
269,566		269,566	\$1,893,166		\$1,893,166	31

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, irrespectively 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.

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, solicitors, 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	Protective Insurance Company	Cargo Insurance	\$ 1,004,810
2	Rabin Bros.	Auctioneer of Company Eqpt.	352,690
3	Price Waterhouse & Co.	Accounting	96,791
4	John Smith	Commissions	90,018
5	Blue Cross & Blue Shield	Medical Insurance	77,234
6	C. Orvis Sowerwine	REA Express Trustee in Bank	50,000
7	Frank B. Hall	Fire & General Liab. Insurance	47,510
8	Mike Marino	Commissions	43,012
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25		Total	\$ 1,762,065

**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 other matters 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 104.

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 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.	NONE								\$
2.									
3.									
4.									
5.									
6.									
7.									
8.									
9.									
10.									
11.									
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37.									

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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									
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22									
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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 noncarrier 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							
17							

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, 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

Schedule 910. - CONTRACT 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

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)

Controller

(Insert here the title of the affiant)

of REA Express, Inc. (Bankrupt)

(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 January, 1976, to and including the 31st day of December, 1976.

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 6th day of June, 1979.

My commission expires

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

My commission expires

USE AN L. S.
IMPRESSION
SEAL

(Signature of officer authorized to administer oaths)

Real Property Leases with Railroads which were
Rejected or Terminated During the Year 1976

<u>City and State and Local Address</u>	<u>Railroad Lessor</u>	<u>Rejected or Terminated</u>	<u>Monthly Rental</u>
233-301 No. Main St. Las Vegas, Nevada	Union Pacific Land Resources Corporation	9/3/76	\$ 902.00
Pennsylvania Express Terminal 39th St. & Skillman Long Island City, New York	Penn Central Transportation Co.	5/7/76	1,344.50
N.W. 5th Ave., N.W. 4th Ave. & N.W. Hoyt Street Portland, Oregon	Portland Terminal Railroad Co.	9/3/76	514.00
E/S of 11th and North of Etna Pittsburgh, Pa.	Penn Central Transportation Co.	5/7/76	6,625.00

In addition to the four leases detailed, there were five separate leases rejected with monthly rentals less than \$250.00 by the Trustee in Bankruptcy.

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CORRECTION

**The preceding document has been re-
photographed to assure legibility and its
image appears immediately hereafter.**



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