

Docket No. A00102471, PDU, Am-I  
February 14, 1986  
Pittsburgh, Pa a.L.N.  
Pitt-OHIO Exh, A-1

AGREEMENT

THIS AGREEMENT is made this 24th day of May, 1985 between EXHIBITORS SERVICE COMPANY (SELLER), a Pennsylvania corporation having an office at 85 Helen Street, McKees Rocks, PA 15136, and PITT-OHIO EXPRESS, INC. (BUYER), a Pennsylvania corporation having an office at 26th Street and A.V.R.R., Pittsburgh, PA 15222.

**RECEIVED**

MAR 10 1986  
SECRETARY'S OFFICE  
Public Utility Commission

I. PREMISES

A. SELLER is a motor common carrier of property and holds a certificate of public convenience issued by the Pennsylvania Public Utility Commission (PUC) at Docket No. A-00024261 and folders thereto.

B. BUYER is a motor common carrier of property holding a certificate of public convenience issued by the PUC at Docket No. A-00102471 and folders thereto.

C. SELLER has agreed to sell to BUYER a portion of SELLER's PUC operating authority as more fully set forth herein, free and clear of all liens, encumbrances, security interests and other claims.

D. The transaction will also require the prior approval of the PUC. SELLER and BUYER will file and diligently prosecuting an application with the PUC for approval of the transaction pursuant to 66 Pa. C.S.A. §1102 of the Pennsylvania Public Utility Code (herein called "the permanent application").

MAR 10 1986

[Faint stamp or signature]

E. BUYER desires to begin operating under the portion of the operating rights which are the subject of this agreement as soon as possible in order to continue to perform adequate and continuous service to the public. For this reason, the parties have made provision in this agreement for the temporary use by BUYER of the operating rights, pending PUC action on the permanent application. Accordingly, BUYER will promptly file with the PUC applications for emergency temporary authority and regular temporary authority for BUYER to operate the portion of the PUC rights of SELLER which are the subject of this agreement, pending action by the PUC on the permanent application (herein called "the temporary applications").

## II. TERMS AND CONDITIONS

In consideration of the mutual covenants and promises herein contained, the parties, intending to be legally bound, agree, represent and warrant as follows:

1. Purchase Agreement. SELLER will sell to BUYER and BUYER will buy, free and clear of all liens, encumbrances, security interests and other claims, that portion of the Pennsylvania intrastate operating rights owned by SELLER and held at PUC Docket No. A-00024261, as set forth on Appendix A hereto, subject to the conditions contained therein (herein called "the operating rights").

2. Price and Payment. BUYER will pay to SELLER for the operating rights the total sum of Sixty-Five Thousand (\$65,000) Dollars (herein called "the escrow fund"), which sum has been deposited in escrow and will be held and disposed of in accordance with the provisions of paragraph 3 below.

3. Escrow Fund.

3.1 Escrow Agents. The escrow fund provided for in paragraph 2 will be deposited in escrow with Thomas M. Mulroy, the attorney for SELLER, and John A. Vuono, the attorney for BUYER (herein called "the escrow agents").

The escrow agents agree to serve in accordance with the terms and conditions of this agreement, a signed counterpart of which shall constitute appropriate directions and authority for the escrow agents.

3.2 Depository. The escrow fund shall, at the discretion of the escrow agents, be placed in an interest-bearing savings account or invested in other interest-bearing securities, including bank certificates of deposit and corporate commercial paper.

3.3 Interest. If the transaction is consummated in accordance with this agreement, any interest earned on the escrow fund shall be divided equally between BUYER and SELLER and delivered by the escrow agents to the respective parties on the final closing date. If the transaction is

not consummated, any interest earned on the escrow fund shall be disposed of in accordance with subparagraphs 3.4 and 3.5.

3.4 Disposition of Escrow Fund.

(a) The escrow fund shall be delivered by the escrow agents to SELLER on the final closing date upon consummation of this transaction pursuant to the terms of this agreement.

(b) The escrow fund and all interest earned thereon shall be returned promptly to BUYER by the escrow agents if the transaction is not consummated as a result of the denial of approval of the permanent application by the PUC or if the agreement is terminated or nullified pursuant to the terms hereof.

(c) In the event the permanent application is approved by the PUC and either party refuses to consummate the transaction, the escrow fund and any interest earned thereon shall be disposed of in accordance with the provisions of subparagraph 3.5.

3.5 Refusal to Consummate. In the event of the approval of the application by the PUC and in the absence of termination or nullification pursuant to the terms of this agreement:

(a) By BUYER. If BUYER refuses to consummate the transaction in accordance with the terms of this agreement, the sum of Six Thousand Five Hundred (\$6,500) Dollars,

and any interest earned thereon, at the option of SELLER, which option shall be exercised by SELLER giving the escrow agents written notice thereof within thirty (30) days after the latest date for consummation of the transaction in accordance with the terms hereof, shall be delivered by the escrow agents to the SELLER to be retained by SELLER as liquidated damages. The balance of the escrow fund and any interest earned thereon shall be returned to BUYER. In such event, this agreement shall forthwith terminate and the parties shall have no further rights or responsibilities hereunder.

In the alternative, if the aforesaid option is not exercised by SELLER, SELLER shall have the right to exercise any other rights which it may have under this agreement. In such event, the escrow agents shall continue to hold the escrow fund pending final resolution of the dispute between the parties.

(b) By SELLER. If SELLER refuses to consummate the transaction in accordance with the terms of this agreement, BUYER shall have the option to terminate the agreement by giving SELLER written notice thereof within thirty (30) days after the latest date for consummation of the transaction in accordance with the terms hereof. In such event, this agreement shall forthwith terminate and the parties shall have no further rights or responsibilities

hereunder and the escrow fund and all interest earned thereon shall be promptly delivered to BUYER.

In the alternative, if the aforesaid option is not exercised by BUYER, BUYER shall have the right to exercise against SELLER all rights which BUYER may have under this agreement. In such event, the escrow agents shall continue to hold the escrow fund pending final resolution of the dispute between the parties.

3.6 Indemnification. The escrow agents will not be paid a fee for their services as escrow agents, and accordingly, SELLER and BUYER agree to jointly and severally indemnify and hold harmless the escrow agents from any claims, causes of action or adverse effects resulting from their appointment as escrow agents or any actions taken pursuant thereto.

3.7 Expenses. Any expenses incurred by the escrow agents shall be shared 50% by SELLER and 50% by BUYER.

4. Applications for Approval. The parties agree that this transaction requires the prior approval of the PUC and that the transaction may not be consummated until final approval is secured by the PUC.

Accordingly, within thirty (30) days after the execution of this agreement:

4.1 The parties will jointly file an application with the PUC pursuant to 66 Pa. C.S.A. §1102 seeking permanent approval of the purchase of the operating rights by BUYER from SELLER; and

4.2 BUYER will file with the PUC applications seeking emergency temporary authority and regular temporary authority for BUYER to use the operating rights pending action on the permanent application by the PUC.

BUYER and SELLER will, with due diligence and in good faith, cooperate fully in the preparation, filing and prosecution of the applications and agree to join in and execute any and all such applications and other documents, subject to the approval of counsel.

BUYER and SELLER will supply such information as may be required, attend hearings, present testimony and otherwise cooperate to the end that approval of this transaction may be secured.

Counsel for BUYER will prepare the necessary permanent and temporary authority applications.

BUYER shall pay all filing fees in connection with the filing of the applications. Each party shall bear the expenses of its legal counsel, its accountants and other witnesses.

5. Warranties as to Operating Rights. SELLER warrants and guarantees that the operating rights have been duly

issued by the PUC; the rights are in full force and effect; the rights are not and on the final closing date will not be subject to any liens, encumbrances, security interests or claims of any kind; and that there are and on the final closing date will be no actions at law or equity, nor any proceedings before any agency pending or threatened against SELLER to revoke, suspend or otherwise restrict the operating authority.

In the event the foregoing warranties and representations are breached or prove to be inaccurate and false, the escrow fund and all interest earned thereon shall, at the option of BUYER, be returned promptly to BUYER. In such event, if temporary authority has been granted, the operating rights shall be promptly returned to SELLER and the parties shall have no further rights or obligations under this agreement.

6. Denial of Temporary Authority. In the event the PUC should issue final orders denying either or both of the temporary authority applications, the parties will proceed to prosecute the permanent application and this agreement and all of its applicable terms and conditions shall remain in full force and effect.

7. Temporary Authority. In the event the PUC approves the emergency temporary authority and/or regular temporary authority applications, SELLER agrees to permit BUYER to use

the operating rights pursuant to the following terms and conditions:

7.1 Consideration. BUYER agrees to pay to SELLER as consideration for the use of the operating rights the sum of One (\$1.00) Dollar and other good and valuable considerations.

7.2 Operating Expenses. During the period in which the operating rights are used, BUYER shall bear all costs and expenses incurred in connection with the use of the operating rights.

7.3 Profits and Losses. BUYER shall be entitled to retain all profits, if any, earned from its use of the operating rights during the period of temporary operations and BUYER shall bear all losses, if any, incurred in connection with such operations.

7.4 Term. The term of the temporary authority operation shall begin when BUYER commences operations of the operating authority pursuant to PUC approval of temporary authority and shall continue for such period as may be authorized by the PUC until final disposition of the permanent application or until this agreement is terminated.

In the event of approval of the permanent application, the temporary authority operation shall terminate upon consummation of the permanent transaction.

In the event of the denial of the permanent application, the right of BUYER to use the operating rights shall terminate

upon the date BUYER returns the operating rights to SELLER as required by a final order of the PUC and in accordance with the terms of this agreement.

8. Denial of the Permanent Application. If the PUC, by its final order, should deny approval of the permanent application, this agreement shall terminate. In such event, the parties shall have no further rights or obligations under this agreement.

The terms and conditions of this paragraph shall be subject to the appeal provisions set forth in paragraph 10.

9. Approval of Permanent Application Subject to Restrictions. If the PUC, by its final order, approves the permanent application, subject to conditions which restrict, delete or cancel any of the operating rights or limit the use of the operating rights by BUYER in any way, other than as set forth in the restrictions contained in Appendix A, BUYER shall have the option to declare this agreement null and void and forthwith terminate the agreement by giving SELLER written notice thereof within twenty (20) days after the service date of any such orders. In the absence of the exercise of the aforesaid option, any such restrictions shall be considered modifications hereto and this agreement, as modified, shall remain in full force and effect.

The terms and conditions of this paragraph shall be subject to the appeal provisions set forth in paragraph 10.

10. Appeals. In the event the PUC, by its final order, should deny the permanent application or grant the permanent application subject to conditions of the type set forth in paragraph 9, either party may seek judicial review of those orders to the extent available.

In the event that either party elects to seek judicial review, the termination provisions set forth in paragraphs 8 and 9 above shall not become effective until the exhaustion of such judicial remedies. In such event, if the final order of the PUC denying the permanent application is sustained by the court, this agreement shall be terminated in accordance with paragraph 8. If the final order of the PUC approving the permanent application, subject to conditions, is sustained by the court, BUYER may exercise the right to terminate as set forth in paragraph 9 within twenty (20) days after the service of the order or judgment of the last Court of Review.

If either party elects to seek judicial review, the party so electing shall pay all expenses incurred in connection with the appeal, excluding counsel fees of the other party.

For the purposes of this agreement, the term "final order" shall be defined as an order of the PUC finally determining the application, specifically (a) in the case of the denial of the application, upon the expiration of the period permitted by the Rules of Practice and regulations of the PUC or by the PUC order, whichever time period is greater, within which petitions

for rehearing, reargument or reconsideration may be filed, or upon a denial of any such petitions, if filed; and (b) in the case of approval of such applications, the effective date of the order of approval unless stayed by the PUC or by a court.

11. No Assumption of Liabilities. This agreement involves only the purchase of operating rights by BUYER from SELLER. Accordingly, BUYER does not assume any claims, debts, causes of action, judgments or other liabilities or obligations of SELLER by reason of this agreement.

12. SELLER's Representations and Warranties. SELLER represents and warrants as follows:

12.1 SELLER is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and has full power and authority under its Articles of Incorporation or charter to engage in the business which it is now conducting.

12.2 SELLER's Certificate of Public Convenience evidencing the operating rights is in good standing with the PUC and there are no citations, formal complaints, investigations or enforcement proceedings pending against SELLER by the PUC, the Department of Transportation or any other regulatory agency applicable to the operating rights.

12.3 The operating rights are not subject to any prior claims, options to purchase, agreements of sale or other contracts or obligations of purchase and SELLER will not enter

into any such contractual arrangements prior to the final closing date.

12.4 The Board of Directors of SELLER has, by proper resolution, duly authorized the execution and delivery of this agreement, the filing of the necessary applications with the PUC and the performance of such other actions as may be required to effectuate the purposes of this agreement. If required by law or by the Articles of Incorporation or bylaws of SELLER, proper shareholder approval has been obtained in connection with this transaction. A certified copy of the aforesaid resolution of the Board of Directors of SELLER and any requisite resolution of the shareholders of SELLER shall be delivered to BUYER within ten (10) days after the date of execution of this agreement.

12.5 The execution and performance of this agreement by SELLER will not violate any provision of law or contravene any provision of the Articles of Incorporation or bylaws of SELLER.

In the event of any default by SELLER in the terms of this paragraph or any other provisions of this agreement, BUYER shall have the option either to declare this agreement null and void by giving SELLER written notice of termination or to exercise against SELLER all of BUYER's available remedies hereunder.

13. BUYER's Representations and Warranties. BUYER represents and warrants as follows:

13.1 BUYER is a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Pennsylvania, and has full power and authority under its Articles of Incorporation or charter to engage in the business which it is now conducting.

13.2 The Board of Directors of BUYER and, if necessary, the shareholders of BUYER have, by proper resolution, duly authorized the execution and delivery of this agreement, the filing of the necessary applications with the PUC and the performance of such other actions as may be required to effectuate the purposes of this agreement. A certified copy of the aforesaid resolution of the Board of Directors of BUYER and any requisite resolution of the shareholders of BUYER shall be delivered to SELLER within ten (10) days after request therefor is received from SELLER.

13.3 The execution and performance of this agreement by BUYER will not violate any provision of law or contravene any provision of the Articles of Incorporation or bylaws of BUYER.

In the event of any default by BUYER in the terms of this paragraph or any other provisions of this agreement, SELLER shall have the option either to declare this agreement null and void by giving BUYER written notice of termination or to exercise against BUYER all of SELLER's available remedies hereunder.

14. Employee Relations. This agreement involves the sale of only operating rights, a partial asset only, and the parties agree that BUYER is not a successor employer to SELLER and has no obligation to hire any employees or to assume any labor agreements or employee obligations of SELLER.

SELLER acknowledges that BUYER has no obligations with respect to any employees of SELLER to provide employment, fringe benefit payments, vacation pay or any other benefits of employment nor any liability for any claims, grievances, labor disputes, charges or causes of action on the part of or in behalf of any employees or former employees of SELLER which may arise from or be related to events which occurred on or prior to the temporary authority closing date.

SELLER agrees, represents and warrants as follows:

14.1 There are no labor disputes, grievances, or unfair labor practice charges, discrimination in employment charges or other claims on behalf of employees of SELLER pending or threatened by any individual employee, group of employees or employee labor organization which will adversely affect BUYER or BUYER's rights under this agreement.

14.2 SELLER assumes liability for the payment for all periods prior to the temporary authority closing date of all costs of employment of present and former employees of SELLER due under any federal, state or local laws or regulations or collective bargaining agreements, including, but without limitation, the costs relating to wages, holiday and vacation pay,

pensions, health and welfare funds, F.I.C.A. payments, unemployment compensation taxes, withholding items, and any other employee costs and such costs shall be considered the obligations of SELLER.

14.3 SELLER will discharge any obligations it may have under the National Labor Relations Act or any labor agreements to notify any labor unions representing employees of SELLER of the existence of this agreement and further will discharge any obligations SELLER may have subsequent to the temporary authority closing date to meet with any labor unions to discuss the effects of the sale on the employees of SELLER.

14.4 SELLER will cooperate fully and present testimony, if requested, in the defense of any claim, grievance, unfair labor practice or discrimination in employment charge, or suit which may now exist or which may arise in the future concerning SELLER.

14.5 To the best of SELLER's knowledge, it has complied with all federal, state and local laws and regulations relating to the employment of persons and will continue to do so.

14.6 To the best of SELLER's knowledge, there have been no events which have occurred which would give rise to any disputes, claims, charges, grievances or claims to any payments of the type set forth in this paragraph.

14.7 In the event the transaction contemplated by this agreement has the effect of incurring withdrawal liability

under The Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multi-Employer Pension Plan Amendment Act of 1980 ("MPPAA"), it is expressly understood and agreed that SELLER shall be solely responsible for any withdrawal liability attributable to the operations or employees of SELLER, whether arising out of this transaction or otherwise, and that BUYER and any companies affiliated with BUYER and the shareholders, successors or assigns of BUYER, and any companies affiliated with BUYER, do not assume any withdrawal liability of SELLER.

14.8 SELLER will be solely responsible for any obligations, claims or other adverse consequences to BUYER resulting from SELLER's breach of any of the agreements, representations and warranties set forth in this paragraph, including reasonable attorneys' fees and expenses incurred by BUYER in connection therewith, provided SELLER is promptly advised of such obligations and is given an opportunity to defend against such obligations.

14.9 SELLER agrees to indemnify and hold harmless BUYER from any liabilities, causes of action, suits or other claims arising under the terms of this paragraph, including reasonable fees and expenses incurred in defending against any such claims.

15. PUC Assessments. SELLER warrants that all general assessments heretofore made or that may be made pursuant to 66

Pa. C.S.A. §510 of the Pennsylvania Public Utility Code applicable to any and all operating periods up to the temporary authority closing date will be the obligation of SELLER. Any general assessments applicable to periods subsequent to the aforesaid date shall be the obligation of BUYER. In the event the PUC requires the payment of any such assessments due from SELLER as a condition precedent to the consummation of the permanent application, SELLER agrees to promptly pay any such assessments. In the event any such assessments are not paid by SELLER, BUYER shall have the right to advance such payments to the PUC. Any such advanced payments shall be considered as adjustments to the purchase price and shall be deducted from the consideration due SELLER as provided in paragraph 2. In such case, on the final closing date, the escrow agents shall reimburse BUYER for the total amount of such advanced payments from the escrow fund.

16. Operating Rights Unique. The parties agree that the PUC operating rights which are the subject of this agreement are unique and are not otherwise obtainable.

17. No Broker's Fees or Commissions. BUYER and SELLER agree that to the best of their knowledge there are no claims for any finder's fees or broker's commission in connection with this transaction. Notwithstanding the foregoing, each of the parties agrees to indemnify the other against and hold it harmless from any and all liabilities (including reasonable attorney's fees and expenses incurred in defending such claims) for

any finder's fees or broker's commission in connection with the transaction contemplated by this agreement, insofar as such claim shall be based on arrangements or agreements made or allegedly made by or on behalf of the indemnifying party.

18. Conditions Precedent. In addition to any other obligations imposed by this agreement, the fulfillment of the following conditions shall constitute conditions precedent to the enforcement of BUYER's obligations under this agreement:

18.1 The approval of the permanent application by the issuance of a final order of the PUC, subject to the terms and conditions of this agreement.

18.2 On the final closing date, the warranties and representations of SELLER as set forth herein have been fulfilled.

In the event any of the aforesaid warranties and representations are not met, BUYER shall have the option to terminate the agreement by giving SELLER written notice thereof within twenty (20) days after the occurrence of any such default. In such event, the escrow fund and all interest earned thereon and any other payments made pursuant to this agreement shall be returned promptly to BUYER. If temporary authority has been granted, the operating rights shall be returned to SELLER and the parties shall have no further rights or obligations under this agreement.

19. Survival of Representations and Warranties. All provisions in this agreement applicable to BUYER and SELLER shall be deemed to be representations and warranties and shall survive the consummation of the transaction. SELLER acknowledges that all warranties, representations and covenants made in this agreement are for the purpose and with the intent of inducing BUYER to purchase the operating rights. BUYER acknowledges that all warranties, representations and covenants made in this agreement are for the purpose and with the intent of inducing SELLER to sell the operating rights.

20. Closing Dates. The closing dates are defined as follows:

20.1 The final closing date is the day selected by agreement of the parties within a period of thirty (30) days after the effective date of the final order of the PUC, approving the permanent application or the thirtieth (30th) such day if no other day is selected. The transaction shall be consummated on the final closing date. The closing will be held at a time of day and place mutually agreed upon by the parties.

20.2 The temporary authority closing date is the day on which BUYER begins using the operating rights pursuant to temporary authority granted by the PUC and shall be the date selected by the parties within a period of twenty (20) days after issuance of any order by the PUC approving the first

temporary application or the twentieth (20th) such day if no other day is selected.

21. Rights of Successors and Assigns. This agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest, assigns and legal representatives.

22. Notices. Any notices, demands or other communications delivered or tendered under this agreement shall be in writing and shall be sufficient if sent by registered or certified mail with return receipt requested to the parties at the addresses shown below:

SELLER:

Mr. George Callahan, III  
President  
Exhibitors Service Company  
85 Helen Street  
McKees Rocks, PA 15136

BUYER:

Mr. Charles L. Hammel, III  
President  
Pitt-Ohio Express, Inc.  
26th & A.V.R.R.  
Pittsburgh, PA 15222

A copy of any such communications shall also be mailed to the following counsel for the parties:

Thomas M. Mulroy, Esq.  
Pillar and Mulroy, P.C.  
Suite 700  
312 Boulevard of the Allies  
Pittsburgh, PA 15222  
Attorney for SELLER

John A. Vuono, Esq.  
Vuono, Lavelle & Gray  
2310 Grant Building  
Pittsburgh, PA 15219

Such notice shall be sufficient, whether accepted at the address referred to or not, if tendered at such address during the normal business hours by the United States Postal Service. The addresses may from time to time be changed by either party giving written notice pursuant to the terms of this paragraph.

23. Entire Agreement of Parties. This agreement cannot be changed orally and constitutes the entire contract between the parties hereto. It shall not be modified nor changed by any expressed or implied promises, warranties, guaranties, representations or other information unless expressly and specifically set forth in this agreement or an addendum thereto property executed by the parties.

24. Construction. This agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania.

25. Paragraph Headings. The headings referring to the contents of paragraphs of this agreement are inserted for convenience and are not to be considered as part of this agreement nor a limitation on the scope of the particular paragraphs to which they refer.

III. EXECUTION

IN WITNESS WHEREOF, the parties intending to be legally bound, have executed this agreement the day and year first above stated.

EXHIBITORS SERVICE COMPANY

By: /s/ George Callahan, III  
George Callahan, III  
President

PITT-OHIO EXPRESS, INC.

By: /s/ Charles L. Hammel, III  
Charles L. Hammel, III  
President

APPENDIX A

PITT-OHIO EXPRESS, INC.

AUTHORITY TO BE PURCHASED FROM  
EXHIBITORS SERVICE COMPANY

- (A) To transport as a Class D carrier, property, from points in the county of Allegheny to other points in Pennsylvania beyond the county of Allegheny, and vice versa.

Subject to the following conditions:

1. That no right, power or privilege is granted to transport household goods in use.
2. That no right, power or privilege is granted to transport commodities in bulk.
3. That no right, power or privilege is granted to transport shipments of iron or steel and iron or steel articles weighing in excess of ten thousand (10,000) pounds.
4. That no right, power or privilege is granted to transport commodities which, because of size or weight, require the use of special equipment or special handling.
5. That no right, power or privilege is granted to transport property for Hershey Foods Corp. and its subsidiaries, H. B. Reese Co., San Giorgio Macaroni, Inc., and Y & S Candies, Inc., from the township of Derry, Dauphin County, the city of Lebanon and the township of North Cornwall, Lebanon County, and the township of East Hempfield, Lancaster County, to points in Pennsylvania, and vice versa.
6. That no right, power or privilege is granted to transport property from points in Allegheny County to points within an airline distance of twenty-five (25) miles of the City-County Building in the city of Pittsburgh and vice versa.
7. That no right, power or privilege is granted to transport property from points in the county of Allegheny to points in the counties of Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset, Bedford, Lebanon, Berks, Lancaster, Beaver, Crawford, Erie, Fayette, Lawrence, Mercer, Venango, Washington and Westmoreland, and vice versa.

8. That no right, power or privilege is granted to transport limestone and limestone products for J. E. Baker Company, from its plant in the township of West Manchester, York County, and for the Thomasville Stone and Lime Company, from its plant in the township of Jackson, York County.
9. That no right, power or privilege is granted to transport property, from the facilities of American Home Foods Division of American Home Products Corp. located in the township of Turbot and the borough of Milton, Northumberland County, to points in Pennsylvania, and vice versa.
10. That no right, power or privilege is granted to transport motion picture films and accessories, dry ice, newspapers, magazines, and meat, meat products, meat by-products, dairy products, articles distributed by meat packing houses and such commodities as are used by meat packers in the conduct of their business.
11. That no right, power or privilege is granted to transport frozen and perishable foods, fresh fruits and vegetables, perishable non-food commodities in temperature controlled vehicles, from points in Allegheny County to points within 150 miles of the limits of Allegheny County.
12. That no right, power or privilege is granted to provide service (a) to or from the facilities of Dauphin Distribution Services Company in Cumberland County and Exhibitors Service Company in Allegheny County; (b) for Speciality Ladyfingers, Inc. to or from Perry County; (c) for Standard Brands, Inc., Armour and Company, Swift and Company, The Best Foods, Inc., Fairmont Creamery Company, Grennan Bakery Company, Seven Baker Brothers Company, and Highway Express Lines, Inc.; (d) for the Commonwealth of Pennsylvania to or from the Rockview Penitentiary in the County of Centre; (e) for Sears, Roebuck & Company and Montgomery Ward and Company in connection with the transportation of catalogs from the City of Pittsburgh.

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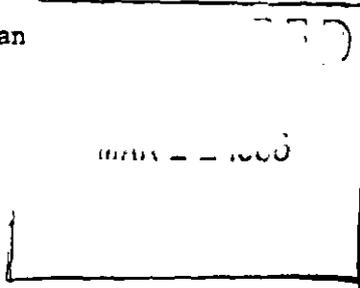
PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

Harrisburg, PA 17120

Public Meeting held June 13, 1985

Commissioners Present:

Linda C. Taliaferro, Chairman  
James H. Cawley  
Frank Fischl  
Bill Shane



RECEIVED  
MAR 10 1986  
SECRETARY'S OFFICE  
Public Utility Commission

Pitt-Ohio Express, Inc.,  
Emergency Temporary Authority  
Application to operate under part of  
the common carrier property rights  
presently held by Exhibitors  
Service Company at A-00024261.

A-00102471  
F. 601

O R D E R

By application filed May 28, 1985, Pitt-Ohio Express, Inc. (Pitt-Ohio), located in Pittsburgh, Allegheny County, seeks approval for Emergency Temporary Authority to operate under part of the common carrier property rights granted to Exhibitors Service Company (Exhibitors), at A-00024261, pending disposition of applicant's companion transfer application to permanently acquire said rights. At a related application for emergency temporary authority, Hammel's Express, Inc. (Hammel's) has filed to purchase from Exhibitors the balance of Exhibitors general property authority. Pitt-Ohio and Hammel's are both owned by members of the Hammel family. Exhibitors is retaining that segment of its authority that will allow it to provide a specialized service in connection with the transportation of film, dated commodities, frozen food and other perishables.

The transferor is presently certificated to transport general property and certain other commodities in the counties of Allegheny, Beaver, Lawrence, Mercer, Butler, Crawford, Erie, Washington, Greene, Westmoreland, Cambria, Indiana, Blair, Centre, Clearfield, Jefferson, Elk, Armstrong, Fayette and Venango, subject to certain restrictions.

The averred reasons for the request for emergency temporary authority is that Exhibitors has been experiencing financial problems and has curtailed to some extent its present operations. It also avers that a large portion of traffic moves between May 1 and November 1 and that Exhibitors would like to sell the general property segment of its authority as expeditiously as possible. Exhibitors contends that if the application for emergency temporary authority is not approved

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that Exhibitors would be forced to further curtail their general property service which would create greater demand for such service by the shipping public in the involved territory.

Timely protest to the application was filed by Newcomer Trucking, Inc. (Newcomer), certificated by this Commission at A-00102265.

In its protest Newcomer avers that the authority sought by Pitt-Ohio is in conflict with segments of Newcomer's authority. It also avers that Exhibitor's claims of financial difficulty are totally unsupported by evidence in Exhibitors' filing.

Newcomer further avers that although Pitt-Ohio contends that there is an immediate need for Pitt-Ohio to assume the operations of Exhibitors because "Pitt-Ohio has received substantial and continuous requests for service from the shipping public beyond the scope of its existing rights," Pitt-Ohio offers no evidence concerning the nature of these requests, the shippers from whom they were received, when the requests were made, the commodities, origins or destinations involved, or the ultimate dispositions of the requests.

Additionally, Newcomer maintains that it has idle equipment and is willing and able to provide less-than-truckload sized shipments of general commodities on an overnight basis within the scope of its authority.

Finally, Newcomer provided a list of 21 carriers having Commission authority to provide all or part of the proposed service.

Commission records indicate that Exhibitors operating revenues and net operating income have decreased drastically based on a comparison of 1984 and 1983 annual reports.

In view of the transferor's deteriorating financial condition and on the basis of continuing necessity for the property rights to be transferred it appears that the application has merit and will serve the public interest; THEREFORE,

IT IS ORDERED: That the application of Pitt-Ohio Express, Inc., for emergency temporary authority to operate under part of the operating authority as set forth in the instant application and as held by Exhibitors Service Company at A-00024261, be and is hereby approved.

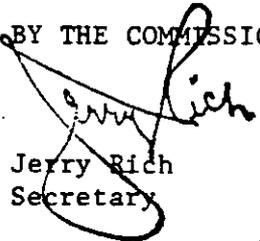
IT IS FURTHER ORDERED: That the applicant will file or have on file evidence of insurance prior to the initiation of any service granted herein.

IT IS FURTHER ORDERED: That the applicant will, within ten (10) days of entry of this order, file a tariff adopting the transferor's rates, in accordance with the provisions of PA Code, Title 52, Chapter 23.

IT IS FURTHER ORDERED: That the authority granted will be effective pending disposition of the temporary or permanent application.

IT IS FURTHER ORDERED: That the authority granted herein will have no bearing on any application for temporary or permanent authority.

BY THE COMMISSION,

  
Jerry Rich  
Secretary

(SEAL)

ORDER ADOPTED: June 13, 1985

ORDER ENTERED: June 13, 1985

Docket No. 1100100411, 1001, AM-I  
February 14, 1936  
Pittsburgh, Pa. a.L.N.  
Pitt Ohio exh. No A-3

PITT-OHIO EXPRESS, INC.  
OPERATING AUTHORITY  
DOCKET NO. A. 102471

LEAD CERTIFICATE

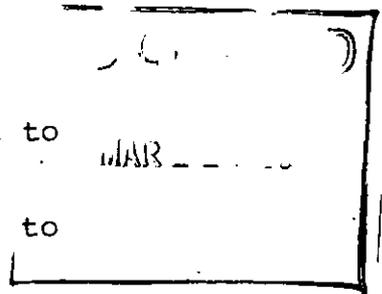
To transport, as a Class D carrier, such commodities as are dealt in by retail shoe stores, from the distribution facility of Kinney Service Corp., in the township of Hampden, Cumberland County, to points in the counties of Allegheny, Beaver, Butler, Lawrence, Armstrong, Westmoreland, Fayette and Washington.

FOLDER 1, AM-A

To transport, as a Class D carrier, property, from the facilities of USCO Distribution Services, Inc., located in the borough of McKees Rocks, Allegheny County, to points in Pennsylvania, and vice versa;

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk.
2. That no right, power or privilege is granted to transport household goods in use.



FOLDER 1, AM-B

To transport, as a Class D carrier, property between points in the counties of Allegheny, Armstrong, Beaver, Butler, Clarion, Crawford, Erie, Fayette, Greene, Indiana, Lawrence, Mercer, Venango, Washington and Westmoreland;

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk and household goods and office furniture in use.
2. That no right, power or privilege is granted to transport commodities which because of their size or weight require special handling or the use of special equipment.
3. That no right, power or privilege is granted to transport iron and steel and iron and steel articles and refractories in single shipments weighing more than 24,000 pounds.

4. That no right, power or privilege is granted to transport iron and steel and iron and steel articles and refractories in single shipments weighing more than 10,000 pounds to, from or between points in Beaver County.
5. That no right, power or privilege is granted to transport money, bullion, securities and other valuables, including checks in process and proof work.
6. That no right, power or privilege is granted to provide service from points in Allegheny County to points in the counties of Armstrong, Butler, Clarion, Greene and Indiana and vice versa.

FOLDER 1, AM-C

To transport, as a Class D carrier, property for H. J. Heinz Company, U.S.A., between points in Pennsylvania;

subject to the following condition:

That no right, power or privilege is granted to transport commodities in bulk.

FOLDER 1, AM-D

To transport, as a Class D carrier, property, for Union Carbide Corporation, from the Pennsylvania terminal facilities of Pitt-Ohio Express, Inc., to points in Pennsylvania, and vice versa;

subject to the following conditions:

1. The above transportation is limited to shipments having a prior or subsequent movement in private carriage.
2. That no right, power or privilege is granted to transport property in bulk.
3. That no right, power or privilege is granted to transport household goods.

FOLDER 1, AM-F

To transport, as a Class D carrier, property, except commodities in bulk and household goods and office furniture in use, for G. C. Murphy Company between points in Pennsylvania.

FOLDER 1, AM-H

To transport, as a Class D carrier, property for Sherwin-Davis, Inc., from its facilities in the county of Allegheny, to points in Pennsylvania, and vice versa.

subject to the following conditions:

1. That no right, power or privilege is granted to transport commodities in bulk.
2. That no right, power or privilege is granted to transport household goods and office furniture, in use.

bucket No. 4717  
February 14, 1986  
Pittsburgh, Pa. G.I.N.  
Pitt-Ohio Exh - A

OP-AEA-26  
(Rev. 10/80)

INTERSTATE COMMERCE COMMISSION  
CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

MC-30136 Sub 2

SERVICE DATE

PITT-OHIO EXPRESS, INC. RECEIVED APR 20 1982  
East Liverpool, OH

MAR 10 1986

SECRETARY'S OFFICE  
Public Utility Commission

This Certificate of Public Convenience and Necessity is evidence of the carrier's authority to engage in transportation as a common carrier by motor vehicle.

This authority will become effective only when the carrier has met the compliance requirements pertaining to insurance coverage for the protection of the public (49 CFR 1043), the designation of agents upon whom process may be served (49 CFR 1044), and tariffs or schedules (49 CFR 1300 through 1310, revised). The carrier shall also render reasonably continuous and adequate service to the public. Failure to meet these conditions will constitute sufficient grounds for the suspension, change, or revocation of this authority.

This authority is subject to any terms, conditions, and limitations as are now, or may later be, attached to this privilege.

For all carriers: Any duplication in this authority and rights currently held does not confer more than one operating right.

For common carriers with irregular route authority: Any irregular route authority authorized in this certificate may not be tacked or joined with your other irregular route authority unless joinder is specifically authorized.

The transportation service to be performed is described on the reverse side of this document and will be valid as long as the carrier maintains compliance with the above requirements.

By the Commission.

(SEAL)

Agatha L. Mergenovich  
Secretary

Note: If there are any discrepancies regarding this document please notify the Commission within 30 days.

MC-30136 Sub 2

To operate as a common carrier, by motor vehicle, in interstate or foreign commerce, over irregular routes, transporting general commodities (except classes A and B explosives, household goods as defined by the Commission, and commodities in bulk), between points in Pennsylvania, New York, New Jersey, Massachusetts, Connecticut, Rhode Island, Delaware, Maryland, Virginia, Kentucky, North Carolina, West Virginia, Ohio, Indiana, Illinois, Missouri, Michigan, Wisconsin, and the District of Columbia.

Docket No. A0002471, F001, Am-I  
February 14, 1986  
Pittsburgh, Pa. A.L.N.  
Pitt-Ohio Exh. No A-5

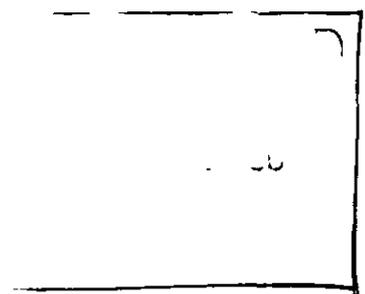
PITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

STRAIGHT TRUCKS

RECEIVED  
MAR 10 1986  
SECRETARY'S OFFICE  
Public Utility Commission

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
41	1978	MERCEDES BENZ	34403012394996	\$ 8,300
42	1978	MERCEDES BENZ	34403012396620	8,300
62	1978	MERCEDES BENZ	34403012394623	7,500
63	1978	MERCEDES BENZ	34403012395301	7,500
64	1978	MERCEDES BENZ	34403012395113	7,500
65	1980	MERCEDES BENZ	1MBZA24B2AN512225	8,000
66	1978	MERCEDES BENZ	34403012394911	7,500
67	1978	MERCEDES BENZ	34403012395302	7,500
68	1978	MERCEDES BENZ	34403012394460	7,500
69	1979	MERCEDES BENZ	34403312441474	7,500
70	1979	MERCEDES BENZ	34530012453141	11,500
71	1978	MERCEDES BENZ	34403012394900	8,500
72	1978	MERCEDES BENZ	34500312356643	9,500
76	1985	MERCEDES BENZ	1MBZB77A1FN676070	28,139
77	1985	MERCEDES BENZ	1MBZB77A3FN676071	28,139
79	1985	MERCEDES BENZ		28,139
80	1985	MERCEDES BENZ		28,139
100	1981	GMC	1GDL7D1F1BV555625	27,788
101	1981	GMC	1GDL7D1G2BV557196	22,500
102	1981	GMC	1GDL7D1F6BV568273	27,788
200	1982	MACK	VG6M111B5CB015361	24,500
201	1982	MACK	VG6M111B0CB015591	24,500
202	1982	MACK	VG6M111B0CB015381	24,500
203	1983	MACK	VG6M111B1CB015406	24,500
204	1982	MACK	VG6M111B9CB015413	24,500
205	1984	MACK	19692	22,800
206	1984	MACK	19723	22,800
207	1984	MACK	VG6M111B5EB019509	30,167
208	1982	MACK	VG6M111B2CB014104	13,500
209	1982	MACK	014104	13,500
210	1982	MACK	VG6M111B7CB013918	13,500
78	1985	MERCEDES BENZ	1MBZB77A7FN676073	28,139



DOCUMENT  
FOLDER

PITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

TRACTORS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
D6	1981	MACK	2M2W128Y7BC16586	\$ 42,000
D7	1981	MACK	2M2W128Y9BC016587	42,000
D9	1978	MACK	U686T4214	19,500
D10	1983	MACK	2M2N166YXDC087709	41,000
D11	1982	MACK	2M2W129Y7CC016636	43,981
D12	1983	MACK	2M2N166Y6DC087710	41,000
D14	1983	MACK	2M2N166Y8DC087711	41,000
D15	1983	MACK	2M2N166Y3DC087714	41,920
D16	1983	MACK	1M2N166B0DA087683	41,920
D17	1983	MACK	1M2N166B2DA087684	41,920
D18	1983	MACK	1M2N166C3DA087606	41,920
D19	1983	MACK	1M2N166C5DA087607	41,920
D20	1983	MACK	87715	41,000
D21	1984	MACK	EA088386	44,800
D22	1984	MACK	EA088387	44,800
D23	1977	MACK	U6855T13613	15,500
D24	1977	MACK	U685ST13623	15,500
D25	1978	MACK	R685ST72680	22,800
D26	1984	MACK	88383	48,375
D27	1984	MACK	88384	48,375
D28	1984	MACK	88385	48,375
D29	1984	MACK	90359	44,800
D30	1984	MACK	90360	44,800
D31	1984	MACK	1M2N185X1EA090361	44,800
D32	1984	MACK	1M2N185X3EA090362	44,800
D33	1984	MACK	1M2N185X5EA090363	44,800
D34	1985	MACK	98599	48,500
D35	1985	MACK	98600	48,500
D36	1985	MACK	98601	48,500
D37	1986	MACK	1M2N185Y96A003493	47,159
D38	1986	GMC	1M2N185Y76A003494	47,159
D39	1986	MACK	1M2N179Y5GA004002	53,241
D40	1986	MACK	1M2N179Y9GA004004	53,241
D41	1986	MACK	1M2N185X2GA004008	47,159
D42	1986	MACK	1M2N185X0GA004007	47,159
D52	1979	GMC	T49CJ9V625038	22,000
D53	1979	GMC	T49CJ9V625037	20,000
D54	1979	GMC	T49CJ9V625036	22,000

ITT OHIO EXPRESS, INC.

EQUIPMENT OWNED

TRAILERS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T321	1973	STOUGHTON	732660	\$ 2,750
T322	1973	STOUGHTON	732589	2,850
T323	1973	STOUGHTON	732657	2,850
T324	1973	STOUGHTON	732590	2,850
T325	1973	STOUGHTON	732661	2,850
T326	1973	STOUGHTON	732656	2,850
T400	1972	FRUEHAUF	MEN261002	3,500
T401	1972	FRUEHAUF	MEP298801	2,800
T480	1983	FRUEHAUF	1HEV0482XDH046601	12,849
T481	1980	STRICK	230821	8,500
T482	1980	STRICK	7420232753	8,500
T483	1978	STRICK	222706	8,500
T484	1983	FRUEHAUF	1H2V04821DH046602	12,849
T485	1980	STRICK	7420226826	8,500
T605	1982	FRUEHAUF	1H2V0452BH056736	12,895
T606	1982	FRUEHAUF	1H2V045268H056737	12,895
T607	1982	FRUEHAUF	1H2V04BH056738	12,895
T608	1982	FRUEHAUF	1H2V0452XBH056739	12,895
T609	1982	FRUEHAUF	1H2V04526BH056740	12,895
T610	1978	FRUEHAUF	MEZ582118	6,000
T623	1977	STRICK	215420	7,300
T624	1977	STRICK	215424	7,300
T625	1978	STRICK	223563	8,300
T626	1979	STRICK	218671	8,600

MARTERA INC.

EQUIPMENT OWNED

STRAIGHT TRUCKS

<u>UNIT</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
43	1977	MERCEDES BENZ	34403012323406	\$ 18,195
44	1979	MERCEDES BENZ	34403012454829	7,600
45	1981	MERCEDES BENZ	1MBZA24BXXBN559276	6,000
47	1978	MERCEDES BENZ	34403012381014	15,686
48	1979	MERCEDES BENZ	34403012442447	19,367
49	1979	MERCEDES BENZ	34403012409764	19,367
54	1979	MERCEDES BENZ	34403012432368	19,367
55	1979	MERCEDES BENZ	34403012432735	19,367
56	1979	MERCEDES BENZ	34403012432744	19,367
57	1979	MERCEDES BENZ	34403012442456	19,367
58	1979	MERCEDES BENZ	34403012427573	19,367
59	1979	MERCEDES BENZ	34403012450581	19,367
60	1979	MERCEDES BENZ	34403012450638	19,367
73	1980	MERCEDES BENZ	37602412513030	7,500
74	1980	MERCEDES BENZ	37602412513056	7,500
75	1980	MERCEDES BENZ	37602412516260	7,500
84	1977	INTERNATIONAL	D0522GCA25203	12,786
90	1977	INTERNATIONAL	D0522GCA25246	12,786

MARTERA, INC.  
EQUIPMENT OWNED  
TRACTORS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
D1	1974	GMC	TH1904V605741	\$ 11,200
D8	1978	MACK	U686T4213	19,500

## MARTERA, INC.

EQUIPMENT OWNEDTRAILERS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T26	1978	STRICK	219482	\$ 7,775.00
T327	1979	STRICK	233338	4,600.00
T328	1979	STRICK	233336	4,600.00
T329	1979	STRICK	233333	4,700.00
T330	1979	STRICK	233339	4,600.00
T331	1979	STRICK	233332	4,600.00
T332	1979	STRICK	233337	4,700.00
T450	1974	STRICK	177947	6,455.00
T453	1974	STRICK	7450533NSW177948	6,455.00
T456	1974	STRICK	177949	6,495.00
T506		TRAILMOBILE	E32979	5,076.00
T507	1971	FRUEHAUF	MAN297546	4,342.00
T508	1971	FRUEHAUF	MAN297545	4,343.11
T509	1972	FRUEHAUF	MAP362979	4,808.50
T510	1973	TRAILMOBILE	K30269	5,500.00
T514	1974	STRICK	194096	7,200.00
T516	1974	STRICK	194097	7,200.00
T518	1977	STRICK	213423	8,950.00
T520	1979	FRUEHAUF	665410	10,941.00
T522	1979	FRUEHAUF	HPV665404	10,600.00
T524	1979	FRUEHAUF	HPV665403	10,600.00
T526	1979	FRUEHAUF	665406	10,941.00
T528	1980	STRICK	235927	10,645.00
T530	1980	STRICK	235928	10,645.00
T536	1968	STRICK	990309	3,205.00
T538	1968	STRICK	99315	3,205.00
T540	1971	FRUEHAUF	SWN1356505	5,915.00
T600	1982	FRUEHAUF	1H2V0452XBH056708	12,895.00
T601	1982	FRUEHAUF	1H2V04521BH056709	12,895.00
T602	1982	FRUEHAUF	1H2V04528BH056710	12,420.00
T603	1982	FRUEHAUF	1H2V0452XBH056711	12,895.00
T604	1982	FRUEHAUF	1H2V04521BH056712	12,420.00
T611	1978	FRUEHAUF	MAY521347	5,500.00
T612	1978	FRUEHAUF	MAY521327	5,500.00
T613	1978	FRUEHAUF	MAY521350	5,500.00
T614	1978	FRUEHAUF	MAY521341	5,500.00
T615	1977	HOBBS	BLY77949	7,177.00
T616	1977	HOBBS	BLY779850	7,177.00
T617	1978	STRICK	223559	7,900.00
T618	1979	STRICK	210855	7,500.00
T619	1979	STRICK	215849	7,500.00
T620	1979	STRICK	222668	7,500.00
T621	1977	HOBBS	BLY779841	7,125.00
T622	1980	STUDEBAKER EL	244013	8,200.00
T627	1979	FRUEHAUF	HPV670137	6,750.00
T628	1979	FRUEHAUF	HPV670115	6,750.00
T629	1977	FRUEHAUF	HPY582874	3,750.00
T630	1977	FRUEHAUF	HPY582848	3,750.00
T631	1977	FRUEHAUF	HPY582801	3,750.00
T632	1974	FRUEHAUF	MES430874	3,000.00
T633	1979	FRUEHAUF	HPV670064	6,750.00

MARTERA, INC.

EQUIPMENT OWNED

TRAILERS

<u>UNIT NO.</u>	<u>YEAR</u>	<u>MAKE</u>	<u>SERIAL NUMBER</u>	<u>COST</u>
T634	1979	GREAT DANE	B13129	\$ 7,500.00
T635	1979	GREAT DANE	N13072	7,500.00
T636	1979	GREAT DANE	B11200	7,500.00
T637	1979	GREAT DANE	B11183	7,500.00
T638	1977	GREAT DANE	NB03465	4,500.00
T639	1977	GREAT DANE	B03459	4,500.00
T640	1976	STRICK	207752	4,228.00
T641	1976	STRICK	207753	4,228.00
T642	1974	STRICK	171964	4,228.00
T643	1977	FRUEHAUF	HPY564045	4,228.00
T644	1977	FRUEHAUF	HPY564040	4,228.00
T645	1979	FRUEHAUF	HPV665402	4,228.00
T646	1982	FRUEHAUF	1H2V04520BH046513	4,228.00
T647	1982	FRUEHAUF	1H2V0452BH059311	4,228.00
T648	1979	FRUEHAUF	83906	6,750.00
T649	1979	FRUEHAUF	83913	7,700.00
T650	1979	FRUEHAUF	83924	6,750.00
T651	1979	FRUEHAUF	83910	7,850.00
T652	1979	FRUEHAUF	83917	7,700.00
T653	1979	FRUEHAUF	83904	7,850.00

Socket No. A0012411, 1001, Am-I  
February 14, 1986  
Pittsburgh, Pa. A.L.N.  
Pitt-Ohio Exh. No. A-6

RECEIVED

MAR 10 1986  
SECRETARY'S OFFICE  
Public Utility Commission

PITT-OHIO EXPRESS, INC.  
FINANCIAL STATEMENTS - UNAUDITED  
FOR THE  
NINE MONTHS ENDED SEPTEMBER 30, 1985

SECRET  
POWER

LOCKETED  
MAR 11 1986

JOSEPH L. BENDER, P.C.  
Certified Public Accountant

1876 Stage Court  
Allison Park, PA 15101  
412 364-5333

The Board of Directors of  
Pitt-Ohio Express, Inc.

We have reviewed the accompanying balance sheet of

PITT-OHIO EXPRESS, INC.

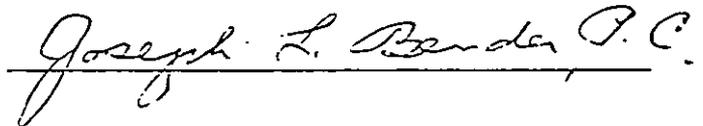
as of September 30, 1985 and the related statement of income and retained earnings for the nine months then ended, in accordance with standards established by the American Institute of Certified Public Accountants. All information included in these financial statements is the representation of the management. A statement of changes in financial position has not been prepared for this interim statement.

A review consists principally of inquiries of company personnel and analytical procedures applied to financial data. It is substantially less in scope than an examination in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

Allison Park, Pennsylvania

November 19, 1985

  
\_\_\_\_\_  
Joseph L. Bender, P.C.

PITT-OHIO EXPRESS, INC.  
BALANCE SHEET - UNAUDITED  
AT SEPTEMBER 30, 1985

ASSETSCURRENT ASSETS

Cash In Bank	\$ 287,283	
Notes Receivable - G	81,205	
Accounts Receivable - Customers	868,587	
Accounts Receivable - Other	18,446	
Material & Supplies	41,747	
Prepaid Items	168,803	
<u>TOTAL CURRENT ASSETS</u>		<u>\$ 1,466,071</u>

FIXED ASSETS AT COST

Revenue Equipment - C - D	2,042,880	
Service Cars	9,964	
Miscellaneous & Office Equipment	118,643	
	<u>2,171,487</u>	
Less: Depreciation Taken	940,927	1,230,560

OTHER ASSETS

Note Receivable - G	181,422	
Deferred Debits	16,002	
Franchises - E	186,963	
	<u>384,387</u>	
Less: Allowance for Amortization	100,000	<u>284,387</u>
<u>TOTAL ASSETS</u>		<u>\$ 2,981,018</u>

LIABILITIES & SHAREHOLDERS' EQUITYCURRENT LIABILITIES

Notes Payable - Bank - F	\$ 127,500	
Notes Payable - Other - D	41,667	
Equipment Obligations - C - F	321,319	
Accounts Payable	425,466	
Interline Accounts Payable	None	
Payroll Deductions	16,055	
Accrued Salaries & Wages	60,555	
C.O.D.'s Payable	2,299	
Accrued Taxes	11,205	
Other Accrued Liabilities	60,112	
Federal & State Income Taxes	95,105	
<u>TOTAL CURRENT LIABILITIES</u>		<u>\$ 1,161,283</u>

LONG-TERM DEBT

Notes Payable - D	186,896	
Equipment Obligations - C - F	215,878	402,774

SHAREHOLDERS' EQUITY

Common Stock - 50,000 Shares	50,000	
Retained Earnings	1,366,961	
<u>TOTAL SHAREHOLDERS' EQUITY</u>		<u>1,416,961</u>

<u>TOTAL LIABILITIES &amp; SHAREHOLDERS' EQUITY</u>		<u>\$ 2,981,018</u>
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The accompanying notes are an integral part of these statements.  
See Accountants' Review Report.

## PITT-OHIO EXPRESS, INC.

STATEMENT OF INCOME AND RETAINED EARNINGS - UNAUDITED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1985

INCOME

Freight Revenue	\$ 6,736,436	
Other Operating Revenue	<u>35,203</u>	
<u>TOTAL REVENUE</u>		\$ 6,771,639

EXPENSES

Salaries - Officers & Supervisory	446,665	
Salaries & Wages	1,827,491	
Other Fringes	501,466	
Operating Supplies & Expenses	1,136,740	
General Supplies & Expenses	200,485	
Operating Taxes & Licenses	183,865	
Insurance	191,960	
Communications & Utilities	137,910	
Depreciation & Amortization	340,286	
Equipment Rents & Purchased Transportation - B	873,526	
Building & Office Equipment Rents - B	155,358	
Losses on Operating Assets	23,425	
Miscellaneous Expenses	<u>29,114</u>	
<u>TOTAL EXPENSES</u>		<u>6,048,291</u>

NET OPERATING REVENUE 723,348

OTHER INCOME & EXPENSES

Rent Income	1,000	
Interest Income	25,864	
Interest Expense	<u>( 70,886)</u>	<u>( 44,022)</u>

NET INCOME BEFORE INCOME TAXES 679,326

Federal & State Income Taxes 286,112

NET INCOME TO RETAINED EARNINGS 393,214

RETAINED EARNINGS - BEGINNING OF PERIOD 982,985

Officers' Life Insurance Premiums ( 9,238)

RETAINED EARNINGS - END OF PERIOD \$ 1,366,961

The accompanying notes are an integral part of these statements.

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.  
NOTES TO FINANCIAL STATEMENTS - UNAUDITED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1985

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Corporation are prepared on the accrual basis of accounting, consistent with reporting for federal income tax purposes.

Property is recorded at cost. Depreciation is provided for on the straight-line method based upon the estimated useful lives of the assets. Assets acquired after January 1, 1981 are being depreciated according to the new accelerated cost recovery system, as defined in the Economic Recovery Tax Act of 1981.

NOTE B - LEASE AGREEMENTS

The Corporation leases revenue equipment on a monthly basis with annual rentals amounting to \$202,152 and \$131,340 for 1984 and 1983, respectively.

The Corporation also leases terminal facilities with annual rentals amounting to \$91,877 and \$43,769 for 1984 and 1983, respectively.

The Corporation also leases certain computer hardware and software with annual rentals amounting to \$23,556 and \$5,860 for 1984 and 1983, respectively.

NOTE C - EQUIPMENT OBLIGATIONS

The Corporation purchased several pieces of revenue equipment which were financed through Mack Financial Corporation. In addition, office equipment was purchased from Xerox Corporation.

	<u>Monthly Payment</u>	<u>Current Portion</u>	<u>Long-Term Portion</u>
Charles L. Hammel, Jr.	\$ 5,737.06	\$ 49,569	\$ 68,291
Xerox Corporation	199.58	399	None
Mack Financial Corp.	1,255.62	15,067	1,256
Mack Financial Corp.	6,564.29	72,207	None
Mack Financial Corp.	4,444.02	53,328	26,664
Mack Financial Corp.	2,746.04	32,952	10,985
Mack Financial Corp.	2,796.47	33,558	25,168
Mack Financial Corp.	1,424.22	17,091	12,818
Mellon Bank - Principal	3,929.00	47,148	70,696
	<u>\$ 29,096.30</u>	<u>\$ 321,319</u>	<u>\$ 215,878</u>

See Accountants' Review Report.

PITT-OHIO EXPRESS, INC.  
NOTES TO FINANCIAL STATEMENTS - UNAUDITED  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 1985

NOTE D - NOTES PAYABLE

The debt due is subject to interest at 12% for 1985.

	1985	
	Current	Long-term
Martera, Inc.	\$ 41,667	\$ 83,333
Charles L. Hammel, Jr. Shareholders	None	49,539
	None	54,024
<u>TOTAL</u>	<u>\$ 41,667</u>	<u>\$ 186,896</u>

NOTE E - FRANCHISES

The Corporation is writing off the cost of the Interstate Commerce Commission operating rights resulting from the enactment of the Motor Carrier Act of 1980 and the deregulation of motor carriers. This is being done over a sixty-month period beginning with July 1, 1980.

NOTE F - LINE OF CREDIT

The Corporation has established a line of credit with Mellon Bank, N.A. consisting of \$200,000 for working capital and a \$500,000 equipment line of credit for new and used equipment dated March 15, 1985. Any loans will be subject to certain terms, conditions, security and aggregate balances in accordance with the agreements. As of September 30, 1985, \$117,844 had been borrowed against the equipment line and \$127,500 against the working capital loan.

NOTE G - NOTE RECEIVABLE

In March, 1985, the Corporation loaned \$212,000 to CRK Properties to purchase a freight terminal at Oaks, Pennsylvania for \$290,000. The partnership was formed by the shareholders of Pitt-Ohio Express, Inc. The terminal will be leased on a monthly basis to the Corporation starting April 1, 1985. The repayment of the loan will amount to \$3,856.70 per month, including interest at 13% and secured by the real estate.

In addition, the Corporation advanced \$60,000 to Kenneth W. Hammel to purchase a residence in Baltimore, MD. The loan will be repaid upon sale of his Pittsburgh residence. The officer was transferred from Pittsburgh to manage the Baltimore terminal. This money was repaid in October, 1985.

See Accountants' Review Report.

Socket No. A00024261, FOU, Am-I  
February 14, 1986  
Pittsburgh, Pa. A.L.N.  
Exhibitors Ek. B-1

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION  
Harrisburg, PA 17120

Public Meeting held April 6, 1984

Commissioners Present:

- Linda C. Taliaferro, Chairman
- Michael Johnson
- James H. Cawley

Application of Exhibitors Service Company, a corporation of the Commonwealth of Pennsylvania, for amendment to its common carrier certificate, which grants the right, inter alia, to transport, by motor vehicle, property, from the facilities of Exhibits Service Company in the borough of McKees Rocks, Allegheny County, to points in Pennsylvania on and west of U.S. Highway Route 15, restricted to shipments consolidated by Exhibitors Service Company for distribution; subject to the following condition: That no right, power or privilege is granted to transport commodities in bulk; That no right, power or privilege is granted to transport containers, caps, stoppers, covers for containers, and equipment, materials and supplies used in the manufacture and distribution or sale of containers; (1) for Glenshaw Glass Company, Inc., from its facilities located in the borough of Glenshaw, Allegheny County, to points in Pennsylvania, and vice versa; (2) from the facilities of Sewell Plastics, Inc., in the county of Westmoreland, to points in Pennsylvania, and vice versa; (3) from the facilities of Pierce Glass Company in the borough of Port Allegany, McKean County, to points in Pennsylvania, and vice versa; (4) for the account of National Can Corporation, between points in Pennsylvania; and (5) from the facilities of Classic Industries, Inc., between points in the county of Westmoreland and from points in said county to points in Pennsylvania, and vice versa; and That no right, power or privilege is granted to transport household goods in use, and personal effects and the property used or to be used in a dwelling when a part of the equipment or supply of such dwelling, in connection with a removal by a householder from one house or dwelling to another; furniture, fixtures, equipment and the

A-00024261  
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Public Utility Commission

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property of stores, offices, museums, hospitals or other establishments, when a part of the stock, equipment or supply of such stores, offices, museums, institutions, hospitals or other establishments, in connection with a removal from one location to another; and articles, including objects of art, displays and exhibits, which, because of their unusual nature or value, require specialized handling and equipment usually employed in moving household goods: SO AS TO PERMIT the transportation of property (excluding household goods in use, commodities in bulk, shipments of iron or steel and iron or steel articles weighing in excess of ten thousand (10,000) pounds, and commodities which, because of size or weight, require the use of special equipment or special handling) between points in the county of Allegheny, and from points in said county, to points in Pennsylvania, and vice versa.

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John A. Pillar and Samuel P. Delisi for the applicant.  
Khoads, Sinon & Hendershot by J. Bruce Walter for Hess Trucking Company.  
Breman and Berns by Joseph E. Breman for Breman's Express Company.  
Rex W. McQuaide for W. C. McQuaide, Inc.  
John E. Fullerton for Ray L. Brandt Trucking Co. and S & L Services, Inc.  
Vuono, Lavelle & Gray by William J. Lavelle for Hammel's Express, Inc.  
and Capp Express, Inc.

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ORDER NISI

BY THE COMMISSION:

This matter comes before the Commission on an application filed April 25, 1983. Public notice of the application was given in the Pennsylvania Bulletin of June 25, 1983. Protests were filed by Hess Trucking Company, Breman's Express Company, W. C. McQuaide, Inc., Ray L. Brandt Trucking Co., S & L Services, Inc., Hammel's Express, Inc. and Kapp Express, Inc.

All protests were withdrawn when the applicant restrictively amended the application by excluding the transportation of: property for Hershey Foods Corp. and its subsidiaries, H. B. Reese Co., San Giorgio Macaroni, Inc., and Y & S Candies, Inc. from the township of Derry, Dauphin County, the city of Lebanon and the township of North Cornwall, Lebanon County, and the township of East Hempfield, Lancaster County, to points in Pennsylvania, and vice versa; property between points in the county of Allegheny and from points in said county, to points within an airline distance of twenty-five (25) miles of the City-County Building in the city of Pittsburgh, and vice versa; property from points in the county of Allegheny, to points in the counties of Indiana and Clearfield, and vice versa; limestone and limestone products for the

J. E. Baker Company from its plant in the township of West Manchester, York County, and for the Thomasville Stone and Lime Company from its plant in the township of Jackson, York County; property from the facilities of American Home Foods Division of American Home Products Corp., located in the township of Turbot and the borough of Milton, Northumberland County, to points in Pennsylvania, and vice versa; and property from points in the county of Allegheny, to points in the counties of Cambria, Blair, Huntingdon, Somerset, Bedford, Lebanon, Berks and Lancaster, and vice versa.

The application is now unopposed and the record is certified to the Commission for its decision without an oral hearing. The record consists of verified statements submitted by the applicant and six supporting shippers.

George F. Callahan, III, president of Exhibitors Service Company (applicant or Exhibitors), 85 Helen Street, McKees Rocks, Allegheny County, sets forth that he is responsible for the day-to-day operations of the applicant and that he is authorized to provide the following information in support of the pending application. The applicant is currently authorized to provide transportation in intrastate commerce as well as interstate commerce. Pursuant to its current authority, the applicant operates a variety of Class A authority in and from the county of Allegheny. It also holds several Class D authorities which provide for the transportation of a variety of products from western Pennsylvania.

The applicant's main office and terminal are located at the aforementioned address and this facility is equipped to handle all types of commodities. This facility is equipped to handle single-line and interlined freight as well as the consolidating and classifying of freight by customer or destination. Exhibitors also has a terminal located at 1243 Thompson Avenue in McKees Rock, Allegheny County. Employed at these facilities are 23 drivers, nine dock workers, nine mechanics and 18 office employees and dispatchers.

Transportation is currently being provided with 10 owner-operators who lease tractors to the applicant. Exhibitors also operates 17 tractors, 54 trailers and eight straight van trucks. Included in the trailers are 26 refrigerated equipped vans. Five of the straight-van trucks are also equipped with refrigeration units. All equipment is inspected on a regular basis and is in good operating condition.

Exhibitors specializes in providing expedited service within its authorized territory. Its regular service includes expedited delivery of small shipments including films, magazines, perishables and freight that requires protective service. The applicant also handles truckload traffic to and from its authorized area of operation. The public is provided with consolidation and distribution service at the McKees Rocks terminals. Although Exhibitors has engaged in the interlining of truckload and less-than-truckload traffic, it has recently found

increased difficulty in interline traffic with existing carriers. Exhibitors is familiar with the transportation requirements of the supporting shippers having provided them with service in the past. To be competitive with existing carriers, the applicant seeks a grant of broad territorial authority.

The applicant's 1983 annual report indicates that it had total current assets of \$670,235, total assets of \$1,041,685, current liabilities of \$734,547, long-term obligations of \$246,185 and stockholders' equity of \$56,423. The income statement for 1983 indicates that from total operating revenue of \$3,838,263, the applicant suffered a net loss of \$150,144.

Ralph J. Babusci, general traffic manager for Giltspur Exhibits Pittsburgh, 112 Technology Drive, RIDC West, Pittsburgh, Allegheny County, sets forth in support of the pending application that the shipper builds exhibits for industrial trade shows. It is anticipated that the applicant will be tendered shipments of industrial exhibits for transportation to and from show sites. The traffic will include both truckload and less-than-truckload quantities. A majority of this traffic will be tendered the applicant and will originate in Pittsburgh and will be destined for such representative destination points as Harrisburg, Philadelphia, Monroeville and Pittsburgh. It is supporting the applicant for the proposed service as the result of several carriers discontinuing service. The applicant has been utilized in the past and this service has been satisfactory.

Bruce S. Herer, owner of Quality Fundraising Products Company, 4433 Camelia Street, Pittsburgh, Allegheny County, sets forth in support of the pending application that the shipper is engaged in the wholesaling of candy to schools and other organizations for use in fundraising. It is anticipated that it will tender the applicant a majority of its weekly traffic of 1,000 to 3,000 pounds. Shipments will originate in Pittsburgh and will be destined for such representative points as Erie, Washington, Canonsburg, New Castle, Ellwood City, Monroeville, Pittsburgh, Philadelphia, York and Bradford. The shipper requires a carrier that can provide refrigerated equipped vehicles.

John R. Rihn, traffic manager for Neville Chemical Company, Neville Island, Pittsburgh, Allegheny County, states that the shipper is a producer of a wide range of petroleum hydrocarbon and coumarone indene resins, chlorinated paraffins, plasticizers and antioxidants. This traffic originates at its facilities in Neville Island, and is destined for such points as Williamsport, Philadelphia, Erie and Wilkes-Barre. A portion of its traffic will be tendered to the applicant.

John D. Morris, president of Controlled Food Systems, 250 Alpha Drive, Pittsburgh, Allegheny County, states that the shipper is a manufacturer of dry ice cream preparations. These commodities are shipped in cartons or drums from its facility in O'Hara Township to such points as Harrisburg, Hazleton, Uniontown, Bartow, Pittsburgh, Philadelphia and Titusville. All traffic is in less-than-truckload quantities and it

is anticipated that the applicant will be tendered a minimum of 15 shipments per year. A carrier is needed that will provide van equipment with next-day delivery. Two carriers that the shipper had utilized in the past have ceased service and the applicant will be utilized to replace these two carriers.

R. S. Balint, manager of traffic-order service for Pittsburgh Corning Corporation, 800 Presque Isle Drive, Pittsburgh, Allegheny County, sets forth that the shipper is engaged in the manufacture and distribution of glass blocks, foam glass insulation and related accessory installation products. The shipper has a manufacturing facility located in Port Allegany, McKean County, from which it ships to customers located in the Pittsburgh area. It is anticipated that the applicant will be tendered approximately two to three truckloads per month with each truckload averaging 40,000 to 45,000 pounds. The applicant is being supported for the proposed service due to the shortage of suitable equipment.

James W. Bell, traffic manager for Henry Miller Spring & Manufacturing Company, All Street, Sharpsburg, Allegheny County, sets forth on behalf of the shipper that the applicant will be tendered shipments of railway car and industrial coil springs. It is expected that the applicant will be tendered approximately 100,000 pounds per month. All traffic will originate in Sharpsburg, and will be destined for such points as Pittsburgh, Harrisburg, Philadelphia, Scranton and Erie. The shipper seeks a carrier that will provide reliable and expeditious single-line service.

#### DISCUSSION AND FINDINGS

Exhibitors Service Company is a currently certificated common carrier, which is seeking an amendment to its certificate of public convenience, so that it will be authorized to transport property from points in Allegheny County, to all points in Pennsylvania, and vice versa. The instant application has been restrictively amended as the result of seven protests.

The applicant is actively engaged in providing transportation between points in Allegheny County, and over Class A routes radiating from said county. The applicant has also several Class D authorities that authorize transportation for specific shippers. A segment of the transportation currently being provided involves the transportation of various food items in mechanically refrigerated equipment.

Five statements of support have been entered by shippers located in Allegheny County. These shippers have indicated that they have traffic originating in Allegheny County which is destined for points throughout the Commonwealth. Of these five shippers, only one shipper has indicated that it will utilize the applicant to transport shipments on a vice versa basis.

A statement of support was also submitted by Pittsburgh Corning Corporation. This shipper stated that its traffic will originate in Port Allegany, McKean County and will be destined for the city of Pittsburgh, Allegheny County. The evidence presented by this shipper and the shipper mentioned in the previous paragraph, is sufficient evidence to substantiate that a need for the vice versa portion of the instant application is required.

The applicant had originally sought to provide transportation between points in the county of Allegheny. In response to protests, the applicant excluded the transportation of property between points in the county of Allegheny, and from points in said county, to points within an airline distance of twenty-five (25) miles of the City-County Building, in the city of Pittsburgh, and vice versa. A review of the six supporting statements finds that four of these six supporting shippers have specifically mentioned destinations that have been excluded by the restrictive condition. We must caution the applicant to exercise caution in handling traffic originating and/or destined for points in Allegheny County or within 25 miles of the City-County Building, to be sure that the applicant possesses the appropriate authority to handle said traffic.

The evidence presented by the supporting shippers indicates that there exists a need for the service proposed by the applicant, as amended. The shippers require a variety of transportation services, including the availability of refrigerated vans. The applicant has the expertise and the equipment necessary to meet the needs of the supporting shippers.

It will be necessary that several of the conditions contained in the restrictive amendment be combined for brevity. We will also remove from the paragraph of authority the words "between points in the county of Allegheny" and revise the second condition. The wording "beyond the county of Allegheny" will also be added to indicate that no transportation is authorized between two points in Allegheny County. The order will be issued nisi to permit the parties of record in this proceeding to respond if they should so desire.

We find:

1. That the applicant is fit, willing and able to provide the proposed transportation, as amended and further modified.
  2. That the applicant has met its statutory burden of demonstrating that a public need exists.
  3. That the restrictive amendment submitted by the applicant requires modification.
  4. That approval of the application, as amended and further modified, will be an accommodation and convenience to the public;
- THEREFORE,

IT IS ORDERED NISI: That the application, as amended and further modified, be and is hereby approved, and that the certificate

issued to the applicant on April 9, 1958, as amended, be further amended to include the following right:

To transport, as a Class D carrier, property, from points in the county of Allegheny, to other points in Pennsylvania beyond the county of Allegheny, and vice versa.

subject to the following conditions:

That no right, power or privilege is granted to transport household goods in use.

That no right, power or privilege is granted to transport commodities in bulk.

That no right, power or privilege is granted to transport shipments of iron or steel and iron or steel articles weighing in excess of ten-thousand (10,000) pounds.

That no right, power or privilege is granted to transport commodities which, because of size or weight, require the use of special equipment or special handling.

That no right, power or privilege is granted to transport property for Hershey Foods Corp. and its subsidiaries, H. B. Reese Co., San Giorgio Macaroni, Inc., and Y & S Candies, Inc., from the township of Derry, Dauphin County, the city of Lebanon and the township of North Cornwall, Lebanon County, and the township of East Hempfield, Lancaster County, to points in Pennsylvania, and vice versa.

That no right, power or privilege is granted to transport property from points in Allegheny County to points within an airline distance of twenty-five (25) miles of the City-County Building in the city of Pittsburgh and vice versa.

That no right, power or privilege is granted to transport property from points in the county of Allegheny to points in the counties of Indiana, Clearfield, Cambria, Blair, Huntingdon, Somerset, Bedford, Lebanon, Berks and Lancaster, and vice versa.

That no right, power or privilege is granted to transport limestone and limestone products for J. E. Baker Company, from its plant in the township of West Manchester, York County, and for the Thomasville Stone and Lime Company, from its plant in the township of Jackson, York County.

That no right, power or privilege is granted to transport property, from the facilities of American Home Foods Division of American Home Products Corp. located in the township of Turbot and the borough of Milton, Northumberland County, to points in Pennsylvania, and vice versa.

IT IS FURTHER ORDERED: That unless exceptions are filed within twenty (20) days from the date this order is adopted, this order shall become final.

IT IS FURTHER ORDERED: That the applicant shall not engage in any transportation granted herein until it shall have complied with the requirements of the Pennsylvania Public Utility Law and the rules and regulations of this Commission relative to the filing and acceptance of a tariff establishing just and reasonable rates.

IT IS FURTHER ORDERED: That in the event said applicant has not, on or before sixty (60) days from the date of the service of this order, complied with the requirements hereinbefore set forth, the application shall be dismissed without further proceedings.

IT IS FURTHER ORDERED: That the authority granted herein, to the extent that it duplicates authority now held by or subsequently granted to the carrier, shall not be construed as conferring more than one operating right.

BY THE COMMISSION,

A handwritten signature in black ink, appearing to read "Jerry Rich", written over a large, stylized, looped flourish.

Jerry Rich  
Secretary

(SEAL)

ORDER ADOPTED: April 6, 1984

ORDER ENTERED: June 12, 1984

Docket No. A00102411, P001, #m-1  
February 14, 1986  
Pittsburg Pa A.L.N.  
exhibitor's exh. B-2

EXHIBITORS SERVICE COMPANY

SUMMARY OF OPERATING RESULTS

1981 - 1984

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<u>Year</u>	<u>Operating Revenue</u>	<u>Operating Income/Loss*</u>
1981	\$ 4,229,949	\$ (84,383)
1982	3,838,346	(49,075)
1983	3,375,609	7,156
1984	1,705,600	(74,689)

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MAR 10 1986

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PUBLIC UTILITY COMMISSION

\*Adjusted to reflect accrued wages

Docket No. A00102471, F001, Am-I  
February 14, 1986  
Pittsburgh, Pa a.l.N.  
exhibitor's Exh. B-3

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SECRETARY'S OFFICE  
Public Utility Commission



EXHIBITORS SERVICE COMPANY

FINANCIAL STATEMENT

NOVEMBER, 1985

110

EXHIBITORS  
BALANCE  
AS AT

ASSETS

Current Assets

Cash in Bank & On Hand	\$ 262,070.80
Special Deposit	36,534.32
Accounts Receivable - Trade	135,566.27
Accounts Receivable - Other	67,140.96
Prepaid Expense	72,261.12
Materials & Supplies	6,577.08
Investment - Other	97,200.00
TOTAL	<u>\$ 677,350.55</u>

Fixed Assets

	<u>COST</u>	<u>RESERVE FOR DEPR.</u>	<u>NET BOOK VALUE</u>	
Revenue Equipment	\$ 617,628.98	518,211.66	99,417.32	
Service Cars	28,141.60	23,508.50	4,633.10	
Shop & Garage	8,158.79	8,137.39	21.40	
Furniture & Office Equipment	83,609.42	77,863.35	5,746.07	
Misc. Equipment	123,530.27	112,681.24	10,849.03	
Leasehold Equipment	7,674.25	7,674.25	----	
TOTAL	<u>\$ 868,743.31</u>	<u>748,076.39</u>		<u>\$ 120,666.92</u>

TOTAL FIXED ASSETS

\$ 798,017.47

SERVICE COMPANY  
SHEET  
November 30, 1985

LIABILITIES & CAPITAL

Current Liabilities

Accounts Payable	\$ 57,318.56	
Accrued Taxes	4,924.69	
Accrued Wages	29,476.59	
Accrued Vacations	56,986.23	
Other Deferred Credits	4,529.89	
Accrued Cargo Loss & Damage	114,209.03	
Equipment Obligations	<u>15,288.29</u>	
TOTAL		\$ <u>282,733.28</u>

Long Term Obligations

Notes Payable	222,200.00	
Equipment Obligations	<u>-----</u>	
TOTAL		\$ <u>222,200.00</u>

TOTAL LIABILITIES \$ 504,933.28

Capital Stock

Capital Stock Issued	15,000.00	
Additional Paid-In Capital	<u>17,750.00</u>	
	32,750.00	
Earned Surplus	<u>260,334.19</u>	
TOTAL CAPITAL		\$ <u>293,084.19</u>

TOTAL LIABILITIES & CAPITAL \$ 798,017.47

EXHIBITORS SERVICE COMPANY  
STATEMENT OF OPERATIONS  
JANUARY 1, 1985 TO NOVEMBER 30, 1985

	JANUARY 1 TO NOVEMBER 30, 1985	PERCENTAGE TO REVENUE	PREVIOUS YEAR INCREASE OR DECREASE
<u>Revenue</u>			
Freight Revenue	\$ 224,358.60	17.80%	\$ 308,181.04-
Film Revenue	116,122.97	9.21%	11,001.95-
Magazine Revenue	894,781.34	71.01%	60,309.92-
Other Operating Revenue	24,889.68	1.98%	3,336.17
TOTAL	\$1,260,152.59	100.00%	\$ 376,156.74-
<u>Expenses</u>			
Salaries - Office & Personnel	66,856.00	5.31%	22,092.44-
Salaries - Wages	361,613.61	28.70%	75,313.81-
Other Fringes	243,931.78	19.36%	123,931.81-
Operating Supplies & Expense	205,832.94	16.33%	682.98-
General Supplies & Expense	63,981.49	5.08%	18,495.93-
Operating Taxes & Licenses	29,573.91	2.35%	13,926.68-
Insurance	46,540.48	3.69%	21,442.07-
Communications & Utilities	34,427.69	2.73%	7,307.50-
Depreciation	43,734.18	3.47%	4,604.03-
Revenue Equip. & Pur. Transp.	119,460.78	9.48%	99,480.49-
Building & Office Rents	30,737.15	2.44%	68,031.62-
Misc. Expense Legal & Auditing	20,827.30	1.65%	5,234.46-
Interest Expense	1,630.51	.13%	1,586.58-
TOTAL	\$1,269,147.82	100.71%	\$ 461,569.03-
Net LOSS - Regular Operations	\$ ( 8,955.23)	( .71%)	\$ 92,412.29
Profit on Disposal of Equipment	\$ 5,203.00	.41%	\$ 8,688.27-
<u>NET LOSS</u>	\$ ( 3,792.23)	( .31%)	\$ 84,724.02

