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UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

U.S. SECURITIES AND EXCHANGE COMMISSION, :
 :
Plaintiff, :
 :
v. : 1:04-cv-2322(GEL)
 :
UNIVERSAL EXPRESS, INC., et al., :
 :
Defendants. :
 :

FIRST REPORT OF THE RECEIVER OF UNIVERSAL EXPRESS, INC.

Jane W. Moscowitz, as Court-appointed Receiver of Universal Express, Inc. (the "Company") and its subsidiaries, Universal Post Private Postal Network/Postal Nation; Universal Post International Courier Service; Universal Express Logistics, Inc.; Virtual Bellhop; Luggage Express; LEAP (Luggage Express Associate Program); Madpackers, Inc.; Universal Express Capital Corp.; Universal Cash Express; Global Trucking Services, Inc. d/b/a Luggage Express Found; and Universal Express Properties hereby reports to the Court regarding the Receiver's findings and activities from the date of the Receiver's appointment to date, as follows:

On August 30, 2007, the Court issued its Opinion and Order (DE#202) and on August 31,

2007 its Order appointing Jane W. Moscovitz, Receiver of Universal Express, Inc. and its subsidiaries (DE #203). An amended order was signed by the Court on September 10, 2007. The two Receivership orders set forth the Receiver's duties and powers. I was informed of the Order appointing me Receiver on Wednesday September 5, 2007. Since then I have been engaged in work on this Receivership on a nearly full-time basis. This preliminary report reflects the results of the Receiver's initial investigation and efforts to locate, account for and recover the assets of the entities in receivership and gives a preliminary account of the financial condition of these entities.

My preliminary evaluation of the assets and liabilities of the Company is that none of its operations is profitable. Substantially all of the Company's income since January 1, 2007 has come from the sale of securities sales, and it cannot meet its obligations without a continued stream of funds from such sources. The Company's bank accounts contained approximately \$83,000 at the beginning of the receivership, while at that time it had its bi-weekly payroll obligation of over \$112,000 (excluding payroll to be paid to Richard Altomare and his wife), the monthly rent on the main office of \$33,155.95 was overdue, and it owed accounts payable resulting from operations of over \$3 million. In addition, there are numerous lawsuits against the Company, and some courts have assessed awards against it. In light of the Company's financial condition, I recommend that various subsidiaries not remain in operation under the Universal Express umbrella and that they be disposed of, as discussed in detail below. I also recommend that other assets of the company be sold to cover the Company's debts. There are some aspects of the Company's business about which I need additional information before I recommend a course of action.

My priorities in the first weeks of the Receivership have been, as follows:

(1) to maintain operations of the subsidiaries which were midstream in the delivery of luggage of travelers and students, so that those tasks could be completed. This was accomplished largely through the efforts of employees who had the same goals. This is more fully discussed below in the sections regarding Madpackers, Luggage Express and Virtual Bellhop.

(2) to seek to maintain employment of Universal Express employees;

(3) to prepare to vacate the premises in order to enable the landlord to rent the space;

(4) to dispose of vehicles in order to avoid depreciation and liability;

(5) to review records and conduct interviews to understand the operations and finances of the Company and its operating subsidiaries; and

(6) to accumulate sufficient funds to pay payroll due and owing to employees.

In summary, the Receiver has taken control of the premises, prepared them for liquidation as the rent has not been paid, secured the physical accounting records of the Company, had the computer systems at the main office backed up, taken charge of the bank accounts of the Company, evaluated and negotiated proposed sales subject to the Court's approval of assets of the Company (both of physical assets and rights to operate certain of the Company's

subsidiaries), evaluated some of the pending litigation, and worked to make sure that customers were not left in the lurch and to maintain the value of assets to the degree possible.

Initial visit to the premises

I first visited the Boca Raton premises on Friday, September 7, 2007. Because Mr. Altomare had told a local newspaper reporter that there would be a “corporate Waco” if anyone took his business from him, I engaged a former federal agent to accompany me to the premises. After we entered and determined that there was no danger, the ex-agent photographed the premises and interviewed some of the employees.

I met with Mr. Altomare and his attorney, Arthur W. Tifford, for a number of hours. Altomare was cooperative. He had some papers ready for me regarding bank accounts, credit cards, assets, and the like.

Altomare described the operations of each of the operating subsidiaries. He confirmed that none had ever made a profit, but stated that all were “developing” and “about to turn the corner.”

During the day, I assembled the employees and told them that there were no funds for the payroll checks they expected to receive that day for the two weeks ending the Friday before or August 31, 2007 or for payroll due for the week ending September 7, 2007.¹ I asked them to leave me contact information and told them that they could leave. After I left the area where they were assembled, Altomare told the employees that there were sufficient funds to cover payroll but that I had simply chosen not to pay them. In fact, the payroll due and owing to employees,

¹ The employees also worked the week ending September 7, 2007, leaving them with three unpaid weeks.

not including the amounts to be paid to Mr. and Mrs. Altomare, was approximately \$112,000, while the bank accounts held around \$83,000. The failure to pay payroll was a great hardship to many employees and payment to them of what they are owed for this three week period is a high priority to the Receiver.

On Monday, September 10, 2007, a number of Universal employees, who returned to the premises to meet with me, told me that Altomare had spoken with them on Friday and/or over the weekend, telling them that he was planning to buy the Company back and to take it private. He also told some of them that he wanted to get the software from the computers and that they should take all the critical contact information with them for when he went back into business.

The Receiver has had all computers at the premises downloaded and has also kept the main server, which has all the data found on the networked computers, in operation. We have kept the Company websites and telephones in operation.

We have boxed and removed the accounting and other business records. There was a substantial amount of records of transactions with customers at the premises which contained private information, such as credit card information. We arranged for this material to be shredded.²

Locks and security codes have been changed. As described below, we have sold some furniture and equipment and had the contents appraised for further sale.

² The day that these non-essential records were shredded, I received numerous e-mails from shareholders alleging the destruction of records that would be essential to later litigation.

Financial Condition of Universal Express, Inc. and its Subsidiaries

Operations and Finances³

At the time the Receivership commenced, Universal had the following operating subsidiaries: Global Trucking Services, Inc. d/b/a Luggage Express Found, Luggage Express, Virtual Bellhop, Universal Express Logistics, Inc. and Madpackers, Inc. Other subsidiaries were no longer operating. As Mr. Altomare confirmed, not one of these subsidiaries has ever made a profit. A review of the accounting and banking records reflects that the companies have been supported and have been able to continue in operation solely due to the infusion of investor funds and not as a result of operations. As funds ran out, a number of employees put Company expenses on their private credit cards to keep the Company in business. These un-reimbursed credit card charges by employees amount to more than \$61,000. I have not found evidence of Altomare putting funds into the Company the way his employees did, but there are some as yet unidentified deposits.

Luggage Express, Virtual Bellhop, Logistics, and Madpackers share bank accounts.⁴ A merchant account at Bank Leumi receives revenues through credit card payments and by check. Funds from that account are transferred to the operating account at Wachovia. The Receiver put a hold on withdrawals from that account at the start of the Receivership. The balances at that time were \$53,820.83 and \$29,988.57. Some credit card payments have arrived since the start of

³ Given the limited amount of funds available, the Receiver has not been able to hire forensic accountants. The review and analysis provided here was done by the Receiver.

⁴ The operations and finances of Global Trucking d/b/a Luggage Express Found were separate from those of Universal Express and the other operating subsidiaries and are discussed below separately. Madpackers also has some separate bank accounts.

the Receivership, raising the balance in the Leumi account to \$67,956.71 before any disbursements. According to financial statements provided to me by the Company's Controller, Universal Express Logistics, Inc., under which Luggage Express, Virtual Bellhop, and Logistics operate, for fiscal year ending June 30, 2007, had revenues of \$1,217,604.42 and expenses of \$4,367,717.14. It is worth noting that over \$2 million was spent on advertising. These expenses included very expensive signage at various sports arenas. The assets listed on the financial statements for these companies were \$824,913.67, while the liabilities were \$7,096,992.57. It should be noted that those alleged assets are not available for the use of the Receivership. They consist of cash of \$147,794.50, credit card receivables of \$89,970.09, a security deposit of \$11,925.98 and amounts due from subsidiaries of \$575,223.10. See Exhibit A.

Luggage Express ("LE") and Virtual Bellhop ("VB") provide a service to travelers who want to ship their luggage ahead of a business trip or vacation so that they do not have to bother with it during travel. Virtual Bellhop provides a higher end service and has contracts with some cruise lines and high end hotels. At the time that the receivership began, these companies were midstream on a number of deliveries. Through the efforts of some of the employees, customers have been notified and some services have been provided in an effort not to harm those customers and to maintain the value of the Company. Despite these efforts, Crystal Cruises, Virtual Bellhop's most significant customer, which represented almost 60% of its revenues, has awarded the contract to a competitor.

The Receiver has been in negotiations with another competitor to sell the assets of Virtual Bellhop and Luggage Express. The parties entered into a non-disclosure agreement to facilitate the due diligence by the competitor. That competitor has made an offer for the assets of LE and

VB of \$100,000, and the Receiver has accepted that offer contingent on the approval of the Court. The assets consist of the names of the companies, telephone numbers, and a computer database. This company will also hire some Universal employees, which was an important consideration.

Logistics is a small freight forwarder operating out of a leased warehouse bay in Miami. For fiscal year ending June 30, 2007 its revenues and its expenses were around \$300,000. Mauricio Panesso, who ran this company, has been wholly cooperative. He and I have notified the landlord that we must terminate the lease. He has emptied the warehouse of its contents. Panesso is seeking to continue the business in the same space with an investment from some of his clients. The Receiver sent \$4000 from her own operating account in order to release goods that were midstream and has since reimbursed those funds from the Receivership account.

A rented forklift has been returned to the lessor. The lease for a second forklift was financed through Citibank. We are in the processing of determining how to reject that lease financing and to return the forklift. This company had in its possession a 2006 Ford E150 Van owned by the Company. We had offers of \$11,000, \$11,100 and \$12,000 for the van and have agreed to sell it for \$12,000. The sale amount is in line with the Kelly Blue Book estimate for this vehicle and a CarMax offer of \$11,000.

Madpackers, Inc.

Madpackers, Inc. is a company that has been run by Brian Altomare, Richard Altomare's son. Madpackers delivers the belongings of college students to and from their homes and campuses. It also provides storage over the summer. It delivers luggage to campuses in Boston, Chicago, and Los Angeles, among others. The Receivership commenced in the middle of the

high season for campus deliveries. At that point, there were goods in storage in warehouses in several cities, which had not been paid. Drivers working for the company had not been paid. Two employees of Madpackers, Eric Veleker and Larry Byron,⁵ have continued to make deliveries on its behalf despite the fact that they have not been paid. The Receiver has committed to make certain payments on Madpackers' and their behalf. On September 19, 2007, the Receiver wired \$2,252.00 to the operator of a warehouse in Los Angeles to cover storage and deliveries to the UCLA campus. Veleker has advanced approximately \$4000 of personal funds. Veleker is in possession of a 2006 Honda Element purchased by Universal Express, Inc., and has been using that vehicle for deliveries in the Boston area.

There was also a 2006 Honda Element at the premises, which had been "wrapped" with Madpacker advertising which I had taken away that day. The car could not be sold with the advertising on it, but after paying \$300 to have the wrapping removed, the car was sold for \$15,000. We had received offers of \$13,000 and \$13,500, so this was clearly the best offer. The sale amount is in line with the Kelly Blue Book estimate for this vehicle.

Brian Altomare was interested in continuing with Madpackers and sought to obtain the funding necessary to carry Madpackers through this intense season. He was able to send only \$5000, which he apparently obtained from a family member.

Another group has expressed interest in acquiring Madpackers with its current employees. We have signed a non-disclosure agreement and they are doing due diligence.

⁵ Byron had sold his company, Smart Movers, to Universal to be part of Madpackers. The full payment price has never been paid to Byron, who is additionally owed over \$40,000 in expenses advanced on behalf of Madpackers.

Luggage Express Found

Global Trucking d/b/a Luggage Express Found ("LE Found") is now operating separately from Universal Express, Inc. This company has contracts at several airports to deliver lost luggage. LE Found operates out of its own premises in Miami, and maintains its own bank accounts. Universal Express had acquired sixty per cent of LE Found from its owners, Juan Gonzalez and Angel Cachinero, pursuant to a Purchase Agreement dated June 16, 2006. Universal Express paid \$200,000 at closing and was to pay the balance of \$700,000 over the next seven months. Under the terms of the agreement, LE Found was not required to pay any of its revenue to Universal, and its operations were almost completely separate. Gonzalez and Cachinero stated that Altomare told them that he simply wanted to be able to add their revenues to Universal's financial statements. LE Found has not yet made a profit but operates at about a point of breaking even.

At the time that the Receivership commenced, Universal was \$325,000 in arrears in payments to Gonzalez and Cachinero. The Company had also failed to pay or assume loans that Gonzalez and Cachinero were guarantors on for the business as had been promised. Moreover, LE Found undertook a number of expenses at the direction of Altomare, some paid by Universal, some paid by LE Found, supposedly to improve the image of LE Found. As an example, Altomare wanted the LE Found employees to wear uniforms. He told me that Universal Express had paid for the LE Found uniforms. Gonzalez and Cachinero state that those funds came from LE Found and were not reimbursed. Universal did pay for five Dell computers and two used vans for LE Found and there were other shared expenses and payments back and forth.

The Receiver has entered into a contract with Gonzalez and Cachinero to return the 60% ownership share acquired by Universal Express to them for an exchange of releases, all subject to the approval of this Court. LE Found assumed its assets and all its liabilities. Gonzalez and Cachinero have assisted the Receiver by transporting and storing Universal business records. They have employed some of the former Universal employees who had worked for other subsidiaries. Given the breach of the acquisition contract, the willingness of the purchasers to assume the liabilities of the business and the other factors noted above, the Receiver believes that this transaction was in the best interest of the Receivership and seeks the Court's approval of it.

Universal Jet

Altomare claims that Universal owns 60% of a private jet leasing company which operates out of a small airport in Boca Raton. There is apparently no signed agreement with respect to that acquisition. Universal wired \$1,211,477.08 to or on behalf on Universal Jet in 2007. See Exhibit B. The Receiver needs additional time and information to evaluate this situation in order to determine the relationship between the Company and Universal Jet and the nature of these transactions.

Premises

The main office of the Company is located in a large space in a good building in Boca Raton. The rent is \$33,155.95 monthly. Rent had been in arrears in the summer, and the landlord had sent an eviction letter. At that time Universal paid its rent through September 1, 2007. There was no security deposit. We have agreed to leave some of the furniture on the premises to enable the landlord to more easily rent the space. We have also kept the Company telephone switch in operation so that the subtenant law firm's phones can operate. In exchange,

the landlord has permitted us to leave the Company computer server in operation for the time being.

Logistics is located in a warehouse bay at 2660 N.W. 112 Avenue, Miami, Florida. The rent was \$3800 monthly. The security deposit on that space will likely go to cover the rental for September 2007.

General Counsel for the Company, Chris Gunderson and Brian Altomare, who was running Madpackers, shared executive suite space at 1230 Avenue of the Americas, New York, New York. The landlord has been notified that the space will be vacated by September 21, 2007. We will seek the return of any security deposit on that space.

Furniture and Equipment

Boca Raton

The Receiver engaged a well-known and well-regarded auction company Moecker Auctions, Inc. to evaluate the contents of the premises. Some items were sold early on. The rest will be sold at pieces equal to or greater than the Moecker estimates.

Miami

There are some beat up desks and old computers at the Miami premises which have been offered to the persons interested in assuming that space.

Payables

A detailed list of the amounts that I believe are currently owing is attached as Exhibit C. These entries were taken from the computerized accounting system augmented by mail received since the receivership began. Because entries to the accounting system had not all been made for July and August, it is not clear if the list is complete. The confirmed amount is \$3,401,654.90.

There have been amounts owing on lines of credit. We are attempting to confirm if any are outstanding at this time.

One payable of note is an invoice from the New York Times for \$173,416.32 for a June 28, 2007, advertisement in response to the New York Times's coverage of this case. The invoice remains unpaid.

I also note that the bank account for the operating account at Wachovia has steadily decreased since February 2007. Closing balances month by month are as follows:

February 28, 2007	1,404,722.02
March 30, 2007	1,366,576.62
April 30, 2007	1,055,925.98
May 31, 2007	658,994.26
June 29, 2007	367,110.19
July 31, 2007	59,219.11
August 31, 2007	46,500.00

I have not yet had the opportunity to fully analyze the bank accounts.

Payments to Altomare

Mr. Altomare told me that his annual salary was either \$1.2 or 1.3 million. Altomare's payroll paid through Company was \$25,000 bi-weekly (or \$650,000 on an annual basis, \$400,000 to date in 2007). Additionally, bank records show wires to Mr. Altomare totaling \$335,000 for the period January 1, 2007 to September 1, 2007. See Exhibit D. There is also a check for \$200,000 dated January 12, 2007, to Mr. Altomare, which is marked "bonus." Credit card payments from January 1, 2007, to date denoted by Universal's Controller as Mr. Altomare's

personal charges add to \$98,944.54. This totals to \$1,033,944.54 in payments to Mr. Altomare for January through August 2007. There are also wires totaling \$80,000 to a company called Les Bijoux, a Boca Raton retail jeweler. In July 2007, there are a series of checks totaling \$29,000 payable to the Wynn in Las Vegas. I do not yet know the purpose for those checks.

Mr. Altomare's wife, Barbara, was paid salary of \$70,000 annually. To date for 2007, she has received \$43,076 as salary. She did not work at the office, and Altomare was not able to describe to me what she did to earn her salary, stating only that "Barbara has been working with me on all aspects" of the business.

Funds on Deposit

First Capital Lending, LLC

When I interviewed Mr. Altomare, he told me that the Company had \$300,000-\$600,000 in escrow with First Capital Lending, LLC a company occupying some of Universal's Boca Raton office space. Mr. Altomare stated that the funds were being held in connection with the acquisition of an oil and gas company. He produced an agreement which confirmed a \$250,000 unconditional escrow. We then sent a demand letter to First Capital for an accounting and return of all escrowed funds. Through counsel, First Capital responded that there were no funds on deposit. That response has not yet been fully evaluated.

Retainers

The trial balance as of September 7, 2007 reflected numerous retainers being held with law firms handling litigation for the Company. The Receiver has written each of these firms. Most have responded and each firm that has responded has notified the Receiver that there are no funds on deposit and that each is owed legal fees by the Company.

Litigation

SEC case

Based on the Company's financial situation and my review of the Court's summary judgment order in this case, the Receiver has notified Mr. Tifford, who filed the notice of appeal on behalf of Universal Express, Inc. that she will not proceed with the appeal of this Court's order.

Landlord litigation

Universal sued its landlord claiming that the Company had been overcharged for rent, as the space was allegedly mis-measured and much smaller than what the Company was paying for. The space was measured by a carpet installer who measured the size of all the rooms in the office. However, that is not how office space is measured. The lease includes payment for common areas, such as halls and bathrooms. Taking this into account, there is no merit to the lawsuit, and the Receiver will dismiss it.

Other litigation

Some litigation against the Company has been being handled by Rose & Rose, P.A. who are subtenants at the Boca premises. I have authorized them to withdraw from those cases as there are no funds to continue any defense. I have also asked them to provide me with an explanation of those cases to determine whether there are meritorious defenses.

The Judgment

The Form 10-KSB/A for Universal Express for the fiscal year ending June 30, 2006 states as follows:

On July 26, 2001, a jury in the Circuit Court of the Eleventh Circuit, Dade County, Florida awarded the Company a damage verdict after trial, of \$87,622,000 compensatory damages, \$275,000,000 punitive damages and \$26,286,000 pre-judgment interest, or a total judgment entered of \$389 Million, against Select Capital and various stock manipulators and "naked shorters." This judgment continues to grow with post-judgment interest. On August 23, 2003, another jury in the Circuit Court, Dade County, Florida, after trial, awarded another verdict to us in the total amount of \$137 Million, against South Beach Financial and related stock manipulators and "naked shorters." Judgment was entered in favor of the Company upon this verdict. This judgment continues to grow with post-judgment interest. These judgments were non-appealable. Our collection efforts with respect to these judgments are ongoing, and we believe that the judgments are substantially collectable.

Arthur W. Tifford, Esq. has been seeking to collect on that judgment. However, the amounts that were collected almost covered Tifford's expenses to date, so no funds have been paid to the Company as a result of this judgment. The Receiver has engaged Mr. Tifford on the same standard contingency basis that he had with the Company to attempt to collect on this judgment.

Michael Jackson memorabilia

The Company purchased a quantity of Michael Jackson memorabilia, some of which it auctioned off in Las Vegas on May 24, 2007. The purchase and auction has spawned litigation with members of the Jackson family in at least New Jersey and Las Vegas who claim at least some of these goods and also with the auction company. The Receiver has not been able to

carefully evaluate that litigation at this point. However, the Receiver has been informed that the judge in Las Vegas has entered a contempt order because Universal Express failed to comply with a settlement that had been reached. The court additionally awarded fees and costs against the Company for the enforcement of the settlement agreement and the contempt trial. As of July 24, one of the parties awarded fees and costs was requesting \$44,431.83 in fees and costs of \$1,103.15. I am not yet aware of the amount sought by the other party entitled to an award. Local counsel for the Company are owed \$32,098.89.

Additionally, attorneys for the Company in Las Vegas have informed the Receiver that there is a 10' by 13' storage area in Las Vegas which contains memorabilia that did not sell at the auction and for which they do not want further responsibility. The Company has failed to pay the storage fees for the past several months. The Receiver has agreed to assume the storage costs for these unsold items.

Shareholders

A number of shareholders have sent me e-mails asking about the status of their investment in shares of the Company. The e-mails are often emotional and occasionally threatening, accusing me of destroying their investment. These correspondents seem to have no idea of the Company's terrible financial condition. I have attached some of these e-mails for the Court's information. Most of the e-mails and a number of blog entries dealing with the Company discuss the issue of naked short selling and claim that there is a conspiracy by the SEC and this Court, which I have apparently now joined, to retaliate against the Company for its revelations about the naked short selling phenomenon. I have attached some of these e-mails for the Court's information. See Exhibit E.

I have not dealt with any issues regarding the purchase or sale of shares, as this is outside the scope of the acts the Court has asked of me. On September 17, 2007, I wrote the Company's transfer agent, Continental Stock Transfer & Trust Company, directing it not to accept instruction on behalf of the Company from anyone except the Receiver. The transfer agent has informed me that Universal Express has 39,021,633,343 shares outstanding. I also note that there are incoming wires which appear to be investor deposits to Universal in 2007 of at least \$9,548,119.00. See Exhibit F.


To the degree that shareholders are seeking information, I hope that this report answers that need.

The receipts and disbursements of the Receivership are attached as Exhibit G.

Respectfully submitted,

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By:


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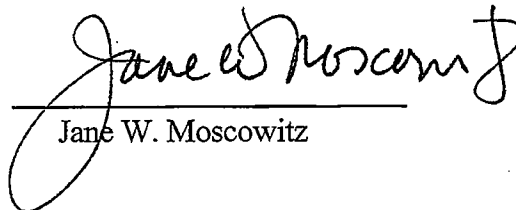
CERTIFICATE OF SERVICE

I hereby certify that on September 28, 2007, I electronically filed the with the Clerk of the Court for filing and uploading to the CM/ECF system which will send notification to the following as indicated to the parties listed below.

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EXHIBIT A

Date : 09/05/07
 Time : 11:03 AM

Universal Express Logistics Inc.
 5295 Town Center Road
 Suite 401
 Boca Raton FL 33486

Page no. 1

As of 06/30/07

BALANCE SHEET

Account	Account Name	General Acct	Detail Acct
11011	Petty Cash		500.00
11021	Bank Leumi USA		147294.50
11052	Accts Recvbl-Credit Cards		89970.09
1402	Security deposit		11925.98
1501	DUE FROM USXP		366144.82
1502	DUE FROM CAPITAL		40799.64
1503	DUE FROM PBC		-792.37
1504	Due from Bellhop		9667.96
1505	Due from Madpackers		153018.29
1506	Due from Global Trucking		6384.76
	Total Assets		824913.67

Date : 09/05/07
 Time : 11:03 AM

Universal Express Logistics Inc.
 5295 Town Center Road
 Suite 401
 Boca Raton FL 33486

Page no. 2

As of 06/30/07

BALANCE SHEET

Account	Account Name	General Acct	Detail Acct
2101	Accounts Payable Module		1764077.73
2101.1	Other Accounts Payable		1500.00
21031	Accrued Accounts Payable		12534.70
21033	Accrued Salaries		16968.81
21051	Due to USXP		5115007.35
21052	Due to Bellhop		5047.34
21053	Due to Capital		14363.98
21054	Due to PBC		1194.96
21055	Due to Madpackers		152691.90
21056	Due to Global Trucking		13605.80
	Total Liabilities		7096992.57
3295	Retained Earnings		-3121966.18
	Current Year Earnings		-3150112.72
	Total Equity		-6272078.90
	Total Liabilities plus Equity		824913.67

EXHIBIT B

Funds to and on Behalf of Universal Jet

<u>Date</u>	<u>Amount</u>	<u>Company Name</u>
1/25	\$10,000.00	Delta Aircargo Finance Corp
2/02	\$7,287.00	Premier Turbines
2/02	\$50,000.00	Premier Turbines
2/02	\$50,000.00	Premier Turbines
2/02	\$50,000.00	Premier Turbines
2/02	\$50,000.00	Premier Turbines
2/05	\$50,000.00	CIT Equipment Finance
2/07	\$23,933.22	Sky Service Avia RFB
2/16	\$35,000.00	Universal Jet
2/16	\$41,266.13	Detroit Charter Jet LLC
2/16	\$41,908.52	Universal Jet
2/16	\$45,000.00	Not Yours LLC
2/16	\$50,000.00	Universal Jet
2/16	\$50,000.00	Universal Jet
2/23	\$30,022.22	Universal Jet
2/23	\$48,000.00	Not Yours LLC
2/23	\$48,000.00	Detroit Charter Jet LLC
2/23	\$50,000.00	Universal Jet
2/28	\$43,722.26	Universal Jet
2/28	\$50,000.00	Universal Jet
2/28	\$50,000.00	Universal Jet
3/07	\$25,000.00	Detroit Charter Jet LLC
3/15	\$30,097.23	Universal Jet
3/29	\$20,000.00	Universal Jet
3/29	\$40,000.00	Universal Jet
3/29	\$40,000.00	Universal Jet
3/29	\$50,000.00	Universal Jet
6/18	\$30,240.50	Banyon Air Services
6/18	\$45,000.00	Banyon Air Services
7/06	\$57,000.00	Universal Jet
Total	\$1,211,477.08	

EXHIBIT C

Universal Express, Inc.

Accounts Payable as of September 7, 2007 per accounting system

<u>Company Name</u>	<u>Amount Owed</u>
The Apple Store	\$3,419.00
The Quantum Matrix	\$4,000.00
Toshiba Business Solutions	\$154.94
Adecco Employment Services	\$6,000.00
Aqua Springs Water & Coffee	\$339.61
Arena Operating Company Ltd	\$267,450.00
AT&T Wireless Services	\$175.69
Backup My Info	\$925.00
B.K.S.H. & Associates	\$20,000.00
Competitive Enterprise Institute	\$35,000.00
Continental Stock Transfer & Trust	\$1,310.35
Control Security Services Inc.	\$4,629.56
Credit card bills	\$31,788.09
CSC Networks	\$3,271.33
Developing Office Communications	\$10,872.95
Fantasma Production Inc.	\$7,500.00
Flight Explorer	\$325.00
FPL	\$2,586.81
Sylvester & Poledak, Ltd	\$17,439.99
The Hartford	\$34,329.60
InfoCom Group	\$671.25
Knowlegis LLC	\$21,750.00
Market Wire, Inc.	\$2,987.15
Matthews & Branscomb	\$11,447.81
National Registers	\$159.00
PC Connection	\$4,559.87
Platinum Plus for Business	\$19,044.28
Rose & Rose, PA	\$8,488.76
Rubenstein Public Relations Inc.	\$15,000.00
Schofield Media Ltd	\$28,000.00
Security Tech Inc.	\$715.68
SJ Consulting Group Inc.	\$6,647.53
Staples	\$743.59
US Chamber of Commerce	\$10,000.00
US LEC	\$4,054.26
Verizon Wireless	\$80.39
VP Press Discount Printing	\$2,428.44
Christopher Benjamin	\$935.00
Misc account	\$12,712.86
Total:	\$601,943.79

Madpackers Inc.

<u>Company Name</u>	<u>Amount Owed</u>
Brian Altomare	\$11,790.01
American Expediting Co.	\$1,819.14
Lawrence Byron, expenses	\$26,960.20
Express Personal Services	\$14,858.38
Knockout	\$81,588.37
Miscellaneous	\$103,353.55
Pound Interactive	\$38,200.00
ProStaff	\$17,598.77
PX Realty	\$11,157.05
Target Market Consluting LLC	\$54,161.27
UPS	\$6,147.00
Eric Veleker	\$2,279.68
VP Press	\$664.62
Total:	\$370,578.04

Universal Express Logistics, Inc.

<u>Company Name</u>	<u>Amount Owed</u>
American Expediting Co.	\$251.43
American Express	\$34,691.32
AT & T	\$489.21
Best Forklift Parts, Inc.	\$428.00
CMA CGM (Canada) Inc.	\$4,051.00
Contransa	\$54.62
Crowley Logistics Inc.	\$964.30
Crystal Cruise	\$15,989.71
Curtco Robb Media LLC	\$29,212.00
Denholm Barwil Ltd	\$690.30
Elite Traveler	\$16,562.50
Fedex	\$111,098.14
Florida West International Airways	\$9,661.88
Forward Air	\$4,738.91
FPL	\$164.06
IBS Customs Brokerage Inc	\$577.18
JA Worldwide Express	\$379.62
Lan Logistics	\$241.75
MediaMax Network	\$14,276.00
Mercury Air Cargo Inc.	\$16,839.50
Misc. Vendors	\$27,339.06
Madison Square Garden	\$450,000.00

NHL Enterprises LP	\$300,000.00
Old Dominion Freight Line Co.	\$2,067.37
Orange Courier -	\$63.91
Skynet Worldwide Express	\$80.00
Skynet-Miami	\$1,682.83
Source Communications	\$135,186.36
Sterling Mets LP	\$291,666.65
Soccer United Marketing LLC	\$300,000.00
The Gab Group	\$12,215.82
Time4media	\$59,000.50
Total Pack Inc.	\$316.61
Voice Link Communications	\$1925.86
VP Press Discount Printing	\$1989.66
WCBS News Radio 880	\$107,675.00
Total:	\$1,952,570.60

Due to Employees for payroll (8/20 -9/07/2007) and expense reimbursement: **\$210,324.36**

Other bills received since receivership began:

<u>Company Name</u>	<u>Amount Owed</u>
New York Times	\$173,416.32
Rent	\$33,155.95 monthly
American Expediting	(may be more than what is listed above)
Global Traveler:	\$8,000.00
Shotgun	\$135.89
Quicksilver Express Courier:	\$529.70 (MP)
Careers USA	\$195.06
Coastal Courier	\$359.50 (MP)
Sun Valley Printing	\$801.41 (MP)
Express Messenger	\$56.35 (MP)
Apple Courier	\$68.90 (MP)
Denholm Barwil Ltd	\$1,195.00 (VB)
Number1 Couriers	\$41.26
Worldwide Express	\$30,211.52
North Fork Bank	\$9,043.74*
Marketwire	\$9,027.65
Total:	\$266,238.25
Grand Total:	\$3,401,654.90

EXHIBIT D

Funds to Altomare

Universal Express Wachovia Statement December 30,2006 thru January 31, 2007

Wires:

1/26 20,000 to Les Bijoux LLC

Checks:

12/29 1,695.36 to Barbara Altomare

12/29 16,628.47 to Richard Altomare

1/12 200,000 to Richard Altomare (memo: "Bonus")

1/12 1,701.47 to Barbara Altomare

1/12 15,168.59 to Richard Altomare

1/26 1,701.47 to Barbara Altomare

1/26 15,119.06 to Richard Altomare

Universal Express Wachovia Statement February 1, 2007 thru February 28, 2007

Checks:

2/09 1,701.47 to Barbara Altomare

2/09 15,168.59 to Richard Altomare

2/23 1,701.47 to Barbara Altomare

2/23 15265.069 to Richard Altomare

Universal Express Wachovia Statement March 1, 2007 thru March 30, 2007

Wires:

3/23 20,000 to Richard Altomare

3/29 40,000 to Richard Altomare

3/29 50,000 to Richard Altomare

Checks:

3/09 1701.47 to Barbara Altomare

3/09 16718.59 to Richard Altomare

3/23 1701.47 to Barbara Altomare

3/23 16660.06 to Richard Altomare

Universal Express Wachovia Statement March 31, 2007 thru April 30, 2007

Wires:

4/10 20,000 to Richard Altomare

4/25 25,000 to Richard Altomare

Checks:

4/06 1,701.47 to Barbara Altomare

4/06 16,718.59 to Richard Altomare

4/20 1,701.47 to Barbara Altomare

4/20 16,660.06 to Richard Altomare

Universal Express Wachovia Statement May 01, 2007 thru May 31, 2007

Wires:

5/16 20,000 Les Bijou LLC
5/16 35,000 to Richard Altomare
5/16 35,000 to Richard Altomare

Checks:

5/04 2,004.54 Barbara Altomare
5/04 16,718.59 to Richard Altomare
5/18 2,004.54 Barbara Altomare
5/18 16,653.03 to Richard Altomare

Universal Express Wachovia Statement June 1, 2007 thru June 29, 2007

Wires:

6/06 30,000 to Richard Altomare
6/06 40,000 to Richard Altomare

Checks:

6/01 2,004.54 Barbara Altomare
6/01 16,718.59 to Richard Altomare
6/15 2,004.54 Barbara Altomare
6/15 16,718.59 to Richard Altomare

Universal Express Wachovia Statement June 30, 2007 thru July 31, 2007

Wires:

7/02 40,000 to Richard Altomare

Checks:

6/29 2,004.54 Barbara Altomare
6/29 16,718.59 to Richard Altomare
7/13 2,004.54 Barbara Altomare
7/13 16,718.59 to Richard Altomare

Universal Express Wachovia Statement August 1, 2007 thru August 31, 2007

Wires:

Checks:

7/27 2004.54 to Barbara Altomare
7/27 16,653.03 to Richard Altomare
8/10 2004.54 to Barbara Altomare
8/10 16,718.59 to Richard Altomare

Credit card charges marked personal:¹

(?) January 2007: 5998.43
(?) January 2007: 155.75
(?) February 2007: 4764.01
(?) February 2007: 223.11

Bank of America Platinum Plus, March 2007:186.75
Bank of America Platinum Plus, April 2007: 14,043.38 (there are 2 accounts)
Bank of America Platinum Plus, May 2007: 377.13
Bank of America Platinum Plus, May 2007: 13,773.35
Bank of America, May 2007: 750.02
Bank of America Platinum Plus, June 2007: 5100
Bank of America Platinum Plus, June 2007: 15,000
Bank of America Platinum Plus, July 2007: 169.05

World Points, February 2007:1512.17
World Points, April 2007: 28,436.11
World Points, March 2007: 4968.74
World Points, May 2007 : 6750
World Points, June 2007: 3110.50

AT&T Platinum, February 21, 2007: 1281.26
AT&T Platinum, March 22, 2007: 1088.80
AT&T Platinum, May 23, 2007: 1247.99
ATT&T Platinum, June 22, 2007: 1149.32

¹ Per Controller Saadia Hardial, travel, meals and auto were charged to the company. Travel might include Barbara Altomare. These amounts have not been listed here and no attempt has been made to judge the character of these expenses, such as ones for limousine services and private jet. This listing contains only the amounts clearly designated as personal by Hardial. These amounts were not paid back to the company, but recorded in an account called accrued salary. This listing may not be complete; it was taken from the physical documents kept by Hardial.

EXHIBIT E

Jane Moscowitz - USXP Receivership

From: "Ryan Smith" <RSmith@TheCrew.com>
To: <jmoscowitz@mmmpa.com>
Date: 9/5/2007 4:09 PM
Subject: USXP Receivership

Hello Ms. Moscowitz,

I am an investor in USXP and understand that you have been assigned as the receiver for the company. This is very concerning to me, considering that the SEC has worked so hard to eliminate this company. I have a large investment in this company and there are a few facts that the SEC and Judge Lynch have not taken into consideration with the decisions they are making. This company has proved that they have been Naked Shorted to a very large degree. Naked shorting is basically Electronic Stock Counterfeiting. The SEC denied this activity for many years then created a Grandfather clause to help this illegal activity cover up their actions, while still denying it was taking place. Then they recently overturned the GF clause and said that the act of Naked Short Selling is a large issue in the OTC stocks and they are working to clean up the market of this fraud. I have attached a couple links for you to review to familiarize yourself with this crime. I was glad to read that you have kids and can understand where I am coming from with two kids of my own. If USXP is put out of business, this will significantly impact my family's future. I ask that the matter of Naked Short Selling, that the SEC has allowed to happen, be taken into consideration when you are reviewing this case. If my government and the SEC continue to allow Naked Short Selling, I might as well gamble my money away, since I have a better chance of winning in Vegas. You are in a position to recommend that this company be given the right to a jury trial. This company did not waive their right to a jury trial and in fact the SEC lawyers lied to Judge Lynch regarding this issue. I hope that you have not been brought in to just shut this company down. This would affect many people who are hoping that our judiciary system still holds the keys to an honorable hearing. If a jury of my peers finds USXP guilty, after the company gets discovery and the DTCC opens up the books and there was no Naked Short Selling, then I'll take my losses and kick myself. But shutting this company down without taking into account all the things the SEC has done to them operationally would be devastating for a family like mine and many others that have invested in this company.

By Dr. Byrne of Overstock.com
<http://www.businessjive.com/>

By Bloomberg.com
<http://www.youtube.com/watch?v=Bfi3Hxasm2s> – Part 1
<http://www.youtube.com/watch?v=RYUU2qZOcM0> – Part 2
<http://www.youtube.com/watch?v=taLhQoTvTLw> – Part 3

By Universal Express CEO – Richard Altomare
<http://usxp.com/companies/universal/pr/pr.asp?prtitle=Universal+Express+Exposes+Trillion+Dollar+Tax+Scam>
<http://usxp.com/companies/universal/pr/pr.asp?prtitle=Universal+Express+CEO+Delivers+Naked+Short+Selling+Speech>

By a shareholder of USXP
<http://www.petitiononline.com/usxp123/>

Regards,
Ryan Smith

Jane Moscovitz - Martindale-Hubbell - Potential Client Inquiry

From: <monneypennyinc@yahoo.com>
To: <jmoscovitz@mmpa.com>
Date: 9/15/2007 8:58 AM
Subject: Martindale-Hubbell - Potential Client Inquiry

This inquiry originated from a search on www.lawyers.com

Name: Corey Tuominen
City: Tower
State: Minnesota

Comments:

Dear Jane, I am writing in regards to Universal Express, Inc. which trades on the otc.bb. Recently you were assigned receiver to take over the company and I see you have and ceased operations. I tell you I know for a fact a group of people that own billions of shares of this company. If you think for one second you can come barge into a company that is only trying to stay alive because of the ramped knaked short selling and shut it down, think again. If you try to hide the truth behind this huge short position and how corrupt the SEC really is you are going to be hit with a shit load of lawsuits, and if justice doesn't prevail the good old American way then I will make it my personal duty to enforce the justice and I along with others will come and beat your ass to a bloody pulp along with Judge (jackass) Lynch who put you in this position. I can't beleive the American system has gotten so corrupt. I just hope you do the right thing!!!!!!!!!!!!1 Sincerely, Corey Tuominen (A concernd shareholder)

Sent by: monneypennyinc@yahoo.com

Jane Moscovitz - judge lynch own you

From: pete stathakis <parkxfreaks@yahoo.com>
To: <jmoscovitz@mmmpa.com>
Date: 9/28/2007 7:20 AM
Subject: judge lynch own you

little receiver lady ... you think your smart ..

your nothing but a paid whore for lynch

your a stupid slut and you will pay for this .

Be a better Heartthrob. [Get better relationship answers](#) from someone who knows.
Yahoo! Answers - Check it out.

Jane Moscovitz - what are you doing ?

From: tony kalantzis <tkalantzis@yahoo.com>
To: <jmoscovitz@mmmpa.com>
Date: 9/28/2007 6:23 AM
Subject: what are you doing ?

Hi Jane

What are you doing selling luggage express ??

are you trying to kill the company because we sued the SEC for 700 million dollars and they told you to destroy us you fucking slut ..

dont get smart ,... you have no idea what could happen to you .

we never forget

Take the Internet to Go: Yahoo!Go puts the Internet in your pocket: mail, news, photos & more.

EXHIBIT F

Deposits by Investors in 2007

Emerald Asset Advisors LLC

January 3	\$175,000
January 9	\$1,000,000
February 8	\$250,000
February 12	\$650,000
February 28	\$300,000

Jay Fung

January 5	\$50,000
February 20	\$50,000
March 20	\$50,000
May 14	\$45,000
May 30	\$50,000
June 5	\$50,000

BZCom.Marketing

January 8	\$150,000
January 12	\$150,000
April 10	\$100,000
April 23	\$150,000

Capital Holdings, Inc

January 31	\$50,000
April 3	\$70,000

Alton Gray Invest

February 2	\$50,000
March 15	\$50,000
May 14	\$70,000
May 29	\$75,000 (Jeffrey Scott Braile)
June 5	\$90,000

North Atlantic Resources

March 23	\$500,000
March 29	\$500,000
April 24	\$500,000
May 11	\$500,000
June 1	\$500,000

Richard Russotto

May 7	\$43,671.00
May 29	\$93,030.00
June 15	\$33,000
June 21	\$57,000
June 27	\$51,213.00
July 5	\$40,000.00
July 27	\$10,000.00

Needham Capital Partners

June 5	\$25,000
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Thomas Nickers

August 10	\$300,000
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Khaled Snaid Abdulrhman Al Snaid

January 8	\$999,980
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The Competitive Enterprise Inst.

January 11	\$35,000
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York Holdings

January 11	\$75,000
January 31	\$75,000
February 9	\$75,000
February 27	\$150,000
March 9	\$75,000
April 13	\$100,000
May 4	\$100,000
May 24	\$100,000
May 25	\$100,000
June 14	\$100,000

Scott Elliott

January 12	\$20,000
January 23	\$75,000
February 8	\$16,225
February 23	\$208,000
March 21	\$50,000
April 2	\$21,000
April 4	\$30,000
April 5	\$20,000

July 19 \$20,000
August 7 \$10,000
August 24 \$25,000

Wan Tsing Enterprises, LLC

January 31 \$20,000
May 14 \$70,000
June 1 \$75,000
June 7 \$75,000

Grand Total: \$9,548,119.00

EXHIBIT G

Finances of the Receivership

Receipts

Bank Leumi balance as of 9/24/07	\$67,956.71
Wachovia balance at opening 9/19/07	\$34,086.32
Sale of furniture	\$10,225.00
Sale of vehicles	\$27,000.00
Total Receipts:	\$139,268.03

Disbursements

Consulting	\$4,918.75 (in checks) / \$550.00 (in cash)
-Saadia Hardial	
-Christian Thomas	
-Milos Pavlovich	
-Larry Byron	
-Eric Veleker	
Funds to release container	\$4,100.06 paid to CMA CGM (Canada)
	\$128.00 paid to Naca Logisites
Funds to release goods in LA warehouse	\$2,252.00 paid to Chipman Relocations
Appraisal of Furniture & Equipment	\$625.00 paid to Moecker Auctions, Inc.
Shredding of Documents	\$318.00 paid to MicroShred, Inc.
Loan to Employee (Angela Thompson)	\$2,500.00
Total Disbursements:	\$14,841.81