

RC 526350

ATLANTIC & WESTERN RAILWAY CO.

1979

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RL 526350

annual report

R-3

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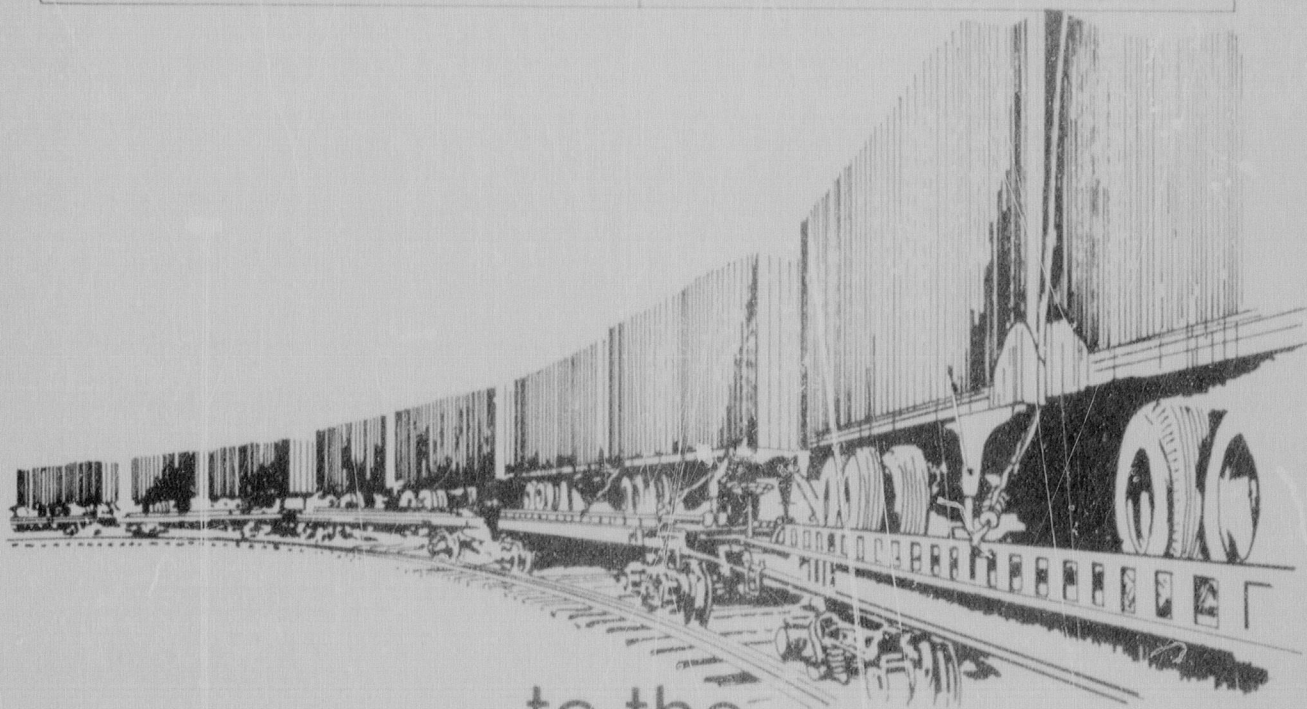
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ATLANTIC & WESTERN RAILWAY COMPANY
317 Chatham St. (PO Box 1208)
Sanford, North Carolina 27330

correct name and address if different than shown

full name & address of reporting carrier
(use initials, asterisk on original copy in full on duplicate)



to the
Interstate Commerce Commission
for the year ended December 31, 1979

NOTICE

All switching and terminal companies will be designated class III railroads.

Switching and terminals companies are further classified as:

Class 1, Exclusively switching. This class of companies includes all those performing switching service only, whether for joint account or for revenue.

Class S2, Exclusively terminal. This class of companies includes all companies furnishing terminal trackage or terminal facilities only. Such as union passenger or freight stations, stockyards, etc., for which a charge is made, whether operated for joint account or for revenue. In case a bridge or ferry is part of the facilities operated by a terminal company, it should be included under this heading.

Class S3, Both switching and terminal. Companies which perform both a switching and a terminal service. This class of companies includes all companies whose operations cover both switching and terminal service, as defined above.

Class S4, Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class S5, Mixed. Companies performing primarily a switching or a terminal service, but which also conduct a regular freight or passenger traffic. The revenues of this class of companies include, in addition to switching or terminal revenues, those derived from local passenger service, local freight service, participation in through movement of freight or passenger traffic, other transportation operations, and operations other than transportation.

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101. IDENTITY OF RESPONDENT

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1. Give the exact name^a by which the respondent was known in law at the close of the year Atlantic & Western Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year or any part thereof. If so, in what name was such report made? Atlantic & Western Corporation
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made changed from Atlantic & Western Corporation to Atlantic & Western Railway Co. Feb. 1979
4. Give the location (including street and number) of the main business office of the respondent at the close of the year 317 Chatham St., Sanford, N. C. 27330
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President	T.G. Proctor, Jr., 317 Chatham St., Sanford, NC 27330
2	Vice president Exec.	W. B. Joyce, 317 Chatham St., Sanford, NC 27330
3	Secretary	Wm. W. Staton, 205 Courtland Dr., Sanford, NC 27330
4	XXXXXX Ass't Secretary	T. B. Amelia, 317 Chatham St., Sanford, N.C. 27330
5	Controller or auditor	J. D. Giltner - P.M. Collins, 317 Chatham St., Sanford, NC
6	Attorney or general counsel	Wm. W. Staton, 205 Courtland Dr., Sanford, NC 27330
7	XXXXXX Vice Pres.	C. M. Reeves, Jr., 317 Chatham St. Sanford, NC 27330
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13	Chairman of Board	C. M. Reeves, Jr., 317 Chatham St., Sanford, NC 27330

6. Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

Line No.	Name of director (a)	Office address (b)	Term expires (c)
14	T. G. Proctor, Jr.	317 Chatham St., Sanford, NC.	Jan. 15, 1980
15	W. B. Joyce	" " "	Jan. 15, 1980
16	C. M. Reeves, Jr.	" " "	Jan. 15, 1980
17			
18			
19			
20			
21			
22			
23			

7. Give the date of incorporation of the respondent 9-26-27
8. State the character of motive power used Diesel electric
9. Class of switching and terminal company III
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees Chapter 22, Article 12, Section 1223 of the Consolidated Statutes of North Carolina.
11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source Atlantic & Western Financial Corporation has title to capital stock
12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing attached

^aUse the initial word the when (and only when) it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

In July, 1903, \$15,000.00 in common stock and \$2,000.00 of First Mortgage Bonds were issued and sold, and with the proceeds, two miles of road were built, from Sanford, N. C. to Jonesboro, N. C. and the same put in operation in the year 1903.

In March, 1903, the issue of common stock was increased to \$53,400.00 and the First Mortgage Bonds to \$100,000.00 for the purpose of extending the road to Broadway, N. C., a distance of 6.18 miles, and for additional equipment. The extension was completed and put in operation in July, 1905.

In April, 1912 all outstanding stock and bonds were bought by Middendorf, Williams & Company of Baltimore, Maryland, and a new Board of Directors and Officers were elected, and the same as shown on Page 1, schedules 106 and 107 of the respondents annual report to the Commission for the year ended June 30, 1914. All previous issues of stock and bonds were cancelled and a new issue of \$1,500,000. common stock and \$1,500,000 of First Mortgage Bonds were authorized to provide for the improvement of the road purchased and the extension of the same from Broadway, N. C. to Lillington, N. C., a distance of 16 miles.

For additions and equipment, \$300,000.00 common stock and \$300,000.00 First Mortgage Bonds were issued by May 1, 1912, as explained in the respondent's report to the Commission for the year ended June 30, 1913. The extension from Broadway to Lillington, N. C., was put in operation in April, 1913.

On September 15, 1913, an additional issue of common stock of \$12,000.00 and of First Mortgage Bonds was made to take up loans of money borrowed to complete the extension and to equip the road. This issue was taken into account, during the fiscal year, ended June 30, 1914.

On April 19, 1915, a further issue of \$20,000.00 of common stock and \$20,000.00 of First Mortgage Bonds was authorized to be sold or used as collateral on loans to secure money when needed for operation.

Only \$3,000.00 in stock and \$3,000.00 in bonds of the issue, referred to in the paragraph above, we sold, and the balance being only nominally used and held by our Treasurer.

On December 8, 1926 the Company was placed into the hands of Receiver by Action of the Bondholders.

On August 1, 1927 the property owned by the Atlantic and Western Railroad Company was sold at public auction by the Fidelity Trust Company, Baltimore, Maryland, acting as trustee for the bondholders. Effective as of that date, the purchasers reorganized and adopted the Charter of the Atlantic and Western Railroad Company and changed the corporate name to ATLANTIC AND WESTERN RAILWAY COMPANY.

Due to continued and increased operating losses 1959 \$1,736.54, 1960 \$10,983.45 and first five months 1961 \$7,151.46 the Management recommended to the Stockholders and to the Board of Directors that the bigger portion of the line be abandoned. At a meeting of the Board of Directors duly called and held at the Corporation's Offices, Sanford, N. C. on July 3, 1961, it was RESOLVED that this Corporation, subject to such approval by the Interstate Commerce Commission as may be required by law abandon approximately 20.62 miles of its line of railroad, beginning at Lillington, N. C. and extending westward to a point about half way between mile post 4 and 3 just east of Jonesboro, N. C. RESOLVED, That the proper Officers of this Corporation be and they hereby are authorized and directed, in the name and on behalf of this Corporation and to the extent appropriate under its Corporate seal, to apply to the Interstate Commerce Commission pursuant to paragraphs (18) to (20), inclusive, of Section of the Interstate Commerce Act, as amended for a certificate that the present or future public convenience and necessity permit of the abandonment of said line, and to take all other steps necessary or appropriate to effectuate such abandonment.

The necessary information was assembled and on August 7, 1961 application was filed with the I.C.C. seeking authority to abandon 20.62 miles beginning at the N. S. Railroad interchanges track and extending westward to a point about half way between mile post 4 and 3 east of Jonesboro, N. C.

At a Session of the I.C.C. Finance Board No. 3 held at its office in Washington, D. C. on the last day of November 1961 in Service Order November 8, 1961 the application was granted effective Dec. 15, 1961 Finance Docket No. 21713. Operations were discontinued on December 15, 1961 and since that date 3.38 miles only have been operated.

During the year 1963 the rails and other track materials were dismantled and removed completing the abandonment.

On December 15, 1967 all outstanding stock was purchased by the Atlantic and Western Corporation with the exception of 302 shares which were purchased by the Atlantic and Western Railway Co. and are being held as Treasurer shares, and a new Board of Directors and Officers were elected.

Effective January 1, 1970, the Atlantic and Western Railway Company merged into Atlantic & Western Corporation. Recorded in Department of State, Raleigh, N. C. January 9, 1970. Authority Finance Docket No. 25076 dated October 24, 1969. Capital Stock of the new Corporation amounts to \$50,000.

107. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information in schedule No. 70S, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED				
			Number of votes to which security holder was entitled	Stocks			Other securities with voting power
				Preferred		Common	
				Second	First		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Atlantic & Western Financial Corporation	Sanford, N. C.	450	450			
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
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21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

Footnotes and Remarks

STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.☐ Two copies will be submitted

(date)

☒ No annual report to stockholders is prepared.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

1. Accumulated deferred income tax charges related to current assets should be included in item 6, prepayments, while those related to non-current assets should be included in item 13, Other Deferred Debits.
2. Item 10, Special Funds and Other Investments and Advances, should be shown *net* of allowances and adjustments.
3. Amounts reported on line 12, Other Assets, should be shown net of depreciation and amortization.

Line No.	Item (a)	Respondent Only	
		Balance at Close of Year (b)	Balance at Beginning of Year (c)
	CURRENT ASSETS	\$	\$
1	Cash	4,770.	18,817.
2	Temporary Cash Investments		
3	Special Deposits	450.	428.
4	Accounts Receivable	374,199.	434,667.
5	Less: Allowance for Uncollectible Accounts		
6	Prepayments (and working funds)	1,286.	
7	Materials and Supplies		
8	Other Current Assets	193.	
9	Total Current Assets	680,898.	453,912.
	OTHER ASSETS		
10	Special Funds and Other Investments and Advances	(147,665.)	183,646.
11	Other Assets	43,397.	
12	Other Deferred Debits	(36,781.)	
13	Total Other Assets	(141,049)	183,646.
	ROAD AND EQUIPMENT		
14	Road and Equipment Property	414,148.	288,726.
15	Accumulated Depreciation and Amortization	(21,233.)	25,009.
16	Net Road and Equipment	392,915.	313,735.
17	Total Assets	932,764.	951,293.
	CURRENT LIABILITIES		
18	Loans and Notes Payable		
19	Accounts Payable	231,412.	173,282.
20	Interest and Dividends Payable		
21	Taxes Accrued	8,093.	21,270.
22	Other Current Liabilities		
23	Equipment Obligations and Other Long-term Debt Due Within One Year		
24	Total Current Liabilities	239,505.	194,552.
	NON CURRENT LIABILITIES		
25	Funded Debt Unmatured		
26	Equipment Obligations		
27	Capitalized Lease Obligations		
28	Accumulated Deferred Income Tax Credits	2,250.	164,568.
29	Other Long-term Liabilities and Deferred Credits		
30	Total Non current Liabilities	2,250.	164,568.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

Line No.	Item (a)	Respondent Only	
		Balance at Close of Year (b)	Balance at Beginning of Year (c)
	SHAREHOLDERS' EQUITY	\$	\$
	Capital Stock:		
31	Common	25,000.	25,000.
32	Preferred		
33	Discount on Capital Stock		
34	Additional Capital		
	Retained Earnings:		
35	Appropriated		
36	Unappropriated	666,009.	567,173.
37	Net Unrealized Loss on Noncurrent Marketable Equity Securities		
38	Less: Treasury Stock		
39	Net Shareholders' Equity	691,009	
40	Total Liabilities and Shareholders' Equity	932,764.	951,293.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

1. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts \$ None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ None

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: None

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund \$ None

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

(i) If funding is by insurance, give name of insuring company None

(ii) If funding is by trust agreement list trustee(s) None

Date of trust agreement or latest amendment None

If respondent is affiliated in any way with the trustee(s), explain affiliation: None

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement None

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

If yes, give number of the shares for each class of stock or other security: None

(ii) Are voting rights attached to any securities held by the pension plan? Specify Yes No If yes, who determines how stock is voted? None

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES NO None

210. RESULTS OF OPERATIONS**INSTRUCTIONS**

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.
2. List dividends from investments accounted for under the cost method on the appropriate line, under subsection "Other Income." List dividends accounted for under the equity method on the appropriate line under the "Income from Affiliated Companies" subsection of this schedule.
3. All contra entries hereunder should be indicated in parenthesis.

210. RESULTS OF OPERATIONS

Line No.	Item (a)	Amount for Current Year (b)
	ORDINARY ITEMS	\$
	OPERATING INCOME	
	Railway Operating Income	
1	Freight	111,658.
2	Passenger	
3	Other	2,862.
4	Railway Operating Revenues	114,520.
5	Railway Operating Expenses	304,161.
6	*Net Revenue from Railway Operations	(189,641.)
	OTHER INCOME	
7	Dividend income	
8	Interest income	1,147.
9	Other income; Other	2,689,441.
	Income from affiliated companies:	
10	Dividends	
11	Equity in undistributed earnings (losses)	
12	Total other income (Lines 7-11)	2,690,588.
13	Total income (Lines 6, 12)	2,500,947.
	OTHER DEDUCTIONS	
14	Miscellaneous deductions from income	2,397,158.
15	Fixed charges	
16	Income after miscellaneous deductions and fixed charges	103,789.
	UNUSUAL OR INFREQUENT ITEMS	
17	Unusual or infrequent items (debit) credit	
18	Income (loss) from continuing operations (before income taxes) (Line 16 less Line 17)	103,789.
	PROVISIONS FOR INCOME TAXES	
	Income taxes on ordinary income:	
19	Federal income taxes	
20	State income taxes	4,953.
21	Other income taxes	
22	Provisions for deferring income taxes	
23	Income before extraordinary items (Line 18 less Lines 19-22)	98,836.
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
24	Extraordinary items (net)	
25	Income taxes on extraordinary items	
26	Provisions for deferred taxes - Extraordinary items	
27	Total extraordinary items (Lines 24-26)	
28	Cumulative effect of changes in accounting principles	
29	(Less applicable income taxes of \$)	
30	Net income	98,836.

210. RESULTS OF OPERATIONS—Continued

Line No.	Item (a)	Amount for Current Year (b)
	RECONCILIATION OF NET RAILWAY OPERATING INCOME (NROI)	
		(194,535)
31	Net revenues from railway operations	
32	Income taxes on ordinary income	
33	Provisions for deferred income taxes	(2,690,589)
34	Income from Lease of Road and Equipment	(2,397,158)
35	Kent for leased Roads and Equipment	98,836.
36	Net Railway Operating Income	147,513.
37	Revenue freight - Ton-miles	

APPENDIX A

SCHEDULE 210A. SUPPLEMENTAL INFORMATION FOR SWITCHING AND TERMINAL COMPANIES

1.

Joint Facility		
Category	Debit	Credit
Way and Structures		
Equipment		
Road		
Yard		
Other Transportation		

2. Depreciation Expense - way and structures - running
 Depreciation Expense - way and structures - switching
 Depreciation Expense - way and structures - others
 All other way and structures operating expenses
 Total Way and Structures Operating Expenses

Depreciation Expense - locomotives
 Depreciation Expense - freight cars
 Depreciation Expense - other equipment

3. *Number of locomotive-miles in yard switching service: Freight

Passenger

*Number of locomotive-miles in yard switching service should be computed in accordance with OS-A report note F.

Not applicable

330. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes during the year in Road and Equipment property, and Improvements on leased property.
2. Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) and (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of \$100,000 should be explained.
3. Report on line 32 amounts not includable in the primary road accounts.

Line No.	ITEM (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)	Accrued depreciation at close of year (f)
1 (1)	Engineering	702.			702.	2.
2 (2)	Land for transportation purposes	5,400.			5,400.	
3 (3)	Other right-of-way expenditures					
4 (4)	Grading	16,863.			16,863.	
5 (5)	Tunnels and subways					
6 (6)	Bridges, trestles, and culverts	10,250.			10,250.	236.
7 (7)	Elevated structures					
8 (8)	Ties	17,645.			17,645.	
9 (9)	Rails	33,400.			33,400.	
10 (10)	Other track material	17,052.			17,052.	
11 (11)	Ballast	2,125.			2,125.	
12 (12)	Track laying and surfacing	13,503.			13,503.	
13 (13)	Fences, snowsheds, and signs	1,266.			1,266.	25.
14 (16)	Station and office buildings	57,389.	58,573.		115,962.	1,893.
15 (17)	Roadway buildings					
16 (18)	Water stations					
17 (19)	Fuel stations					
18 (20)	Shops and enginehouses					
19 (22)	Storage warehouses					
20 (23)	Wharves and docks					
21 (24)	Coal and ore wharves					
22 (25)	TOFC/COFC terminals	5,871.			5,871.	234.
23 (26)	Communication systems	3,047.			3,047.	64.
24 (27)	Signals and interlockers	2,282.			2,282.	65.
25 (29)	Power plants					
26 (31)	Power-transmission systems					
27 (35)	Miscellaneous structures					
28 (37)	Roadway machines	100.			100.	
29 (39)	Public improvements - Construction	2,280.	8,276.		10,556.	33.
30 (44)	Shop machinery	10,000.			10,000.	211.
31 (45)	Power-plant machinery					
32	Other (specify and explain)					
33	Total Expenditures for Road	199,176.	66,849.		266,025.	2,763.
34 (52)	Locomotives	50,000.	58,573.		108,573.	3,885.
35 (53)	Freight-train cars	34,187.			34,187.	928.
36 (54)	Passenger-train cars					
37 (55)	Highway revenue equipment					
38 (56)	Floating equipment					
39 (57)	Work equipment	341.			341.	224.
40 (58)	Miscellaneous equipment	3,522.			3,522.	599.
41	Total Expenditures for Equipment	88,050.	58,573.		146,623.	5,636.

330. ROAD AND EQUIPMENT PROPERTY--Continued

Line No.	ITEM (a)	Balance at beginning of year (b)	Gross charges during year (c)	Credits for property retired during year (d)	Balance at close of year (e)	Accrued depreciation at close of year (f)
42	(76) Interest during construction				1,500.	
43	(77) Other expenditures - General	1,500.			1,500.	
44	Total General Expenditures	1,500.				
45	Total	288,726.			288,726.	8,399.
46	(80) Other elements of investments					
47	(90) Construction work in progress					
48	Grand Total	288,726.	125,422.		414,148.	8,399.

705. IMPORTANT CHANGES DURING THE YEAR

Hereunder state the following matters, numbering the statements in accordance with the inquiries, and if no changes of the character below indicated occurred during the year, state that fact. Changes in mileage should be stated to the nearest hundredth of a mile. If any changes reportable in this schedule occurred under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

1. All portions of road put in operation or abandoned, giving (a) termini, (b) length of road, and (c) dates of beginning operations or of abandonment.
2. All other important physical changes, including herein *all new tracks built*.
3. All leaseholds acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.
4. All agreements for trackage rights acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.
5. All consolidations, mergers, and reorganizations effected, giving particulars.
6. All stocks issued, giving (a) purposes for which issued, (b) names of stocks, and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; give similar information concerning all stocks retired (if any).
7. All funded debt issued, giving (a) purposes for which issued, (b) names of securities, and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; also give particulars concerning any funded debt paid or otherwise retired, stating (a) date acquired, (b) date retired or canceled, (c) par value of amount retired.
8. All other important financial changes.
9. All changes in and all additions to franchise rights, describing fully (a) the actual consideration given therefor, and stating (b) the parties from whom acquired; if no consideration was given, state that fact.
10. In case the respondent has not yet begun operation, and no construction has been carried on during the year, state fully the reasons therefor.
11. All additional matters of fact (not elsewhere provided for) which the respondent may desire to include in its report.

#3. Under Lease Agreement dated March 20, 1979, to accept 25 XB boxcars under terms of four (4) years, numbered ATW 1001-024.

Under Lease Agreement dated 12-4-79 to accept 50 cars under terms of 15 years numbered ATW 4050-099.

Under Lease Agreement dated 6-18-79 to accept 100 cars under terms of 15 years numbered ATW 4200-099.

If returns under items 1 and 2 include any first main track owned by respondent representing new construction or permanent abandonment give the following particulars:

Miles of road constructed None

Miles of road abandoned None

The item "Miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points without serving any new territory.

710. INVENTORY OF EQUIPMENT

INSTRUCTIONS

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.
2. In column (c) give the number of units of equipment purchased, built in company shops, or otherwise acquired.
3. Units leased to others for a period of one year or more are reportable in column (i); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (e); units rented from others for a period less than one year should not be included in column (f). Units installed during the year and subsequently leased to others for a year or more should be shown as added in column (e), as retired in column (d), and included in column (i).
4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit may be equipped with hostler controls for independent operating at terminals.
5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.
6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc.
7. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes); or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank car to capacity in tons of the commodity which the car is intended to carry customarily.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Item (a)	Units in service of respondent at beginning of year (b)	Units installed during year (c)	Number retired during year (d)	Units at close of year				
					Owned and used (e)	Leased from others (f)	Total in service of respondent (e + f) (g)	Aggregate capacity of units reported in col. (g) (h)	Leased to others (i)
							41,3		
	LOCOMOTIVE UNITS								
1	Diesel-Freight A units	2			2		2	4th p. 100 lbs.	
2	Diesel-Freight B units								
3	Diesel-Passenger A units								
4	Diesel-Passenger B units								
5	Diesel-Multiple purpose A units								
6	Diesel-Multiple purpose B units								
7	Diesel-Switching A units								
8	Diesel-Switching B units								
9	Total (lines 1-8)	2			2		2	XXXXXX	
10	Electric-Locomotives								
11	Other self-powered units	2			2		2	XXXXXX	
12	Total (lines 9, 10 and 11)								
13	Auxiliary units	2			2		2	XXXXXX	
14	Total Locomotive Units (lines 12 and 13)								

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS—Cont.

Line No.	Item	Units in service of respondent at beginning of year (b)	Units installed during year (c)	Number retired during year (d)	Units at close of year				
					Owned and used (e)	Leased from others (f)	Total in service of respondent (e + f) (g)	Aggregate capacity of units reported in col. (g) (h)	Leased to others (i)
	FREIGHT TRAINCARS							Tons	
15	Plain Box Cars - 40' (B100-129)								
16	Plain Box Cars - 50' (B200-229; B300-329)	79	25	51	25	28	53		
17	Equipped Box Cars (All Code A)	370	350	12	276	432	708		
18	Plain Gondola Cars (G092-392; G401-492)								
19	Equipped Gondola Cars (All Codes C and E)								
20	Covered Hopper Cars (L 151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)	163	19	2		180	180		
21	Open Top Hopper Cars - General Service (All Code H)								
22	Open Top Hopper Cars - Special Service (All Codes J and K)								
23	Refrigerator Cars - Non Mechanical (R 100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R 200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216)								
24	Refrigerator Cars - Mechanical (R 104, 110, 112, 117, 118, R 204, 210, 211, 212, 217, 218)								
25	Flat Cars - TOFC/COFC (F 071-078 F 871-978)								
26	Flat Cars - Multi-level (All Code V)								
27	Flat Cars - General Service (F 101-109; F 201-209)								
28	Flat Cars - Other (F 11-189; 211-289; 301-389; 401-540)								
29	Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4, T-5)								
30	Tank Cars - 22,000 Gallons and over (T-6, T-7, T-8, T-9)								
31	All Other Freight Cars (F 191-199; 291-299; 391-399; L 006-048; L 070; L 080; L 090 - All "L" with second numeric 6; L 161- L 764)								
32	Total (lines 15-31)	612	394	65	301	640	941		
33	Caboose (All N)	1			1		1	XXXXXX	
34	Total (lines 32-33)	613	394	65	302	640	942	XXXXXX	

720. TRACKS

- (1) Show, by State, total mileage of tracks owned and operated by respondent N. C. 3.38 Miles
- (2) Show, by State, mileage of tracks owned but not operated by respondent: First main track, None
 second and additional main tracks, None, industrial tracks, None
 yard track and sidings, 3.23, total, all tracks, 6.61 3.23 (t)
- (3) Road is completed from (Line Haul Railways only)* Sanford, NC to Jonesboro NC Total distance, 3.38 miles.
- (4) Road located at (Switching and Terminal Companies only)* None
- (5) Gauge of track 4 ft. 8½ in.
- (6) Weight of rail 56# & 70# lb. per yard.
- (7) Kind and number per mile of crossties Oak and pine, 2640 per mile
- (8) State number of miles electrified: First main track, None, second and additional main tracks None
 passing tracks, cross-overs, and turn-outs, None; way switching tracks, None yard switching tracks, None
- (9) Ties applied in replacement during year: Number of crossties, 720; average cost per tie, \$ 8.00; number of feet (B.M.) of switch and bridge ties, None; average cost per M feet (B.M.), \$ None
- (10) Rail applied in replacement during year: Tons (2,000 pounds), None; Weight per year, None; average cost per ton, \$ None

*Insert names of places.

(t) Mileage should be stated to the nearest whole mile.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It should be verified, also by the oath of the president or other chief officer of the respondent, unless the respondent states on the last preceding page of this report that such chief officer has no control over the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of North Carolina

County of Lee

W. B. Joyce
(Insert here the name of the affiant)

makes oath and says that he is Executive Vice President
(Insert here the official title of the affiant)

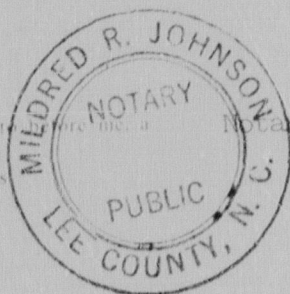
of Atlantic & Western Railway Company

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

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

of time from and including January 19 79 to and including December 19 79

Subscribed and sworn to before me, a
county above named, this



Notary Public

in and for the State and

day of March 19 80

My commission expires

7-21-81

Michael R. Johnson
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of North Carolina

County of Lee

P. M. Collins
(Insert here the name of the affiant)

makes oath and says that he is Auditor
(Insert here the official title of the affiant)

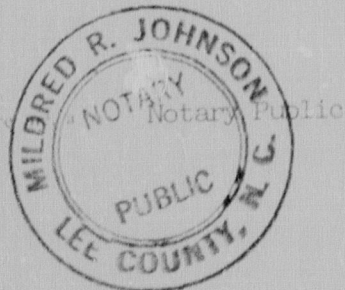
of Atlantic & Western Railway Company

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

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

the period of time from and including January 19 79 to and including December 19 79

Subscribed and sworn to before me, a
county above named, this



Notary Public

in and for the State and

day of March 19 80

My commission expires

7-21-81

Michael R. Johnson
(Signature of officer authorized to administer oaths)