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BURLINGTON NORTHERN INC. 1978

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CLASS I RAILROADS

APPROVED BY GAO

B-180230 (R0470)

Expires 12-31-81

annual report

INTERSTATE
COMMERCE COMMISSION
RECEIVED

APR 1 1979

ADMINISTRATIVE SERVICES
MAIL UNIT

RC000310 BURLINGTON 1 0 1 130500
BN BURLINGTON NORTHERN INC.
BURLINGTON NORTHERN
176 E FIFTH ST.
ST PAUL MN 55101

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)



to the

Interstate Commerce Commission

FOR THE YEAR ENDED DECEMBER 31, 1978

NOTICE

1. This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31, of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

Sec. 20. (1) The Commission is hereby authorized to require annual, periodical, or special reports from carriers, lessors, *** (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, *** specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, lessors, *** as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, lessor, *** in such form and detail as may be prescribed by the Commission.

(2) Said annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission as its office in Washington within three months after the close of the year for which report is made, unless additional time be granted in any case by the Commission.

(7)(b) Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, *** or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: ***

(7)(c) Any carrier or lessor, *** or any officer, agent, employee or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

(8) As used in this section *** the term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier; and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor. ***

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule B, page 2.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable: see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the fact which makes the inquiry inapplicable. Where the word "none" truly and completely states the fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, written or other, in a report, they should be legibly made on suitable paper and, wherever practicable, on sheets not larger than a page of the form. Inserted sheets should be securely attached, preferably at the inner margin, attachment by pins or clips is inefficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parentheses.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amount of less than \$500 should be lowered.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts; and, a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts. In making reports, these companies use Annual Report Form F-4.

Operating companies (including switching and terminal) are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$50,000,000, or more. For this class, Annual Report Form F-1 is provided.

Class II companies are those having annual operating revenues less than \$50,000,000 but in excess of \$10,000,000. For this class, Annual Report Form F-2 is provided.

Class III companies are those having annual operating revenues of \$10,000,000, or less. For this class, Annual Report Form F-3 is provided.

In applying this classification to any switching or terminal company which is operated as a joint facility of owning or tenant railroads, the sum of the annual roadway operating revenues, the joint facility net income, and the returns to joint facility credit accounts in operating expenses, shall be used in determining its class.

Switching and terminal companies are further classified as:

Class S1. 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 charge is made, whether operated for joint account or for revenue. If 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 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.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings below stated:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. The Year means the year ended December 31 for which the report is made. The Close of the Year means the close of business on December 31 of the year for which the report is made, or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. The Beginning of the Year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The Preceding Year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

ANNUAL REPORT

OF

BURLINGTON NORTHERN INC.

Including:

Oregon Electric Railway Company
Oregon Trunk Railway
Spokane, Portland & Seattle Railway Company
Walla Walla Valley Railway Company

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) R. F. Garland(Title) Vice President and Controller

(Telephone number)

612

(Area code)

298-2206

(Telephone number)

(Office address)

176 East Fifth Street, St. Paul, Minnesota 55101

(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

The attention of the respondent is directed below to certain particulars, if any, in which this report form differs from the corresponding form for the preceding year. It should be understood that mention is not made of necessary substitutions of dates or, in general, such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

This form is revised to (1) improve the disclosure of information for both ratemaking and financial reporting purposes, (2) eliminate unnecessary reporting, and (3) conform with the new Uniform System of Accounts for Railroads, effective January 1, 1978. Other significant modifications include revisions to conform with reporting under generally accepted accounting principles and the rearrangement of schedules in a more orderly fashion to make them easier to complete and use.

Revisions to this report resulted from the following Commission's decisions copies of which were served on all railroads:

<u>Docket</u>	<u>Title</u>	<u>Decision Date</u>
36141	Corporate Disclosure Regulations	5/13/77 1/19/78 3/23/78
36367	Revision to the Uniform System of Accounts for Railroads	6/13/77
36604	Accounting for leases	10/12/77
36557	Reporting Railroad Track Maintenance	4/14/78
36725	Revision to the Annual Report Forms for Class I and Class II Railroads	7/18/78
36767	Accounting for Certain Government Transfers by Railroads and Motor Carriers of Passengers	6/30/78

ESTIMATE OF REPORTING BURDEN

In order to monitor carrier reporting burden and to satisfy GAO requirements pursuant to Section 409 of Public Law 93-153, it is requested that you voluntarily furnish your best estimate of the number of hours required to complete this report.

In making this estimate, please include the number of hours attributable to preparing the report and for any special compilations contained in this report that would not generally be maintained or used by management for purposes other than reporting to this Commission.

Total hours (Estimated) 5,682

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A. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report provided there is nothing to report or the schedules are not applicable.

2. Show below the pages excluded and indicate the schedule number and title in the space provided below.

3. If no schedules were omitted indicate "NONE".

Page	Schedule No.	Title
41	339	Other Elements of Investment.
81	Instr. page Sch. 700	Tracks Operated at Cost for Joint Benefit (For Switching and Terminal Companies Only).
84	703	Miles of Tracks at Close of Year - By States and Territories.
106	745	Switching and Terminal Traffic and Car Statistics.

3. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report Burlington Northern Inc.
2. Date of incorporation January 12, 1961
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Organized under the provisions of the General Corporation
Law of the State of Delaware.
4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars. Not applicable
5. Class of switching and terminal company Not a switching or terminal company.
 [See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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.

C. VOTING POWERS AND ELECTIONS

NPV \$30. Series A

1. State the par value of each share of stock: Common, \$ NPV per share; first preferred, \$ 10. per share; second preferred, \$ 1. per share; and \$2.85 NPV Convertible Preferred Stock. Voting rights on common NPV-\$30. Series A
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote.
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing December 31, 1978 - Preparation of this report.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 12,851,819 votes, as of December 31, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 48,883 stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 thirty security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common	NPV PREFERRED	First
(a)	(b)	(c)	(d)	(e)	(f)	
1	Merrill Lynch	New York, NY	898 408	898 408		
2	Bankers Trust Co. *	New York, NY	682 788	682 788		
3	Morgan Guaranty Trust Co. *	New York, NY	581 237	581 237		
4	Citibank, N.A. *	New York, NY	502 426	502 426		
5	Westana Corp.	Omaha, NE	344 850	-	344 850	
6	Midwest Stock Exch. Clearing *	Chicago, IL	301 721	301 721		
7	Irving Trust Co. *	New York, NY	190 206	190 206		
8	State Street Bank & Tr. Co. *	Boston, MA	167 414	167 414		
9	Pac. S&W Depos. Tr. Co. Inc. *	San Francisco, CA	142 594	142 594		
10	Manufacturers Natl. Bank *	Detroit, MI	137 843	137 843		
11	Cleveland Trust Co. *	Cleveland, OH	127 224	127 224		
12	Chase Manhattan Bank *	New York, NY	124 321	124 321		
13	Brown Bros. Harriman	New York, NY	112 233	112 233		
14	Dean Witter Reynolds	New York, NY	107 361	107 361		
15	Shawmut Bank of Boston *	Boston, MA	102 440	102 440		
16	Equit. Life Assur. Society	New York, NY	100 000	100 000		
17	Plum Creek Lumber Co.	Columbia Falls, MT	96 740	96 740		
18	Minn. State Bd. of Investment *	St. Paul, MN	96 700	96 700		
19	First Wall St. Settlement Corp.	New York, NY	88 906	88 906		
20	Donaldson, Lufkin & Jenrette Security Corp.	New York, NY	87 862	87 862		
21	NW Natl. Bank of Mpls. *	Minneapolis, MN	82 261	82 261		
22	Wells Fargo Bank, N.A. *	San Francisco, CA	78 861	78 861		
23	US Trust Co. of New York *	New York, NY	73 155	73 155		
24	St. Paul Companies *	St. Paul, MN	72 000	72 000		
25	Manufacturers Hanover Tr. *	New York, NY	64 716	64 716		
26	Paine Webber, Jackson & Smith	New York, NY	57 773	57 773		
27	Smith, Barney Harris, Upham & Company	New York, NY	56 354	56 354		
28	Bank of America *	Los Angeles, CA	55 590	55 590		
29	Bache, Halsey, Stuart Shields	New York, NY	55 246	55 246		
30	Swiss Bank Corp. *	New York, NY	50 075	50 075		

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 10,194,434
votes cast.
11. Give the date of such meeting. May 11, 1978
12. Give the place of such meeting. St. Paul, Minnesota

NOTES AND REMARKS

Note: Cede & Co., the nominee for the Stock Clearing Corporation, acting for members of the New York Stock Exchange, held as of December 31, 1978, 3,428,222 shares. Shares held by Cede & Co. have been included in above listing to the extent possible.

- * Not stockholder of record.
Nominee of security holder is registered owner.



**Merrill Lynch
Pierce
Fenner & Smith Inc.**

March 7, 1979

Burlington Northern
176 East Fifth Street
St. Paul, Minnesota 55101

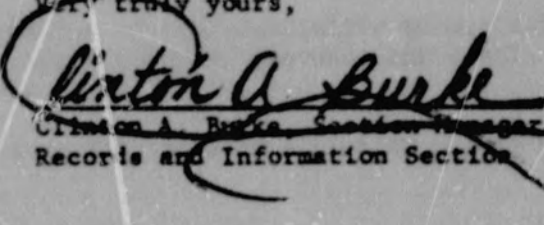
Attention: John C. Ashton

Re: Burlington Northern Inc.

In reply to your letter of 2/7/79 please be advised that our records indicate we were holding 1,038,940 shares of Burlington Northern Inc. stock as of 12/29/79. These shares were held solely for the beneficial interest of 4,953 individual accounts, none of which were beneficially held by us. The largest single holding in any one of these accounts is 54,300.

Should you require further assistance in this matter, please feel free to contact us at your convenience.

Very truly yours,


Clinton A. Burke, Section Manager
Records and Information Section

CAB/mm

MORGAN GUARANTY TRUST COMPANY
OF NEW YORK
9 WEST 57TH STREET, NEW YORK, N. Y. 10019

New York February 21, 1979

MARTIN A. SHEA
Vice President

Mr. John C. Ashton
Vice President and Secretary
Burlington Northern
176 East Fifth Street
St. Paul, Minnesota 55101

Dear Mr. Ashton:

Your letter of February 7, 1979, inquiring about voting rights has been referred to me for reply.

Please be advised of the following figures as of December 31, 1978:

Sole Voting Rights	-	49,300 shares
Shared Voting Rights	-	500 shares
No Voting Rights	-	The balance of the holdings

In addition, we have sole voting authority over 23,100 shares not held in nominee name, none of which is included in the figure above.

We feel that our obligation of confidentiality to our clients for whom we hold shares of Burlington Northern prevents our disclosing to you the identity of these clients.

Please address all future inquiries of a similar nature to the undersigned.

Sincerely,

Martin A. Shea

7CA

CLEVELAND TRUST

February 20, 1979

Burlington Northern
176 East Fifth Street
St. Paul, Minnesota 55101
Attn: John C. Ashton,
Vice President and Secretary

Dear Mr. Ashton:

Your letter dated February 7, 1979, requesting information on the Bank's nominee holdings of Burlington Northern has been referred to me for reply. While we endeavor to be of assistance in such projects, we cannot divulge any specific information regarding our nominee accounts holding Burlington Northern or in regards to our investment authority.

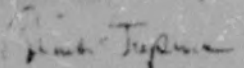
We regret we cannot fill your request as such, but we are prepared to submit a report to you with the following:

- 1) Total number of shares held in each nominee registration.
- 2) Total number of shares held in central depository
- 3) Total number of shares held by the Bank in registrations not included in the above
- 4) Total number of accounts (no differentiation) holding Burlington Northern.

As the research time for the above report would be considerable, there would be a charge applicable for the report. Our current fee for preparation of a report of this nature is at a rate of \$35.00 per hour.

Should you desire to have the above information supplied to you, please feel free to contact me.

Very truly yours,


(Mrs.) Denise Jupina
Personal Trust Operations

BROWN BROTHERS HARRIMAN & CO.

BUSINESS ESTABLISHED 1818

PRIVATE BANKERS

59 WALL STREET, NEW YORK, N.Y. 10005

CABLE ADDRESS: BROWNBRO NEW YORK

(212) 463-1818

March 1, 1979

Mr. John C. Ashton
Vice President and Secretary
Burlington Northern
176 East Fifth Street
St. Paul, Minnesota 55101

Dear Mr. Ashton:

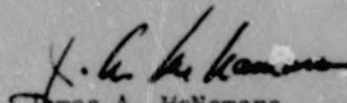
This will acknowledge receipt of your letter of February 8, 1979 requesting information as to the procedures followed by Brown Brothers Harriman & Co. in the voting of corporate securities.

As a bank, we serve as a custodian for clients securities which are generally registered in the name of Brown Brothers Harriman & Co. as nominee or in the name of one of its nominees. In our practices with regard to the voting of corporate securities, we are governed by the rules of the New York Stock Exchange. The rules require that we provide our clients with the proxy material issued by corporations and we must receive specific instructions from our clients to vote on matters set forth in the proxy statement. The only general exception to this rule is provided under the so called "10 Day Rule."

In light of the foregoing, we would respond to your inquiry that as a custodian bank we have no voting authority and all proxies are mailed to the beneficial owners.

If you require anything further, please do not hesitate to advise me.

Sincerely yours,


James A. McNamara
Deputy Manager

MEMBERS OF THE BOARD:
GOVERNOR ALBERT H. QUIE
STATE AUDITOR ARNE H. CARLSON
STATE TREASURER JIM LORD
SECRETARY OF STATE JOAN ANDERSON GROWE
ATTORNEY GENERAL WARREN SPANNAUS



OFFICE OF THE EXECUTIVE SECRETARY
Telephone 296-3326

STATE OF MINNESOTA
STATE BOARD OF INVESTMENT

Room 105, MEA Building
55 Sherburne Avenue
Saint Paul 55155

February 12, 1979

Mr. John C. Ashton
Vice President and Secretary
Burlington Northern
176 East Fifth Street
St. Paul, Minnesota 55101

Dear Mr. Ashton:

In reply to your request dated February 7, 1979 in regard to the voting rights of the Burlington Northern securities that the state of Minnesota funds hold. These securities have "sole voting rights".

The nominee names of the particular funds owning stock in your corporation are: TRAMINN & Co.; PERAMINN & Co.; SERAMINN & Co.; POLMINN & Co.; HIGHMINN & Co. and SCHOOLMINN & Co.

Sincerely,

A handwritten signature in dark ink, appearing to read "Roger A. Derksen".
Roger A. Derksen
Investment Operations Director

RAD/jam

AN EQUAL OPPORTUNITY EMPLOYER



Pershing & Co.

120 Broadway, New York, N.Y. 10005
Telephone 212/964-4300

February 20, 1979

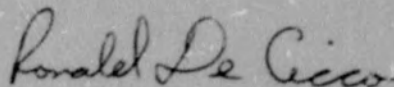
Mr. John C. Ashton
Vice President & Secretary
Burlington Northern
176 East Fifth Street
St. Paul, Minn. 55101

Dear Mr. Ashton:

Regarding your letter of February 7, 1979, attached is a list of correspondents for whom we held a position in Burlington Northern common stock as of 12/29/78.

If you have any questions, or if we can be of further assistance, please contact me.

Very truly yours,



Ronald De Cicco
Asst. Vice President

rr/

12/29/78

<u>Correspondent</u>	<u># of Shares</u>
Johnson Lane Space Smith & Co., Inc. 101 E. Bay Street Savannah, Georgia 31401	1,500
Belford Hammerbeck, Inc. P.O. Box 450 Portland, Oregon 97207	225
Cechettini & Co., Inc. 235 Montgomery Street San Francisco, Calif. 94104	50
Donaldson, Lufkin & Jenrette Securities Corp. 140 Broadway New York, N.Y. 10005	275
Adams Harkness & Hill, Inc. 55 Court Street Boston, Mass. 02108	240
Bateman Eichler, Hill Richards, Inc. P.O. Box 789 Los Angeles, Calif. 90053	2,613
Baker, Watts & Co. 100 Light Street Baltimore, Md. 21203	250
Birr, Wilson & Co., Inc. 155 Sansome Street San Francisco, Calif. 94104	4,615
Dain, Kalman & Quail, Inc. 100 Dain Tower Minneapolis, Minn. 55402	18,558

12/29/78

<u>Correspondent</u>	<u># of Shares</u>
Butler, Wick & Co. Union National Bank Bldg. Youngstown, Ohio 44501	1,165
Carreau Smith, Inc. 207 State Street Bridgeport, Conn. 06603	300
Crowell Weedon & Co. One Wilshire Blvd. Los Angeles, Calif. 90017	1,020
Ferris & Co., Inc. 1720 Eye Street, N.W. Washington, D.C. 20006	304
Bristol & Gallagher, Inc. 1012 Milam Bldg. San Antonio, Texas 78205	200
Davis Skaggs & Co., Inc. 160 Sansome Street San Francisco, Calif. 94104	1,488
First of Michigan Corp. 100 Renaissance Center Detroit, Mich. 48243	2,670
Folger Nolan Fleming Douglas, Inc. 725 15th Street, N.W. Washington, D.C. 20005	1,505
First Mid America, Inc. 1221 "N" Street Lincoln, Nebr. 68501	581
Edelstein Campbell & Co. 44 Montgomery Street San Francisco, Calif. 94104	25

12/29/78

<u>Correspondent</u>	<u># of Shares</u>
Frost Johnson Read & Smith, Inc. 49 Broad Street Charleston, S.C. 29401	150
Kumler Investments, Inc. 107 North Pennsylvania Street Ste. 905 Indianapolis, Indiana 46204	200
Hazlett Burt & Watson, Inc. One Central Union Bldg. Wheeling, W. Va. 26003	10
Legg Mason Wood Walker, Inc. 7 East Redwood Street Baltimore, Md. 21203	2,681
Howard Weil Labcuisse, Friedreichs, Inc. 211 Carondelet Street New Orleans, La. 70130	2,100
Piper Jaffray & Hopwood, Inc. 733 Marquette Avenue Minneapolis, Minn. 55402	42,856
Chiles Heider & Co., Inc. 1300 Woodmen Tower Omaha, Nebr. 68102	1,950
Mason & Lee, Inc. P.O. Box 1178 Lynchburg, Va. 24505	100
Parker/Hunter, Inc. 4000 U.S. Steel Bldg. Pittsburgh, Pa.	1,900
Quinn & Co. P.O. Box 528 Albuquerque, N.M. 87103	248

12/29/78

<u>Correspondent</u>	<u># of Shares</u>
W.H. Newbold's Son & Co. 1500 Walnut Street Philadelphia, Pa. 19102	1,394
Charles Schwab & Co., Inc. 120 Montgomery Street San Francisco, Calif. 94104	927
Smith Hague & Co., Inc. Penobscot Bldg. Detroit, Mich. 48226	500
Scott & Stringfellow, Inc. P.O. Box 1575 Richmond, Va. 23213	4,220
Henry F. Swift & Co. 433 California Street San Francisco, Calif. 94104	50
Underwood Neuhaus & Co., Inc. 724 Travis Street at Rusk Ave. Houston, Texas 77002	400
Jackson & Smith 245 W. Main Ave. Gastonia, N.C. 28052	200
Natl Sav. Corp. 500 Union St. Seattle, Washinton 98101	1,000



BURLINGTON NORTHERN

JOHN C. ASHTON
Vice President and Secretary

176 East Fifth Street
St. Paul, Minnesota 55101
Telephone (612) 298-3250

February 8, 1979

St. Paul Companies Inc.
385 Washington Street
St. Paul, Minnesota 55102

Gentlemen:

As a railroad subject to the Interstate Commerce Commission, this Company is required to file an Annual Report R-1, Schedule 109, of that report, requires disclosure with respect to voting rights of security holders. The Interstate Commerce Commission has advised that in furnishing the required information the voting rights should be disclosed as follows:

*See last page
for information
- 2/14/79*

"Sole voting rights - The institution alone is responsible for voting shares. The names of the institutions will be adequate disclosure.

"Shared voting rights - The institution shares the voting responsibilities with a co-trustee or co-executor. In such instances, the names of the co-trustees or co-executors must be shown.

"No voting rights - The institution has no voting authority and all proxies are mailed directly to the beneficial owners or the parties exercising investment control. In these circumstances, those exercising investment control should be shown."

As of December 31, 1978, our records show 72,000 shares of common stock registered in your various nominee names.

In order that we may comply with the demands of the Interstate Commerce Commission, will you please advise voting rights, with respect to the above shares, in accordance with the above.

Yours very truly,

John C. Ashton

FAD/el

**PAINE
WEBBER
JACKSON
& CURTIS**
INCORPORATED

Established 1879 Members New York Stock Exchange, Inc. and other Principal Exchanges
25 Broad Street, New York, N.Y. 10004 (212) 437-2121

March 5, 1979

Mr. John C. Ashton
Burlington Northern
176 East Fifth Street
St. Paul, MN 55101

Dear Mr. Ashton:

Re: Your Interstate Commerce Commission
Report

All shares held in Paine Webber's name, and nominee names, are held for clients of the firm and all proxies are mailed to these beneficial owners.

If you should have any questions or comments, please do not hesitate to contact me.

Very truly yours,

William R. L. Dorman
Customer Service

WRLD/nk

722

MANUFACTURERS

Douglas N. Pearse
Trust Officer

MANUFACTURERS NATIONAL BANK
Detroit, Michigan 48226

March 13, 1979

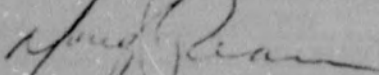
John C. Ashton, Vice President & Secretary
Burlington Northern, Incorporated
176 East Fifth Street
St. Paul, Minnesota 55101

Dear Mr. Ashton:

Please be advised that the voting rights registered in our various nominee names for 137,483 shares of Burlington Northern, Incorporated is, "Sole Voting Rights."

Should you have any questions, please contact me.

Yours very truly,


Douglas Pearse
(313) 222-4628

DP/srb

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	3 782	20 501
2	702	Temporary Cash Investments (Sch. 300)	64 670	47 979
3	703	Special Deposits (Sch. 300)	1 030	1 666
		Accounts Receivable		
4	705	- Interline and Other Balances	6 905	5 351
5	706	- Customers	67 295	57 697
6	707, 704	- Other	25 612	27 325
7	709, 708	- Accrued Accounts Receivables	139 359	114 854
8	708.5	- Receivables from Affiliated Companies	6 330	5 588
9	709.5	- Less: Allowance for Uncollectible Accounts	500	
10	711, 714, 710	Prepayments (and working funds) (Sch. 300)	6 716	6 441
11	712	Materials and Supplies	211 829	208 185
12	713	Other Current Assets (Sch. 300)	1 717	1 151
13		Total Current Assets	534 755	496 738
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	29 723	17 992
15	721, 721.5	Investments and Advances; Affiliated Companies (Sch. 310)	288 796	241 294
16	737, 738	Property used in other than Carrier Operations (less depreciation) \$ 29,211 (Sch. 325)	99 745	88 786
17	739, 741	Other Assets (Sch. 329)	5 186	7 348
18	743, 744	Other Deferred Debits (Sch. 329)	16 741	16 103
19		Total Other Assets	440 191	373 523
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	2 258 446	2 157 806
21		Equipment	1 620 752	1 593 296
22		Unallocated Items	55 048	38 819
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(1 182 724)	1 171 527
24		Net road and Equipment	2 751 522	2 618 394
25		Total Assets	3 726 468	3 488 635

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Begin- ning of Year (c)
<u>Current Liabilities</u>			\$	\$
26	751	Loans and Notes Payable (Sch. 370)	27 274	27 445
27	752	Accounts Payable; Interline and Other Balances	2 138	1 980
28	753, 754	Other Accounts Payable	71 206	58 414
29	755, 756	Interest and Dividends Payable	20 087	17 838
30	757	Payables to Affiliated Companies	4 623	3 710
31	759	Accrued accounts Payable (Sch. 370)	172 302	134 429
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	64 416	54 586
33	763	Other Current Liabilities (Sch. 370)	39 850	27 262
34	764	Equipment obligations and other long-term debt due within one year	61 429	73 366
35		Total Current Liabilities	463 325	399 008
<u>Non Current Liabilities</u>				
36	765, 767	Funded debt unmatured	556 401	514 357
37	766	Equipment obligations	326 995	320 151
38	766.5	Capitalized Lease Obligations	79 824	40 799
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	23 656	23 530
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits	202 569	200 392
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	114 082	114 184
46		Total Noncurrent Liabilities	1 503 527	1 213 413
<u>Stockholders' Equity</u>				
47	791, 792	Capital Stock: (Sch. 230)	681 827	683 751
48		Common Stock	546 189	545 976
49		Preferred Stock	135 698	137 325
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)	49 617	49 587
53	798	Unappropriated (220)	1 228 155	1 143 369
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock	23	23
56		Net Stockholders Equity	1 959 616	1 876 234
57		Total Liabilities and Shareholders Equity	3 726 468	3 488 655

NOTES AND REMARKS

290. 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. (Dollars in thousands)

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 \$ 1 125

See Note (1) below.

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: See Note (2) page 8.

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund \$ 68 970

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

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

(ii) If funding is by trust agreement, list trustee(s) First Trust Company of St. Paul

Date of trust agreement or latest amendment March 2, 1970 (as amended January 19, 1976)

If respondent is affiliated in any way with the trustee(s), explain affiliation: Not affiliated

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement See Note (3) on page 8.

(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 X No

If yes, give number of the shares for each class of stock or other security: See Note (4) on page 8A.

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

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 X NO

5. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in Ex Parte No. 305 as of close of year:

(a) Deferred maintenance See Note (5) on page 8A. \$ 15 330

(b) Delayed capital improvements See Note (5) on page 8A. \$ 357 464

Note (1) Refers to Explanatory Note 1.

Under sinking fund provisions of respondent's General Mortgage Series N, O, P and Q Bonds respondent is required annually as of December 31st to appropriate (dependent on income for the respective year) this amount, presently, to be paid to the Trustee of the General Mortgage on July 1st in the subsequent year (See Schedule 220, page 11, Col. (b), line 9 for 1978 appropriation). In lieu of cash payment respondent, in order to satisfy the sinking fund requirement, delivers to the Trustee, on or before that date, a like par amount of General Mortgage Bonds that have been redeemed by cash prior to their maturity.

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES (Concluded)

Marketable Equity Securities - to be completed by companies with \$10.0 million or more in gross operating revenues.

(a) Changes in Valuation Accounts

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio	-	-	-	XXXXX
as of / /	Noncurrent Portfolio			XXXXX	\$ -
(Previous Yr.)	Current Portfolio	2 991 021	2 436 952	XXXXX	XXXXX
as of / /	Noncurrent Portfolio			XXXXX	XXXXX

(b) At / / , gross unrealized gains and losses pertaining to marketable equity securities were as follows:

	Gains	Losses
Current	\$ -	\$ -
Noncurrent		

(c) A net unrealized gain (loss) of \$ _____ on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

Significant net realized and net unrealized gains and losses arising after date of the financial statements but prior to their filing, applicable to marketable equity securities owned at balance sheet date shall be disclosed below:

NOTE: / / - date - Balance sheet date of the current year unless specified as previous year.

NOTES AND REMARKS

Note (2) Refers to Explanatory Note 3(a).

The accounting for pension funds and recording in the accounts the current and past service pension costs is consistent with prior years data except that the amortization base for past service cost was changed from 40 years to 15 years effective January 1, 1977 based on the recommendation of the actuary. As in past years, data is based on an annual actuarial valuation.

Note (3) Refers to Explanatory Note 3(d).

The Colorado & Southern Railway Co.
Fort Worth & Denver Railway Company
(Includes Joint Texas Division)
Lake Superior Terminal & Transfer Ry. Co.
BNL Development Corporation

Walla Walla Valley Railway Company
Lemhi Telephone Company
BN Transport Inc.
Burlington Northern Air Freight Inc.
Northern Airmotive Inc.
Western Fruit Express Company

The allocation of charges necessary for funding the pension will be made in such manner and at such times as the Employers shall determine.

As required by Canadian Law, all Burlington Northern Inc. employees in Canada are covered by a Canadian Pension Plan. The plan was established January 1, 1971, amended December 31, 1975, and is administered by the Royal Trust Company, Vancouver, B. C.

NOTES AND REMARKS

Note (4) Refers to Explanatory Note 3(e)(1).

Trailer Train Company Registered Bonds of Conditional Sales
Agreement and Equipment
Trust Certificates

Face Amount \$410(000)

American Rail Box Car Registered Bonds of Conditional Sales
Company (100% owned by Agreements
Trailer Train Company)

Face Amount \$830(000)

Note (5) Refers to Explanatory Note 5

Reporting of the above amounts is accomplished on blank forms provided by the ICC, with captions preprinted. The Company distinguishes between "deferred maintenance" reporting thus called for and delayed maintenance expenditures needed to improve service and increase capacity. Respondent's maintenance policy is to maintain its physical plant, including track structure, at a level which will allow it to carry out its obligations as a common carrier and to upgrade and modernize its plant and facilities to enable it to meet competition and provide for future traffic requirements.

Note (6) Respondent carries a services interruption policy with the Imperial Insurance Company; Limited, under which it will be entitled to \$1,634(000) daily indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, respondent may be obligated to pay the maximum amount of twenty times the daily indemnity.

Note (7) During 1978, subsidies amounting to \$763(000) were received from the Illinois D.G.T. Grant Program covering capital expenditures for improvements to Chicago Suburban Territory Station Facilities.

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210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item	Amount for Current Year	Amount for Preceding Year	Freight-Related Revenues & Expenses	Passenger-Related Revenues & Expenses
	(a)	(b)	(c)	(d)	(e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 1 912 480	\$ Comparable	\$ 1 912 480	\$
2	(102) Passenger **	11 629			11 629
3	(103) Passenger-Related		Figures		
4	(104) Switching	19 654		19 654	
5	(105) Water Transfers		Not		
6	(106) Demurrage	15 360		15 360	
7	(110) Incidental	7 324	Available	5 415	1 909
8	(121) Joint Facility-Credit	2 012		500	1 512
9	(122) Joint Facility-Debit	10		10	
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	1 968 449		1 953 399	15 050
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations	7 959			7 959
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	1 976 408		1 953 399	23 009
14	(531) Railway operating expenses	1 899 194		1 865 010	34 184
15	*Net revenue from railway operations	77 214		88 389	(11 175)
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	89 554			
17	(510) Miscellaneous rent income	13 094			
18	(512) Separately operated properties-Profit	853			
19	(513) Dividend income	182			
20	(514) Interest income	9 695			
21	(516) Income from sinking and other funds	823			
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	18 829			
	Income from affiliated companies:				
25	Dividends	1 786			
26	Equity in undistributed earnings (losses)	22 286			
27	Total other income (lines 16-26)	157 102			
28	Total income (lines 15, 27)	234 316			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations	35 496			
30	(535) Taxes on property used in other than carrier operations	6 005			
31	(543) Miscellaneous rent expense	2 341			
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	17 225			
37	(552) Uncollectible accounts	18			
38	Total miscellaneous deductions (lines 29-37)	61 985			
39	Income available for fixed charges (lines 28, 38)	172 331			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
(546) Interest on funded debt			
40 (a) Fixed interest not in default		63 086	Comparable
41 (b) Interest in default			
42 (547) Interest on unfunded debt		4 755	Figures
43 (548) Amortization of discount on funded debt		495	
44 Total fixed charges (lines 40-43)		68 336	Not
45 Income after fixed charges (lines 39, 44)		103 995	
	OTHER DEDUCTIONS		Available
(546) Interest on funded debt			
46 (c) Contingent interest			
	UNUSUAL OR INFREQUENT ITEMS		
47 (555) Unusual or infrequent items (debit) credit			
48 Income (loss) for continuing operations (before income taxes)		103 995	
	PROVISIONS FOR INCOME TAXES		
(556) Income taxes on ordinary income:			
49 Federal income taxes		(14 972)	
50 State income taxes		3 617	
51 Other income taxes			
52 (557) Provision for deferred income taxes		1 800	
53 Income from continuing operations		113 550	
	DISCONTINUED OPERATIONS		
54 (560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			
55 (562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56 (570) Extraordinary items (Net)			
57 (590) Income taxes on extraordinary items			
58 (591) Provision for deferred taxes - Extraordinary items			
59 Total extraordinary items (lines 56-58)			
60 (592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			
61 Net income		113 550	
	* Reconciliation of net railway operating income (NROI)		
62 Net revenues from railway operations		77 214	
63 (556) Income taxes on ordinary income		(11 355)	
64 (557) Provision for deferred income taxes		(1 800)	
65 Income from lease of road and equipment		(12)	
66 Rent for leased roads and equipment		123	
67 Net railway operating income		86 880	
	** Report hereunder the charges to the revenue accounts representing payments made to others for:		
68 Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight rates \$ 6 321			
(a) Of the amount reported for "Net revenue from railway operations", 39 % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (Check one): Actual () Estimate (X).			
69 Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement \$ 25 386			
Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):			
70 (a) Payments for transportation of persons		\$	None
71 (b) Payments for transportation of freight shipments		\$	633
NOTE - Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to Account No. 101, "Freight" (not required from switching and terminal companies):			
72 Charges for service for the protection against heat		\$	5 853
73 Charges for service for the protection against cold		\$	214
# Includes \$1 361 revenue from Camas Prairie RR. Co. local traffic.			

220. RETAINED EARNINGS—UNAPPROPRIATED

1. Show hereunder the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c). (Dollars in thousands)

Line No.	Item	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies
	(a)	(b)	(c)
1	Balances at beginning of year	\$ 1 029 692	\$ 113 677
2	(601.5) Prior period adjustments to beginning retained earnings		
	CREDITS		
3	(602) Credit balance transferred from earnings	91 264	22 286
4	(603) Appropriations released	1 125	
5	(606) Other credits to retained earnings	398	
6	Total	92 787	22 286
	DEBITS		
7	(612) Debit balance transferred from income		
8	(616) Other debits to retained income		
9	(620) Appropriations for sinking and other reserve funds	1 125	
10	(621) Appropriations for other purposes	30	
11	(623) Dividends: Common stock	21 258	
12	Preferred stock ¹	7 894	
13	Total	30 307	
14	Net increase (decrease) during year (Line 6 minus line 13)	62 480	22 286
15	Balances at close of year (Lines 1, 2 and 14)	1 092 172	135 963
16	Balance from line 15(c)	135 963	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	1 228 135	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606	NONE	XXXXX
19	Account 616	NONE	XXXXX

NOTE: See Schedule 460, for analysis for Retained Earnings Accounts.

¹ If any dividends have not been declared on cumulative preferred stock give cumulative undeclared dividends at beginning of year and end of year.

220. RETAINED EARNINGS-UNAPPROPRIATED

1. Show hereunder the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c). (Dollars in thousands)

Line No.	Item	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies
	(a)	(b)	(c)
1	Balances at beginning of year _____	\$ 1 029 692	\$ 113 677
2	(601.5) Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3	(602) Credit balance transferred from earnings _____	91 264	22 286
4	(603) Appropriations released _____	1 125	
5	(606) Other credits to retained earnings _____	398	
6	Total _____	92 787	22 286
	DEBITS		
7	(612) Debit balance transferred from income _____		
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____	1 125	
10	(621) Appropriations for other purposes _____	30	
11	(623) Dividends: Common stock _____	21 258	
12	Preferred stock ¹ _____	7 894	
13	Total _____	30 307	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	62 480	22 286
15	Balances at close of year (Lines 1, 2 and 14) _____	1 092 172	135 963
16	Balance from line 15(c) _____	135 963	XXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	1 228 135	XXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____	NONE	XXXX
19	Account 616 _____	NONE	XXXX

NOTE: See Schedule 460, for analysis for Retained Earnings Accounts.

¹ If any dividends have not been declared on cumulative preferred stock give cumulative undeclared dividends at beginning of year and end of year.

221. RETAINED EARNINGS-APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained earnings-Appropriated." (Dollars in thousands.)

Line No.	Class of appropriation (a)	Credit during year (b)	Debits during year (c)	Balance at close of year (d)
1	Additions to property through retained income			
2	Funded debt retired through retained income			48 025
3	Sinking fund reserves	1 125	1 125	1 125
4	Incentive per diem funds	30		467
5	Miscellaneous fund reserves			
6	Other appropriations (specify):			
7				
8				
9				
10	TOTAL	1 155	1 125	49 617

225. TRANSFERS FROM GOVERNMENT AUTHORITIES

This schedule should include particulars of all transfers from Federal, state or municipal authorities received during the year. The amount of transfer received shall be distributed among columns (c), (d), and (e) in accordance with General Instruction 1-15 of the Uniform System of Accounts for Railroad Companies.

Line No.	Description (a)	Amount (b)	Applied to current operations (c)	Deferred to future periods (d)	Applied to contributed capital (e)
1	Source and description of transfers				
2	Regional Transportation Authority	7 959	7 959		
3	State of Illinois				
4					
5					
6					
7	Total received during year	7 959	7 959		
8	Cumulative total of Government transfers-beginning of year	17 078	XXXXX	XXXXX	XXXXX
9	Cumulative total of Government transfers-end of year	25 037	XXXXX	XXXXX	XXXXX

230. CAPITAL STOCK

PART I. CAPITAL STOCK

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as required them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.
5. If stock is being held subject to an exchange for the outstanding securities of constituent companies, then include such stock as outstanding stock, and disclose the details in footnotes.
6. Report dollars in thousands.

Footnotes:

- 1/ 5,650 Common Shares issued for stock option incentive plan.
- 2/ Includes intercompany ownerships.
- 3/ Excludes intercompany ownerships.
- 4/ Includes stock liability for conversion of predecessor Co.'s stock as follows:

5,722 Shares Burlington Northern Inc. Common Stock	\$250
1,433 Shares Burlington Northern Inc. Preferred Stock	14
Total Account 792	\$264

230. CAPITAL STOCK

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year	
			Authorized (c)	Issued (d)	In Treasury (e) 2/	Outstanding (f) 4/	Outstanding (g) 4/	In Treasury (h) 2/
1	Common B.N.I. 3-02-70	No Par	17 500 000					
2	B.N.I. 5-10-73	No Par	7 500 000	12 507 469	500	12 506 969	546 189	23
3	O.E.Ry.Co. 4-22-08	\$100.00	50 000	19 500	19 500	-	-	1 950
4	O.T.Ry. 11-05-09	\$100.00	100 000					
5	O.T.Ry. 12-04-10	\$100.00	100 000	100 000	100 000	-	-	10 000
6	S.P.&S.Ry.Co. 8-23-05	\$100.00	50 000	50 000	50 000	-	-	5 000
7	S.P.&S.Ry.Co. 4-04-08	\$100.00	200 000	200 000	200 000	-	-	20 000
8	S.P.&S.Ry.Co. 2-15-11	\$100.00	375 000	150 000	150 000	-	-	15 000
9	W.W.V.Ry.Co. 4-30-10	\$100.00	5 000	5 000	5 000	-	-	500
10	Preferred B.N.I. 3-02-70 & 2-20-76	\$ 10.00	2 731 959	3 081 698	* 546 392	2 535 306	25 353	-
11	B.N.I. 5-10-73	No Par	5 000 000	-	-	-	-	-
12	B.N.I. Series A	No Par	350 000	344 850	-	344 850	10 345	-
13	B.N.I. \$2.85 Convertible	No Par	2 000 000	2 000 000	-	2 000 000	100 000	-
14	O.E.Ry.Co. 4-22-08	\$100.00	50 000	2 000	2 000	-	-	200
15	Deferred O.E.Ry.Co. 4-22-08	\$100.00	4 000	3 800	3 800	-	-	380
16								
17								
18	TOTAL	XXXXX	36 015 959	18 464 317	1 077 192	17 387 125	\$ 681 887	\$ 53 053

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

1. The purpose of this part is to disclose capital stock changes during year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require disclosures of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) requires the applicable disclosure of the book values of preferred, common and treasury stock.

5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.
6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.
7. Report dollars in thousands.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock 3/		Additional Capital (h)
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year	5 042 771	\$ 137 325	12 501 319	\$ 545 976	500	\$ 23	\$ None
12	Capital Stock Sold 1/			5 650	213			
13	Capital Stock Reacquired	} * 162 615	1 627					
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year 4/	4 880 156	135 648	12 506 969	546 189	500	23	None

1/ By footnote state the purpose of the issue and authority.

(See notes on page 12 and 13A)

*Reacquired and canceled.

Notes to Schedule 230, Page 13.**\$10 PAR VALUE 5½% PREFERRED STOCK**

The Company is required to retire annually, through redemption at par or cancellation of shares theretofore purchased at or below par, 4% of the \$10 Par Value Preferred shares originally outstanding and optionally may so redeem or cancel an additional 4% of such shares annually. In addition, the Company may redeem, in whole or in part, shares of \$10 Preferred Stock, at 103% of par in 1979 and thereafter at prices declining to par in 1985. The authorized shares have been reduced for shares redeemed or cancelled during 1978. During 1978 and 1977, 162,615 shares and 201,405 shares, respectively, were purchased and 123,458 shares were cancelled during 1978, pursuant to 1977 sinking fund requirements. Certificate of Reduction of Capital, in the amount of \$1,234,580, the par value of the 123,458 shares cancelled was filed December 8, 1978, with the Secretary of the State of Delaware.

NO PAR VALUE PREFERRED STOCK

On June 4, 1976, the Company issued 344,850 shares of No Par Value Preferred Stock in exchange for certain trackage serving coal mining operations. The Preferred Stock, designated "Series A", has a stated value of \$30 per share, voting rights, and 7½% cumulative dividends. The Company has voluntary redemption privileges at 102% of stated value in 1978 and thereafter at prices declining to the stated value in 1980 and is required to redeem, at stated value, 25% of the outstanding shares annually beginning in 1983 and continuing to 1986. In addition, the Preferred Stock is convertible at any time into 287,375 shares of common stock. The Company did not redeem any shares, nor were any converted into common stock during 1978.

On May 12, 1977, the stockholders of the Company approved an amendment to the Company's Restated Certificate of Incorporation to authorize 10,000 Redeemable Preference Shares having a par value of \$10,000 per share. The Redeemable Preference Shares may be issued and sold only to the Secretary of Transportation pursuant to the Railroad Revitalization and Regulatory Reform Act of 1976. The shares may be issued from time to time in series, each series to have such rights and preferences as may be fixed by the Board of Directors in the resolution creating such series. No Redeemable Preference Shares have been issued, and the Company has no present plans to issue such shares.

On July 7, 1977, the Company marketed two million shares of a \$2.85 Convertible Preferred Stock at a selling price of \$50 per share. The shares rank prior to the Common Stock and to any Redeemable Preference Shares which may be issued and equal to the outstanding \$10 Par Value Preferred Stock and the No Par Value Preferred Stock as to cash dividends, which shall be cumulative. The Company may redeem shares at its option in whole at any time or in part from time to time upon not less than 30 days notice at a price equal to 105.7% of the selling price during the twelve month period ending June 30, 1979, and thereafter at prices declining to the selling price in 1988 and beyond.

At December 31, 1978, the Company has authorized and available for issuance, 2,655,150 of No Par Value Preferred Stock. The Company's Board of Directors has the authority to provide for the issuance of such Preferred Stock from time to time in series and to fix before issuance the number of shares, preferences, rights and other restrictions and qualifications of each series, subject to a maximum liquidating value of \$200,000,000 for shares outstanding.

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240. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for invest-

ment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Report dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
	SOURCES OF WORKING CAPITAL		
	Working capital provided by operations:		
1	Net income (loss) before extraordinary items	113 550	Comparable
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property	2 364	Figures
3	Loss (gain) on sale or disposal of tangible property	(10 923)	Not
4	Depreciation and amortization expenses	91 940	Available
5	Net increase (decrease) in deferred income taxes	1 800	
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	(22 286)	
7	Net increase (decrease) in noncurrent portion of estimated liabilities	2 197	
	Other (specify):		
8	Write down negative good will Walla Walla Valley Ry. Co. credited to income 1978	(351)	
9	Portion of balance remaining in NRPC Reserve (charged against income in 1971) and		
10	merger reserve (charged against income in 1970) were credited to income in 1978,	(3 510)	
11	Glacier Park Company - Write down of investment	3 000	
12			
13	Total working capital from operations before extraordinary items	177 781	

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Continued

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL - Continued			
14	Add funds generated by reason of discontinued operations, extraordinary items, prior period adjustments, and changes in accounting principles	\$	\$ Comparable
15	Total working capital from operations	177 781	
	Working capital from sources other than operating:		Figures
16	Proceeds from issuance of long-term liabilities	170 696	
17	Proceeds from sale/disposition of carrier operating property	13 087	Not
18	Proceeds from sale/disposition of other tangible property	11 554	
19	Proceeds from sale/repayment of investments advances	20 173	Available
20	Net decrease in sinking and other special funds		
21	Proceeds from issue of capital stock	213	
	Other (specify):		
22			
23			
24			
25			
26			
27	Total working capital from sources other than operating	215 823	
28	Total sources of working capital	393 604	

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Concluded

Line No.	Description (a)	Current year (b)	Prior year (c)
	APPLICATION OF WORKING CAPITAL	\$	\$
29	Amount paid to acquire/refine long-term liabilities	81 972	Comparable
30	Cash dividends declared	29 152	
31	Purchase price of carrier operating property	217 192	Figures
32	Purchase price of other tangible property	26 632	
33	Purchase price of long-term investments and advances	47 222	Not
34	Net increase in sinking or other special funds	12 898	Available
35	Purchase price of acquiring treasury stock	1 228	
	Other (specify):		
36		608	
37			
38			
39			
40			
41			
42			
43			
44			
45	Total application of working capital	419 904	
46	Net increase (decrease) in working capital	(26 300)	

241. CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.
(Thousand dollar Reporting Rule)

Line No.	Item (a)	Current year (b)	Prior year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	\$ 69 492	\$ 70 146	\$ (654)
2	Net receivables	245 001	211 952	33 049
3	Prepayments	6 716	2 462	4 254
4	Materials and supplies	211 829	208 125	3 644
5	Other current assets not included above	1 717	3 993	(2 276)
6	Notes payable and matured obligations	27 274	27 445	171
7	Accounts payable	172 302	134 429	(37 873)
8	Current equipment obligations and other debt	61 429	73 366	11 937
9	Other current liabilities not included above	202 320	163 768	(38 552)
10	Net increase (decrease) in working capital	71 430	97 730	(26 300)

245. WORKING CAPITAL INFORMATION

1. Report below the information requested with respect to the referenced accounts.
2. Give the amount of issues from stock during the year for lines 1 thru 5 as it pertains to account 712, "Material and supplies".
3. Report on lines 6 and 7 only the amount applicable to common-carrier transportation service included in accounts 707 and 754.
4. Report on lines 8 and 9 the amount included in account balances for 761 and 556 which represent state income taxes. (Do not include taxes levied in lieu of property taxes).
5. Report dollars in thousands.

Line No.	Items (a)	Amount (b)
1	Construction and additions and betterments _____	132 951
2	Common-carrier operating purposes _____	500 068
3	Used by other than respondent's lessor companies _____	29 350
4	Total _____	662 369
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material _____	4 323
6	Account 707. Accounts receivable; other _____	11 860
7	Account 754. Accounts payable; other _____	13
8	Account 761. State and other income taxes accrued _____	3 632
9	Account 556. Income taxes on ordinary income _____	3 617

NOTES AND REMARKS

300. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

If the amount in the captioned selected current asset accounts (Accounts 702, 703, 704, 708, 709, 710, 711, 712, and 713) exceeds 5% of total current assets, report the three largest items in the account or combined accounts and any other items exceeding

5% of current assets. Give a brief description of each item listed. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	702	Temporary Cash Investments	\$
2		Certificates of Deposit - Various dates	38 256
3		Commercial Paper - Various dates	14 525
4		U.S. Treasury Obligations - Various dates	11 899
5		Total Account 702	64 680
6			
7	709	Accrued Accounts Receivable	
8		Transportation Revenue	92 645
9		Amounts due from foreign lines	21 232
10		Miscellaneous bills	13 450
11		All other items	10 983
12		Total Account 709	138 310
13			
14	712	Material and Supplies	
15		General material	201 397
16		Diesel fuel	8 723
17		Oil well equipment and supplies	1 098
18		All other items	611
19		Total Account 712	211 829
20			
21			
22			
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			

301. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

Using the following notes as a guideline, show the requirements compensating balances and short-term borrowing arrangements. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances included in account 703, Special deposits, and in account 717, Other funds, should also be separately disclosed below.
5. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
6. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

Item 1 Compensating balances not legally restricted: \$17,044,000

Lines of credit used and unused:

A revolving credit agreement dated 9/1/75, amended June 1, 1977, providing for borrowings up to \$100,000,000. The terms of the agreement are a commitment fee of 1/2 of 1% annually on unused portion and a compensating balance of 10% on total commitment plus 5% additional on used portion. The maximum amount borrowed was \$10,000,000 at prime interest rate.

The average interest rate of short-term borrowings outstanding at balance sheet date was 10.25%

The maximum amount of outstanding short-term borrowings during the year was \$28,848,000. The weighted average rate of the borrowings was 7.66%

Items 2 thru 6 Do not apply.

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A and 315

1. Schedules 310 and 315 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year. Specifically, the disclosures should include the investments in the obligations of Federal, state and local governments, and the obligation of individuals. Also, disclose the investments made, disposed of, and written down during the year, and the applicable dividends and interest credited to income as a result of those investments. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing Account No. 721 "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

(A) Stocks:

- (1) Carriers - active.
- (2) Carriers - inactive.
- (3) Noncarriers - active.
- (4) Noncarriers - inactive.

(B) Bonds (including U.S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

3. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

4. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of Industry
I	Agriculture, forestry, and fisheries
II	Mining
III	Construction
IV	Manufacturing
V	Wholesale and retail trade
VI	Finance, insurance, and real estate
VII	Transportation, communications, and other public utilities
VIII	Services
IX	Government
X	All other

5. By carriers, as the term is used here, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the purpose of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

7. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

8. Combine, in one amount, investments in which the original cost or present equity in total assets is less than \$10,000.

9. Include investments in unincorporated entities such as lessee organizations. Exclude amounts normally settled on a current basis.

10. Do not include the value of securities issued or assumed by respondent.

11. For affiliates which do not report to the Interstate Commerce Commission and are jointly owned, disclose in footnotes the name and extent of control of the other controlling entities.

12. Report dollars in thousands.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital funds"; 721, "Investments advances in affiliated companies"; and 717, "Other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged,

or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control %
	(a)	(b)	(c)	(d)	(e)
1	721	A-1	VII	Belt Railway of Chicago, The	B 7.69
2				BN Transport Inc.	100.00
3				Burlington Northern Dock Corporation	100.00
4				Burlington Northern (Manitoba) Ltd.	100.00
5				Camas Prairie Railroad Co.	50.00
6				Chicago Union Station Co.	A 25.00
7				Colorado and Southern Railway Co., The	C 97.07
8				" " " " " " - 1st Pref.	C 75.55
9				" " " " " " - 2nd Pref.	C 86.39
10				Davenport, Rock Island & N. W. Ry. Co.	B 50.00
11				Delta Alaska Terminal Ltd.	66.67
12				Denver Union Terminal Railway Co.	A 16.67
13				Iowa Transfer Railway Co.	A 25.00
14				Kansas City Terminal Railway Co.	D 8.34
15				Keokuk Union Depot Co.	B 40.00
16				Lake Superior Terminal & Transfer Ry. Co., The	F 66.67
17				Longview Switching Co.	33.33
18				Minnesota Transfer Railway Co., The	E 33.33
19				Paducah & Illinois Railroad Co.	A 33.33
20				Portal Pipe Line Co.	50.00
21				Portland Terminal Railroad Co.	40.00
22				Pullman Company, The	2.97
23				St. Paul Union Depot Co., The	I 40.20
24				Terminal Railroad Assn. of St. Louis	A 6.25
25				Trailer Train Co.	7.32
26				Western Fruit Express Co.	97.14
27				Winona Bridge Ry. Co.	B 66.67
28				Total Class A-1	
29					
30	721	A-2	VII	Belle Fourche Land Company	100.00
31				Total Class A-2	
32					
33				Total Forwarded	
34					
35					
36					
37					
38					
39					
40					

(See notes on page 25)

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets is less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliated which do not report to the Interstate Commerce Commission, and are jointly owned, give names and extent of control of other entities by footnote.

12. Report dollars in thousands.

Investments and advances				Disposed of, Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 240			\$ 240				1
3 024			3 024		118		2
1			1				3
4 800			4 800				4
50			50				5
							6
16 719	156		16 875			75	7
4 847			4 847			257	8
5 810			5 810			294	9
1 748			1 748				10
6			6				11
5			5				12
16			16				13
100			100				14
8			8				15
340			340				16
1			1				17
274			274				18
3			3				19
875			875			560	20
1 879			1 879				21
283			283				22
107			107				23
							24
293			293				25
6 800			6 800				26
							27
48 229	156		48 385		118	1 186	28
							29
	5 934		5 934				30
	5 934		5 934				31
							32
48 229	6 090		54 319		118	1 186	33
							34
							35
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							40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also Ben reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)
1				Totals brought forward	
2	721	A-3	VI	BNL Development Corp.	100.00
3			IV	Burlington Equipment Company	100.00
4			VII	Burlington Northern Air Freight Inc.	100.00
5			X	Glacier Park Company	100.00
6			VII	Lemhi Telephone Company	100.00
7			I	Plum Creek Lumber Company	100.00
8			VI	Ruth Realty Company	100.00
9				Total Class A-3	
10				Total Class A	
11					
12	721	B-1	VII	Chicago Union Station Company	
13				Total Class B	
14					
15	721	D-1	VI	BNL Development Corp.	
16				Glacier Park Company	
17				Trailer Train Company	
18				Total Class D	
19					
20	721	E-1	VII	Belt Railway Company of Chicago, The	K
21			VII	BN Transport Inc.	
22			VII	Camas Prairie Railroad Company	
23			VII	Chicago Union Station Company	K
24			VII	Colorado & Southern Railway Company, The	
25			VII	Davenport, Rock Island & North Western Ry. Co.	K
26			VII	Denver Union Terminal Railway Company	K
27			VII	Fort Worth and Denver Railway Company	
28			VII	Kansas City Terminal Railway Company	K
29			VII	Keokuk Union Depot Company	K
30			VII	Lake Superior Terminal Transfer Ry. Co., The	
31			VII	Longview Switching Company	
32			VII	Minnesota Transfer Railway Co., The	K
33			VII	Paducah & Illinois Railroad Co.	K
34			VII	Terminal Railroad Assn. of St. Louis	
35				Total Class E-1	
36					
37		E-3	IV	Burlington Equipment Company	
38			X	Glacier Park Company	
39			II	Northern Resources Inc.	
40			VI	Ruth Realty Company	
41				Total Class E-3	
42				Total Class E	
43					
44				Grand Total Account 721	

(See notes on page 25)

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES--Concluded

Investments and advances				Disposed of: Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance (i)	Additions (g)	Deductions (if other than sale explain) (h)	Closing balance (f)				
\$ 48 729	\$ 6 090	\$	\$ 54 319	\$	\$ 118	\$ 1 186	1
7 000	4 500		11 500		-		2
5			5				3
1 000			1 000			600	4
12 288			12 288				5
86			86				6
6 056	2 000		8 056				7
101			101				8
26 536	6 500		33 036			600	9
74 765	12 590		87 255		118	1 786	10
							11
	749	749				13	12
	749	749				13	13
							14
	1 313		1 313				15
1 800		1 800				101	16
1 238			1 238			87	17
3 038	1 313	1 800	2 551			188	18
							19
1 193	88		1 281			74	20
1 303		240	1 063				21
411	55	5	461			23	22
10 791	1 229	32	11 988		11 958		23
6 837	5 374		12 211			122	24
1 223	144		1 367				25
647			647				26
619	5 000		5 619			151	27
2 213	275		2 488				28
6			6				29
118		12	106			4	30
59			59				31
579		149	430			14	32
1 376		21	1 355			61	33
801	230	134	897			30	34
28 176	12 395	593	39 978		11 958	479	35
							36
100	24 990	13 251	11 839				37
23 665	8 300	4 029	27 936		7 413	25	38
	139	4	135				39
2 405	155	32	2 528				40
26 170	33 584	17 316	42 438		7 413	25	41
54 346	43 979	17 909	82 416		19 371	504	42
							43
132 149	60 631	20 458	172 322		19 489	2 491	44

310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES
Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments in Affiliated Companies.

2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System

of Accounts.)

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

4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date

of acquisition.

5. For definitions of "carrier" and "noncarrier," see general instructions.

(DOLLARS IN THOUSANDS)

Line No.	Name of issuing company and description of securities held.	Balance at beginning of year	Adjustment for investments equity method	Equity in undistributed earnings (losses) during year	Amortization during year	Adjustment for investments disposed of or written down during year	Balance at Close of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Carrier. (List specifies for each company.)	\$	\$	\$	\$	\$	\$
1	BN Transport Inc. Common Stock	2 973		1 226			4 199
2	Burlington Northern Air Frt. Inc. " "	4 212		3 791			8 003
3	Burlington Northern Dock Corp. " "	(1)					(1)
4	Colorado & Southern Ry. Co., The " "						
5	" " " " " 1st Pref. "	12 271		(3 142)	230		9 359
6	" " " " " 2nd Pref. "						
7	Davenport, Rock Is. & N.W. Ry. Co., Common Stock	87					87
8	Delta Alaska Terminal Ltd. " "	81		(50)			31
9	Iowa Transfer Ry. Co. " "	17					17
10	Keokuk Union Depot Co. " "	32					32
11	Minnesota Transfer Ry. Co., The " "	792		6			798
12	Paducah & Illinois R.R. Co. " "	(86)					(86)
13	Portal Pipe Line Co. " "	2 714		105			2 819
14	Portland Terminal R.R. Co. " "	800		54			854
15	Western Fruit Express Co. " "	9 094		1 452			10 546
16	Winona Bridge Ry. Co. " "	269					269
17	Denver Union Terminal Ry. " "	(38)					(38)
18	Fort Worth & Denver Ry. Co. " "	33 515		5 626			39 141
19	Galveston Terminal Ry. Co. " "	(406)		8			(398)
20	Hart Motor Express, Inc. " "			(375)			(375)
21	Pueblo Union Depot & R. R. Co. " "	32					32
22							
23							
24							
25							
26							
27							

Footnotes to Schedule 310. Investments and Advances Affiliated Companies

Footnotes listing Obligations under which securities are pledged, mortgaged, etc.

Footnote A - Pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote B - Pledged, except for a minimal number of Director's Qualifying Shares, under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote C - Shares of the Colorado and Southern Railway Company are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage as follows:

284,386 shares of Common Stock out of 300,917 shares owned.
12,756 shares of 1st. Pref. Stock out of 64,217 shares owned.
61,421 shares of 2nd. Pref. Stock out of 73,435 shares owned.

Footnote D - Pledged under CB&Q First and Refunding Mortgage subject to Stock Trust Agreement of 6-12-09 under which 1828-1/3 shares are held by the First Natl. Bank of Kansas City, Trustee, and 5 shares are held by Citibank, N.A., Trustee. Also subject to GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote E - BN Inc. owns a total of 2,739 shares. 913 shares are pledged under NP Prior Lien Mortgage, NP General Lien Mortgage and BN Inc. Consolidated Mortgage. 913 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 913 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote F - BN Inc. owns a total of 3,356 shares. 1,678 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 1,678 shares are pledged under BN Inc. Consolidated Mortgage.

Footnote I - 3,108 shares of the Saint Paul Union Depot Company out of a total of 3,332 shares owned are pledged. 437.5 shares are pledged under NP Prior Lien Mortgage, NP General Lien Mortgage and BN Inc. Consolidated Mortgage. 598.5 shares are pledged under BN Inc. Consolidated Mortgage. 1,036 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 1,036 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote K - Investment Advances are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage as follows:

The Belt Railway Company of Chicago	\$ 435
Chicago Union Station Company	6,796
Davenport, Rock Island & North Western Ry. Co.	1,223
Denver Union Terminal Railway Company	647
Kansas City Terminal Railway Company	1,257
Keokuk Union Depot Company	4
The Minnesota Transfer Railway Company	353
Paducah & Illinois Railroad Company	1,376

315. SPECIAL FUNDS AND OTHER INVESTMENTS

1. Complete this schedule if the amount in account 722, "Other Investments" is greater than 1% of total assets.

2. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of other than affiliated companies, included in accounts Nos. 715, "Sinking funds", and 717, "Other funds." Investments included in

accounts Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	Balance at close of year	Book value of investment made during the year
	(a)	(b)	(c)	(d)	(e)	(f)
1					\$	\$
2						
3						
4						
5						
6						
7				Account 722 is less than 1% of total assets.		
8						
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315. SPECIAL FUNDS AND OTHER INVESTMENTS—Continued

(a), (b), and (c). Investment in U.S. Treasury obligations may be reported as one item. Items where original cost is less than \$500,000 may be combined as one item.

4. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

5. Give totals for each subclass and a grand total for each account.

6. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation matured serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

7. If any advances reported are pledged, give particulars in a footnote.

8. Report dollars in thousands.

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Adjustment at end of year (Account 723)	Allowance for unrealized loss on noncurrent marketable equity securities (Account 724)		Dividends or interest during year credited to income	Line No.
Book value (g)	Profit or (Loss) (h)		Changes during year (j)	Balance at close of year (k)		
\$	\$	\$	\$	\$	\$	1
						2
						3
						4
						5
						6
						7
Account 722 is less than 1% of total assets.						8
						9
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319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the

Commission under the provisions of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	D-3	Federal Agency Obligations	247	7 246
2	D-3	U.S. Treasury Obligations		1 300
3	E-3	Northern Airmotive Inc.		510
4	D-3	General Services Administration		8 460
5	D-3	Imperial Bank of California	500	7 500
6	D-3	United California Bank	1 500	1 000
7	D-3	Crocker National Bank	1 000	950
8	D-3	Citibank	950	1 900
9	D-3	First National Bank of Minneapolis		500
10	D-3	Central National Bank		50
11	E-3	Ruth Realty Company		70
12	E-3	Northern Airmotive Inc.		5 471
13	D-3	Federal Agency Obligations	629	
14	A-1	Eur. Nor. Air Frt. (Aust.) Pty. Ltd.	37	59
15	A-1	Eur. Nor. Air Frt. (U.K.) Limited	59	7
16	E-1	Eur. Nor. Air Frt. (Aust.) Pty. Ltd.	12	8
17	D-3	Marine Land Bank	8	225
18	D-3	General Services Administration	25	540
19	D-3	Federal Agency Obligations	70	
20	A-1	Illinois Terminal Railroad Co.	2	
21	A-1	Northern Tier Pipeline	550 *	
22	A-1	Pullman Company	225	
23	A-1	Western Fruit Express Company	100	
24	A-3	Big Sky of Montana, Inc.	943	2
25	A-3	Carlyle Hotel Corporation	83	
26	A-3	Crows Nest Industries Inc.		
27	A-3	Dreyer Brothers, Inc.	2 507	
28	A-3	Great Midwest Corporation	4 328	
29	A-3	Northern Airmotive Inc.	1 000	
30	A-3	Royal Logging Co.	603	
31	A-2	Saxony Corporation	15	
32	A-2	Wenoka Credit Corporation	14	
33	B-1	B. N. Inc. - St. Paul-Duluth Divn. Bonds	5	
34	B-1	B. N. Inc. - Collateral Trust Bonds	179	
35	B-1	Missouri-Kansas-Texas RR. Co.	6 738	
36	C-3	Boise Cascade Home & Land Corp.	117	
37	C-3	Land Sale Contracts	213	1 500
38	D-3	Other Federal Obligations		199
39	D-3	U.S. Treasury Notes	199	3 503
40	D-3	Central National Bank - Chicago	500	1 500
41	D-3	First National Bank of St. Paul		
42	D-3	Lemhi Telephone Company	134	
43	D-3	Great Midwest Corporation	3 330	500
44	D-3	Saxony Corporation	500	334
45	E-3	Saxony Corporation	334	3 026
46	E-3	Northern Tier Pipeline Company	3 026	
47	E-1	B. N. Inc.	11 670	30
48	E-3	Dreyer Brothers, Inc.	405	
49		(Continued on Page 29A)		

* Credit of \$250 reflected in Account 723.

319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by non-reporting companies as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

3. Investments in U.S. Treasury obligations may be combined in a single item.

4. Column (a), Class No., should show classifications as provided in General Instructions, Schedules 310 & 315.
(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Extent of control	Names of subsidiaries in connection with things owned or controlled through them	Line No.
Book Value (e)	Selling price (f)			
\$ 7 108	\$ 7 108	100	BNL Development Corporation	1
1 300	1 300	100	BNL Development Corporation	2
20	20	100	BNL Development Corporation	3
610	610	100	Burlington Equipment Company	4
9 010	9 010	100	Burlington Northern Air Freight Inc.	5
6 000	6 000	100	Burlington Northern Air Freight Inc.	6
		100	Burlington Northern Air Freight Inc.	7
		100	Burlington Northern Air Freight Inc.	8
1 900	1 900	100	Burlington Northern Air Freight Inc.	9
500	500	100	Burlington Northern Air Freight Inc.	10
50	50	100	Burlington Northern Air Freight Inc.	11
70	70	100	Burlington Northern Air Freight Inc.	12
4 842	4 842	100	Burlington Northern Air Freight Inc.	13
		100	Burlington Northern Air Freight Inc.	14
		100	Burlington Northern Air Freight Inc.	15
		100	Burlington Northern Air Freight Inc.	16
		100	Burlington Northern Air Freight Inc.	17
225	225	66.67	Delta Alaska Terminal Ltd.	18
490	490	100	Dreyer Brothers Inc.	19
		100	Glacier Park Company	20
		100	Glacier Park Company	21
		100	Glacier Park Company	22
		100	Glacier Park Company	23
		100	Glacier Park Company	24
		100	Glacier Park Company	25
224	964	100	Glacier Park Company	26
		100	Glacier Park Company	27
		100	Glacier Park Company	28
		100	Glacier Park Company	29
		100	Glacier Park Company	30
		100	Glacier Park Company	31
		100	Glacier Park Company	32
		100	Glacier Park Company	33
		100	Glacier Park Company	34
		100	Glacier Park Company	35
		100	Glacier Park Company	36
52	52	100	Glacier Park Company	37
1 500	1 500	100	Glacier Park Company	38
		100	Glacier Park Company	39
3 003	3 003	100	Glacier Park Company	40
1 500	1 500	100	Glacier Park Company	41
11	11	100	Glacier Park Company	42
		100	Glacier Park Company	43
		100	Glacier Park Company	44
		100	Glacier Park Company	45
		100	Glacier Park Company	46
		100	Glacier Park Company	47
		100	Glacier Park Company	48

(Continued on Page 29B)

319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does not report to the

Commission under the provisions of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	D-3	Federal Agency Obligations	\$ 3 627	\$ 55 935
2	E-3	Northern Airmotive Inc.	150	350
3	E-3	Ruth Realty Company	150	350
4	E-3	BNL Development Corporation		200
5	D-3	Idaho First National Bank	300	150
6	D-3	Federal Agency Obligations	118	15 245
7	A-1	B. N. Inc.-Common Stock	3 843	3 841
8	A-3	Arden Lumber Company, Inc.	820	
9	A-3	Ksanka Lumber Company, Inc.	1 140	
10	D-3	First National Bank of St. Paul thru		
11		the Valley Bank of Kalispell	6 800	96 000
12	D-3	Federal Agency Obligations	13	2 195
13	D-3	Federal Agency Obligations	278	5 215
14	D-3	Federal Agency Obligations		99
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319. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by non-reporting companies as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

3. Investments in U.S. Treasury obligations may be combined in a single item.

4. Column (a), Class No., should show classifications as provided in General Instructions, Schedules 310 & 315.
(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Extent of control	Names of subsidiaries in connection with things owned or controlled through them	Line No.
Book Value (e)	Selling price (f)			
\$ 52 970	\$ 52 970	100 %	Glacier Park Company	1
295	295	100	Glacier Park Company	2
200	200	100	Glacier Park Company	3
200	200	100	Glacier Park Company	4
50	50	100	Lemhi Telephone Company	5
15 127	15 127	100	Northern Airmotive Inc.	6
		100	Plum Creek Lumber Company	7
		100	Plum Creek Lumber Company	8
		100	Plum Creek Lumber Company	9
		100	Plum Creek Lumber Company	10
95 200	95 200	100	Plum Creek Lumber Company	11
2 186	2 186	100	Ruth Realty Company	12
4 937	4 937	100	Saxony Corporation	13
99	99	100	Western Fruit Express Company	14
				15
				16
				17
				18
				19
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				22
				23
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325. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS

1. This schedule may be omitted unless (a) gross property used in other than carrier operations is more than 5% of total assets, or (b) net profit from noncarrier operations for the year amounts to 10% or more of income before extraordinary items.

2. Show separately (a) the three properties with the greatest asset value, and (b) the three properties with greatest revenues. Show also each property whose gross value exceeds 5% of total assets or whose net profit from noncarrier operations exceed 10% of income before extraordinary items. Other items may be combined on one line.

3. If any of the individual items of property shown in column (a) were acquired in consideration of stocks, bonds, and other evidence of debt, or in exchange for other property, enter in column (e) only the amount at which carried in respondent's books and in a footnote give a full description of the consideration, actually paid. Also if the actual money cost to respondent is different from that shown in column (e), give particulars in a footnote.

4. In section B include in column (f) the gross amount of revenue or income included in account 506; in column (g), the gross amount of expenses (including depreciation) charged to accounts

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)			
		Year of acquisition (b)	Charges during the year (c)	Credits during the year (d)	Balance of close of year (See ins. 3) (e)
1	Oil Department Operations	Various	\$ 2 210	\$ 183	\$ 16 657
2	Granted land unsold acquired				
3	through reorganization	1896	1	1	2 835
4	Grain Elevator, Vancouver, WA (1)				
5	Grain Elevators "S", "X" and				
6	annexes, Superior, WI (2)	Various	71		7 188
7	Highway Freight Ctr. Chicago, IL (3)	1969			1 790
8	Tie Plant, Galesburg, IL (3)	1910			1 397
9	Land & Other Fac., Naperville, IL (3)	1960-1972	51		2 135
10	Red Owl Stores Whse. Fargo, ND (3)	1957			1 672
11	Tradewell Stores Whse. Kent, WA (3)	1964		2 386	
12	Norpac Industrial Park, Kent, WA (3)	Various	15	201	2 498
13	Land Snohomish, WA (3)	1968	1		2 358
14	Freight House #10, Chicago, IL (3)	1953	127		4 163
15	Land & Other Fac., Cicero, IL	1978	4 500		4 500
16	Vancouver Elev., Vancouver, WA	1935			4 022
17	Reclassification of Freight Cars				
18	out of service		12 725		12 725
19					
20	All other items (3)		6 931	3 918	65 006
21					
22	Total	X X X X	26 632	6 689	128 956

NOTES AND REMARKS

- (1) Owned - Leased to United Grain Corp.
 (2) Owned - Leased to Archer Daniels Midland Co.
 (3) Owned-not operated.

125. PROPERTY USED IN OTHER THAN CARRIER OPERATIONS—Continued

506 and 534: in column (h), the amount of taxes charged to accounts 535 and 544 for the year; and in column (i), the net profit or loss of columns (f) minus (g) and (h).

5. Any differences between the total of column (h) and the totals of accounts 535 and 544, and differences between the total of column (i) and the net total of accounts 506, 534, 535, and 544, of such accounts in Schedule 210, "Results of Operations", should be explained in a footnote.

6. In section C give an analysis of accumulated depreciation in account 738 for each item shown in column (a). Show in column

(n) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account during the year. Any adjustments of importance included in columns (j) and (k) should be fully explained in a footnote.

7. The word "item" as herein used means a unit or composite of an investment in or operation of property such as a powerplant, a mine, an amusement park, etc., together with ancillary property or operations.

8. Report dollars in thousands.

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 506, 534, 535 AND 544 DURING THE YEAR				C. ACCUMULATED DEPRECIATION (ACCOUNT 738)					Line No.
Revenues or income (f)	Expenses (g)	Taxes (h)	Net profit for year (L loss) (i)	Credits during the year (j)	Debits during the year (k)	Balance at close of year (l)	Base (m)	Rate (n)	
24 777	7 835	1 470	15 472	609	22	9 143	14 558	4.18%	1
									2
									3
60	97		(37)						4
									5
1 085	124	64	897	125		557	7 190	1.76	6
94	22		72	23		208	1 267	1.76	7
150	20		130	20		897	1 141	1.76	8
44	27	82	(85)	27		219	1 592	1.76	9
111	29		82	29		787	1 630	1.76	10
130	24		106	24	(311)	654	-	1.76	11
	23	26	(41)	23		95	1 288	1.76	12
		18	(18)						13
	75		(75)	72		1 294	4 163	1.76	14
				10		10	3 384	1.76	15
				90		1 943	4 022	2.23	16
									17
				7 142		7 142	-	-	18
									19
63 103	27 220	4 345	31 538	653	152	6 262	18 817	1.76	20
									21
89 554	35 496	6 005	48 053	8 847	(137)	29 211	59 052	XXXXX	22

NOTES AND REMARKS

329. OTHER ASSETS AND OTHER DEFERRED DEBITS

If the amount in either the captioned Accounts 739, 741, 743, 744 "Other assets" account or the "Other deferred debit" account exceeds 5% of total assets, then report the three largest items in those respective amounts. Also report any single item exceeding 5%

of total assets. Give a brief description of each item. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (*Dollars in thousands.*)

Line No.	Account No. (a)	Item (b)	Amount (c)
1			\$
2			
3			
4		None of the above accounts exceed 5% of total assets.	
5			
6			
7			
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INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330 AND 330A

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in account No. 731, "Road and Equipment Property," and account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. If account No. 732 for road or for equipment is less than 5% of account No. 731 at the beginning and end of year, the corresponding portion of Schedule 330A may be omitted. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.

2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies, for such items.

3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.

4. In columns (c) and (e), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.

6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially

included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.

7. If during the year an individual charge of \$100,000 or more was made to account No. 2, "Land for transportation purposes," state in a footnote the cost, location, area, and other details which will identify the property.

8. Report on line 34 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

10. If an amount of less than \$2000 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

11. Show dollars in thousands.

NOTES AND REMARKS

SCHEDULE 330
(Dollars in Thousands)

INSTRUCTION
REFERENCE

7

Column (e) includes the following:

\$ 363	Purchase additional land at Lincoln, Nebraska for proposed construction of the south bypass track.
\$1,702	Purchase land for additional R/W between Smalzac and Orin-Swawnee, Wyoming.
\$ 225	Purchase land - track changes to reduce curve alignment at the south approach to A.S.&B. Bridge at Kansas City, Missouri.

130500

BURLINGTON NORTHERN INC. 1978

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330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Line No.	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (d)
1	(1) Engineering	\$ 53 037	\$	\$
2	(2) Land for transportation purposes	100 668		
3	(3) Grading	424 680		
4	(4) Other right-of-way expenditures	3 230		
5	(5) Tunnels and subways	40 947		
6	(6) Bridges, trestles, and culverts	225 362		
7	(7) Elevated structures			
8	(8) Ties	104 851		
9	(9) Rails	212 619		
10	(10) Other track material	190 654		
11	(11) Ballast	95 287		
12	(12) Track laying and surfacing	108 418		
13	(13) Fences, snowsheds, and signs	13 852		
14	(16) Station and office buildings	101 453		
15	(17) Roadway buildings	7 453		
16	(18) Water stations	3 802		
17	(19) Fuel stations	5 817		
18	(20) Shops and enginehouses	71 765		
19	(22) Storage warehouses			
20	(23) Wharves and docks	1 966		
21	(24) Coal and ore wharves	22 625		
22	(25) TOFC/COFC terminals	7 932		
23	(26) Communication systems	61 235		
24	(27) Signals and interlockers	134 824		
25	(29) Power plants	1 308		
26	(31) Power-transmission systems	5 287		
27	(35) Miscellaneous structures	2 845		
28	(37) Roadway machines	57 459		
29	(39) Public improvements—Construction	48 825		
30	(44) Shop machinery	41 887		
31	(45) Power-plant machinery	2 948		
32	Other (specify and explain) former accts. (38) & (43)	743		
33	Total expenditures for road	2 153 779		
34	(52) Locomotives	355 015		
35	(53) Freight-train cars	1 155 324		
36	(54) Passenger-train cars	13 661		
37	(55) Highway revenue equipment	6 639		
38	(56) Floating equipment			
39	(57) Work equipment	42 091		
40	(58) Miscellaneous equipment	19 234		
41	Total expenditures for equipment	1 591 964		
42	(76) Interest during construction	4 443		
43	(77) Other expenditures—General	793		
44	Total general expenditures	5 241		
45	Total	3 750 934		
46	(80) Other elements of investment	142		
47	(90) Construction work in progress	33 436		
48	Grand Total	3 784 562		

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(c)	(f)	(g)	(h)	
\$ 1 830	\$ 231	\$ 1 599	\$ 54 856	1
1 374	1 059	315	100 983	2
8 277	1 226	7 051	431 731	3
397	4	393	3 623	4
125	121	4	40 951	5
16 625	1 335	15 290	240 652	6
				7
3 698	464	3 234	108 085	8
13 614	608	13 006	225 625	9
15 262	1 066	14 196	204 850	10
3 327	134	3 193	98 480	11
8 107	358	7 749	116 167	12
160	42	118	13 970	13
8 413	1 395	7 018	108 471	14
1 250	59	1 191	8 644	15
209	357	(148)	3 654	16
524	47	477	6 294	17
5 134	304	4 830	76 595	18
				19
6		8	1 972	20
158		158	22 783	21
836	3	833	8 765	22
1 788	275	1 513	62 748	23
14 193	1 024	13 169	147 992	24
(61)	44	(105)	1 203	25
18	45	(27)	5 260	26
79	16	63	2 908	27
1 359	187	1 172	58 631	28
1 777	250	1 527	50 352	29
3 262	722	2 540	44 427	30
18	24	(6)	2 942	31
(44)	699	(743)		32
111 715	12 099	99 616	2 253 395	33
35 827	2 500	33 327	388 342	34
44 833	53 738	(8 905)	1 146 419	35
	2 776	(2 776)	10 885	36
138	921	(783)	5 856	37
				38
5 458	1 195	4 263	43 354	39
2 989	915	2 074	21 308	40
89 245	62 045	27 200	1 619 164	41
	2	(2)	4 441	42
	1	(1)	797	43
	3	(3)	5 238	44
200 960	74 147	126 813	3 877 737	45
			142	46
16 232		16 232	49 668	47
217 192	74 147	143 045	3 927 607	48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

Line No.	Account (Dollars in thousands)	Balance at beginning of year	Expenditures during the year for original road and equipment, and road extensions	Expenditures during the year for purchase of existing lines, reorganizations, etc.
	(a)	(b)	(c)	(d)
1	(1) Engineering _____	\$	\$	\$
2	(2) Land for transportation purposes _____			
3	(3) Graveling _____			
4	(4) Other right-of-way expenditures _____			
5	(5) Tunnels and subways _____			
6	(6) Bridges, trestles, and culverts _____	Account 732 does not exceed 5% of Account 731.		
7	(7) Elevated structures _____			
8	(8) Ties _____			
9	(9) Rails _____			
10	(10) Other track material _____			
11	(11) Ballast _____			
12	(12) Track laying and surfacing _____			
13	(13) Fences, snowsheds, and signs _____			
14	(16) Station and office buildings _____			
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 _____			
23	(26) Communication systems _____			
24	(27) Signals and interlockers _____			
25	(29) Power plants _____			
26	(31) Power-transmission systems _____			
27	(35) Miscellaneous structures _____			
28	(37) Roadway machines _____			
29	(39) Public improvements—Construction _____			
30	(44) Shop machinery _____			
31	(45) Power-plant machinery _____			
32	Other (specify and explain) _____			
33	Total expenditures for road _____			
34	(52) Locomotives _____			
35	(53) Freight-train cars _____			
36	(54) Passenger-train cars _____			
37	(55) Highway revenue equipment _____			
38	(56) Floating equipment _____			
39	(57) Work equipment _____			
40	(58) Miscellaneous equipment _____			
41	Total expenditures for equipment _____			
42	(76) Interest during construction _____			
43	(77) Other expenditures—General _____			
44	Total general expenditures _____			
45	Total _____			
46	(80) Other elements of investment _____			
47	(90) Construction work in progress _____			
48	Grand Total _____			

330A. IMPROVEMENTS ON LEASED PROPERTY—Continued

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$	\$	\$	\$	1
				2
				3
				4
				5
Account 732 does not exceed 5% of Account 731.				6
				7
				8
				9
				10
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				40
				41
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				48

332. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT - OWNED AND USED

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated depreciation; road and equipment property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" account and "Other Rents - Debit - Equipment" accounts (See Schedule 342 for the accumulated depreciation relating to road and equipment owned but not used by respondent.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on line 27.

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year
			Charges to operating expenses	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
ROAD							
1	(1) Engineering	6 886	444		118		7 212
2	(3) Grading	17 464	378		46		17 796
3	(4) Other, right-of-way	538	67		2		603
4	(5) Tunnels and subways	13 874	338		56		14 156
5	(6) Bridges, trestles, and culverts	151 783	3 280		1 379		153 684
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	12 487	285		41		12 731
8	(16) Station and office buildings	54 445	3 556		1 383		56 618
9	(17) Roadway buildings	3 583	211		23		3 771
10	(18) Water stations	3 477	110		357		3 230
11	(19) Fuel stations	2 049	216		38		2 227
12	(20) Shops and enginehouses	29 829	1 522		250		31 101
13	(22) Storage warehouses						
14	(23) Wharves and docks	1 850	38				1 888
15	(24) Coal and ore wharves	12 796	316				13 112
16	(25) TOFC/COFC terminals	1 921	301		(3)		2 225
17	(26) Communication systems	30 870	1 738		228		32 380
18	(27) Signals and interlockers	58 020	3 116		897		60 239
19	(29) Power plants	455	31		31		455
20	(31) Power-transmission systems	3 431	162		45		3 548
21	(35) Miscellaneous structures	1 338	87		16		1 409
22	(37) Roadway machines	33 847	2 172		183		35 836
23	(39) Public improvements—Construction	15 534	503		140		15 897
24	(44) Shop machinery*	18 963	1 298		570		19 691
25	(45) Power-plant machinery*	2 112	112		23		2 201
26	All other road accounts	10 105			7 174		2 931
27	Amortization (other than defense projects)						
28	Total road	487 657	20 281		12 997		494 941
EQUIPMENT							
29	(52) Locomotives	247 348	15 237		2 285		260 300
30	(53) Freight-train cars	342 743	42 952		45 131		340 564
31	(54) Passenger-train cars	13 699			4 272		9 427
32	(55) Highway revenue equipment	4 121	635		831		3 925
33	(56) Floating equipment						
34	(57) Work equipment	23 383	1 680		647		24 416
35	(58) Miscellaneous equipment	9 591	1 813		875		10 529
36	Total equipment	640 885	62 317		54 041		649 161
37	GRAND TOTAL	1 128 542	82 598		67 038		1 144 102

(See Notes on Page 44A)

335A. INVESTMENT IN RAILROAD PROPERTY USED IN TRANSPORTATION SERVICE (By Company)

1. Disclose the investment in railway property used in transportation service at the close of the year. This investment represents the aggregate of property owned or leased by the respondent and used in the respondent's transportation service. Such property includes: (a) the investment reported in accounts 731, "Road and equipment property", and 732, "Improvements on leased property", of the respondent less any 731 or 732 property leased to others for their exclusive use of road, tracks, or bridges (including equipment or other railway property covered by the contract). Equipment leased to others under separate distinct contracts shall not be deducted from the respondent's 731 or 732 property; (b) the investment of other companies' 731 or 732 property (including operating and lessor railroads) used by the respondent when the lease is for exclusive use or control of roads, tracks, or bridges (including equipment or other railway property covered by the contract). This excludes leased equipment from operating railroads under separate distinct contracts and the investment of other carriers in property jointly used by the respondent.

2. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

3. In columns (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of the respondent. Show a total for each class of company. Then show, or deductions, data for transportation property leased to carriers and others.

4. In column (c), line-haul carriers report the miles of road used in line-haul service, and switching and terminal companies should report the miles of all tracks owned.

5. In column (d), show the amount applicable in accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, explanations should be given. Differences between the amounts in column (d) of this schedule and the amounts shown in column (c), line 33, on the asset side of the comparative general balance sheet of each individual railway should be explained in a footnote. Book value included in accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e), show the amount of depreciation and amortization accrued as of the close of the year in accounts 735, 736, and 785, that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

7. Report dollars in thousands.

Line No.	Class (Sec Ins. 2)	Name of company	Miles of road owned (See Ins. 4)	Investments in property (See Ins. 5)	Depreciation and amortization of defense projects (See Ins. 6)
	(a)	(b)	(c)	(d)	(e)
1	R	Burlington Northern Inc.	20 831	\$ 3 934 246	\$ 1 182 724
2					
3					
4		Add-Leased from others			
5	O	CS-Orin Jct.-Wendover, WY-Main Line	31	1 474	97
6	O	DMIR-Albany, MN Tracks		3	
7	O	"-Virginia, MN		2	
8	O	"-Holman to Coleraine, MN		7	
9	O	SP-Klamath Falls, OR - Tracks		5	
10	O	SP-Chemult, OR		4	
11	O	MILW-Seattle, WA		37	2
12	O	UP-Garrison to Butte, MT-Main Line	52	1 354	*
13	O	U.S. Govt. R.R.-Shelton to Bangor and			
14		Bremerton, WA-Main Line	48	**	
15	O	Burlington Northern (Manitoba) Limited	4	1 497	476
16		Total	135	4 383	575
17					
18		Deduct - Leased to others			
19	O	IN-Chicago, IL Yard Tracks		84	27
20	O	ICG-West Frankfort, IL		1	
21	O	MILW-Council Bluffs, IA		12	3
22	O	SOT-So, Omaha, NE		3	
23	O	CNW-Leavenworth, KS Land		15	
24	O	CNW-Minneapolis, MN Trackage		12	
25	O	DMIR-Buhl, MN Turnouts		15	
26	O	"-Chisholm, MN		1	1
27	O	"-Hibbing, MN		5	4
28		Total		148	35
29					
30					
31					
32					
33					
34					
35		* Depreciation not available to respondent			
36		** Investment not available to respondent			
37					
38					
39		TOTAL	20 966	3 933 481	1 183 264

335B. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE
(By Property Accounts)

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.

2. The amounts for respondent and for each group or class of companies and properties on line 50 herein, should correspond with the amounts for each class of company and properties shown in schedule 335. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in the schedule.

3. Report on line 32 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where

cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain methods of estimating value of property of non-carriers or property of other carriers.

4. Report on line 33 amounts not includible in the accounts shown, or in line 32. The items reported should be briefly identified and explained. Also include here those items after permission is obtained from the Commission for exceptions to prescribe accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

5. Report dollars in thousands.

Line No.	Account (a)	Respondent (b)	Less: or railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)
		\$	\$	\$	\$
1	(1) Engineering _____	54 689			116
2	(2) Land for transportation purposes _____	100 985			368
3	(3) Grading _____	432 070			596
4	(4) Other right-of-way expenditures _____	3 623			
5	(5) Tunnels and subways _____	41 093			
6	(6) Bridges, trestles, and culverts _____	241 209			327
7	(7) Elevated structures _____				
8	(8) Ties _____	108 172			425
9	(9) Rails _____	226 096			757
10	(10) Other track material _____	205 678			324
11	(11) Ballast _____	98 764			165
12	(12) Track laying and surfacing _____	116 376			300
13	(13) Fences, snowsheds, and signs _____	13 986			14
14	(16) Station and office buildings _____	108 918			201
15	(17) Roadway buildings _____	9 660			14
16	(18) Water stations _____	3 656			24
17	(19) Fuel stations _____	6 295			10
18	(20) Shops and enginehouses _____	76 597			107
19	(22) Storage warehouses _____				
20	(23) Wharves and docks _____	1 972			
21	(24) Coal and ore wharves _____	22 783			
22	(25) TOFC/COFC terminals _____	8 768			
23	(26) Communication systems _____	62 801			7
24	(27) Signals and interlockers _____	143 479			16
25	(29) Power plants _____	1 203			(2)
26	(31) Power-transmission systems _____	5 260			
27	(35) Miscellaneous structures _____	2 908			
28	(37) Roadway machines _____	58 631			29
29	(39) Public improvements—Construction _____	50 404			65
30	(44) Shop machinery _____	44 428			15
31	(45) Power-plant machinery _____	2 942			
32	Leased property capitalized rentals (explain) _____				77
33	Other (specify & explain) <u>BNML A/C (43)</u> _____				
34	Total expenditures for road _____	2 258 446			3 955
35	(52) Locomotives _____	389 355			202
36	(53) Freight-train cars _____	1 146 688			3
37	(54) Passenger-train cars _____	10 885			
38	(55) Highway revenue equipment _____	5 693			
39	(56) Floating equipment _____				
40	(57) Work equipment _____	46 354			6
41	(58) Miscellaneous equipment _____	21 777			16
42	Total expenditures for equipment _____	1 620 752			227
43	(76) Interest during construction _____	4 441			49
44	(77) Other expenditures—General _____	798			161
45	Total general expenditures _____	5 239			210
46	Total _____	3 884 437			4 392
47	(80) Other elements of investment _____	141			(157)
48	(90) Construction work in progress _____	49 668			
49	Grand Total _____	3 934 246			4 235

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340. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used in computing

the depreciation for the month of December and on lines 28 and 36 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

6. If total road leased to others is less than 5% of total road owned; omit. If total equipment leased to others is less than 5% of total equipment owned; omit.

Line No.	(Dollars in thousands) Account (a)	DEPRECIATION BASE		Annual composite rate (percent) (d)
		Beginning of year (b)	Close of year (c)	
	ROAD	\$	\$	\$
1	(1) Engineering			
2	(3) Grading			
3	(4) Other right-of-way expenditures			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves			
16	(25) TGF/COFC terminals			
17	(26) Communication systems			
18	(27) Signals and interlockers			
19	(29) Power plants			
20	(31) Power transmission systems			
21	(35) Miscellaneous structures			
22	(37) Roadway machines			
23	(39) Public improvements—Construction			
24	(44) Shop machinery			
25	(45) Power-plant machinery			
26	All other road accounts			
27	Total road			
	EQUIPMENT			
28	(52) Locomotives			
29	(53) Freight-train cars			
30	(54) Passenger-train cars			
31	(55) Highway revenue equipment			
32	(56) Floating equipment			
33	(57) Work equipment			
34	(58) Miscellaneous equipment			
35	Total equipment			
36	GRAND TOTAL			X X X X

Total road leased to others is less than 5% of total road owned.

Total equipment leased to others is less than 5% of total equipment owned.

342. ACCUMULATED DEPRECIATION—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in accounts 32-11-00, 32-12-00, 32-13-00, 32-21-00, 32-22-00, and 32-23-00.

2. Disclose credits and debits to Account 735, "Accumulated depreciation—road and equipment property," during the year relating to road and equipment leased to others, the depreciation charges for which are not includible in operating expenses of the respondent. (See Schedule 350 for the reserve relating to road and equipment owned and used by the respondent).

3. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in columns (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

4. Disclosures in the respective sections of this schedule may be omitted if either total road leased to others or total equipment leased to others represents less than 5% of total road owned or total equipment owned, respectively.

5. Thousand dollar Reporting Rule.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(3) Grading						
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways		Total road leased to others is less than 5% of total road owned.				
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communications systems						
18	(27) Signals and interlockers						
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements—Construction						
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Total road						
	EQUIPMENT						
28	(52) Locomotives		Total equipment leased to others is less than 5% of total equipment owned.				
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment						
35	Total equipment						
36	GRAND TOTAL						

350. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (e) and (f) show the depreciation base used in computing the depreciation charges for the month of December; and on lines 28 and 36 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

6. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	(Dollars in thousands) Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d) (1)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD	52 897	53 856	.86	53	53	.40
1	(1) Engineering	68 101	68 595	1.26			
2	(3) Grading	3 230	3 603	2.00			
3	(4) Other right-of-way expenditures	40 947	41 016	.83			
4	(5) Tunnels and subways	225 358	239 887	1.38	264	264	1.80
5	(6) Bridges, trestles, and culverts	13 852	13 986	2.00	11	11	4.78
6	(7) Elevated structures	101 449	107 784	1.92	1	1	3.30
7	(13) Fences, snow sheds, and signs	7 453	8 582	2.63	1	1	2.70
8	(16) Station and office buildings	3 791	3 931	2.86			
9	(17) Roadway buildings	5 811	6 237	3.63			
10	(18) Water stations	71 343	75 762	2.09			
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses	1 966	1 971	1.92			
14	(23) Wharves and docks	22 625	22 778	1.39			
15	(24) Coal and ore wharves	7 932	8 470	3.71			
16	(25) TOFC/COFC terminals	61 235	62 295	2.81			
17	(26) Communications systems	134 744	138 659	2.26			
18	(27) Signals and interlockers	1 308	1 203	2.50			
19	(29) Power plants	5 284	5 258	3.06			
20	(31) Power transmission systems	2 845	2 903	3.03			
21	(35) Miscellaneous structures	57 459	58 473	3.84			
22	(37) Roadway machines	26 655	27 583	1.87			
23	(39) Public improvements—Construction	41 888	44 016	3.06			
24	(44) Shop machinery	2 948	2 942	3.84			
25	(45) Power plant machinery						
26	All other road accounts						
27	Amortization (other than defense projects)	961 121	999 792	2.03	330	330	1.52
28	Total road						
	EQUIPMENT	350 168	384 048	(2)			
29	(52) Locomotives	1 137 462	1 123 371	(2)			
30	(53) Freight-train cars	13 258	11 474	-			
31	(54) Passenger-train cars	6 639	5 938	8.80			
32	(55) Highway revenue equipment						
33	(56) Floating equipment	40 861	45 137	3.92			
34	(57) Work equipment	19 234	21 267	8.70			
35	(58) Miscellaneous equipment	1 567 722	1 591 235	3.92			
36	Total equipment						
37	GRAND TOTAL	2 528 843	2 591 027	XXX	330	330	XXX

(1), (2) - See notes page 44A.

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Notes Relating to Schedule 332-Accumulated Depreciation, Page 38
(Dollars in Thousands)

<u>CREDITS TO RESERVE</u>	<u>ROAD</u>	<u>EQUIPMENT</u>
Debits for Depreciation on property of respondent	\$20,281	\$62,316
Depreciation on property of Burlington Northern (Manitoba) Limited	17	12
Depreciation on improvements to property leased from others:		
BN	49	66
SP&S	5	
Depreciation on property leased from other (C&S)	5	
Depreciation on Shop Machinery*	<u>(1,298)</u>	<u>1,298</u>
Total Accumulated Depreciation Expense, Schedule 410, Lines 136, 137, 138, 213, 232, 317	<u>\$19,059</u>	<u>\$62,692</u>

* Depreciation on Shop Machinery Classified as Equipment under new ICC Classification effective 1-1-78 and on Schedule 415.

Notes Relating to Schedule 350-Depreciation Base and Rates, Page 44

- (1) Reflects rates of BN (Parent).
- (2) Depreciation rates reflect car type rates issued January 1, 1978, ICC Order No. R-823-A.

Depreciation Base for Accounts 1, 3, 4, & 39 include non-depreciable property for SP&S, OE & OT.

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351. DEPRECIATION BASE AND RATES-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Show in column (b) for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in column (c) show the depreciation base used in computing the depreciation charges for the month of December; in column (d) show the composite rates used in computing the depreciation charges for the month of December; and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. This schedule should include only improvements to leased property charged to account 732, "Improvements on leased property." The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized

rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All improvements to leased properties may be combined and one composite rate computed for each primary account or a separate schedule may be included for each such property.

3. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

4. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	(Dollars in thousands) Account (a)	Depreciation base		Annual composite rate (percent) (d)
		At beginning of year (b)	At close of year (c)	
	ROAD	\$	\$	%
1	(1) Engineering			
2	(3) Grading			
3	(4) Other right-of-way expenditures			
4	(5) Tunnels and subways	Total road leased (732) from others is less than 5% of total road owned.		
5	(6) Bridges, trestles and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(22) Storage warehouses			
14	(23) Wharves and docks			
15	(24) Coal and ore wharves			
16	(25) TOFC/COFC terminals			
17	(26) Communications systems			
18	(27) Signals and interlockers			
19	(29) Power plants			
20	(31) Power transmission systems			
21	(35) Miscellaneous structures			
22	(37) Roadway machines			
23	(39) Public improvements-Construction			
24	(44) Shop machinery			
25	(45) Power plant machinery			
26	All other road accounts			
27	Amortization (other than defense projects)			
28	Total road			
	EQUIPMENT			
29	(52) Locomotives	Total equipment leased (732) from others is less than 5% of total equipment owned.		
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment			
36	Total equipment			
37	GRAND TOTAL			

352. ACCUMULATED DEPRECIATION-IMPROVEMENTS TO ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Enter the required information concerning debits and credits to Account 733, "Accumulated depreciation-improvements on leased property," during the year relating to improvements made to road and equipment property leased from others, the depreciation charges for which are included in operating expenses of the respondent.

2. If any entries are made for column (d) "Other credits" or column (f) "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

3. Any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses should be fully explained.

4. Show in column (e) the debits to the reserve arising from retirements.

5. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year
			Charges to others	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(3) Grading						
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways	Total road leased (732) from others is less than 5% of total road owned.					
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communication systems						
18	(27) Signals and interlockers						
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements—Construction						
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Total road						
	EQUIPMENT						
28	(52) Locomotives	Total equipment leased (732) from others is less than 5% of total equipment owned.					
29	(53) Freight-train cars						
30	(54) Passenger-train cars						
31	(55) Highway revenue equipment						
32	(56) Floating equipment						
33	(57) Work equipment						
34	(58) Miscellaneous equipment						
35	Total equipment						
36	GRAND TOTAL						

355. ACCRUED LIABILITY - LEASED PROPERTY

1. Disclose the required information relating to credits and debits of Account 772, "Accrued liability-leased property," during the year concerning road and equipment leased from others.

2. In column (c), enter amounts charged to operating expenses; in column (e), enter debits to account arising from retirements; in column (f), enter amounts paid to lessor.

3. Any inconsistencies between credits to account, charges to operating expenses and payments to lessors should be fully explained.

4. Required disclosure may be omitted if leased road and equipment property represents 5% or less of total property owned and used.

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 772 are made by the accounting company, show in column (c) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

6. Dollars in thousands.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(3) Grading						
3	(4) Other right-of-way expen.						
4	(5) Tunnels and subways	Leased road and equipment property (732) is less than 5% of total property owned and used.					
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals						
17	(26) Communication systems						
18	(27) Signals and interlockers						
19	(29) Power plants						
20	(31) Power-transmission systems						
21	(35) Miscellaneous structures						
22	(37) Roadway machines						
23	(39) Public improvements—Construction						
24	(44) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road						
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total equipment						
37	GRAND TOTAL						

360. LEASES—GENERAL INSTRUCTIONS AND DEFINITIONS**A. General Instructions**

Disclose in the following schedules the required information concerning leases of the respondent:

- Schedule 361 — Capitalized Capital Leases
- 362 — Noncapitalized Capital Leases
- 363 — Operating Leases
- 364 — Lessee Disclosures

Under Docket No. 36604, "Accounting for Leases," the Commission established guidelines for capitalizing all leases entered into after 1/1/77, which meet the criteria of a capital lease. (See 49 CFR 1201, Instruction 2-26). These leases shall be properly disclosed in Schedule 361, "Capitalized Capital Leases." However, for all leases in effect on 12/31/76, respondents may either capitalize these leases immediately or phase in the capitalization requirements through 12/31/80. Thereafter, all capital leases must be capitalized. Noncapitalized capital leases, if any, for this reporting year shall properly be disclosed in Schedule 362, "Noncapitalized Capital Leases."

A general description of the lessee's leasing arrangements shall be included to effect full and complete disclosures. Among the items to be disclosed are:

- The basis on which contingent rental payments are determined.
- The existence and terms of renewal or purchase options and escalation clauses.
- Restrictions imposed by lease agreements, such as those concerning dividends, additional debt, and further leasing.

These and other disclosures shall be included in Schedule 364 and attachments thereto, if necessary.

B. Definitions

(1) **Capital Leases** are those leases which meet one or more of the following four criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option.
- The lease term is equal to 75 percent or more of the estimated economic life of the property, and
- The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90 percent of the fair value of the leased property to the lessor at the inception of the lease less any related investment tax credit retained by the lessor.

(2) **Operating leases** are those leases which do not meet any of the four criteria pertaining to capital leases.

(3) **Minimum lease payments** are the payments that the lessee is obligated to make or can be required to make in connection with the leased property. Executory costs such as insurance, maintenance and taxes in connection with the leased property shall be excluded from minimum lease payments.

(4) **Present value minimum lease payments** are lease payments that the lessee is obligated to make or can be required to make, exclusive of executory cost. Moreover, these payments are reduced by amounts representing interest, calculated at the companies' incremental borrowing rate or the implicit rate computed by the lessor.

(5) **Noncancelable lease/sublease** is one that has an initial or remaining term of one year or more and is noncancelable, or is cancelable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

(6) **Contingent rentals**, for the purposes of this report, are rentals paid during the reporting year which depend on some factor other than the passage of time such as rentals based on usage or sales.

361. CAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

Disclose total lease payments for the years shown. Then, disclose amounts representing (1) executory costs and (2) interest to derive the present value of minimum lease payments. An

explanation indicating how the rate of interest was derived for computing present value shall be included in Schedule 364. Report dollars in thousands.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later Years (g)	Total (h)
1	Lease payments	\$ 12 487	\$ 13 502	\$ 13 759	\$ 12 876	\$ 10 407	\$ 91 622	\$ 154 653
	Less: Executory costs:							
2	- Taxes							
3	- Maintenance							
4	- Insurance							
5	- Other							
6	Total executory costs (2-5)							
7	Minimum lease payments (1, 6)	12 487	13 502	13 759	12 876	10 407	91 622	154 653
8	Less: Amount representing interest	5 640	6 797	6 260	5 639	5 108	31 833	61 277
9	Present value of minimum lease payments (line 7, 8)	6 847	6 705	7 499	7 237	5 299	59 789	93 376

PART II. TOTAL RENTAL EXPENSES

Complete this part if gross rental expense in the most recent reporting year exceeds one percent of operating revenue. Otherwise, show total rental expenses reduced by rentals received from sub-

leases for the current year. Also, show amounts expected to be received on all noncancelable sublease rentals for the year beginning after the current year as required.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
10	Present value of minimum lease payments from Part I above	\$ 6 847	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense	6 847	XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

PART III. CLASSES OF CAPITAL LEASES

Complete this part only if the present values of the minimum lease commitments are more than five percent of the sum of the long-term debt due after one year. Otherwise, show the present values of minimum lease commitments in the aggregate for the major classes of proper-

ties presented. Subtract amounts representing the accumulated amortization to derive at "Net capitalized lease assets."

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
14	Structures	\$ 5 674	\$ 117
15	Revenue equipment	100 536	66 034
16	Shop and garage equipment		
17	Service cars and equipment	3 825	3 825
18	Noncarrier operating property		
19	Other: (Specify)		
20		110 035	69 976
21	Gross capitalized assets	32 889	29 966
22	Less: Accumulated amortization	77 146	40 010
23	Net capitalized lease assets		

362. NONCAPITALIZED CAPITAL LEASES

PART I. PRESENT VALUE OF MINIMUM LEASE PAYMENTS

Disclose total lease payments for the years shown. Then, disclose amounts representing (1) executory costs and (2) interest to derive the present values of minimum lease payments. An ex-

planation indicating how the rate of interest was derived for computing present value shall be included in Schedule 364. Report dollars in thousands.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Lease payments	\$	\$	\$	\$	\$	\$	\$
	Less: Executory costs:							
2	- Taxes	None						
3	- Maintenance							
4	- Insurance							
5	- Other							
6	Total executory costs (2-5)							
7	Minimum lease payments (1-6)							
8	Less: Amount representing interest							
9	Present value of minimum lease payments (line 7, 8)							

PART II. TOTAL RENTAL EXPENSES

Complete this part if gross rental expense in the most recent reporting year exceeds one percent of operating revenue. Otherwise, show total rental expenses reduced by rentals from sub-

leases for the current year. Also, show amounts expected to be received on all noncancelable sublease rentals for the year beginning after the current year as required.

Line No.	Item (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
10	Present value of minimum lease payments from Part I above	\$ None	\$ XXXX	\$ XXXX	\$ XXXX	\$ XXXX	\$ XXXXXX	\$ XXXXXX
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals							
13	Net rental expense		XXXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

362. NONCAPITALIZED CAPITAL LEASES—Continued

PART III. INCOME IMPACT

1. If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to this effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line

basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

2. In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	Current year (b)	Prior year (c)
		\$ None	\$ None
14	Amortization of lease rights		
15	Interest		
16	Rent expense		
17	Income tax expense		
18	Impact (reduction) on net income		

PART IV. CLASSES OF CAPITAL LEASES

1. Complete this part only if the present values of the minimum lease commitments are more than five percent of the sum of the long-term debt due after one year. Otherwise, show the present

value of minimum lease commitments in the aggregate for the major classes of properties presented.

Line No.	Classes of leased property (a)	Present value	
		Current year (b)	Prior year (c)
		\$ None	\$ None
19	Structures		
20	Revenue equipment		
21	Shop and garage equipment		
22	Service cars and equipment		
23	Noncarrier operating property		
24	Other: (Specify)		
25			
26			

363. OPERATING LEASES

PART I. FUTURE MINIMUM RENTAL PAYMENTS

1. Disclose the total minimum lease payments required, reduced by sublease rentals, for the years shown relating to operating leases.

Line No.	Items (a)	Current year (b)	Year 2 (c)	Year 3 (d)	Year 4 (e)	Year 5 (f)	Later years (g)	Total (h)
1	Minimum lease payments required	\$ 32 672	\$ 40 744	\$ 33 432	\$ 37 451	\$ 36 845	\$ 265 770	\$ 451 914
2	Minimum noncancelable sublease rentals	2 645	2 644	2 645	2 645	2 645	26 271	39 495
3	Net minimum lease payments	30 027	38 100	35 787	34 806	34 200	239 499	412 419

PART II. TOTAL RENTAL

1. Show the composition of total rental expense for all operating leases for the current and preceding years. See Schedule 360 for definitions of the terms.

Line No.	Expenses (a)	Current year (b)	Prior year (c)
		\$ 32 672	\$ 27 693
4	Minimum lease payments required		
5	Contingent rentals	2 645	1 845
6	Less: Sublease rentals	30 027	25 844
7	Total rental expense		

364. LESSEE DISCLOSURE

Complete this schedule only if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line No.	
	(a)
1	Lapse of time only.
2	
3	
4	
5	
6	
7	
8	
	(b)
9	64% of lease contracts have renewal options upon written notice within various
10	specified times.
11	20% of lease contracts have options to purchase only.
12	16% of lease contracts have no options.
13	
14	
15	
16	
	(c)
17	
18	
19	
20	
21	
22	
23	
24	
	(d)
25	
26	
27	
28	
29	
30	
31	
32	
	(e)
33	Note relating to Schedule 361, part 1:
34	Interest rates used in calculating present value of capitalized
35	leases represent respondents incremental borrowing rate for
36	equipment trusts as of the date the lease was entered into.
37	
38	
39	
40	

370. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNT.

1. For accounts Nos. 751, "Loans and notes payable", 759, "Accrued accounts payable", and 763, "Other current liabilities", if the total of any such account exceeds 5% of total current liabilities, report the three largest items, and any other items which exceeds 5% of current liabilities.

2. Show character of loans and notes, with name of creditor

(or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities.

3. Make full disclosure of the character of each item reported.
(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	751	Loans and Notes Payable	\$
2		Variable Demand Notes:	
3		Bank of America, Various dates	10 000
4		First Natl. Bank of Minneapolis, Various dates	10 000
5		Northwestern Natl. Bank of St. Paul, Various dates	7 274
6		Total Account 751	27 274
7			
8	759	Accrued Accounts Payable	
9		Vacation Pay	60 507
10		Loss and damage, personal injury, property damage, and overcharge	
11		claims	39 045
12		Per diem due foreign lines	25 110
13		All other items	47 640
14		Total Account 759	172 302
15			
16	763	Other Current Liabilities	
17		Prepaid freight charges	24 935
18		Contractors retained percentages	4 451
19		Deposits for track	4 025
20		All other items	6 439
21		Total Account 763	39 850
22			
23			
24			
25			
26			
27			
28			
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379. OTHER LONG-TERM LIABILITIES AND OTHER DEFERRED CREDITS

If the caption "Other long-term liabilities and deferred credits" (accounts 771, 772, 774, 775, 782, and 784) exceeds 5% of total (current and noncurrent) liabilities, report the three largest items

and each other item amounting to 5% or more of total liabilities. Disclose fully the nature of each item reported. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1			\$
2			
3			
4			
5		The above accounts do not exceed 5% of total (current and	
6		noncurrent) liabilities.	
7			
8			
9			
10			
11			
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410. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and allocate the common operating expenses in accordance with the Commission's rules governing the separation of such expenses between freight and passenger services.

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES:							
	ADMINISTRATION:							
1	Track	5 548	112	265	636	6 561	82	6 643
2	Bridge and Building	2 130	15	(21)	94	2 218	55	2 273
3	Signal	2 202		16	39	2 257	81	2 338
4	Communication	1 579	39		135	1 753	54	1 807
5	Other	6 041	7	187	749	6 984	120	7 104
	REPAIR AND MAINTENANCE:							
6	Roadway - Running	12 270	2 279	4 800	2 573	21 922	110	22 032
7	Roadway - Switching	2 084	317	429	607	3 437	23	3 460
8	Tunnels and Subways - Running	193	108	217		518	9	527
9	Tunnels and Subways - Switching	5				5		5
10	Bridges and Culverts - Running	5 857	2 750	807	475	9 889	85	9 974
11	Bridges and Culverts - Switching	485	28	1		514		514
12	Ties - Running	N/A	27 458	N/A	N/A	27 458	168	27 626
13	Ties - Switching	N/A	2 399	N/A	N/A	2 399	15	2 414
14	Rail - Running	N/A	22 891	N/A	N/A	22 891	94	22 985
15	Rail - Switching	N/A	1 010	N/A	N/A	1 010	38	1 048
16	Other Track Material - Running	N/A	20 714	N/A	N/A	20 714	116	20 830
17	Other Track Material - Switching	N/A	2 684	N/A	N/A	2 684	11	2 695
18	Ballast - Running	N/A	7 059	N/A	N/A	7 059	31	7 090
19	Ballast - Switching	N/A	430	N/A	N/A	430	1	431
20	Track laying and surfacing - Running	82 567	1 386	2 370	3 999	90 322	446	90 768
21	Track laying and surfacing - Switching	16 090	316	(134)	769	17 041	99	17 140
22	Road Property Damaged - Running	1 828	1 346	2 977	6	6 197	29	6 226
23	Road Property Damaged - Switching	1 420	117	21		1 558	15	1 573
24	Road Property Damaged - Other	81	9	27	10	127	1	128
25	Signals and Interlockers - Running	8 362	3 107	12	617	12 098	279	12 377
26	Signals and Interlockers - Switching	853	1 131		134	2 118	3	2 121
27	Communications Systems	5 950	1 323		517	7 790	194	7 984
28	Electric Power Systems	831	433	59	22	1 345	137	1 482
29	Highway Grade Crossings - Running	3 748	1 008	95	50	4 901	19	4 920
30	Highway Grade Crossings - Switching	418	59	7	2	486	13	499
31	Station and Office Buildings	3 318	1 176	1 064	239	5 797	411	6 208
32	Shop Buildings - Locomotives	2 603	367	106	86	3 162	129	3 291
33	Shop Buildings - Freight Cars	1 527	446	83	172	2 228	N/A	2 228
34	Shop Buildings - Other Equipment	254	160	57	41	512	2	514

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Materials, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	WAY AND STRUCTURES - Continued:	\$	\$	\$		\$	\$	\$
	REPAIR AND MAINTENANCE - Continued:							
101	Locomotive Servicing Facilities	544	209	(23)	41	771	19	790
102	Miscellaneous Buildings and Structures	2 182	856	499	3	3 540	34	3 574
103	Coal Terminals						N/A	
104	Ore Terminals	305	418	230	8	961	N/A	961
105	Other Marine Terminals						N/A	
106	TOFC/CCFC - Terminals	190	115	258		573	N/A	573
107	Motor Vehicle Loading and Distribution Facilities	12	89	4		105	N/A	105
108	Facilities for Other Specialized Service Operations	12	13	23		48	N/A	48
109	Roadway Machines	6 032	11 981	372	226	18 411	145	18 556
110	Small Tools and Supplies	293	6 354	366		7 013	26	7 039
111	Snow Removal	7 344	64	1 504	5	8 717	60	8 777
112	Fringe Benefits - Running	N/A	N/A	N/A	29 175	29 175	156	29 331
113	Fringe Benefits - Switching	N/A	N/A	N/A	5 104	5 104	31	5 135
114	Fringe Benefits - Other	N/A	N/A	N/A	13 975	13 975	249	14 224
115	Casualties and Insurance - Running	N/A	N/A	N/A	5 993	5 993	5	5 998
116	Casualties and Insurance - Switching	N/A	N/A	N/A	188	188	15	203
117	Casualties and Insurance - Other	N/A	N/A	N/A	1 189	1 189	29	1 209
118	Lease Rentals - Debit - Running	N/A	N/A	213	N/A	213		213
119	Lease Rentals - Debit - Switching	N/A	N/A	5	N/A	5		5
120	Lease Rentals - Debit - Other	N/A	N/A	2 475	N/A	2 475	3	2 478
121	Lease Rentals - (Credit) - Running	N/A	N/A	3	N/A	3		3
122	Lease Rentals - (Credit) - Switching	N/A	N/A	8	N/A	8		8
123	Lease Rentals - (Credit) - Other	N/A	N/A	204	N/A	204	1	205
124	Joint Facility Rent - Debit - Running	N/A	N/A	2 197	N/A	2 197		2 197
125	Joint Facility Rent - Debit - Switching	N/A	N/A	614	N/A	614	489	1 103
126	Joint Facility Rent - Debit - Other	N/A	N/A	80	N/A	80		80
127	Joint Facility Rent - (Credit) - Running	N/A	N/A	4 612	N/A	4 612	21	4 633
128	Joint Facility Rent - (Credit) - Switching	N/A	N/A	2 022	N/A	2 022		2 022
129	Joint Facility Rent - (Credit) - Other	N/A	N/A	90	N/A	90		90
130	Other Rents - Debit - Running	N/A	N/A	4	N/A	4		4
131	Other Rents - Debit - Switching	N/A	N/A	1	N/A	1		1
132	Other Rents - Debit - Other	N/A	N/A	156	N/A	156	2	158
133	Other Rents - (Credit) - Running	N/A	N/A		N/A			
134	Other Rents - (Credit) - Switching	N/A	N/A	18	N/A	18		18
135	Other Rents - (Credit) - Other	N/A	N/A	N/A	7 419	7 419	300	7 719
136	Depreciation - Running	N/A	N/A	N/A				
137	Depreciation - Switching	N/A	N/A	N/A	11 190	11 190	130	11 340
138	Depreciation - Other	N/A	N/A	N/A	4 139	4 139		4 139
139	Joint Facility - Debit - Running	N/A	N/A	1 406	N/A	1 406	799	2 205
140	Joint Facility - Debit - Switching	N/A	N/A	206	N/A	206		206
141	Joint Facility - Debit - Other	N/A	N/A	5 421	N/A	5 421	23	5 444
142	Joint Facility - (Credit) - Running	N/A	N/A	1 489	N/A	1 489		1 489
143	Joint Facility - (Credit) - Switching	N/A	N/A	36	N/A	36		36
144	Joint Facility - (Credit) - Other	N/A	N/A	12	1	13	64	542
145	Dismantling Retired Road Property - Running	454	(5)			478	3	159
146	Dismantling Retired Road Property - Switching	184		(29)	1	156		159
147	Dismantling Retired Road Property - Other	54				54		54
148	Other - Running	1 259	65	339	2 572	4 235	8	4 243
149	Other - Switching	339		52	(121)	270		270
150	Other - Other	876	240	254	(172)	1 198	8	1 206
151	Total Way and Structures	188 354	123 083	15 168	88 789	415 394	5 417	420 811

REVISED: 9/79

410. RAILWAY OPERATING EXPENSE - Continued

Road Initial: BN

Year 19 78

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	EQUIPMENT:							
	LOCOMOTIVES:							
	Administration	4 438	(30)	70	359	4 837	60	4 897
201	Repair and Maintenance	42 349	52 045	873	663	105 930	1 985	107 915
202	Machinery Repair	1 854	1 183	13		3 050	21	3 071
203	Equipment Damaged	1 725	1 266	1		2 992	28	3 020
204	Fringe Benefits	N/A	N/A	N/A	11 743	11 743	273	12 016
205	Other Casualties and Insurance	N/A	N/A	N/A	1 504	1 504	6	1 510
206	Lease Rentals - Debit	N/A	N/A	19 188	N/A	19 188	73	19 261
207	Lease Rentals - (Credit)	N/A	N/A	112	N/A	112	2	114
208	Joint Facility Rent - Debit	N/A	N/A	109	N/A	109		109
209	Joint Facility Rent - (Credit)	N/A	N/A	111	N/A	111		111
210	Other Rents - Debit	N/A	N/A	2 748	N/A	2 748	1	2 749
211	Other Rents - (Credit)	N/A	N/A	5 650	N/A	5 650		5 650
212	Depreciation	N/A	N/A	N/A	15 768	15 768	17	15 785
213	Joint Facility - Debit	N/A	N/A	845	N/A	845		845
214	Joint Facility - (Credit)	N/A	N/A	1 194	N/A	1 194		1 194
215	Repairs Billed to Others - (Credit)	N/A	N/A	4 915	N/A	4 915		4 915
216	Dismantling Retired Property	76				76		76
217	Other	19	154	(2)	3	174	(5)	169
218	Total Locomotives	50 461	64 618	11 863	30 040	156 982	2 457	159 439
219	FREIGHT CARS:							
	Administration	3 680	42	137	399	4 258	N/A	4 258
220	Repair and Maintenance	56 599	72 218	13 990	1 077	148 884	N/A	148 884
221	Machinery Repair	1 463	896	65		2 421	N/A	2 421
222	Equipment Damaged	4 023	441	6 509	(277)	10 696	N/A	10 696
223	Fringe Benefits	N/A	N/A	N/A	15 491	15 491	N/A	15 491
224	Other Casualties and Insurance	N/A	N/A	N/A	8 676	8 676	N/A	8 676
225	Lease Rentals - Debit	N/A	N/A	14 775	N/A	14 775	N/A	14 775
226	Lease Rentals - (Credit)	N/A	N/A	1 342	N/A	1 342	N/A	1 342
227	Joint Facility Rent - Debit	N/A	N/A		N/A		N/A	
228	Joint Facility Rent - (Credit)	N/A	N/A	7	N/A	7	N/A	7
229	Other Rents - Debit	N/A	N/A	126 382	N/A	126 382	N/A	126 382
230	Other Rents - (Credit)	N/A	N/A	88 833	N/A	88 833	N/A	88 833
231	Depreciation	N/A	N/A	N/A	43 569	43 569	N/A	43 569
232	Joint Facility - Debit	N/A	N/A	384	N/A	384	N/A	384
233	Joint Facility - (Credit)	N/A	N/A	32	N/A	32	N/A	32
234	Repairs Billed to Others - (Credit)	N/A	N/A	33 817	N/A	33 817	N/A	33 817
235	Dismantling Retired Property	136				136	N/A	136
236	Other	191	156	25	(1 649)	(1 277)	N/A	(1 277)
237	Total Freight Cars	66 092	73 753	43 233	67 286	250 364	N/A	250 364
238								

410. RAILWAY OPERATING EXPENSE - Continued

Road Initials: BN

Year 19 78

Line No.	Name of railway operating expense account	Freight				Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		\$	\$	\$	\$	\$	\$
	EQUIPMENT						
	LOCOMOTIVES:						
		4 438	(30)	70	359	4 837	60
201	Administration	42 349	2 045	873	663	105 930	1 985
202	Repair and Maintenance	1 854	1 183	13		3 050	21
203	Machinery Repair	1 725	1 266	1		2 992	28
204	Equipment Damaged				11 743	11 743	273
205	Fringe Benefits	N/A	N/A	N/A	1 504	1 504	6
206	Other Casualties and Insurance	N/A	N/A	N/A		19 188	73
207	Lease Rentals - Debit	N/A	N/A	19 188	N/A	112	2
208	Lease Rentals - (Credit)	N/A	N/A	112	N/A	109	
209	Joint Facility Rent - Debit	N/A	N/A	109	N/A	111	
210	Joint Facility Rent - (Credit)	N/A	N/A	111	N/A	2 748	1
211	Other Rents - Debit	N/A	N/A	2 748	N/A	5 650	
212	Other Rents - (Credit)	N/A	N/A	5 650	N/A	15 262	17
213	Depreciation	N/A	N/A	N/A	15 262	845	
214	Joint Facility - Debit	N/A	N/A	845	N/A	1 194	
215	Joint Facility - (Credit)	N/A	N/A	1 194	N/A	4 915	
216	Repairs Billed to Others - (Credit)	N/A	N/A	4 915	N/A	76	
217	Dismantling Retired Property	76					(5)
218	Other	19	154	(2)	3	174	
219	Total Locomotives	50 461	64 618	11 863	29 534	156 476	2 457
	FREIGHT CARS:						
220	Administration	3 680	42	137	399	4 258	N/A
221	Repair and Maintenance	56 599	72 218	18 990	1 077	148 884	N/A
222	Machinery Repair	1 463	896	62		2 421	N/A
223	Equipment Damaged	4 023	441	6 509	(277)	10 696	N/A
224	Fringe Benefits	N/A	N/A	N/A	15 491	15 491	N/A
225	Other Casualties and Insurance	N/A	N/A	N/A	8 676	8 676	N/A
226	Lease Rentals - Debit	N/A	N/A	14 775	N/A	14 775	N/A
227	Lease Rentals - (Credit)	N/A	N/A	1 342	N/A	1 342	N/A
228	Joint Facility Rent - Debit	N/A	N/A		N/A		N/A
229	Joint Facility Rent - (Credit)	N/A	N/A	7	N/A	7	N/A
230	Other Rents - Debit	N/A	N/A	126 382	N/A	126 382	N/A
231	Other Rents - (Credit)	N/A	N/A	88 833	N/A	88 833	N/A
232	Depreciation	N/A	N/A	N/A	44 257	44 257	N/A
233	Joint Facility - Debit	N/A	N/A	384	N/A	384	N/A
234	Joint Facility - (Credit)	N/A	N/A	32	N/A	32	N/A
235	Repairs Billed to Others - (Credit)	N/A	N/A	33 817	N/A	33 817	N/A
236	Dismantling Retired Property	136				136	N/A
237	Other	191	156	25	(1 649)	(1 277)	N/A
238	Total Freight Cars	66 092	73 753	43 233	67 974	251 052	N/A

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
		\$	\$	\$	\$	\$	\$	\$
	EQUIPMENT - Continued:							
	OTHER EQUIPMENT:							
301	Administration	747	35	84	96	962	231	1 193
	Repair and Maintenance:							
302	Trucks, Trailers, and Containers - Revenue Service	189	74	2 126	2	2 391	N/A	2 391
303	Floating Equipment - Revenue Service						N/A	
304	Passenger and Other Revenue Equipment						1 370	1 370
305	Computers and Data Processing Systems	5	3	1 242		1 250	38	1 288
306	Machinery	668	493	74	(2)	1 233	160	1 393
307	Work and Other Non-Revenue Equipment	3 789	1 795	3 111	55	8 750	89	8 839
308	Equipment Damaged	49	(72)	336	(24)	289	30	319
309	Fringe Benefits	N/A	N/A	N/A	1 415	1 415	1 095	2 510
310	Other Casualties and Insurance	N/A	N/A	N/A	380	380	174	554
311	Lease Rentals - Debit	N/A	N/A	8 764	N/A	8 764	1 082	9 846
312	Lease Rentals - (Credit)	N/A	N/A	222	N/A	222	1	223
313	Joint Facility Rent - Debit	N/A	N/A	8	N/A	8		8
314	Joint Facility Rent - (Credit)	N/A	N/A		N/A			
315	Other Rents - Debit	N/A	N/A	9 610	N/A	9 610	1	9 611
316	Other Rents - (Credit)	N/A	N/A	4 403	N/A	4 403		4 403
317	Depreciation	N/A	N/A	N/A	4 135	4 135	21	4 156
318	Joint Facility - Debit	N/A	N/A	245	N/A	245	30	275
319	Joint Facility - (Credit)	N/A	N/A	471	N/A	471	3	474
320	Repairs Billed to Others - (Credit)	N/A	N/A	699	N/A	699		699
321	Dismantling Retired Property	79				79		79
322	Other	118	142	(21)	5	244	42	286
323	Total Other Equipment	5 644	2 470	19 784	6 062	33 960	4 359	38 319
324	Total Equipment	122 197	140 841	74 880	103 570	441 488	6 816	448 304

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410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account (a)	Freight					Passenger (g)	Total (h)
		Salaries and wages (b)	Material, tools, supplies, fuels, and lubricants (c)	Purchased services (d)	General (e)	Total freight expense (f)		
		\$	\$	\$	\$	\$	\$	\$
	EQUIPMENT - Continued:							
	OTHER EQUIPMENT:							
301	Administration	747	35	84	96	962	231	1 193
	Repair and Maintenance:							
302	Trucks, Trailers, and Containers - Revenue Service	189	74	2 126	2	2 391	N/A	2 391
303	Floating Equipment - Revenue Service						N/A	
304	Passenger and Other Revenue Equipment						1 370	1 370
305	Computers and Data Processing Systems	5	3	1 242		1 250	38	1 288
306	Machinery	668	493	74	(2)	1 233	160	1 393
307	Work and Other Non-Revenue Equipment	3 789	1 795	3 111	55	8 750	89	8 839
308	Equipment Damaged	49	(72)	336	(24)	289	30	319
309	Fringe Benefits	N/A	N/A	N/A	1 415	1 415	1 095	2 510
310	Other Casualties and Insurance	N/A	N/A	N/A	380	380	174	554
311	Lease Rentals - Debit	N/A	N/A	8 764	N/A	8 764	1 082	9 846
312	Lease Rentals - (Credit)	N/A	N/A	222	N/A	222	1	223
313	Joint Facility Rent - Debit	N/A	N/A	8	N/A	8		8
314	Joint Facility Rent - (Credit)	N/A	N/A		N/A			
315	Other Rents - Debit	N/A	N/A	9 610	N/A	9 610	1	9 611
316	Other Rents - (Credit)	N/A	N/A	4 403	N/A	4 403		4 403
317	Depreciation	N/A	N/A	N/A	4 317	4 317	21	4 338
318	Joint Facility - Debit	N/A	N/A	245	N/A	245	30	275
319	Joint Facility - (Credit)	N/A	N/A	471	N/A	471	3	474
320	Repairs Billed to Others - (Credit)	N/A	N/A	699	N/A	699		699
321	Dismantling Retired Property	79				79		79
322	Other	118	142	(21)	5	244	42	286
323	Total Other Equipment	5 844	2 470	19 784	6 244	34 142	4 359	38 501
324	Total Equipment	122 197	140 841	74 880	103 570	441 488	6 816	448 304

410. RAILWAY OPERATING EXPENSE - Continued

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		\$	\$	\$	\$	\$	\$	\$
	TRANSPORTATION:							
	TRAIN OPERATIONS:							
401	Administration	3 808	1 412	949	522	6 791	100	6 891
402	Engine Crews	63 421	2	897	4 223	68 543	1 367	69 910
403	Train Crews	126 361	511	1 160	7 591	135 623	2 081	137 704
404	Dispatching Trains	7 205	2	136	148	7 491	203	7 694
405	Operating Signals and Interlockers	4 734	22	613		5 369	191	5 560
406	Operating Drawbridges	1 250	1	46	1	1 298	20	1 318
407	Highway Crossing Protection	582	(2)	152	(34)	698	7	705
408	Train Inspection and Lubrication	22 953	750	150		23 853	1 493	25 346
409	Locomotive Fuel	1 457	134 064	2 179	(2)	137 698	1 350	139 048
410	Electric Power Purchased or Produced for Motive Power							
411	Servicing Locomotives	17 181	7 855	1 563	124	26 723	1 049	27 772
412	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	3 640	3 640		3 640
413	Clearing Wrecks	2 513	48	2 838	103	5 502	25	5 527
414	Fringe Benefits	N/A	N/A	N/A	54 047	54 047	2 997	57 044
415	Other Casualties and Insurance	N/A	N/A	N/A	15 338	15 338	701	16 039
416	Joint Facility - Debit	N/A	N/A	1 675	N/A	1 675		1 675
417	Joint Facility - (Credit)	N/A	N/A	2 217	N/A	2 217	10	2 227
418	Other	1 687	475	4 525	39	6 726	276	7 002
419	Total Train Operations	253 152	145 140	14 666	85 840	498 798	11 850	510 648
	YARD OPERATIONS:							
420	Administration	79	3	90	12	184		184
421	Switch Crews	89 587	(11)	4 023	901	94 500	591	95 091
422	Controlling Operations	11 584	38	73	133	11 828	77	11 905
423	Yard and Terminal Clerical	29 672	795	1 423	413	32 303	98	32 401
424	Operating Switches, Signals, Retarders and Humps	1 539	1 708	2		3 249	62	3 311
425	Locomotive Fuel	207	14 812	16		15 035	54	15 089
426	Electric Power Purchased or Produced for Motive Power							
427	Servicing Locomotives	4 903	765	26		5 694	44	5 738
428	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	742	742		742
429	Clearing Wrecks	1 943	3	228		2 174		2 174
430	Fringe Benefits	N/A	N/A	N/A	29 866	29 866	119	29 985
431	Other Casualties and Insurance	N/A	N/A	N/A	3 564	3 564	130	3 694
432	Joint Facility - Debit	N/A	N/A	8 816	N/A	8 816	2 128	10 944
433	Joint Facility - (Credit)	N/A	N/A	9 291	N/A	9 291		9 291
434	Other	1 776	161	182	108	2 227	613	2 840
435	Total Yard Operations	141 290	18 274	5 588	35 739	200 891	3 916	204 807

410. RAILWAY OPERATING EXPENSE - Continued

60

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	TRANSPORTATION - Continued:	\$	\$	\$	\$	\$	\$	\$
	TRAIN AND YARD OPERATIONS COMMON:							
501	Cleaning Car Interiors	1 459	(108)	390	N/A	1 741	737	2 478
502	Adjusting and Transferring Loads	553	(9)	481	N/A	1 025	N/A	1 025
503	Car Loading Devices and Grain Doors	55	1 981	354	N/A	2 390	N/A	2 390
504	Freight Loss or Damaged - all other	N/A	N/A	N/A	10 807	10 807		10 807
505	Fringe Benefits	N/A	N/A	N/A	555	555	251	806
506	Total Train and Yard Operations Common	2 067	1 864	1 225	11 362	16 518	988	17 506
	SPECIALIZED SERVICE OPERATIONS:							
507	Administration	2		27	1	30	N/A	30
508	Pickup & Delivery and Marine Line Haul	1 394	244	6 853	38	8 529	N/A	8 529
509	Loading & Unloading and Local Marine	5 065	403	1 925	11	7 404	N/A	7 404
510	Protective Services	208	74	4 162		4 444	N/A	4 444
511	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	272	272	N/A	272
512	Fringe Benefits	N/A	N/A	N/A	1 483	1 483	N/A	1 483
513	Casualties and Insurance	N/A	N/A	N/A	440	440	N/A	440
514	Joint Facility - Debit	N/A	N/A		N/A		N/A	
515	Joint Facility - (Credit)	N/A	N/A		N/A		N/A	
516	Other	12	4	34	61	111	N/A	111
517	Total Specialized Services Operations	6 681	725	13 001	2 306	22 713	N/A	22 713
	ADMINISTRATIVE SUPPORT OPERATIONS:							
518	Administration	3 526	9	146	533	4 214	42	4 256
519	Employees Performing Clerical and Accounting Functions	47 862	1 094	3 472	1 368	53 796	775	54 571
520	Communication Systems Operation	5 975	202	1 551	(50)	7 678	147	7 825
521	Loss and Damage Claims Processing	2 024		1	7	2 032		2 032
522	Fringe Benefits	N/A	N/A	N/A	13 640	13 640	239	13 879
523	Casualties and Insurance	N/A	N/A	N/A	(165)	(165)	22	(143)
524	Joint Facility - Debit	N/A	N/A	1 235	N/A	1 235	88	1 323
525	Joint Facility - (Credit)	N/A	N/A	1 430	N/A	1 430	7	1 437
526	Other	60	3	(36)	18	45	46	91
527	Total Administrative Support Operations	59 447	1 308	4 939	15 351	81 045	1 352	82 397
528	Total Transportation	462 637	167 311	39 419	150 598	819 965	18 106	838 071

410. RAILWAY OPERATING EXPENSE - Concluded

Line No.	Name of railway operating expense account	Freight					Passenger	Total
		Salaries and wages	Material, tools, supplies, fuels, and lubricants	Purchased services	General	Total freight expense		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	GENERAL AND ADMINISTRATIVE:	\$	\$	\$	\$	\$	\$	\$
601	Officers - General Administration	19 708	2 337	5 899	1 933	29 877	1 172	31 049
602	Accounting, Auditing and Finance	17 924	(108)	1 409	482	19 707	594	20 301
603	Management Services and Data Processing	6 825		2 001	143	8 969	381	9 350
604	Marketing	6 134		2 080	602	8 816	41	8 857
605	Sales	13 693	134	1 397	2 297	17 521		17 521
606	Industrial Development	354	11	81	(40)	406	N/A	406
607	Personnel and Labor Relations	3 922	20	491	433	4 866	191	5 057
608	Legal and Secretarial	4 401	39	2 243	694	7 377	289	7 666
609	Public Relations and Advertising	878	44	3 054	74	4 050	15	4 065
610	Research and Development	62		5	5	72		72
611	Fringe Benefits	N/A	N/A	N/A	28 022	28 022	662	28 684
612	Casualties and Insurance	N/A	N/A	N/A	458	458	(39)	419
613	Writedown of Uncollectible Accounts	N/A	N/A	N/A	2 642	2 642	1	2 643
614	Property Taxes	N/A	N/A	N/A	24 304	24 304	175	24 479
615	Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	26 241	26 241	225	26 466
616	Joint Facility - Debit	N/A	N/A	411	N/A	411		411
617	Joint Facility - (Credit)	N/A	N/A	67	N/A	67	1	68
618	Other	17	102	1 169	3 203	4 491	139	4 630
619	Total General and Administrative	73 918	2 579	20 173	91 493	185 163	3 845	192 008
620	Total Carrier Operating Expenses	847 106	433 814	149 640	434 450	1 865 010	34 184	1 899 194

412. WAY AND STRUCTURES

1. Report freight expenses only.
2. Furnish in column (b) the depreciation expenses and in column (c) the retirements pertaining to Way and Structures.
3. Report in column (d) the lease/rentals for the various property categories of Way and Structures. The total net lease/rentals presented on line 35 should balance with the total of the following accounts:

31-11-00	32-11-00
31-12-00	32-12-00
31-13-00	32-13-00
35-11-00	36-11-00
35-12-00	36-12-00
35-13-00	36-13-00

If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property categories is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases (or property bases for nondepreciable property) to the sum of (1) the depreciation bases for all categories of depreciable leased property plus (2) the property bases for nondepreciable leased property. Use Schedule 350 of this report for obtaining the depreciation bases of the categories of leased property.

4. Report on line 34 all other lease rentals not apportioned to any category listed on lines 1-33.

5. Report dollars in thousands.

Line No.	Property account	Category (a)	Depreciation (b)	Retirement (c)	Lease/Rentals (net) (d)
1	1	Engineering	\$ 444	\$ 112	\$ 13
2	2	Land for transportation purposes	N/A	N/A	
3	3	Grading	378	1 191	
4	4	Other right-of-way expenditures	67	2	
5	5	Tunnels and subways	338	65	
6	6	Bridges, trestles and culverts		N/A	
7	7	Elevated structures	3 280	N/A	
8	8	Ties	N/A	391	13
9	9	Rails	N/A	117	13
10	10	Other track material	N/A	(42)	13
11	11	Ballast	N/A	125	13
12	12	Track laying and surfacing	N/A	359	
13	13	Fences, snowsheds and signs	285	N/A	
14	16	Station and office buildings	3 556	N/A	383
15	17	Roadway buildings	210	N/A	5
16	18	Water stations	110	N/A	
17	19	Fuel stations	216	N/A	
18	20	Shops and enginehouses	1 523	N/A	319
19	22	Storage warehouses		N/A	
20	23	Wharves and docks	38	N/A	
21	24	Coal and ore wharves	316	N/A	
22	25	TOFC/COFC terminals	301	N/A	11
23	26	Communications systems	1 738	N/A	1
24	27	Signals and interlockers	3 116	N/A	
25	29	Power plants	31	N/A	
26	31	Power transmission systems	162	N/A	
27	35	Miscellaneous structures	87	N/A	
28	37	Roadway machines	2 171	N/A	557
29	39	Public improvements, construction	503	42	
30	45	Power plant machines	113	N/A	
31	76	Interest during construction	N/A	2	N/A
32	77	Other expenditures, general	N/A		N/A
33	80	Other elements of investment	N/A		N/A
34	-	Other lease/rentals			133
35	-	Total	18 983	2 364	1 474

412. WAY AND STRUCTURES

1. Report freight expenses only.
2. Furnish in column (b) the depreciation expenses and in column (c) the retirements pertaining to Way and Structures.
3. Report in column (d) the lease/rentals for the various property categories of Way and Structures. The total net lease/rentals presented on line 35 should balance with the total of the following accounts:

31-11-00	32-11-00
31-12-00	32-12-00
31-13-00	32-13-00
35-11-00	36-11-00
35-12-00	36-12-00
35-13-00	36-13-00

If an entire road or segment of track is leased and if the actual breakdown of lease/rentals by property categories is not known, apportion the lease/rentals based on the percentage of the categories' depreciation bases (or property bases for nondepreciable property) to the sum of (1) the depreciation bases for all categories of depreciable leased property plus (2) the property bases for nondepreciable leased property. Use Schedule 350 of this report for obtaining the depreciation bases of the categories of leased property.

4. Report on line 34 all other lease rentals not apportioned to any category listed on lines 1-33.
5. Report dollars in thousands.

Line No.	Property account	Category (a)	Depreciation (b)	Retirement (c)	Lease/Rentals (net) (d)
1	1	Engineering	\$ 435	\$ 112	\$ 23
2	2	Land for transportation purposes	N/A	N/A	
3	3	Grading	370	1 191	
4	4	Other right-of-way expenditures	67	2	
5	5	Tunnels and subways	329	65	
6	6	Bridges, trestles and culverts	3 212	N/A	
7	7	Elevated structures	-	N/A	
8	8	Ties	N/A	391	23
9	9	Rails	N/A	117	23
10	10	Other track material	N/A	(42)	23
11	11	Ballast	N/A	125	23
12	12	Track laying and surfacing	N/A	359	
13	13	Fences, snowsheds and signs	276	N/A	
14	16	Station and office buildings	3 499	N/A	681
15	17	Roadway buildings	227	N/A	9
16	18	Water stations	110	N/A	
17	19	Fuel stations	211	N/A	
18	20	Shops and enginehouses	1 489	N/A	587
19	22	Storage warehouses		N/A	
20	23	Wharves and docks	38	N/A	
21	24	Coal and ore wharves	367	N/A	
22	25	TC/FC/COFC terminals	292	N/A	20
23	26	Communications systems	1 700	N/A	2
24	27	Signals and interlockers	3 050	N/A	
25	29	Power plants	31	N/A	
26	31	Power transmission systems	153	N/A	
27	35	Miscellaneous structures	87	N/A	
28	37	Roadway machines	2 122	N/A	891
29	39	Public improvements, construction	490	42	
30	45	Power plant machines	109	N/A	
31	76	Interest during construction	N/A	2	N/A
32	77	Other expenditures, general	N/A		N/A
33	80	Other elements of investment	N/A		N/A
34	-	Other lease/rentals			236
35	-	Total	13 609	2 364	2 621

413. RENT FOR LEASED ROADS AND EQUIPMENT

1. This schedule may be omitted if total rent is less than 10% of net income before extraordinary items. Otherwise, give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 31-00-00.

2. Rents payable which are not classifiable under one of the three headings provided should be explained in a footnote.

3. If the respondent held under lease during all or any part of the year any road upon which no rent payable accrued, or if any portion of the charge shown hereunder is for construction on a line in which the respondent's leasehold interest will soon expire, give full particulars in a footnote.

4. Show the three largest items regardless of the dollar amount and all other items amounting to 10% or more of total rent for the year. (Dollars in thousands)

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (b)	Classification of Amount Column (b)		
			Interest on bonds (c)	Dividends on stocks (d)	Cash (e)
1	Lease of Garrison to Butte, MT Main	\$	\$	\$	\$
2	Line from Union Pacific RR. Co.	49			49
3	Lease of Orin Jct.-Wendover, WY				
4	Line from Col.&Sou. Ry. Co.	74			74
5					
6	Equipment Lease Rent Expense	42 514			42 514
7	(Schedules 361 & 363)				
8	All other items	3 941			3 941
9					
10	Total	46 578			46 578

414. RENTS FOR INTERCHANGED FREIGHT TRAIN CARS AND OTHER FREIGHT CARRYING EQUIPMENT

1. Report freight expenses only.
2. Report in this supporting schedule rental information by car type and other freight carrying equipment relating to the interchanged of railroad equipment, privately owned equipment and equipment leased for less than 30 days.
3. The gross amounts receivable and payable for freight-train cars should balance with Account 35-33-00 (debits) and 36-22-00 (credits). Trailer and container rentals in this schedule are included in Accounts 35-23-00 (debits) and 36-22-00 (credits) but will not balance with these accounts since rents for "Other revenue equipment" (excluding locomotives and freight-train cars) are also chargeable to these accounts.
4. Report in Columns (b) and (f) rentals for private-line cars (whether under railroad control or not) and shipper owned cars.

5. Report in Columns (c), (d), (g), and (h) rentals for railroad owned cars prescribed by the Commission in Ex Parte No. 334, for which rentals are settled on a combination mileage and time basis (basic per diem). Include railroad owned per diem tank cars on line 1.
 6. Report in Columns (e) and (i) the incentive per diem payments for Box and Gondola General Service—Unequipped cars prescribed by the Commission in Ex Parte No. 252. Basic per diem payments for these cars are to be reported in Columns (c), (d), (g), and (h).
- NOTES: Mechanical designations for each car type are shown in Schedule 710.
7. Thousand dollar reporting rule. (Dollars in thousands)

Line No.	Type of Equipment (a)	GROSS AMOUNTS RECEIVABLE Per Diem Basis				GROSS AMOUNTS PAYABLE Per Diem Basis			
		Private Line Cars (b)	Mileage (c)	Time		Private Line Cars (f)	Mileage (g)	Time	
				Basic (d)	Incentive (e)			Basic (h)	Incentive (i)
CAR TYPES:									
1	Box-Plain 40 Foot	\$	\$ 3 651	\$ 6 074	\$ 1 187	\$ 1	\$ 1 663	\$ 2 786	\$ 449
2	Box-plain 50 Foot and Longer		4 685	11 013	3115 3 061	2 314	5 518	11 545	4532 4 253
3	Box-Equipped		2 727	7 610	XXX 54	1	3 135	6 058	XXX 343
4	Gondola-Plain		616	2 793		10	1 863	3 339	
5	Gondola-Equipped		66	552	XXX		262	1 242	XXX
6	Hopper-Covered		3 827	14 112	XXX	7 614	2 848	10 680	XXX
7	Hopper-Open Top-General Service		638	2 537	XXX	19	1 634	3 432	XXX
8	Hopper-Open Top-Special Service		110	314	XXX	6	210	146	XXX
9	Refrigerator-Mechanical		1 364	2 782	XXX	511	472	640	XXX
10	Refrigerator-Non-Mechanical		2 221	5 084	XXX	4 324	2 067	4 763	XXX
11	Flat TOFC/COFC		132	105	XXX	12 215	400	323	XXX
12	Flat Multi-Level				XXX	2 874	323	366	XXX
13	Flat-General Service		440	943	XXX	180	455	661	XXX
14	Flat-Other		1 429	4 220	XXX	2 762	1 838	2 769	XXX
15	Tank-Under 22,000 Gallons		XXX	XXX	XXX	6 966	XXX	XXX	XXX
16	Tank-22,000 Gallons and Over		XXX	XXX	XXX	4 022	XXX	XXX	XXX
17	All Other Freight Cars		88	215	XXX	2 223	468	800	XXX
18	Total Freight Train Cars		21 994	58 354	4 302	46 042	23 156	49 550	5 045
OTHER FREIGHT CARRYING EQUIPMENT									
19	Refrigerated trailers			196	XXX	57		88	XXX
20	Other trailers			3 075	XXX	4 530		4 285	XXX
21	Refrigerated containers				XXX				XXX
22	Other containers				XXX	138			XXX
23	Total Trailers & containers			3 271	XXX	4 725		4 373	XXX
24	Auto Racks			4 184	XXX	52		2 537	XXX
25	Grand Total (Lines 18, 23, & 24)		21 994	65 809	4 302	50 819	23 156	56 460	5 045

415. SUPPORTING SCHEDULE: EQUIPMENT

SEE INSTRUCTIONS ON PAGE 65A

Line No	Types of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
LOCOMOTIVES:					
1	Diesel Locomotive - Yard	\$ 7 419	\$ 1 524	\$	\$ 16 168
2	Diesel Locomotive - Road	70 868	13 713		
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	78 287	15 237		16 168
FREIGHT TRAIN CARS:					
6	Box-Plain 40 Foot	6 444	4 693	(827)	632
7	Box-Plain 50 Foot and Longer	10 218	6 437	(4)	1 145
8	Box-Equipped	7 146	3 292	(22)	(9)
9	Gondola-Plain	14 522	2 575	(12)	820
10	Gondola-Equipped	1 693	1 377		111
11	Hopper-Covered	14 545	4 331	(1)	602
12	Hopper-Open Top-General Service	8 526	4 399	(259)	6 272
13	Hopper-Open Top-Special Service	1 174	497	(23)	713
14	Refrigerator-Mechanical	2 267	3 188		2 256
15	Refrigerator-Nonmechanical	12 289	1 550		406
16	Flat TOFC/COFC	15 649	83	(5)	
17	Flat Multi-level	3 728			
18	Flat-General Service	1 910	603	(8)	46
19	Flat-Other	4 695	1 639	(28)	139
20	All Other Freight Cars	10 724	2 493	(173)	(157)
21	cabooses	34	695		190
22	Auto Racks				277
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	115 067	42 952	(1 362)	13 433
OTHER EQUIPMENT-REVENUE FREIGHT HIGHWAY EQUIPMENT					
25	Refrigerated Trailers	19	6		
26	Other Trailers	1 532	595		1 125
27	Refrigerated Containers	1			
28	Other Containers	104			
29	Bogies				
30	Chassis	29	34		32
31	Other Highway Equipment (Freight)	8	313		
32	TOTAL HIGHWAY EQUIPMENT	1 693	948		1 157
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment	464			2 249
38	Machinery - Locomotives	2 046	506		(13)
39	Machinery - Freight Cars	2 421	610		(13)
40	Machinery - Other Equipment	713	182		(12)
41	Work & Other Non-revenue Equipment	2 988	3 180	(65)	1 733
42	TOTAL OTHER EQUIPMENT	3 632	4 478	(65)	3 994
43	TOTAL, ALL EQUIPMENT (FREIGHT PORTION)	203 679	63 615	(1 427)	34 752

SCHEDULE 415. SUPPORTING SCHEDULE: EQUIPMENT

1. Report freight expenses only.
2. Report by type of equipment all natural expenses relating to the equipment functions (salaries and wages, materials, tools, supplies, fuels and lubricants, purchases services, and general).
3. Report in column (b) the detail for functions 40 through 47 for the items listed in column (a). Freight car repair expenses shall be assigned directly to the various car types on the basis of job order records whenever possible. When it is necessary to apportion car repair expenses, the apportionment shall be made on the most equitable basis available to the carriers. The following list provides a basis for apportioning freight car repair expenses to car types: a. AAR Car Repair Billing (CRB) Standards; b. A carrier conducted study to determine car repair expenses by car types; and c. Other available standards valid for the respondent carrier. Some useful references in completing column (b) are: (1) Locomotives: Function 41—all natural expenses and account 40-21-41, (2) Freight Cars: Function 42—all natural expenses and account 40-22-42, (3) Highway Equipment: Function 43—all natural expenses and account 40-23-43, (4) Floating Equipment: Function 44—all natural expenses and account 40-23-44, (5) Passenger and Other Revenue Equipment: Function 45—all natural expenses and account 40-23-45, (6) Computer and Data Processing Equipment: Function 46—all natural expenses and account 40-23-46, (7) Machinery-Locomotives: Accounts xx-21-40 and 40-21-40, (8) Machinery-Freight Cars: Accounts xx-22-40 and 40-22-40, (9) Machinery-Other Equipment: Accounts xx-23-40 and 40-23-40, and (10) Work and Other Non-Revenue Equipment: Function 47—all natural expenses and account 40-23-47.
4. Depreciation charges shall be reported in column (c), and some useful references are: Locomotives: 62-21-00; Freight Cars: 62-22-00; Highway Equipment, Floating Equipment, Passenger and Other Revenue Equipment, Computer and Data Processing Equipment, Machinery-Other Equipment, Work and Other Non-Revenue Equipment: 62-23-00; Machinery-Locomotives: 62-21-00; Machinery-Freight Cars: 62-22-00.
5. Retirement charges shall be made on the basis of the actual units retired from service during the reporting period where the service value has been determined, based on the ledger value of salvage and insurance recovered. Report retirement charges in column (d). These charges, however, will not balance with those reported in Schedule 410. Retirement charges are included in, but not limited to, the following accounts: Locomotives: 61-21-99; Car Types: 61-22-99; Other Retirements: 61-23-99.
6. Lease/Rentals (net) shall be reported in column (e). Locomotives would balance to the net of 31-21-00, 32-21-00, 35-21-00 and 36-21-00. Car types would balance to the net of 31-22-00, 32-22-00 and rents for interchanged freight cars reported on Schedule 414. All other subschedule lease/rentals (net) would, in total balance to the net of 31-23-00, 32-23-00, 35-23-00 and 36-23-00; however, rents for interchanged trailers must be added from Schedule 414.

415. SUPPORTING SCHEDULE: EQUIPMENT

SEE INSTRUCTIONS ON PAGE 65A

REVISED: 9/79

Line No.	Types of Equipment (a)	Repairs (Net Expense) (b)	Depreciation (c)	Retirements (d)	Lease and Rentals (Net) (e)
LOCOMOTIVES:					
1	Diesel Locomotive - Yard	\$ 9 573 ✓	\$ 1,524 ✓		\$ 16 174 ✓
2	Diesel Locomotive - Road	31 442 ✓	12 738 ✓		
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	101 015 ✓	15 262 ✓		16 174 ✓
FREIGHT TRAIN CARS:					
6	Box-Plain 40 Foot	16 456 ✓	4 693 ✓	(827)	632
7	Box-Plain 50 Foot and Longer	20 712 ✓	6 427 ✓	(4)	1 143
8	Box-Equipped	10 816 ✓	3 293 ✓	(22)	(9)
9	Gondola-Plain	8 055 ✓	2 575 ✓	(12)	820
10	Gondola-Equipped	1 266 ✓	1 578 ✓		111
11	Hopper-Covered	20 252 ✓	9 231 ✓	(1)	602
12	Hopper-Open Top-General Service	7 479 ✓	4 399 ✓	(25)	6 272
13	Hopper-Open Top-Special Service	2 531 ✓	501 ✓	(23)	712
14	Refrigerator-Mechanical	4 823 ✓	3 188 ✓		2 256
15	Refrigerator-Nonmechanical	6 304 ✓	1 550 ✓	(5)	406
16	Flat TOL C/COFC	345 ✓	82 ✓		
17	Flat Multi-level				
18	Flat-General Service	3 107 ✓	603 ✓	(8)	46
19	Flat-Other	3 178 ✓	1 640 ✓	(28)	129
20	All Other Freight Cars	5 062 ✓	2 493 ✓	(172)	(157)
21	Caboose	575 ✓	695 ✓		170
22	Auto Racks	1 496 ✓			277
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	115 067 ✓	42 959 ✓	(1 362)	13 433
OTHER EQUIPMENT-REVENUE FREIGHT					
HIGHWAY EQUIPMENT					
25	Refrigerated Trailers	19 ✓	6 ✓		
26	Other Trailers	1 521 ✓	595 ✓		1 125
27	Refrigerated Containers	1 ✓			
28	Other Containers	104 ✓			
29	Bogies				
30	Chassis	29 ✓	34 ✓		32
31	Other Highway Equipment (Freight)	8 ✓	313 ✓		
32	TOTAL HIGHWAY EQUIPMENT	1 692 ✓	948 ✓		1 157
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Line-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment	1 250 ✓			4 720 ✓
38	Machinery - Locomotives	3 050 ✓	506 ✓		
39	Machinery - Freight Cars	2 421 ✓	610 ✓		
40	Machinery - Other Equipment	1 223 ✓	187 ✓		
41	Work & Other Non-revenue Equipment	8 750 ✓	3 187 ✓	(65)	2 045 ✓
42	TOTAL OTHER EQUIPMENT	16 704 ✓	4 485 ✓	(65)	6 765 ✓
43	TOTAL ALL EQUIPMENT (FREIGHT PORTION)	234 478 ✓	63 654 ✓	(1 427)	37 529 ✓

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417. SPECIALIZED SERVICE SUBSCHEDULE - TRANSPORTATION

Instructions:

1. Report freight expenses only.
2. Report in lines 1, 2, 3, 4, and 10, the total of those natural expenses (salaries and wages; material, tools, supplies, fuels and lubricants; purchased services; and general) incurred in the operation of each type of specialized service facility. This schedule *does not* include switching services performed by train and yard crews in connection with or within specialized service facilities.
3. When it is necessary to apportion expenses, such as administrative expenses to two or more services, they shall be apportioned on the most equitable basis available to the respondent and only to the services they support. The total expenses in column (j) should balance with the respective line items in Schedule 410, Railway Operating Expenses.
4. Report in column (b), line 2, the expenses incurred in highway movements of trailers and containers performed at the expense of the reporting railroad within a terminal area for the purpose of pick-up, delivery or highway interchange service. Report in column (b), line 3, the expenses incurred in operating facilities for handling trailers and/or containers including storage expenses.

5. The operation of floating equipment in line-haul service (between distinct terminals) should be reported in column (c) on line 2. Floating operations conducted within a general terminal or harbor area should be reported in column (c), line 3.

6. Report in column (g), line 3, the expenses incurred by the railroad in loading and unloading automobiles, trucks, etc., to and from bi-level and tri-level auto rack cars. Report on line 2, column (g), the expense incurred by the railroad in moving automobiles, etc., between bi-level and tri-level loading and unloading facilities over the highway to shippers, receivers or connecting carriers. Report in column (f) operating expenses for land facilities in support of floating operations, including the operation of docks and wharves.

7. Report on line 4, column (b), the expenses related to heating and refrigeration of TOFC/COFC trailers and containers (net debits and credits). The expenses on line 4, column (h) relate to refrigerator cars only.

8. Report in column (i) total expenses incurred in performing rail substitute service, other highway revenue service, LCL terminal operations, warehouse operations, freight car transloading, grain elevator terminal operations and livestock feeding operations only.

9. Thousand dollar Reporting Rule.

Line No.	Items	TOFC/COFC Terminal	Floating Equipment	Coal Marine Terminal	Ore Marine Terminal	Other Marine Terminal	Motor Vehicle Load and Distribution	Protective Services Refrigerator Car	Other Special Services	Total Columns (b-i)
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	Administration	\$ 1	\$	\$	\$ 27	\$	\$	\$	\$ 2	\$ 30
2	Pick up & delivery, marine line haul	7 244					1	N/A	1 284	8 529
3	Loading and unloading and local marine	1 566			3 588		691	N/A	1 559	7 404
4	Protective services							4 444		4 444
5	Freight lost or damaged-solely related	12					10	43	207	272
6	Fringe benefits	370			564			46	503	1 483
7	Casualty and insurance	161			50		16	(3)	216	440
8	Joint facility - Debit									
9	Joint facility - Credit									
10	Other	3			1		2	1	104	111
11	Total	9 357			4 230		720	4 531	3 875	22 713

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION

This schedule should be completed by carriers participating in the National Railroad Passenger Corporation (NRPC) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-No. 3). Classify by accounts the amounts credited for remunerations for intercity passenger service performed by respondent on behalf of NRPC. All contra entries should be indicated in parenthesis. (Dollars in thousands.)

Line No.	Name of Account (a)	Amount (b)
	WAY AND STRUCTURES	\$
	Administration	
1	Track _____	
2	Bridge and Building _____	
3	Signal _____	
4	Communication _____	
5	Other _____	
	Repair and Maintenance	
6	Roadway - Running _____	156
7	Roadway - Switching _____	1
8	Tunnels and Subways - Running _____	3
9	Tunnels and Subways - Switching _____	
10	Bridges and Culverts - Running _____	68
11	Bridges and Culverts - Switching _____	
12	Ties - Running _____	197
13	Ties - Switching _____	8
14	Rail - Running _____	88
15	Rail - Switching _____	2
16	Other Track Material - Running _____	125
17	Other Track Material - Switching _____	2
18	Ballast - Running _____	52
19	Ballast - Switching _____	
20	Track laying and surfacing - Running _____	486
21	Track laying and surfacing - Switching _____	26
22	Road Property Damaged - Running _____	
23	Road Property Damaged - Switching _____	
24	Road Property Damaged - Other _____	
25	Signals and Interlockers - Running _____	
26	Signals and Interlockers - Switching _____	
27	Communications systems _____	1
28	Electric Power Systems _____	3
29	Highway Grade Crossings - Running _____	10
30	Highway Grade Crossings - Switching _____	
31	Station and Office Buildings _____	895
32	Shop Buildings - Locomotives _____	40
33	Shop Buildings - Other Equipment _____	

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Continued

Line No.	Name of Account (a)	Amount (b)
	Repair and Maintenance—Continued	\$
101	Locomotive Servicing Facilities	49
102	Miscellaneous Buildings and Structures	
109	Roadway Machines	108
110	Small Tools and Supplies	63
111	Snow Removal	59
112	Fringe Benefits - Running	268
113	Fringe Benefits - Switching	7
114	Fringe Benefits - Other	
115	Casualties and Insurance - Running	1
116	Casualties and Insurance - Switching	
117	Casualties and Insurance - Other	
118	Lease Rentals - Debit - Running	
119	Lease Rentals - Debit - Switching	
120	Lease Rentals - Debit - Other	
121	Lease Rentals - (Credit) - Running	
122	Lease Rentals - (Credit) - Switching	
123	Lease Rentals - (Credit) - Other	
124	Joint Facility Rent - Debit - Running	
125	Joint Facility Rent - Debit - Switching	
126	Joint Facility Rent - Debit - Other	
127	Joint Facility Rent - (Credit) - Running	
128	Joint Facility Rent - (Credit) - Switching	
129	Joint Facility Rent - (Credit) - Other	
130	Other Rents - Debit - Running	
131	Other Rents - Debit - Switching	
132	Other Rents - Debit - Other	
133	Other Rents - (Credit) - Running	
134	Other Rents - (Credit) - Switching	
135	Other Rents - (Credit) - Other	
136	Depreciation - Running	
137	Depreciation - Switching	
138	Depreciation - Other	
139	Joint Facility - Debit - Running	
140	Joint Facility - Debit - Switching	
141	Joint Facility - Debit - Other	
142	Joint Facility - (Credit) - Running	
143	Joint Facility - (Credit) - Switching	
144	Joint Facility - (Credit) - Other	
145	Dismantling Retired Road Property - Running	
146	Dismantling Retired Road Property - Switching	
147	Dismantling Retired Road Property - Other	
148	Other - Running	
149	Other - Switching	1
150	Other - Other	79
151	Total WAY AND STRUCTURES	2 798

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	EQUIPMENT	\$
	Locomotives	
		75
201	Administration	1 709
202	Repair and Maintenance	24
203	Machinery Repair	
204	Equipment Damaged	197
205	Fringe Benefits	
206	Other Casualties and Insurance	67
207	Lease Rentals - Debit	
208	Lease Rentals - (Credit)	
209	Joint Facility Rent - Debit	
210	Joint Facility Rent - (Credit)	
211	Other Rents - Debit	
212	Other Rents - (Credit)	
213	Depreciation	45
214	Joint Facility - Debit	
215	Joint Facility - (Credit)	
216	Repairs Billed to Others - (Credit)	
217	Dismantling Retired Property	
218	Other	
219	Total Locomotives	2 117
	Other Equipment	
301	Administration	75
	Repair and Maintenance:	
304	Passenger and Other Revenue Equipment	3 993
305	Computers and Data Processing System	
306	Machinery	112
307	Work and Other Non-Revenue Equipment	18
308	Equipment Damaged	
309	Fringe Benefits	717
310	Other Casualties and Insurance	24
311	Lease Rentals - Debit	20
312	Lease Rentals - (Credit)	
313	Joint Facility Rent - Debit	
314	Joint Facility Rent - (Credit)	
315	Other Rents - Debit	
316	Other Rents - (Credit)	
317	Depreciation	
318	Joint Facility - Debit	
319	Joint Facility - (Credit)	
320	Repairs Billed to Others - (Credit)	
321	Dismantling Retired Property	
322	Other	4
323	Total Other Equipment	4 963
324	TOTAL EQUIPMENT	7 080

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Continued

Line No.	Name of Account (a)	Amount (b)
	TRANSPORTATION	\$
	Train Operation	
401	Administration	397
402	Engine Crews	4 391
403	Train Crews	4 055
404	Dispatching Trains	113
405	Operating Signals and interlockers	
406	Operating Drawbridges	
407	Highway Crossing Protection	
408	Train Inspection and Lubrication	
409	Locomotive Fuel	2 893
410	Electric Power Purchased or Produced for Motive Power	
411	Servicing Locomotives	1 172
412	Freight Lost or Damaged - Solely Related	
413	Clearing Wrecks	6
414	Fringe Benefits	2 156
415	Other Casualties and Insurance	80
416	Joint Facility - Debit	
417	Joint Facility - (Credit)	
418	Other	665
419	Total Train Operations	15 928
	Yard Operations	
420	Administration	
421	Switch Crews	578
422	Controlling Operations	
423	Yard and Terminal Clerical	133
424	Operating Switches, Signals, Retarders and Humps	75
425	Locomotive Fuel	49
426	Electric Power Purchased or Produced for Motive Power	
427	Servicing Locomotives	6
428	Freight Lost or Damaged - Solely Related	
429	Clearing Wrecks	1
430	Fringe Benefits	167
431	Other Casualties and Insurance	
432	Joint Facility - Debit	
433	Joint Facility - (Credit)	
434	Other	
435	Total Yard Operations	1 009

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION--Concluded

Line No.	Name of Account (a)	Amount (b)
	Train and Yard Operations Common	\$
501	Cleaning Car Interiors	2 946
504	Freight Lost or Damaged - all other	
505	Fringe Benefits	456
506	Total Train and Yard Operations Common	3 402
	Administrative Support Operations	
518	Administration	
519	Employees Performing Clerical and Accounting Functions	711
520	Communication Systems Operation	
521	Loss and Damage Claims Processing	
522	Fringe Benefits	155
523	Casualties and Insurance	
524	Joint Facility - Debit	
525	Joint Facility - (Credit)	
526	Other	
527	Total Administrative Support Operations	863
528	TOTAL TRANSPORTATION	21 205
	GENERAL AND ADMINISTRATIVE	\$
601	Officers - General Administration	47
602	Accounting, Auditing and Finance	275
603	Management Services and Data Processing	
604	Marketing	37
605	Sales	
607	Personnel and Labor Relations	
608	Legal and Secretarial	40
609	Public Relations and Advertising	
610	Research and Development	
611	Fringe Benefits	85
612	Casualties and Insurance	
613	Writedown of Uncollectible Accounts	
614	Property Taxes	
615	Other Taxes Except on Corporate Income or Payrolls	
616	Joint Facility - Debit	
617	Joint Facility - (Credit)	
618	Other	63
619	TOTAL GENERAL AND ADMINISTRATIVE	547
	TOTAL REMUNERATIONS	31 630

SUPPLEMENTAL SUMMARY TO SCHEDULE 419
ANNUAL REPORT FORM R-1

Summary of Incentive and Penalty Payment Adjustments
for the Year Ended December 31, 1978

<u>Performance Standard</u>	<u>Amount</u> <u>Payment Adjustments</u>	
	<u>Incentives</u>	<u>Penalties</u>
1. Schedule adherence	\$ 1,219	-
2. Recovered time/excessive delays - net	-	-
3. Car cleanliness	-	-
4. Locomotive operability - net	-	-
5. Car operability - net	-	-
6. Locomotive availability	-	-
7. Car availability	-	-
8. Other (Preventive Maintenance eff. 9/1/76)	520	-
9. Totals (Sum of 1-8)	\$ 1,739	
10. Net amount, if any, credited to Account 110, Miscellaneous	\$ 1,739	

Note: Present agreement with Amtrak does not provide for
incentives or penalties reportable on lines 2 through 7.

1/ Show actual amounts applicable to line items 1-8, notwithstanding
any resultant negative balance on a cumulative basis during the
contract year, which precluded a required payment to AMTRAK.

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430. MISCELLANEOUS RENT INCOME

1. This may be omitted if the total represents less than 10% of net income.
2. Give particulars of rents receivable accrued for use of all properties not otherwise specified under rent receivable*. This account is for rent income from property not operated by the respondent but the cost of which is properly included in cost of road and equipment. It should not

*See text of Account 510, "Miscellaneous rent income".

be confused with rents of buildings and other property in Account 110, which is for rent revenue from operated property in road and equipment the cost of operation of which cannot be separately stated.

3. Show amount of rent from three properties producing largest income, and any other property producing income exceeding 10% of net income.

4. Report dollars in thousands.

Line No.	Description of Property		Name of lessee (c)	Amount of Rent (d)
	Name (a)	Location (b)		
1	Office plant site	Cicero, IL	Ceco Corp	\$ 82
2	Parking lot site	Seattle, WA	Sears Roebuck & Co	50
3	Parking lot site	Seattle, WA	Diamond Parking	46
4	All other items			12 916
5				
6				
7				
8				
9				
10			Total	13 094

440. MISCELLANEOUS RENTS (EXPENSE)

This schedule may be omitted if total miscellaneous rents is less than 10% of net income before extraordinary items.

Show the three largest items regardless of the dollar amount and all other items amounting to 10% or more of net income.

Give particulars of all properties the rents on which were charged

by the respondent during the year to income under the heading "Miscellaneous rents," showing for each item the total charge therefor to income. See Account 543.

(Dollars in thousands)

Line No.	Description of Property		Name of lessor (c)	Amount charged to Income (d)
	Name (a)	Location (b)		
1	Total Account 543 is less than 10% of net income before			\$
2				
3	extraordinary items.			
4				
5				
6				
7				
8				
9				
10			Total	

445. SEPARATELY OPERATED PROPERTIES - PROFIT OR LOSS

Give particulars of the several separately operated properties of companies having a corporate existence separate and distinct from that of the respondent, the profits or losses resulting from the operation of which are receivable or payable in whole or in part by the respondent, and for each such separately operated property state the amount of such profits or losses accrued to the respondent during the year. Show the three largest items regardless of the dollar

amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000". No dividends or other returns on securities held by or for the respondent should be shown hereunder nor any interest on construction advances or other loans.

(Dollar in thousands)

Line No.	Description of property operated (a)	Location of property (b)	Name of operator (c)	ACCRUED TO RESPONDENT	
				Profit (d)	Loss (e)
1	Taconite Ore Dock	Superior, WI	Burlington Northern	\$	\$
2			Dock Corporation	853	
3					
4					
5					
6					
7					
8					
9					
10			Total	853	

450. ANALYSIS OF FEDERAL INCOME TAXES

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other", including State and other taxes deferred if computed separately. Minor items each less than \$100,000 may be combined in a single entry under "Other".

2. Indicate in column (b) the beginning of the year total of accounts 714, 744, 762 and 786 applicable to each particular item in column (a).

3. Indicate in column (c) the net change in accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.

4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back.

5. The total of line 10 in columns (c) and (d) should agree with the total of the contra charges (credits) to account 557, provision for deferred taxes, and account 591, provision for deferred taxes—extraordinary items, for the current year.

6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of accounts 714, 744, 762 and 786.

Report dollars in thousands.

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21.	\$ 237 281	\$ 14 144	\$	\$ 251 425
2	Accelerated amortization of facilities Sec. 168 I.R.C.	22 169	(1 440)		20 729
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.				
4	Amortization of rights of way, Sec. 185 I.R.C.				
5	Other (Specify) (See page 75-A)	(51 522)	(22, 693)		(74 215)
6					
7					
8					
9	Investment tax credit*	(10 378)	11 789		1 411
10	TOTALS	197 550	1 800		199 350

*Footnotes:

11. If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit \$ 44 011
12. If deferral method for investment tax credit was elected:
- (1) Indicate amount of credit utilized as a reduction of tax liability for current year \$ N/A
- (2) Deduct amount of current year's credit applied to reduction of tax liability but deferred for accounting purposes \$ N/A
- (3) Balance of current year's credit used to reduce current year's tax accrual \$ N/A
- (4) Add amount of prior year's deferred credits being amortized to reduce current year's tax accrual \$ N/A
- (5) Total decrease in current year's tax accrual resulting from use of investment tax credits \$ N/A

N/A - Not Applicable

Schedule 450 (continued)
Analysis of Federal Income Taxes (Dollars in thousands)

Particulars (a)	Beg. of year balance (b)	Net credits (charges) for current year (c)	Adjustments (d)	End of year balance (e)
Other:				
Charges to provision for losses recorded in prior years relating to Merger & discontinuance of passenger service - which are currently deductible	(12 861)	2 690	6 919	(3 252)
Net provision for losses and write-downs of investments and other assets not deductible in current year	(3 287)	(1 935)		(5 222)
Revenues & gains taxable in other years	4 744	(800)		3 944
Accruals for casualties, claims and other expenses not deductible in current year	(26 055)	(9 550)		(35 605)
Interest during construction and other costs capitalized - deductible currently for tax purposes	5 637	1 689		7 326
Asset Depreciation Range expense adjustment, capitalized for tax purposes - net	(14 880)	(16 868)		(31 748)
Taxable sale & leaseback transactions, net of financial stmt. amortization	(2 561)	326		(2 235)
Taxable net gains on property retirements credited to accumulated depreciation	(1 328)	(847)		(2 175)
Deferred state income taxes net of Federal tax benefit	3 446	341		3 787
Amortization of railroad grading and tunnel bores - net		3 225		3 225
Miscellaneous	(4 377)	(964)	(6 919)	(12 260)
Total Other	<u>(51 522)</u>	<u>(22 693)</u>	<u>-0-</u>	<u>(74 215)</u>

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451. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property, and U.S. Government taxes.

2. Report dollars in thousands.

A. Other than U.S. Government Taxes

Line No.	State (a)	Amount (b)	State (a)	Amount (b)	Line No.
1	Alabama	\$	South Dakota	\$ 255	41
2	Alaska		Tennessee	1	42
3	Arizona	1	Texas	2	43
4	Arkansas		Utah		44
5	California	75	Vermont		45
6	Colorado	951	Virginia	1	46
7	Connecticut		Washington	7 086	47
8	Delaware	125	West Virginia		48
9	Florida	1	Wisconsin	1 997	49
10	Georgia	1	Wyoming	1 373	50
11	Hawaii		District of Columbia	1	51
12	Idaho	523			
13	Illinois	4 238	Other		
14	Indiana	1	Canada	1 356	52
15	Iowa	1 708	Mexico	109	53
16	Kansas	134	Puerto Rico		54
17	Kentucky				55
18	Louisiana		Total—Other than U.S. Government Taxes	54 326	56
19	Maine				
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax (a)	Amount (b)	
22	Michigan	1		\$	
23	Minnesota	14 258			
24	Mississippi		Income taxes:		
25	Missouri	2 223	Normal tax and surtax	(14 973)	57
26	Montana	7 967	Excess profits		58
27	Nebraska	5 034	Total—Income taxes	(14 973)	59
28	Nevada		Old-age retirement*	127 522	60
29	New Hampshire		Unemployment insurance	18 066	61
30	New Jersey	1	All other United States Taxes	286	62
31	New Mexico		Total—U.S. Government Taxes	130 901	63
32	New York	1	Grand Total—Railway Tax Accruals	185 227	64
33	North Carolina				
34	North Dakota	3 618			
35	Ohio	10			
36	Oklahoma		*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon	1 262	Hospital insurance	\$ 7 438	65
38	Pennsylvania	2	Supplemental annuities	11 848	66
39	Rhode Island				
40	South Carolina				

460. ITEMS IN SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS FOR THE YEAR

Give a brief description for all items, regardless of amount, included during the year in accounts 555, "Unusual or infrequent items"; 560, "Income or loss from operations of discontinued segments"; 562, "Gain or loss on disposal of discontinued segments"; 570, "Extraordinary items"; 590, "Income taxes on extraordinary items"; 592, "Cumulative effect of changes in accounting principles"; 603, "Appropriations released"; 606, "Other credits to retained earnings"; 616, "Other debits to retained earnings"; 620, "Appropriations for sinking and other funds"; 621,

"Appropriations for other purposes". If appropriations released reflect appropriations provided during the year, each account should not be reported.

For accounts 519, "Miscellaneous income" and 551, "Miscellaneous income charges", if the total in either account exceeds 10% of net income before extraordinary items, describe the three largest items in each account and any other items in excess of 1% of net income.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	603	Appropriations released		
2		Amount appropriated from income in 1977 for		
3		sinking fund requirements under G.N. General		
4		Mortgage Bonds Series N, O, P and Q as bonds		
5		theretofore acquired from funds derived from		
6		income were used for the requirement, payable		
7		July 1, 1978		1 125
8				
9	606	Other credits to retained income		
10		Net gain from retirement of preferred \$10 par		
11		stock for sinking fund requirement		398
12				
13	620	Appropriation for sinking and other funds		
14		Appropriation from 1978 income for sinking fund		
15		requirements payable July 1, 1979, G.N. General		
16		Mortgage Bonds Series N, O, P and Q	1 125	
17				
18	621	Appropriations for other purposes		
19		Incentive per diem	30	
20				
21	519	Miscellaneous income		
22		Profit on land sales		10 959
23		Merger and NRPC adjustment ----		
24		Excess reserve established in 1970 and 1971		3 510
25		Premium on exchange of funds between U.S. and		
26		Canada		2 152
27		Other items each less than 10% of net income		2 208
28		Total Account 519		18 829
29				
30	551	Miscellaneous income charges		
31		Norfolk & Western Ry.-Work stoppage	6 002	
32		Discount on exchange of funds between Canada		
33		and U.S.	3 041	
34		Glacier Park Company-Write down of investment	3 000	
35				
36		Other items each less than 10% of net income	5 482	
37		Total Account 551	17 525	
38				
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470. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES AND AFFILIATES

1. In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowance for expenses, or any form of payments amounting in the aggregate to \$50,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person, except:

(a) Payments to employees of the respondent shall be reported in Schedule 900.

(b) Payments for services rendered by affiliates.

(c) Payments for accounting and audit fees must be reported in full regardless of the \$50,000 limitation. These fees must not be included with management fees paid to parent companies.

2. The aggregate of payments to be reported in column (c) shall include amounts paid and/or accrued during the year which are applicable to the year.

3. When contributions under \$50,000 are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespective of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$100,000 or more.

4. Payments to the independent public accountant reporting on the respondent's annual report shall be subdivided to show separately the amount paid for auditing and the total amount paid for other types of management services such as, but not limited to, compensation plans, pension plans, forecasts and budgets, and tax advice. All carriers, whether payments aggregate more or less than \$50,000, shall answer the following question.

Did the independent accountant reporting on the respondent's annual report provide any management services other than auditing?

Specify: Yes ☐ No ☐

5. To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation,

accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling waste disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railroad associations, commissions, committees, bureaus, boards, and other organizations maintained jointly by railroads shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

6. To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services shall be reported. Payments of \$50,000 or more to organizations maintained jointly by railroads with other railroads are not to be excluded even if their services are regarded as routine.

7. If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads. When the respondent is reporting on a system basis, audit fees must be reported separately for each individual railroad included in the system.

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

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
			\$
1	Assoc. of American Railroads	Assessments and Expenses	2 351
2	Western Railroad Assoc.	Assessments and Expenses	3 682
3	Eastern Railroad Assoc.	Expenses	26
4	California Railroad Assoc.	Contributions	3
5	Colorado Railroad Assoc.	Expenses	8
6	Illinois Railroad Assoc.	Assessment	17
7	Iowa Railroad Assoc.	Assessment	10
8	Kansas Railroad Assoc.	Expenses	3
9	Minnesota Railroad Assoc.	Expenses	163
10	Montana Railroad Assoc.	Expenses	61
11	Nebraska Railroad Assoc.	Expenses	71
12	North Dakota Railway Lines	Expenses	10
13	Oregon Railroad Assoc.	Contribution	30
14	South Dakota Railroad Assoc.	Assessment	7
15	Washington Railroad Assoc.	Assessment	45
16	Wisconsin Railroad Assoc.	Expenses	1
17	Canadian Car Demurrage Bureau	Assessments	2
18	Canadian Freight Assoc.	Expenses	20
19	A. J. Hendry Inc.	Services	57
20	Arthur G. McKee Inc.	Services	436
21	Bache, Halsey, Stuart-Shields	Services	112
22	Batten, Barton, Durstine & Osborn	Advertising	2 045
23	Brooks, Harvey & Co. Inc.	Commission	260
24	Carl Byoir & Assoc. Inc.	Services	275
25	Cytrol	Services	81
26	Deloitte, Haskins & Sells	Auditing Services	465
27	Deloitte, Haskins & Sells	Other Services	39
28	Elerbe	Services	187

470. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES AND AFFILIATES

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
			\$
1	Foster Assoc. Inc.	Services	79
2	Georgeson	Services	61
3	Henningson, Durham & Richardson	Services	242
4	Hoskins - Western - Sonderegger	Services	110
5	Howard, Needles, Tammen & Bergendoff	Services	116
6	Informatics	Services	65
7	Knudsen, Berkheimer, Endacott & Beam	Services	174
8	Morgan Guaranty Trust Co. of New York	Services	106
9	Morgan Stanley & Co. Inc.	Services	516
10	MTS Associates Inc.	Services	60
11	National Railway Labor Conference	Assessments	270
12	Nilles, Hansen, Selbo, Magill & Davies Ltd.	Services	88
13	Northwestern Nat'l Life Insurance Co.	Services	211
14	Padilla & Speer Inc.	Expenses and Service	59
15	R. R. Donnelly & Sons Co.	Services	149
16	Railway Association of Canada	Expenses	1
17	Richard J. Barber Associates	Services	131
18	Sidley and Austin	Services	606
19	Smathers, Symington & Herlone	Services	50
20	Sverdrup, Parcel & Associates Inc.	Services	54
21	Technalysis Corporation	Services	121
22	Teknekron Inc.	Services	90
23	United Research Co.	Services	108
24	Vibrant Films Inc.	Services	64
25	William M. Mercer, Inc.	Actuarial	85
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28			

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500. CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-c in the Uniform System of Accounts for Railroad Companies, that are not reflected in the accounts of the respondent.

Disclose all items amounting to \$100,000, or more. If an actual monetary amount is not known and an estimate of the amount of any item involved is not feasible, disclosure should be made describing the contingency and explaining why an estimate is not determinable.

Examples of contingent liabilities are items which may become obligations as a result of pending or threatened litigation,

assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property.

2. Information concerning the guaranties and suretyships are to be shown in other schedules provided for those items and not in this schedule.

3. In column (a) give a description of each item of contingent assets and liabilities under an inserted caption "CONTINGENT ASSETS" or "CONTINGENT LIABILITIES," as appropriate, and in column (b) show the amount of each item.

(Dollars in thousands)

Line No.	Item (a)	Amount (b)
1	Contingent Liabilities:	\$
2	At December 31, 1978 the Respondent was liable as guarantor, individually or jointly with others, of certain obligations of affiliated companies amounting to	133 367
3		
4		
5		
6	At December 31, 1978 the Respondent was contingently liable as guarantor, together with other participating companies, of certain obligations of Trailer Train Company aggregating approximately	6 008
7		
8		
9		
10	At December 31, 1978 the Respondent was contingently liable as guarantor, of future lease rental obligations under a 15-year lease of 1,000 box cars by American Rail Box Car Company	32 405
11		
12		
13		
14	The respondent carries a service interruption policy with the Imperial Insurance Company, Limited under which it will be entitled to indemnity for certain work-stoppage losses. In the event such losses are sustained by other railroads holding similar policies, the Respondent may be obligated to pay additional premiums.	
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BURLINGTON NORTHERN INC 1978

3

501. GUARANTIES AND SURETYSHIPS

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

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. Items of less than \$50,000 may be shown as one total.
(Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Belt Ry. Co. of Colo	F.D. 22140 Principal, Interest and	\$	
2	AT&SF CR&P L&N	Sinking Fund on First Mtge 4-5/8%		
3	BN Inc. N&W	Sinking Fund Bonds, Series A, due		
4	C&EI GTW	8-15-1987		Joint &
5	C&O ICG Soo Line		23 212	Several
6				
7	BN Transport Inc.	Condl. sale agreements, Various	243	Sole
8				
9	Butte Pipe Line Co.	Through-put agreement dated Sept. 1, 1975	3 200	Several
10	BN Inc.-Shell Oil Co			
11	Murphy Oil Corp.			
12	Western Crude Oil Inc			
13		Each stockholder shall ship its percentage of the amount of		
14		petroleum which, with amounts shipped by others, will provide Butte		
15		Pipe Line Co. a sufficient amount of gross revenue, with other		
16		available cash resources, to discharge all of the Company's obliga-		
17		tions during each accounting period; therefore, the respondent's		
18		proportion of the amount shown in column (c) is not presently		
19		determinable.		
20				
21	Chicago Union Sta Co	F.D. 22587 First Mortgage	24 000	Joint &
22	BN Inc.-Ch St P&P	Sinking Fund 4-5/8% Bonds		Several
23		Due June 1, 1988		
24				
25	Col & South Ry. Co.	Condl. sale agreements, Various	530	Sole
26	Col & South Ry. Co.	Equip. Trust of 1971 8% matures 8-1-86	3 240	Sole
27	Col & South Ry. Co.	Equip. Trust of 1972 7% matures 4-1-87	6 462	Sole
28	Col & South Ry. Co.	Equip. Trust of 1974 9% matures 11-1-89	11 220	Sole
29	Col & South Ry. Co.	Future Equip Lease Pmts. aggregating	3 087	Sole
30	Ft Worth & Denver RyCo	Condl. sale agreement dated 11-15-74		
31		11% matures 11-1-89	3 754	Sole
32				
33	Great Midwest Corp.	BN Inc. is severally liable as		
34	Glacier Park Company	guarantor of notes aggregating	3 000	Several
35	(BN Inc.)			
36	James E. Burke, Sr.			
37	Lamar Hunt			
38				
39	Illinois Term RR Co.	F.D. 22292 Principal, Interest and		
40	ICG CR&P N&W	Sinking Fund on First Mtge. 4-5/8%		
41	BN Inc. StLSF Conrail	Sinking Fund Bonds, Series A, due	5 353	Joint &
42	C&EI C&NW ICG	12-1-1987		Several
43				
44	Illinois Term RR Co	Agreement dated Oct. 14, 1955		
45	ICG CR&P N&W	Respondent is guarantor of pro rata		
46	BN Inc. StLSF Conrail	share of basic rent payments of McKinley		
47	C&EI C&NW ICG	Toll Bridge, Venice, IL; 9.09% of		Joint &
48		\$250,000, or \$22,725.	250	Several
49				
50	Kansas City Term RyCo	F.D. 27555 Principal and Interest on		
51	AP&SF ICG N&W	Guaranteed Senior notes dated March		
52	BN Inc KCS StLSF	20, 1975		
53	C&NW M&T UP	10% due Dec. 15, 1979	2 750	Joint &
54	CM St P&P MP	10% due Dec. 15, 1984	13 750	Several
55		Guarantors shall in no event be obli-		
56		gated to pay more than 25% of guaran-		
57		teed amounts.		
58				
59				
60				
61				

501. GUARANTIES AND SURETYSHIPS

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

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. Items of less than \$50,000 may be shown as one total.
(Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Portal Pipe Line Co.	Through-put agreement dated June 15, 1962	2 630	Joint & Several
2	BN Inc. Hunt Oil Co.	1962		
3		Each stockholder has an equal, but several obligation to provide		
4		shipments of petroleum sufficient to enable the Pipe Line Co. to		
5		satisfy all of its expenses, liabilities and debt obligations. If		
6		a deficiency occurs, each stockholder must advance funds to cover		
7		the deficiency based on shipments it provided; therefore, the		
8		respondent's proportion of the amount shown in column (c) is not		
9		presently determinable.		
10				
11	Term. RR Assn. of St. Louis	F.D. 14554 Sinking Fund and		
12	B&O ICG P&W	Interest on Refdg. & Impr. Mtge. 4%		
13	BN Inc. L&N StLSF	Bonds, Series C, due 7-1-2019	487	Several
14	C&E I M&T StLSW	F.D. 15070 Principal, Interest and		
15	CR&P MP SOU	Sinking Fund on Refdg. & Impr. Mtge.		
16	CCC&StL N&W	2-7/8% Bonds, Series D due 10-1-1985	26 005	Joint & Several
17				
18				
19	Term. RR Assn. of St. Louis			
20	B&O ICG StLS	Credit agreement dated February 13,		
21	BN Inc. L&N StLSW	1973 - Respondent severally		
22	C&E I M&T SOU	guaranties loans. At December 31,		
23	CR&P MP N&W	1978, its proportion was 6.50% of		
24		\$2,527,200	164	Several
25				
26	Term. RR Assn. of St. Louis			
27	B&O ICG StLS	Credit agreement dated September 10,		
28	BN Inc. L&N StLSW	1974 - Respondent severally		
29	C&E I M&T SOU	guaranties loans. At December 31,		
30	CR&P MP N&W	1978, its proportion was 6.50% of		
31		\$462,000	30	Several
32				
33	Trailer Train Company	Principal & Interest on various		
34	Prin Proprietary Co's	Equipment Obligations.		
35	Subject to Change		6 008	Joint & Several
36				
37	American Rail Box	BN Inc. is guarantor of future		
38	Car Company	lease rental payments aggregating	32 405	Sole

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

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

Line No.	Finance Docket number, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1			5	
2		NONE		
3				
4				
5				
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INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 700

State particulars of all tracks operated by the respondent at the close of the year, according to the following classification:

- (1) Line owned by respondent;
- (2) Line owned by proprietary companies;
- (3) Line operated under lease for a specified term, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (5) Line operated under trackage rights.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings, but counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

In column (a) insert the figure (and letter, if any) indicating its class in accordance with the preceding classification.

In column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in column (d) give its entire length (the distances between termini of single or first main track), and in the following columns the lengths of second main track; all other main tracks; passing tracks, cross-overs and turn-outs; way switching tracks; and yard switching tracks. These classes of tracks are defined as follows:

Running tracks.—Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points.

Way switching tracks.—Station, team, industry and other switching tracks for which no separate service is maintained.

Yard switching tracks.—Yards where separate switching services are maintained, including classification, house, team, industry and other tracks switched by yard locomotives.

The returns in columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc., not classifiable under "branch lines" as defined below. Tracks, belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

In classifying the line between main and branch (column (c)), use the distinction usually followed by respondent. Branch lines are distinguished from industrial tracks or yard tracks and sidings in that branch lines serve one or more stations beyond the point of junction with the main line or another branch line and to or from which stations train service, or its equivalent, is performed.

Class (2) includes each line full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rest in a corporation controlled by or controlling the respondent; but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as class (3) except that the rent reserved is conditional upon earnings or other fact.

Class (5) includes all tracks operated and maintained by others but over which the respondent has the right to operate some or all of its trains. In the road of this class the respondent has no proprietary rights but only the rights of a licensee. Include in this class, also, all main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Road held by the respondent as joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as agent for another carrier should not be included in this schedule.

Switching and terminal companies leave column (c) (Miles of Branch Lines) blank. They should prepare also the following schedule for tracks operated at cost for joint benefit.

700. MILEAGE OPERATED AT CLOSE OF YEAR

Line No.	Class	Proportion owned or leased by respondent	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.						Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, turnouts	Miles of way switching tracks	Miles of yard switching tracks	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1	1	100	M	11 389	1 545	71	1 759	1 186	3 487	19 437
2	1J	3/4	M						6	6
3	1J	2/3	M						20	20
4	1J	1/2	M	36	1		10	10	98	155
5	1J	1/3	M	5	5		1	5	13	29
6	1J	1/4	M						11	11
7	1J	1/5	M						10	10
8	1J	1/6	M					1		1
9	1J	1/12	M					1		1
10	Total 1J Main			41	6		11	17	158	233
11	Total 1 & 1J Main			11 430	1 551	71	1 770	1 203	3 645	19 670
12	1	100	B	9 356	6		331	900	262	10 855
13	1J	2/3	B							
14	1J	1/2	B	133			10	44	18	205
15	1J	1/3	B	1			1	3	7	12
16	1J	1/4	B						36	36
17	1J	1/5	B						1	1
18	Total 1J Branch			134			11	47	62	254
19	Total 1 & 1J Branch			9 490	6		342	947	324	11 109
20	Total Main & Branch			20 920	1 557	71	2 112	2 150	3 969	30 779
21										
22	2	100	M	291			34	22	50	397
23	2J	1/2	M						3	3
24	Total 2 & 2J Main			291			34	22	53	400
25										
26	2	100	B	53			4	9	6	72
27	2J	1/2	B	2				1		3
28	Total 2 & 2J Branch			55			4	10	6	75
29	Total Main & Branch			346			38	32	59	475
30										
31	3B	100	M	83			7	3	11	104
32	3B	100	B	48			4	5	1	58
33	Total Main & Branch			131			11	8	12	162
34										
35	4A	100	M	429	6		75	41	83	634
36	4AJ	1/2	M						5	5
37	Total 4A & 4AJ Main			429	6		75	41	88	639
38	4A	100	B	63			1	5	2	71
39	Total 4A & 4AJ M & B			492	6		76	46	90	710
40										
41	5	100	M	370	88	2	55	36	93	644
42	5	100	B	470	25		64	23	32	614
43	Total Main & Branch			840	113	2	119	59	125	1 258
44										
45	Total Main			12 603	1 645	73	1 541	1 305	3 890	21 457
46	Total Branch			10 126	31		415	990	365	11 927
47	Grand Total			22 729	1 676	73	2 356	2 295	4 255	33 384
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line		XXX							
56	Total Branch Lines		XXX							
57	Grand Total		XXX							
	(See Line 47)									
58	Miles of road or track electrified included in preceding grand total		XXX				None			

701. MILEAGE OWNED BUT NOT OPERATED BY RESPONDENT AT CLOSE OF YEAR

If any of the tracks returned in this schedule are operated by other than the respondent, the name of the company or individual operating them and the conditions under which they are held for

operation should be shown in a footnote. Tracks which have been permanently abandoned should not be included in this schedule.

Line No.	Class	Name of road or track	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1J	Line "D"	M						1	1
2	1	Spur	M						2	2
3	1	IN	M						1	1
4	1	MILW	M						1	1
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15		Total	XXX						5	5

Note: Mileage is stated in whole miles.

Lines

1. Joint ownership with Soo Line RR Co., which company operates and maintains property on Line "D" in Minneapolis, Minnesota.
2. Leased to and operated by Union Pacific RR Co., which company pays taxes and maintains property in Spokane, Washington.
3. Illinois Northern Ry. Co. operates yard tracks under agreement at Chicago, Illinois.
4. CMS&P&P RR Co. operates yard tracks under agreement at Council Bluffs, Iowa.

700. MILEAGE OPERATED AT CLOSE OF YEAR--continued from Page 82

Continued from Page 52

Line No.	Class	Proportion owned or leased by respondent	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, turnouts			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1				CANADIAN MILEAGE INCLUDED IN LINES 1 THRU 47						
2	1	100	M	34	7		4	1	22	75
3	1	100	B	89			2	5	4	100
4	1J	1/2	B	4						4
5	Total 1 & 1J Branch			93			2	5	4	104
6	Total Main & Branch			127	7		6	6	33	179
7										
8	5	100	M	67	2		5	5		79
9	5	100	B	13			3	2	16	34
10	Total Main & Branch			80	2		8	7	16	113
11										
12	Grand Total Canadian									
13	Mileage			207	9		14	13	49	292
14										

702. MILES OF ROAD AT CLOSE OF YEAR—BY STATES AND TERRITORIES (SINGLE TRACK)
(For other than switching and terminal companies)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (c), (e), or (f), as may be

appropriate. The remainder of jointly operated mileage should be shown in column (g). Respondent's proportion of road jointly owned, not operated, should be shown in columns (i) and (j), as may be appropriate. Tracks which have been permanently abandoned should not be included in columns (b) and (f).

Lengths of track should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e.: counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT							LINE OWNED NOT OPERATED BY RESPONDENT		New line constructed during year (k)
		LINE OWNED		Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)	
		Main line (b)	Branch lines (c)								
1	California	66	33				1	100			
2	Colorado	214	102				38	354			
3	Idaho	163	279				7	440			
4	Illinois	943	454				169	1 566			
5	Iowa	450	353				135	938			
6	Kansas	13	187				18	218			
7	Kentucky						12	12			
8	Minnesota	1 798	974				69	2 841			
9	Missouri	598	446				31	1 075			
10	Montana	2 342	1 008		52		33	3 433			
11	Nebraska	1 408	1 204				7	2 619			
12	North Dakota	1 103	2 270				42	3 415			
13	Oregon	134	43	332		87	82	678			
14	South Dakota	62	448				6	516			
15	Washington	1 141	1 496	14	48	403	195	3 300			
16	Wisconsin	333	2				1	336			
17	Wyoming	606	42		31			679			
18	Prov. of British Columbia										
19	Columbia	34	91				9	134			
20	Prov. of Manitoba						73	73			
21											
22											
23											
24											
25											
26											
27											
28											
29											
30	Total Mileage (single track)	11 408	9 423	346	131	493	928	22 729			

+ 7 423
20 831

705. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest whole mile adjusted to accord with footings, i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

1. For each railroad property used in respondent's transportation service, show all increases and decreases in mileage, classifying the changes in the tables below as follows:

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

(Class 3) Line operated under lease for a specified sum.

(Class 4) Line operated under contract or agreement for contingent rent.

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. 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, specify reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

3. All consolidations, mergers, and reorganizations effected, giving particulars.

This statement should show the mileage, equipment, and cash value of property of each company as well as the consideration received by each company party to the action. State the date on which consolidated, etc., and whether the prior companies have been dissolved. Copies of the articles of consolidation, merger, or reorganization should be filed with this report.

4. Other important changes not elsewhere provided for involving more than \$50,000, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class	Main (M) or branch (B) line	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks	Miles of yard switching tracks	Total	Remarks
			Miles of road	Miles of second main track	Miles of all other main track	Miles of passing tracks, cross-overs, and turn-outs				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	M	1	5		16	6	11	39	
2	1	B	8			3	5	7	23	
3	1J	M				7			7	
4	1J	B					1		1	
5	2	M						17	17	
6	4A	M					10	3	13	
7	5	B	36				1		37	
8										
9										
10										
11										
12										
13	Total Increase		45	5		26	23	38	137	

DECREASES IN MILEAGE

14	1	M	1	5		12	14	66	98	
15	1	B	102			13	33	9	157	
16	1J	M						7	7	
17	1J	B	1				4	1	6	
18	2	B	3						3	
19	4A	M	14						14	
20	4A5	M				3		17	20	
21	5	B				1			1	
22										
23										
24										
25	Total Decrease		121	5		29	51	100	306	

If returns under Inquiry No. 1 above include any first main track owned by respondent or its proprietary companies representing new construction or permanent abandonment give the following particulars:

Owned by respondent:

Miles of road constructed None Miles of road abandoned 108 (see page 86)

Owned by proprietary companies:

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.

By road abandoned is meant "permanently abandoned," the cost of which has been or is to be written out of the investment accounts.

NOTES AND REMARKS
Schedule 705

<u>Increases</u>	<u>Segment or Location</u>	<u>Date</u>	<u>Finance Docket No.</u>
.10	Hastings-Randolph, IA-Recalculation		
.22	St. Paul-White Bear Lk, MN-New Connection		
.08	Yakima-Auburn, WA-Wye Extended		
3.82	Garretson-Yankton, SD-Trackage Rights-MILW 2-22-74		BN Docket 4138
.27	Garretson-Yankton, SD-Connection-MILW		
.42	Talmadge Jct-W. Des Moines, IA-Correction		
6.97	Oakesdale-Crabtree, WA-Transferred(Recalculation)		
32.00	Lennox-Toland, IL-Trackage Rights-Conrail		
.01	Seward, NE-Addition		
.02	Junestown-Minnewaukan, ND-Correction		
* .11	Grand Forks-Neché, ND-Correction	4-01-76	AB-6 Sub 29
.33	Chicago-Aurora, IL-Recalculation		
.21	Carlton-Staples, MN-Rearrange tracks		
.01	Bowers-Eugene, OR-Line change		
44.57	Total increases in miles of road		
<u>Decreases</u>			
* 11.91	Minnekahta-Hot Springs, SD-Abandonment	12-13-77	AB-6 Sub 41
* 1.07	Minnekahta-Hot Springs, SD-Abandonment	12-13-77	AB-6 Sub 41
.77	Pembina-Emerson Jct, WA-Transferred to side track		
.01	Vancouver-Kenniwick, WA-Line change		
.29	White Bear-Hinckley, MN-Recalculation		
.02	Haugan-Wallace, ID-Line change		
* 4.11	Garretson-Yankton, SD-Abandonment	8-19-77	AB-6 Sub 24
4.79	Mesabi Range Mines, MN(Danube Mine)-Removal		
* .07	Chariton-St. Joseph, IA-Correction	6-08-73	AB-6 Sub 2
* 13.68	Creston-Barnard, MO-Abandonment	1-13-78	AB-6 Sub 16
.03	Ashland-Sioux City, NE-Recalculation		
.14	N.E. Wye-Mpls Depot, MN-Remove .02 & Transfer to side track, .12		
* 6.97	Oakesdale-Crabtree, WA-Abandonment	6-01-78	AB-6 Sub 39
* 15.53	Henning-Battle Lake, MN-Abandonment	8-11-78	AB-6 Sub 49F
* 10.49	Goble-Seaside, OR-Abandonment	9-11-78	AB-61 Sub 2F
* 3.02	Goble-Seaside, OR-Transfer to side track	9-11-78	AB-61 Sub 2F
.33	Aurora-Pacific Jct, IL-Recalculation at Aurora		
1.36	Mesabi Range Mines, MN-Transfer to side track		
.19	Mesabi Range Mines, MN-Removal		
.74	Seattle-Fremont, WA-Removal		
2.50	Seattle-Fremont, WA-Transfer to side track		
* .60	Forest Grove Jct-Forest Grove, OR-Abandonment	6-26-78	AB-51 Sub 1F
* 1.95	Forest Gr Jct-Forest Grove, OR-Abandonment	6-26-78	AB-51 Sub 2F
* 19.64	Cheney-Adrian, WA-Abandonment	7-03-78	AB-6 Sub 47F
.90	Deerwood-Trommwald-Riverton, MN-Removal		
.30	Kruse Jct.-Darrington, WA-Removal		
* 9.91	Quincy-Hulls, IL(via E. Hannibal)-Abandonment	7-26-78	AB-6 Sub 46F
.55	Lincoln-Columbus, NE-Removal		
.19	Carlton-Moose Lake, MN - Rearrange tracks		
.01	Carlton-Wrenshall, MN-Rearrange tracks		
* 2.38	Horton-West Frankfort, IL-Abandonment	8-04-78	AB-6 Sub 44
* 1.00	Horton-West Frankfort, IL-Transfer to side tracks	8-04-78	AB-6 Sub 44
* 5.53	Rio-Alexis, IL-Abandonment	12-13-78	AB-6 Sub 43
120.98	Total decreases in miles of road		

* Miles of road abandoned 107.75

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 710

Instructions for reporting locomotive and passenger-train car data.

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 purchased new or built in company shops. In column (d) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.
3. Units leased to others for a period of one year or more are reportable in column (l); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h); units rented from others for a period less than one year should not be 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 fire 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. For reporting purposes indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 13 under "Auxiliary units".

7. Column (k) should show aggregate capacity for all units reported in column (j), 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). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

710. INVENTORY OF EQUIPMENT

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

Line No.	Type or design of units	Units in service of respondent at beginning of year	Changes During the Year				Units retired from service of respondent whether owned or leased, including reclassification	Units at Close of Year				
			Units installed					Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units including reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Locomotive Units												
1	Diesel-Freight _____ A units	1 254		176		33	72	665	726	1 391	4 007 400 (H.P.)	69
2	Diesel-Freight _____ B units	51						51		51	85 500	
3	Diesel-Passenger _____ A units	21				4			25 *	25	60 000	
4	Diesel-Passenger _____ B units											
5	Diesel-Multiple purpose _____ A units	642				13	21	634		634	1 054 600	
6	Diesel-Multiple purpose _____ B units											
7	Diesel-Switching _____ A units	377				6	10	373		373	409 600	1
8	Diesel-Switching _____ B units											
9	Total (lines 1 to 8) _____	2 345		176		56	103	1 723	751	2 474	5 617 100	70
10	Electric-Locomotives _____											
11	Other self-powered units _____											
12	Total (lines 9, 10 and 11) _____	2 345		176		56	103	1 723	751	2 474	5 617 100	70
13	Auxiliary units _____	15						15		15	XXXX	
14	Total Locomotive Units (lines 12 and 13) _____	2 360		176		56	103	1 738	751	2 489	XXXX	70

* Leased from West Suburban Mass Transit District, a public authority, and are used solely for commuter service between Chicago and Aurora, IL.

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING

Line No.	Type or design of units	Before Jan. 1, 1955	Between Jan. 1, 1955, and Dec. 31, 1959	Between Jan. 1, 1960, and Dec. 31, 1964	Between Jan. 1, 1965, and Dec. 31, 1969	Between Jan. 1, 1970, and Dec. 31, 1974	During Calendar Year					TOTAL
							1975	1976	1977	1978	1979	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
15	Diesel	600	454	200	347	528	30	75	101	139		2 474
16	Electric											
17	Other self-powered units											
18	Total (lines 15 to 17)	600	454	200	347	528	30	75	101	139		2 474
19	Auxiliary units	3			2	10						15
20	Total Locomotive Units (lines 18 and 19)	603	454	200	349	538	30	75	101	139		2 489

710. INVENTORY OF EQUIPMENT—Continued

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year	Changes During the Year					Units at Close of Year				
			Units Installed				Units retired from service of respondent whether owned or leased, including re-classification	Owned and used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including re-classification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
PASSENGER-TRAIN CARS												
<i>Non-Self-Propelled</i>												
21	Coaches [PA, PB, FBO]	164		22		5	9	42	141**	183	22 716	
22	Combined cars [All class C, except CSB]											
23	Parlor cars [PBC, PC, PL, PO]											
24	Sleeping cars [PS, PT, PAS, PDS]	14					6	8		8	154	
25	Dining, grill and tavern cars											
26	[All class D, PD]	18				2	3	17		17	XXXX	
27	Non-passenger carrying cars [All class B, CSB, M, PSA, IA]	94				7	30	71		71	XXXX	
28	Total (lines 21 to 27)	290		22		15	48	138	141	279*	22 870	
<i>Self-Propelled Rail Motorcars</i>												
29	Electric passenger cars [EP, ET]											
30	Electric combined cars [EC]											
31	Internal combustion rail motorcars [ED, EG]											
32	Other self-propelled cars											
Specify types:												
33	Total (lines 29 to 32)											
34	Total (lines 28 and 33)	290		22		15	48	138	141	279	22 870	
COMPANY SERVICE CARS												
35	Business cars [PV]	7						7		7	XXXX	
36	Boarding outfit cars [MWX]	1 022				48	95	975		975	XXXX	
37	Derrick and snow removal cars [MWU, MWV, MWW, MWK]	213	7			5	14	211		211	XXXX	
38	Dump and ballast cars [MWB, MWD]	818	15			32	137	728		728	XXXX	
39	Other maintenance and service equipment cars	5 156				611	430	5 337		5 337	XXXX	1
40	Total (lines 35 to 39)	7 216	22			696	676	7 258	-	7 258	XXXX	1

* 141 cars are assigned to suburban service, balance of cars are for sale or conversion. **Leased from West Suburban Mass Transit Dist., a public authority, and are used solely for commuter service between Chicago and Aurora, IL.

710. INVENTORY OF EQUIPMENT—Continued

Instructions for reporting freight-train car data:

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.

2. In column (d) give the number of units purchased or built in company shops. In column (e) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.

3. Units leased vs. others for a period of one year or more are reportable in column (e); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (d); units rented from others for a period less than one year should not be included in column (f).

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars	All others	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹	All other units, including reclassification and second-hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
FREIGHT TRAIN CARS							
41	Plain Box Cars - 40' (B700-129)	20 272					1 082
42	Plain Box Cars - 50' (B700-229; B300-329)	13 029					887
43	Equipped Box Cars (All Code A)	6 646		200			391
44	Plain Gondola Cars (G092-392; G401-492)	6 869					178
45	Equipped Gondola Cars (All Codes C and E)	2 471					123
46	Covered Hopper Cars (L151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)	15 524		990			14
47	Open Top Hopper Cars - General Service (All Code H)	11 389		(1) 153	845		
48	Open Top Hopper Cars - Special Service (All Codes J and K)	5 857					
49	Refrigerator Cars - Non-mechanical (R100, 101, 102, 103, 105, 106, 107, 108, 109, 113, 114, 115, 116, R200, 201, 202, 203, 205, 206, 207, 208, 209, 213, 214, 215, 216)	4 047	2 519				5
50	Refrigerator Cars - Mechanical (R104, 110, 111, 112, 117, 118, R204, 210, 211, 212, 217, 218)	3 164					
51	Flat Cars - TOFC/COPC (F071-078; F871-978)	243					
52	Flat Cars - Multi-level (All Code V)						
53	Flat Cars - General Service (F101-109; F201-209)	2 823					215
54	Flat Cars - Other (F111-189; 211-289; 301-389; 401-540)	3 476					71
55	Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4, T-5)						
56	Tank Cars - 22,000 Gallons & Over (T-6, T-7, T-8, T-9)	176					
57	All Other Freight Cars (F191-199; 291; 391; L006-048; L070, L080, L090 - All "L" with second numeric 6; L161-L764; T-770; All Class S)	3 764	2 201				15
58	Total (lines 41 to 57)	99 810	4 720	1 343	845		2 982
59	Caboose (All N)	XXXX	1 086	84			34
60	Total (lines 58, 59)	99 810	5 806	1 427	845		3 016

¹ Box, unequipped (which relates to incentive per diem order)

New units purchased or built

Units rebuilt or acquired

General funds

Incentive funds

General funds

Incentive funds

1) 153 units placed in service during 1978 of which 117 were shipped in 1978 and 36 units shipped in 1977.

710. INVENTORY OF EQUIPMENT—Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), as follows: 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 cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules" or would be so settled if used by another railroad.

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

Changes during year (Concluded)	Unit At Close of Year						Line No.
	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)	Leased to others	
			Time-mileage cars	All other			
Units retired from service of respondent whether owned or leased in- cluding re- classification	(i)	(j)	(k)	(l)	(m)	(n)	
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
6 036	12 326	2 992	15 318		842 382		41
1 461	10 734	1 721	12 455		818 694		42
776	6 089	372	6 461		459 323		43
666	5 055	1 326	6 381		512 101	60	44
194	2 260	140	2 400		222 361		45
215	15 424	889	16 313		1 515 670	4	46
1 293	7 832	3 262	11 094		995 900	50	47
319	5 107	441	5 548		436 390		48
							49
901	3 964	1 706	4 102	1 560	381 555	137	
41	1 577	1 546	3 123		211 076		50
43	250		250		15 403		51
							52
572	2 132	334	2 466		153 991		53
124	3 323	100	3 423		271 003		54
							55
1	175		175		16 448	5	56
							57
938	5 040	3	2 990	2 053	307 773	298	
13 580	81 288	14 832	92 499	3 621	7 160 470	554	58
69	1 085	50	X X X X X X	1 135	X X X X X X	16	59
13 649	82 373	14 882	92 499	4 756	7 160 470	570	60

710. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem	All other	Units Installed			
				New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units re-written into property accounts	All other units, including reclassification and second hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	FLOATING EQUIPMENT						
61	Self-propelled vessels [Tugboats, car ferries, etc.]	X X X X					
62	Non-self-propelled vessels [Car floats, lighters, etc.]	X X X X					
63	Total (lines 61 and 62)	X X X X					
	HIGHWAY REVENUE EQUIPMENT						
64	Bogie-chassis		106				1
65	Dry van	1 434	36		500		1
66	Flat bed	1					
67	Open top						
68	Mechanical refrigerator	255	36				
69	Bulk						
70	Insulated	212	8		400		
71	Platform removable sides		3				
72	Other trailer or container						
73	Tractor		28				
74	Truck		20				
75	Total (lines 64 to 74)	1 902	237		900		2

NOTES AND REMARKS

710. INVENTORY OF EQUIPMENT—Concluded

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

Changes during year (Concluded)	Units At Close of Year					Line No.	
Units retired from service of respondent whether owned or leased, including reclassification	Owned and used	Leased from others	Total in service of respondent (col. (i) & (j))		Aggregate capacity of units reported in col. (k) & (l) (see ins. 4)		
			Pier diem	All other			
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
			X X X X				61
			X X X X				62
			X X X X				63
	36	71		107	2 125		64
85	66	1 820	1 849	37	54 041		65
1							66
							67
43	248		212	36	6 380		68
							69
11	13	596	601	8	17 464		70
	3			3	55		71
							72
	28			28	135		73
	20			20	40		74
140	414	2 487	2 662	239	80 240		75

NOTES AND REMARKS

710-S. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by Respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased, (P); built or rebuilt by contract in outside railroad shops, (C); or built or rebuilt in company or system shops, (S).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment adopted by the Association of American Railroads; and should include physical characteristics requested by Schedule 710: locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit; such as Multiple purpose diesel locomotive A units (B-B), 2500 HP; and cars should be identified as to special construction or service characteristics such as Aluminum covered hopper cars, L.O; Steel boxcars-special service, XAP, etc., for TOFC/COFC show type of equipment as enumerated in Schedule 710.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule should be confined to the units reported in Schedule 710, columns (c) and (e) for locomotive units, passenger train cars and company service cars; columns (d) and (f) for freight train cars, floating equipment and highway revenue equipment. Disclose new units in the upper section of this schedule and in the lower section disclose rebuilt units acquired or rewritten into the Respondent's accounts. The term "new" as used herein shall refer to and mean a unit or units placed in service for the first time on any railroad.

6. All unequipped boxcars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

7. Report dollars in thousands.

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)
1	<u>Freight Equipment - 1977 Report</u>				
2	Open Top Hoppers H 350	383	11 643	11 477	P
3	<u>Work Equipment - 1977 Report</u>				
4	Locomotive Cranes	4	377	1 205	P
5	<u>Freight Equipment - 1978 Report</u>				
6	Open Top Hoppers H 350	117	3 557	3 506	P
7	Covered Hoppers L 153	500	15 516	16 946	P
8	Cabooses N 100	84	2 219	4 462	P
9	Covered Hoppers L 133	375	12 140	12 641	P
10	Covered Hoppers L 353	100	3 220	3 705	P
11	Box Cars A 230	200	7 400	7 806	P
12	<u>Work Equipment - 1978 Report</u>				
13	Locomotive Crane	1	87	269	P
14	Air Dump Cars	15	593	827	P
15					
16	<u>Equipment Installed For Which Final Cost Not Completed</u>				
17	<u>Freight Equipment - 1978 Report</u>				
18	15 Covered Hoppers L 453				
19					
20	<u>Work Equipment - 1978 Report</u>				
21	4 Locomotive Cranes				
22	2 Locomotive Cranes				
23					
24					
25	TOTAL	1 779	XXXX	62 844	XXXX

REBUILT UNITS

26	<u>Freight Equipment - 1977 Report</u>				
27	Box Cars B 209	60	1 749	937	S
28					
29	<u>Cars Rebuilt With Incentive Per Diem Funds - 1977 Report</u>				
30	Box Cars B 209	310	9 037	4 838	S
31					
32					
33					
34					
35					
36					
37					
38	TOTAL	370	XXXX	5 775	XXXX
39	GRAND TOTAL	2 149	XXXX	68 619	XXXX

NOTES AND REMARKS

715. HIGHWAY MOTOR VEHICLE OPERATIONS

Give particulars of highway motor vehicles operated by respondent in revenue and nonrevenue service and of revenue traffic handled for the respondent by others under contractual arrangements.

In reporting highway motor vehicle miles in line-haul service, show the mileage of buses and combination bus-trucks on line 5; the mileage of trucks and of bogies, trailers and semitrailers with trucks on line 6; and the mileage of tractors and of bogies, trailers and semitrailers with tractors on line 7. Vehicle miles in terminal service should be reported on line 8 and 9.

In reporting traffic carried and traffic handled 1 mile on lines 10 to 15, and on lines 20 to 23, both inclusive, show the total

number of tons and ton-miles of revenue freight in column (i) and the total number of passengers carried and passenger-miles in column (c), regardless of the class of vehicle used to perform the transportation service.

In reporting highway motor vehicles in nonrevenue service include those used in maintenance, shops, and storehouses, and transportation of company material; also buses used for transportation of company employees. Exclude automobiles used by officials and employees.

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
REVENUE SERVICE				
Vehicles owned or leased:				
1	Number available at beginning of year			106
2	Number installed during the year			1
3	Number retired during the year			
4	Number available at close of year			107
Vehicle miles (including loaded and empty):				
Line haul (station to station):				
5	Passenger vehicle miles	XXXXXX		XXXXXX
6	Truck miles		XXXXXX	XXXXXX
7	Tractor miles		XXXXXX	XXXXXX
Terminal service:				
8	Pick-up and delivery			
9	Transfer service			
Traffic carried:				
10	Tons—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
11	Tons—Revenue freight—Terminal service only	XXXXXX	XXXXXX	XXXXXX
12	Revenue passengers—Line haul	XXXXXX		XXXXXX
13	Revenue passengers—Terminal service only	XXXXXX		XXXXXX
Traffic handled 1 mile:				
14	Ton-miles—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
15	Revenue passenger-miles—Line haul	XXXXXX		XXXXXX
NONREVENUE SERVICE				
Vehicles owned or leased:				
16	Number available at beginning of year		44	
17	Number installed during the year		1	
18	Number retired during the year		4	
19	Number available at close of year		1	

*When performed by vehicles other than those used for line haul.

Note: Section A includes operations under ICC MC 28573

B. OPERATED BY OTHERS
(Revenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
Traffic carried:				
20	Tons—Revenue freight	XXXXXX	XXXXXX	XXXXXX
21	Revenue passengers	XXXXXX		XXXXXX
Traffic handled 1 mile:				
22	Ton-miles—Revenue freight	XXXXXX	XXXXXX	XXXXXX
23	Revenue passenger-miles	XXXXXX		XXXXXX

715. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

"Trailers" means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not

permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

A. OPERATED BY RESPONDENT—Concluded
(Revenue and nonrevenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
	1 985	28		20		1
	901					2
	140					3
	2 746	28		20		4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX			XXXXXX	6
XXXXXX		1 638 073	1 638 073	XXXXXX	XXXXXX	7
				102 415		8
						9
XXXXXX	XXXXXX	XXXXXX	XXXXXX	55 839	XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX	52 015	XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX	10 722 784	XXXXXX	14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
	78	14	112	2 441		16
	17	1		499		17
	1	1	1	374		18
	94	14	111	2 566		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Truck (i)	Combination bus-trucks (j)	Line No.
XXXXXX	XXXXXX	XXXXXX	XXXXXX	42 939	XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX	4 263 843	XXXXXX	22
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	23

716. HIGHWAY MOTOR-VEHICLE ENTERPRISES IN WHICH THE RESPONDENT HAD A DIRECT OR INDIRECT FINANCIAL INTEREST DURING THE YEAR

Give particulars of highway motor-vehicle enterprises in which the respondent had a financial interest, either directly or indirectly, during the year.

In column (a) identify each motor-vehicle enterprise by name and address, and in column (b) state whether the respondent's in-

terest in such enterprise was direct or indirect. If the interest was indirect, give the names of all intermediaries.

In column (c) give the date on which respondent first acquired its direct or indirect interest in the enterprise.

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1	BN Transport Inc.	Direct	December 27, 1929
2	176 East Fifth Street		
3	St. Paul, Minnesota 55101		
4			
5	Hart Motor Express Inc.	Indirect thru	April 3, 1978
6	2417 Cleveland Ave. No.	BN Transport Inc.	
7	St. Paul, Minnesota 55113		
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

GENERAL INSTRUCTIONS FOR PREPARING SCHEDULES 720, 721, 723, 726, 727, and 728

1. For purposes of these schedules, the track categories are defined as follows:

Track category

- A - 20 million or more gross ton-miles per mile per year (including track over which passenger service is provided—see Category F).
 B - Less than 20 million gross ton-miles per mile per year but at least 5 million (does not include track over which passenger service is provided—see Category F).
 C - Less than 5 million gross ton-miles per mile per year but at least 1 million (does not include track over which passenger service is provided—see Category F).
 D - Less than 1 million gross ton-miles per year (does not include track over which passenger service is provided—see Category F).
 E - Way and yard switching tracks (passing tracks, crossovers and turnouts shall be

included in appropriate Category A, B, C, D, F, and Potential Abandonments, as appropriate).

F - Track over which any passenger service is provided (other than potential abandonments); however, if annual traffic density is greater than 20 million gross ton-miles per mile per year, the track shall be included in Track Category A.

Potential Abandonments - Route segments identified by railroads as potentially subject to abandonment as required by Section 1a(5)(a) of the Interstate Commerce Act.

2. These schedules shall only include those lines maintained by the reporting carrier. It shall not include track maintained by others over which the reporting carrier has trackage rights.

3. If, for two consecutive years, a line segment classified in one track category maintains a traffic density which would place it in another, it shall be reclassified into that category as of the beginning of the second year.

720. TRACK AND TRAFFIC CONDITIONS

1. Disclose the requested information pertaining to track and traffic conditions.
 2. Average speed reduction per slow order mile in column (e) shall be based on reduction from the maximum authorized timetable train speeds.

3. Miles under slow order in column (f) shall not include those due to ongoing maintenance, or other temporary track conditions such as floods or derailments.

* Main Track Only

Line No.	Track category (a)	Mileage of tracks at end of period (b)	Average annual traffic density in millions of gross ton-miles per mile (c)	* Average running speed limit (d)	Average speed reduction per slow order mile (e)	Miles under slow orders at end of period (f)
1	A	6 673.03	32.2	54.6	32.3	54.9
2	B	3 217.78	10.7	51.8	17.3	211.3
3	C	2 777.78	2.5	36.1	14.8	106.7
4	D	8 050.52	0.4	26.9	16.1	365.9
5	E	7 161.11	-	-	-	-
6	F	2 935.87	11.2	36.0	19.0	17.7
7	Potential abandonments	1 310.24	-	21.6	8.6	14.8
8	Total	32 126.33	9.8	39.1	16.6	771.3

721. TIES LAID IN REPLACEMENT

(1) Disclose the requested information concerning ties laid in replacement.

(2) The term "spot maintenance" in column (j) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "% of Spot Maintenance" refers to the percentage of total ties laid in replacement considered to be spot maintenance.

Line No.	Track Category	Number of ties laid in replacement							Total	% of Spot Maintenance
		New Ties				Second-hand ties				
		Wooden		Concrete	Other	Wooden		Other		
		Treated	Untreated			Treated	Untreated			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	
1	A	1 437 733						1 437 733	6.79	
2	B	256 345						256 345	18.18	
3	C	149 824						149 824	13.33	
4	D	364 044				9 923		373 967	36.72	
5	E	128 437				8 187		136 624	39.38	
6	F	411 349						411 349	41.03	
7	Potential Abandonments	8 736						8 736	7.90	
8	Total	2 756 468				18 110		2 774 578	14.73	

Remarks Treated Switch and Bridge Ties replaced in 1978 were 5 204 445 Foot Board Measure and are not included above.

722. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

Give particulars of ties laid during the year in new construction during the year.

In column (a) classify the ties as follows:

(U) Wooden ties untreated when applied.

(T) Wooden ties treated before application.

(S) Ties other than wooden (steel, concrete, etc.). Indicate type in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g) should be shown the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yards; and, in the case of treated ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule. In these columns, "total cost" is to be reported in thousands.

Line No.	Class of ties	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks
		Total number of ties applied	Average cost per tie	Total cost of crossties laid in new tracks during year	Number of feet (board measure) laid in tracks	Average cost per M feet (board measure)	Total cost of switch and bridge ties laid in new tracks during year	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	T	412 261	\$ 16.72	\$ 4 418	1 608 033	\$ 302.77	\$ 487	New
2								
3								
4								
5								
6								
7								Line 20 col. (d) & (g) \$ 4 904
8								Adj. prev. yrs. chgs. 539
9								A/C 90 chgs. in Sch. 722 (2 278)
10								A/C 90 chgs. prev. yrs. 533
11								
12								Gross chgs. A/C 8 BN & OE \$ 3 698
13								
14								
15								
16								
17								
18								
19								
20	Total	412 261	10.72	4 418	1 608 033	302.77	487	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid							59.02
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid							46.23

723. RAILS LAID IN REPLACEMENT

102

(1) Furnish the requested information concerning rails laid in replacement.

(2) The term "spot maintenance" in column (g) means repairs to track components during routine inspections, as opposed to programmed replacements aimed at upgrading the general condition of the tracks. "% of Spot Maintenance" refers to the percentage of total ties laid in replacement considered to be spot maintenance.

Line No.	Track category (a)	Miles of rail laid in replacement (rail-miles)				Total (f)	Percent of spot maintenance (g)
		New rail		Relay rail			
		Welded rail (b)	Bolted rail (c)	Welded rail (d)	Bolted rail (e)		
1	A	443.84	61.98	25.82	78.36	610.10	21
2	B	218.70	54.52	97.72	176.66	547.60	37
3	C	3.44	1.08	60.60	174.54	239.66	67
4	D	1.14	.10	151.74	322.40	475.38	59
5	E	5.58	6.50	37.40	134.70	186.18	52
6	F	23.98	2.28		19.68	45.94	48
7	Potential Abandonments				1.86	1.86	83
8	Other						
9	TOTAL	696.68	128.46	373.28	908.30	2,106.72	42

Remarks Track miles of welded rail installed this year 534.98 , Total to date 5,312.24 .

Notes relating to Schedule 724 - RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

Line 16 columns (d) & (h)	\$ 6 516
Additions & betterments - Schedule 723	6 452
Welding	2 257
Adjustments of previous years charges	(204)
A/C 90 charges included in Schedule 724	(2 523)
A/C 90 charges of previous years	1 116
Gross charges to A/C 9 BN & OE	<u>\$13 614</u>

724. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

Give particulars of all rails applied during the year in connection with the construction of new track.

In column (a) classify the kind of rail applied as follows:

- (1) New steel rails, Bessemer process.
- (2) New steel rails, open-hearth process.
- (3) New rails, special alloy (describe more fully in a footnote).
- (4) Relay rails.

Returns in columns (c) and (g) should be reported in whole numbers. Fractions of less than one-half should be disregarded, and fractions of one-half or more reckoned as one.

The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, and of train service in connection with the distribution of the rails, should not be included in this schedule. In these columns, "total cost" is to be reported in thousands.

Line No.	Class of rail	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year	Average cost per ton (2,000 lb.)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year	Average cost per ton (2,000 lb.)
		Pounds per yard of rail	Number of tons (2,000 lb.)			Pounds per yard of rail	Number of tons (2,000 lb.)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	2	132	13 420	\$ 4 675	\$348.33	132	3 422	\$ 1 183	3 345.84
2	2	115	138	45	325.87	115	931	361	323.04
3	4					115	624	69	111.22
4	4	112	64	2	40.51	112	4 462	231	31.71
5	4	110	47	2	39.19	110	34	2	39.19
6	4					100	105	4	37.50
7	4	90	1		38.70	90	46	2	39.27
8	4					85	1		23.11
9	4					56-80	1		23.07
10									
11									
12									
13									
14									
15									
16	Total	XXX	13 670	\$ 4 724	\$345.57	XXX	9 646	\$ 1 792	\$185.80

(See notes page 102)

17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid	59.02
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid	46.23
19	Track-miles of welded rail installed this year	92.00
	total to date	375.96

725. WEIGHT OF RAIL

Give the particulars below called for concerning the road and track operated by the respondent at the close of the year. Only the respondent's proportion of jointly-owned mileage should be included. Under "Weight of rail," the various weights of rails should

be given. Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)
1	Pounds 155	.98	None	17	Pounds 77.5	413.60	None	
2	140	2.03		18	75	699.47		
3	136	434.55		19	72	520.88		
4	133	.10		20	70	172.99		
5	132	2 085.87		21	68	202.98		
6	131	320.73		22	67	10.45		
7	130	23.10		23	66.5	8.72		
8	129	611.95		24	66	430.50		
9	115	3 993.64		25	65	82.09		
10	112	4 504.53		26	60	260.28		
11	110	605.47		27	56	439.42		
12	105	4.44		28	52	52.74		
13	100	900.11		29				
14	90	4 157.22		30	Total	22 587.00		
15	85	1 443.34		31				
16	80	197.61		32				

726. SUMMARY OF TRACK MAINTENANCE

1. Disclose the requested information concerning the summary of track maintenance.

2. In column (c), (e), and (h) give the percentage of replacements to total units of property at year end.

Line No.	Track category (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	A	1 437 733	6.91	610.10	4.57	1 458 521	3 556.8	53.4
2	B	256 345	2.56	547.60	8.51	614 932	1 430.1	44.4
3	C	149 824	1.90	239.64	4.31	195 378	673.9	24.3
4	D	373 967	1.81	475.38	2.95	381 762	1 208.3	15.4
5	E	136 624	0.74	186.18	1.30	398 951	413.6	5.0
6	F	411 349	4.50	45.94	0.78	251 184	946.3	32.2
7	Potential abandonments	8 736	0.26	1.86	0.07	-	-	-
8	Total	2 774 578	3.07	2 106.70	3.28	3 300 728	8 239.0	25.6

727. TEN-YEAR SUMMARY OF TRACK MAINTENANCE

1. Report in appropriate columns total numbers of replacements for all categories of track lines and the percentage of replacements to the units of property.

2. Explain in "Remarks" changes in track mileage due to acquisition, mergers, major abandonments and other disposals.

Line No.	Year (a)	Ties		Rail		Ballast	Track surfacing	
		Number of ties replaced (b)	Percent replaced (c)	Miles of rail replaced (rail-miles) (d)	Percent replaced (e)	Cubic yards of ballast placed (f)	Miles surfaced (g)	Percent surfaced (h)
1	Current year	2 774 578	3.07	2 106.70	3.28	3 300 728	8 239	25.6
2	First preceding	2 721 182	2.98	2 233.30	3.45	3 055 318	6 343	19.6
3	Second preceding	2 742 332	2.97	1 832.78	2.81	2 826 920	6 744	20.7
4	Third preceding	2 275 065	2.45	1 561.44	2.38	2 186 047	5 850	17.8
5	Fourth preceding	1 930 480	2.07	1 317.86	2.00	1 708 251	5 604	17.0
6	Fifth preceding	1 567 953	1.67	970.20	1.46	1 381 775	4 350	13.1
7	Sixth preceding	1 417 440	1.50	757.88	1.13	1 384 940	4 675	14.0
8	Seventh preceding	1 268 626	1.33	956.48	1.42	1 027 000	4 591	13.6
9	Eighth preceding	1 214 630	1.27	726.50	1.08	880 100	3 726	11.0
10	Ninth preceding	*	*	*	*	*	*	*

REMARKS

* Data for 1969 is not available. Burlington Northern was created by merger on March 2, 1970.

728. DEFERRED MAINTENANCE-TRACKS

- (1) Disclose the requested information concerning the monetary and quantity of deferred maintenance of tracks.
- (2) Explain in remarks section below the methods and/or calculations used in determining the amounts and quantities reported.

Line No.	Type of Track	Monetary Amount of Deferred Maintenance	
		End of the Year	Beginning of the Year
	(a)	(b)	(c)
1	A	\$	\$
2	B		
3	C		
4	D		
5	E		
6	F		
7	Potential Abandonments		
8	Total Tracks	None	None
	Selected Track Maintenance	Quantities of Deferred Maintenance	
		End of the Year	Beginning of the Year
9	Crossties		
10	Rail		
11	Ballast		

Remarks

Road Initials:

EN

Year 19 78

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750. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

Show hereunder the amounts of the various kinds of fuel consumed by locomotive units and motors or other self-propelled rail cars in the service of the respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity. The ton of 2,000 pounds should be used.

Kilowatt-hours, for entry in column (c) of section A, and column (h) of section B, are to be figures at high tension taps (point of production or point of purchase), and divided among the several classes of service, the division being made on the respondent's best estimate if actual figures are not available.

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight	363 134 402			
2	Passenger	4 983 957			
3	Yard switching	40 402 736			
4	Total	408 521 095			
5	Cost of Fuel*	\$ 150 209	\$	\$	\$
6	Work Train	781 661			

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
7	Freight			
8	Passenger			
9	Yard switching			
10	Total	None		
11	Cost of Fuel*	\$ None	\$	\$
12	Work Train	None		

*Show cost of fuel charged to train and yard service (Functions 67-Loco. Fuels and 68-Electric Power Purchased/Produced for Motive Power). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

760. GRADE CROSSINGS

A--Railroad With Railroad

1. A crossing of a railroad with a railroad means the intersection of all the tracks on one right-of-way with all of the tracks on another right-of-way, whether or not owned or operated by the same company; thus, the intersection of one double-track line with another double-track line shall be reported as one crossing. Each such crossing shall be reported only by the carrier who performs the actual maintenance of the signal or interlocking protection, if so provided, or by the carrier who maintains the crossing frogs where no protection exists. The carrier which actually performs the maintenance shall be the reporting carrier, even though other party, or parties, assume a part or all of the expense of such maintenance. Where portions of the apparatus are maintained by two or more companies, as for example—the condition where one crossing frog is maintained by one company and the second frog by the other company, agreement should be made between carriers as to which shall report. Report should be made of each crossing, whether main line, branch line, or switching tracks are involved, so long as separate rights-of-way are involved, regardless of whether or not the

rights-of-way involved are owned or leased by the same company. A cross-over from one track to another on the same right-of-way, or the use of a crossing frog for the intersection of two tracks in the same right-of-way, is not to be considered as a crossing in this connection. If one right-of-way intersects two or more rights-of-way in the same vicinity a separate crossing shall be reported for each such intersection, even though all are controlled by one interlocking plant. In such case, this fact should be explained in a footnote in order that the interlocking plant may not be counted more than once.

2. The term "Protection" as used in this connection should include all signalling or derailing devices which may restrict the use of the crossing by either carrier. It shall not include stationary or other cautionary signs which merely indicate the proximity of a crossing. Where crossings are protected by more than one of the types of protection shown in columns (b) to (f) inclusive, the kind of protection, etc., should be reported in only one classification and that of the more elaborate type.

Line No.	Number of crossings (a)	Interlocking (b)	Automatic signals (automatic interlocking) (c)	Derails on one line, no protection on other (d)	Hand-operated signals, without interlocking (e)	Gates (f)	Total specially protected (g)	Total not specially protected (h)	Grand total (i)
1	Number at beginning of year	39	71	4	5	15	134	208	342
2	Crossing added: New crossings							2	2
3	Change in protection								
4	Crossings eliminated: Separation of grade		1				1		1
5	Change in protection								
6	Other causes	2	1				3		3
7	Number at close of year	37	69	4	5	15	136	210	340
8	Number at Close of Year by States:								
9	California		1				1		1
10	Colorado	1					1	6	7
11	Illinois	7	7			3	17	10	27
12	Iowa	4	4				8	24	32
13	Kansas							1	1
14	Minnesota	4	23		1		28	49	77
15	Missouri	4	1			1	6	11	17
16	Montana		1			1	2	2	4
17	Nebraska	9	11	1		2	23	14	37
18	North Dakota	1	8		3	1	13	12	25
19	Oregon							6	6
20	South Dakota		5		1		6	10	16
21	Washington	6	1	3		7	17	43	60
22	Wisconsin	1	4				5	20	25
23	Wyoming							1	1
24	British Columbia		3				3	1	4
25	Idaho								-

750. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

Show here under the amounts of the various kinds of fuel consumed by locomotive units and motors or other self-propelled rail cars in the service of the respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity. The ton of 2,000 pounds should be used.

Kilowatt-hour, for entry in column (c) of section A, and column (h) of section B, are to be figures at high tension taps (point of production or point of purchase), and divided among the several classes of service, the division being made on the respondent's best estimate if actual figures are not available.

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight	363 134 402			
2	Passenger	4 983 957			
3	Yard switching	40 402 736			
4	Total	408 521 095			
5	Cost of Fuel*	\$ 154 137	\$	\$	\$
6	Work Train	781 661			

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
7	Freight			
8	Passenger			
9	Yard switching			
10	Total	None		
11	Cost of Fuel*	\$ None	\$	\$
12	Work Train	None		

*Show cost of fuel charged to train and yard service (Functions 67-Loco. Fuels and 68-Electric Power Purchased/Produced for Motive Power). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

760. GRADE CROSSINGS—Continued B—Railroad With Highway

1. A highway grade crossing is to be regarded as a single crossing of all of the tracks within the adjacent owned or leased right(s) of way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at the same grade to the extent that the tracks are located within the limits of a single set of grade crossing signs or protective devices having an integrated set of actuating circuits.

2. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads or driveways not dedicated to public use. All crossings of tracks at grade with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad right-of-way.

3. A private grade crossing which becomes public during the year should be reported as a new grade crossing. A grade crossing of a dual or multi-lane highway should be reported as one crossing. In the classification of protection, a crossing having more than one of the classes of protection listed below should be reported once only, using the furthest left column that applies. To avoid

duplicate reporting of jointly owned, jointly maintained or jointly used crossings, one railroad shall be designated the reporting road by mutual agreement of the interested parties.

4. In columns (b) and (c) include grade crossings with or without audible signals. In columns (d) and (e) include grade crossings with or without any type of audible or visible supplemental device. Exclude from columns (f) and (g) those crossings where train movement is protected only by a member of the train crew. Audible signals reportable in column (h) include any train-actuated bell, whistle, siren or other audible device located adjacent to the crossing. Other automatic signals reportable in column (i) include wigwags, Highway Traffic Signals or special types of train-actuated devices with or without audible supplements. Include in column (j), in addition to "Railroad Crossing" crossbuck, any other static sign (except "Number of Tracks" sign) or any non-train-actuated signal such as amber continuous flashing lights. In column (m) report other than railroad crossbuck. Totals in column (o), lines 9 and 10 should be equal, resulting in no change in the total number of crossings.

TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE

Line No.	Item of Annual Change (a)	Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad crossing" crossbuck (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year	804	1 776	9	2	7	22	20	439	3 079	14 929	2 255	140	1 055	21 458
2	Added: By new, extended or relocated highway	6	2						1	9	10	3			23
3	By new, extended or relocated railroad		2							2	1				3
4	Total added	6	4				1	1	1	11	11	3		1	25
5	Eliminated: By closing or relocation of highway									3	8	1			13
6	By relocation or abandonment of railroad	2	5							7	133	31		7	178
7	By separation of grades	1								1	1				2
8	Total eliminated	3	5				1	1	1	11	142	32		8	193
9	Changes in protection: Number of each type added	153	66							219	14	2			235
10	Number of each type deducted		35					3	11	49	145	21		20	235
11	Net of all changes	+156	+ 30				-1	-4	-11	+ 170	-262	- 48		- 28	-168
12	Number at close of year	960	1 806	9	2	7	21	16	428	3 249	14 667	2 207	140	1 027	21 290
13	Number at close of year by States:														
14	California	1								1	27	1			29
15	Colorado	15	30						9	54	245	17	15	37	368
16	Idaho	9	10						15	34	144	1	2	21	202
17	Illinois	175	358	1				10	30	574	924	343		140	1 981
18	Iowa	98	79			3				180	763	236		30	1 209
19	Kansas		8							8	233	5		5	251
20	Minnesota	155	232		2		2		63	504	1 927	782	68	3	3 284
21	Missouri	26	183	2		4	4	5	2	226	690	161	1	13	1 093
22	Montana	74	141						2	217	1 308	24	6	155	1 710
23	Nebraska	91	203						38	332	2 107	75	3	90	2 607
24															
25															
26															

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760. GRADE CROSSINGS—Continued

B—Railroad With Highway

1. A highway grade crossing is to be regarded as a single crossing of all of the tracks within the adjacent owned or leased right(s) of way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at the same grade to the extent that the tracks are located within the limits of a single set of grade crossing signs or protective devices having an integrated set of actuating circuits.

2. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads or driveways not dedicated to public use. All crossings of tracks at grade with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad right-of-way.

3. A private grade crossing which becomes public during the year should be reported as a new grade crossing. A grade crossing of a dual or multi-lane highway should be reported as one crossing. In the classification of protection, a crossing having more than one of the classes of protection listed below should be reported once only, using the furthest left column that applies. To avoid

duplicate reporting of jointly owned, jointly maintained or jointly used crossings, one railroad shall be designated the reporting road by mutual agreement of the interested parties.

4. In columns (b) and (c) include grade crossings with or without audible signals. In columns (d) and (e) include grade crossings with or without any type of audible or visible supplemental device. Exclude from columns (f) and (g) those crossings where train movement is protected only by a member of the train crew. Audible signals reportable in column (h) include any train-actuated bell, whistle, siren or other audible device located adjacent to the crossing. Other automatic signals reportable in column (i) include wigwags, Highway Traffic Signals or special types of train-actuated devices with or without audible supplements. Include in column (j), in addition to "Railroad Crossing" crossbuck, any other static sign (except "Number of Tracks" sign) or any non-train-actuated signal such as amber continuous flashing lights. In column (m) report other than railroad crossbuck. Totals in column (o), lines 9 and 10 should be equal, resulting in no change in the total number of crossings.

TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE

Line No.	Item of Annual Change (a)	Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad crossing" crossbuck (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year														
2	Added: By new, extended or relocated highway														
3	By new, extended or relocated railroad														
4	Total added														
5	Eliminated: By closing or relocation of highway														
6	By relocation or abandonment of railroad														
7	By separation of grades														
8	Total eliminated														
9	Changes in protection: Number of each type added														
10	Number of each type deducted														
11	Net of all changes														
12	Number at close of year														
13	Number at close of year by States:														
	North Dakota	91	172	5					16	285	3 718	34	13	131	4 181
14	Oregon	54	2				2		50	108	210	151		68	537
15	South Dakota	2	33							35	299	221		20	575
16	Washington	115	199				13	1	196	524	1 760	52	31	275	2 642
17	Wisconsin	32	25						6	63	165	73	1	5	307
18	Wyoming	16	57						1	74	109	31		27	241
19	British Columbia	6	24							30	38			5	73
20															
21															
22															
23															
24															
25															
26															

761. GRADE SEPARATIONS Highway-Railroad

1. (a) A highway-railroad grade separation is to be regarded as a single crossing of all of the tracks within the owned or leased right-of-way or contiguous rights-of-way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at separate grades.

(b) Not to be included are structures which serve some major purpose other than the avoidance of conflict of railway movements with highway movements and which contain no design features required for accommodation of the intersecting traffic flow as in the case of major tunnels.

(c) In order to avoid duplicate reporting and possible confusion, in reporting grade separations used or maintained by more than one railroad, the interested parties in each case should designate one line to be the reporting railroad.

2. All separated crossings of tracks with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad owned right-of-way.

3. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads not dedicated to public use.

4. A private crossing which becomes public during the year should be reported as a new crossing.

5. A crossing of a dual or multi-lane highway should be reported as one crossing.

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year	1 347	1 147	2 494
2	Added: By new, extended or relocated highway	9		9
3	By new, extended or relocated railroad	1	1	2
4	By elimination of grade crossing	1	1	2
5	Total added	11	2	13
6	Deducted: By closing or relocation of highway	1	2	3
7	By relocation or abandonment of railroad	7	6	13
8	Total deducted	8	8	16
9	Net of all changes	+3	-6	-3
10	Number at close of year	1 350	1 141	2 491
	Number at close of year by States:			
11	California	1	1	2
12	Colorado	10	11	21
13	Idaho	22	29	51
14	Illinois	146	159	305
15	Iowa	107	86	193
16	Kansas	8	3	11
17	Kentucky	6	5	11
18	Minnesota	221	145	366
19	Missouri	86	57	143
20	Montana	122	79	201
21	Nebraska	141	113	254
22	North Dakota	56	63	119
23	Oregon	42	62	104
24	South Dakota	23	27	50
25	Washington	295	246	541
26	Wisconsin	19	34	53
27	Wyoming	29	20	49
28	British Columbia	16	1	17
29				

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800. CONTRACTS, AGREEMENTS, ETC.

1. Hereunder give a concise statement of each important contract, agreement, arrangement, etc., with other companies or persons, together with important revisions, modifications, terminations, and other changes thereof, which became effective during the year, and concerned in any way the transportation of persons or things at other than tariff rates, or the purchase of equipment under conditional sales plans without the issuance of securities by respondent, making such statements in the following order:

- (a) Freight or transportation companies or lines.
- (b) Other railway companies.
- (c) Steamboat or steamship companies.
- (d) Telegraph companies.
- (e) Telephone companies.
- (f) Equipment purchased under conditional sales contracts.
- (g) Routing traffic of affiliated companies.
- (h) Other contracts.

2. Under item 1(b), include particulars of joint facility arrangements entered into during the year by the respondent, including those maintained or operated by other carriers as well as those maintained or operated by respondent. For each joint facility, give a brief statement of the basis or bases on which revenues, expenses, taxes, interest on investment, and other items, if any, related to the facility are apportioned among the carriers using the facility or otherwise deriving benefit therefrom.

3. Under item 1(f), give particulars of conditional sales agreements, lease or rental contracts, and other similar instruments, entered into by respondent for the purchase of equipment, which provide for payment in installments and do not involve the issuance of securities by respondent. State the names of the parties to the contracts or agreements, the number of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(g), give particulars of arrangements, written or

oral with affiliated companies for routing of traffic. Through route arrangements for handling of traffic interchanged with carrier affiliates should not be reported.

5. Under item 1(h), Other contracts, describe briefly the particulars of all contracts or agreements, including estimated amounts receivable, under which a government agency, or instrumentality thereof, seeks to assist respondent with grants or aid for providing passenger commuter or other passenger-train services.

6. Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$50,000 per year, and which, by its terms, is otherwise unimportant.

7. In lieu of giving abstracts, copies of contracts may be filed. Every copy of a contract furnished in connection with the foregoing requirement should be listed hereunder.

8. The basis for computing receipts and payments should be fully stated in the case of each such contract, agreement, or arrangement.

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

"Every common carrier subject to this part shall also file with said Commission copies of all contracts, agreements, or arrangements with other common carriers in relation to any traffic affected by the provisions of this part to which it may be a party. Provided, however, that the Commission, by regulations, may provide for exceptions from the requirements of this paragraph in the case of any class or classes of contracts, agreements, or arrangements, the filing of which, in its opinion, is not necessary in the public interest."

c, d, e, g, h, none

- (a) Western Fruit Express Co. - Agreement dated January 1, 1978 - Covers various protective service for perishable freight other than Mechanical Protective Service. This agreement terminates and supersedes agreement dated January 1, 1977.

Acme Markets Inc. - Agreement dated April 27, 1978 effective December 1, 1977 - WFE shall perform services for Acme Markets Inc. Pretripping at \$22.95 per trailer, interior washing at \$22.14 per trailer, tire repair at \$12.08 per tire and inspection at various rates.

American Refrigerator Transit Co. - Agreement dated January 1, 1977 received this office May 1978 - Covers Mechanical Protective Service.

Fruit Growers Express Co. - Agreement dated November 1, 1975 - Covering lease of 75 highway type mechanically refrigerated semi-trailers was terminated August 11, 1978.

- (b) Kansas City & Southern and Louisiana & Arkansas Railway Co. - Agreement dated April 1, 1978 - Operation of unit coal trains from Belle Ayr, Wyoming to Kansas City, Missouri via BN to Kansas City Power & Light Co. at Amsterdam, Missouri via KCS and to Southwestern Electric Power Co. at Welsh, Texas via KCS and L&A and Flint Creek, Arkansas via KCS. BN bills KCS monthly for fuel used. Locomotive and caboose mileage is equalized. This agreement supersedes and terminates agreement dated September 21, 1977.

(b) Cont'd.

Chicago Union Station, Amtrak and Chicago, Milwaukee, St. Paul & Pacific RR Co. - Agreement dated February 28, 1978 - Payment of advances and subordination of claims. Amtrak and BN to advance CUS \$175,000.00 each to meet cash requirements needed to pay CUS 1977 ad valorem taxes.

Colorado & Southern Railway Co. - Agreement dated March 1, 1978 - Equalization of caboose usage. Each party to pay \$12.75 per caboose per day or fraction thereof while in the other party's possession.

Colorado & Southern Railway Co. - Agreement dated January 1, 1978 - Maintenance and repair to C&S locomotives by the BN on a flat rate basis by locomotive unit type.

Colorado & Southern Railway Co. - Agreement dated January 30, 1978 - Operation of BN's Rail Welding Plant with BN and C&S employees. BN shall pay C&S employees actual wages plus GMA additives and an additive of .5% to cover payroll accounting.

Canadian Pacific Limited - Agreement dated August 13, 1975 was terminated October 27, 1977 - Handling of CP's cars in BN trains between New Westminster and Brownsville, B. C.

Illinois Terminal RR Co. - Agreement dated January 1, 1977 received this office August 1978 - BN's use of IT's trackage between Alton and North Wood River, Illinois. BN shall pay: Rent - 7% per annum on \$876,057.00. M&O Expense - based on car count for use of trackage and station facilities.

Colorado & Southern Railway Co., Fort Worth & Denver Railway Co. - Agreement dated January 1, 1978 covers BN's furnishing necessary personnel, etc., to perform C&S and FW&D Freight Claim, Freight Revenue, Customer and Equipment Service Accounting. C&S and FW&D shall pay \$74,660.00 per month for this service.

Toledo, Peoria & Western RR Co. - Agreement dated June 15, 1978 - TP&W shall fuel and service BN locomotives and cabooses at East Peoria, Illinois. BN shall pay TP&W \$23.25 per locomotive and \$15.00 per caboose serviced to defray labor costs, plus cost of all material used to fuel, service and supply locomotives and cabooses, plus current GMA additives.

Colorado & Southern Railway Co. and Fort Worth & Denver Railway Co. - Agreement dated June 19, 1978 effective February 16, 1976 - Fuel used on C&S and FW&D coal trains and switch engines other than in joint switch engines at Denver, Colorado. BN billed C&S and FW&D \$4,415,148.47 for period February 1976 through June 1978. Billing from June 1978 will be on a monthly basis.

(f)

Fort Worth and Denver Railway Co. - Agreement dated February 13, 1978 whereby BN advances FW&D \$6,500,000.00 at 8-3/4% annual interest on the unpaid balance. Interest paid to BN in 1978 was \$150,572.92.

(f) Cont'd.

Colorado and Southern Railway Co. - Agreement dated February 13, 1978 whereby BN advances C&S \$5,000,000.00 at 8-3/4% annual interest on the unpaid balance. Interest paid to BN in 1978 was \$121,527.78.

Erie Savings Bank and Lincoln National Life Insurance Co. - Agreement dated October 19, 1978 covers mortgage financing of the Alliance Repair Facilities. Two mortgage notes, of \$13,000,000.00 each for 30 years with interest at 3-5/8% per annum on each. Interest paid on Erie note was \$224,194.33 and no other payment made.

First Trust Co. of St. Paul - Equipment Trust of 1978, Series I dated May 1, 1978 covers 500 covered hopper cars. Trust Certificate issued in the aggregate total amount of \$13,350,000.00 with dividends at 8-5/8% per annum payable semi-annually. Interest paid in 1978 was \$595,718.75; interest accrued in 1978 toward 1979 payment was \$95,953.12.

First Trust Co. of St. Paul - Equipment Trust of 1978, Series II dated December 1, 1978 covers 500 open top hopper cars and 25 airslide covered hopper cars. Trust Certificate issued in the aggregate total amount of \$14,625,000.00 with dividends at 9-1/4% per annum payable semi-annually. No interest paid in 1978; however, accrual was \$112,734.37.

Mercantile Safe Deposit and Trust Co. - A Conditional Sales Agreement dated February 1, 1978 covering 435 covered hopper cars, 200 box cars, 78 cabooses, 15 air dump cars and 6 locomotive cranes for 15 years. Conditional sale indebtedness is \$29,757,000.00 at 8-3/4% per annum. Interest paid in 1978 was \$755,557.38 and interest accrued was \$1,627,771.66.

Firstmark Morrison Corp. - Termination of agreement dated March 23, 1966 covering the lease of 300 - 50-ton steel box cars which terminated September 6, 1978 under its terms.

United States Leasing International - Termination of CB&Q Trust No. 5 dated August 20, 1969 covering 560 box cars which terminated under its terms.

Nebraska Public Power District - Termination of agreement dated August 24, 1977 covering the lease to BN of 240 coal cars. Termination was effective November 1, 1978.

Security Pacific National Leasing Inc. - Agreement dated February 14, 1978 whereby BN leases Maintenance of Way Equipment. No rental was paid in 1978; however, \$171,820.55 was accrued for payment which was made on January 1, 1979.

Mercantile Safe Deposit & Trust Co. - Agreement dated December 1, 1977 whereby BN leases 845 open top hopper cars for 15 years. Rental payments are semi-annual at 4.0350% of the Purchase Price of \$26,195,000.00. Rental paid in 1978 was \$399,978.97 and \$1,059,690.42 was accrued and paid on January 3, 1979.

(f) Cont'd.

Mercantile Safe Deposit & Trust Co. - Agreement dated December 15, 1977 whereby BN leases 54 locomotives for 16 years with semi-annual lease payments at various percentages of the Purchase Price of \$33,164,000.00. No rental was paid in 1978; however, \$883,574.09 was accrued in 1978 and paid on January 10, 1979.

Duluth, Missabe & Iron Range Railway Co. - Agreement dated February 2, 1978 whereby BN leases 4 locomotives from DM&IR. Rental rate was \$200.00 per day per engine. Rental paid in 1978 was \$342,625.00.

Mercantile Safe Deposit & Trust Co. - Agreement dated May 1, 1978 covering the BN's lease of 71 diesel locomotives with an estimated Base Price of \$45,690,500.00. Lease payments to be semi-annual for 15 years at various interest percentages of the Base Price. No rental was paid in 1978.

Mercantile Safe Deposit & Trust Co. - Agreement dated July 1, 1978 covers lease by BN of 190 auto-rack cars. Rental to be paid in 18 consecutive semi-annual payments equal to 5.670236% of the Purchase Price of \$5,847,500.00. No rental was paid in 1978; however, \$18,024.93 was accrued.

Mercantile Trust Co. N. A. - Agreement dated August 1, 1978 whereby BN leases 100 rebuilt refrigerator cars. Lease payments to be made semi-annually in 24 equal payments at 4.9447% of the Estimate Total Cost of \$3,820,000.00. No rental was paid in 1978.

Duluth, Missabe and Iron Range Railway - Agreement dated September 15, 1978 whereby BN leases 200 hopper cars from DM&IR at \$3.20 per car per day. Rental paid in 1978 was \$58,774.40.

Trust Company for U. S. L. Inc. - Agreement dated December 1, 1977 whereby BN leases 250 rebuilt box cars. Lease to run for 11 years and payments are to be semi-annual. The first 9 payments to be at 4.81840% and the final 13 payments to be at 5.88916% of the Total Cost of \$5,077,500.00. No rental was paid in 1978; however, \$244,655.00 was accrued and paid on January 3, 1979.

American Electric Power Service Corp. - Agreement dated June 1, 1977 whereby BN leases cars on a trip lease basis. Rental rate is \$9.93 per day per car plus \$.0443 per car mile. Daily rental only paid in 1978 was \$84,169.92, however car mileage figure is not available yet.

Precision National Corp. - Agreement dated September 26, 1978 whereby BN leases 11 locomotives from Precision National for 3 months, 9 engines with rental of \$300.00 per day and 2 engines with rental of \$175.00 per day. Rental paid in 1978 was \$225,200.00.

(f) Cont'd.

P. L. M. Railcar Management, Inc. - Agreement dated August 1, 1978 whereby BN leases 500 covered hopper cars during two separate periods; May 1, 1979 through September 30, 1979 and May 1, 1980 through September 30, 1980. Rental rate is \$372.00 per month per car plus \$.02 per mile for each mile each car travels over 16,700 miles. No rental paid in 1978.

M. K. Railroad Equipment Co., Inc. - Agreement dated November 1, 1978 effective December 15, 1978 whereby BN leases 138 ballast cars at \$345.00 per month per car. No rental paid in 1978.

First National Bank & Trust Co. - Agreement dated October 1, 1978 whereby BN leases 400 dry van trailers for 7 years. Semi-annual rental payments to be 5.429490% of the Purchase Price of \$4,987,500.00. No rental paid in 1978.

Mercantile Safe Deposit & Trust Co. - Agreement dated July 28, 1978 whereby BN leases 51 locomotives for 15 years with a Base Price of \$32,487,000.00. Rental payments to be semi-annual at various rates based on the Purchase Price. No rental paid in 1978.

United States Leasing International - Agreement dated June 1, 1978 whereby BN leases 500 dry van freight trailers for 7 years. Rental payments to be semi-annual at 6.19932% of the Purchase Price of \$5,512,500.00. No rental was paid in 1978; however, a 3-month accrual was made in 1978 for \$161,963.44.

850. COMPETITIVE BIDDING-CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and

except such purchases shall be made from, or such dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010-Competitive Bids through Part 1010.7 - Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1	Purchase of Elec.	May 10,	678-1		Low bid - only	June 22,	Northern States Power Co
2	Current & Natural	12, 17 &			bidder	1978	414 Nicollet Mall
3	Gas	19, 1978					Minneapolis, MN 55401
4							
5							Director:
6							W. John Driscoll, Pres.
7							Green Valley Holding Co
8							2100 1st National Bank
9							Bldg.
10							St. Paul, MN 55101
11							
12	Purchase of Corrugated	Sept. 13,	1078-2	2	Low bid	Nov. 16,	Crown Zellerbach Corp.
13	Box Car Liners, Treated	15, 20 &				1978	Gaylord Container Divn.
14	and Untreated Piling	22, 1978					One Bush Street
15	and Treated Poles						San Francisco, CA 94119
16							
17							Director:
18							Robert M. Hendrickson
19							Exec. V.P. & Chief
20							Investment Officer
21							The Equitable Life
22							Assurance Society of the
23							United States
24							1285 Ave. of the America
25							New York, NY 10019
26							
27							Crown Zellerbach Corp.
28							Southern Timber & Wood
29							Products Division
30							P. O. Box 1510
							Gulfport, MS 39501

BURLINGTON NORTHERN INC.
Compensation of Officers, Directors, etc. Year 1978
SCHEDULE 900

LINE NO.	NAME/TITLE	SALARY PER ANNUM AS OF CLOSE OF YEAR	OTHER COMPENSATION 4/	SALARY CHANGE DURING YEAR INCREASE/DECREASE		
				FROM	TO	EFFECTIVE DATE
1	N. M. Lorentzsen President and Chief Executive Officer	\$250,000	<u>1/</u> \$110,237	\$200,000 220,000	\$220,00 250,000	1-1-78 6-1-78
2	L. W. Menk Chairman	200,000	<u>1/</u> <u>2/</u> 126,615	360,000	200,000	6-1-78
3	C. R. Binger President, Resource Division	163,500	<u>1/</u> 65,369	150,000	163,500	1-1-78
4	T. J. Lamphier President Transportation Division	140,000	<u>1/</u> <u>3/</u> 66,330	128,300	140,000	1-1-78
5	F. H. Coyne Executive VP Finance & Administration	140,000	<u>1/</u> 42,944	128,300	140,000	1-1-78
6	I. C. Ethington Senior VP Marketing	127,500	<u>1/</u> 43,091	117,000	127,500	1-1-78
7	F. S. Farrell Vice President Law	125,000	<u>1/</u> 39,907	106,900	125,000	1-1-78
8	J. H. Hertog Senior Vice President Operations	109,000	<u>1/</u> 34,895	100,000	109,000	1-1-78
9	T. C. DeButts	84,500	<u>1/</u> <u>2/</u> 35,097	-	-	-
10	A. E. Egbers Vice President-Labor Relations	80,000	<u>1/</u> <u>2/</u> 41,954	-	-	-
11	L. L. Duxbury, Jr. Vice President Eastern Counsel	80,000	<u>1/</u> 29,724	76,000	80,000	1-1-78

BURLINGTON NORTHERN INC.
 Compensation of Officers, Directors, etc. Year 1978
 SCHEDULE 900

LINE NO.	NAME/TITLE	SALARY PER ANNUM AS OF CLOSE OF YEAR	OTHER COMPENSATION 4/	SALARY CHANGE DURING YEAR INCREASE/DECREASE		
				FROM	TO	EFFECTIVE DATE
12	R. F. Garland Vice President and Controller	\$80,000	<u>1/</u> \$23,771	\$ 73,500	\$ 80,000	1-1-78
13	J. C. Kenady VP Industrial Development & Prop.Mgmt.	79,000	<u>1/</u> 24,514	72,500	79,000	1-1-78
14	J. O. Davies Regional Vice President	76,500	<u>1/</u> 24,456	69,000	76,500	1-1-78
15	R. A. Beulke Regional Vice President	73,500	<u>1/</u> 17,452	69,000	73,500	1-1-78
16	B. G. Anderson Assistant Vice President Engineering	73,200	<u>1/</u> 22,463	68,000	73,200	1-1-78
17	W. S. Johnston Vice President Maintenance & Engineering	72,500	<u>1/</u> 16,873	64,000	72,500	1-1-78
18	J. C. Ashton Vice President and Secretary	71,820	<u>1/</u> 22,303	63,820	71,820	1-1-78
19	R. E. Taylor Assistant Vice President-Mechanical	70,500	<u>1/</u> 16,716	65,500	70,500	1-1-78
20	J. D. Rezner Vice President Sales & Service	70,500	<u>1/</u> 21,598	64,000	70,500	1-1-78
21	G. M. deLambert Vice President Purchasing & Materials	70,000	<u>1/</u> 22,294	64,000	70,000	1-1-78
22	E. R. Craven Regional Vice President	69,000	<u>1/</u> <u>2/</u> 34,337	64,000	69,000	1-1-78

BURLINGTON NORTHERN INC.
Compensation of Officers, Directors, etc. Year 1978
SCHEDULE 900

LINE NO.	NAME/TITLE	SALARY PER ANNUM AS OF CLOSE OF YEAR	OTHER COMPENSATION ^{4/}	SALARY CHANGE DURING YEAR INCREASE/DECREASE		
				FROM	TO	EFFECTIVE DATE
23	R. H. Shober Vice President & General Manager	\$ 69,000	<u>1/</u> <u>2/</u> \$ 39,001	\$ 63,500	\$ 69,000	1-1-78
24	J. D. Nankivell Vice President Market Development	67,500	<u>1/</u> 21,463	63,500	67,500	1-1-78
25	T. Watanabe Vice President Executive Department	66,000	<u>1/</u> 15,607	61,500	66,000	1-1-78
26	J. R. Walker General Counsel	66,000	<u>1/</u> 19,928	60,000	66,000	1-1-78
27	D. J. Wigstrom Senior Assistant Vice President	65,300	<u>1/</u> 15,309	59,800	65,300	1-1-78
28	M. M. Donahue Vice President Coal	65,000	<u>1/</u> 15,117	60,000	65,000	1-1-78
29	R. J. Crosby Vice President & Western Counsel	65,000	<u>1/</u> <u>2/</u> 38,879	58,600	65,000	1-1-78
30	W. L. Arntzen Regional Vice President	64,500	<u>1/</u> 19,349	59,500	64,500	1-1-78
31	A. Skinner Chief Medical Officer	64,500	<u>1/</u> 194	59,500	64,500	12-1-78
32	R. E. Skov Regional Counsel	63,400	<u>1/</u> 15,330	59,200	63,450	8-1-78
33	O. W. Cobb Senior Assistant Vice President	62,700	<u>1/</u> 18,968	57,000	62,700	6-1-78

BURLINGTON NORTHERN INC.
Compensation of Officers, Directors, etc. Year 1978
SCHEDULE 900

LINE NO.	NAME/TITLE	SALARY PER ANNUM AS OF CLOSE OF YEAR	OTHER COMPENSATION ^{4/}	SALARY CHANGE DURING YEAR INCREASE/DECREASE		
				FROM	TO	EFFECTIVE DATE
34	T. G. Schuster Assistant Vice President Urban Services	\$ 60,500	<u>1/</u> \$ 18,232	\$ 56,500	\$ 50,500	9-1-78
35	D. F. Ylkanen Vice President Personnel	59,000	<u>1/</u> 17,421	54,000	59,000	1-1-78
36	W. L. Taylor Regional Counsel	58,320	<u>1/</u> 17,697	54,120	58,320	1-1-78
37	R. C. Burton Assistant Vice Pres. Finan. Plg. & Treasurer	58,000	<u>1/</u> 17,174	48,000 53,000	53,000 58,000	4-1-78 7-1-78
38	R. E. Duffy Vice President Public Relations	55,000	<u>1/</u> 16,623	-	55,000	1-1-78
39	S. G. Merryman Vice President Timber & Land	51,000	<u>1/</u> 15,310	46,000	51,000	1-1-78

1/ Includes Director and Other Fees, Incentive Compensation Bonus and Life Insurance in excess of \$50,000.

2/ Includes moving costs.

3/ Includes Personal Service Income from the difference between the Option Price and Market Value for Stock Options Incentive plan options exercised.

4/ In 1978 the Board of Directors of Burlington Northern adopted a Non-discriminatory Incentive Pay Plan for selected officers and key employees who, because of their position and responsibility, have a direct impact on operations or profitability.

Each year the Compensation Committee of the Board of Directors establishes a threshold of net income that must be exceeded before any incentive payments can be made. The amount of any annual payments made is based on the level of pre-tax net income above the threshold, achievement of corporate goals, and achievement of each individual participant's goals and objectives. Payments are included under other compensation during the year.

BURLINGTON NORTHERN INC.
1978 Stock Option Incentive Plan
Options Granted*
Schedule 900

<u>Name and Title</u>	<u>No. of Shares</u>	<u>Name and Title</u>	<u>No. of Shares</u>
R. L. Aase, Director Transportation Planning	150	R. T. Bingaman, Asst. Reg. Counsel	200
C. E. Able, Asst. to VP Operations	150	C. R. Binger, President Resources	3,000
P. M. Achre, Terminal Superintendent	150	R. F. Blakeslee, Asst. Dir. Purch.	150
H. R. Adamson, Superintendent Cars	150	J. D. Boelter, Jr., Attorney	150
D. L. Amlund, Regional Chief Pilot	150	J. J. Boettner, Gen. Supt., Transp.	400
G. G. Albin, Regional Maintenance Engineer	150	R. G. Boisen, Dir. Optg. Data Systems	200
B. G. Anderson, AVP Engineering	750	J. N. Bone, Dir. Mtc. Planning	150
L. C. Anderson, Asst. to VP	150	E. E. Bowman, Area Dir., Sales	150
R. F. Anderson, Area Director, Sales & Service	100	A. R. Boyce, Asst. Vice President	300
S. G. Anderson, Asst. to Eastern Counsel	300	R. J. Boyd, Attorney	150
R. G. Annala, Principal Assistant Engineer	150	H. K. Bradford, Jr., Gen. Solicitor	600
C. J. Annalora, Terminal Superintendent	150	E. M. Brady, Dir., Intermodal Plng.	150
C. D. Archibald, Reg. Director Engr., Retired	250	L. J. Brady, AVP Timber Mgmt.	300
W. L. Arntzen, Regional Vice President	750	S. A. Brantingham, Attorney	150
J. M. Arrington, Manager, Trains & Terminals	150	R. V. Brawner, Reg. Engr. Mtce.	150
J. C. Ashton, Vice President & Secretary	1,000	D. E. Brink, Dir., Jt. Facilities	150
L. N. Assell, Treasurer, Deceased	250	R. G. Brohaugh, Chief Engr. Mtce.	400
R. L. Atkins, Director, Timber Management	200	G. W. Brown, Director Pricing	150
J. K. Aust, Asst. Dir., Constr. Projects	150	K. E. Bruestle, Asst. Dir. Constr. Proj.	150
R. O. Avery, AVP Pricing Negotiations	350	C. J. Bryan, AVPO Staff	350
K. Axelson, Manager Machinery & Tools	150	L. J. Bryczek, VP Nor. Air., deceased	400
K. S. Bagley, Jr., Director Pricing Admn.	150	C. G. Buie, Supt. Cars	150
A. S. Barros, Chief Pilot Training	250	G. E. Burke, Asst. Dir. Disb.	150
R. L. Bartholic, Asst. General Counsel	250	L. R. Burk, Supt. Coal	150
D. F. Bartley, Engineer Maintenance	150	D. H. Burns, Divn. Supt.	200
J. F. Beacom, Jr., Staff Assistant	150	R. C. Burton, Jr. AVP Fin. Plng & Treas.	700
J. W. Becker, Asst. General Solicitor	150	W. S. Byrne, Divn. Supt.	200
R. L. Beem, Division Superintendent	250	E. B. Caldwell, VP Northern Airmotive	150
A. G. Bell, Manager Ind. Development	150	E. B. Carlson, Dir. Contr. Admn.	150
K. A. Beltz, Director Fleet Control	150	L. L. Carter, Staff Asst.	150
C. A. Bentley, Jr., Dir. Trn.	150	W. C. Carter, Terminal Sup.	150
C. H. Berg, General Solicitor	400	O. W. Cobb, Sr. Asst. VP Pricing	600
J. C. Bergman, Terminal Superintendent	150	M. C. Collins, Asst. Supt.	150
R. A. Beulke, Regional Vice President	600	S. E. Collum, Dir. Spec. Proj.	150
J. A. Bichsel, Director Mechanical Services	200	W. J. Condotta, AVP Operations	400

* All options granted April 16, 1978, at \$38.375 option price.

Name and TitleNo. of
Shares

E. J. Conlin, Dir. Labor Relations	200
E. P. Connors, Asst. Chief Engineer	150
J. J. Cook, Dir. Data Base & Sys.	200
K. L. Cook, Executive Representative	150
D. A. Cowles, Mgr. Ind. Dev.	150
F. H. Coyne, Exec. VP Fin. & Admn.	2,000
F. J. Coyne, Dir. Manpower Planning	200
E. R. Craven, Regional VP	700
R. J. Crosby, VP & Western Counsel	600
W. E. Crum, Dir. Transp.	250
E. J. Currie, AVP Operations	400
J. K. Cutforth, AVP Sales, Retired	350
J. B. Dagnon, Dir. Comp. & Org. Plng.	150
C. E. Dahlberg, Director Pricing	100
G. F. Dalquist, Dir. Bridge Engineer	200
J. W. Darby, Asst. Dir. Constr.	150
J. W. Davidson, Asst. Dir. Bridge Engr.	150
G. K. Davies, Asst. to VP Coal	150
R. J. Davis, Asst. Supt.	150
S. L. Davis, Jr. Dir. Pricing	150
J. F. Dean, Dir. Sec. & Frt. Clm. Prev.	200
T. C. DeButts, VP Portland	500
G. M. de Lambert, VP Purchasing & Matl.	700
V. F. Demarais, Regional Engr.	150
F. A. Deming, Asst. Secretary	150
J. U. Dickson, Jr., Dir. Mk. Research & Plng.	150
J. D. Dickson, Dir. Commn. Mkg.	100
R. E. Dodd, Captain	150
N. M. Doerr, Dir. Material	300
M. M. Donahue, VP Coal	700
W. C. Doney, Dir. Transportation	150
J. E. Doughman, Asst. Supt.	150
J. A. Draper, Term. Supt.	150
L. W. Dreis, Dir. Eqpt. Service Acctg.	150
E. D. DuBois, Dir. Financial Plng.	150
R. E. Duffy, VP Pub. Relations	600
J. P. Duke, Asst. to Pres.	300
F. J. Dusell, Mgr. Sub. Svc.	150
G. Dutra, Jr., Dir. Field Computer Sys.	200

Name and TitleNo. of
Shares

L. L. Duxbury, VP Eastern Counsel	750
J. G. Edwards, Divn. Supt.	250
W. H. Egan, AVP Intermodal	400
A. E. Egbers, VP Labor Relations	300
H. W. Ehrich, Area Dir. Sales	150
D. K. Ehrman, Area Dir. Sales	150
D. M. Eichten, Dir. Comm. Mkg.	100
J. L. Elpel, Signal Engr.	150
D. N. Englehardt, Asst. Dir. Matl.	150
W. R. Essex, Staff Asst.	150
W. M. Estes, Asst. Supt.	150
I. C. Ethington, Sr. VP Marketing	1,700
J. R. Farnen, Director Pricing	100
F. S. Farrell, VP Law	2,000
W. H. Ferryman, Dir. Engr.	150
G. L. Flagan, Engr. Commn. Con.	150
D. D. Floyd, Asst. Dir. Commn.	150
H. M. Ford, Supt. Locos.	150
W. A. Ford, Chief Pilot	250
R. D. Formico, Dir. Pricing	100
F. C. Forward, AVP RSM	300
W. W. Francis, Term. Supt.	150
R. J. Fritz, Asst. Chief Mech. Off. Cars	150
H. E. Gagnier, Dir. Transp. Serv.	150
J. R. Galassi, Asst. to VP, Resigned	150
R. F. Garland, VP & Controller	1,000
R. L. Getz, Dir. Customer Acctg.	200
J. D. Giallombardo, Asst. Ch. Engineer	200
L. A. Gingling, Area Director	100
D. S. Gleason, Dir. Proj. Dev.	150
R. M. Gleason, AVP	350
P. E. Gordenier, Dir. Track Engr.	200
J. J. Gordon, Mgr. Prop. Mgmt.	150
A. W. Grauel, Gen. Mgr. Leases	150
F. E. Gray, Staff Asst. AVPO	150
F. C. Green, Asst. Dir. Frt. Acct.	150
W. F. Greer, Dir. Advertising	250
W. E. Greenwood, Term. Supt.	200
R. E. Griffin, AVP Mgmt. Services	400

<u>Name and Title</u>	<u>No. of Shares</u>
R. L. Grinde, AVP Safety & Rules	400
B. F. Grove, Director Timber Mgmt.	200
R. L. Gunderson, Asst. Dir. Disb.	150
J. A. Gustafson, Bridge Engineer	150
B. N. Gutterman, Gen. Attorney	200
T. R. Hackney, Divn. Supt.	250
K. L. Hagan, Dir. Pricing	150
W. C. Hageman, AVP Marketing	350
M. E. Hagen, Divn. Supt.	200
D. E. Hain, Asst. Supt.	150
J. T. Hall, Dir. Marketing Services	100
L. K. Hall, Asst. to VP, Labor Relations	200
H. E. Halweg, Director Insurance	150
L. O. Halvorsen, Director Pricing	150
R. E. Hamilton, Mgr. Property Tax	150
D. R. Hamm, Dir. Ind. Dev.	250
R. O. Hammerstrom, Divn. Supt.	250
L. A. Harris, Asst. Gen. Counsel	350
M. R. Hasselberg, Attorney	150
W. A. Hatton, Divn. Supt.	250
H. D. Hayman, Dir. Prop. Mgmt., Retired	250
R. A. Hennagin, Attorney	150
R. J. Henret, Dir. Div. Systems	100
J. H. Hertog, Sr. VP Operations	1,700
D. C. Hill, Director, Commn.	200
A. J. Hoehn, AVP Mfg. Prod., Mktg.	300
K. R. Hoepner, Dir. Corp. Planning	150
T. C. Hoff, Dir. Eqpt. Planning Utiliz.	150
D. W. Hogenson, Asst. Supt.	150
S. W. Holliday, Asst. VP	400
D. V. Hon, CMO Engr. & Services	200
R. S. Howery, Asst. Supt.	150
T. E. Hudson, Terminal Supt.	150
E. P. Hughes, Dir. Customer Services	150
E. F. Hutchinson, Asst. Dir. Commn.	150
C. M. Illg, Asst. VP	400
H. J. Iliff, Director Taxes	150
G. C. Inman, Jr., Asst. Regional Counsel	250
C. F. Intlekofer, Dir. Engineering	200

<u>Name and Title</u>	<u>No. of Shares</u>
P. C. Ivory, Area Director	150
R. V. Jabens, Asst. Gen. Supt. Trans.	200
A. Jacobsen, Shop Supt.	150
R. E. Jacobsen, Asst. Dir. Matl.	150
D. K. Jaeb, Mgr. Motive Power	150
T. R. Jarnagin, Supt. Coal	150
D. W. Johnson, Asst. Regional Counsel	250
R. E. Johnson, Dir. Mech. Engr.	200
W. A. Johnson, Regional Engr.	150
W. J. Johnson, Jr., Dir. Amtrak	200
R. L. Johnston, Staff Asst.	150
W. S. Johnston, VP Mtce. & Engr.	850
W. C. Kanan, Dir. Val. Engr.	200
M. E. Karl, AVP RSM	250
C. K. Keck, Divn. Supt.	200
J. C. Kenady, VP Ind. Dev. & Prop. Mgt.	800
L. A. Kent, Reg. Engr. Signal	150
L. S. Kiser, AVP Grain	300
D. C. Knickerbocker, Asst. Gen. Counsel	250
H. A. Knudsen, Dir., Prop. Tax, Retired	250
P. F. Koerning, Dir. Econ. Research	150
E. A. Kohl, Director Disb.	200
T. C. Kotneur, CMO-Cars	200
K. W. Kroschel, Regional Counsel	450
E. L. Kubiak, Margin Analysis	150
M. M. Kuntz, Asst. Dir. Jt. Facil.	150
S. F. Kuzma, Director Mech.	200
J. T. Lacy, Director Admn.	200
D. R. Lamb, AVP	400
G. K. Lamphier, Dir. Mtc. Projects	250
T. J. Lamphier, Pres. Transp.	2,700
C. Lane, Director, Labor Rel.	150
F. D. Larson, Asst. to VPO	250
H. M. Lary, Director Mechanical	200
G. E. LaSalle, Dir. Bldg. Engr.	150
R. L. Lassiter, AVP RSM	300
T. A. Lartz, Asst. Dir. Opr. Rules	150
P. M. Lee, Asst. Gen. Solicitor	150
R. A. Lehrke, Reg. Engr. Signals	150

<u>Name and Title</u>	<u>No. of Shares</u>	<u>Name and Title</u>	<u>No. of Shares</u>
R. C. Liggett, Asst. Supt.	150	R. W. Morrison, AVP RSM	250
R. C. Lindquist, Dir. Safety & Rules	200	S. W. Mosvick, Dir. Saf.Pr.Plng.	150
F. G. Lingenbrink, AVP Forest Products	300	R. A. Muellner, Dir. Intermodal Dev.	150
T. D. Livingston, Regional Engineer	150	R. J. Murphy, Gen. Claims Attorney	350
W. E. Loosmore, Asst. Supt.	150	R. V. Myers, Terminal Supt.	150
N. M. Lorentzsen, Chief Exec. Officer	10,000	J. D. Nankivell, VP Market Dev.	450
W. T. Luksan, Area Dir.	150	C. W. Nelson, Gen. Mgr. Claims	150
A. R. MacDonald, AVP Amtrak	200	D. S. Nelson, Divn. Supt.	200
J. L. Mallon, Dir. Admn.	200	E. E. Nelson, Dir. Pricing	150
W. L. Malone, AVP RSM	350	E. H. Nelson, Asst. Supt.	150
H. P. Marshall, Area Director	150	R. S. Nelson, Attorney	150
W. A. Marshall, Dir. Purchasing	300	D. T. Nicoll, AVP-Revenue	350
J. R. Masters, Dir. Engineering	200	C. K. Nichols, Mgr. Train & Power Opr.	150
E. M. Martin, Divn. Supt.	200	P. L. Nightingale, Dir. Admn.	150
O. J. Martin, Supt. Cars	150	O. J. Norman, Mgr. Ind. Dev.	150
P. J. McCardle, Dir. Bus.Econ. & Forecasting	100	M. C. Nyberg, Asst. Supt.	150
R. R. McEnary, Term. Supt. Retired	200	B. D. Olsen, Asst. Gen. Counsel	250
J. B. McGrath, Jr., Asst. Gen. Counsel	200	T. J. Olson, Elec. Engineer	150
R. W. McKellips, AVP Market Services	400	E. D. Onieal, Area Dir. Sales & Serv.	150
D. E. McLeod, Dir. Planning	150	V. A. Opsahl, AVP Food & Agri.	300
L. U. McMann, Dir. Data Sys. Prog.	200	I. E. Orthengren, Shop Supt.	150
S. B. McNaghten, Dir. Transp.	200	R. E. Parrish, Director Pricing	150
C. L. Melberg, Dir. Labor Relations	150	W. L. Peck, Regional Counsel	300
L. W. Menk, Chairman of the Board	8,000	G. W. Pederson, AVP Disb.	400
C. D. Merk, Area Director Sales & Serv.	150	R. D. Pedersen, Asst. to VP M&E	250
D. F. Merrill, Director Engr.	250	D. Peinovich, Dir. Engineerinng	200
S. G. Merryman, VP Timber & Land	500	F. F. Perrin, Dir. Pub. Rel.	150
N. C. Merz, Director Internal Audit	500	D. E. Peterson, Engr. Signals	150
A. E. Michon, AVP Energy	450	G. H. Peterson, Asst. Reg. Counsel	300
J. J. Mike, Regional Engr. Mtce.	150	A. E. Pew III, AVP Mgmt. Services	200
H. W. Miller, Mgr. Ind. Dev.	150	E. L. Phillips, Divn. Supt.	250
C. E. Moehring, AVP Sales & Service	350	H. E. Pierce, AVP Transp.	600
R. J. Molitor, AVP Taxes	300	J. L. Pilon, Area Gen. Counsel	300
R. M. Montbriand, Director Pricing	150	J. J. Plaistow, Dir. Costs & Fin.	200
D. L. Moore, Supt. Loco.	150	F. E. Plante, Term. Supt.	150
H. E. Moore, Regional Engr.	150	W. Poole, Jr., Reg. Engr. Signals	150
N. P. Moros, Attorney	150	B. W. Potter, Dir. Labor Relations	150
G. A. Morrison, Assoc. Gen. Counsel	400	W. R. Power, Asst. Gen. Solicitor	150

<u>Name and Title</u>	<u>No. of Shares</u>
J. W. Pratt, Director Frt. Eqpt.	150
D. H. Propp, Director Energy	150
R. V. Propp, Shop Superintendent	150
B. W. Ranweiler, Manager Amtrak Acctg.	150
P. B. Rasmussen, Divn. Supt.	200
H. E. Reed, Director Bur. West	150
J. P. Reedy, Manager Property Tax	150
C. J. Reynolds, Dir. Transp.	150
J. R. Reynolds, Asst. Supt.	150
J. D. Rezner, VP Sales & Service	750
B. N. Richardson, Captain	150
A. A. Richter, Mgr. Car Projects	150
E. W. Riebow, Mgr. Ind. Dev.	150
D. B. Roth, Bridge Engineer	150
J. D. Round, Director, Sales Admn.	150
T. C. Rowley, AVP RSM	350
R. E. Ruosch, Engr. Field Control	150
K. C. Sanders, AVP Corp. Planning	450
R. S. Sandgren, AVP Energy	300
J. V. Sargent, Supt. Cars	150
D. V. Sartore, Chief Engineer Design	350
G. W. Saylor, Divn. Supt.	250
J. R. Scalzo, Area Dir. Sales & Service	150
M. J. Schaal, Asst. Dir. Purchasing	150
J. B. Scharff, Asst. Supt.	150
M. P. Schindler, Bridge Engineer	150
G. D. Schlaeger, Dir. Com. Mkg.	150
R. D. Schlappy, Supt. Transp.	150
R. B. Schmidt, AVP Market Dev.	400
K. L. Schramm, Dir. Int. Sales & Service	150
R. J. Schreiber, Assoc. Regional Counsel	300
J. D. Schroeder, Asst. Chief Mech. Officer	150
T. G. Schuster, AVP Urban Services	450
V. R. Scovill, Staff Asst.	150
D. W. Scott, Supt. Coal	150
L. R. Seaholm, Supt. Locos	150
R. J. Seeley, Director Mechanical	250
T. H. Seep, Mgr. Gen. Office Bldg.	150
J. R. Severson, Dir. Property Tax	150

<u>Name and Title</u>	<u>No. of Shares</u>
H.D. Shane, Dir. Prop. Mgmt.	200
J. E. Shaw, Gen. Mgr. Claims	150
D. W. Shea, Area Dir. Sales & Serv.	150
W. C. Sheak, AVP Labor Relations	200
H. E. Shipman, Term. Supt.	150
R. H. Shober, Gen. Mgr. & VP	600
M. M. Shultz, Dir. Sig. Engr.	250
L. D. Silvernale, Assoc. Gen. Counsel	350
J. S. Simpson, Dir. Mech.	200
A. Skinner, Chief Medical Officer	500
R. E. Skov, Regional Counsel	450
D. F. Skow, Asst. Supt. Transp.	150
K. B. Sletten, Dir. Per. Devel.	200
M. M. Smiland, Dir. Emp. Services	200
R. G. Smith, Term. Supt.	150
W. D. Smith, Director, PR & Dis. Acctg.	200
R. W. Spannring, CMO-Cars	200
H. J. Spence, Area Mgr. Sales & Serv.	100
T. W. Spence, Attorney	130
J. R. Spitzmueller, Dir. Mgmt. Cont. Sy.	200
E. J. Spomer, Shop Supt.	150
J. J. Stablein, Gen. Mgr. Claims	150
B. L. Stachowiak, Asst. Dir. Frt. Clms.	150
F. F. Stake, Asst. Dir. Transp.	150
G. F. Steinhilbel, Asst. Sec.	150
C. P. Stendahl, Mgr. Motive Power	150
L. M. Stetzner, Attorney	150
D. W. Stevens, Asst. Dir. Mtce. Prog.	150
O. E. Stevens, Dir. Transp.	200
W. R. Stockton, Dir. Ind. Engr.	200
A. Stranik, Director Mechanical	200
R. E. Taylor, AVP Mechanical	600
R. E. Taylor, Jr., Dir. Stat.	150
W. E. Taylor, AVP Marketing	250
W. L. Taylor, Regional Counsel	500
D. D. Thomas, Dir. Pub. Wks. Plng.	150
D. H. Thomsen, Asst. Dir. Sign. Engr.	150
G. W. Thompson, Chief Engr. Sig. Comm.	400
R. D. Thompson, Dir. Public Works	150

<u>Name and Title</u>	<u>No. of Shares</u>	<u>Name and Title</u>	<u>No. of Shares</u>
G. E. Thorne, AVP RSM	350	M. O. Woxland, Dir. Con. Projects	250
A. F. Tierney, Dir. Frt. Claim	150	D. R. Wright, Bridge Engineer	150
J. P. Titus, Dir. Engineering	200	C. H. Wulff, AVP Pricing Services	350
W. F. Todd, Jr., Dir. Corp. Fin.	150	K. J. Wysoglad, Gen. Attny.	250
W. E. Traut, Asst. Supt.	150	D. F. Ylkanen, VP Personnel	800
G. A. Troy, Gen. Attorney	200	D. F. Zeiss, Sr., Asst. Dir. Co. Proj.	150
J. D. Tunnell, Asst. Supt.	150	R. S. Zielinski, Dir. Opr. Plng.	150
G. B. Tiemann, Gen. Mgr. Sys. Car Mtce.	150	R. J. Zimmerman, Staff Asst.	150
C. F. Tye, Asst. Supt. Trans.	150	S. C. Zimmerman, Jr., Term. Supt.	150
R. J. Utterback, Asst. Term. Supt.	150		
L. L. VanZinderen, AVP	350	Options for Subsidiary Company Personnel:	
W. J. Vogel, Supt. Locos	150	R. E. Anderson, Gen. Supt. C&S	200
W. A. Wade, Chief Clerk	150	W. R. Black, MDF Plant Supt, Plum Creek	150
D. E. Wagers, Dir. Planning	100	R. R. Brown, Reg. VP, BNT.	200
J. R. Walker, General Counsel	500	S. C. Burke, Treas. & Chf. Acctg. BNAFI	200
M. B. Walker, Asst. Dir. Signal Engr.	150	W. D. Campbell, VP Sales, BNT	300
T. M. Walsh, Dir. Com. Mkg.	150	K. Carlson, Dir. Intl. Oprns, BNAFI	200
L. A. Walstad, Asst. Gen. Claims Atty.	150	J. D. Christofferson, AVP Plum Creek	150
J. Wasiluk, Mgr. Pricing Systems	150	W. E. Dennler, VP Sales, BNAFI	200
T. Watanabe, VP Executive Dept.	450	J. P. Groschupf, Asst. Sec. & Treas. Pl. Cr.	150
J. C. Weiland, AVP Ind. Dev.	400	R. A. Hoffman, VP, BNT	200
J. L. Weingarten, Area Dir. Sales & Serv.	150	R. A. Jorgenson, AVP Plum Creek	200
C. H. Wesman, Asst. Dir. Commn.	150	R. D. Larson, Dir. Western Oprn. BNLD	300
J. K. Wheeler, Area Dir. Frt. Claim	150	C. L. Luetger, VP Mgmt. Services	300
T. C. Whitacre, Gen. Supt. Coal Op.	150	C. A. McGee, VPO, BNT	400
D. E. Whitney, Mgr. Air Brakes	150	C. W. McCollister, Dir. Opr. WFE	150
E. J. Whitaker, Prod. Mgr.	200	E. L. McCormick, Pres. & CEO BNT	1,700
J. A. Whittaker, Asst. Dir. Cust. Acctg.	150	M. G. Montgomery, Asst. Treas. BNT	200
R. V. Wicka, Asst. Gen. Counsel	300	W. N. Neumann, Controller BNAFI	200
J. W. Wicks, AVP Operations	450	R. P. Ortlip, Pres. BNLD	500
G. G. Widle, Director Transp.	250	D. E. Pentas, RVP Western BNT	200
D. J. Wigstrom, Sr. AVP	450	R. L. Perry, AVP & Controller, Plum Creek	200
R. K. Wiley, Asst. Dir. Matl.	150	D. A. Rainey, AVP Acctg. C&S	250
H. J. Wilkins, Dir. Co. Proj.	150	L. L. Rodberg, President BNAFI	1,700
D. H. Will, Mgr. Signal Shop	150	G. B. Ryan, Exec. VP BNAFI	1,500
E. E. Williams, Supt. Locos	150	L. C. Scheevel, Asst. Sec. BNAFI	200
R. C. Williams, Gen. Attny.	300	L. J. Schwartz, VP Traffic & Mkg, BNT	300
J. G. Wood, Dir. Public Works	150		
J. H. Woolford, Term. Supt.	150		

<u>Name and Title</u>	<u>No. of Shares</u>
H. R. Stratmoen, Asst. Sec. BNT	300
W. A. Thompson, Gen. Mgr. Operations, FW&D	250
D. M. Tisdale, Dir. Labor Rel. C&S, FW&D	200
C. R. Vining, Chief Engr. FW&D	150
M. F. Walsh, Dir. Oprns, BNAFI	200
V. A. Walter, Logging Supt/VP, Plum Creek	200
F. Winegar, President Plum Creek	500

BURLINGTON NORTHERN INC.
1978 Stock Option Incentive Plan
Stock Appreciation Rights Granted
Schedule 900

<u>Name</u>	<u>Title</u>	<u>No. of Shares</u> <u>Option Price</u>	
		<u>\$48.50</u>	<u>\$38.375</u>
W. L. Arntzen	VP Denver Region	600	750
J. C. Ashton	VP & Secretary	800	1,000
R. A. Beulke	VP Seattle Region	750	600
C. R. Binger	President, Resources Division	2,700	3,000
R. C. Burton	AVP Financial Planning & Treasurer	600	700
F. H. Coyne	Exec. VP Finance & Admin.	1,800	2,000
E. R. Craven	VP Chicago Region	500	700
R. J. Crosby	VP & Western Counsel	600	600
T. C. DeButts	VP Portland	700	500
G. M. de Lambert	VP Purchasing & Material	800	700
M. M. Donahue	VP Coal	800	700
R. E. Duffy	VP Public Relations	-	600
L. L. Duxbury	VP Eastern Counsel	750	750
A. E. Egbers	VP Labor Relations	-	800
I. C. Ethington	Sr. VP Marketing	1,800	1,700
F. S. Farrell	VP Law	1,800	2,000
R. F. Garland	VP & Controller	1,000	1,000
J. H. Hertog	Sr. VP Operations	1,800	1,700
W. S. Johnston	VP Maintenance & Engineering	800	850
J. C. Kenady	VP Ind. Dev. & Propt. Mgmt.	700	800
T. J. Lamphier	President Transportation Div.	2,700	2,700
N. M. Lorentzen	President & CEO	5,000	10,000
L. W. Menk	Chairman of the Board	-	8,000
S. G. Merryman	VP Timber & Western Land	350	500
J. D. Nankivell	VP Market Dev. & Intermodal	500	450

<u>Name</u>	<u>Title</u>	No. of Shares	
		Option Price	
		<u>\$48.50</u>	<u>\$38.375</u>
J. D. Rezner	VP Sales & Service	700	750
R. H. Shober	VP & Gen. Mgr. Twin Cities Region	600	600
T. Watanabe	VP International Commerce	600	450
D. F. Ylkanen	VP Personnel	800	800

BURLINGTON NORTHERN INC.
Stock Option Incentive Plan
1978 Options Exercised
Schedule 900

Line No.	Name and Title	Options exercised during 1978			Personal Service (1) Income
		Number of Shares	Aggregate Price		
			Purchase	Market	
1	Viola M. Assell for Leo N. Assell, deceased	1,450	\$ 55,856	\$ 62,259	\$ 6,403
2	Robert F. Blakeslee Asst. Dir. Purchasing	50	\$ 1,931	\$ 1,944	\$ 13
3	Vernice Bryczek for L. J. Bryczek, deceased	400	\$ 15,350	\$ 16,375	\$ 1,025
4	Donald H. King Retired	800	\$ 30,900	\$ 32,200	\$ 1,300
5	Thomas J. Lamphier President, Tran. Divn.	400	\$ 12,050	\$ 16,019	\$ 3,969
6	Ralph L. Merklin Retired	1,000	\$ 38,625	\$ 38,938	\$ 313
7	Gene E. Scholze Retired	200	\$ 7,700	\$ 8,850	\$ 1,150
8	Raymond J. Strecker Retired	100	\$ 3,863	\$ 4,500	\$ 637
9	John P. Titus Retired	100	\$ 3,850	\$ 4,369	\$ 519
10	Wilson A. Wade Director Commodity Mkt.	200	\$ 7,725	\$ 8,625	\$ 900
11	Dean J. Wigstrom Senior Asst. Vice Pres.	150	\$ 4,519	\$ 6,019	\$ 1,500
12	Kenneth T. Woodruff Retired	800	\$ 30,025	\$ 32,381	\$ 2,556

(1) Difference between Option purchase price and market price.

BURLINGTON NORTHERN INC.

1978 PENSION

SCHEDULE 900

Line No.	Name of Person (a)	Title (b)	Salary per Annum as of Close of Year (c)	Other Compensation During Year (d)
1.	John M. Budd	Chm. of the Finance Committee- Retired	-	\$92,208 (a) (b)
2.	Robert W. Downing	Vice Chm. & Chief Operating Officer- Retired	-	\$164,435 (a) 22,500 (c)

- (a) Pension
(b) Premium for Life Insurance coverage in excess of \$50,000
(c) Director and Other Fees - Various Companies

900. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the persons named in Schedule 110 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$75,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 112 reference to this fact should be made if the aggregate compensation from all companies amounts to \$75,000 or more.

4. Report in column (d) the total amount of compensation other than annual salary paid to each listed employee during the year. This includes forms of nonmonetary compensation given which directly benefits each employee. Examples:

Fair value of property given, such as exclusive use of an automobile;

Amounts paid for membership of the employee in nonbusiness associations, private clubs, etc.;

Commissions, bonuses, shares in profits;

Contingent compensation plans;

Monies paid or accrued for any pension, retirement, savings, retirement annuities, deferred compensation, or similar plan; Premiums on life insurance where the respondent is not the beneficiary. Do not report premiums on group life insurance for benefits less than \$75,000.

Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc. (Dollars in thousands)

Line No.	Name of person (a)	Position or Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1			\$	\$
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
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38				

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland makes oath and says that he is Vice President and Controller

(Insert here name of the affiant)

(Insert here the official title of the affiant)

Of Burlington Northern Inc.

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

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 19 78, to and including December 31, 19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 19 79

My commission expires Jan. 14, 1983

Use an
L.S.
impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Minnesota

County of Ramsey

N. M. Lorentzsen makes oath and says that he is President and Chief Exec. Officer

(Insert here name of the affiant)

(Insert here the official title of the affiant)

Of Burlington Northern Inc.

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

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

January 1, 19 78, to and including December 31, 19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 19 79

My commission expires Jan. 14, 1983

Use an
L.S.
impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

130500

BURLINGTON NORTHERN INC. 1978

4

SUPPLEMENTAL SCHEDULES
FOR THE
ANNUAL REPORT
OF

BURLINGTON NORTHERN INC.

TO THE
INTERSTATE COMMERCE COMMISSION
FOR THE
YEAR ENDED DECEMBER 31, 1978

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

(Name) **R. F. Garland** (Title) **Vice President and Controller**

(Telephone number) **612** **298-2206**
(Area code) (Telephone number)

(Office address) **178 East Fifth Street, St. Paul, Minnesota 55101**
(Street and number, city, State, and ZIP code)

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	3 837	20 418
2	702	Temporary Cash Investments (Sch. 300)	64 358	47 443
3	703	Special Deposits (Sch. 300)	1 030	1 666
		Accounts Receivable		
4	705	- Interline and Other Balances	6 802	5 259
5	706	- Customers	66 996	57 454
6	707, 704	- Other	25 605	27 174
7	709, 708	- Accrued Accounts Receivables	138 893	114 965
8	708.5	- Receivables from Affiliated Companies	8 658	6 306
9	709.5	- Less: Allowance for Uncollectible Accounts	500	
10	711, 714, 710	Prepayments (and working funds) (Sch. 300)	6 715	6 440
11	712	Materials and Supplies	211 811	208 169
12	713	Other Current Assets (Sch. 300)	1 672	1 120
13		Total Current Assets	535 877	496 614
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	29 270	17 655
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)	444 679	399 397
16	737, 738	Property used in other than Carrier Operations (less depreciation \$ 27,262) (Sch. 725)	95 486	84 433
17	739, 741	Other Assets (Sch. 329)	5 180	7 342
18	743, 744	Other Deferred Debits (Sch. 329)	16 561	17 973
19		Total Other Assets	591 176	526 800
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	2 140 027	2 039 840
21		Equipment	1 592 532	1 563 101
22		Unallocated Items	49 510	33 431
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	1 147 705	1 136 707
24		Net road and Equipment	2 634 364	2 499 665
25		Total Assets	3 761 417	3 523 079

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)	27 274	27 445
27	752	Accounts Payable, Interline and Other Balances	1 959	1 838
28	753, 754	Other Accounts Payable	71 179	58 402
29	755, 756	Interest and Dividends Payable	20 087	17 836
30	757	Payables to Affiliated Companies	4 624	3 710
31	759	Accrued accounts Payable (Sch. 370)	170 843	134 211
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	64 333	54 567
33	763	Other Current Liabilities (Sch. 370)	39 464	27 022
34	764	Equipment obligations and other long-term debt due within one year	60 782	72 719
35		Total Current Liabilities	460 545	397 750
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	556 401	514 357
37	766	Equipment obligations	323 236	315 746
38	766.5	Capitalized Lease Obligations	79 825	40 799
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies	57 860	50 358
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits	192 274	189 991
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	131 661	129 845
46		Total Noncurrent Liabilities	1 341 257	1 249 096
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	546 189	545 976
49		Preferred Stock	135 698	137 329
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)	49 617	49 587
53	798	Unappropriated (220)	1 228 134	1 143 368
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock	23	23
56		Net Stockholders Equity	1 959 615	1 876 233
57		Total Liabilities and Shareholders Equity	3 761 417	3 523 079

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 1 896 346	\$ Comparable	\$ 1 896 346	
2	(102) Passenger **	11 629			11 629
3	(103) Passenger-Related		Figures		
4	(104) Switching	18 979		18 979	
5	(105) Water Transfers		Not		
6	(106) Demurrage	15 301		15 301	
7	(110) Incidental	7 311	Available	5 402	1 909
8	(121) Joint Facility-Credit	2 013		501	1 512
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	1 951 579		1 936 529	15 050
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations	7 959			7 959
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	1 959 538		1 936 529	23 009
14	(531) Railway operating expenses	1 880 040		1 845 856	34 184
15	*Net revenue from railway operations	79 498		90 673	(11 175)
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	89 494			
17	(510) Miscellaneous rent income	12 909			
18	(512) Separately operated properties-Profit	853			
19	(513) Dividend Income	182			
20	(514) Interest income	9 900			
21	(516) Income from sinking and other funds	797			
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	18 358			
	Income from affiliated companies:				
25	Dividends	1 786			
26	Equity in undistributed earnings (losses)	19 870			
27	Total other income (lines 16-26)	154 149			
28	Total income (lines 15, 27)	233 647			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations	35 496			
30	(535) Taxes on property used in other than carrier operations	5 905			
31	(543) Miscellaneous rent expense	2 941			
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	17 392			
37	(553) Uncollectible accounts	18			
38	Total miscellaneous deductions (lines 29-37)	61 752			
39	Income available for fixed charges (lines 28, 38)	171 895			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
(546) Interest on funded debt:			
40 (a) Fixed interest not in default		62 652	Comparable
41 (b) Interest in default			
42 (547) Interest on unfunded debt		4 755	Figures
43 (548) Amortization of discount on funded debt		495	
44 Total fixed charges (lines 40-43)		67 902	Not
45 Income after fixed charges (lines 39, 44)		103 993	
	OTHER DEDUCTIONS		Available
(546) Interest on funded debt:			
46 (c) Contingent interest			
	UNUSUAL OR INFREQUENT ITEMS		
47 (555) Unusual or infrequent items (debit) credit			
48 Income (loss) for continuing operations (before income taxes)			
	PROVISIONS FOR INCOME TAXES		
(556) Income taxes on ordinary income:			
49 Federal income taxes		(15 080)	
50 State income taxes		3 617	
51 Other income taxes			
52 (557) Provision for deferred income taxes		1 906	
53 Income from continuing operations		113 550	
	DISCONTINUED OPERATIONS		
54 (560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			
55 (562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56 (570) Extraordinary items (Net)			
57 (590) Income taxes on extraordinary items			
58 (591) Provision for deferred taxes - Extraordinary items			
59 Total extraordinary items (lines 56-58)			
60 (592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			
61 Net income		113 550	
	*Reconciliation of net railway operating income (NROI)		
62 Net revenues from railway operations		79 498	
63 (556) Income taxes on ordinary income		11 463	
64 (557) Provision for deferred income taxes		(1 906)	
65 Income from lease of road and equipment		(12)	
66 Rent for leased roads and equipment		680	
67 Net railway operating income		89 723	

220. RETAINED EARNINGS—UNAPPROPRIATED

1. Show hereunder the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 61, column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c). (Dollars in thousands)

Line No.	Item	Retained earnings—Unappropriated	Equity in undistributed earnings (losses) of affiliated companies
	(a)	(b)	(c)
1	Balances at beginning of year _____	\$ 984 800	\$ 158 568
2 (601.5)	Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3 (602)	Credit balance transferred from earnings _____	93 680	19 870
4 (603)	Appropriations released _____	1 125	
5 (606)	Other credits to retained earnings _____	398	
6	Total _____	95 203	19 870
	DEBITS		
7 (612)	Debit balance transferred from income _____		
8 (616)	Other debits to retained income _____		
9 (620)	Appropriations for sinking and other reserve funds _____	1 125	
10 (621)	Appropriations for other purposes _____	30	
11 (623)	Dividends: Common stock _____	21 258	
12	Preferred stock ¹ _____	7 894	
13	Total _____	30 307	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	64 896	19 870
15	Balances at close of year (Lines 1, 2 and 14) _____	1 049 696	178 438
16	Balance from line 15(c) _____	178 438	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	1 228 134	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____	NONE	XXXXX
19	Account 616 _____	NONE	XXXXX

NOTE: See Schedule 460, for analysis for Retained Earnings Accounts.

¹ If any dividends have not been declared on cumulative preferred stock give cumulative undeclared dividends at beginning of year and end of year.

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230. CAPITAL STOCK

PART I. CAPITAL STOCK

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They

are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent under such circumstances as required them to be considered as held alive, and not canceled or retired, they are considered to be nominally outstanding.

5. If stock is being held subject to an exchange for the outstanding securities of constituent companies, then include such stock as outstanding stock, and disclose the details in footnotes.

6. Report dollars in thousands.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year	
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)
1	Common 3-02-70	No Par	17 500 000					
2	5-10-73	No Par	7 500 000	12 507 469	500	12 506 969	546 189	23
3								
4	Preferred 3-02-70 & 2-20-76	\$10.00	2 731 959	3 081 698 *	546 392	2 535 306	25 353	
5	5-10-73	No Par	5 000 000	-	-	-	-	-
6	Series A	No Par	350 000	344 850	-	344 850	10 345	
7	\$2.85 Convertible	No Par	2 000 000	2 000 000	-	2 000 000	100 000	
8								
9								
10	TOTAL	XXXXX	35 081 959	17 934 017	546 892	17 387 125	\$ 681 887	\$ 23

* Reacquired and canceled.

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

1. The purpose of this part is to disclose capital stock changes during year.
2. Column (a) presents the items to be disclosed.
3. Columns (b), (d) and (f) require disclosures of the number of preferred, common and treasury stock, respectively, applicable to the items presented in column (a).
4. Columns (c), (e) and (g) requires the applicable disclosure of the book values of preferred, common and treasury stock.

5. Disclose in column (h) the additional paid-in capital realized from changes in capital stock during year.

6. Unusual circumstances arising from changes in capital stock changes shall be fully explained in footnotes to this schedule.

7. Report dollars in thousands.

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital (h)
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year	5 042 771	\$ 137 325	12 501 319	\$ 545 976	500	\$ 23	\$ None
12	Capital Stock Sold ¹			5 650	213			
13	Capital Stock Reacquired							
14	Capital Stock Canceled	* 162 615	1 627					
15	Stock Dividends							
16	Balance at Close of Year	4 880 156	135 698	12 506 969	546 189	500	23	None

(See notes on page S-10)

¹ By footnote state the purpose of the issue and authority.

Notes to Schedule 230, Page 5-9.\$10 PAR VALUE 5½% PREFERRED STOCK

The Company is required to retire annually, through redemption at par or cancellation of shares theretofore purchased at or below par, 4% of the \$10 Par Value Preferred shares originally outstanding and optionally may so redeem or cancel an additional 4% of such shares annually. In addition, the Company may redeem, in whole or in part, shares of \$10 Preferred Stock, at 103% of par in 1979 and thereafter at prices declining to par in 1985. The authorized shares have been reduced for shares redeemed or cancelled during 1978. During 1976 and 1977, 162,615 shares and 201,405 shares, respectively, were purchased and 123,458 shares were cancelled during 1978, pursuant to 1977 sinking fund requirements. Certificate of Reduction of Capital, in the amount of \$1,234,580, the par value of the 123,458 shares cancelled was filed December 8, 1978, with the Secretary of the State of Delaware.

NO PAR VALUE PREFERRED STOCK

On June 4, 1976, the Company issued 344,850 shares of No Par Value Preferred Stock in exchange for certain trackage serving coal mining operations. The Preferred Stock, designated "Series A", has a stated value of \$30 per share, voting rights, and 7½% cumulative dividends. The Company has voluntary redemption privileges at 102% of stated value in 1979 and thereafter at prices declining to the stated value in 1980 and is required to redeem, at stated value, 25% of the outstanding shares annually beginning in 1983 and continuing to 1986. In addition, the Preferred Stock is convertible at any time into 287,375 shares of common stock. The Company did not redeem any shares, nor were any converted into common stock during 1978.

On May 12, 1977, the stockholders of the Company approved an amendment to the Company's Restated Certificate of Incorporation to authorize 10,000 Redeemable Preference Shares having a par value of \$10,000 per share. The Redeemable Preference Shares may be issued and sold only to the Secretary of Transportation pursuant to the Railroad Revitalization and Regulatory Reform Act of 1976. The shares may be issued from time to time in series, each series to have such rights and preferences as may be fixed by the Board of Directors in the resolution creating such series. No Redeemable Preference Shares have been issued, and the Company has no present plans to issue such shares.

On July 7, 1977, the Company marketed two million shares of a \$2.85 Convertible Preferred Stock at a selling price of \$50 per share. The shares rank prior to the Common Stock and to any Redeemable Preference Shares which may be issued and equal to the outstanding \$10 Par Value Preferred Stock and the No Par Value Preferred Stock as to cash dividends, which shall be cumulative. The Company may redeem shares at its option in whole at any time or in part from time to time upon not less than 30 days notice at a price equal to 105.7% of the selling price during the twelve month period ending June 30, 1979, and thereafter at prices declining to the selling price in 1988 and beyond.

At December 31, 1978, the Company has authorized and available for issuance, 2,655,150 of No Par Value Preferred Stock. The Company's Board of Directors has the authority to provide for the issuance of such Preferred Stock from time to time in series and to fix before issuance the number of shares, preferences, rights and other restrictions and qualifications of each series, subject to a maximum liquidating value of \$200,000,000 for shares outstanding.

1. 5,650 Common Shares issued for stock option incentive plan.
2. Includes Stock Liability for conversion of predecessor's companies as follows:

5,722 Shares Burlington Northern Inc. Common Stock	\$250
1,433 Shares Burlington Northern Inc. Preferred Stock	14
Total Account 792	\$264

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240. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for invest-

ment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

Report dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
	SOURCES OF WORKING CAPITAL		
	Working capital provided by operations:		
1	Net income (loss) before extraordinary items	\$ 113 550	\$ Comparable
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property	2 313	Figures
3	Loss (gain) on sale or disposal of tangible property	(10 416)	
4	Depreciation and amortization expenses	90 018	Not
5	Net increase (decrease) in deferred income taxes	1 906	
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	(19 870)	Available
7	Net increase (decrease) in noncurrent portion of estimated liabilities	2 000	
	Other (specify):		
8	Portion of balances remaining in NRPC reserve (charged against income in 1971) and		
9	merger reserve (charged against income in 1970) were credited to income in 1978	(3 510)	
10	Glacier Park Company - Write down of investment	3 000	
11			
12			
13	Total working capital from operations before extraordinary items	178 991	

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Continued

Road Initials:

BN

Year 1978

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL - Continued			
14	Add funds generated by reason of discontinued operations, extraordinary items, prior period adjustments, and changes in accounting principle	\$	\$ Comparable
15	Total working capital from operations	178 991	
	Working capital from sources other than operating:		Figures
16	Proceeds from issuance of long-term liabilities	170 696	Not
17	Proceeds from sale/disposition of carrier operating property	14 360	
18	Proceeds from sale/disposition of other tangible property	11 148	Available
19	Proceeds from sale/repayment of investments advances	24 847	
20	Net decrease in sinking and other special funds		
21	Proceeds from issue of capital stock	213	
	Other (specify):		
22			
23			
24			
25			
26			
27	Total working capital from sources other than operating	221 264	
28	Total sources of working capital	400 255	

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Concluded

Line No.	Description (a)	Current year (b)	Prior year (c)
	APPLICATION OF WORKING CAPITAL	\$	\$
29	Amount paid to acquire/retire long-term liabilities	81 325	Comparable
30	Cash dividends declared	29 152	
31	Purchase price of carrier operating property	216 406	Figures
32	Purchase price of other tangible property	26 632	
33	Purchase price of long-term investments and advances	49 092	Not
34	Net increase to sinking or other special funds	12 782	Available
35	Purchase price of acquiring treasury stock	1 228	
	Other (specify):		
36		7 170	
37			
38			
39			
40			
41			
42			
43			
44			
45	Total application of working capital	423 787	
46	Net increase (decrease) in working capital	23 532	

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital funds"; 721, "Investments advances in affiliated companies"; and 717, "Other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged,

or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control %
	(a)	(b)	(c)	(d)	(e)
1	721	A-1	VII	Belt Railway of Chicago, The	B 7.69
2				BN Transport Inc.	100.00
3				Burlington Northern Dock Corporation	100.00
4				Burlington Northern (Manitoba) Ltd.	100.00
5				Camas Prairie Railroad Co.	50.00
6				Chicago Union Station Co.	A 25.00
7				Colorado and Southern Railway Co., The	C 97.07
8				" " " " " " - 1st Pref.	C 75.55
9				" " " " " " - 2nd Pref.	C 86.39
10				Davenport, Rock Island & N. W. Ry. Co.	B 50.00
11				Delta Alaska Terminal Ltd.	66.67
12				Denver Union Terminal Railway Co.	A 16.67
13				Iowa Transfer Railway Co.	A 25.00
14				Kansas City Terminal Railway Co.	D 8.34
15				Keokuk Union Depot Co.	B 40.00
16				Lake Superior Terminal & Transfer Ry. Co., The	F 66.67
17				Longview Switching Co.	33.33
18				Minnesota Transfer Railway Co., The	E 33.33
19				Oregon Electric Railway Co. - Common	G 100.00
20				" " " " " " - Deferred	G 100.00
21				" " " " " " - Preferred	G 100.00
22				Oregon Trunk Railway - Common	H 100.00
23				Paducah & Illinois Railroad Co.	A 33.33
24				Portal Pipe Line Co.	50.00
25				Portland Terminal Railroad Co.	40.00
26				Pullman Company, The	2.97
27				St. Paul Union Depot Co., The	I 40.20
28				Spokane, Portland & Seattle Ry. Co.	100.00
29				Terminal Railroad Assn. of St. Louis	A 6.25
30				Trailer Train Co.	7.32
31				Walla Walla Valley Railway Co.	100.00
32				Western Fruit Express Co.	97.14
33				Winona Bridge Ry. Co.	B 66.67
34				Total Class A-1	
35					
36	721	A-2	VII	Belle Fourche Land Company	100.00
37				Total Class A-2	
38					
39				Total Forwarded	
40					

241. CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.
(Thousand dollar Reporting Rule)

Line No.	Item (a)	Current year (b)	Prior year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	\$ 69 225	\$ 69 527	\$ (302)
2	Net receivables	246 454	211 358	35 096
3	Prepayments	6 715	6 440	275
4	Materials and supplies	211 811	208 169	3 642
5	Other current assets not included above	1 672	1 120	552
6	Notes payable and matured obligations	27 274	27 445	171
7	Accounts payable	170 843	134 211	(36 632)
8	Current equipment obligations and other debt	60 782	72 719	11 937
9	Other current liabilities not included above	201 646	163 375	(38 271)
10	Net increase (decrease) in working capital	75 332	98 864	(23 532)

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES-Continued

column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets is less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliated which do not report to the Interstate Commerce Commission, and are jointly owned, give names and extent of control of other entities by footnote.

12. Report dollars in thousands.

Investments and advances				Disposed of; Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 240			\$ 240				1
3 024			3 024		118		2
1			1				3
4 800			4 800				4
50			50				5
							6
16 719	156		16 875			75	7
4 847			4 847			257	8
5 810			5 810			294	9
1 748			1 748				10
6			6				11
5			5				12
16			16				13
100			100				14
8			8				15
340			340				16
1			1				17
274			274				18
19 374			19 374		6 920		19
430			430				20
127			127				21
18 594			18 594		1 998		22
3			3				23
875			875			560	24
1 880			1 880				25
283			283				26
107			107				27
40 000			40 000				28
							29
293			293				30
145			145				31
6 800			6 800				32
							33
126 900	156		127 056		9 036	1 186	34
							35
	5 934		5 934				36
	5 934		5 934				37
							38
126 900	6 090		132 990		9 036	1 186	39
							40

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control (e)
(a)	(b)	(c)	(d)		(e)
1				Totals brought forward	
2	721	A-3	VI	BNL Development Corp.	100.00
3			IV	Burlington Equipment Company	100.00
4			VII	Burlington Northern Air Freight Inc.	100.00
5			X	Glacier Park Company	100.00
6			VII	Lemhi Telephone Company	100.00
7			I	Plum Creek Lumber Company	100.00
8			VI	Ruth Realty Company	100.00
9				Total Class A-3	
10				Total Class A	
11					
12	721	B-1	VII	Chicago Union Station Company	
13			VII	Spokane, Portland & Seattle Ry. Co.	J
14				Total Class B	
15					
16	721	D-1	VI	BNL Development Corp.	
17			X	Glacier Park Company	
18			VII	Oregon Electric Railway Company	
19			VII	Oregon Trunk Railway	
20			VII	Trailer Train Company	
21			VII	Walla Walla Valley Railway Company	
22				Total Class D	
23					
24	721	E-1	VII	Belt Railway Company of Chicago, The	K
25			VII	BN Transport Inc.	
26			VII	Camas Prairie Railroad Company	
27			VII	Chicago Union Station Company	K
28			VII	Colorado & Southern Railway Company, The	
29			VII	Davenport, Rock Island & North Western Ry. Co.	K
30			VII	Denver Union Terminal Railway Company	K
31			VII	Fort Worth and Denver Railway Company	
32			VII	Kansas City Terminal Railway Company	K
33			VII	Keokuk Union Depot Company	K
34			VII	Lake Superior Terminal Transfer Ry. Co., The	
35			VII	Longview Switching Company	
36			VII	Minnesota Transfer Railway Co., The	K
37			VII	Oregon Electric Railway Co.	
38			VII	Paducah & Illinois Railroad Co.	K
39			VII	Spokane, Portland & Seattle Ry. Co.	
40			VII	Terminal Railroad Assn. of St. Louis	
41			VII	Walla Walla Valley Railway Company	
42				Total Class E-1	
43					
44		E-3	IV	Burlington Equipment Company	
45			X	Glacier Park Company	
46			II	Northern Resources Inc.	
47			VI	Ruth Realty Company	
48				Total Class E-3	
49				Total Class E	
50					
51				Grand Total Account 721	

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Concluded

Investments and advances				Disposed of; Profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
Opening balance (f)	Additions (g)	Deductions (if other than k: c explain) (h)	Closing balance (i)				
\$ 126 900	\$ 6 090		\$ 132 990		\$ 9 036	\$ 1 186	1
7 000	4 500		11 500				2
5			5				3
1 000			1 000			600	4
12 288			12 288				5
86			86				6
6 056	2 000		8 056				7
101			101				8
26 536	6 500		33 036			600	9
153 436	12 590		166 026		9 036	1 786	10
							11
	749	749				13	12
29 897			29 897				13
29 897	749	749	29 897			13	14
							15
	1 313		1 313				16
1 800		1 800				101	17
1 700			1 700			124	18
1 500		200	1 300			104	19
1 238			1 238			87	20
245	260	20	525			31	21
6 523	1 573	2 020	6 076			447	22
							23
1 193	88		1 281			74	24
1 303		240	1 063				25
411	55	5	461			23	26
10 791	1 229	32	11 988		11 958		27
6 837	5 374		12 211			122	28
1 223	144		1 367				29
647			647				30
619	5 000		5 619			151	31
2 213	275		2 488				32
6			6				33
118		12	106			4	34
59			59				35
579		149	430			14	36
5 085			5 085				37
1 376		21	1 355			61	38
4 151	1 611	1 454	4 308				39
802	230	135	897			30	40
840			840				41
38 253	14 006	2 048	50 211		11 958	479	42
							43
100	24 990	13 251	11 839				44
23 665	8 300	4 029	27 936		7 413	26	45
	139	4	135				46
2 404	155	31	2 528				47
26 169	33 584	17 315	42 438		7 413	26	48
64 422	47 590	19 363	92 649		19 371	505	49
							50
254 278	62 502	22 132	294 648		28 407	2 751	51

Footnotes to Schedule 310. Investments and Advances Affiliated CompaniesFootnotes listing Obligations under which securities are pledged, mortgaged, etc.

Footnote A - Pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote B - Pledged, except for a minimal number of Director's Qualifying Shares, under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote C - Shares of the Colorado and Southern Railway Company are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage as follows:

284,386 shares of Common Stock out of 300,917 shares owned.

12,756 shares of 1st. Pref. Stock out of 64,217 shares owned.

61,421 shares of 2nd. Pref. Stock out of 73,435 shares owned.

Footnote D - Pledged under CB&Q First and Refunding Mortgage subject to Stock Trust Agreement of 6-12-09 under which 1828-1/3 shares are held by the First Natl. Bank of Kansas City, Trustee, and 5 shares are held by Citibank, N.A., Trustee. Also subject to GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote E - BN Inc. owns a total of 2739 shares. 913 shares are pledged under NP Prior Lien Mortgage, NP General Lien Mortgage and BN Inc. Consolidated Mortgage. 913 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 913 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote F - BN Inc. owns a total of 3356 shares. 1678 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 1678 shares are pledged under BN Inc. Consolidated Mortgage.

Footnote G - Shares of Oregon Electric Railway Company are pledged under SP&S Railway Company First Mortgage as follows:

19,475 shares of Common Stock out of 19,500 shares owned.

755 shares of Preferred Stock out of 2,000 shares owned.

3,800 shares of Deferred stock owned.

Footnote H - 99,975 shares of Oregon Trunk Railway out of a total of 100,000 shares owned are pledged under SP&S Railway Company First Mortgage.

Footnote I - 3,108 shares of the Saint Paul Union Depot Company out of a total of 3,332 shares owned are pledged. 437.5 shares are pledged under NP Prior Lien Mortgage, NP General Lien Mortgage and BN Inc. Consolidated Mortgage. 598.5 shares are pledged under BN Inc. Consolidated Mortgage. 1036 shares are pledged under GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage. 1036 shares are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage.

Footnote J - SP&S Railway Company First Mortgage 4% Gold Bonds in the amount of \$6,300 book value are pledged under a S. B. A. Loan.

Footnote K - Investment Advances are pledged under CB&Q First and Refunding Mortgage, GN General Gold Bond Mortgage and BN Inc. Consolidated Mortgage as follows:

The Belt Railway Company of Chicago	\$ 435
Chicago Union Station Company	6,796
Davenport, Rock Island & North Western Ry. Co.	1,223
Denver Union Terminal Railway Company	647

Footnotes to Schedule 310 - Continued

Kansas City Terminal Railway Company	1,257
Keokuk Union Depot Company	4
The Minnesota Transfer Railway Company	353
Paducah & Illinois Railroad Company	1,376

312. SPECIAL FUNDS AND OTHER INVESTMENTS

1. Complete this schedule if the amount in account 722, "Other Investments" is greater than 1% of total assets.

2. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of other than affiliated companies, included in accounts Nos. 715, "Sinking funds", and 717, "Other funds." Investments included in

accounts Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in column

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	Balance at close of year	Book value of investment made during the year
	(a)	(b)	(c)	(d)	(e)	(f)
1					\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12				Account 722 is less than 1% of total assets.		
13						
14						
15						
16						
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29						
30						
31						
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36						
37						
38						
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41						
42						
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44						
45						
46						

315. SPECIAL FUNDS AND OTHER INVESTMENTS—Continued

(a), (b), and (c). Investment in U.S. Treasury obligations may be reported as one item. Items where original cost is less than \$500,000 may be combined as one item.

4. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

5. Give totals for each subclass and a grand total for each account.

6. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation matured serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

7. If any advances reported are pledged, give particulars in a footnote.

8. Report dollars in thousands.

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Adjustment at end of year (Account 723)	Allowance for unrealized loss on noncurrent marketable equity securities (Account 724)		Dividends or interest during year credited to income	Line No.
Book value (g)	Profit or (Loss) (h)		Changes during year (j)	Balance at close of year (k)		
\$	\$	\$	\$	\$	\$	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
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						39
						40
						41
						42
						43
						44
						45
						46

Account 722 is less than 1% of total assets.

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INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 330 AND 330A

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in account No. 731, "Road and Equipment Property," and account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. If account No. 732 for road or for equipment is less than 5% of account No. 731 at the beginning and end of year, the corresponding portion of Schedule 330A may be omitted. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (f), inclusive. Column (h) is the aggregate of columns (b) to (f), inclusive. Grand totals of columns (b) and (h) should equal the sum of accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.

2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies, for such items.

3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.

4. In columns (c) and (e), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) should be entered all credits representing property sold, abandoned, or otherwise retired.

6. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially

included; also the transfer of prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.

7. If during the year an individual charge of \$100,000 or more was made to account No. 2, "Land for transportation purposes," state in a footnote the cost, location, area, and other details which will identify the property.

8. Report on line 34 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

9. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

10. If an amount of less than \$2000 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

11. Show dollars in thousands.

NOTES AND REMARKS

SCHEDULE 330
(Dollars in Thousands)

INSTRUCTION
REFERENCE

Column (e) includes the following:

\$ 363	Purchase additional land at Lincoln, Nebraska for proposed construction of the south bypass track.
\$1,702	Purchase land for additional R/W between Smalmac and Orin - Swawnee, Wyoming.
\$ 225	Purchase land - track changes to reduce curve alignment at the south approach to A.S.&B. Bridge at Kansas City, Missouri.

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Line No.	Account (a)	Balance at beginning of year (b)	Expenditures during the year for original road and equipment, and road extensions (c)	Expenditure during the year for purchase of existing lines, reorganizations, etc. (d)
1	(1) Engineering	\$ 50 041	\$	\$
2	(2) Land for transportation purposes	93 856		
3	(3) Grading	384 610		
4	(4) Other right-of-way expenditure	3 145		
5	(5) Tunnels and subways	37 964		
6	(6) Bridges, trestles, and culverts	207 345		
7	(7) Elevated structures			
8	(8) Ties	101 080		
9	(9) Rails	203 855		
10	(10) Other track material	182 609		
11	(11) Ballast	91 315		
12	(12) Track laying and surfacing	103 708		
13	(13) Fences, snowsheds, and signs	13 519		
14	(16) Station and office buildings	99 131		
15	(17) Roadway buildings	6 767		
16	(18) Water stations	3 791		
17	(19) Fuel stations	5 630		
18	(20) Shops and enginehouses	69 184		
19	(22) Storage warehouses			
20	(23) Wharves and docks	1 963		
21	(24) Coal and ore wharves	22 625		
22	(25) TOFC/COFC terminals	7 927		
23	(26) Communication systems	39 914		
24	(27) Signals and interlockers	129 362		
25	(29) Power plants	1 223		
26	(31) Power transmission systems	5 189		
27	(35) Miscellaneous structures	2 795		
28	(37) Roadway machines	56 141		
29	(39) Public improvements—Construction	47 194		
30	(44) Shop machinery	41 177		
31	(45) Power-plant machinery	2 887		
32	Other (specify and explain) former accts. (38) & (43)	713		
33	Total expenditures for road	2 036 680		
34	(52) Locomotives	344 189		
35	(53) Freight-train cars	1 138 238		
36	(54) Passenger-train cars	12 577		
37	(55) Highway revenue equipment	6 639		
38	(56) Flooting equipment			
39	(57) Work equipment	41 088		
40	(58) Miscellaneous equipment	19 039		
41	Total expenditures for equipment	1 561 770		
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures			
45	Total	3 598 450		
46	(80) Other elements of investment			
47	(90) Construction work in progress	33 431		
48	Grand Total	3 631 881		

330. ROAD AND EQUIPMENT PROPERTY (See Instructions)

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$ 1 801	\$ 230	\$ 1 571	\$ 51 612	1
1 326	1 053	273	94 129	2
8 216	1 219	6 997	391 607	3
397	4	393	3 538	4
125	121	4	37 988	5
16 479	1 285	15 194	222 539	6
3 681	450	3 231	104 311	7
13 582	591	12 991	216 846	8
15 120	1 035	14 085	196 694	9
3 331	128	3 203	94 518	10
8 024	346	7 678	111 386	11
160	42	118	13 637	12
8 413	1 369	7 044	106 175	13
1 246	58	1 188	7 955	14
209	357	(148)	3 643	15
520	43	472	6 102	16
5 068	300	4 766	73 950	17
6		6	1 969	18
158		158	22 783	19
836	3	833	8 760	20
1 717	329	1 388	61 302	21
14 328	1 024	13 304	142 666	22
(45)	44	(89)	1 134	23
18	45	(27)	5 162	24
79	16	63	2 858	25
1 347	186	1 161	57 302	26
1 758	242	1 516	48 710	27
3 226	698	2 528	43 795	28
(39)	24	(24)	2 863	29
	674	(713)		30
111 087	11 923	99 164	2 135 844	31
35 823	2 342	33 481	377 670	32
44 850	52 272	(7 422)	1 130 816	33
	2 466	(2 466)	10 111	34
138	921	(783)	5 856	35
5 436	1 172	4 264	45 352	36
2 989	889	2 100	21 139	37
89 236	60 062	29 174	1 590 944	38
				39
				40
				41
				42
				43
200 323	71 985	128 338	3 726 788	44
				45
16 079		16 079	49 510	46
216 402	71 985	144 417	3 776 298	47
				48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

Line No.	Account (Dollars in thousands)	Balance at beginning of year	Expenditures during the year for original road and equipment, and road extensions	Expenditures during the year for purchase of existing lines, reorganizations, etc.
	(a)	(b)	(c)	(d)
1	(1) Engineering	\$	\$	\$
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures	Account 732 does not exceed		
5	(5) Tunnels and subways	5% of Account 731.		
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties			
9	(9) Rails			
10	(10) Other track material			
11	(11) Ballast			
12	(12) Track laying and surfacing			
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings			
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			
23	(26) Communication systems			
24	(27) Signals and interlockers			
25	(29) Power plants			
26	(31) Power-transmission systems			
27	(35) Miscellaneous structures			
28	(37) Roadway machines			
29	(39) Public improvements—Construction			
30	(44) Shop machinery			
31	(45) Power-plant machinery			
32	Other (specify and explain)			
33	Total expenditures for road			
34	(52) Locomotives			
35	(53) Freight-train cars			
36	(54) Passenger-train cars			
37	(55) Highway revenue equipment			
38	(56) Floating equipment			
39	(57) Work equipment			
40	(58) Miscellaneous equipment			
41	Total expenditures for equipment			
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures			
45	Total			
46	(80) Other elements of investment			
47	(90) Construction work in progress			
48	Grand Total			

330A. IMPROVEMENTS ON LEASED PROPERTY -Continued

Expenditures for additions and betterments during the year	Credits for property retired during the year	Net changes during the year	Balance at close of year	Line No.
(e)	(f)	(g)	(h)	
\$	\$	\$	\$	1
				2
				3
				4
Account 732 does not exceed 5% of Account 731.				5
				6
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332. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT - OWNED AND USED

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated depreciation; road and equipment property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" account and "Other Rents - Debit - Equipment" accounts (See Schedule 342 for the accumulated depreciation relating to road and equipment owned but not used by respondent.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on line 27.

6. Thousand dollar Reporting Rule.

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD						
1	(1) Engineering	6 643	433		118		6 958
2	(3) Grading	16 937	359		46		17 250
3	(4) Other, right-of-way	528	67		1		594
4	(5) Tunnels and subways	13 332	316		55		13 593
5	(6) bridges, trestles, and culverts	145 311	2 908		1 329		146 890
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	12 238	271		41		12 468
8	(16) Station and office buildings	53 378	3 507		1 357		55 528
9	(17) Roadway buildings	3 219	194		21		3 392
10	(18) Water stations	3 477	110		357		3 230
11	(19) Fuel stations	1 952	211		39		2 124
12	(20) Shops and enginehouses	28 850	1 470		248		30 072
13	(22) Storage warehouses						
14	(23) Wharves and docks	1 848	38				1 886
15	(24) Coal and ore wharves	12 796	216				13 112
16	(25) TOFC/COFC terminals	1 917	301		(3)		2 221
17	(26) Communication systems	30 136	1 697		286		31 547
18	(27) Signals and interlockers	56 232	2 963		897		58 298
19	(29) Power plants	444	29		31		442
20	(31) Power-transmission systems	3 361	158		44		3 475
21	(35) Miscellaneous structures	1 331	85		16		1 400
22	(37) Roadway machines	32 573	2 172		182		34 563
23	(39) Public improvements—Construction	14 952	476		136		15 292
24	(44) Shop machinery*	18 600	1 283		554		19 329
25	(45) Power-plant machinery*	2 107	111		23		2 195
26	All other road accounts	10 105			7 174		2 931
27	Amortization (other than defense projects)						
28	Total road	472 267	19 475		12 952		478 790
	EQUIPMENT						
29	(32) Locomotives	240 524	14 835		2 130		253 229
30	(53) Freight-train cars	334 106	42 366		44 039		332 433
31	(54) Passenger-train cars	12 456			3 920		8 536
32	(55) Highway revenue equipment	4 121	636		832		3 925
33	(56) Floating equipment						
34	(57) Work equipment	22 746	1 641		637		23 750
35	(58) Miscellaneous equipment	9 425	1 813		853		10 385
36	Total equipment	623 378	61 291		52 411		632 258
37	GRAND TOTAL	1 095 645	80 766		65 363		1 111 048

*Chargeable to account 305.

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350. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (e) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December; and on lines 28 and 36 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 35-21-00, 35-23-00, 35-22-00, and 35-25-00. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment accounts Nos. 32-21-00, 32-22-00, 32-23-00, 32-25-00, 36-21-00, 36-22-00, 36-23-00, and 36-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

6. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	(Dollars in thousands) Account (a)	OWNED AND USED			LEASED FROM OTHERS (2)		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
	ROAD	\$	\$	%	\$	\$	%
1	(1) Engineering	50 041	50 990	.86	1 956	1 960	.40
2	(3) Grading	28 382	28 827	1.26	30 547	30 584	.05
3	(4) Other right-of-way expenditures	3 145	3 518	2.00	12	12	.65
4	(5) Tunnels and subways	37 984	38 053	.83	2 320	2 320	.75
5	(6) Bridges, trestles, and culverts	207 345	221 764	1.38	9 099	9 217	2.47
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	13 519	13 653	2.00	226	226	4.78
8	(16) Station and office buildings	99 131	105 491	1.92	1 622	1 621	2.16
9	(17) Roadway buildings	6 767	7 894	2.63	546	549	2.38
10	(18) Water stations	3 791	3 931	2.86			
11	(19) Fuel stations	5 630	6 050	3.63	145	150	2.50
12	(20) Shops and enginehouses	69 184	73 544	2.09	1 946	2 005	2.43
13	(22) Storage warehouses						
14	(23) Wharves and docks	1 963	1 969	1.92			
15	(24) Coal and ore wharves	22 625	22 778	1.39			
16	(25) TOFC/COFC terminals	7 927	8 465	3.71	5	5	3.71
17	(26) Communications systems	59 914	60 888	2.81	1 004	1 051	3.09
18	(27) Signals and interlockers	125 362	133 412	2.26	4 173	4 046	2.99
19	(29) Power plants	1 223	1 134	2.50	68	51	1.50
20	(31) Power transmission systems	5 188	5 162	3.06	90	90	4.11
21	(35) Miscellaneous structures	2 795	2 853	3.03	46	46	2.35
22	(37) Roadway machines	56 141	57 147	3.84	1 293	1 304	7.87
23	(39) Public improvements—Construction	25 058	25 966	1.87	1 050	1 071	1.25
24	(44) Shop machinery	41 177	43 312	3.06	674	667	2.20
25	(45) Power plant machinery	2 887	2 863	3.84	48	66	2.80
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	881 179	919 664	2.12	56 870	57 041	.99
	EQUIPMENT						
29	(52) Locomotives	339 342	373 375	(1)	10 824	10 870	(1)
30	(53) Freight-train cars	1 120 393	1 107 766	(1)	17 069	15 606	(1)
31	(54) Passenger-train cars	12 174	10 700	-	1 084	774	-
32	(55) Highway revenue equipment	6 639	5 938	8.80			
33	(56) Floating equipment						
34	(57) Work equipment	39 974	44 150	3.92	987	988	3.92
35	(58) Miscellaneous equipment	19 039	21 028	8.70	195	168	8.70
36	Total equipment	1 537 561	1 563 027	3.92	30 159	28 206	3.63
37	GRAND TOTAL	2 418 740	2 482 691	XXX	87 029	85 247	XXX

(1) Rates reflect car type rates issued Jan. 1, 1978, ICC order No. R-823-A.

(2) Accts. 1, 3, 4 & 39 include non-depreciable property. REVISED 7-1-79

SUPPLEMENTAL SCHEDULES

FOR THE

ANNUAL REPORT

OF

OREGON ELECTRIC RAILWAY COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) R. F. Garland(Title) Controller(Telephone number) 612

(Area code)

298-2206

(Telephone number)

((Office address) 176 East Fifth Street, St. Paul, Minnesota 55101

(Street and number, city, State, and ZIP code)

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report **Oregon Electric Railway Company**

2. Date of incorporation **May 15, 1906**

3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Organized under the laws of the State of Oregon.

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars. **Not applicable**

5. Class of switching and terminal company **Not applicable**
[See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$ 100 per share; ~~second preferred~~ ^{Deferred} 100 per share; debenture stock, \$ per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing stock book not closed.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 25,300 votes, as of December 31, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. ONE stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 thirty security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	PREFERRED Deferred	First (f)
1	Spokane, Portland and					
2	Seattle Ry. Co.	St. Paul, MN	25 300	19 500	3 800	2 000
3						
4						
5						
6						
7						
8						
9						
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C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 24,545
votes cast.

11. Give the date of such meeting. December 14, 1978

12. Give the place of such meeting. Seattle, Washington

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	(86)	(10)
2	702	Temporary Cash Investments (Sch. 300)	189	379
3	703	Special Deposits (Sch. 300)		
		Accounts Receivable		
4	705	- Interline and Other Balances	99	82
5	706	- Customers	262	196
6	707, 704	- Other		34
7	709, 708	- Accrued Accounts Receivables	412	117
8	708.5	- Receivables from Affiliated Companies		
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)		
11	712	Materials and Supplies		
12	713	Other Current Assets (Sch. 300)	12	1
13		Total Current Assets	888	799
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	453	337
15	721, 721.5	Investments and Advances; Affiliated Companies (Sch. 310)	600	600
16	737, 738	Property used in other than Carrier Operations (less depreciation)	659	663
		\$ (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	1	1
18	743, 744	Other Deferred Debits (Sch. 329)	44	34
19		Total Other Assets	1 757	1 655
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	19 722	19 516
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(2 204)	(2 069)
24		Net road and Equipment	17 518	17 447
25		Total Assets	20 163	19 901

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)		
27	752	Accounts Payable, Interline and Other Balances	117	86
28	753, 754	Other Accounts Payable		
29	755, 756	Interest and Dividends Payable		
30	757	Payables to Affiliated Companies	1 264	587
31	759	Accrued accounts Payable (Sch. 370)	1 813	778
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	65	
33	763	Other Current Liabilities (Sch. 370)	302	201
34	764	Equipment obligations and other long-term debt due within one year		
35		Total Current Liabilities	3 561	1 652
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured		
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies	6 785	6 785
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits	462	462
45	773, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	402	311
46		Total Noncurrent Liabilities	7 649	7 558
		<u>Stockholders' Equity</u>		
47	791, 792	Deferred Stock	380	380
48		Common Stock	1 950	1 950
49		Preferred Stock	200	200
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	17 806	17 806
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	(11 383)	(9 645)
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	8 953	10 691
57		Total Liabilities and Shareholders Equity	20 163	19 901

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 7 124	\$ Comparable	\$ 7 124	\$
2	(102) Passenger **				
3	(103) Passenger-Related		Figures		
4	(104) Switching	509		509	
5	(105) Water Transfers		Not		
6	(106) Demurrage	51		51	
7	(110) Incidental	8	Available	8	
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	7 692		7 692	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	7 692		7 692	
14	(531) Railway operating expenses	9 502		9 502	
15	*Net revenue from railway operations	(1 810)		(1 810)	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	57			
17	(510) Miscellaneous rent income	142			
18	(512) Separately operated properties-Profit				
19	(513) Dividend income				
20	(514) Interest income	38			
21	(516) Income from sinking and other funds	26			
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	41			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	304			
28	Total income (lines 15, 27)	(1 506)			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations	97			
31	(543) Miscellaneous rent expense				
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	11			
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	108			
39	Income available for fixed charges (lines 28, 38)	(1 614)			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES		
	(546) Interest on funded debt:		
40	(a) Fixed interest not in default	124	
41	(b) Interest in default		
42	(547) Interest on unfunded debt		
43	(548) Amortization of discount on funded debt		
44	Total fixed charges (lines 40-43)	124	
45	Income after fixed charges (lines 39, 44)	(1 738)	
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest		
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) for continuing operations (before income taxes)	(1 738)	
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes		
50	State income taxes		
51	Other income taxes		
52	(557) Provision for deferred income taxes		
53	Income from continuing operations		
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)		
55	(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)		
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56	(570) Extraordinary items (Net)		
57	(590) Income taxes on extraordinary items		
58	(591) Provision for deferred taxes - Extraordinary items		
59	Total extraordinary items (lines 56-58)		
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
61	Net income	(1 738)	
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	(1 810)	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes		
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	(1 810)	

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VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland

(Insert here name of the affiant)

makes oath and says that he is

Controller

(Insert here the official title of the affiant)

Of Oregon Electric 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 accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1

19 78

, to and including

December 31

19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 23rd day of March, 19 79

My commission expires Jan. 14, 1983

Use an
L.S.
impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Under the organization of this Company, the Controller has full and direct charge of the accounts of the Company and is responsible for the correctness and preservation of the Company's books and accounts and for the correctness of such reports as may be required by law, and therefore, the supplemental oath is not executed.

SUPPLEMENTAL SCHEDULES
FOR THE
ANNUAL REPORT

OF

OREGON TRUNK RAILWAY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) R. F. Garland

(Title) Controller

(Telephone number) 612

(Area code)

298-2206

(Telephone number)

(Office address) 176 East Fifth Street, St. Paul, Minnesota 55101

(Street and number, city, State, and ZIP code)

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether, by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report Oregon Trunk Railway
2. Date of incorporation November 3, 1909
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Incorporated under the laws of the State of Washington.
4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars Not applicable
5. Class of switching and terminal company Not applicable
[See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$ - per share; second preferred, \$ - per share; debenture stock, \$ - per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Stock books not closed
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 100,000 votes, as of December 31, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. One stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 thirty security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	PREFERRED Second (e)	First (f)
1	Spokane, Portland and					
2	Seattle Railway Co.	St. Paul, MN	100 000	100 000	None	None
3						
4						
5						
6						
7						
8						
9						
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30						

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 100,000
votes cast.

11. Give the date of such meeting. December 14, 1978

12. Give the place of such meeting. Seattle, Washington

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	(2)	27
2	702	Temporary Cash Investments (Sch. 300)	133	157
3	703	Special Deposits (Sch. 300)		
		Accounts Receivable		
4	705	- Interline and Other Balances	1	1
5	706	- Customers	37	47
6	707, 704	- Other	7	116
7	709, 708	- Accrued Accounts Receivables	1 108	1 185
8	708.5	- Receivables from Affiliated Companies		
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)		
11	712	Materials and Supplies		
12	713	Other Current Assets (Sch. 300)	34	30
13		Total Current Assets	1 318	1 563
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)		
15	721, 721.5	Investments and Advances: Affiliated Companies (Sch. 310)		
16	737, 738	Property used in other than Carrier Operations (less depreciation) \$ (Sch. 325)	30	30
17	739, 741	Other Assets (Sch. 329)	3	3
18	743, 744	Other Deferred Debits (Sch. 329)	137	77
19		Total Other Assets	170	110
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	17 581	17 567
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(2 668)	(2 592)
24		Net road and Equipment	14 913	14 975
25		Total Assets	16 401	16 648

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	5	5
26	751	Loans and Notes Payable (Sch. 370)		
27	752	Accounts Payable; Interline and Other Balances	37	18
28	753, 754	Other Accounts Payable	19	
29	755, 756	Interest and Dividends Payable		
30	757	Payables to Affiliated Companies	990	555
31	759	Accrued accounts Payable (Sch. 370)	656	423
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	12	12
33	763	Other Current Liabilities (Sch. 370)	44	36
34	764	Equipment obligations and other long-term debt due within one year		
35		<u>Total Current Liabilities</u>	1 758	1 044
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured		
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	1 900	2 100
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits		
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	428	323
46		<u>Total Noncurrent Liabilities</u>	2 328	2 423
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	10 000	10 000
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	8 595	8 595
		<u>Retained Earnings:</u>		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	(6 280)	(5 414)
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		<u>Net Stockholders Equity</u>	12 315	13 181
57		<u>Total Liabilities and Shareholders Equity</u>	16 401	16 548

NOTES AND REMARKS

210. RESULT OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 8 928	\$ Comparable	\$ 8 928	\$
2	(102) Passenger **				
3	(103) Passenger-Related		Figures		
4	(104) Switching	145		145	
5	(105) Water Transfers		Not		
6	(106) Demurrage	7		7	
7	(110) Incidental	5		5	
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit	10	Available	10	
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	9 075		9 075	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization on deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	9 075		9 075	
14	(531) Railway operating expenses	9 890		9 890	
15	* Net revenue from railway operations	(815)		(815)	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
17	(510) Miscellaneous rent income	33			
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	16			
21	(516) Income from sinking and other funds				
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	5			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	55			
28	Total income (lines 15, 27)	(760)			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations	1			
31	(543) Miscellaneous rent expense				
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	1			
39	Income available for fixed charges (lines 28, 38)	(761)			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES		
	(546) Interest on funded debt	\$	\$
40	(a) Fixed interest not in default	105	
41	(b) Interest in default		
42	(547) Interest on unfunded debt		
43	(548) Amortization of discount on funded debt		
44	Total fixed charges (lines 40-43)	105	
45	Income after fixed charges (lines 39, 44)	(866)	
	OTHER DEDUCTIONS		
	(546) Interest on funded debt		
46	(c) Contingent interest		
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) (credit)		
48	Income (loss) for continuing operations (before income taxes)		
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes		
50	State income taxes		
51	Other income taxes		
52	(557) Provision for deferred income taxes		
53	Income from continuing operations		
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)		
55	(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)		
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56	(570) Extraordinary items (Net)		
57	(590) Income taxes on extraordinary items		
58	(591) Provision for deferred taxes - Extraordinary items		
59	Total extraordinary items (lines 56-58)		
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
61	Net income	(866)	
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	(815)	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes		
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	(815)	

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VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland

(Insert here name of the affiant)

makes oath and says that he is

Controller

(Insert here the official title of the affiant)

Of Oregon Trunk Railway

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

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 19 78, to and including December 31, 19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 23rd day of March, 19 79

My commission expires Jan. 14, 1983

Use an

L.S.

impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY

My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Under the organization of this Company, the Controller has full and direct charge of the accounts of the Company and is responsible for the correctness and preservation of the Company's books and accounts and for the correctness of such reports as may be required by law, and therefore, the supplemental oath is not executed.

SUPPLEMENTAL SCHEDULES
FOR THE
ANNUAL REPORT
OF

WALLA WALLA VALLEY RAILWAY COMPANY

TO THE
INTERSTATE COMMERCE COMMISSION
FOR THE
YEAR ENDED DECEMBER 31, 1978

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

(Name) **R. F. Garland**

(Title) **Controller**

(Telephone number)

612

(Area code)

298-2206

(Telephone number)

(Office address) **176 East Fifth Street, St. Paul, Minnesota 55101**

(Street and number, city, State, and ZIP code)

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report Walla Walla Valley Railway Company
2. Date of incorporation April 30, 1910
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees
Incorporated under the laws of the State of Oregon.
4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars. Not applicable
5. Class of switching and terminal company Not applicable
[See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$ --- per share; second preferred, \$ --- per share; debenture stock, \$ --- per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Stock book not closed.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 5,000 votes, as of December 31, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 6 stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 each year, show such thirty security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	Second (e)	First (f)
1	Burlington Northern Inc.	St. Paul, MN	4,995	4,995	None	None
2						
3						
4	R. A. Beulke	Seattle, WA	1	1	None	None
5	R. J. Crosby	Seattle, WA	1	1	None	None
6	J. D. Rezner	St. Paul, MN	1	1	None	None
7	R. F. Garland	St. Paul, MN	1	1	None	None
8	T. J. Lamphier	St. Paul, MN	1	1	None	None
9						
10						
11						
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C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 5,000
votes cast.

11. Give the date of such meeting. September 5, 1978

12. Give the place of such meeting. St. Paul, Minnesota

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	33	66
2	702	Temporary Cash Investments (Sch. 300)		
3	703	Special Deposits (Sch. 300)		
		Accounts Receivable		
4	705	- Interline and Other Balances	3	
5	706	- Customers		
6	707, 704	- Other		
7	709, 708	- Accrued Accounts Receivables	1	3
8	708.5	- Receivables from Affiliated Companies		
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)		
11	712	Materials and Supplies	18	16
12	713	Other Current Assets (Sch. 300)		
13		Total Current Assets	55	85
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)		
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)		
16	737, 738	Property used in other than Carrier Operations (less depreciation \$ (Sch. 325))	50	51
17	739, 741	Other Assets (Sch. 329)	2	2
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	52	53
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	855	862
21		Equipment	3	3
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(68)	(63)
24		Net road and Equipment	790	802
25		Total Assets	897	940

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)		
27	752	Accounts Payable; Interline and Other Balances	25	9
28	753, 754	Other Accounts Payable	8	12
29	755, 756	Interest and Dividends Payable		
30	757	Payables to Affiliated Companies	73	184
31	759	Accrued accounts Payable (Sch. 370)	44	25
31	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	6	7
33	763	Other Current Liabilities (Sch. 370)	40	3
34	764	Equipment obligations and other long-term debt due within one year		
35		Total Current Liabilities	196	240
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured		
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	1 365	1 125
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits		
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)		7
46		Total Noncurrent Liabilities	1 365	1 132
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	500	500
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (225)		
53	798	Unappropriated (220)	(1 164)	(932)
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	(664)	(432)
57		Total Liabilities and Shareholders Equity	897	940

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item	Amount for Current Year	Amount for Preceding Year	Freight-Related Revenues & Expenses	Passenger-Related Revenues & Expenses
	(a)	(b)	(c)	(d)	(e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$ 82	Comparable	\$ 82	\$
2	(102) Passenger **				
3	(103) Passenger-Related		Figures		
4	(104) Switching	21		21	
5	(105) Water Transfers		Not		
6	(106) Demurrage				
7	(110) Incidental		Available		
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	103		103	
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	103		103	
14	(531) Railway operating expenses	318		318	
15	*Net revenue from railway operations	(215)		(215)	
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	3			
17	(510) Miscellaneous rent income	10			
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest Income	1			
21	(516) Income from sinking and other funds				
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	2			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	16			
28	Total income (lines 15, 27)	(199)			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations	2			
31	(543) Miscellaneous rent expense				
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	2			
39	Income available for fixed charges (lines 28, 38)	(201)			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES		
	(546) Interest on funded debt:		
40	(a) Fixed interest not in default	31	
41	(b) Interest in default		
42	(547) Interest on unfunded debt		
43	(548) Amortization of discount on funded debt		
44	Total fixed charges (lines 40-43)	31	
45	Income after fixed charges (lines 39, 44)	(232)	
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest		
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) for continuing operations (before income taxes)		
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes		
50	State income taxes		
51	Other income taxes		
52	(557) Provision for deferred income taxes		
53	Income from continuing operations		
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)		
55	(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)		
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56	(570) Extraordinary items (Net)		
57	(590) Income taxes on extraordinary items		
58	(591) Provision for deferred taxes - Extraordinary items		
59	Total extraordinary items (lines 56-58)		
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
61	Net income	(232)	
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	(215)	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes		
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	(215)	

900. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the persons named in Schedule 110 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$75,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 112 reference to this fact should be made if the aggregate compensation from all companies amounts to \$75,000 or more.

4. Report in column (d) the total amount of compensation other than annual salary paid to each listed employee during the year. This includes forms of nonmonetary compensation given which directly benefits each employee. Examples:

Fair value of property given, such as exclusive use of an automobile;

Amounts paid for membership of the employee in nonbusiness associations, private clubs, etc.;

Commissions, bonuses, shares in profits;

Contingent compensation plans;

Monies paid or accrued for any pension, retirement, savings, retirement annuities, deferred compensation, or similar plan;

Premiums on life insurance where the respondent is not the beneficiary. Do not report premiums on group life insurance for benefits less than \$75,000.

Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc. (Dollars in thousands)

Line No.	Name of person (a)	Position or Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1				
2			\$	\$
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
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30				
31				
32				
33				
34				
35				
36				
37				
38				

130500

BURLINGTON NORTHERN INC. 1978

5

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland

(Insert here name of the affiant)

makes oath and says that he is Vice President and Controller

(Insert here the official title of the affiant)

Of Burlington Northern Inc.

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

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 1978, to and including December 31, 1978

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 1979

My commission expires Jan. 14, 1983

Use an

L.S.

impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Minnesota

County of Ramsey

N. M. Lorentzen

(Insert here name of the affiant)

makes oath and says that he is President and Chief Exec. Officer

(Insert here the official title of the affiant)

Of Burlington Northern Inc.

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

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

January 1, 1978, to and including December 31, 1978

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 27th day of March, 1979

My commission expires Jan. 14, 1983

Use an

L.S.

impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

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VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland

(Insert here name of the affiant)

makes oath and says that he is

Controller

(Insert here the official title of the affiant)

Of Walla Walla Valley 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 accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 19 78, to and including December 31, 19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 23rd day of March, 19 79

My commission expires JAN. 14, 1983

Use an
L.S.
impression seal



ROBERT A. MONITOR
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY

My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Under the organization of this Company, the Controller has full and direct charge of the accounts of the Company and is responsible for the correctness and preservation of the Company's books and accounts and for the correctness of such reports as may be required by law, and therefore, the supplemental oath is not executed.

SUPPLEMENTAL SCHEDULES

FOR THE

ANNUAL REPORT

OF

SPORANE, PORTLAND & SEATTLE RAILWAY COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1978

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

(Name) R. F. Garland (Title) Vice President and Controller

(Telephone number) 612 298-2206
(Area code) (Telephone number)

(Office address) 176 East Fifth Street, St. Paul, Minnesota 55101

(Street and number, city, State, and ZIP code)

B. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 on this page have taken place during the year covered by this report, they should be explained in detail.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification." If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or other possession began. If a partnership, give date of formation and also names in full of present partners.

3. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report Spokane, Portland and Seattle Railway Company
(lessor company controlled 100% by Burlington Northern Inc.)
2. Date of incorporation August 23, 1905
3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees.
Incorporated under the laws of the State of Washington.
4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars. Not applicable
5. Class of switching and terminal company Not applicable
[See section No. 7 on inside of front cover]

STOCKHOLDERS REPORTS

6. 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.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$ --- per share; second preferred, \$ --- per share; debenture stock, \$ --- per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Stock book not closed.
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 400 000 votes, as of December 31, 1978 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. One stockholders.
9. Give the names of the thirty 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 the names and addresses of the thirty 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 thirty security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	PREFERRED Second (e)	First (f)
1	Burlington Northern Inc.	St. Paul, MN	400 000	400 000	None	None
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
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22						
23						
24						
25						
26						
27						
28						
29						
30						

C. VOTING POWERS AND ELECTIONS - Continued

Trustees

10. State the total number of votes cast at the latest general meeting for the election of ~~Directors~~ of the respondent. 400,000
votes cast.

11. Give the date of such meeting. December 14, 1978

12. Give the place of such meeting. Seattle, Washington

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Asset</u>		
1	701	Cash	\$	\$
2	702	Temporary Cash Investments (Sch. 300)		
3	703	Special Deposits (Sch. 300)		
		Accounts Receivable		
4	705	- Interline and Other Balances		
5	706	- Customers		
6	707, 704	- Other		
7	709, 708	- Accrued Accounts Receivables		
8	708.5	- Receivables from Affiliated Companies		
9	709.5	- Less: Allowance for Uncollectible Accounts		
10	711, 714	Prepayments (and working funds) (Sch. 300)		
11	712	Materials and Supplies		
12	713	Other Current Assets (Sch. 300)		
13		Total Current Assets		
		<u>Other Asset</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)		
15	721, 721.5	Investments and Advances: Affiliated Companies (Sch. 310)	51 548	50 488
16	737, 738	Property used in other than Carrier Operations (less depreciation \$1 943) (Sch. 325)	3 518	3 608
17	739, 741	Other Assets (Sch. 329)		
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	55 066	54 096
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	85 799	85 409
21		Equipment	28 217	30 192
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(30 079)	(30 096)
24		Net road and Equipment	83 937	85 505
25		Total Assets	139 003	139 601

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - LIABILITIES AND EQUITY

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		<u>Current Liabilities</u>	\$	\$
26	751	Loans and Notes Payable (Sch. 370)		
27	752	Accounts Payable: Interline and Other Balances		
28	753, 754	Other Accounts Payable		
29	755, 756	Interest and Dividends Payable		
30	757	Payables to Affiliated Companies		
31	759	Accrued accounts Payable (Sch. 370)		
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)		
33	763	Other Current Liabilities (Sch. 370)		
34	764	Equipment obligations and other long-term debt due within one year	647	647
35		Total Current Liabilities	647	647
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	42 710	42 710
37	766	Equipment obligations	3 758	4 405
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable: Affiliated Companies	3 213	3 056
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities		
44	786	Accumulated deferred income tax credits	9 833	9 939
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	30	101
46		Total Noncurrent Liabilities	59 544	60 211
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	40 000	40 000
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	9 300	9 300
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	29 512	29 443
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	78 812	78 743
57		Total Liabilities and Shareholders Equity	139 003	139 201

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

1. Disclose the requested information for the respondent pertaining to the results of operations for the year.

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained.

3. List dividends from investments accounted for under the

cost method on the appropriate line for Account No. 513, "Dividend Income." List dividends accounted for by the equity method on the appropriate dividend line under the "Income from Affiliated Companies" subsection of this schedule.

4. All contra entries hereunder should be indicated in parenthesis.

5. Report dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenues & Expenses (d)	Passenger-Related Revenues & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$	\$	\$	\$
2	(102) Passenger **		Comparable		
3	(103) Passenger-Related				
4	(104) Switching		Figures		
5	(105) Water Transfers				
6	(106) Demurrage		Not		
7	(110) Incidental				
8	(121) Joint Facility-Credit		Available		
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)				
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations				
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)				
14	(531) Railway operating expenses				
15	*Net revenue from railway operations				
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	556			
17	(510) Miscellaneous rent income				
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income				
21	(516) Income from sinking and other funds				
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	71			
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	627			
28	Total income (lines 15, 27)	627			
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations				
31	(543) Miscellaneous rent expense				
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	122			
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	122			
39	Income available for fixed charges (lines 28, 38)	505			

210. RESULTS OF OPERATIONS - Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
(546) Interest on funded debt:			
40 (a) Fixed interest not in default		434	
41 (b) Interest in default			
42 (547) Interest on unfunded debt			
43 (548) Amortization of discount on funded debt		434	
44 Total fixed charges (lines 40-43)		71	
45 Income after fixed charges (lines 39, 44)			
	OTHER DEDUCTIONS		
(546) Interest on funded debt:			
46 (c) Contingent interest			
	UNUSUAL OR INFREQUENT ITEMS		
47 (555) Unusual or infrequent items (debit) credit		71	
48 Income (loss) for continuing operations (before income taxes)			
	PROVISIONS FOR INCOME TAXES		
(556) Income taxes on ordinary income:			
49 Federal income taxes		108	
50 State income taxes			
51 Other income taxes			
52 (557) Provision for deferred income taxes		(106)	
53 Income from continuing operations		69	
	DISCONTINUED OPERATIONS		
54 (560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)			
55 (562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)			
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
56 (570) Extraordinary items (Net)			
57 (590) Income taxes on extraordinary items			
58 (591) Provision for deferred taxes - Extraordinary items			
59 Total extraordinary items (lines 56-58)			
60 (592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)			
61 Net income		69	
	*Reconciliation of net railway operating income (NROI)		
62 Net revenues from railway operations			
63 (556) Income taxes on ordinary income			
64 (557) Provision for deferred income taxes			
65 Income from lease of road and equipment			
66 Rent for leased roads and equipment			
67 Net railway operating income			

220. RETAINED EARNINGS-UNAPPROPRIATED

1. Show hereunder the items of Retained Earnings Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 3 (line 7 if debit entries), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c) lines 3 and 7, should agree with line 61, column (b), Schedule 210.

6. Include in column (b) only amounts applicable to retained earnings exclusive of any amounts included in column (c). (Dollars in thousands)

Line No.	Item	Retained earnings - Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year _____	\$ 29 443	\$
2	(601.5) Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3	(602) Credit balance transferred from earnings _____	69	
4	(603) Appropriations released _____		
5	(606) Other credits to retained earnings _____		
6	Total _____	69	
	DEBITS		
7	(612) Debit balance transferred from income _____		
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____		
11	(623) Dividends: Common stock _____		
12	Preferred stock ¹ _____		
13	Total _____		
14	Net increase (decrease) during year (Line 6 minus line 13) _____	69	
15	Balances at close of year (Lines 1, 2 and 14) _____	29 512	
16	Balance from line 15(c) _____		XXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	29 512	XXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____	None	XXXX
19	Account 616 _____	None	XXXX

NOTE: See Schedule 461 for analysis for Retained Earnings Accounts.

¹ If any dividends have not been declared on cumulative preferred stock give cumulative undeclared dividends at beginning of year and end of year.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital funds"; 721, "Investments advances in affiliated companies"; and 717, "Other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged,

or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." Abbreviations in common use in standard financial publications may be used to conserve space.

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control
	(a)	(b)	(c)	(d)	(e)
1	721	1-C	VII	Burlington Northern Inc.	
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
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36					
37					
38					
39					
40					

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES--Continued

column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Investments in companies in which neither the original cost or present equity in total assets is less than \$10,000 may be combined in one figure.

9. Also included should be investments in unincorporated entities such as lessee organizations (exclusive of amounts nominally settled on a current basis).

10. This schedule should not include securities issued or assumed by respondent.

11. For affiliated which do not report to the Interstate Commerce Commission, and are partly owned, give names and extent of control of other entities by footnote.

12. Report dollars in thousands.

Investments and advances				Disposed of; Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 50 488	\$ 1 060	\$	\$ 51 548	\$	\$	\$	1
							2
							3
							4
							5
							6
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310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES
Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments in Affiliated Companies.
2. Enter in column (c) the amount necessary to retroactively adjust those investments. (See instruction 5-2, Uniform System

of Accounts.)
3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.
4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date

of acquisition.
5. For definitions of "carrier" and "noncarrier," see general instructions.
[DOLLARS IN THOUSANDS]

Line No.	Name of issuing company and description of security held.	Balance at beginning of year	Adjustment for investments equity method	Equity in undistributed earnings (losses) during year	Amortization during year	Adjustment for investments disposed of or written down during year	Balance at Close of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Carriers: (List specifics for each company)	\$	\$	\$	\$	\$	\$
2	None						
3							
4							
5							
6							
7							
8							
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315. SPECIAL FUNDS AND OTHER INVESTMENTS

1. Complete this schedule if the amount in account 722, "Other Investments" is greater than 1% of total assets.

2. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of other than affiliated companies, included in accounts Nos. 715, "Sinking funds", and 717, "Other funds." Investments included in

accounts Nos. 715, 716, and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

3. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 21, classifying the investments by means of letters, figures, and symbols in columns

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	Balance at close of year	Book value of investment made during the year
	(a)	(b)	(c)	(d)	(e)	(f)
1					\$	\$
2						
3				None		
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
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315. SPECIAL FUNDS AND OTHER INVESTMENTS—Continued

(a), (b), and (c). Investment in U.S. Treasury obligations may be reported as one item. Items where original cost is less than \$500,000 may be combined as one item.

4. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

5. Give totals for each subclass and a grand total for each account.

6. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation matured serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

7. If any advances reported are pledged, give particulars in a footnote.

8. Report dollars in thousands.

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Adjustment at end of year (Account 723)	Allowance for unrealized loss on noncurrent marketable equity securities (Account 724)		Dividends or interest during year credited to income	Line No.
Book value (g)	Profit or (Loss) (h)		Changes during year (j)	Balance at close of year (k)		
\$	\$	\$	\$	\$	\$	
						1
						2
						3
			None			4
						5
						6
						7
						8
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						11
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332. ACCUMULATED DEPRECIATION - ROAD AND EQUIPMENT - OWNED AND USED

1. Disclose the required information in regard to credits and debits to Account No. 735, "Accumulated depreciation; road and equipment property," during the year relating to owned and used road and equipment. Include entries for depreciation of equipment owned but not used when the resulting rents are included in the "Lease Rentals - Credit - Equipment" accounts and Other Rents - Credit - Equipment" accounts. Exclude any entries for depreciation of equipment that is used but not owned when the resulting rents are included in "Lease Rental - Debit - Equipment" account and "Other Rents - Debit - Equipment" accounts (See Schedule 342 for the accumulated depreciation relating to road and equipment owned but not used by respondent.)

2. If any data are included in columns (d) or (f), explain the entries in detail.

3. A debit balance in columns (b) or (g) for any primary account should be designated "Dr."

4. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

5. Enter amounts representing amortization under an authorized amortization program other than for defense projects on line 27.

6. Thousand dollar Reporting Rule.

Line No.	Account	Balance at beginning of year	CREDITS TO RESERVE During the year		DEBITS TO RESERVE During the year		Balance at close of year
			Charges to operating expenses	Other credits	Retirements	Other debits	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	ROAD						
1	(1) Engineering	146	7				153
2	(3) Grading	372	15				387
3	(4) Other, right-of-way						
4	(5) Tunnels and subways	400	17				417
5	(6) Bridges, trestles, and culverts	4 389	220		10		4 599
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	145	11				156
8	(16) Station and office buildings	819	35		1		853
9	(17) Roadway buildings	338	13		1		350
10	(18) Water stations						
11	(19) Fuel stations	85	3				88
12	(20) Shops and enginehouses	925	48		2		971
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	4					4
17	(26) Communication systems	538	32		(16)		586
18	(27) Signals and interlockers	1 222	122				1 344
19	(29) Power plants	3	1				4
20	(31) Power-transmission systems	62	4				66
21	(35) Miscellaneous structures	14	1				15
22	(37) Roadway machines	1 244			1		1 243
23	(39) Public improvements—Construction	384	19				403
24	(44) Shop machinery*	349	15		16		348
25	(45) Power-plant machinery*	18	1				19
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	11 457	564		15		12 006
	EQUIPMENT						
29	(52) Locomotives	6 827	402		157		7 072
30	(53) Freight-train cars	8 637	585		1 091		8 131
31	(54) Passenger-train cars	1 242			351		891
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	638	38		11		665
35	(58) Miscellaneous equipment	166			23		143
36	Total equipment	17 510	1 025		1 633		16 902
37	GRAND TOTAL	28 967	1 589		1 648		28 908

*Chargeable to account 535.

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350. DEPRECIATION BASE AND RATES-ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December; and on lines 28 and 36 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used, but not owned, when the rents therefor are included in the rent for equipment and account Nos. 31-22-00, 31-23-00, 31-25-00, 31-21-00, 31-21-00, 31-23-00, 31-25-00, 31-22-00, and 31-25-00. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 31-21-00, 31-22-00, 31-23-00, 31-25-00, 31-21-00, 31-22-00, 31-23-00, 31-25-00, and 31-25-00, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account Nos. 31-11-00, 31-12-00, 31-13-00, 31-21-00, 31-22-00, and 31-23-00, inclusive.

4. If the depreciation base for accounts 1, 3, 4, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) effected.

6. Disclosures in the respective sections of this schedule may be omitted if either total road leased from others or total equipment leased from others represents less than 5% of total road owned or total equipment owned, respectively.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
	ROAD	\$	\$	%	\$	\$	%
1	(1) Engineering	1 903	1 908	.40			
2	(3) Grading	30 547	30 584	.05			
3	(4) Other right-of-way expenditures	12	12	.65			
4	(5) Tunnels and subways	2 320	2 320	.75			
5	(6) Bridges, trestles, and culverts	8 835	8 952	2.47			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	215	215	4.78			
8	(16) Station and office buildings	1 621	1 620	2.16			
9	(17) Roadway buildings	545	548	2.38			
10	(18) Water stations						
11	(19) Fuel stations	145	150	2.50			
12	(20) Shops and enginehouses	1 946	2 005	2.43			
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) TOFC/COFC terminals	5	5	3.71			
17	(26) Communications systems	1 004	1 051	3.09			
18	(27) Signals and interlockers	4 173	4 046	2.99			
19	(29) Power plants	68	51	1.50			
20	(31) Power transmission systems	90	90	4.11			
21	(35) Miscellaneous structures	46	46	2.35			
22	(37) Roadway machines	1 293	1 304	7.87			
23	(39) Public Improvements-Construction	1 050	1 071	1.75			
24	(44) Shop machinery	674	667	2.20			
25	(45) Power plant machinery	48	66	2.80			
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	56 540	56 711	.99			
	EQUIPMENT						
29	(52) Locomotives	10 824	10 670	(*)			
30	(53) Freight-train cars	17 069	15 606	(*)			
31	(54) Passenger-train cars	1 084	774	-			
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment	987	988	3.92			
35	(58) Miscellaneous equipment	195	168	8.70			
36	Total equipment	30 159	28 206	3.63			
37	GRAND TOTAL	86 699	84 917	XXX			

(*) Depreciation rates reflect car type rates issued Jan. 1, 1978, ICC order No. R-823-A.
Note: Accts. 1, 3, 4, & 39 include non-depr. property.

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VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Minnesota

County of Ramsey

R. F. Garland makes oath and says that he is Vice President & Controller

(Insert here name of the affiant)

(Insert here the official title of the affiant)

Of Spokane, Portland and Seattle 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 accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 19 78, to and including December 31, 19 78

(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 25th day of March, 19 79

My commission expires Jan. 14, 1983

Use an
L.S.

impression seal



ROBERT A. MONTE
NOTARY PUBLIC - MINNESOTA
RAMSEY COUNTY
My Comm. Expires Jan. 14, 1983

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

Under the organization of this Company, the Vice President and Controller has full and direct charge of the accounts of the Company and is responsible for the correctness and preservation of the Company's books and accounts and for the correctness of such reports as may be required by law, and therefore, the supplemental oath is not executed.