

CHICAGO & NORTH WESTERN TRANSPORTATION

130900

COMPANY AND SUBSIDIARIES

1978

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CLASS I RAILROADS

APPROVED BY GAO

B-180230 (R0470)

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annual report

INTERSTATE
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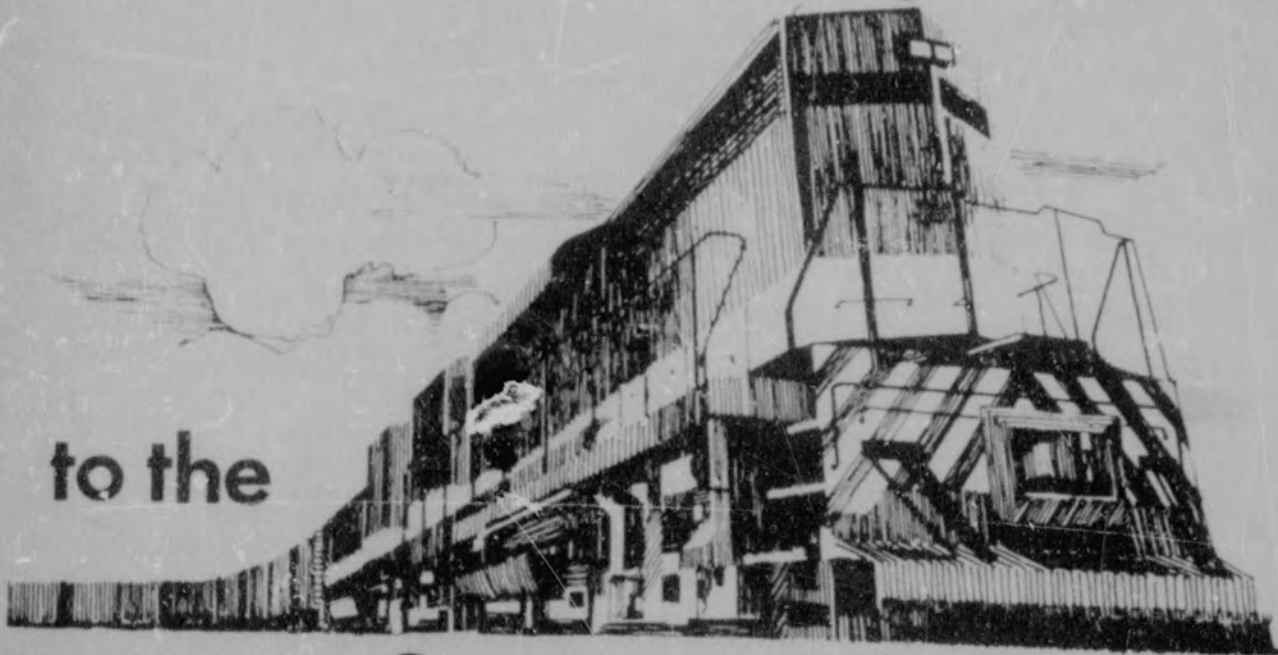
ADMINISTRATIVE SERVICES
MAIL UNIT

000319 CHICAGO DORT 1 0 1 130900
NW CHICAGO & NORTHWESTERN TRANSPORTA
100 W MADISON ST.
CHICAGO IL 60606

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

ANNUAL REPORT

OF

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

AND SUBSIDIARIES

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) J. M. BUTLER

(Title) VICE PRESIDENT-FINANCE

(Telephone number) _____

312

(Area code)

454-6016

(Telephone number)

(Office address) 400 West Madison Street, Chicago, Illinois 60606

(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) _____

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Road Initials: CNW

Year 19 78

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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
		None

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 Chicago and North Western Transportation Company
2. Date of incorporation March 24, 1970
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 general laws of State of Delaware as North Western Employees Transportation Corporation. By Certificate of Amendment filed with Secretary of State of Delaware on May 2, 1972, name was changed to Chicago and North Western Transportation Company. No changes effected during the year 1978.
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. It was not.
5. Class of switching and terminal company Not a switching and 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

1. State the par value of each share of stock: Common, \$ # per share; first preferred, \$ 60 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. No*
3. Are voting rights proportional to holdings? No* 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? Yes* 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. Not closed.
7. State the total voting power of all security holders of the respondent as of 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. 3 Class T Votes* as of December 21, 1978
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. (Date) 1, Class T Certificate* 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	J. R. Wolfe,					
2	John M. Butler and					
3	Robert E. Brooker, as					
4	Trustees	Chicago, Illinois	3	3		
5						
6						
7						
8						
9	#Class A Common \$.83-1/3 per share					
10	#Class T Common \$50.00 per share					
11	#Preference Shares, \$10,000 per share (see page 4)					
12						
13						
14	*So long as the Class T Common Stock is outstanding, the Class A					
15	Common Stock has no voting power except that the Class T Common and					
16	Class A Common are entitled to vote as separate classes upon (1) a					
17	proposed amendment to the certificate of incorporation if the					
18	amendment would increase or decrease the aggregate number of					
19	authorized shares of Class A Common, increase or decrease the par					
20	value of the shares of such class or alter or change the powers,					
21	preferences or special rights of the shares of such class so as to					
22	affect them adversely; (2) any proposal for the merger or consoli-					
23	dation of the corporation whether or not the corporation shall be					
24	the survivor thereof (except any such merger for which under the					
25	Delaware Corporation Law no vote of any stockholder of the corpora-					
26	tion would be required); and (3) any proposal for the sale, lease					
27	or exchange of all or substantially all of the corporation's					
28	property and assets.					
29						
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. 3
 votes cast.
11. Give the date of such meeting. Consent in lieu of meeting, May 16, 1978.
12. Give the place of such meeting. Chicago, Illinois

NOTES AND REMARKS

Continued from Page 3

^S Pursuant to Board of Directors resolutions and financing agreements authorizing the issuance of said Preference Shares to finance major track and roadbed improvements on North Western's main line in Illinois and Iowa, and into Nebraska scheduled to be completed in 1981, as of December 31, 1978, 3,692 Preference Shares had been issued to the Federal Government, consisting of:

Series A	1,766 shares
Series B	86 shares
Series C	115 shares
Series D	1,679 shares
Series E	46 shares

The Preference Shares are non-voting except that whenever dividend or redemption payments due on Preference Shares remain unpaid for a period of four months, the Secretary of Transportation has the right to appoint two directors to the Company's Board.

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 Assets</u>		
1	701	Cash	\$ 9,680	\$ 14,629
2	702	Temporary Cash Investments (Sch. 300)	24,983	21,994
3	703	Special Deposits (Sch. 300)	783	454
		Accounts Receivable		
4	705	Interline and Other Balances	3,452	1,959
5	706	Customers	19,255	15,526
6	707, 704	Other	10,701	9,633
7	708, 708	Accrued Accounts Receivables	23,181	21,049
8	708.5	Receivables from Affiliated Companies		
9	709.5	Less: Allowance for Uncollectible Accounts	(646)	
10	711, 714	Prepayments (and working funds) (Sch. 300)	1,630	1,199
11	712	Materials and Supplies	41,987	35,765
12	713	Other Current Assets (Sch. 300)	625	50
13		Total Current Assets	135,631	122,258
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	4,786	5,736
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)	3,607	3,484
16	737, 738	Property used in other than Carrier Operations (less depreciation)	5,245	5,349
		\$ 1,989 (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	3,240	1,591
18	743, 744	Other Deferred Debits (Sch. 329)	5,343	2,663
19		Total Other Assets	22,221	18,823
		<u>Road and Equipment</u>		
20	73, 732	Road (Sch. 330 & 330A)	101,876	88,530
21		Equipment	390,534	391,844
22		Unallocated Items	14,992	8,993
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(124,217)	(106,369)
24		Net road and Equipment	383,185	382,998
25		Total Assets	541,037	524,079

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	752	Accounts Payable, Interline and Other Balances	3,756	
28	753, 754	Other Accounts Payable	28,750	24,827
29	755, 756	Interest and Dividends Payable	6,209	5,377
30	757	Payables to Affiliated Companies		
31	759	Accrued accounts Payable (Sch. 370)	98,202	87,811
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 370)	11,704	10,649
33	763	Other Current Liabilities (Sch. 370)	585	1,115
34	764	Equipment obligations and other long-term debt due within one year	36,388	36,166
35		Total Current Liabilities	185,594	165,945
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	91,745	85,119
37	766	Equipment obligations	156,824	182,120
38	766.5	Capitalized Lease Obligations	50,442	46,068
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies		
41	770.1, 770.2	Unamortized debt premium	(94)	(101)
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities	56	
44	786	Accumulated deferred income tax credits	1,859	2,459
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	25,869	25,732
46		Total Noncurrent Liabilities	326,701	341,397
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock - (Sch. 230)	40,619	12,969
48		Common Stock	3,699	3,699
49		Preferred Stock	36,920	9,270
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	975	710
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	(12,852)	3,058
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	28,742	16,737
57		Total Liabilities and Shareholders Equity	541,037	524,079

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (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 \$ 2,149

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 \$86,000

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 3(a) following.

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement N/A

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes No ☒ X

If yes, give number of the shares for each class of stock or other security:

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

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: See Note 5(a) following.

(a) Deferred maintenance

(b) Delayed capital improvements

\$659,977

\$431,573

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. None

(a) Changes in Valuation Accounts

	Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.) Current Portfolio				XXXXXX
as of / / Noncurrent Portfolio			XXXXXX	\$
(Previous Yr.) Current Portfolio			XXXXXX	XXXXXX
as of / / Noncurrent Portfolio			XXXXXX	XXXXXX

(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

3. (a) The Company's non-contributory, unfunded pension plan which supplements benefits received by certain employees under the Railroad Retirement Act was cancelled in 1975 except for employees already retired. On January 30, 1975, the Company established a Profit Sharing and Retirement Savings Program, effective April 1, 1975, applicable to certain of its employees. Also see Note 15.

5. (a) The Commission by its orders in Ex Parte 305 and the Department of Transportation through Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 required the nation's railroads to report deferred maintenance and delayed capital expenditures. In its filings thereunder, the Company indicated that it was providing competitive service to the public, but had developed corporate objectives, which for track include speed limits of 60 mph on signal main lines, 49 mph on other main lines and 30 mph on retained branch lines; weight limits for freight cars of 100 ton capacity; and for equipment, minimum load order ratios including 2% for freight cars. The estimated cost of achieving all objectives reported to the Commission for deferred maintenance and delayed capital expenditures including equipment is shown above.

6. The financial statements contained in this report are in accordance with the Uniform System of Accounts as prescribed by the Interstate Commerce Commission.

NOTES AND REMARKS

COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES -
Continued

The consolidated financial statements reflect the operations of the Company and all of its majority owned subsidiaries as authorized in the Commission's letter dated August 19, 1976, File: ACA/BAH.

7. On January 1, 1978, the Company retroactively adopted Statement of Financial Accounting Standards No. 13 (FASB No. 13) and capitalized leases, previously reported as operating leases, which met the criteria of FASB No. 13. In addition, certain leases previously capitalized under Accounting Principles Board Opinion No. 5 (APB No. 5) were adjusted to conform to FASB No. 13, and a lease previously capitalized under APB No. 5 (with related debt of \$8,340 at December 31, 1977) was amended and became an operating lease pursuant to FASB No. 13. The net effect of these changes at January 1, 1978, was to decrease retained earnings by \$4,498, decrease net property by \$766 and to increase liabilities by \$3,732. Net income for 1977 was decreased by \$1,667. Certain other leases have been, and under FASB No. 13, will continue to be reported as operating leases. See also Schedules 361 through 364.

8. The Company carries a service interruption insurance policy with the Imperial Insurance Company Limited under which it is entitled to a daily indemnity of up to \$448 for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, the Company may be obligated to pay additional premiums, subject to a maximum annual premium of twenty times such daily indemnity.

9. Cash dividends could not be paid prior to June 1, 1977, and for the next succeeding five years, after certain other conditions are met, may not exceed 8% annually of capital paid to the Company in cash. Certain conditions are not being met at December 31, 1978. The Company can not determine when these conditions will be met.

10. At December 31, 1978, cash and temporary cash investments include \$15,000 which is maintained in a Contingency Fund Account in accordance with a resolution of the Board of Directors, but which is available for general Company purposes subject to approval of the Executive Committee of the Board of Directors.

11. The Company has various informal compensating balance arrangements with the banks with which it has long-term equipment financing agreements. Under these arrangements the Company was required to maintain an average of approximately \$10,000 of cash as compensating balances as of December 31, 1978. Part of these requirements are met with mid-month cash peaks because cash balances during the month are higher than month-end balances. There are no legal restrictions as to the withdrawal of these cash balances. The Contingency Fund cash is available to meet these requirements (see Note 10).

12. In December, 1976, the Company entered into a four year purchase of service agreement with the Regional Transportation Authority (RTA) retroactive to July 1, 1975, which provides for the following base compensation:

Contract Fiscal Year Ending June 30	Base Compensation
1976	\$ 4,500
1977	\$ 6,200
1978	\$ 6,616
1979	\$ 8,416

NOTES AND REMARKS

COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES -
Continued

Future fare changes will be directed by RTA with appropriate off-setting modifications in this compensation. Such fare changes to date resulted in increased compensation to the Company of \$2,045 in calendar year 1978 and \$1,508 in calendar year 1977. In December, 1977, RTA purchased the coaches and locomotives which the Company owned and uses in suburban passenger service for the net book value of that equipment as of June 30, 1977, approximately \$21 million. Under the terms of applicable agreements, payments of approximately \$6 million were made to prepay outstanding debt related to the equipment sold. Upon completion of the sale, the Company leased back the equipment sold to RTA at a nominal rental and assumed certain maintenance and other obligations as lessee.

RTA has also agreed to provide the Company grants totaling \$17 million for certain rehabilitation projects which will improve rider comfort and service of which \$1,326 was received in 1978 for track improvements.

13. Included in funded debt at December 31, 1978 is \$14,127 of loans, guaranteed as to principal and interest by the Secretary of the United States Department of Transportation acting through the Administrator of the Federal Railroad Administration pursuant to Section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976. The proceeds of the loan were used to rehabilitate Company freight cars. Subsequent to December 31, 1978, the Company obtained an additional \$2,063 of such guaranteed loans, all for the same purpose as stated above.

14. The preference shares were issued to the Administrator of the Federal Railroad Administration acting on behalf of the Secretary of Transportation (FRA) pursuant to the Railroad Revitalization and Regulatory Reform Act of 1976 to finance the cost of rebuilding approximately 449 miles of the Company's main lines. On \$34,450 par value of the shares (Series A and D) dividend and redemption payments aggregate 7.5% annually of their initial par value from the 11th through the 30th anniversaries of their issuance, and on the remaining \$2,470 par value of the shares (Series B, C, and E) there are less favorable dividend and redemption schedules.

Aggregate dividend and redemption requirements are:

<u>Years</u>	<u>Series A&D Annual Payments</u>	<u>Series B, C& E Annual Payments</u>	<u>Total Annual Payments</u>
1977 through 1982	\$ -	\$ -	\$ -
1983	-	89	89
1984 through 1987	-	190	190
1988	624	278	902
1989 through 1997	2,584	492	3,076
1998	2,584	403	2,987
1999 through 2007	2,584	302	2,886
2008 (final maturity)	<u>1,960</u>	<u>214</u>	<u>2,174</u>

NOTES AND REMARKS
COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES -
Continued

Dividend and redemption payments are mandatory except to the extent that FRA determines, based on information provided by the Company, that it has no legally available surplus (for dividends) or capital (for redemptions), or that it is insolvent or cannot pay its debts as they mature, or that payment would impair the safe operation of the Company's railroad properties, or the maintenance of the usual standards of efficiency or economy of operations of its properties. If any of these exceptions apply, such dividend and redemption payments shall cumulate. If dividend or redemption payments are not made when none of these exceptions apply, or if the Company is in default of certain provisions of its agreement with the FRA, FRA may convert the shares to debt junior to all debt incurred prior to such conversion and payable in 15 annual installments (including any already paid), and the FRA may increase the yield thereof to 5.35% (weighted average) per year from the date of declaration of such increase.

The preference shares are non-voting, except that when dividend or redemption payments are in arrears for any reason, the FRA may appoint two directors to the Company's Board. The preference shares may be redeemed at the option of the Company at par value plus a premium equal to 2.43% (weighted average) of par value for each year subsequent to issuance of the shares reduced (but not below par value) by preference dividends paid.

Subsequent to December 31, 1978, the Company has issued an additional \$520 par value preference shares to the FRA, and it anticipates that by December 31, 1981 it will issue an additional \$105,090 of par value, all for upgrading main line track.

15. The Company in 1975 established a Profit Sharing and Retirement Savings Plan applicable to certain of its employees. Under this plan eligible employees may contribute up to 5% of their salaries and the Company contributes up to \$2,500 annually, adjusted for inflation, based on profits. A trustee administers the plan which is designed to build a retirement fund. Amounts charged to expense for the plan for the years 1978 and 1977, respectively, were \$1,521 and \$762.

The Company has an Executive Bonus Plan covering approximately 130 employees including the principal officers of the Company. The plan provides for payments only if earned, based on a formula related to the amount by which net income before taxes as defined by the plan exceeds a stipulated amount. For 1978 the stipulated amount was \$9,000 and \$8,000 in 1977, and the amount charged to expense to provide for payments was \$1,666 in 1978 and \$1,227 in 1977. Amounts payable under the plan are paid in the year following the year earned.

16. At December 31, 1978 the Company had contracted for approximately \$81,000 of freight cars and equipment. Financing for substantially all of this equipment has been or will be arranged.

17. Replacement of property at December 31, 1978 and 1977 would require substantially greater capital investment than the amounts included on the balance sheets at those dates due mainly to inflationary trends of the economy.

Reference is made to the Company's Annual Report on Form 10-K to the Securities and Exchange Commission for quantitative data with respect to replacement cost of "productive capacity" and related depreciation.

NOTES AND REMARKS

COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES -
Continued

18. See also Schedules 500 and 501 relative to guarantees and contingent liabilities; Schedule C relative to shareholder voting rights; Schedules 361, 362, 363 and 364 for capital and operating lease data; Schedule 450 relative to income taxes and the corporate disclosure section relative to long-term debt.

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 **	\$ 583,388	\$ 504,021	\$ 583,388	\$
2	(102) Passenger **	28,397	27,383		28,397
3	(103) Passenger-Related	169	8,369		169
4	(104) Switching	13,613	13,089	13,613	
5	(105) Water Transfers				
6	(106) Demurrage	12,142	7,396	12,142	
7	(110) Incidental	3,545	3,225	2,514	1,031
8	(121) Joint Facility-Credit	352	295	352	
9	(122) Joint Facility-Debit	(1,213)	(1,078)	(1,213)	
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	640,393	562,700	610,796	29,597
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations	12,170		1,628	10,542
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities				
13	Total railway operating revenues (lines 10-12)	652,563	562,700	612,424	40,139
14	(531) Railway operating expenses	650,835	547,335	616,033	34,802
15	*Net revenue from railway operations	1,728	15,365	(3,609)	5,337
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	410	421		
17	(510) Miscellaneous rent income	2,484	2,257		
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	2,013	1,583		
21	(516) Income from sinking and other funds	366	123		
22	(517) Release of premiums of funded debt	6	3		
23	(518) Contributions from other companies				
24	(519) Miscellaneous income	6,695	5,384		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	11,974	9,771		
28	Total income (lines 15, 27)	13,702	25,136		
	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	589	569		
32	(544) Miscellaneous taxes	49	72		
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	2,764	1,039		
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	3,402	1,680		
39	Income available for fixed charges (lines 28, 38)	10,300	23,456		

See Note on
Page 10A

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	26,542	25,625
41	(b) Interest in default		
42	(547) Interest on unfunded debt	104	133
43	(548) Amortization of discount on funded debt	19	18
44	Total fixed charges (lines 40-43)	26,665	25,776
45	Income after fixed charges (lines 39, 44)	(16,365)	(2,320)
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest	148	149
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) for continuing operations (before income taxes)	(16,513)	(2,469)
	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	(603)	(342)
53	Income from continuing operations	(15,910)	(2,127)
	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	(15,910)	(2,127)
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	1,728	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes	(603)	
65	Income from lease of road and equipment	(291)	
66	Rent for leased roads and equipment	150	
67	Net railway operating income	2,190	
	**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 tariff rates \$ 2,491		
	(a) Of the amount reported for "Net revenue from railway operations", _____ % (to nearest whole number) represents payments for collection and delivery of LCL freight either in T.C. () or otherwise. The percentage reported is (Check one): Actual (✓) Estimated ()		
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 \$ 20,023		
	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 \$ -		
71	(b) Payments for transportation of freight shipments \$ 67		
	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 \$ 675		
73	Charges for service for the protection against cold \$ 21		

NOTES AND REMARKS

Notes to Schedule 210, Results of Operations:

The Interstate Commerce Commission reclassified expenses into a new format in 1978 and this has been given effect in 1977 for comparability purposes and has no effect on Net Income in either period. However, Net Revenue From Railway Operations is not comparable to amounts reported previously as Net Railway Operating Income, particularly in respect to amounts allocated to passenger service, because deferred income taxes are not a deduction from Net Revenue From Railway Operations, but were a deduction from Net Railway Operating Income.

Also see Comparative Statement of Financial Position Explanatory Notes (Schedule 200).

NOTES AND REMARKS

B L A N K

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	Balance at beginning of year	\$ 7,556	\$
2 (601.5)	Prior period adjustments to beginning retained earnings (Note 2)	(4,498)	
	Balance as adjusted	3,058	
	CREDITS		
3 (602)	Credit balance transferred from earnings		
4 (603)	Appropriations released		
5 (606)	Other credits to retained earnings		
6	Total		
	DEBITS		
7 (612)	Debit balance transferred from income	15,910	
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	15,910	
14	Net increase (decrease) during year (Line 6 minus line 13)	(15,910)	
15	Balance at close of year (Lines 1, 2 and 14)	(12,852)	
16	Balance from line 15(c)		
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(12,852)	XXXXX
	REMARKS		XXXXX
18	Amount of assigned Federal income tax consequences: Account 606		XXXXX
19	Account 616		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.

² On January 1, 1978 the Company retroactively adopted FASB No. 13. See Schedule 200, Note 7.

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)	Credits 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			
3	Sinking fund reserves			
4	Incentive per diem funds			
5	Miscellaneous fund reserves			
6	Other appropriations (specify):			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL	None	None	None

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 I-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)
	Source and description of transfers				
1	(1) Regional Transportation Authority	\$ 10,542	\$ 10,542	\$	\$
2					
3	(2) Iowa Dept. of Transp.	502	381	23	98
4	(2) Illinois Dept. of Transp.	469	340	18	111
5	(2) Minnesota Dept. of Transp.	978	907	15	56
6					
7	Total received during year	12,491	12,170	56	265
8	Cumulative total of Government transfers-beginning of year	-	XXXXX	XXXXX	XXXXX
9	Cumulative total of Government transfers-end of year	12,491	XXXXX	XXXXX	XXXXX

- (1) Compensation under purchase of service agreement. See also Note 12, Schedule 200 - Explanatory Notes.
- (2) Transfers under various Federal and State funded programs for branch line subsidies, track rehabilitation, and suburban passenger service improvements.

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 Class T	\$50.00		3				
2	Class A	.83-1/3	9,000,000	4,439,236		3	-	
3						4,439,236	3,699	
4	Preferred Series A through E	\$10,000	15,000	3,692		3,692	36,920	
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	9,015,003	4,442,931		4,442,931	40,619	

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	927	\$ 9,270	4,439,239	\$ 3,699		\$	\$ 710
12	Capital Stock Sold ¹	2,765	27,650					
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Government Transfers- Non-Depreciable Property							
16	Balance at Close of Year	3,692	36,920	4,439,239	3,699			265 975

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

Note: See pages 3 and 4 for description of stock issues.

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	(15,910)	(2,127)
	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:		
2	Retirement of nondepreciable property	143	228
3	Loss (gain) on sale or disposal of tangible property		
4	Depreciation and amortization expenses	20,165	20,013
5	Net increase (decrease) in deferred income taxes	(603)	(342)
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year		
7	Net increase (decrease) in noncurrent portion of estimated liabilities	137	3,073
8	Other (specify):		
9			
10			
11			
12			
13	Total working capital from operations before extraordinary items	3,932	20,845

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	\$	\$
		3,932	20,845
15	Total working capital from operations		
	Working capital from sources other than operating:		
16	Proceeds from issuance of long-term liabilities (Including Capitalized Leases)	26,801	26,171
17	Proceeds from sale/disposition of carrier operating property	6,787	26,540
18	Proceeds from sale/disposition of other tangible property	—	78
19	Proceeds from sale/repayment of investments advances	152	102
20	Net decrease in sinking and other special funds	950	(2,849)
21	Proceeds from issue of capital stock Preference Shares	27,650	9,270
	Other (specify):		
22			
23			
24			
25			
26			
27	Total working capital from sources other than operating	62,340	59,312
		66,272	80,157
28	Total sources of working capital		

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	40,874	46,631
30	Cash dividends declared	27,189	27,578
31	Purchase price of carrier operating property	52	
32	Purchase price of other tangible property	275	332
33	Purchase price of long-term investments and advances		
34	Net increase in sinking or other special funds		
35	Purchase price of acquiring treasury stock		
	Other (specify):		
36	Net Increase (Decrease) in Current Portion of Debt	222	(984)
37			
38			
39	All Other (Net)	3,936	(106)
40			
41			
42			
43			
44		72,548	73,451
45	Total application of working capital	(6,276)	6,706
46	Net increase (decrease) in working capital		

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	\$ 34,663	\$ 36,623	\$ (1,960)
2	Net receivables *	55,943	48,167	7,776
3	Prepayments	1,630	1,199	431
4	Materials and supplies	41,987	35,765	6,222
5	Other current assets not included above	1,408	504	904
6	Notes payable and matured obligations			
7	Accounts payable	98,202	87,811	10,391
8	Current equipment obligations and other debt	36,388	36,166	222
9	Other current liabilities not included above	51,004	41,968	9,036
10	Net increase (decrease) in working capital	(49,963)	(43,687)	(6,276)

*Details of Net Receivables (above)

Schedule 200
Line No.

		Balance At Close of Year	Balance At Beginning Of Year	Net Increase (Decrease)
4	Interline and Other Balances	\$ 3,452	\$ 1,959	\$ 1,493
5	Customers	19,255	15,526	3,729
6	Other	10,701	9,633	1,068
7	Accrued Accounts Receivable	22,597	21,049	1,548
9	Allowance for Uncollectible Accounts	(62)	-	(62)
		<u>\$ 55,943</u>	<u>\$ 48,167</u>	<u>\$ 7,776</u>

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.	Item (a)	Amount (b)
		\$ 5,740
1	Construction and additions and betterments	184,875
2	Common-carrier operating purposes	-
3	Used by other than respondent's lessor companies	190,615
4	Total	
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material	1,355
		4,575
6	Account 707. Accounts receivable; other	50
7	Account 754. Accounts payable; other	12
8	Account 761. State and other income taxes accrued	12
9	Account 556. Income taxes on ordinary income	

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	<u>TEMPORARY CASH INVESTMENTS</u>	\$
2		Commercial Notes	11,000
3		Contingency Fund - Commercial Notes	13,983
4			24,983
5			
6	703	<u>SPECIAL DEPOSITS</u>	783
7			
8	708	<u>INTEREST AND DIVIDENDS RECEIVABLE</u>	359
9			
10	709	<u>ACCRUED ACCOUNTS RECEIVABLE</u>	
11		Accrued Freight and Passenger Car Repairs Receivable	3,362
12		Accrued Freight Revenue	5,933
13		Accrued Receivable Car Hire-Net Receivable from	
14		Other Roads	2,561
15		All Others, less than 5% of current assets	10,320
16			22,176
17			
18	711	<u>PREPAYMENTS</u>	
19		Prepaid Insurance Premium	1,220
20		Prepaid Rental - GRDX Cars	242
21		Prepaid Equipment Lease Rental	168
22			1,630
23			
24	712	<u>MATERIALS AND SUPPLIES</u>	
25		Diesel Fuel Oil	918
26		Materials and Supplies Controlled by	
27		Mechanized Reports	35,436
28		Prepaid Inventory	2,528
29		Miscellaneous Materials and Supplies	1,930
30		All Others, Less than 5% of Current Assets	1,175
31			41,987
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.

- 1) Compensating Balances in Current Assets \$10,000
- 2) Short Term lines of credit - None
- 3) There were no short term Borrowings.
- 4) No time deposits or certificates of deposit
not included elsewhere.
- 5) Compensating balances are not legally restricted.

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	Peoria & Pekin Union	
2				Ry. Co.	Stock(a) 12.50
3	721	A-1	VII	Pullman Company	Stock(b) 3.3216
4	721	A-1	VII	Illinois Terminal RR	Stock(c) 9.09
5	721	A-1	VII	Minneapolis Eastern	
6				Ry. Co.	Stock(d) 50.00
7	721	A-1	VII	The St. Paul Union	
8				Depot Co. (1)	Stock(e) 29.90
9	721	A-1	VII	Minnesota Transfer	
10				Ry. Co. (1)	Stock(f) 33.33
11	721	A-1	VII	Lake Superior	
12				Terminal & Transfer	
13				Railway Co.	Stock(g) 16.67
14	721	A-1	VII	Trailer Train Co.	Stock(h) 4.878
15	721	A-1	VII	Iowa Transfer Railway	
16				Co. (1)	Stock(i) 25.00
17	721	A-1	VII	Kansas City Terminal	
18				Ry. Co. (2)	Stock(j) 8.333
19					
20				Total A-1	
21					
22	721	D-1	VII	Trailer Train Co.	
23				Subordinate Notes:	
24				6½% dated 4/17/67 (h)	4.878
25				7½% dated 1/9/69 (h)	4.878
26					
27				Total D-1	
28					
29	721	E-1	VII	Minnesota Transfer	
30				Railway Co. Advances (f)	33.33
31	721	E-1	VII	Lake Superior	
32				Terminal & Transfer	
33				Railway Co. Advances (g)	16.67
34	721	E-1	VII	Kansas City Terminal	
35				Railway Co. Advances (j)	8.333
36	721	E-1	VII	The St. Paul Union	
37				Depot Co. Advances (e)	29.90
38					
39				Total E-1	
40					
Total Account 721					

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)	
\$	\$	\$	\$	\$	\$	\$	1
							2
111			111				3
							4
36			36				5
							6
							7
							8
274			274				9
							10
							11
30			30				12
200			200				13
							14
55			55				15
							16
							17
							18
706			706				19
							20
							21
							22
589			589			38	23
589			589			44	24
							25
1,178			1,178			82	26
							27
							28
579		149	430			12	29
							30
30		3	27			2	31
							32
918	275		1,193				33
							34
73			73				35
							36
1,600	275	152	1,723			14	37
							38
3,484	275	152	3,607			96	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
	(a)	(b)	(c)	(d)	(e)
1					
2	Notes regarding certain items shown on Pages 22 and 23:				
3					
4	(1)			Pledged under First and General Income Mortgages of former	
5				Chicago and Great Western Railway Company dated January 1,	
6				1938, now assumed by respondent -	
7				1,036 shs SPUD Co., 913 shs MTRy Co., and 159 shs Iowa Trsf. Ry. Co.	
8	(2)			1,828 1/3 shares - now owned by respondent are held by the First	
9				National Bank of Kansas City under a Stock Trust Agreement	
10				dated June 12, 1909. Five (5) shares - are pledged under	
11				First and General Income Mortgages of former Chicago Great	
12				Western Railway Company now assumed by respondent.	
13					
14					
15	Other parties and particulars of joint control are as follows:				
16					
17				Name of Party to Joint Control	How Established
18	(a)			Illinois Central Gulf RR. Co.	Ownership of capital stock
19				Norfolk & Western Ry. Co.	Ownership of capital stock
20				Consolidated Rail Corp.	Ownership of capital stock
21	(b)			Various Railroad Companies	Ownership of capital stock
22	(c)			Baltimore & Ohio RR. Co.	Ownership of capital stock
23				Chicago & Eastern Illinois RR. Co.	Ownership of capital stock
24				St. Louis & Kans. City Land Co. (BN, Inc.)	Ownership of capital stock
25				Chicago, Rock Island & Pacific RR. Co.	Ownership of capital stock
26				Illinois Central Gulf RR. Co.	Ownership of capital stock
27				Mississippi Valley Corp. (ICG RR.)	Ownership of capital stock
28				Norfolk & Western Ry. Co.	Ownership of capital stock
29				Wabash RR. Co. (Leased to N&W Ry. Co.)	Ownership of capital stock
30				Penn Central Transp. Co.	Ownership of capital stock
31				St. Louis-San Francisco Ry. Co.	Ownership of capital stock
32	(d)			Chicago, Milw., St. Paul & Pacific RR. Co.	Ownership of capital stock
33	(e)			Burlington Northern, Inc.	Ownership of capital stock
34				Chicago, Rock Island & Pacific RR. Co.	Ownership of capital stock
35				Soo Line RR. Co.	Ownership of capital stock
36	(f)			Burlington Northern, Inc.	Ownership of capital stock
37				Chicago, Rock Island & Pacific RR. Co.	Ownership of capital stock
38				Chicago, Milw., St. Paul & Pacific RR. Co.	Ownership of capital stock
39				Soo Line RR. Co.	Ownership of capital stock
40					

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	Additions	Deductions (if other than sale explain)	Closing balance				
(c)	(g)	(h)	(i)	(j)	(k)	(l)	
Other parties and particulars of joint control are as follows: (Cont'd)							
	Name of Party to Joint Control			How Established			
(g)	Burlington Northern, Inc. includes						
	St. Paul & Duluth RR. Co.			Ownership of capital stock			
	Soo Line RR. Co.			Ownership of capital stock			
(h)	Atchison, Topeka & Santa Fe Ry. Co.			Ownership of capital stock			
	Baltimore & Ohio RR. Co.			Ownership of capital stock			
	Boston and Maine Corp. (Con Rail)			Ownership of capital stock			
	Burlington Northern, Inc.			Ownership of capital stock			
	Central of Georgia Ry. Co.			Ownership of capital stock			
	Chesapeake and Ohio Ry. Co.			Ownership of capital stock			
	Chicago, Milw. St. Paul & Pac. RR. Co.			Ownership of capital stock			
	Chicago, Rock Island & Pacific RR. Co.			Ownership of capital stock			
	Consolidated Rail Corp.			Ownership of capital stock			
	Denver and Rio Grande Western RR. Co.			Ownership of capital stock			
	Detroit, Toledo and Ironton RR. Co.			Ownership of capital stock			
	Erie-Lackawanna Ry. Co. (Con Rail)			Ownership of capital stock			
	Florida East Coast Ry. Co.			Ownership of capital stock			
	Illinois Central Gulf RR. Co.			Ownership of capital stock			
	Kansas City Southern Ry. Co.			Ownership of capital stock			
	Louisville & Nashville RR. Co.			Ownership of capital stock			
	Missouri-Kansas-Texas RR. Co.			Ownership of capital stock			
	Missouri Pacific RR. Co.			Ownership of capital stock			
	Norfolk & Western Ry. Co.			Ownership of capital stock			
	Reading Company (Con Rail)			Ownership of capital stock			
	St. Louis-San Francisco Ry. Co.			Ownership of capital stock			
	St. Louis-Southwestern Ry. Lines			Ownership of capital stock			
	Seaboard Coast Line RR. Co.			Ownership of capital stock			
	Southern Pacific Transp. Co.			Ownership of capital stock			
	Southern Railway Co.			Ownership of capital stock			
	Transco (Formerly U.S. Freight)			Ownership of capital stock			
	Toledo, Peoria and Western RR. Co.			Ownership of capital stock			
	Union Pacific RR. Co.			Ownership of capital stock			
	Wabash RR. Co. (Leased to N&W Ry. Co.)			Ownership of capital stock			
	Western Maryland Ry. Co.			Ownership of capital stock			
	Western Pacific RR. Co.			Ownership of capital stock			
(1)	Burlington Northern, Inc.			Ownership of capital stock			
	Chicago, Rock Island & Pac. RR. Co.			Ownership of capital stock			

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
	(a)	(b)	(c)	(d)	(e)
1	Other parties and particulars of joint control are as follows: (Cont'd)				
2					
3			Name of Party to Joint Control		How Established
4					
5	(i)		Des Moines Union Ry. Co.	Ownership of capital stock	
6	(j)		Atchison, Topeka & Santa Fe Ry. Co.	Ownership of capital stock	
7			Burlington Northern, Inc.	Ownership of capital stock	
8			Chicago, Milw., St. Paul & Pac. RR. Co.	Ownership of capital stock	
9			Chicago, Rock Island & Pacific RR. Co.	Ownership of capital stock	
10			Illinois Central Gulf RR. Co.	Ownership of capital stock	
11			Kansas City Southern Ry. Co.	Ownership of capital stock	
12			Missouri-Kansas-Texas RR. Co.	Ownership of capital stock	
13			Missouri Pacific RR. Co.	Ownership of capital stock	
14			Norfolk & Western Ry. Co.	Ownership of capital stock	
15			St. Louis-San Francisco Ry. Co.	Ownership of capital stock	
16			Union Pacific RR. Co.	Ownership of capital stock	
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18					
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Road Initials: CNW

Year 19 78

NOTES AND REMARKS

23D

B L A N K

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

24

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 these 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)	\$	\$	\$	\$	\$	\$ None
2							
3							
4							
5							
6							
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NOTES AND REMARKS

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				Less than 1% of Total Assets.	\$	\$
2						
3						
4						
5						
6						
7						
8						
9						
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11						
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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
						8
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						10
						11
						12
						13
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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		None	\$	\$
2				
3				
4				
5				
6				
7				
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9				
10				
11				
12				
13				
14				
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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)			
\$	\$	(g)	(h)	1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
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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 (c) 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 (c), 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	Grain Elevator-Superior, Wis.		\$	\$	\$ 6,355
2	All Other Items		52	Dr. 14	879
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22	Total	X X X X	52	Dr. 14	7,234

NOTES AND REMARKS

None: All of the above property is owned by the Respondent.

325. 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)					
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)	Rates (n)	Line No.
\$ 560	\$ 156	\$	\$ 404	\$ 156	\$	\$ 1,970	\$ 6,209	2.50%	1
20	14	49	(43)	14		19	(477	1.63	2
							(7	1.78	3
							(4	2.00	4
							(4	3.00	5
									6
									7
									8
									9
									10
									11
									12
									13
									14
									15
									16
									17
									18
									19
									20
580	170	49	361	170		1,989	6,701	XXXXX	21
									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		None exceeding 5% of Total Assets	\$
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
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26			
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28			
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44			
45			

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

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	\$ 448	\$	\$
2	(2) Land for transportation purposes	10,535		
3	(3) Grading	2,981		
4	(4) Other right-of-way expenditures	82		
5	(5) Tunnels and subways	6		
6	(6) Bridges, trestles, and culverts	5,129		
7	(7) Elevated structures			
8	(8) Ties	2,172		
9	(9) Rails	8,938		
10	(10) Other track material	6,347		
11	(11) Ballast	2,856		
12	(12) Track laying and surfacing	3,649		
13	(13) Fences, snowsheds, and signs	233		
14	(16) Station and office buildings	7,368		
15	(17) Roadway buildings	526		
16	(18) Water stations	441		
17	(19) Fuel stations	203		
18	(20) Shops and enginehouses	8,580		
19	(22) Storage warehouses			
20	(23) Wharves and docks	10		
21	(24) Coal and ore wharves	196		
22	(25) TOFC/COFC terminals	889		
23	(26) Communication systems	3,988		
24	(27) Signals and interlockers	3,652		
25	(29) Power plants	29		
26	(31) Power-transmission systems	98		
27	(35) Miscellaneous structures			
28	(37) Roadway machines	15,193		
29	(39) Public improvements—Construction	921		
30	(44) Shop machinery	2,549		
31	(45) Power-plant machinery	3		
32	Other (specify and explain) A/C 38 & 43	11		
33	Total expenditures for road	88,033		
34	(52) Locomotives	123,052		
35	(53) Freight-train cars	251,373		
36	(54) Passenger-train cars	2,758		
37	(55) Highway revenue equipment	4,733		
38	(56) Floating equipment			
39	(57) Work equipment	8,124		
40	(58) Miscellaneous equipment	1,777		
41	Total expenditures for equipment	391,817		
42	(71) Organization Expenses Interest during construction	137		
43	(77) Other expenditures—General			
44	Total general expenditures	137		
45	Total	479,987		
46	(80) Other elements of investment	(3,159)		
47	(90) Construction work in progress	12,015		
48	Grand Total	488,845		

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)	
\$ 38	\$ 79	\$ 29	\$ 477	1
187	(152)	35	10,570	2
69	(28)	41	3,022	3
			82	4
265	(32)	233	6	5
			5,362	6
96	(84)	12	2,184	7
2,862	(585)	2,277	11,215	8
1,423	(63)	1,360	7,707	9
363	(14)	349	3,205	10
655	(23)	632	4,281	11
	(3)	(3)	230	12
683	(7)	676	8,044	13
13	(1)	12	538	14
	(1)	(1)	440	15
118		118	321	16
456	(1)	455	9,035	17
				18
			10	19
5		5	201	20
737		737	1,626	21
672	(2)	674	4,662	22
574	(16)	558	4,210	23
	(10)	(10)	19	24
29		29	127	25
				26
5,004	(14)	4,990	20,183	27
63	(6)	57	978	28
89		89	2,638	29
			3	30
	(8)	(8)	3	31
14,401	(1,055)	13,346	101,379	32
97	(2,88)	(2,091)	120,961	33
768	(5,538)	(4,770)	246,603	34
	(11)	(11)	2,747	35
2,243	(35)	2,208	6,941	36
				37
2,955	(185)	2,748	10,872	38
582	(3)	579	2,356	39
6,623	(7,960)	(1,337)	390,480	40
	(137)	(137)		41
				42
	(137)	(137)		43
21,024	(9,152)	11,872	491,859	44
			(3,159)	45
6,136		6,136	18,151	46
27,160	(9,152)	18,008	506,851	47
				48

330A. IMPROVEMENTS ON LEASED PROPERTY (See Instruction)

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, re-organizations, etc. (d)
1	(1) Engineering	\$	\$	\$
2	(2) Land for transportation purposes			
3	(3) Grading			
4	(4) Other right-of-way expenditures			
5	(5) Tunnels and subways			
6	(6) Bridges, trestles, and culverts			
7	(7) Elevated structures			
8	(8) Ties	19		
9	(9) Rails	8		
10	(10) Other track material	23		
11	(11) Ballast	5		
12	(12) Track laying and surfacing	37		
13	(13) Fences, snowsheds, and signs			
14	(16) Station and office buildings	295		
15	(17) Roadway buildings	2		
16	(18) Water stations			
17	(19) Fuel stations			
18	(20) Shops and enginehouses	105		
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	3		
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	497		
34	(52) Locomotives	25		
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	2		
41	Total expenditures for equipment	27		
42	(76) Interest during construction			
43	(77) Other expenditures—General			
44	Total general expenditures			
45	Total	524		
46	(80) Other element of investment			
47	(90) Construction work in progress			
48	Grand Total	524		

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.
(c)	(f)	(g)	(h)	
\$	\$	\$	\$	1
				2
				3
				4
				5
				6
				7
			19	8
			8	9
			23	10
			5	11
			37	12
				13
			295	14
			2	15
				16
				17
			105	18
				19
				20
				21
				22
				23
			3	24
				25
				26
				27
				28
				29
				30
				31
				32
			497	33
29			25	34
		29	29	35
				36
				37
				38
				39
29	{ 2 }	(2)		40
	{ 2 }	27	54	41
				42
				43
29	{ 2 }	27	551	44
				45
				46
29	{ 2 }	27	551	47
				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	8	3		3		8
2	(3) Grading	11	3		3		11
3	(4) Other, right-of-way	2	1				3
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	1,532	105		(125)		1,762
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	63	10		3		70
8	(16) Station and office buildings	1,224	168		(1)		1,393
9	(17) Roadway buildings	31	16		(1)		48
10	(18) Water stations	1	12		1		12
11	(19) Fuel stations	14	6		1		19
12	(20) Shops and enginehouses	417	166				583
13	(22) Storage warehouses						
14	(23) Wharves and docks	1					1
15	(24) Coal and ore wharves	16	6				22
16	(25) TOFC/COFC terminals	79	21				100
17	(26) Communication systems	761	264		(93)		1,118
18	(27) Signals and interlockers	306	117		12		411
19	(29) Power plants	28			9		19
20	(31) Power-transmission systems	7	4				11
21	(35) Miscellaneous structures						
22	(37) Roadway machines	2,329	1,297		11		3,615
23	(39) Public improvements - Construction	39	8				47
24	(44) Shop machinery*	179	64				243
25	(45) Power-plant machinery*						
26	All other road accounts	6			6		
27	Amortization (other than defense projects)						
28	Total road	7,054	2,271		(171)		9,496
	EQUIPMENT						
29	(52) Locomotives	35,633	6,215		680		41,168
30	(53) Freight-train cars	58,970	9,861		1,585		67,246
31	(54) Passenger-train cars	546	112				658
32	(55) Highway revenue equipment	1,892	820		21		2,691
33	(56) Floating equipment						
34	(57) Work equipment	1,550	424		34		1,940
35	(58) Miscellaneous equipment	512	240		(2)		754
36	Total equipment	99,103	17,672		2,318		114,457
37	GRAND TOTAL	106,157	19,943		2,147		123,952

*Chargeable to account 305.

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, as 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 (Sec Ins. 4)	Investments in property (Sec Ins. 5)	Depreciation and amortization of defense projects (Sec Ins. 6)
	(a)	(b)	(c)	(d)	(e)
1	R	Chicago and North Western		\$	\$
2		Transportation Company	8,611.09	445,361	97,136
3	R	Minneapolis Industrial Railway Co.	7.45	1,923	634
4	R	The Railway Transfer Co. of the			
5		City of Minneapolis		6	
6	R	Des Moines and Central Iowa			
7		Railway Co.	21.37	1,107	628
8	R	Fort Dodge Des Moines &			
9		Southern Railway Co.	99.92	2,123	821
10	R	Oshkosh Transportation Co.		42	
11	R	N W Railquip, Inc.		15,795	3,194
12	R	North Western Communications, Inc.		400	51
13	R	North Western Leasing Company		40,633	21,753
14					
15		(See notes on Page 39A relating			
16		to the above)			
17					
18	O	Chicago, Rock Island and Pacific			
19		Ry. Co.			
20		(.20 miles operated by Chicago and			
21		North Western Transp. Company			
22		as Yard Tracks) at Cedar Rapids,			
23		Iowa		7	
24					
25	O	Burlington Northern, Inc.			
26		(Land used by Chicago and North			
27		Western Transp. Company) at			
28		Leavenworth, Kansas		15	
29					
30	O	East St. Louis Junction Railroad Co.			
31		(7.90 miles operated by Chicago			
32		and North Western Transp. Company			
33		as Yard Tracks) at National Stock			
34		Yards, Illinois		171	
35					
36					
37					
38					
39		TOTAL	8,739.83	507,583	124,217

NOTES AND REMARKS

Notes relating to Schedule 335A:

Exclusions from Line 2:

\$6 for yard tracks and other facilities leased to the Railway Transfer Company of the City of Minneapolis and included in Line 5.

\$12 for yard tracks and switching tracks leased to other railroads.

Line 10 represents 2.12 miles of track operated by the Chicago and North Western Transportation Company as yard tracks.

Included in Column (d) are the following charges in Account 732 - Line 2:

Improvements on Leased General Offices	
Riverside Plaza Building	\$243
Improvements to Leased Property - Depot -	
Partridge, Mich.	8
Improvements to Leased Property - Auto Loading	
Facility - Janesville, Wisc.	88
Improvements to Leased Property - Auto Loading	
Facility - Kenosha (Bain), Wisc.	7
Improvements to Leased Property - Car Upgrading	
Facility - Mason City, Iowa	104
Improvements to Leased Property - Section	
Building - Stambaugh, Mich.	2
Improvements to Leased Property - General	
Office - St. Paul, Minn.	12
Improvements to Leased Property - Office	
Building - Sterling, Ill.	25
Improvements on Leased Locomotives	25
Improvements on Leased Freight Train Cars	29

Line 7:

Trackage constructed on Chicago and North Western	
Transportation Company right-of-way	8

NOTES AND REMARKS

B L A N K

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.

Lane No.	Account (a)	Respondent (b)	Lesser railroads (c)	Inactive (proprietary companies) (d)	Other leased properties (e)
		\$	\$	\$	\$
1	(1) Engineering	477			9
2	(2) Land for transportation purposes	10,569	1		15
3	(3) Grading	3,017	5		103
4	(4) Other right-of-way expenditures	82			
5	(5) Tunnels and subways	6			
6	(6) Bridges, trestles, and culverts	5,359	3		2
7	(7) Elevated structures				
8	(8) Ties	2,203	1		14
9	(9) Rails	11,222	1		18
10	(10) Other track material	7,730	1		6
11	(11) Ballast	3,210			7
12	(12) Track laying and surfacing	4,318			15
13	(13) Fences, snowsheds, and signs	230			4
14	(14) Station and office buildings	8,339			
15	(15) Roadway buildings	540			
16	(18) Water stations	440			
17	(19) Fuel stations	321			
18	(20) Shops and enginehouses	9,139			
19	(22) Storage warehouses				
20	(23) Wharves and docks	10			
21	(24) Coal and ore wharves	201			
22	(25) TOFC/COFC terminals	1,626			
23	(26) Communication systems	4,662			
24	(27) Signals and interlockers	4,212			
25	(29) Power plants	19			
26	(31) Power-transmission systems	127			
27	(35) Miscellaneous structures				
28	(37) Roadway machines	20,183			
29	(39) Public improvements—Construction	978			
30	(44) Shop machinery	2,638			
31	(45) Power-plant machinery	3			
32	Leased property capitalized rentals (explain)				
33	Other (specify & explain)	3			
34	Total expenditures for road	101,864	12	None	193
35	(52) Locomotives	120,986			
36	(53) Freight-train cars	246,633			
37	(54) Passenger-train cars	2,747			
38	(55) Highway revenue equipment	6,941			
39	(56) Floating equipment				
40	(57) Work equipment	10,872			
41	(58) Miscellaneous equipment	2,355			
42	Total expenditures for equipment	390,534	None	None	None
43	(76) Interest during construction				
44	(77) Other expenditures—General				
45	Total general expenditures	-	None	None	None
46	Total	492,398	12	None	193
47	(80) Other elements of investment	(3,159)			
48	(90) Construction work in progress	18,151			
49	Grand Total	507,390	12	None	193

339. OTHER ELEMENTS OF INVESTMENT

1. Give particulars and explanation of all entries in account No. 80, "Other elements of investment," during the year.

2. In column (b) show the account number to which the entries in column (c) were credited and the account number to which the

entries in column (d) were charged. If more than one contra account is involved in an item, the amount applicable to each account and total for the item should be shown.

(Dollars in thousands)

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
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				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTALS	XXX	None	None
51	NET CHANGES	XXX		

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) 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			
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	None	None	X X X X

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	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						
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						
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	None	None	None	None	None	None

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 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 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)	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	401	429	0.70			
2	(3) Grading	2,160	2,207	0.15			
3	(4) Other right-of-way expenditures	82	82	1.44			
4	(5) Tunnels and subways	6	6	0.59			
5	(6) Bridges, trestles, and culverts	5,129	5,363	2.00			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	233	231	4.25			
8	(16) Station and office buildings	7,367	7,716	2.23			
9	(17) Roadway buildings	526	533	2.95			
10	(18) Water stations	441	440	2.69			
11	(19) Fuel stations	203	217	2.63			
12	(20) Shops and enginehouses	8,580	9,028	1.89			
13	(22) Storage warehouses						
14	(23) Wharves and docks	16	19	1.83			
15	(24) Coal and ore wharves	197	200	3.06			
16	(25) TOFC/COFC terminals	889	852	2.37			
17	(26) Communications systems	2,732	4,643	5.86			
18	(27) Signals and interlockers	3,652	4,040	3.05			
19	(29) Power plants	29	20	0.28			
20	(31) Power transmission systems	98	127	3.64			
21	(35) Miscellaneous structures						
22	(37) Roadway machines	13,359	19,320	8.18			
23	(39) Public improvements—Construction	843	897	0.95			
24	(44) Shop machinery	2,549	2,519	2.52			
25	(45) Power plant machinery	3	3	2.84			
26	All other road accounts						
27	Amortization (other than defense projects)						
28	Total road	49,489	58,883	4.38			
	EQUIPMENT						
29	(52) Locomotives	123,032	120,731	5.09			
30	(53) Freight-train cars	251,306	246,603	3.91			
31	(54) Passenger-train cars	2,759	2,747	4.04			
32	(55) Highway revenue equipment	4,732	6,941	12.16			
33	(56) Floating equipment						
34	(57) Work equipment	8,045	9,770	5.18			
35	(58) Miscellaneous equipment	1,777	2,129	12.49			
36	Total equipment	391,671	388,921	4.50			
37	GRAND TOTAL	441,160	447,804				

Note: Depreciation Base for Accounts 1, 3, 4, 5, 16, 39, 44 and 45 include Non-depreciable Property. Railroad Annual Report R-1

CHICAGO & NORTH WESTERN TRANSPORTATION
COMPANY AND SUBSIDIARIES

130900

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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 charges 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			
5	(6) Bridges, trestles and culverts			
6	(7) Elevated structures			
7	(13) Fences, snow sheds, and signs	295	295	12.57
8	(16) Station and office buildings	2	2	4.93
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses	105	105	
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	3	3	2.60
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	Power plant machinery			
26	All other road accounts			
27	Amortization (other than defense projects)	405	405	9.20
28	Total road			
	EQUIPMENT			
29	(52) Locomotives	25	25	4.63
30	(53) Freight-train cars		29	2.70
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment	25	54	3.60
36	Total equipment			
37	GRAND TOTAL	430	459	3.60

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 (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 exper.						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Flared structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings	122	37				159
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shop and engine houses	90	15				105
13	(22) Storage warehouses						
14	(23) Wharves and docks						
15	(24) Coal and ore wharves						
16	(25) DDFC/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	(42) Shop machinery						
25	(45) Power-plant machinery						
26	All other road accounts						
27	Total road	212	52				264
	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	212	52				264

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						
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	None	None	None	None	None	None

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 (See Sch. 200 Explanatory Notes)

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)	1978 Current year (b)	1979 Year 2 (c)	1980 Year 3 (d)	1981 Year 4 (e)	1982 Year 5 (f)	Later Years (g)	Total (Note) (h)
1	Lease payments	\$ 8,152	\$ 8,944	\$ 8,973	\$ 8,916	\$ 8,856	\$ 48,696	\$ 84,385
2	Less: Executory costs:							
3	- Taxes							
4	- Maintenance							
5	- Insurance							
6	- Other							
7	Total executory costs (2-5)	-	-	-	-	-	-	-
8	Minimum lease payments (1, 6)	8,152	8,944	8,973	8,916	8,856	48,696	84,385
9	Less: Amount representing interest	4,215	4,418	4,054	3,659	3,236	14,050	29,417
10	Present value of minimum lease payments (line 7, 8)	3,937	4,526	4,919	5,257	5,620	34,646	54,968

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 sub-lease 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	\$	\$	\$	\$	\$	\$	\$
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

Note: Excludes 1978.

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		
15	Revenue equipment	\$	\$
16	Shop and garage equipment	46,361	41,085
17	Service cars and equipment		
18	Noncarrier operating property	9,334	5,762
19	Other. (Specify)		
20			
21	Gross capitalized assets	55,695	46,847
22	Less: Accumulated amortization	15,811	12,130
23	Net capitalized lease assets	39,884	34,717

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	\$ None	\$	\$	\$	\$	\$	\$
	Less: Executory costs:							
2	- Taxes							
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	\$	\$	\$	\$	\$	\$
11	Contingent rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
12	Minimum noncancelable sublease rentals		XXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX
13	Net rental expense		XXXXXX	XXXX	XXXX	XXXX	XXXXXX	XXXXXX

Road Initials: CNM

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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.	None	Item (a)	Current year (b)	Prior year (c)
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)
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)	1978 Current year (b)	1979 Year 2 (c)	1980 Year 3 (d)	1981 Year 4 (e)	1982 Year 5 (f)	Later years (g)	Total (Note) (h)
1	Minimum lease payments required	\$ 9,141	\$ 9,894	\$ 9,409	\$ 9,163	\$ 8,464	\$ 85,497	\$ 122,427
2	Minimum noncancelable sublease rentals							
3	Net minimum lease payments	9,141	9,894	9,409	9,163	8,464	85,497	122,427

Note: Excludes 1978

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)
4	Minimum lease payments required	\$ 16,841	\$ 14,360
5	Contingent rentals		
6	Less: Sublease rentals	-	-
7	Total rental expense	16,841	14,360

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)

Rental payments are generally calculated based upon the value of the property leased and the lapse of time.

(b)

Generally, the company has the option to purchase leased equipment at the expiration of any primary or renewal term at its fair market value at the time of the exercise of such purchase option. In most cases, the company also has the option to renew the leases, either at fixed rates reflecting anticipated rental values determined at the inception of the leases or at fair rental value at the time of the exercise of such renewal option.

(c)

In some cases, the company has guaranteed performance by lessor under conditional sales agreements entered into in connection with the acquisition of equipment leased to the company, but such obligations do not increase the economic impact of obligations incurred by the company under the related leases.

(d)

No restriction.

(e)

None.

370. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

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	759	ACCRUED ACCOUNTS PAYABLE	\$
2		Accrued Freight & Passenger Car Repairs Payable	17,437
3		Vacation Pay Accruals-Current Year Payable in	
4		Subsequent Year	15,817
5		Estimated Amount Due Foreign Lines Current Month	
6		Interline	14,070
7		Accrued Payable-Car Hire-Net Payable to other Companies	11,926
8		All Others, Less than 5% of Current Liabilities	38,952
9			<u>98,202</u>
10	761	TAXES ACCRUED	
11		State Taxes	5,058
12		Railroad Retirement Taxes	4,719
13		Railroad Unemployment Taxes	1,557
14		Supplemental Pension Tax	370
15			<u>11,704</u>
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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	774	CASUALTY AND OTHER RESERVES	14,690
3			
4	771	PENSION AND WELFARE RESERVES	3,029
5			
6	784	OTHER DEFERRED CREDITS	5,177
7		Other amounts less than 5% of total liabilities	2,973
8			<u>25,869</u>
9			
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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 (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)		
		\$	\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES:							
	ADMINISTRATION:							
1	Track	4,507	2	759	370	5,638	107	5,745
2	Bridge and Building	1,606	1	714	150	2,471	47	2,518
3	Signal	1,687	1	713	151	2,552	48	2,600
4	Communication	1,139	1	709	106	1,955	37	1,992
5	Other	108	-	678	140	926	18	944
	REPAIR AND MAINTENANCE:							
6	Roadway - Running	1,135	(14)	741	84	1,946	26	1,972
7	Roadway - Switching	241	(1)	121	7	368	3	371
8	Tunnels and Subways - Running	4	-	-	-	4	-	4
9	Tunnels and Subways - Switching	-	-	-	-	-	-	-
10	Bridges and Culverts - Running	1,955	257	242	211	2,665	27	2,692
11	Bridges and Culverts - Switching	30	18	-	(1)	47	2	49
12	Ties - Running	N/A	8,656	N/A	N/A	8,656	74	8,730
13	Ties - Switching	N/A	147	N/A	N/A	147	6	153
14	Rail - Running	N/A	8,192	N/A	N/A	8,192	-	8,192
15	Rail - Switching	N/A	(80)	N/A	N/A	(80)	(1)	(81)
16	Other Track Material - Running	N/A	9,618	N/A	N/A	9,618	35	9,653
17	Other Track Material - Switching	N/A	653	N/A	N/A	653	5	658
18	Ballast - Running	N/A	1,648	N/A	N/A	1,648	14	1,662
19	Ballast - Switching	N/A	16	N/A	N/A	16	1	17
20	Track laying and surfacing - Running	24,658	124	84	3,399	28,265	348	28,613
21	Track laying and surfacing - Switching	3,551	25	20	(136)	3,460	45	3,505
22	Road Property Damaged - Running	1,718	1,031	107	13	2,869	76	2,945
23	Road Property Damaged - Switching	1,207	164	(2)	(3)	1,366	13	1,379
24	Road Property Damaged - Other	28	12	2	(3)	39	1	40
25	Signals and Interlockers - Running	2,648	678	36	162	3,524	411	3,935
26	Signals and Interlockers - Switching	202	211	50	(25)	438	-	438
27	Communications Systems	1,174	215	100	141	1,630	125	1,755
28	Electric Power Systems	61	16	10	6	93	7	100
29	Highway Grade Crossings - Running	1,381	383	225	206	2,195	22	2,217
30	Highway Grade Crossings - Switching	28	-	12	(2)	38	-	38
31	Station and Office Buildings	1,045	33	383	176	1,637	388	2,025
32	Shop Buildings - Locomotives	291	65	135	18	509	74	583
33	Shop Buildings - Freight Cars	507	53	127	19	706	N/A	706
34	Shop Buildings - Other Equipment	10	-	1	1	12	19	31

Road Initials:

CNW

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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		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
		\$	\$	\$	\$	\$	\$
	WAY AND STRUCTURES - Continued:						
	REPAIR AND MAINTENANCE - Continued:						
	Locomotive Servicing Facilities	81	25	23	9	138	11
	Miscellaneous Buildings and Structures	166	110	51	(6)	321	3
101	Coal Terminals	516	521	434	8	1,479	N/A
102	Ore Terminals	4	(1)	5	-	13	N/A
103	Other Marine Terminals	9	-	1	-	3	N/A
104	TOFC/COFC - Terminals	2	-	-	-	-	N/A
105	Motor Vehicle Loading and Distribution Facilities	1,933	2,064	766	92	4,855	80
106	Facilities for Other Specialized Service Operations	35	1,197	2,343	17	3,592	66
107	Roadway Machines	2,288	55	151	80	9,004	215
108	Small Tools and Supplies	N/A	N/A	N/A	9,004	1,281	18
109	Snow Removal	N/A	N/A	N/A	1,281	2,852	119
110	Fringe Benefits - Running	N/A	N/A	N/A	1,783	176	3
111	Fringe Benefits - Switching	N/A	N/A	N/A	40	40	1
112	Fringe Benefits - Other	N/A	N/A	N/A	151	151	-
113	Casualties and Insurance - Running	N/A	N/A	N/A	N/A	-	-
114	Casualties and Insurance - Switching	N/A	N/A	N/A	N/A	-	-
115	Casualties and Insurance - Other	N/A	N/A	N/A	N/A	-	-
116	Lease Rentals - Debit - Running	N/A	N/A	N/A	N/A	-	-
117	Lease Rentals - Debit - Switching	N/A	N/A	N/A	N/A	-	-
118	Lease Rentals - Debit - Other	N/A	N/A	N/A	N/A	-	-
119	Lease Rentals - (Credit) - Running	N/A	N/A	N/A	N/A	-	-
120	Lease Rentals - (Credit) - Switching	N/A	N/A	N/A	N/A	-	-
121	Lease Rentals - (Credit) - Other	N/A	N/A	N/A	N/A	-	-
122	Joint Facility Rent - Debit - Running	N/A	N/A	N/A	N/A	-	-
123	Joint Facility Rent - Debit - Switching	N/A	N/A	N/A	N/A	-	-
124	Joint Facility Rent - Debit - Other	N/A	N/A	N/A	N/A	-	-
125	Joint Facility Rent - (Credit) - Running	N/A	N/A	N/A	N/A	-	-
126	Joint Facility Rent - (Credit) - Switching	N/A	N/A	N/A	N/A	-	-
127	Joint Facility Rent - (Credit) - Other	N/A	N/A	N/A	N/A	-	-
128	Other Rents - Debit - Running	N/A	N/A	N/A	N/A	-	-
129	Other Rents - Debit - Switching	N/A	N/A	N/A	N/A	-	-
130	Other Rents - Debit - Other	N/A	N/A	N/A	N/A	-	-
131	Other Rents - (Credit) - Running	N/A	N/A	N/A	N/A	-	-
132	Other Rents - (Credit) - Switching	N/A	N/A	N/A	N/A	-	-
133	Other Rents - (Credit) - Other	N/A	N/A	N/A	N/A	-	-
134	Depreciation - Running	N/A	N/A	N/A	N/A	-	-
135	Depreciation - Switching	N/A	N/A	N/A	N/A	-	-
136	Depreciation - Other	N/A	N/A	N/A	N/A	-	-
137	Joint Facility - Debit - Running	N/A	N/A	N/A	N/A	-	-
138	Joint Facility - Debit - Switching	N/A	N/A	N/A	N/A	-	-
139	Joint Facility - Debit - Other	N/A	N/A	N/A	N/A	-	-
140	Joint Facility - (Credit) - Running	N/A	N/A	N/A	N/A	-	-
141	Joint Facility - (Credit) - Switching	N/A	N/A	N/A	N/A	-	-
142	Joint Facility - (Credit) - Other	N/A	N/A	N/A	N/A	-	-
143	Dismantling Retired Road Property - Running	1,721	-	-	614	2,335	-
144	Dismantling Retired Road Property - Switching	506	-	-	105	611	-
145	Dismantling Retired Road Property - Other	11	-	-	2	13	-
146	Other - Running	4	14	-	(2,385)	(2,366)	1
147	Other - Switching	15	68	-	856	939	18
148	Other - Other	58,212	36,179	11,132	21,502	127,023	2,734
149	Total Way and Structures						
150							
151							

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)
	EQUIPMENT:	\$	\$	\$	\$	\$	\$	\$
	LOCOMOTIVES:							
201	Administration	2,116	1	260	17	2,394	346	2,740
202	Repair and Maintenance	15,475	17,578	42	83	33,178	4,791	37,969
203	Machinery Repair	38	65	12	5	120	17	137
204	Equipment Damaged	197	(232)	(299)	311	(23)	-	(23)
205	Fringe Benefits	N/A	N/A	N/A	4,219	4,219	522	4,742
206	Other Casualties and Insurance	N/A	N/A	N/A	1,064	1,064	302	1,366
207	Lease Rentals - Debit	N/A	N/A	1,954	N/A	1,954	-	1,954
208	Lease Rentals - (Credit)	N/A	N/A	(542)	N/A	(542)	-	(542)
209	Joint Facility Rent - Debit	N/A	N/A	32	N/A	32	1	33
210	Joint Facility Rent - (Credit)	N/A	N/A	(48)	N/A	(48)	(1)	(49)
211	Other Rents - Debit	N/A	N/A	-	N/A	-	-	-
212	Other Rents - (Credit)	N/A	N/A	-	N/A	-	-	-
213	Depreciation	N/A	N/A	N/A	6,132	6,132	108	6,240
214	Joint Facility - Debit	N/A	N/A	135	N/A	135	-	135
215	Joint Facility - (Credit)	N/A	N/A	(122)	N/A	(122)	-	(122)
216	Repairs Billed to Others - (Credit)	N/A	N/A	-	N/A	-	-	-
217	Dismantling Retired Property	9	-	-	-	9	-	9
218	Other	83	66	919	2	1,070	155	1,225
219	Total Locomotives	17,918	17,478	2,343	11,833	49,572	6,242	55,814
	FREIGHT CARS:							
220	Administration	2,164	2	429	(12)	2,583	N/A	2,583
221	Repair and Maintenance	19,302	29,650	832	7,136	56,920	N/A	56,920
222	Machinery Repair	405	380	308	25	1,118	N/A	1,118
223	Equipment Damaged	584	4,773	3,242	9,371	17,970	N/A	17,970
224	Fringe Benefits	N/A	N/A	N/A	5,786	5,786	N/A	5,786
225	Other Casualties and Insurance	N/A	N/A	N/A	983	983	N/A	983
226	Lease Rentals - Debit	N/A	N/A	8,930	N/A	8,930	N/A	8,930
227	Lease Rentals - (Credit)	N/A	N/A	-	N/A	-	N/A	-
228	Joint Facility Rent - Debit	N/A	N/A	-	N/A	-	N/A	-
229	Joint Facility Rent - (Credit)	N/A	N/A	-	N/A	-	N/A	-
230	Other Rents - Debit	N/A	N/A	86,636	N/A	86,636	N/A	86,636
231	Other Rents - (Credit)	N/A	N/A	(46,386)	N/A	(46,386)	N/A	(46,386)
232	Depreciation	N/A	N/A	N/A	9,897	9,897	N/A	9,897
233	Joint Facility - Debit	N/A	N/A	17	N/A	17	N/A	17
234	Joint Facility - (Credit)	N/A	N/A	(15)	N/A	(15)	N/A	(15)
235	Repairs Billed to Others - (Credit)	N/A	N/A	(41,118)	N/A	(41,118)	N/A	(41,118)
236	Dismantling Retired Property	148	-	139	4	291	N/A	291
237	Other	16	40	1,095	4	1,155	N/A	1,155
238	Total Freight Cars	22,619	34,845	14,109	33,194	104,767	N/A	104,767

Road Initials:

CNR

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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)
		\$	\$	\$	\$	\$	\$	\$
	EQUIPMENT - Continued:							
	OTHER EQUIPMENT:	133	-	16	148	297	128	425
301	Administration							
	Repair and Maintenance:							
302	Trucks, Trailers, and Containers - Revenue Service	-	595	1,686	(886)	1,395	N/A	1,395
303	Floating Equipment - Revenue Service	-	-	-	-	-	N/A	-
304	Passenger and Other Revenue Equipment	-	-	-	-	-	1,577	1,577
305	Computers and Data Processing Systems	-	-	231	-	231	2	233
306	Machinery	3	-	-	-	3	10	13
307	Work and Other Non-Revenue Equipment	636	398	2,737	530	4,301	32	4,333
308	Equipment Damaged	-	-	192	-	192	2	194
309	Fringe Benefits	N/A	N/A	N/A	223	223	234	457
310	Other Casualties and Insurance	N/A	N/A	N/A	280	280	107	387
311	Lease Rentals - Debit	N/A	N/A	2,625	N/A	2,625	81	2,706
312	Lease Rentals - (Credit)	N/A	N/A	-	N/A	-	-	-
313	Joint Facility Rent - Debit	N/A	N/A	(40)	N/A	(40)	(1)	(41)
314	Joint Facility Rent - (Credit)	N/A	N/A	(45)	N/A	(45)	(1)	(46)
315	Other Rents - Debit	N/A	N/A	4,535	N/A	4,535	-	4,535
316	Other Rents - (Credit)	N/A	N/A	(4,380)	N/A	(4,380)	-	(4,380)
317	Depreciation	N/A	N/A	N/A	1,466	1,466	133	1,599
318	Joint Facility - Debit	N/A	N/A	120	N/A	120	-	120
319	Joint Facility - (Credit)	N/A	N/A	-	N/A	-	-	-
320	Repairs Billed to Others - (Credit)	N/A	N/A	-	N/A	-	-	-
321	Dismantling Retired Property	-	-	-	-	-	-	-
322	Other	-	14	1	1	16	29	45
323	Total Other Equipment	772	1,007	7,678	1,762	11,219	2,333	13,552
324	Total Equipment	41,309	53,330	24,130	46,789	165,558	8,575	174,133

410. RAILWAY OPERATING EXPENSE - Continued

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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	3,821	10	875	171	4,877	549	5,426
402	Engine Crews	18,369	-	-	1,126	19,495	3,656	23,151
403	Train Crews	33,037	-	180	1,774	34,991	3,586	38,577
404	Dispatching Trains	2,331	10	12	24	2,377	185	2,562
405	Operating Signals and Interlockers	1,887	239	94	31	2,251	419	2,670
406	Operating Drawbridges	402	4	4	6	416	-	416
407	Highway Crossing Protection	586	120	27	18	751	81	832
408	Train Inspection and Lubrication	4,509	32	70	(225)	4,386	359	4,745
409	Locomotive Fuel	40	41,578	-	1	41,619	3,124	44,743
410	Electric Power Purchased or Produced for Motive Power	-	-	-	-	-	-	-
411	Servicing Locomotives	4,629	365	213	(45)	5,162	841	6,003
412	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	1,597	1,597	-	1,597
413	Clearing Wrecks	1,256	51	2,782	597	4,686	1	4,687
414	Fringe Benefits	N/A	N/A	N/A	14,744	14,744	2,232	16,976
415	Other Casualties and Insurance	N/A	N/A	N/A	5,537	5,537	515	6,052
416	Joint Facility - Debit	N/A	N/A	N/A	728	728	107	835
417	Joint Facility - (Credit)	N/A	N/A	(810)	N/A	(810)	(77)	(887)
418	Other	2,917	802	1,470	125	5,314	1,239	6,553
419	Total Train Operations	73,784	43,211	5,645	25,481	148,121	16,827	164,948
	YARD OPERATIONS:							
420	Administration	2,442	7	441	104	2,994	16	3,010
421	Switch Crews	41,020	-	(156)	422	41,286	262	41,548
422	Controlling Operations	3,170	-	-	34	3,204	62	3,266
423	Yard and Terminal Clerical	8,942	-	-	87	9,029	7	9,036
424	Operating Switches, Signals, Retarders and Humps	706	-	-	6	712	280	992
425	Locomotive Fuel	6	3,904	-	-	3,910	20	3,930
426	Electric Power Purchased or Produced for Motive Power	-	-	-	-	-	-	-
427	Servicing Locomotives	1,295	52	40	(10)	1,377	9	1,386
428	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	70	70	-	70
429	Clearing Wrecks	630	36	167	42	875	4	879
430	Fringe Benefits	N/A	N/A	N/A	12,044	12,044	138	12,182
431	Other Casualties and Insurance	N/A	N/A	N/A	2,482	2,482	2	2,484
432	Joint Facility - Debit	N/A	N/A	1,806	N/A	1,806	-	1,806
433	Joint Facility - (Credit)	N/A	N/A	(713)	N/A	(713)	-	(713)
434	Other	208	362	253	55	878	4	882
435	Total Yard Operations	58,419	4,361	1,838	15,336	79,954	804	80,758

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 - Continued.							
	TRAIN AND YARD OPERATIONS COMMON:							
501	Clearing Car Interiors	276	152	429	N/A	857	920	1,777
502	Adjusting and Transferring Loads	507	46	622	N/A	1,175	N/A	1,175
503	Car Loading Devices and Grain Doors	8	513	220	N/A	741	N/A	741
504	Freight Lost or Damaged - all other	N/A	N/A	N/A	8,500	8,500	-	8,500
505	Fringe Benefits	N/A	N/A	N/A	186	186	192	378
506	Total Train and Yard Operations Common	791	711	1,271	8,686	11,459	1,112	12,571
	SPECIALIZED SERVICE OPERATIONS:							
507	Administration	1,115	3	102	35	1,255	N/A	1,255
508	Pickup & Delivery and Marine Line Haul	50	-	-	10	60	N/A	60
509	Loading & Unloading and Local Marine	826	2	3,248	(68)	4,008	N/A	4,008
510	Protective Services	71	86	(362)	3	(202)	N/A	(202)
511	Freight Lost or Damaged - Solely Related	N/A	N/A	N/A	-	-	N/A	-
512	Fringe Benefits	N/A	N/A	N/A	511	511	N/A	511
513	Casualties and Insurance	N/A	N/A	N/A	7	7	N/A	7
514	Joint Facility - Debit	N/A	N/A	-	N/A	-	N/A	-
515	Joint Facility - (Credit)	N/A	N/A	(107)	N/A	(107)	N/A	(107)
516	Other	136	23	984	(170)	973	N/A	973
517	Total Specialized Services Operations	2,198	114	3,865	328	6,505	N/A	6,505
	ADMINISTRATIVE SUPPORT OPERATIONS:							
518	Administration	2,646	2	219	218	3,085	392	3,477
519	Employees Performing Clerical and Accounting Functions	15,322	315	902	334	16,873	1,785	18,658
520	Communication Systems Operation	1,366	88	425	39	1,918	63	1,981
521	Loss and Damage Claims Processing	531	-	1	4	536	-	536
522	Fringe Benefits	N/A	N/A	N/A	4,514	4,514	450	4,964
523	Casualties and Insurance	N/A	N/A	N/A	36	36	4	40
524	Joint Facility - Debit	N/A	N/A	49	N/A	49	-	49
525	Joint Facility - (Credit)	N/A	N/A	(52)	N/A	(52)	-	(52)
526	Other	376	332	1,010	254	1,972	177	2,149
527	Total Administrative Support Operations	20,241	737	2,554	5,399	28,931	2,871	31,802
528	Total Transportation	155,433	49,134	15,173	55,230	274,970	21,614	296,584

410. RAILWAY OPERATING EXPENSE - Concluded

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)		
	GENERAL AND ADMINISTRATIVE:	\$	\$	\$	\$	\$	\$	\$
601	Officers - General Administration	1,107	23	1,232	(345)	2,017	107	2,124
602	Accounting, Auditing and Finance	7,320	162	932	238	8,652	574	9,226
603	Management Services and Data Processing	4,501	312	181	236	5,230	263	5,493
604	Marketing	2,939	25	1,835	673	5,472	130	5,602
605	Sales	4,646	30	685	724	6,085	-	6,085
606	Industrial Development	280	3	42	3	328	N/A	328
607	Personnel and Labor Relations	2,551	140	578	411	3,680	206	3,886
608	Legal and Secretarial	1,394	8	1,279	274	2,955	140	3,095
609	Public Relations and Advertising	240	10	116	61	427	29	456
610	Research and Development	-	-	-	-	-	-	-
611	Fringe Benefits	N/A	N/A	N/A	6,399	6,399	247	6,646
612	Casualties and Insurance	N/A	N/A	N/A	101	101	4	105
613	Writedown of Uncollectible Accounts	N/A	N/A	N/A	283	283	-	283
614	Property Taxes	N/A	N/A	N/A	6,553	6,553	166	6,719
615	Other Taxes Except on Corporate Income or Payrolls	N/A	N/A	N/A	-	-	-	-
616	Joint Facility - Debit	N/A	N/A	97	N/A	97	-	97
617	Joint Facility - (Credit)	N/A	N/A	-	N/A	-	-	-
618	Other	1	6	116	78	201	13	214
619	Total General and Administrative	24,979	719	7,093	15,689	48,480	1,879	50,359
620	Total Carrier Operating Expenses	279,933	139,362	57,528	139,210	616,033	34,802	650,835

Road Initials: CNW

Year 19 78

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	\$ 3	\$ 4	\$ (291)
2	2	Land for transportation purposes	N/A	N/A	
3	3	Grading	3	24	
4	4	Other right-of-way expenditures	1		
5	5	Tunnels and subways	-		
6	6	Bridges, trestles and culverts	103	N/A	
7	7	Elevated structures	-	N/A	
8	8	Ties	N/A	(187)	
9	9	Rails	N/A	(1,927)	
10	10	Other track material	N/A	(715)	
11	11	Ballast	N/A	14	
12	12	Track laying and surfacing	N/A	24	
13	13	Fences, snowsheds and signs	6	N/A	
14	16	Station and office buildings	191	N/A	
15	17	Roadway buildings	16	N/A	
16	18	Water stations	12	N/A	
17	19	Fuel stations	6	N/A	
18	20	Shops and enginehouses	136	N/A	
19	22	Storage warehouses	-	N/A	
20	23	Wharves and docks	-	N/A	
21	24	Coal and ore wharves	6	N/A	
22	25	TOFC/COFC terminals	21	N/A	
23	26	Communications systems	260	N/A	
24	27	Signals and interlockers	98	N/A	
25	29	Power plants	-	N/A	
26	31	Power transmission systems	4	N/A	
27	35	Miscellaneous structures	-	N/A	
28	37	Roadway machines	1,281	N/A	100
29	39	Public improvements; construction	8	(2)	
30	45	Power plant machines		N/A	
31	76	Interest during construction	N/A		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			151
35	-	Total	2,155	(2,765)	(40)

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	E. St. Louis Junction	\$ 41	\$	\$	\$ 41
2	Kansas City Southern Ry. Co.	84			84
3	NW Depot & Terminal Ry. Co.	21			21
4					
5	Other items, each less than				
6	\$250.	5			5
7					
8					
9					
10	Total	151			151

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 17.
 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.

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	\$	\$ 2,060	\$ 2,779	\$ 463	\$ 1	\$ 1,372	\$ 2,287	\$ 468
2	Box-plain 50 Foot and Longer		2,719	7,568	2,907	1,425	3,004	8,618	3,132
3	Box-Equipped		1,342	3,043	XXX	1	1,776	5,896	XXX
4	Gondola-Plain		299	979	208	21	984	3,380	222
5	Gondola-Equipped		72	344	XXX	7	222	621	XXX
6	Hopper-Covered		2,899	7,410	XXX	3,990	2,474	7,602	XXX
7	Hopper-Open Top-General Service		1,916	2,699	XXX	35	2,134	3,501	XXX
8	Hopper-Open Top-Special Service		-	26	XXX	-	191	125	XXX
9	Refrigerator-Mechanical		48	106	XXX	350	1,384	1,557	XXX
10	Refrigerator-Non-Mechanical		503	1,218	XXX	969	1,075	2,988	XXX
11	Flat TOFC/COFC		-	-	XXX	4,428	51	60	XXX
12	Flat Multi-Level	576	-	-	XXX	4,076	147	298	XXX
13	Flat-General Service		36	53	XXX	-	325	807	XXX
14	Flat-Other	10	84	159	XXX	1,949	1,264	2,105	XXX
15	Tank-Under 22,000 Gallons	84	XXX	XXX	XXX	3,475	XXX	XXX	XXX
16	Tank-22,000 Gallons and Over	24	XXX	XXX	XXX	915	XXX	XXX	XXX
17	All Other Freight Cars			79	XXX	74	106	484	XXX
18	Total Freight Train Cars	694	11,978	26,463	3,578	21,716	16,569	40,329	3,822
OTHER FREIGHT CARRYING EQUIPMENT									
19	Refrigerated trailers			-	XXX	13		38	XXX
20	Other trailers			4,378	XXX	1,699		2,733	XXX
21	Refrigerated containers			-	XXX	-		34	XXX
22	Other containers			-	XXX	9		9	XXX
23	Total Trailers & containers	-	-	4,378	XXX	1,721		2,814	XXX
24	Auto Racks	120	-	3,553	XXX	204		3,996	XXX
25	Grand Total (Lines 18, 23, & 24)	814	11,978	34,394	3,578	23,641	16,569	47,139	3,822

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	\$ 1,760	\$ 324	\$ NONE	\$
2	Diesel Locomotive - Road	31,418	5,785		
3	Other Locomotive - Yard				
4	Other Locomotive - Road				
5	TOTAL	33,178	6,109		
FREIGHT TRAIN CARS:					
6	Box-Plain 40 Foot	2,236	1,153		
7	Box-Plain 50 Foot and Longer	3,075	2,445		778
8	Box-Equipped	2,020	1,080		9
9	Gondola-Plain	144	494		627
10	Gondola-Equipped	287	193		78
11	Hopper-Covered	8,741	1,803		5,270
12	Hopper-Open Top-General Service	(109)	1,007		401
13	Hopper-Open Top-Special Service	581	127		75
14	Refrigerator-Mechanical	125			268
15	Refrigerator-Nonmechanical	579	308		1,093
16	Flat TOPC/COFC	(1,338)	1		4
17	Flat Multi-level	(518)	1		
18	Flat-General Service	(66)	15		
19	Flat-Other	(58)	72		
20	All Other Freight Cars	103	9		327
21	Cabooses		166		
22	Auto Racks		987		
23	Miscellaneous Accessories				
24	TOTAL FREIGHT TRAIN CARS	15,802	9,861		8,930
OTHER EQUIPMENT-REVENUE FREIGHT-HIGHWAY EQUIPMENT					
25	Refrigerated Trailers				
26	Other Trailers	1,395	820		1,394
27	Refrigerated Containers				
28	Other Containers				
29	Bogies				
30	Crasis				
31	Other Highway Equipment (Freight)				
32	TOTAL HIGHWAY EQUIPMENT	1,395	820		1,394
FLOATING EQUIPMENT-REVENUE SERVICE					
33	Marine Lic-Haul				
34	Local Marine				
35	TOTAL FLOATING EQUIPMENT				
OTHER EQUIPMENT					
36	Passenger and Other Revenue Equipment (Freight Portion)				
37	Computer & Data Processing Equipment	231	10		
38	Machinery - Locomotives	120	36		
39	Machinery - Freight Cars	1,118	26		
40	Machinery - Other Equipment	3	2		
41	Work & Other Non-revenue Equipment	4,301	664		
42	TOTAL OTHER EQUIPMENT	5,773	738		
43	TOTAL, ALL EQUIPMENT (FREIGHT PORTION)	56,148	17,528	NONE	10,324

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.

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 1% 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	E. St. Louis Junction	\$ 41	\$	\$	\$ 41
2	Kansas City Southern Ry. Co.	84			84
3	NW Depot & Terminal Ry. Co.	21			21
4					
5	Other items, each less than				
6	\$250.	5			5
7					
8					
9					
10	Total	151			151

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 35-27-00 (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 17.
 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.

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	\$	\$ 2,060	\$ 2,779	\$ 463	\$ 1	\$ 1,372	\$ 2,287	\$ 468
2	Box-plain 50 Foot and Longer		2,719	7,568	2,907-3115	1,425	3,004	8,618	3,132-3354
3	Box-Equipped		1,342	3,043	208	1	1,776	5,896	222
4	Gondola-Plain		299	979	xxx	21	984	3,380	xxx
5	Gondola-Equipped		72	344	xxx	7	222	621	xxx
6	Hopper-Covered		2,899	7,410	xxx	3,990	2,474	7,602	xxx
7	Hopper-Open Top-General Service		1,916	2,699	xxx	35	2,194	3,501	xxx
8	Hopper-Open Top-Special Service		-	26	xxx	-	191	125	xxx
9	Refrigerator-Mechanical		48	106	xxx	350	1,384	1,557	xxx
10	Refrigerator-Non-Mechanical		503	1,218	xxx	969	1,075	2,988	xxx
11	Flat TOFC/COFC		-	-	xxx	4,428	51	60	xxx
12	Flat Multi-Level	576	-	-	xxx	4,076	147	298	xxx
13	Flat-General Service		36	53	xxx	-	325	807	xxx
14	Flat-Other	10	84	159	xxx	1,949	1,264	2,105	xxx
15	Tank-Under 22,000 Gallons	84	xxx	xxx	xxx	3,475	xxx	xxx	xxx
16	Tank-22,000 Gallons and Over	24	xxx	xxx	xxx	915	xxx	xxx	xxx
17	All Other Freight Cars			79	xxx	74	106	484	xxx
18	Total Freight Train Cars	694	11,978	26,463	3,578	21,716	16,569	40,329	3,822
OTHER FREIGHT CARRYING EQUIPMENT									
19	Refrigerated trailers			4,378	xxx	13		38	xxx
20	Other trailers			-	xxx	1,699		2,733	xxx
21	Refrigerated containers			-	xxx	-		34	xxx
22	Other containers			-	xxx	9		9	xxx
23	Total Trailers & containers	-	-	4,378	xxx	1,721		2,814	xxx
24	Auto Racks	120	-	3,553	xxx	204		3,996	xxx
25	Grand Total (Lines 18, 23, & 24)	814	11,978	34,394	3,578	23,641	16,569	47,139	3,822

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	\$ 1,760	\$ 324	\$ NONE	\$ 199
2	Diesel Locomotive - Road	31,418	5,785		1,213
3	Other Locomotive - Yard				
4	Other Locomotive - Road				1,412
5	TOTAL	33,178	6,109		
	FREIGHT TRAIN CARS:				
6	Box-Plain 40 Foot	1,941	1,153		778
7	Box-Plain 50 Foot and Longer	4,871	2,445		9
8	Box-Equipped	1,861	1,080		627
9	Gondola-Plain	144	494		78
10	Gondola-Equipped	287	193		5,270
11	Hopper-Covered	7,608	1,803		401
12	Hopper-Open Top-General Service	(109)	1,007		75
13	Hopper-Open Top-Special Service	581	127		268
14	Refrigerator-Mechanical	125			1,093
15	Refrigerator-Nonmechanical	579	308		4
16	Flat TOFC/COFC	(1,338)	1		
17	Flat Multi-level	(518)	1		
18	Flat-General Service	(66)	15		
19	Flat-Other	(58)	72		
20	All Other Freight Cars	(800)	9		327
21	Cabooses	276	166		
22	Auto Racks		987		
23	Miscellaneous Accessories	418			
24	TOTAL FREIGHT TRAIN CARS	15,802	9,861		8,930
	OTHER EQUIPMENT-REVENUE FREIGHT				
	HIGHWAY EQUIPMENT				
25	Refrigerated Trailers				
26	Other Trailers	1,395	820		1,394
27	Refrigerated Containers				
28	Other Containers				
29	Bogies				
30	Chasis				
31	Other Highway Equipment (Freight)				
32	TOTAL HIGHWAY EQUIPMENT	1,395	820		1,394
	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	231	10		1,229
38	Machinery - Locomotives	120	23		-
39	Machinery - Freight Cars	1,118	36		-
40	Machinery - Other Equipment	3	2		-
41	Work & Other Non-revenue Equipment	4,301	634		-
42	TOTAL OTHER EQUIPMENT	5,773	705		1,229
43	TOTAL, ALL EQUIPMENT (FREIGHT PORTION)	56,148	17,495		12,965

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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.

Road Initials: CNW

Year 19 78

65B

NOTES AND REMARKS

B L A N K

99
1,090.0
21.33
26.28
5
12,782.0
Total

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	\$ 643	\$	\$	\$ 494	\$	\$ 97	\$ 21	\$	\$ 1,255
2	Pick up & delivery, marine line haul	60						N/A		60
3	Loading and unloading and local marine	2,642			452		914	N/A		4,008
4	Protective services							(202)		(202)
5	Freight lost or damaged-solely related									
6	Fringe benefits	230			247		10	24		511
7	Casualty and insurance	5			1		1			7
8	Joint facility - Debit									
9	Joint facility - Credit				(107)					(107)
10	Other	748			102		101	22		973
11	Total	4,328			1,189		1,123	(135)		6,505

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 _____	None
2	Bridge and Building _____	
3	Signal _____	
4	Communication _____	
5	Other _____	
	Repair and Maintenance	
6	Roadway - Running _____	None
7	Roadway - Switching _____	
8	Tunnels and Subways - Running _____	
9	Tunnels and Subways - Switching _____	
10	Bridges and Culverts - Running _____	
11	Bridges and Culverts - Switching _____	
12	Ties - Running _____	
13	Ties - Switching _____	
14	Rail - Running _____	
15	Rail - Switching _____	
16	Other Track Material - Running _____	
17	Other Track Material - Switching _____	
18	Ballast - Running _____	
19	Ballast - Switching _____	
20	Track laying and surfacing - Running _____	
21	Track laying and surfacing - Switching _____	
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 _____	
28	Electric Power Systems _____	
29	Highway Grade Crossings - Running _____	
30	Highway Grade Crossings - Switching _____	
31	Station and Office Buildings _____	
32	Shop Buildings - Locomotives _____	
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	\$
		None
101	Locomotive Servicing Facilities	
102	Miscellaneous Buildings and Structures	
109	Roadway Machines	
110	Small Tools and Supplies	
111	Snow Removal	
112	Fringe Benefits - Running	
113	Fringe Benefits - Switching	
114	Fringe Benefits - Other	
115	Casualties and Insurance - Running	
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	
150	Other - Other	
		None
151	Total WAY AND STRUCTURES	

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	EQUIPMENT	\$
	Locomotives	
201	Administration	
202	Repair and Maintenance	
203	Machinery Repair	
204	Equipment Damaged	
205	Fringe Benefits	
206	Other Casualties and Insurance	
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	
214	Joint Facility - Debit	
215	Joint Facility - (Credit)	
216	Repairs Billed to Others - (Credit)	
217	Dismantling Retired Property	
218	Other	
219	Total Locomotives	None
	Other Equipment	
301	Administration	
	Repair and Maintenance:	
304	Passenger and Other Revenue Equipment	
305	Computers and Data Processing System	
306	Machinery	
307	Work and Other Non-Revenue Equipment	
308	Equipment Damaged	
309	Fringe Benefits	
310	Other Casualties and Insurance	
311	Lease Rentals - Debit	
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	
323	Total Other Equipment	None
324	TOTAL EQUIPMENT	None

419. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION—Continued

Line No.	Name of Account (a)	Amount (b)
	TRANSPORTATION	\$
	Train Operation	
401	Administration	
402	Engine Crews	
403	Train Crews	
404	Dispatching Trains	
405	Operating Signals and Interlockers	
406	Operating Drawbridges	
407	Highway Crossing Protection	
408	Train Inspection and Lubrication	
409	Locomotive Fuel	
410	Electric Power Purchased or Produced for Motive Power	
411	Servicing Locomotives	
412	Freight Lost or Damaged - Solely Related	
413	Clearing Wrecks	
414	Fringe Benefits	
415	Other Casualties and Insurance	
416	Joint Facility - Debit	
417	Joint Facility - (Credit)	
418	Other	
419	Total Train Operations	None
	Yard Operations	
420	Administration	
421	Switch Crews	
422	Controlling Operations	
423	Yard and Terminal Clerical	
424	Operating Switches, Signals, Retarders and Humps	
425	Locomotive Fuel	
426	Electric Power Purchased or Produced for Motive Power	
427	Servicing Locomotives	
428	Freight Lost or Damaged - Solely Related	
429	Clearing Wrecks	
430	Fringe Benefits	
431	Other Casualties and Insurance	
432	Joint Facility - Debit	
433	Joint Facility - (Credit)	
434	Other	
435	Total Yard Operations	None

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	
504	Freight Lost or Damaged - all other	
505	Fringe Benefits	
506	Total Train and Yard Operations Common	None
	Administrative Support Operations	
518	Administration	
519	Employees Performing Clerical and Accounting Functions	
520	Communication Systems Operation	
521	Loss and Damage Claims Processing	
522	Fringe Benefits	
523	Casualties and Insurance	
524	Joint Facility - Debit	
525	Joint Facility - (Credit)	
526	Other	
527	Total Administrative Support Operations	None
528	TOTAL TRANSPORTATION	None
	GENERAL AND ADMINISTRATIVE	\$
601	Officers - General Administration	
602	Accounting, Auditing and Finance	
603	Management Services and Data Processing	
604	Marketing	
605	Sales	
607	Personnel and Labor Relations	
608	Legal and Secretarial	
609	Public Relations and Advertising	
610	Research and Development	
611	Fringe Benefits	
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	
619	TOTAL GENERAL AND ADMINISTRATIVE	None
	TOTAL REMUNERATIONS	None

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 rents 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	Warehouse	Proviso, IL	Montgomery Ward	\$ 513
2	Easements	Chicago, IL	Commonwealth Edison	102
3	Lease of Exploration Rights	Conover, WI	EXXon Corp.	90
4	Other items, each less than			
5	10% of net income			1,779
6				
7				
8				
9				
10			Total	2,484

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	Warehouse	Proviso, IL	Natl. Electrical Contractors Assn.	\$
2				
3			Pension Fund	556
4	Land	Milwaukee, WI	Milwaukee County, WI	26
5				
6	Land for Storage	Milwaukee, WI	C&J Transport	6
7				
8	Other items, each less			
9	than \$250			1
10			Total	589

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	None			\$	\$
2					
3					
4					
5					
6					
7					
8					
9					
10			Total		

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 restate 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.	\$	\$	\$	\$
2	Accelerated amortization of facilities Sec. 168 I.R.C.				
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)				
6					
7					
8					
9	Investment tax credit*				
10	TOTALS	2,459*	(603)	3	1,859

*Footnotes:

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

NOTE: Deferred taxes are maintained as a total figure only. No attempt is made to separate the total into its component parts. Our provisions for deferred taxes are the result of computing total income tax expense or recovery (credit) on pre-tax income or loss from continuing operations.

* Adjusted for restatement of capitalized lease in accordance with FASP #13.

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	\$ 150	41
2	Alaska		Tennessee		42
3	Arizona		Texas		43
4	Arkansas		Utah		44
5	California		Vermont		45
6	Colorado		Virginia		46
7	Connecticut		Washington		47
8	Delaware	30	West Virginia		48
9	Florida		Wisconsin	1,185	49
10	Georgia		Wyoming	62	50
11	Hawaii		District of Columbia		51
12	Idaho				
13	Illinois	820	Other		
14	Indiana		Canada		52
15	Iowa	1,682	Mexico	29	53
16	Kansas	43	Puerto Rico		54
17	Kentucky				55
18	Louisiana		Total-Other than U.S. Government Taxes	6,702	56
19	Maine				
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax	Amount	
22	Michigan	(27)	(a)	(b)	
23	Minnesota	2,401		\$	
24	Mississippi		Income taxes:		
25	Missouri	132	Normal tax and surtax		57
26	Montana		Excess profits		58
27	Nebraska	192	Total-Income taxes		59
28	Nevada		Old-age retirement*	42,050	60
29	New Hampshire		Unemployment insurance	5,809	61
30	New Jersey		All other United States Taxes	17	62
31	New Mexico		Total-U.S. Government Taxes	47,876	63
32	New York		Grand Total-Railway Tax Accruals	54,578	64
33	North Carolina				
34	North Dakota	2			
35	Ohio				
36	Oklahoma		*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon	1	Hospital insurance	\$ 2,752	65
38	Pennsylvania		Supplemental annuities	4,198	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 account 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 10% of net income.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	519	MISCELLANEOUS INCOME	\$	\$
2		Net gain from sale of land		4,872
3		Gain on reacquisition of Company		
4		mortgage bonds		1,455
5		Salvage in excess of value of property		
6		retired		166
7		Other items, each less than 10% of net income		202
8				6,693
9				
10	551	MISCELLANEOUS INCOME CHARGES		
11		Service interruption insurance payments	1,901	
12		FRA fines	285	
13		Commitment fees	74	
14		Other items, each less than 10% of net income	504	
15			2,764	
16				
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MEMORANDA RELATING TO SELECTED INCOME AND RETAINED EARNINGS ACCOUNTS

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 wage 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 should 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. Amer. R.R.	Co-ordinating Railway Activities	852
2	Western Assoc. R.R.	Co-ordinating Railway Activities	446
3	Ill. R.R. Assoc.	CO-ordinating State Railway Program	7
4	Iowa R.R. Assoc.	" " " " "	14
5	So. Dakota R.R. Assoc.	" " " " "	5
6	Nebraska R.R. Assoc.	" " " " "	10
7	Michigan R.R. Assoc.	" " " " "	5
8	Wisconsin R.R. Assoc.	" " " " "	80
9	Eastern R.R. Assoc.	" " " " "	123
10	Borgelt, Powell, Peterson & Frauen	Legal Services	152
11	Winston & Strawn	" "	53
12	Gamble, Riepe Burt		
13	Webster & Fletcher	" "	130
14	Linguist & Vennum	" "	120
15	Sonnenshein, Carlin, Nath		
16	& Rosenthal	" "	101
17	Arthur Andersen & Co.	Audit Fees	215
18		Other Management Services	27
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			2,340

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 5-6 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 ASSETS:	\$
2		
3	None	
4		
5	CONTINGENT LIABILITIES:	
6	Chicago and North Western Transportation Company, as one of	
7	the proprietary companies of Trailer Train Company (its	
8	ownership proportion being 4,878%) has entered into agree-	
9	ments between Trailer Train Company, its proprietary	
10	companies, AT&SF Ry. Co., B&O RR. Co., B&M Corp., Cent. of	
11	Ga. Ry. Co., C&O Ry. Co., BN, Inc. (Formerly CBQ, Gr. Nor.	
12	and Nor. Pac.), CMStP&P RR. Co., CRI&P RR. Co., Consolidated	
13	Rail Corp., D&RGW RR. Co., DT&I RR. Co., Erie-Lackawanna	
14	Ry. Co., FEC Ry. Co., IC Gulf RR. Co., KCS Ry. Co., L&N	
15	RR. Co., M-K-T RR. Co., Mo. Pac. RR. Co., Wabash RR. Co.	
16	(leased to Norfolk & Western Ry. Co.) Reading Co., RF&P	
17	RR. Co., StL&SF Ry. Co., StLSW Ry. Co., SCL RR. Co., Sou.	
18	Ry. Co., So. Pac. Co., TP&W RR. Co., Un. Pac. RR., Transway	
19	International Corp., Western Maryland Ry. Co. and Western	
20	Pac. RR. Co.; various car manufacturers and lending insti-	
21	tutions, to make advances, if needed, to Trailer Train to	
22	enable that Company to pay installments as they become due	
23	on various obligations in the aggregate amount of	6,008
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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	Indiana Harbor Belt Railroad Company-			
2	C&NW Transp. Co.	F.D.No. 19757-IHB RR. Co. Bonds		
3	CMStP&P RR. Co.	maturing June 1, 1982, Guaranty of		
4	Penn. Cent. Transp. Co. (Formerly	payment of principal and interest		
5	MC&NYC RR's)	under First Mortgage dated	\$ 3,843(1)	Joint
6		June 1, 1957, covering issuance		
7		of \$8,125 5-1/8% bonds. The		
8		Northern Trust Company, Trustee,		
9		Chicago, Ill.		
10	(1) The Chicago and North Western Railway Company			
11	sold its interest in the Indiana Harbor Belt			
12	Railroad Company to the New York Central Rail-			
13	road Company on January 3, 1961. Under the terms			
14	of the Sales Agreement, the Chicago and North			
15	Western Railway remained jointly and severally			
16	liable (in proportion to its prior stock holding			
17	of 20%) for the principal and interest on the			
18	bonds, and Chicago and North Western Transporta-			
19	tion Company has assumed that obligation.			
20				
21	Illinois Terminal Railroad Company-			
22	B&O RR. Co.	F.D.No. 22292-Ill. Term. RR. Co.		
23	C&EI RR. Co.	Bonds maturing December 1, 1987		
24	C&NW Transp. Co.	First Mortgage dated December 1,		
25	StL&KC Land Co.	1962, covering issuance of \$8,750		
26	(BN, Inc.)	4-5/8%, Sinking Fund Bonds, Series		
27	CRI&P RR. Co.	"A", Mercantile Trust Company		
28	Ill. Cent. Gulf RR. Co.	Trustee, St. Louis, MO.	\$ 5,353(2)	Joint
29	(Formerly OM&O RR.			
30	Co.)			
31	Miss. Valley Corp.			
32	(IC RR)			
33	Penn Cent. Transp. Co.			
34	(Formerly NYC RR.)			
35	N&W Ry. Co. (Formerly			
36	NYC&StL RR. Co.)			
37	StLSF Ry. Co.			
38	Wabash RR. Co. (Leased			
	by N&W Ry. Co.)			

(Continued on Page 80A)

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

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

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1	Finance Dockets 26371	Northwest Chemco, Inc.	Approximately \$151,911	
2	and 26372:	(formerly named Chicago	plus contingent lia-	
3	(1) The sellers remain	and North Western Rail-	abilities (excluding	
4	liable on a substan-	way Company) and certain	Kansas City Terminal	
5	tial portion of the	of its selling subsidi-	Railway Co.) listed in	
6	obligations assumed	aries.	Section 1 above and	
7	by respondent.		those listed in	
8			Schedule 500.	
9				

(Continued on Page 80B)

NOTES AND REMARKS

501: GUARANTIES AND SURETYSHIPS

(a) (b) (c) (d)
(Continuation of Item 1, Schedule 501)

- (2) By Guaranty Agreement dated as of December 1, 1962, payment of principal and interest on bonds are guaranteed jointly and severally by respondent and other proprietary companies.

Illinois Terminal Railroad Company-

B&O RR.Co.	F.D.No.20388-Basic Rent of McKinley	
C&EI RR.Co.	Bridge spanning the Mississippi River	
C&NW Transp.Co.	sold to the City of Venice,Ill. as	
StL&KC Land Co.	covered by Joint and Several Covenant	
(BN,Inc.)	of Proprietary Railroads dated	
CRI&P RR.Co.	October 14, 1958.	\$ 250(3) Joint
Ill.Cent.Gulf RR.Co.		
(Formerly GM&O RR.Co.)		
Penn Cent.Transp.Co.		
N&W Ry.Co.(Formerly		
NYC&StL RR.Co.)		
StLSF Ry.Co.		
Wabash RR.Co.(Formerly		
N&W Ry.Co.)		

- (3) Respondent is obligated along with other proprietary companies for payment of annual rental in the event of default thereof by Illinois Terminal RR. Co.

Kansas City Terminal Railway Co.-

AT&SF Ry.Co.	By note agreement dated March 20,1975	
C&NW Transp. Co.	in the amount of \$13,750 of its 10%	
BN, Inc.	guaranteed senior notes due December 15,	
CMStP&P RR.Co.	1979 and \$13,750 principal amount of	
CRI&P Ry.Co.	its 10-1/4% guaranteed senior notes	
	due December 15, 1984.	\$ 4,125(4) Joint
Ill.Cent.Gulf RR.Co.		
(Formerly GM&O		
RR.Co.)		
KCS Ry.Co.		
M-K-T RR. Co.		
Mo.Pac.RR.Co.		
StLSF Ry.Co.		
Union Pac.RR.Co.		
N&W Ry.Co.		

- (4) Respondent is obligated along with other proprietary companies for payment of principal and interest, subject to a limit of the liability of each railroad to 25% of the principal amount of the Notes, plus interest and other charges payable with respect to 25% of such principal amount.

NOTES AND REMARKS

501: GUARANTIES AND SURETYSHIPS

(a)	(b)	(c)	(d)
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(Continuation of Item 2, Schedule 501)

- | | | | |
|-----|---|--------|--|
| (2) | Guaranty by letter dated Northwest Industries, April 20, 1972, in compliance with Condition 5 of Report served March 20, 1972. | | |
| (a) | Indiana Harbor Belt Railroad Company, First Mortgage 5-1/8% Bonds, due June 1, 1982 | \$ 769 | |
| (b) | Illinois Terminal Railroad Company, First Mortgage 4-5/8% Sinking Fund Bonds, Series A, due December 1, 1987 | \$ 487 | |
| (c) | Illinois Terminal Railroad Company, annual rental payable under Section 4.01 (a) of Railroad Agreement, dated as of October 14, 1958, between Illinois Terminal Railroad Company and City of Venice, Illinois. | \$ 23 | |
| (d) | Trailer Train Company Trainer Train Company Obligations and Future Trailer Train Obligations, as defined in the Shareholders' Agreement, dated as of October 25, 1960, among various railroads (including Chicago and North Western Railway Company) and Trailer Train Company, outstanding on December 31, 1971. | \$ 293 | |

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 sum, 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, i.e.: 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 (b) and (f) 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.

TRACKS OPERATED AT COST FOR JOINT BENEFIT (For Switching and Terminal Companies Only)

Line No.	Name of owner(s)	Joint or common title holder(s)	Total mileage operated
1	Not a Switching or Terminal company.		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			

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.				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			
		(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	CNWTCo 100	M	2,853	695	40	467	236	1,179	5,470
2	1J	25	M						4	4
3	1J	33-1/3	M					2	6	8
4	1J	50	M	5	1		4	8	40	58
5	1J	66	M						1	1
6	1J	66-2/3	M						2	2
7	Total Class									
8	1J Main			5	1		4	10	53	73
9	Total Class									
10	1 and 1J									
11	Main			2,858	696	40	471	246	1,232	5,543
12	1	CNWTCo 100	B	5,695	14		334	379	506	6,928
13	1J	20	B						2	2
14	1J	25	B	1	1				1	3
15	1J	33-1/3	B	5			3	4	1	13
16	1J	50	B	40			2	23	37	102
17	1J	65	B				1			1
18	1J	66-2/3	B						3	3
19	1J	87	B					1		1
20	Total Class									
21	1J Branch			46	1		6	28	44	125
22	Total Class									
23	1 and 1J									
24	Branch			5,741	15		340	407	550	7,053
25	Total Class									
26	1 and 1J									
27	Main and									
28	1 and 1J									
29	Branch			8,599	711	40	811	653	1,782	12,596
30	1	MIR 100	B	8			1	3		12
31	1	FDDM (DMW)								
32	100	B		100			8	6	16	130
33	1	DMCT 100	B	21			9		1	31
34	1	FTM 100	B						10	10
35	1	OSH 100	B						2	2
36	Grand Total									
37	Class 1 and									
38	1J Main and									
39	1 and 1J									
40	Branch			8,728	711	40	829	662	1,811	12,781
41	Total Main Line									
42	XXX									
43	Total Branch Lines									
44	XXX									
45	Grand Total									
46	XXX									
47	(Continued on Page 82A)									
48	Miles of road or track electrified included in preceding grand total									
49	XXX									

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.				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	3B	ICG 100	M						1	1
2	3B	E.St.L.								
3		Jct. 100	B						8	8
4		Total Class								
5		3B Main								
6		& Branch							9	9
7										
8	4B	DMU. 100	B						3	3
9										
10	5	CNW 100	M	128	28	21	19	6	39	241
11	5	CNW 101	B	280	15	1	12	7	48	363
12	5	MIR 00	B	4						4
13	5	FDDM 100	B					1	1	2
14										
15		Total Class								
16		5 Main								
17		& Branch		412	43	22	31	14	88	610
18										
19										
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54										
55		Total Main Line	XXX	2,986	724	61	490	252	1,272	5,785
56		Total Branch Lines	XXX	6,154	30	1	370	424	639	7,618
57		Grand Total	XXX	9,140	754	62	860	676	1,911	13,403
58		Miles of road or track electrified included in preceding grand total	XXX	None.						

NOTES AND REMARKS

B L A N K

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	1	McCelland to								
2		Co. Bluffs, IA								
3		(A)	B	11.70			.72	.32		12.74
4										
5	1	Minneapolis,								
6		Minnesota (B)	M						2.64	2.64
7										
8	1	Leavenworth,								
9		Kansas (C)	M					.47		.47
10										
11										
12										
13										
14										
15		Total	XXX	11.70			.72	.79	2.64	15.85

Leased to:

- A. Chicago, Rock Island and Pacific RR.
- B. Minnesota Transfer Railway
- C. Burlington Northern Inc.

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 (i) and (j).

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	Illinois	543	301				11	855			
2	Iowa	912	1,336				67	2,315		12	
3	Wisconsin	784	1,415				114	2,313			
4	Michigan	52	252				21	325			
5	Nebraska	51	576				15	642			
6	Minnesota	422	901				85	1,408			
7	South Dakota		872				2	874			
8	North Dakota		14					14			
9	Wyoming		179				87	266			
10	Missouri	90					12	102			
11	Kansas	1					25	26			
12											
13											
14											
15											
16	Total Mileage (single track)	2,855	5,846				439	9,140		12	

703. MILES OF TRACKS AT CLOSE OF YEAR—BY STATES AND TERRITORIES
(For switching and terminal companies only)

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

appropriate. The remainder of jointly operated mileage should be shown in column (f). Tracks owned, not operated by respondent (including respondent's proportion of jointly owned tracks, not operated), should be shown in column (h). If any of the tracks returned in column (h) 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 column (h). Lengths should be stated to the nearest whole mile.

Line No.	State or Territory (a)	Tracks Operated					Tracks owned, not operated by respondent (h)	New tracks constructed during year (i)	
		Tracks owned (b)	Tracks of proprietary companies (c)	Tracks operated under lease (d)	Tracks operated under contract, etc. (e)	Tracks operated under trackage rights (f)			Total mileage operated (g)
1	Not a switching and terminal company								
2									
3									
4									
5									
6	Total Mileage								

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, specific 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 dates 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 tracks	Miles of passing tracks, cross-overs and turn-outs				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1	M				1	1	7	9	Constr.
2	1	M				8	1	2	11	Reclass
3	1	B	3						3	Adj. Var.
4	1	B				8	2	3	13	Reclass
5	1	B				1	4	3	8	Constr.
6										
7										
8										
9										
10										
11										
12										
13	Total Increase		3			18	8	15	44	

DECREASES IN MILEAGE

14	1	M		1	1	10	7	17	36	Ret.
15	1	M		1	2	1		6	10	Reclass
16	1	B	9						9	AB-1 Sub. 53
17	1	B	156						156	AB-1 Sub. 9
18	1	B	25						25	AB-1 Sub. 52
19	1	B	172						172	AB-1 Sub. 34
20	1	B	37						37	AB-1 Sub. 56
21	1	B	65						65	AB-1 Sub. 24
22	1	B	10						10	AB-1 Sub. 64
23	1	B	2	5		21	27	18	73	Ret. Adj.
24		*				1	1	6	8	Recls.
25	Total Decrease		476	7	3	33	36	47	602	

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 _____ Miles of road abandoned 474

Owned by proprietary companies:

Miles of road constructed _____ Miles of road abandoned _____

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.

* Continued on page 86.

705. CHANGES DURING THE YEAR (Contd.)

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, specific 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 dates 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 tracks	Miles of passing tracks, cross-overs and turn-outs				
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13	Total Increase									

DECREASES IN MILEAGE

14										
15										
16	5	B					1		1	Ret.
17										
18										
19										
20										
21										
22										
23										
24										
25	Total Decrease		(Total included on Page 85, Line 25)							

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 _____ Miles of road abandoned _____

Owned by proprietary companies:

Miles of road constructed _____ Miles of road abandoned _____

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.

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 final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters,

slugs, etc. 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										(H P.)	
1	Diesel-Freight _____ A units	10						10		10	15,000	
2	Diesel-Freight _____ B units	10						10		10	15,000	
3	Diesel-Passenger _____ A units	57				10	11	10	46	56	111,000	
4	Diesel-Passenger _____ B units											
5	Diesel-Multiple purpose _____ A units	718				58	77	646	53	699	1,565,800	
6	Diesel-Multiple purpose _____ B units											
7	Diesel-Switching _____ A units	128						95	16	111	121,500	
8	Diesel-Switching _____ B units	2						2		2	2,000	
9	Total (lines 1 to 8)	925				68	105	773	115	888	1,830,300	None
10	Electric-Locomotives	None										
11	Other self-powered units	None										
12	Total (lines 9, 10 and 11)	925	None	None	None	68	105	773	115	888	1,830,300	None
13	Auxiliary units	30	None	None	None	None	None	30	None	30	XXXX	None
14	Total Locomotive Units (lines 12 and 13)	955	None	None	None	68	105	803	115	918	XXXX	None

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	403	88	57	155	90	60	35				888
16	Electric											
17	Other self-powered units											888
18	Total (lines 15 to 17)	403	88	57	155	90	60	35				30
19	Auxiliary units	30										
20	Total Locomotive Units (lines 18 and 19)	433	88	57	155	90	60	35				918

None of the above Locomotive Units are radio controlled.

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 reclassification	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 reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
PASSENGER-TRAIN CARS												
Non-Self-Propelled												
21	Coaches [PA, PB, PBO]	278						16	262	278	44,461	
22	Combined cars [All class C, except CSB]											
23	Parlor cars [PBC, PC, PL, PO]	2						2		2	152	
24	Sleeping cars [PS, PT, PAS, PDS]											
25	Dining, grill and tavern cars											
26	[All class D, PD]	2							2	2	XXXX	
27	Non-passenger carrying cars [All class B, CSB, M, PSA, IA]										XXXX	
28	Total (lines 21 to 27)	282	None	None	None	None	None	18	264	282	44,613	None
Self-Propelled Rail Motorcars												
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)	None	None	None	None	None	None	None	None	None	None	None
34	Total (lines 28 and 33)	282	None	None	None	None	None	18	264	282	44,613	None
COMPANY SERVICE CARS												
35	Business cars [PV]	3						3		3	XXXX	
36	Boarding outfit cars [MWX]	154				1		155		155	XXXX	
37	Derrick and snow removal cars [MWU, MWV, MWW, MWK]	58						58		58	XXXX	
38	Dump and ballast cars [MWB, MWD]	412				100	15	497		497	XXXX	
39	Other maintenance and service equipment cars	918	2			75	33	962		962	XXXX	
40	Total (lines 35 to 39)	1,545	2	None	None	176	48	1,675	None	1,675	XXXX	None

Road Initials

CNM

Year 19 78

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 to others for a period of one year or more are reportable in column (n); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (i); units rented from others for a period less than one year should not be included in column (j).

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 re-written 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' (B100-129)	8,801					
42	Plain Box Cars - 50' (B200-229; B300-329)	5,721					
43	Equipped Box Cars (All Code A)	2,534			25		169
44	Plain Gondola Cars (G092-392; G401-492)	2,963			484		
45	Equipped Gondola Cars (All Codes C and E)	823					4
46	Covered Hopper Cars (L151-154; 251-254; 351-354; 451-454; 551-554; 651-654; 751-754)	7,070					206
47	Open Top Hopper Cars - General Service (All Code H)	2,014					
48	Open Top Hopper Cars - Special Service (All Codes J and K)	1,668	4				
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)	1,210					20
50	Refrigerator Cars - Mechanical (R104, 110, 111, 112, 117, 118, R204, 210, 211, 212, 217, 218)	98					
51	Flat Cars - TOFC/COFC (F071-078; F871-978)	41					
52	Flat Cars - Multi-level (All Code V)	1					
53	Flat Cars - General Service (F101-109; F201-209)	443					3
54	Flat Cars - Other (F111-189; 211-289; 301-389; 401-540)	359					8
55	Tank Cars - Under 22,000 Gallons (T-0, T-1, T-2, T-3, T-4, T-5)	40					
56	Tank Cars - 22,000 Gallons & Over (T-6, T-7, T-8, T-9)						
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)	13					
58	Total (lines 41 to 57)	33,799	4	None	509	None	410
59	Caboose (All N)	XXXX	452	None	None	None	None
60	Total (lines 58, 59)	33,799	456	None	509	None	410

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

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)	Units 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 (h)	(i)	(j)	(k)	(l)	(m)	(n)	
752	8,049		8,049		442,684		41
303	5,014	404	5,418		392,436		42
73	2,630	25	2,655		181,522		43
151	2,812	484	3,296		262,420		44
19	783	25	808		59,257		45
233	4,545	2,498	7,043		666,255		46
64	1,585	365	1,950		181,467		47
33	1,544	95	1,637	2	126,203		48
23	661	546	1,207		88,408		49
		98	98		7,546		50
34	7		7		451		51
	1		1		60		52
34	412		412		23,015		53
1	366		366		25,552		54
	40		40		3,080		55
							56
							57
5	8		8		462		
1,725	28,457	4,540	32,995	2	2,460,818	None	58
1	451	None	xxxxxx	451	xxxxxxxxxx	None	59
1,726	28,908	4,540	32,995	453	2,460,818	None	60

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)	Units 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)	
752	8,049		8,049		442,684		41
303	5,014	404	5,418		392,436		42
73	2,630	25	2,655		181,522		43
151	2,812	484	3,296		262,420		44
19	783	25	808		59,257		45
233	4,545	2,498	7,043		666,255		46
64	1,585	365	1,950		181,467		47
33	1,544	95	1,637	2	126,203		48
							49
23	661	546	1,207		88,408		
		98	98		7,546		50
34	7		7		451		51
	1		1		60		52
34	412		412		23,015		53
1	366		366		25,552		54
	40		40		3,080		55
							56
							57
5	8		8		462		
1,725	28,457	4,540	32,995	2	2,460,818	None	58
1	451	None	xxxxxx	451	xxxxxxxxxx	None	59
1,726	28,908	4,540	32,995	453	2,460,818	None	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						
65	Dry van	1,587		300	351		
66	Flat bed						
67	Open top						
68	Mechanical refrigerator						
69	Bulk						
70	Insulated	62					
71	Platform removable sides						
72	Other trailer or container	73					10
73	Tractor						
74	Truck						
75	Total (lines 64 to 74)	1,722		300	351		10

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)	Leased to others	
			For item	All other			
(h)	(i)	(j)	(k)	(l)	(m)	(n)	
			X X X X				61
			X X X X				62
			X X X X				63
							64
137	965	1,136	2,101		52,525		65
							66
							67
							68
2		60	60		1,500		69
							70
11	10	62	72		1,800		71
							72
							73
							74
150	975	1,258	2,233		55,825		75

NOTES AND REMARKS

130900	CHICAGO & NORTH WESTERN TRANSPORTATION COMPANY AND SUBSIDIARIES	1978	3
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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 purchase (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	Ballast Cleaner MW	1	77	597	P
2					
3	Locomotive Crane MW	1	96	290	P
4					
5	Dry Van Trailers Z174	300	1,800	2,213	P
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	TOTAL	302	XXXX	3,100	XXXX

REBUILT UNITS

26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38	TOTAL	-	XXXX	-	XXXX
39	GRAND TOTAL	302	XXXX	3,100	XXXX

NOTES AND REMARKS

99

7,090.8

21.33

26.28

5

12,782.0

Total

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 storerooms, 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			
2	Number installed during the year			
3	Number retired during the year			
4	Number available at close of year			
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	None	7	None
17	Number installed during the year		2	
18	Number retired during the year			
19	Number available at close of year	None	9	None

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

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.
			1,722			1
			661			2
			150			3
			2,233			4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX		XXXXXX	XXXXXX	6
XXXXXX					XXXXXX	7
						8
						9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
None	None	10	51	1,300	None	16
		2	10	168		17
		2	3	183		18
None	None	10	58	1,285	None	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	55,212	XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX	109,594	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	None		
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

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.

*Note: Includes data for lines listed in Categories 1 & 2 on C&NW System Diagram Map as of Jan. 1, 1978.

Line No.	Track category	Mileage of tracks at end of period	Average annual traffic density in millions of gross ton-miles per mile	Average running speed limit	Average speed reduction per slow order mile	Miles under slow orders at end of period
	(a)	(b)	(c)	(d)	(e)	(f)
1	A	923.1	24	46.23	24.81	625.6
2	B	2,219.6	12	34.23	21.99	1,503.2
3	C	3,114.4	3	25.92	24.40	2,033.7
4	D	2,878.9	-	19.16	16.42	1,119.6
5	E	2,472.1	N/A	N/A	N/A	2,060.0
6	F	10.8	5	20.58	-	-
7	Potential abandonments	1,163.1	-	15.53	10.53	354.7
8	Total	12,782.0	5	26.28	21.33	7,696.8
Total		12,782.0	5	26.28	21.33	7,696.8

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 (a)	Number of ties laid in replacement							Total (i)	% of Spot Maintenance (j)
		New Ties				Second-hand ties				
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)		
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)			
1	A	317,707				15,347			333,054	10.2%
2	B	155,814				62,319			218,133	7.6
3	C	48,020				217,182			265,202	20.5
4	D	10,385				45,012			55,397	33.7
5	E	46,735				5,660			52,455	12.5
6	F									
7	Potential (Note *)									
	Abandonments	100				25,786			25,886	28.1
8	Total	578,821	None	None	None	371,306	None	None	950,127	14.5%

Remarks

Excludes switch ties.

* Note: Includes data for lines listed in categories 1 and 2 on C&NW System Diagram Map as of January 1, 1978.

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 (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)	
1	T	3,988	\$ 11.03	\$ 45	69,219	\$ 364.59	\$ 25	New
2	T	1,777	.56	1				Second Hand
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	5,765	7.81	46	69,219	364.59	25	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid							1.93
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid							14.19

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	145.0	1.2	8.7	17.3	172.2	10.8%
2	B		.2	49.7	29.1	79.0	39.2
3	C			.2	40.4	40.6	69.9
4	D		.3	14.5	24.2	39.0	47.9
5	E				12.4	12.4	99.6
6	F						
7	Potential Abandonments (Note *)				1.1	1.1	99.5
8	Other						
9	TOTAL	145.0	1.7	73.1	124.5	344.3	29.5%

Remarks

* Note: Includes data for lines listed in categories 1 and 2 on CNW System Diagram Map as of January 1, 1978.

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	136	101	32	316.83				
2	2	115	10	3	300.00				
3	4	115	41	2	48.78				
4	4	112	278	20	71.94				
5	4	72	30	1	33.33				
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16	Total	XXX	460	58	126.09	XXX			
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid								1.93
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid								14.19
19	Track-miles of welded rail installed this year								229.66
	total to date								1,347.44

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 Rail Per Yard (a)	Line Haul Comp. Miles of Main Track (b)
1	Pounds 136	198.64				
2	133	7.40				
3	132	12.10		17	66	.02
4	131	1.19		18	65	140.27
5	115	1,285.69		19	62	63.40
6	112	1,455.95		20	60	221.96
7	110	190.88		21	56	1.54
8	100	1,944.83		22	55	-
9	90	1,757.17		23	54	5.29
10	85	328.31		24	52	-
11	80	331.41		25	50	4.02
12	77	47.64				
13	75	185.51				
14	72	980.02				
15	70	287.41				
16	67	1.26				
					Total	9,451.91

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	211,673	7.7%	316.6	17.2%	349,035	248.1	26.9%
2	B	323,060	4.9	146.7	3.3	161,716	114.9	5.2
3	C	274,030	3.0	118.4	1.9	130,568	92.8	3.0
4	D	63,023	.7	79.9	1.4	88,116	62.6	2.2
5	E	52,455	0.7	24.8	0.5	15,169	8.7	-
6	F	-	-	-	-	-	-	-
7	Potential abandonment Note 1	25,886	0.7	2.2	0.1	13,990	10.7	0.9
8	Total	950,127	2.5%	688.6	2.7%	758,594	537.8	4.2%

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	950,127	2.5%	688.6	2.7%	758,594	537.8	4.2%
2	First preceding	847,190	2.3	486.4	1.8	Note 2	Note 2	Note 2
3	Second preceding	690,177	1.8	345.6	1.3			
4	Third preceding	596,629	1.5	353.6	1.3			
5	Fourth preceding	814,237	2.1	452.4	1.6			
6	Fifth preceding	595,655	1.5	436.0	1.5			
7	Sixth preceding	510,539	1.3	751.2	2.6			
8	Seventh preceding	533,899	1.3	411.6	1.4			
9	Eighth preceding	436,054	1.0	306.0	1.0			
10	Ninth preceding	460,185	1.1	289.6	0.9			

REMARKS

Notes: 1. Includes data for lines listed in Categories 1 and 2 on CNW System Diagram Map as of January 1, 1978.

2. Information for track maintenance involving ballast and track surfacing is unavailable for prior years.

Revised 8/28/79

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	136	101	32	316.83				
2	2	115	10	3	300.00				
3	4	115	41	2	48.78				
4	4	112	278	20	71.94				
5	4	72	30	1	33.33				
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16	Total	XXX	460	58	126.09	XXX			
17	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid								1.93
18	Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid								14.19
19	Track-miles of welded rail installed this year								229.66
	total to date								1,347.44

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 Rail Per Yard (a)	Line Haul Corp. Miles of Main Track (b)
	Pounds					
1	136	198.64				
2	133	7.40		17	66	.02
3	132	12.10		18	65	140.27
4	131	1.19		19	62	63.40
5	115	1,285.69		20	60	221.96
6	112	1,455.95		21	56	1.54
7	110	190.88		22	55	-
8	100	1,944.83		23	54	5.29
9	90	1,757.17		24	52	-
10	85	328.31		25	50	4.02
11	80	331.41				
12	77½	47.64				
13	75	185.51				
14	72	980.02				
15	70	287.41				
16	67	1.26				
					Total	9,451.91

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	290.0	2.4	17.4	6.8	316.6	8.2%
2	B	-	.4	99.4	46.9	146.7	37.8
3	C	-	-	.4	118.0	118.4	74.0
4	D	-	.6	29.0	50.3	79.9	48.8
5	E	-	-	-	24.8	24.8	99.6
6	F	-	-	-	-	-	-
7	Potential Abandonments *	-	-	-	2.2	2.2	99.5
8	Other						
9	TOTAL	290.0	3.4	146.2	249.0	688.6	29.5%

Remarks

*Note: Includes data for lines listed in categories 1 & 2 on C&NW System Diagram Map as of January 1, 1978.

Revised 8/28/79

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	3,988	\$ 11.03	\$ 45	69,219	\$ 364.59	\$ 25	New
2	T	1,777	.56	1				Second Hand
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	5,765	7.81	46	69,219	364.59	25	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid						1.93	
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid						14.19	

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 (a)	Number of ties laid in replacement							Total (i)	% of Spot Maintenance (j)
		New Ties				Second-hand ties				
		Wooden		Concrete (d)	Other (e)	Wooden		Other (h)		
		Treated (b)	Untreated (c)			Treated (f)	Untreated (g)			
1	A	207,210				4,463			211,673	8.1%
2	B	254,908				68,152			323,060	7.9
3	C	53,275				220,755			274,030	20.6
4	D	16,533				46,490			63,023	34.8
5	E	46,795				5,660			52,455	12.5
6	F	-				-			-	-
7	Potential* Abandonments	100				25,786			25,886	28.4
8	Total	578,821	None	None	None	371,306	None	None	950,127	14.5

Remarks *Note: Includes data for lines in Categories 1 & 2 on C&NW System Diagram Map as of January 1, 1978.

Revised 8/28/79

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.

*Note: Includes data for lines listed in Categories 1 & 2 on C&NW System Diagram Map as of Jan. 1, 1978.

Line No.	Track category	Mileage of tracks at end of period	Average annual traffic density in millions of gross ton-miles per mile	Average running speed limit	Average speed reduction per slow order mile	Miles under slow orders at end of period
	(a)	(b)	(c)	(d)	(e)	(f)
1	A	923.1	24	46.23	24.81	625.6
2	B	2,219.6	12	34.23	21.99	1,503.2
3	C	3,114.4	3	25.92	24.40	2,033.7
4	D	2,878.9	-	19.16	16.42	1,119.6
5	E	2,472.1	N/A	N/A	N/A	2,060.0
6	F	10.8	5	20.58	-	-
7	Potential abandonments	1,163.1	-	15.53	10.53	354.7
8	Total	12,782.0	5	26.28	21.33	7,696.8

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	333,054	12.1%	344.4	18.7%	329,030	253.9	27.5%
2	B	218,133	3.3	158.0	3.6	108,696	57.4	2.6
3	C	265,202	2.8	81.2	1.3	192,399	130.8	4.2
4	D	55,397	0.7	78.0	1.4	29,310	76.3	2.7
5	E	52,455	0.7	24.8	0.5	15,169	8.7	
6	F							
7	Potential abandonments Note 1	25,886	0.7	2.2	0.1	13,990	10.7	0.9
8	Total	950,127	2.5%	688.6	2.7%	758,594	537.8	4.2%

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	950,127	2.5%	688.6	2.7%	758,594	537.8	4.2%
2	First preceding	847,190	2.3	243.2	1.8	Note 2	Note 2	Note 2
3	Second preceding	690,177	1.8	172.8	1.3			
4	Third preceding	596,629	1.5	176.8	1.3			
5	Fourth preceding	814,237	2.1	226.2	1.6			
6	Fifth preceding	595,655	1.5	218.0	1.5			
7	Sixth preceding	510,589	1.3	375.6	2.6			
8	Seventh preceding	533,899	1.3	205.8	1.4			
9	Eighth preceding	436,054	1.0	153.0	1.0			
10	Ninth preceding	460,185	1.1	144.8	0.9			

REMARKS

Notes: 1. Includes data for lines listed in Categories 1 and 2 on CNW System Diagram Map as of January 1, 1978.

2. Information for track maintenance involving ballast and track surfacing is unavailable for prior years.

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 +Over 20 Million Gross Ton Miles Per Mile	29,844,000	\$ 44,267,000
2	B -5 to 20 Million Gross Ton Miles Per Mile	72,084,000	70,826,000
3	C -1 to 5 Million Gross Ton Miles Per Mile	184,571,000	167,328,000
4	D -Under 1 Million Gross Ton Miles Per Mile	172,634,000	160,245,000
5	E -Way and Yard Switching Tracks	126,057,000	113,394,000
6	F -Passenger Tracks	-	-
7	Potential Abandonments - See Remarks	-	-
8	Total Tracks	585,190,000	556,060,000
	Selected Track Maintenance	Quantities of Deferred Maintenance	
		End of the Year	Beginning of the Year
9	Crossties (Each)	7,938,104	8,182,033
10	Rail (Tons)	889,371	939,159
11	Ballast (Cubic Yards)	5,800,059	5,886,053

Remarks The amount of deferred maintenance is the amount necessary to attain 60 MPH in signaled territory, 49 MPH in non-signal territory and 30 MPH on branch lines, excluding potential abandonments. Also included is an amount needed to operate way and yard switching tracks at optimum speeds.

745. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For switching and terminal companies only)

1. Give particulars of cars handled during the year. For descriptions of kinds of services included in switching operations, and in terminal operations, reference is made to the "Notice" on the inside of the front cover of this form. With respect to the term "cars handled" it should be observed that, when applied to switching operations, the movement of a car from the point at which a switching company receives it, whether loaded or empty, to the point where it is loaded or unloaded or delivered to another connecting line is to be counted as one car handled. The return of a car, whether loaded or empty, from the point where it is loaded or

unloaded, to the point of delivery is to be counted as one car handled. No incidental movement is to be considered, unless such incidental movement involves the receipt of additional revenue. When applied to terminal operations, such as union station, bridge, ferry, or other joint facility terminal operations, the term "cars handled" includes all cars for which facilities are furnished.

2. The number of locomotive-miles in yard switching service should be computed in accordance with account No. 816, "Yard Switching Locomotive-miles."

Line No.	Item (a)	Switching operations (b)	Terminal operations (c)	Total (d)
	Freight Traffic			
1	Number of cars handled earning revenue—Loaded	Not a switching or Terminal Company		
2	Number of cars handled earning revenue—Empty			
3	Number of cars handled at cost for tenant companies—Loaded			
4	Number of cars handled at cost for tenant companies—Empty			
5	Number of cars handled not earning revenue—Loaded			
6	Number of cars handled not earning revenue—Empty			
7	Total number of cars handled			
	Passenger Traffic			
8	Number of cars handled earning revenue—Loaded			
9	Number of cars handled earning revenue—Empty			
10	Number of cars handled at cost for tenant companies—Loaded			
11	Number of cars handled at cost for tenant companies—Empty			
12	Number of cars handled not earning revenue—Loaded			
13	Number of cars handled not earning revenue—Empty			
14	Total number of cars handled			
15	Total number of cars handled in revenue service (lines 7 and 14)			
16	Total number of cars handled in work service			
17	Number of locomotive-miles in yard switching service: Freight, _____; passenger, _____			

NOTES AND REMARKS

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	109,539,512			
2	Passenger	8,729,928			
3	Yard switching	9,547,960			
4	Total	127,817,400			
5	Cost of Fuel*	\$ 48,672	\$	\$	\$
6	Work Train	817,559			

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			
11	Cost of Fuel*	\$	\$	\$
12	Work Train			

*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 1-1-78	28	62		2	17	109	76	185
2	Crossing added: New crossings								
3	Change in protection					1	1		1
4	Crossings eliminated: Separation of grade		1				1		1
5	Change in protection							1	1
6	Other causes	2	3			2	7		7
7	Number at close of year 12-31-78	26	58		2	16	102	75	177
	Number at Close of Year by States:								
8									
9	Illinois	8	13		1	2	24		24
10	Iowa	7	19			3	29	29	58
11	Kansas								-
12	Michigan							2	2
13	Minnesota	3	9			4	16	10	26
14	Missouri								-
15	Nebraska		1			1	2	3	5
16	North Dakota								-
17	South Dakota		1			1	2	9	11
18	Wisconsin	8	15		1	5	29	22	51
19	Wyoming								-
20									
21									
22									
23									
24									
25	Total	26	58		2	16	102	75	177

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 "etc." only, using the farthest 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	1-1-78	443	1650	3		2		102	387	2587	8448	506	2	184	11727
2	Added: By new, extended or relocated highway		1	1							2	8	1			11
3	By new, extended or relocated railroad															
4	Total added		1	1							2	8	1			11
5	Eliminated: By closing or relocation of highway															
6	By relocation or abandonment of railroad		2	22												
7	By separation of grades		1													
8	Total eliminated		3	23												
9	Changes in protection: Number of each type added		12	24												
10	Number of each type deducted			7												
11	Net of all changes		10	(5)					(3)	(10)	(8)	(523)	(2)		1	(11)
12	Number at close of year	12-31-78	453	1645	3		2		99	377	2579	7925	504	1	173	11184
13	Number at close of year by States:															
14	Illinois		233	254					8	27	522	529			34	1085
15	Iowa		84	452					39	80	655	2285	14		49	3003
16	Kansas															
17	Michigan		1	54						9	64	219	274			557
18	Minnesota		11	216	3				11		242	1276	192		21	1731
19	Missouri			26					2		28	48			6	82
20	Nebraska		3	81					2	8	94	518	3	1	23	639
21	North Dakota															15
22	South Dakota			73						2	75	1049	8		3	1135
23	Wisconsin		119	470					37	250	877	1925	12	1	32	2847
24	Wyoming		2	19					1	1	22	60	1	1	5	89
25																
26	Total		453	1645	3		2		99	377	2579	7925	504	1	173	11184

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)	Underpass (Railroad above highway)	TOTAL
		(b)	(c)	(d)
1	Number at beginning of year <u>1-1-78</u>	681	733	1,414
2	Added: By new, extended or relocated highway	1	1	2
3	By new, extended or relocated railroad			
4	By elimination of grade crossing	2	1	3
5	Total added	3	2	5
6	Deducted: By closing or relocation of highway	3		3
7	By relocation or abandonment of railroad	9	7	16
8	Total deducted	12	7	19
9	Net of all changes	(9)	(5)	(14)
10	Number at close of year <u>12-31-78</u>	672	728	1,400
11	Number at close of year by States:			
11	Illinois	106	326	432
12	Iowa	162	109	271
13	Kansas	1		1
14	Michigan	9	12	21
15	Minnesota	95	67	162
16	Missouri	12	3	15
17	Nebraska	29	17	46
18	North Dakota			
19	South Dakota	29	14	43
20	Wisconsin	224	177	401
21	Wyoming	5	3	8
22				
23				
24				
25				
26				
27				
28				
29		<u>672</u>	<u>728</u>	<u>1,400</u>

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."

1. (a) Various contracts with trucking or cartage companies, covering the transfer of freight between various locations on the Respondent's lines and usual arrangements for use of the equipment.
- (b) Various minor agreements covering joint facilities and the following: On August 1, 1977 Respondent entered into two agreements with the CMStP&P Railroad Company, providing for (1) CMStP&P use of Respondent's line between St. Paul, Minnesota and Eau Claire, Wisconsin, a distance of 87.3 miles; and (2) CMStP&P use of Respondent's line between Lakeland Jct., Minnesota and Bayport, Minnesota, a distance of 3.38 miles. The ICC application was assigned Finance Docket No. 28657 for both of the above agreements and same was approved August 1, 1978 to become effective August 25, 1978.

On November 30, 1977 Respondent entered into an agreement with the CMStP&P Railroad Company, providing for Respondent's use of CMStP&P line between Schofield, Wisconsin and Rothschild, Wisconsin, a distance of 1.58 miles. The ICC application was assigned Finance Docket No. 28749 and was approved on October 5, 1978 to become effective October 11, 1978.

- (c) None.
- (d) None.
- (e) None.

NOTES AND REMARKS
800. CONTRACTS, AGREEMENTS, ETC. (Continued)

1. (f) Conditional Sales Agreements as follows between North Western Leasing Company, Seller, and the Respondent-Buyer and Agreements and Assignments thereto, whereby rights, title and interest of Seller are assigned to Continental Illinois National Bank and Trust Company at Chicago, Assignee, all covering the purchase by Respondent of equipment:

Date Of Agreement	Description Of Equipment	Cost	
		Aggregate	Financial
3-20-78	1 Unimog, 1 Burro Crane 5 B-level auto racks, 7 gondolas and 15 Units of Misc. Roadway Equipment	\$ 781,272.92	\$616,191.92(1)
10-24-78	12 Units of Misc. Roadway Equipment and 6 Gondolas	\$ 610,706.19	\$488,130.19(1)
12-28-78	1 Piggypacker, 1 Locomotive Crane, 2 Burro Cranes and 13 Freight Cars.	\$1,195,518.51	\$951,953.48(1)

Note (1) To be paid by Respondent in 28 equal quarterly installments on March 15, June 15, September 15, and December 15 of each year commencing on March 15, 1979, to and including December 15, 1985. The unpaid balance shall bear interest from the closing date for each group at a rate equal to the effective prime rate plus 1.0%, payable on March 15, June 15, September 15, and December 15 in each year.

Lease Agreement dated December 2, 1977 between Availco Equity Corp., Lessor, and Respondent, Lessee, covers 300 Piggyback Vans. Rentals will be made in 96 equal monthly installments of \$32,460.00 commencing February 1, 1978.

Lease Agreement dated August 1, 1978 between Great American Life Insurance Company, Lessor, and Respondent, Lessee, covers one Plasser Model RM 76 U Ballast Undercutter and Cleaner. Rentals will be made in 24 equal semi-annual installments of \$41,208.96 commencing March 15, 1979.

Lease Agreements dated March 1, 1978 and March 15, 1978 between Continental Illinois National Bank and Trust Company of Chicago, Lessor, and Respondent, Lessee covering the following:

- 1.) 100 Rebuilt Ballast cars. Rentals will be made in 48 quarterly installments each in an amount equal to 2.8985% of the cost (est. \$12,300 per item) of each item.

NOTES AND REMARKS

800. CONTRACTS, AGREEMENTS, ETC. (Continued)

1. 2.) 25 Rebuilt Wheel Cars. Rentals will be made in 48 quarterly installments each in an amount equal to 2.7831% of the cost (est. \$10,890 per item) of each item.
- 3.) 1 Rebuilt Track Geometry Car. Rentals will be made in 48 quarterly installments each in an amount equal to 2.7831% of the cost (est. \$678,500) of the item.
- 4.) 26 Rebuilt Rail Train Flat Cars. Rentals will be made in 48 quarterly installments each in an amount equal to 2.7831% of the cost (est. \$22,653.85 per item) of each item.
- 5.) 200 Enclosed Auto Racks. Rentals will be made in 40 quarterly installments; the first 16 in an amount equal to 2.9475%, and the final 24 in an amount equal to 2.8075% of the cost (est. \$34,900 per item) of each item.
- 6.) Maintenance of Way Equipment. Rentals will be made in 32 quarterly installments each in an amount equal to 3.5965% of the cost of the equipment. The total cost of the equipment is estimated to be \$5,562,000.

Rentals for equipment received by the Lessor during any quarter commence on the 12th day of the subsequent quarter. It is anticipated that all equipment will be received by June 30, 1979.

(g) None.

- (h) Commuter Improvement Grant Agreement: On January 13, 1978, Respondent and the Regional Transportation Authority (RTA) executed an agreement whereby the RTA agreed to pay C&NW a \$17 million grant to be used by Respondent to perform rehabilitation projects involving suburban train service. Projects shall be completed not later than November 30, 1980 unless delay is due to failure by RTA to promptly obtain funding for each project. The \$17 million grant represents only that portion of the total estimated costs allocable to commuter rail service. Respondent must pay for any portion of a project that is allocable to freight service.

Project Contract - Car Rehabilitation I: On June 9, 1978, Respondent and the RTA executed an agreement, under the Commuter Improvement Grant Agreement, whereby C&NW will rehabilitate 48 bi-level suburban coaches owned by the RTA and in C&NW suburban train service, at a cost of \$1,906,000. This agreement covers a portion of the work described in the Commuter Improvement Grant Agreement, together with additional items of work not described therein. The RTA shall reimburse Railroad for the entire cost of \$1,906,000. This Project Contract provides for completion of all work on 48 cars not later than June 30, 1979; however, because of procedural delays involving procurement of material, completion date will be postponed by agreement between C&NW and the RTA.

NOTES AND REMARKS

800. CONTRACTS, AGREEMENTS, ETC. (Continued)

1. (h) Project Contract - Track Rehabilitation I: On February 3, 1978, Respondent and the RTA executed an agreement under the Commuter Improvement Grant Agreement, covering a portion of the track rehabilitation work, namely, the installation of 18.8 miles of continuous welded rail, installation of 40,000 new main line crossties, and installation of new ballast and surfacing of 17 miles of track at a total estimated cost of \$4,498,000. The RTA share of such total estimated cost is \$3,450,000 and Respondent's share, \$1,048,000. This project was to be completed not later than December 31, 1978 but because of material procurement delays, will be completed in 1979.

Project Contract - Kedzie Interlocker: On February 3, 1978, Respondent and the RTA executed an agreement under the Commuter Improvement Grant Agreement, covering the renewal of rail and turnouts and the replacement of the electro-mechanical interlocking plant with an all relay interlocking facility at Kedzie (Chicago, Illinois) at an estimated cost of \$2,567,000. The RTA will reimburse Respondent for the entire cost of \$2,567,000. This Project Contract provides for completion not later than December 31, 1979; however, because of procedural delays, the completion date will be postponed by agreement between Respondent and RTA.

NOTES AND REMARKS

B L A N K

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, form, 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	Mortgage loan -	October 12,	101	1	Lowest bidder	11/25/77	First Federal
2	proceeds received	13, 19 & 20,					Savings & Loan
3	May, 1978.	1977					Association of
4							Wilmette
5							Wilmette, Illinois
6							I. R. Ballin,
7							Vice President-
8							Materials & Real
9							Estate, is a
10							director of said
11							institution.
12							
13							
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30							

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)
----------	-----------------------	--------------------------	---	---

Name	Title	Salary	Other Compensation (20)
1. J. R. Wolfe	President and Chief Executive Officer	\$ 159 (1)	\$ 125
2. W. E. Braun	Vice President - Sales and Marketing	89 (2)	71
3. J. M. Butler	Vice President - Finance	65 (3)	61
4. J. A. Zito	Vice President - Operations	79 (4)	65
5. R. W. Russell	Vice President - Personnel and Labor Relations	79 (5)	62
6. I. W. Ballin	Vice President - Materials and Real Estate	66 (6)	51
7. R. D. Leach	Vice President - Systems and Corporate Industrial Engineering	67 (7)	50
8. L. T. Duerinck	Vice President - Law	74 (8)	32
9. J. P. Daley	General Counsel	69 (9)	31
10. J. W. Alsop	Vice President - Transportation and General Manager	69 (10)	31
11. J. W. Conlon	Vice President - Public Affairs	53 (11)	38
12. C. R. Hussey	Assistant Vice President - Operating - Administration	61 (12)	29
13. R. J. Degnan	Vice President - Sales	61 (13)	29
14. G. R. Carr	Comptroller	58	29
15. J. A. Barnes	Assistant Vice President and Chief Engineer	57 (14)	28
16. G. M. Hollander	General Solicitor	57 (15)	25
17. J. R. Kunkel	Assistant Vice President and Director - Rates and Divisions	51 (16)	27
18. J. S. Eberhardt	Vice President - Planning	50 (17)	20
19. R. M. Freeman	Vice President - Law	- (18)	65
20. R. L. Schardt	Treasurer	33	16
21. R. D. Smith	Secretary	34 (19)	10
22. R. E. Brooker	Director	40	-

	Annual Salary		Annual Salary
(1) 1-01-78 thru 8-31-78	\$ 150	(12) 1-01-78 thru 6-30-78	\$ 58
9-01-78 thru 12-31-78	159	7-01-78 thru 12-31-78	61
(2) 1-01-78 thru 7-31-78	85	(13) 1-01-78 thru 7-31-78	51
8-01-78 thru 12-31-78	89	8-01-78 thru 10-15-78	57
(3) 1-01-78 thru 7-31-78	75	10-16-78 thru 12-31-78	61
8-01-78 thru 8-31-78	79	(14) 1-01-78 thru 6-30-78	93
9-01-78 thru 12-31-78	85	7-01-78 thru 12-31-78	57
(4) 1-01-78 thru 7-31-78	75	(15) 1-01-78 thru 10-31-78	50
8-01-78 thru 12-31-78	79	11-01-78 thru 12-31-78	57
(5) 1-01-78 thru 7-31-78	75	(16) 1-01-78 thru 1-31-78	47
8-01-78 thru 12-31-78	79	2-01-78 thru 12-31-78	51
(6) 1-01-78 thru 7-31-78	63	(17) 1-01-78 thru 6-30-78	38
8-01-78 thru 12-31-78	66	7-01-78 thru 10-15-78	42
(7) 1-01-78 thru 7-31-78	63	10-16-78 thru 12-31-78	50
8-01-78 thru 12-31-78	67	(18) 1-01-78 thru 10-15-78	85
(8) 1-01-78 thru 10-15-78	56	10-16-78 terminated	-
10-16-78 thru 12-31-78	74	(19) 1-01-78 thru 11-15-78	31
(9) 1-01-78 thru 10-15-78	59	11-16-78 thru 12-31-78	34
10-16-78 thru 12-31-78	69	(20) Other compensation includes all amounts considered as remuneration in accordance with SEC instructions and life insurance premiums for insurance in excess of \$75,000.	
(10) 1-01-78 thru 1-31-78	57		
2-01-78 thru 10-15-78	62		
10-16-78 thru 12-31-78	69		
(11) 1-01-78 thru 7-31-78	50		
8-01-78 thru 12-31-78	53		

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 Illinois

County of Cook

J. M. Butler

(Insert here name of the affiant)

makes oath and says that he is

Vice President-Finance

(Insert here the official title of the affiant)

Of CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY AND SUBSIDIARIES

(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

J M Butler
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 6th day of April, 19 79

My commission expires

May 21, 1982

Use an

L.S.

impression seal

F J Bragg
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of _____

County of _____

_____ makes oath and says that he is

(Insert here name of the affiant)

(Insert here the official title of the affiant)

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

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including

_____, 19 _____, to and including _____, 19 _____

(Signature of affiant)

Subscribed and sworn to before me, a _____ in and for the State and county above named, this _____ day of _____, 19 _____

My commission expires _____

Use an

L.S.

impression seal

(Signature of officer authorized to administer oaths)

SUPPLEMENTAL

SCHEDULES

CHICAGO AND NORTH WESTERN

TRANSPORTATION COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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	\$ 8,436	\$ 13,056
2	702	Temporary Cash Investments (Sch. 300)	24,983	21,994
3	703	Special Deposits (Sch. 300)	783	454
		Accounts Receivable		
4	705	- Interline and Other Balances	3,452	1,959
5	706	- Customers	19,255	15,526
6	707, 704	- Other	10,691	9,284
7	709, 708	- Accrued Accounts Receivables	22,580	21,037
8	708.5	- Receivables from Affiliated Companies	112	
9	709.5	- Less: Allowance for Uncollectible Accounts	(62)	
10	711, 714	Prepayments (and working funds) (Sch. 300)	1,630	1,043
11	712	Materials and Supplies	41,987	35,498
12	713	Other Current Assets (Sch. 300)	190	46
13		Total Current Assets	134,037	119,897
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	4,207	5,294
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)	18,609	16,786
16	737, 738	Property used in other than Carrier Operations (less depreciation)	622	569
		\$ 19 (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	6,643	3,139
18	743, 744	Other Deferred Debits (Sch. 329)	5,339	2,838
19		Total Other Assets	35,420	28,626
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	94,157	77,097
21		Equipment	333,684	337,148
22		Unallocated Items	18,151	12,015
23	732, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(100,210)	(82,026)
24		Net road and Equipment	345,782	344,234
25		Total Assets	515,239	492,757

NOTES AND REMARKS

SEE CONSOLIDATED REPORT SCHEDULE 200.

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)	3,096	3,096
27	752	Accounts Payable, Interline and Other Balances	3,756	
28	751, 754	Other Accounts Payable	28,750	24,426
29	755	Interest and Dividends Payable	5,484	4,759
30	757	Payables to Affiliated Companies	4,941	
31	759	Accrued accounts Payable (Sch. 370)	98,186	91,920
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	11,643	10,591
33	763	Other Current Liabilities (Sch. 370)	585	1,108
34	764	Equipment obligations and other long-term debt due within one year	29,196	29,183
35		Total Current Liabilities	185,637	165,083
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	82,111	72,253
37	766	Equipment obligations	142,250	165,679
38	766.5	Capitalized Lease Obligations	47,613	42,946
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies	3,144	4,425
41	770.1, 770.2	Unamortized debt premium	(94)	(101)
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities	56	
44	786	Accumulated deferred income tax credits	50	46
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	25,730	25,689
46		Total Noncurrent Liabilities	300,860	310,937
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	3,699	3,699
49		Preferred Stock	36,920	9,270
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	975	710
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	(12,852)	3,058
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	28,742	16,737
57		Total Liabilities and Shareholders Equity	515,239	492,757

NOTES AND REMARKS

SEE CONSOLIDATED REPORT SCHEDULE 200.

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (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 \$

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 \$

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: _____

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

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

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

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

Date of trust agreement or latest amendment _____

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement: _____

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify: _____

Yes _____ No _____

If yes, give number of the shares for each class of stock or other security: _____

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610) YES _____ NO _____

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 \$

(b) Delayed capital improvements \$

NOTE: SEE CONSOLIDATED REPORT SCHEDULE 200.

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. **None**

(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 _____			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

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 parentheses.

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 **	\$ 582,999	\$ 503,595	\$	\$
2	(102) Passenger **	28,397	27,383		
3	(103) Passenger-Related	169	8,369		
4	(104) Switching	13,443	12,718		
5	(105) Water Transfers				
6	(106) Demurrage	12,094	7,324		
7	(110) Incidental	3,537	3,281		
8	(121) Joint Facility-Credit	352	295		
9	(122) Joint Facility-Debit	(1,213)	(1,078)		
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	639,778	561,887		
11	(502) Railway operating revenues-Transfers from Government Authorities for current operations	12,170			
12	(503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	651,948	561,887		
13	Total railway operating revenues (lines 10-12)	653,172	550,509		
14	(531) Railway operating expenses	(1,224)	11,378		
15	*Net revenue from railway operations				
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations	4	18		
17	(510) Miscellaneous rent income	3,034	2,797		
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income	2,008	1,602		
20	(514) Interest income	365	123		
21	(516) Income from sinking and other funds	6	4		
22	(517) Release of premiums of funded debt				
23	(518) Contributions from other companies	6,604	5,339		
24	(519) Miscellaneous income				
	Income from affiliated companies:				
25	Dividends	1,700	2,103		
26	Equity in undistributed earnings (losses)	13,721	11,986		
27	Total other income (lines 16-26)	12,497	23,364		
28	Total income (lines 15, 27)				
	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	1,098	1,073		
31	(543) Miscellaneous rent expense	45	53		
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies	2,743	1,023		
36	(551) Miscellaneous income charges				
37	(553) Uncollectible accounts	3,886	2,149		
38	Total miscellaneous deductions (lines 29-37)	8,611	21,215		
39	Income available for fixed charges (lines 28, 38)				

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	23,990	22,852
41	(b) Interest in default		
42	(547) Interest on unfunded debt	385	341
43	(548) Amortization of discount on funded debt	19	18
44	Total fixed charges (lines 40-43)	24,394	23,211
45	Income after fixed charges (lines 39, 44)	(15,783)	(1,996)
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest	123	123
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) for continuing operations (before income taxes)	(15,906)	(2,119)
	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	4	8
53	Income from continuing operations	(15,910)	(2,127)
	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	(15,910)	(2,127)
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	(1,224)	
63	(556) Income taxes on ordinary income	(4)	
64	(557) Provision for deferred income taxes	(311)	
65	Income from lease of road and equipment	285	
66	Rent for leased roads and equipment		
67	Net railway operating income	(1,254)	
	**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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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. Separate 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	\$ 389	\$ 7,167
2	(601-51) Prior period adjustments to beginning retained earnings (Note 2)	(5,445)	947
	Balance as adjusted	(5,056)	8,114
	CREDITS		
3	(602) Credit balance transferred from earnings		1,700
4	(603) Appropriations released		1,700
5	(606) Other credits to retained earnings		
6	Total		1,700
	DEBITS		
7	(612) Debit balance transferred from income	(17,610)	
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	(17,610)	
14	Net increase (decrease) during year (Line 6 minus line 13)	(17,610)	1,700
15	Balances at close of year (Lines 1, 2 and 14)	(22,666)	9,814
16	Balance from line 15(c)	9,814	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(12,852)	XXXXX
	REMARKS		
18	Amount of assigned Federal income tax consequences:		
19	Account 606		XXXXX
	Account 616		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.

2 On January 1, 1978 the Company retroactively adopted FASB No. 13. See Consolidated Report Schedule 200, Note 7.

SUPPLEMENTAL

SCHEDULES

OSHKOSH TRANSPORTATION COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 **Oshkosh Transportation Company**
2. Date of incorporation **January 11, 1868**
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
Wisconsin. No changes during the year.
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. **It was not.**
5. Class of switching and terminal company **Not a switching and 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

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 have not been 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. 700 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. Four (4) 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	Chicago and North					
2	Western Transportation					
3	Company	Chicago, IL	697	697		
4	J. R. Wolfe	Chicago, IL	1*	1*		
5	Louis T. Duerinck	Chicago, IL	1*	1*		
6	Robert D. Smith	Chicago, IL	1*	1*		
7						
8						
9	*Director's qualifying stock held for and in behalf of Chicago and North Western Transportation Company.					
10						
11						
12						
13						
14						
15						
16						
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18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
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. 700
votes cast.
11. Give the date of such meeting. October 12, 1978
12. Give the place of such meeting. Chicago, Illinois

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Begin- ning 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	None	None
		<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)	3	3
17	739, 741	Other Assets (Sch. 329)		
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	3	3
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	42	42
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)		
24		Net road and Equipment	42	42
25		Total Assets	45	45

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		
35		Total Current Liabilities	None	None
		<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		
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)		
46		Total Noncurrent Liabilities	None	None
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	70	70
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)	(25)	(25)
53	798	Unappropriated (220)		
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	45	45
57		Total Liabilities and Shareholders Equity	45	45

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligation 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 \$ **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment _____

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify:

Yes _____ No _____

If yes, give number of the shares for each class of stock or other security _____

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES _____ NO **X**

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 \$ **None**

(b) Delayed capital improvements \$ **None**

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. **None**

(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			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

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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	None	None		
15	* Net revenue from railway operations				
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
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) Contribution from other companies				
24	(519) Miscellaneous income				
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)				
28	Total income (lines 15, 27)	None	None		
	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				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	None	None		

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			
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)			
45 Income after fixed charges (lines 39, 44)		None	None
	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		None	None
	*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			
	**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 tariff rates \$			
(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()			
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 \$			
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 \$			
71 (b) Payments for transportation of freight shipments \$			
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 \$			
73 Charges for service for the protection against cold \$			

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 (a)	Retained earnings—Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year	\$ (25)	\$
2 (601-5)	Prior period adjustments to beginning retained earnings		
	CREDITS		
3 (602)	Credit balance transferred from earnings		
4 (603)	Appropriations released		
5 (606)	Other credits to retained earnings		
6	Total	None	
	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	None	
14	Net increase (decrease) during year (Line 6 minus line 13)	None	
15	Balances at close of year (Lines 1, 2 and 14)	(25)	
16	Balance from line 15(c)		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(25)	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606		XXXXX
19	Account 616		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.

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	\$100	700	700	None	700	\$70	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	700	700	None	700	\$70	

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		\$	700	\$70		\$	
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			700	\$70			

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

SUPPLEMENTAL

SCHEDULES

MINNEAPOLIS INDUSTRIAL RAILWAY

COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 Minneapolis Industrial Railway Company
2. Date of incorporation October 3, 1932
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 General Corporation Laws of the State of Delaware, Chapter 65 and all Acts amendatory thereto. No changes effected during the year. Amendment previously effected September 3, 1959.

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. It was not.

Not a switching or terminal company.

5. Class of switching and 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

1. State the par value of each share of stock: Common, \$ 100 per share; first preferred, \$100 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 has not been 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. 1,000 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 (1) 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	Chicago and North					
2	Western Transportation					
3	Company	Chicago, IL	1,000	1,000	-	-
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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20						
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23						
24						
25						
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29						
30						

Road Initials: MIR Year 1978

3

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. 1,000
votes cast.

11. Give the date of such meeting. October 12, 1978

12. Give the place of such meeting. Chicago, Illinois

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	1	1
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)	6	
13		Total Current Assets	7	1
		<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)	65	66
17	739, 741	Other Assets (Sch. 329)	(1,284)	(213)
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	(1,219)	(147)
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	418	349
21		Equipment	2,721	1,497
22		Unallocated Items	(236)	(236)
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(344)	(191)
24		Net road and Equipment	2,559	1,419
25		Total Assets	1,347	1,273

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		
35		Total Current Liabilities	None	None
		<u>Non Current Liabilities</u>		
36	765, 767	Guaranteed debt unmatured		
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies		
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)	2	2
46		Total Noncurrent Liabilities	2	2
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	100	100
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	978	978
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	267	193
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	1,345	1,271
57		Total Liabilities and Shareholders Equity	1,347	1,273

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and when 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 None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made See Footnote 2 of Consolidated Report

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes No

If yes, give number of the shares for each class of stock or other security:

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES NO X

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 Footnote in Consolidated Report

(b) Delayed capital improvements See Footnote in Consolidated Report

130900

CHICAGO & NORTH WESTERN TRANSPORTATION
COMPANY AND SUBSIDIARIES

1978

4

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.

None

(a) Changes in Valuation Accounts

	Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.) Current Portfolio _____				XXXXXX
as of / / Noncurrent Portfolio _____			XXXXXX	\$ _____
(Previous Yr.) Current Portfolio _____			XXXXXX	XXXXXX
as of / / Noncurrent Portfolio _____			XXXXXX	XXXXXX

(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

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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	(75)	(75)		
15	*Net revenue from railway operations	75	75		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
17	(510) Miscellaneous rent income		7		
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				
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)		7		
28	Total income (lines 15, 27)	75	82		
	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	1			
37	(553) Uncollectible accounts	1			
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	74	82		

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		
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)		
45	Income after fixed charges (lines 39, 44)	74	82
	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)	74	82
	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	36	38
53	Income from continuing operations	38	44
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segment (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)	36	38
57	(590) Income taxes on extraordinary items		
58	(591) Provision for deferred taxes - Extraordinary items		
59	Total extraordinary items (lines 56-58)	36	38
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
61	Net income	74	82
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	75	
63	(556) Income taxes on ordinary income	-	
64	(557) Provision for deferred income taxes	36	
65	Income from lease of road and equipment	75	
66	Rent for leased roads and equipment	-	
67	Net railway operating income	(36)	
	**Report hereunder the charges to the revenue accounts representing payments made to others for	None	
68	Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 _____	\$ 193	\$
2	(601.5) Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3	(602) Credit balance transferred from earnings _____	74	
4	(603) Appropriations released _____		
5	(606) Other credits to retained earnings _____		
6	Total _____	74	
	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) _____	74	
15	Balances at close of year (Lines 1, 2 and 14) _____	267	
16	Balance from line 15(c) _____		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	267	XXXXX
	REMARKS		
18	Amount of assigned Federal income tax consequences: Account 606 _____		XXXXX
19	Account 616 _____		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.

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	100	1,250	1,000	None	1,000	\$ 100	\$ -
2								
3								
4	Preferred	100	1,250	None	None	None	\$ -	\$ -
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	2,500	1,000	None	1,000	\$ 100	\$ -

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	None	\$ -	1,000	\$ 100	None	\$ -	\$ 978
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year	None	\$ -	1,000	\$ 100	None	\$ -	\$ 978

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

SUPPLEMENTAL

SCHEDULES

THE RAILWAY TRANSFER COMPANY OF

THE CITY OF MINNEAPOLIS

FOR THE

YEAR ENDED DECEMBER, 31, 1978

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 The Railway Transfer Company of the City of Minneapolis
2. Date of incorporation March 31, 1893
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 Minnesota.
No changes effected during the year. Amendments previously effected February 28, 1947 and September 1, 1954.
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. It was not.
5. Class of switching and terminal company S1
 [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 has not been 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. 3,000 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 (1) 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	Chicago and North					
2	Western Transporta-					
3	tion Company	Chicago, IL	3,000	3,000		
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						

Road Initials: RTM Year 1978

3

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. 3,000
votes cast.
11. Give the date of such meeting. October 12, 1978
12. Give the place of such meeting. Chicago, Illinois

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	10	10
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	10	10
		<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)		
17	739, 741	Other Assets (Sch. 329)	155	211
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	155	211
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)		
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)		
24		Net road and Equipment	None	None
25		Total Assets	165	221

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		
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)	7	7
33	763	Other Current Liabilities (Sch. 370)		
34	764	Equipment obligations and other long-term debt due within one year		
35		Total Current Liabilities	7	7
		<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	357	364
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)		
46		Total Noncurrent Liabilities	357	364
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	300	300
49		Preferred Stock		
50	793	Discount on Capital Stock	(300)	(300)
51	794, 795	Additional Capital (230)	257	257
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	(456)	(457)
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	(199)	(150)
57		Total Liabilities and Shareholders Equity	165	221

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition there 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 mortgage 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. **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes ☐ No ☐

If yes, give number of the shares for each class of stock or other security

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES ☐ NO ☐

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 **\$ None**

(b) Delayed capital improvements **\$ None**

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.

None

(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			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

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 **	\$	\$	\$	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching	197	273		
5	(105) Water Transfers				
6	(106) Demurrage	16	10		
7	(110) Incidental	64			
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	277	283		
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)	277	283		
14	(531) Railway operating expenses	320	240		
15	*Net revenue from railway operations	(43)	43		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
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				
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	(43)	43		
28	Total income (lines 15, 27)				
	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	(541) 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)				
39	Income available for fixed charges (lines 28, 38)	(43)	43		

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 _____		
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) _____	(43)	43
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 _____	(43)	43
48	Income (loss) for continuing operations (before income taxes) _____		
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes _____	6	
50	State income taxes _____		
51	Other income taxes _____		21
52	(557) Provision for deferred income taxes _____	(49)	22
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		21
56	(570) Extraordinary items (Net) _____		
57	(590) Income taxes on extraordinary items _____		
58	(591) Provision for deferred taxes - Extraordinary items _____		21
59	Total extraordinary items (lines 56-58) _____		
60	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$ _____)	(49)	43
61	Net income _____		
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations _____	(43)	
63	(556) Income taxes on ordinary income _____	6	
64	(557) Provision for deferred income taxes _____	20	
65	Income from lease of road and equipment _____		
66	Rent for leased roads and equipment _____	(69)	
67	Net railway operating income _____		
	**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 _____ \$ _____		
	(a) Of the amount reported for "Net revenue from railway operations", _____ % (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 () Estimated ()		
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 _____ \$ _____		
	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 _____ \$ _____		
71	(b) Payments for transportation of freight shipments _____ \$ _____		
	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 _____ \$ _____		
73	Charges for service for the protection against cold _____ \$ _____		

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. Set off 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	\$ (407)	\$
2	(601.5) Prior period adjustments to beginning retained earnings		
	CREDITS		
3	(602) Credit balance transferred from earnings		
4	(603) Appropriations released		
5	(606) Other credits to retained earnings		
6	Total		
	DEBITS		
7	(612) Debit balance transferred from income	49	
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	49	
14	Net increase (decrease) during year (Line 6 minus line 13)	(49)	
15	Balance at close of year (Lines 1, 2 and 14)	(456)	
16	Balance from line 15(c)		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	(456)	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606		XXXXX
19	Account 616		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.

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	\$100	3,000	3,000	None	3,000	\$300	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	3,000	3,000	None	3,000	\$300	

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		\$	3,000	\$300	None	\$ -	\$257
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			3,000	\$300	None	-	\$257

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

SUPPLEMENTAL

SCHEDULES

DES MOINES AND CENTRAL IOWA

RAILWAY COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 Des Moines and Central Iowa Railway Company
2. Date of incorporation March 7, 1949
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 Chapter 491 of the 1946 Code of Iowa. Company began operating July 1, 1949 succeeding the bankrupt Des Moines and Central Iowa Railroad. The reorganization was approved by the Interstate Commerce Commission in F.D. No. 15525. No changes effected during the year.
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. It was not.
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

1. State the par value of each share of stock: Common, \$ 25 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 has not been 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. 35,380 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. Four (4) 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 a 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	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	Chicago and North					
2	Western Transportation					
3	Company	Chicago IL	35,341	35,341		
4	Louis L. Woods	Montrose CA	24	24		
5	C. Avery Swan	Chicago IL	13	13		
6	Mrs. Louise T.					
7	McLaughlin	Greencastle PA	2	2		
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
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. 35,341
votes cast.
11. Give the date of such meeting. October 12, 1978
12. Give the place of such meeting. Chicago, Illinois

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	105	272
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	10	12
7	709, 708	- Accrued Accounts Receivables	2	2
8	708.5	- Receivables from Affiliated Companies	2,362	2,362
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)		4
13		Total Current Assets	2,479	2,652
		<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)	1,714	1,627
16	737, 738	Property used in other than Carrier Operations (less depreciation \$ -) (Sch. 325)	2	2
17	739, 741	Other Assets (Sch. 329)	74	131
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	1,790	1,760
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	1,535	1,571
21		Equipment		
22		Unallocated Items	(428)	(428)
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(628)	(624)
24		Net road and Equipment	479	519
25		Total Assets	4,748	4,931

NOTES AND REMARKS

290. 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	112	
31	759	Accrued accounts Payable (Sch. 370)	16	349
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	43	36
33	763	Other Current Liabilities (Sch. 370)		7
34	764	Equipment obligations and other long-term debt due within one year		
35		Total Current Liabilities	171	392
		<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	130	166
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	366	370
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	16	21
46		Total Noncurrent Liabilities	512	557
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)	886	886
48		Common Stock		
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)		
54	798.1	Net Unrealized loss on noncurrent marketable equity securities	3,181	3,098
55	798.5	Less Treasury Stock	2	2
56		Net Stockholders Equity	4,065	3,982
57		Total Liabilities and Shareholders Equity	4,748	4,931

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) which 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. **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment.

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement.

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes ☐ No ☐

If yes, give number of the shares for each class of stock or other security.

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES ☐ NO ☐

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 Footnote in Consolidated Report** **\$**

(b) Delayed capital improvements **See Footnote in Consolidated Report** **\$**

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.

None

(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			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

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 **	\$ 389	\$ 426	\$	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching	(27)	98		
5	(105) Water Transfers				
6	(106) Demurrage	32	62		
7	(110) Incidental				
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities)	394	586		
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	628	591		
15	*Net revenue from railway operations	(234)	(5)		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
17	(510) Miscellaneous rent income	9	10		
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	214	159		
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	3	16		
	Income from affiliated companies				
25	Dividends				
26	Equity in undistributed earnings (losses)	87	67		
27	Total other income (lines 16-26)	313	252		
28	Total income (lines 15, 27)	79	247		
	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		2		
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)		2		
39	Income available for fixed charges (lines 28, 38)	79	245		

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		
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)	79	245
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	79	245
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	(4)	81
52	(557) Provision for deferred income taxes	83	164
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	83	164
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	(234)	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes	4	
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	(230)	
	**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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 _____	\$ 2,702	\$ 396
2 (601.5)	Prior period adjustments to beginning retained earnings _____		
CREDITS			
3 (602)	Credit balance transferred from earnings _____		87
4 (603)	Appropriations released _____		
5 (606)	Other credits to retained earnings _____		
6	Total _____		87
DEBITS			
7 (612)	Debit balance transferred from income _____	4	
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 _____	4	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	(4)	87
15	Balances at close of year (Lines 1, 2 and 14) _____	2,698	483
16	Balance from line 15(c) _____	483	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	3,181	XXXXX
REMARKS			
Amount of assigned Federal income tax consequences:			
18	Account 606 _____		XXXXX
19	Account 616 _____		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.

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 (1)	\$ 25	17,142	15,474	72	15,380(3)	\$ 384	\$ 2
2								
3	(2)	\$ 25	20,000	20,000	None	20,000	\$ 500	
4	Preferred							
5								
6								
7	(1) Issued for reorganization of respondent.							
8	(2) Issued to acquire stock of Fort Dodge, Des Moines & Southern Railway Company.							
9	(3) 22 Shares were reacquired and cancelled.							
10	TOTAL	XXXXX	37,142	35,474	72	35,380	\$ 884	\$ 2

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	Preferred Stock		Common Stock		Treasury Stock		Additional Capital
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year (1)		\$ 5	15,452	\$ 386	72	\$ 2	
12	Capital Stock Sold ¹ (2)			20,000	500	None	None	
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			15,452	386	72	2	
				20,000	500	None	None	

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

SUPPLEMENTAL

SCHEDULES

FORT DODGE, DES MOINES & SOUTHERN

RAILWAY COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 Fort Dodge, Des Moines & Southern Railway Company
2. Date of incorporation November 13, 1942
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
Iowa. No changes effected during the year.
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. It was not.
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

1. State the par value of each share of stock: Common, \$ 10 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 have not been 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. 126,670 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. 47 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 VOTED		
				Stocks		
				Common	Second	First
(a)	(b)	(c)	(d)	(e)	(f)	
1	D.M.&C.I. Ry. Co.	Chicago, IL	125,476	125,476		
2	William E. Leahy	Washington, D.C.	250	250		
3	Alice Hebebrand	Miami Beach, FL	150	150		
4	Arthur W. Hebebrand	Miami Beach, FL	150	150		
5	Ernest Kosek	Cedar Rapids, IA	100	100		
6	Mary J. Wilson	Watertown, NY	75	75		
7	Elmer J. Baker	Winnetka, IL	50	50		
8	Mrs. Anna Pfister	Baltimore, MD	50	50		
9	Sol Stuttman	Palm Beach, FL	43	43		
10	Bessie May Coxhead	Granada Hills, CA	25	25		
11	Kenneth Goldsmith	Pittsburgh, PA	25	25		
12	Mrs. Evelyn W. Prettyman, Exec. of Estate					
13	of Oscar M. Prettyman	New York, NY	25	25		
14	Helen C. Ross, Exec. of Estate of William					
15	H. Ross	New York, NY	25	25		
16	Arthur L. Chase	Carbondale, PA	25	25		
17	Elizabeth B. Gardner	Nashville, TN	25	25		
18	Estate of Flora					
19	Thompson Sproat	Troy, NY	25	25		
20	Helen B. Pearsall	Geneva, IL	25	25		
21	Mary C. Holloway	Washington, D.C.	25	25		
22	Margaret E. McCambridge	Chicago, IL	12-1/2	12-1/2		
23	Mrs. Marian M. Crane					
24	(Mrs. Marian Morse Valerio)	Chicago, IL	12-1/2	12-1/2		
25	Rita M. Horner	Chicago, IL	6-1/4	6-1/4		
26	Francis P. Shannon	Chicago, IL	6-1/4	6-1/4		

(Continued on Page 3)

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. 125,448
votes cast.

11. Give the date of such meeting. April 11, 1978

12. Give the place of such meeting. Chicago, Illinois

NOTES AND REMARKS

Continued from Page 2, Note 9

Line No.	(a)	(b)	(c)	(d)	(e)	(f)
30	W. A. Curran and Mary					
31	E. Curran, JT. TEN	Boone, IA	5-1/2	5-1/2		
32	Judith L. and Gary S.					
33	Feil, JT. TEN	Sherman Oaks, CA	5	5		
34	Don Charles and Jeffery					
35	M. Feil, Jt. Ten	Los Angeles, CA	5	5		
37	Mrs. Theodora N. Filly	Chesapeake Bch,				
38		MD	5	5		
39	Mildred L. Maybee	New York, NY	5	5		
40	William G. Ward	Denver, CO	2-1/2	2-1/2		
41	Mrs. Mildred L. Rowse	Cape Elizabeth,				
42		MN	2-1/2	2-1/2		
43	Russell E. Royer		2-1/2	2-1/2		
44	Ray E. Shower		2-1/2	2-1/2		
45	Spencer Trask & Co.		2-1/2	2-1/2		
46	Danforth R. Hale	Aurora, OH	2-1/2	2-1/2		

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	299	292
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	734	735
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)	1,033	1,027
13		<u>Total Current Assets</u>		
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	74	10
15	721, 721.5	Investments and Advances: Affiliated Companies (Sch. 310)		
16	737, 738	Property used in other than Carrier Operations (less depreciation)	25	26
		\$ -). (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	299	196
18	743, 744	Other Deferred Debits (Sch. 329)		
19		<u>Total Other Assets</u>	398	262
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	3,924	3,938
21		Equipment	82	82
22		Unallocated Items	(1,896)	(1,896)
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)	(822)	(796)
24		<u>Net road and Equipment</u>	1,288	1,328
25		<u>Total Assets</u>	2,719	2,617

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	25	26
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		
35		Total Current Liabilities	25	26
<u>Non Current Liabilities</u>				
36	765, 767	Funded debt unmatured	610	655
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable: Affiliated Companies		
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	196	135
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)		
46		Total Noncurrent Liabilities	806	790
<u>Stockholders' Equity</u>				
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	1,390	1,390
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	12	12
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	544	457
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock	58	58
56		Net Stockholders Equity	1,888	1,801
57		Total Liabilities and Shareholders Equity	2,719	2,617

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (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. **\$ None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes ☐ No ☐

If yes, give number of the shares for each class of stock or other security

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES ☐ NO ☒

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 Footnote in Consolidated Report** **\$**

(b) Delayed capital improvements **See Footnote in Consolidated Report** **\$**

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.

None

(a) Changes in Valuation Accounts

		Cost	Market	Dr. (Cr) to Income	Dr. (Cr) to Stockholders Equity
(Current Yr.)	Current Portfolio				XXXXXX
as of / /	Noncurrent Portfolio			XXXXXX	\$ XXXXXX
(Previous Yr.)	Current Portfolio			XXXXXX	XXXXXX
as of / /	Noncurrent Portfolio			XXXXXX	XXXXXX

(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

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 **	\$	\$	\$	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	(60)	(60)		
15	*Net revenue from railway operations	60	60		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
17	(510) Miscellaneous rent income				
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income				
20	(514) Interest income	66	49		
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	59	35		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	125	84		
28	Total income (lines 15, 27)	185	144		
	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	11	4		
37	(553) Uncollectible accounts	11	4		
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	174	140		

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		
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)		
45	Income after fixed charges (lines 39, 44)	174	140
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest	26	26
	UNUSUAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) for continuing operations (before income taxes)	148	114
	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	61	46
53	Income from continuing operations	87	68
	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	87	68
	"Reconciliation of net railway operating income (NROI)"		
62	Net revenues from railway operations	60	
63	(556) Income taxes on ordinary income	61	
64	(557) Provision for deferred income taxes	60	
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	(61)	
	**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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
	(a)	(b)	(c)
		\$ 457	\$
1	Balances at beginning of year		
2 (601.51)	Prior period adjustments to beginning retained earnings		
	CREDITS		
3 (602)	Credit balance transferred from earnings	87	
4 (603)	Appropriations released		
5 (606)	Other credits to retained earnings		
6	Total	87	
	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)	87	
15	Balances at close of year (Lines 1, 2 and 14)	544	
16	Balance from line 15(c)		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	544	XXXXX
	REMARKS		
18	Amount of assigned Federal income tax consequences: Account 606		XXXXX
19	Account 616		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.

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	\$ 10	141,300	138,995	12,325	126,670	\$ 1,332	\$ 58
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	141,300	138,995	12,325	126,670	\$ 1,332	\$ 58

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		\$		\$			
12	Capital Stock Sold ¹			138,995	1,390	12,325	\$ 58	\$ 12
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			138,995	1,390	12,325	\$ 58	\$ 12

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

**SUPPLEMENTAL
SCHEDULES
WESTERN RAILROAD PROPERTIES,
INCORPORATED
FOR THE
YEAR ENDED DECEMBER 31, 1978**

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 Western Railroad Properties, Incorporated

2. Date of incorporation June 28, 1978

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
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. It was not.

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

1. State the par value of each share of stock: Common, \$ — 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 has not been 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 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 (1) 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	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	Chicago and North					
2	Western Transporta-					
3	tion Company	Chicago, IL	100	100		
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						

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
votes cast.

11. Give the date of such meeting. August 10, 1978

12. Give the place of such meeting. Chicago, Illinois

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	\$ 1	\$
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	5	
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	6	
		<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)		
17	739, 741	Other Assets (Sch. 329)		
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	None	
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)		
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)		
24		Net road and Equipment	None	
25		Total Assets	6	

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		
35		<u>Total Current Liabilities</u>	None	
		<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	5	
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)	5	
46		<u>Total Noncurrent Liabilities</u>		
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	1	
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)		
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	1	
57		<u>Total Liabilities and Shareholders Equity</u>	6	

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroad; (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. **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes ☐ No ☐

If yes, give number of the shares for each class of stock or other security.

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES ☐ NO ☒

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 **None**

(b) Delayed capital improvements **None**

Continued on following page

290. 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.

None

(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 _____			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

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 parentheses.

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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility Credit				
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	None			
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
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				
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)				
28	Total income (lines 15, 27)	None			
	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				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	None			

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		
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)	None	
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	None	
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	None	
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 \$)	None	
61	Net income		
	* 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		
	** 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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 reverse movement \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 _____	\$ None	\$
2 (601-5)	Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3 (602)	Credit balance transferred from earnings _____		
4 (603)	Appropriations released _____		
5 (606)	Other credits to retained earnings _____		
6	Total _____	None	
	DEBITS		
7 (611)	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 _____	None	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	None	
15	Balances at close of year (Lines 1, 2 and 14) _____		
16	Balance from line 15(c) _____		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	None	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____		XXXXX
19	Account 616 _____		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.

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		1,000	100	None	100	\$ 1	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	1,000	100	None	100	\$ 1	

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		\$	None	\$		\$	\$
12	Capital Stock Sold ¹			100	1			
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			100	\$ 1			

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

Company was organized for the purpose of buying, selling, leasing and dealing in and with property, both real and personal, of every type and character as authorized by the Board of Directors of Western Railroad Properties, Incorporated on July 26, 1978.

Road Initials:

WRPI

Year 19 78

SUPPLEMENTAL

SCHEDULES

NORTH WESTERN LEASING COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 North Western Leasing Company

2. Date of incorporation July 16, 1962

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
Delaware. No changes effected during the year.

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.
It was not.

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

1. State the par value of each share of stock: Common, \$ 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 has not been 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 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 (1) 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	Chicago and North					
2	Western Transportation					
3	Company	Chicago, IL	100	100		
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
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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. 100
votes cast.

11. Give the date of such meeting. October 12, 1978

12. Give the place of such meeting. Chicago, Illinois

NOTES AND REMARKS

700. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at Begin- ning of Year (c)
		<u>Current Asset</u>		
1	701	Cash	\$ 785	\$ 1,114
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	11,955	10,994
9	709.5	Less: Allowance for Uncollectible Accounts	(585)	(585)
10	711, 714	Prepayments (and working funds) (Sch. 300)		
11	712	Materials and Supplies		
12	713	Other Current Assets (Sch. 300)	427	267
13		Total Current Assets	12,582	11,790
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	48	44
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)		
16	737, 738	Property used in other than Carrier Operations (less depreciation)	4,385	4,540
		\$ 1,987 (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	1,524	3,276
18	743, 744	Other Deferred Debits (Sch. 329)	3	3
19		Total Other Assets	5,960	7,863
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)	1,800	1,800
21		Equipment	42,057	43,918
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 342, 342, 352, 355)	(22,199)	(22,100)
24		Net road and Equipment	21,658	23,618
25		Total Assets	40,200	43,271

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	395	261
30	757	Payables to Affiliated Companies	9,010	9,099
31	759	Accrued accounts Payable (Sch. 370)		
32	760, 761, 761.5, 762	Taxes Accrued (Sch. 379)	11	10
33	763	Other Current Liabilities (Sch. 370)		
34	764	Equipment obligations and other long-term debt due within one year	6,247	6,038
35		Total Current Liabilities	15,663	15,408
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	9,024	12,201
37	766	Equipment obligations	5,128	6,060
38	766.5	Capitalized Lease Obligations	2,829	3,122
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies		
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	5,064	4,590
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	98	
46		Total Noncurrent Liabilities	22,143	25,973
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock - (Sch. 230)		
48		Common Stock	10	10
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	40	40
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	2,344	1,840
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	2,394	1,890
57		Total Liabilities and Shareholders Equity	40,200	43,271

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (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 **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes ☐ No ☒

If yes, give number of the shares for each class of stock or other security.

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610) YES ☐ NO ☒

5. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in Ex Parte No. 308 as of close of year

(a) Deferred maintenance **\$**

(b) Delayed capital improvements **\$**

See Footnote in Consolidated Report.

Continued on following page

130900

CHICAGO & NORTH WESTERN TRANSPORTATION
COMPANY AND SUBSIDIARIES

1978

5

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. None

(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			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

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 amount 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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	(511) Railway operating expenses	(1,997)	(1,756)		
15	*Net revenue from railway operations	1,997	1,756		
	OTHER INCOME				
16	(516) Revenue from property used in other than carrier operations	316	316		
17	(510) Miscellaneous rent income	346	342		
18	(512) Separately operated properties-Profit				
19	(513) Dividend income				
20	(514) Interest income	552	719		
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	14	130		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	1,228	1,507		
28	Total income (lines 15, 27)	3,225	3,263		
	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	56	56		
32	(544) Miscellaneous taxes	2	2		
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	22	25		
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	80	83		
39	Income available for fixed charges (lines 28, 38)	3,145	3,180		

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	2,176	2,505
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)	2,176	2,505
45	Income after fixed charges (lines 39, 44)	969	675
	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)	969	675
	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	465	328
53	Income from continuing operations	504	347
	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	504	347
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	1,997	
63	(556) Income taxes on ordinary income		
64	(557) Provision for deferred income taxes	465	
65	Income from lease of road and equipment		
66	Rent for leased roads and equipment		
67	Net railway operating income	1,532	
	**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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 credit 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 (Note 2)	\$ 2,217	\$
2	(601-51) Prior period adjustments to beginning retained earnings (Note 3)	(377)	
	Balance as adjusted	<u>1,840</u>	
	CREDITS		
3	(607) Credit balance transferred from earnings	504	
4	(603) Appropriations released		
5	(606) Other credits to retained earnings		
6	Total	<u>504</u>	
	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	<u>504</u>	
14	Net increase (decrease) during year (Line 6 minus line 13)	<u>504</u>	
15	Balances at close of year (Lines 1, 2 and 14)	<u>2,344</u>	
16	Balance from line 15(c)		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	<u>2,344</u>	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606		XXXXX
19	Account 616		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.

- Subsequent to the issuance of the 1977 Form R-1, an audit adjustment was made, reducing retained earnings by \$303.
- On January 1, 1978, the Company retroactively adopted FASB No. 13, Accounting for Leases. See Consolidated Report Schedule 200, Note 7.

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	-	1,000	100	None	100	\$ 10	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	1,000	100	None	100	\$ 10	

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		\$	100	\$ 10		\$	40
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			100	\$ 10			\$ 40

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

SUPPLEMENTAL

SCHEDULES

NORTH WESTERN COMMUNICATIONS, INC.

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 North Western Communications, Inc.

2. Date of incorporation January 11, 1968.

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

Illinois. No changes effected during the year.

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.

It was not.

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

1. State the par value of each share of stock: Common \$ — 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 has not been 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 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 (1) 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	Chicago and North					
2	Western Transportation					
3	Company	Chicago IL	100	100		
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
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20						
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24						
25						
26						
27						
28						
29						
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
votes cast.

11. Give the date of such meeting. October 12, 1978

12. Give the place of such meeting. Chicago, Illinois

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	19	14
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	19	14
		<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)		
17	739, 741	Other Assets (Sch. 329)	(437)	(459)
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	(437)	(459)
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)		
21		Equipment	511	511
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Sch. 332, 342, 352, 355)	(50)	(36)
24		Net road and Equipment	461	475
25		Total Assets	43	30

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		
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		
35		<u>Total Current Liabilities</u>	None	None
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured		
37	768	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable, Affiliated Companies		
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	18	12
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)		
46		<u>Total Noncurrent Liabilities</u>	18	12
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	1	1
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)		
		Retained Earnings		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	24	17
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		<u>Net Stockholders' Equity</u>	25	18
57		<u>Total Liabilities and Shareholders Equity</u>	43	30

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for hereon 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 or 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. None

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. See Footnote (2) of Consolidated Report.

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes No

If yes, give number of the shares for each class of stock or other security

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES NO X

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 \$

(b) Delayed capital improvements \$

See Footnote in Consolidated Report.

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. None

(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			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

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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	(8)	(8)		
15	*Net revenue from railway operations	8	8		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
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	5	5		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	5	5		
28	Total income (lines 15, 27)	13	13		
	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				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	13	13		

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		
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)		
45	Income after fixed charges (lines 39, 44)	13	13
	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	6	6
53	Income from continuing operations	7	7
	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	7	7
	*Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations	8	
63	(556) Income taxes on ordinary income	6	
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	2	
	**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 tariff rates \$		
	(a) Of the amount reported for "Net revenue from railway operations", % (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 () Estimated ()		
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 \$		
	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 \$		
71	(b) Payments for transportation of freight shipments \$		
	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 \$		
73	Charges for service for the protection against cold \$		

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 _____	\$ 17	\$
2 (601.5)	Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3 (602)	Credit balance transferred from earnings _____	7	
4 (603)	Appropriations released _____		
5 (606)	Other credits to retained earnings _____		
6	Total _____	7	
	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 _____	7	
14	Net increase (decrease) during year (Line 6 minus line 13) _____	24	
15	Balances at close of year (Lines 1, 2 and 14) _____		
16	Balance from line 15(c) _____		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	24	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 _____		XXXXX
19	Account 616 _____		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.

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), (f) and (g) 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 (a) 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	-	100	100	None	100	\$ 1		
2									
3									
4	Preferred								
5									
6									
7									
8									
9									
10	TOTAL	XXXX	100	100	None	100	\$ 1		

PART I. 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		\$	100	\$ 1		\$	\$
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			100	1			

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

SUPPLEMENTAL

SCHEDULES

NW RAILQUIP, INC.

FOR THE

YEAR ENDED DECEMBER 31, 1978

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 part 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

NW Railquip, Inc.

2. Date of incorporation

June 1, 1972

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

Articles of Incorporation of this Company were filed in Illinois on December 17, 1971 under "The Business Corporation Act" of Illinois. No changes effected during the year.

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.

It was not.

5. Class of switching and terminal company
[See section No. 7 on inside of front cover]

Not a switching or terminal company.

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, \$ — 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 has not been 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 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 (1) 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)	Second (e)	First (f)
1	Chicago and North					
2	Western Transporta-					
3	tion Company	Chicago, IL	100	100		
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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20						
21						
22						
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25						
26						
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28						
29						
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
votes cast.
11. Give the date of such meeting. October 12, 1978
12. Give the place of such meeting. Chicago, Illinois

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	\$ 2
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	2	2
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and Advances (Sch. 315)	444	345
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)		
17	739, 741	Other Assets (Sch. 329)	1,127	1,155
18	743, 744	Other Deferred Debits (Sch. 329)		
19		Total Other Assets	1,571	1,500
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)		
21		Equipment	15,795	15,900
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Sch. 332, 342, 352, 355)	(3,057)	(2,662)
24		Net road and Equipment	12,738	13,238
25		Total Assets	14,311	14,740

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	303	331
30	757	Payables to Affiliated Companies		
31	759	Accrued accounts Payable (Sch. 376)		
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	945	945
35		Total Current Liabilities	1,248	1,276
		<u>Non Current Liabilities</u>		
36	765, 767	Funded debt unmatured	9,446	10,391
37	766	Equipment obligations		
38	766.5	Capitalized Lease Obligations		
39	768	Debt in default		
40	769	Accounts payable; Affiliated Companies	187	88
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	1,396	1,182
45	771, 772, 774, 775, 783, 784	Other long-term liabilities and deferred credits (Sch. 379)		
46		Total Noncurrent Liabilities	11,029	11,661
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock: (Sch. 230)		
48		Common Stock	1	1
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	519	519
		Retained Earnings:		
52	797	Appropriated (221)		
53	798	Unappropriated (220)	1,514	1,283
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock		
56		Net Stockholders Equity	2,034	1,803
57		Total Liabilities and Shareholders Equity	14,311	14,740

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining: (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (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. **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes ☐ No ☐

If yes, give number of the shares for each class of stock or other security

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES ☐ NO ☒

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 **\$ 118**

(b) Delayed capital improvements **\$**

See Footnote in Consolidated Report.

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. None

(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 _____			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

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 parentheticals.

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 **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility Credit				
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)	(1,368)	(1,449)		
14	(531) Railway operating expenses	1,368	1,449		
15	* Net revenue from railway operations				
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
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				
	Income from affiliated companies				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)				
28	Total income (lines 15, 27)	1,368	1,449		
	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				
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	1,368	1,449		

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:	923	1,006
40	(a) Fixed interest not in default		
41	(b) Interest in default		
42	(547) Interest on unfunded debt		
43	(548) Amortization of discount on funded debt	923	1,006
44	Total fixed charges (lines 40-43)	445	443
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	445	443
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	214	213
52	(557) Provision for deferred income taxes	231	230
53	Income from continuing operations		
	DISCONTINUED OPERATIONS		
54	(560) Income or loss from operations of discontinued segment (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 \$ _____)	231	230
61	Net income		
	* Reconciliation of net railway operating income (NROI)	1,368	
62	Net revenues from railway operations		
63	(556) Income taxes on ordinary income	214	
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	1,154	
	** 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 tariff rates \$ _____		
	(a) Of the amount reported for "Net revenue from railway operations", _____% (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFF trailers or otherwise. The percentage reported is (Check one): Actual (), Estimated ()		
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 \$ _____		
	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 \$ _____		
71	(b) Payments for transportation of freight shipments \$ _____		
	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 \$ _____		
73	Charges for service for the protection against cold \$ _____		

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. Separate 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 (a)	Retained earnings - Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year _____	\$ 1,283	\$
2 (601.5)	Prior period adjustments to beginning retained earnings _____		
	CREDITS		
3 (602)	Credit balance transferred from earnings _____	231	
4 (603)	Appropriations released _____		
5 (606)	Other credits to retained earnings _____		
6	Total _____	231	
	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) _____	231 1,514	
15	Balances at close of year (Lines 1, 2 and 14) _____		XXXXX
16	Balance from line 15(c) _____		XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year _____	1,514	XXXXX
	REMARKS		
18	Amount of assigned Federal income tax consequences: Account 606 _____		XXXXX
19	Account 616 _____		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.

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		100	100	None	100	\$ 1	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	100	100	None	100	\$ 1	

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		\$	100	\$ 1		\$	\$519
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			100	\$ 1			\$519

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

SUPPLEMENTAL

SCHEDULES

WISCONSIN TOWN LOT COMPANY

FOR THE

YEAR ENDED DECEMBER 31, 1978

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.

Wisconsin Town Lot Company

1. Exact name of common carrier making this report

2. Date of incorporation March 8, 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.
Wisconsin. No changes effected during the year.

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.
It was not.

5. Class of switching and terminal company
[See section No. 7 on inside of front cover]
Not a switching or terminal company.

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, \$ — 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 has not been 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. 200 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 (1) 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	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	Chicago and North					
2	Western Transporta-					
3	tion Company	Chicago, IL	200	200		
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						

Road Initial: WTL Year 1978

3

C. VOTING POWERS AND ELECTIONS - Continued

200

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent.
votes cast.

11. Give the date of such meeting. October 12, 1978

12. Give the place of such meeting. Chicago, Illinois

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account No.	Title (a)	Balance at Close of Year (b)	Balance at begin- ning of Year (c)
		<u>Current Asset</u>	\$	\$
1	701	Cash	33	34
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)	33	34
13		Total Current Assets	33	34
		<u>Other Assets</u>		
14	715, 716, 717, 722, 723, 724	Special Funds and Other Investments and advances (Sch. 315)	13	13
15	721, 721.5	Investments and Advances, Affiliated Companies (Sch. 310)		
16	737, 738	Property used in other than Carrier Operations less depreciation	145	146
		5 - (Sch. 325)		
17	739, 741	Other Assets (Sch. 329)	1,184	1,137
18	743, 744	Other Deferred Debits (Sch. 329)		19
19		Total Other Assets	1,342	1,315
		<u>Road and Equipment</u>		
20	731, 732	Road (Sch. 330 & 330A)		
21		Equipment		
22		Unallocated Items		
23	733, 734, 735, 736	Accumulated Depreciation and amortization (Schs. 332, 342, 352, 355)		
24		Net road and Equipment	None	None
25		Total Assets	1,375	1,349

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)	2	5
33	763	Other Current Liabilities (Sch. 370)		
34	764	Equipment obligations and other long-term debt due within one year	2	5
35		Total Current Liabilities		
		<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		
41	770.1, 770.2	Unamortized debt premium		
42	781	Interest in default		
43	783	Deferred revenues-Transfers from Government Authorities	240	233
44	786	Accumulated deferred income tax credits		
45	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits (Sch. 379)	240	233
46		Total Noncurrent Liabilities		
		<u>Stockholders' Equity</u>		
47	791, 792	Capital Stock (Sch. 230)		
48		Common Stock	10	10
49		Preferred Stock		
50	793	Discount on Capital Stock		
51	794, 795	Additional Capital (230)	564	564
		Retained Earnings:		
52	797	Appropriated (221)	559	537
53	798	Unappropriated (220)		
54	798.1	Net Unrealized loss on noncurrent marketable equity securities		
55	798.5	Less Treasury Stock	1,133	1,111
56		Net Stockholders Equity	1,375	1,349
57		Total Liabilities and Shareholders Equity		

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none", and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This includes explanatory

statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (Dollar 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. \$ **None**

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made. **See Footnote 2 of Consolidated Report**

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

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

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

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

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

Date of trust agreement or latest amendment _____

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

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____

(e) (i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify

Yes _____ No _____

If yes, give number of the shares for each class of stock or other security _____

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

4. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610). YES _____ NO **X**

5. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in the Form No. 1005 as of close of year.

(a) Deferred maintenance \$ **None**

(b) Delayed capital improvements \$ **None**

Continued on following page

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES (Concluded) None

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 _____			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

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 **	\$	\$	\$	\$
2	(102) Passenger **				
3	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
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	2	2		
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	27	43		
	Income from affiliated companies:				
25	Dividends				
26	Equity in undistributed earnings (losses)				
27	Total other income (lines 16-26)	29	45		
28	Total income (lines 15, 27)	29	45		
	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		16		
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies		49		
36	(551) Miscellaneous income charges				
37	(553) Uncollectible accounts		65		
38	Total miscellaneous deductions (lines 29-37)				
39	Income available for fixed charges (lines 28, 38)	29	(20)		

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		
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)	29	(20)
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:	29	(20)
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	7	(6)
52	(557) Provision for deferred income taxes	22	(14)
53	Income from continuing operations		
	DISCONTINUED OPERATIONS		
54	(565) 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 \$ _____)	22	(14)
61	Net income		
	* Reconciliation of net railway operating income (NROI)		
62	Net revenues from railway operations		
63	(556) Income taxes on ordinary income	7	
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	(7)	
	** 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 tariff rates \$ _____		
	(a) Of the amount reported for "Net revenue from railway operations", _____ % (to nearest whole number) represents payments for collection and delivery of LCL freight either in TCH trailers or otherwise. The percentage reported is (Check one): Actual () Estimated ()		
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 \$ _____		
	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 \$ _____		
71	(b) Payments for transportation of freight shipments \$ _____		
	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 \$ _____		
73	Charges for service for the protection against cold \$ _____		

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	Balance at beginning of year	537	
2	(160) 51 Prior period adjustments to beginning retained earnings		
	CREDITS	22	
3	(1602) Credit balance transferred from earnings		
4	(1603) Appropriations released		
5	(1606) Other credits to retained earnings		
6	Total	22	
	DEBITS		
7	(1612) Debit balance transferred from income		
8	(1616) Other debits to retained income		
9	(1620) Appropriations for sinking and other reserve funds		
10	(1621) Appropriations for other purposes		
11	(1623) Dividends: Common stock		
12	Preferred stock ¹		
13	Total	22	
14	Net increase (decrease) during year (Line 6 minus line 13)	559	
15	Balance at close of year (Lines 1, 2 and 14)		XXXXX
16	Balance from line 15(c)		
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of year	559	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606		XXXXX
19	Account 616		XXXXX

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

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

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		200	200	None	200	\$10	
2								
3								
4	Preferred							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	200	200	None	200	\$10	

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		\$	200	\$ 10		\$	\$564
12	Capital Stock Sold ¹							
13	Capital Stock Reacquired							
14	Capital Stock Canceled							
15	Stock Dividends							
16	Balance at Close of Year			200	\$ 10			\$564

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