

ANNUAL REPORT 1973

130900

CHICAGO & NORTHWESTERN TRANSPORTATION

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annual report

INTERSTATE
COMM. COM.
MAR 31 1974
ADMIN. SERVICES
MM. MAIL BRANCH

Batch 52

125000319CHICAGONORT 1 13090
CHICAGO & NORTHWESTERN TRANSPORTATION C
400 W MADISON ST.
CHICAGO, ILL 60606

CL14H

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, 1973

NOTICE

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

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

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

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

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

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

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule 108, page 6.

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

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

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

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

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

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts,

and, a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts. In making reports, lessor companies use Annual Report Form E.

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

Class I companies are those having annual operating revenues of \$5,000,000, or more. For this class, Annual Report Form A is provided.

Class II companies are those having annual operating revenues below \$5,000,000. For this class, Annual Report Form C is provided.

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

Switching and terminal companies are further classified as:

Class S1. **Exclusively switching.** This class of companies includes all those performing switching service only, whether for joint account or for revenue.

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

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

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

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

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

COMMISSION means the Interstate Commerce Commission. RESPONDENT means the person or corporation in whose behalf the report is made. THE YEAR means the year ended December 31 for which the report is made. THE CLOSE OF THE YEAR means the close of business on December 31 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. THE BEGINNING OF THE YEAR means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. THE PRECEDING YEAR means the year ended December 31 of the year next preceding the year for which the report is made. THE UNIFORM SYSTEM OF ACCOUNTS FOR RAILROAD COMPANIES means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

9. All companies using this Form should complete all schedules, with the following exceptions, which

ANNUAL REPORT

OF

CHICAGO AND NORTH WESTERN TRANSPORTATION COMPANY

AND TRANSPORTATION SUBSIDIARIES

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1973

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) 312 332-2121, EXTENSION 6213
(Area code) (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 report, formerly designated Form A, has been reduced in size to make it easier to complete, convenient to handle and permit the use of standard copy machines to reproduce reports.

NOTICE - Inside Front Cover

New instruction 6 added to provide for the reporting of money items throughout the report in thousands of dollars.

Page 10: Schedule 200A. Comparative General Balance Sheet - Assets

Page 11: Schedule 200L. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Accounts 705 and 752 have been revised to read "Traffic, car service and other balances - Dr." and "Traffic, car service and other balances - Cr.," respectively to conform to the amendment of the Uniform System of Accounts for Railroad Companies (49 C.F.R. 1201), as authorized in Order of the Commission, in Docket No. 32153 (Sub-No. 3) dated November 10, 1972.

Page 15: Schedule 201. Items in Selected Current Asset Accounts

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Pages 16 and 17: Schedule 204. Sinking, Capital, Insurance and Other Reserve Funds

Instructions have been revised to require the reporting of the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount and minimum dollar amount increased to \$250,000. Reporting of par value eliminated. Instructions clarified as to reporting of data in column (b).

Pages 20-23: Schedule 205. Investments in Affiliated Companies

Reporting of par value data eliminated.

Pages 24-27: Schedule 206. Other Investments

Reporting of par value data eliminated. Instructions revised to delete the requirement for reporting investments included in accounts numbered 715, 716 and 717, where those investments are held by trustees in lieu of cash deposits required under the governing instrument.

Pages 28 and 29: Schedule 209. Securities, Advances, and Other Intangibles Owned or Controlled Through Nonreporting Carrier and Noncarrier Subsidiaries

Reporting of par value data eliminated.

Page 46: Schedule 216. Other Assets and Deferred Charges

Page 55: Schedule 223. Items in Selected Current Liability Accounts

Page 57: Schedule 225. Items in Selected Reserve and Other Liability Accounts

Page 62: Schedule 233. Contingent Assets and Liabilities

Page 86: Schedule 371. Income from Lease of Road and Equipment

Schedule 372. Miscellaneous Rent Income

Page 87: Schedule 375. Separately Operated Properties - Profit or Loss

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 88: Schedule 376. Hire of Freight Cars

Reporting of "Net Balance of Unequipped Box Car Rentals Included in Line 23" has been eliminated.

Page 90: Schedule 383. Rent for Lensed Roads and Equipment

Page 91: Schedule 384. Miscellaneous Rents

Instructions have been revised to require the reporting of the three largest items regardless of the dollar amount and minimum dollar amount increased to \$250,000.

Page 92: Schedule 396. Items in Selected Income and Retained Income Accounts for the Year

Minimum dollar amount increased to \$250,000.

Pages 99-105: Schedule 417. Inventory of Equipment

Provision has been made to report separately auxiliary locomotive units and instruction 6, page 99, revised accordingly. Column headings on pages 102 and 103, have been changed to read "Time-mileage cars" and "All other" instead of "Per diem" and "Non per diem." Column heading on pages 104 and 105 has been changed to read "All other" instead of "Non per diem" and instruction 6, page 103, revised accordingly.

Page 116: Schedule 531. Statistics of Rail-Line Operations

The reference to "per diem" cars has been changed to read "time-mileage" cars and instructions changed accordingly.

Pages 129-131: Schedule 600. Remunerations from National Railroad Passenger Corporation

New schedule to be completed by carriers participating in the National Railroad Passenger Corporation (NRP) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-No. 3).

101. 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 or 5 on this page have taken place during the year covered by this report, they should be explained in detail on page 128.

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" (p. 132). 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. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

4. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each and to all amendments of them.

5. 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. Give specific reference to each charter or statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees

Organized under general laws of State of Delaware as North Western Employees Transportation Company. 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 1973.

4. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies
It was not.

5. If respondent was reorganized during the year, give name of original corporation and state the occasion for the reorganization
It was not.

6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars It did not.

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

NOTES AND REMARKS

102. DIRECTORS

1. Give particulars of the various directors and officers of the respondent at the close of the year.

2. State in column (e) of schedule No. 102 and column (d) of schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.

3. In schedule No. 103 give the title, name, and address of the principal general officers having system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating, and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road or of some department of it, give also their names and titles, and the location of their offices, separately grouped and identified.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state briefly the facts in a footnote.

Line No.	Name of director (a)	Office address (b)	Date beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	Larry S. Provo	Chicago, Illinois	5-15-73	5-20-74	1	
2	Richard M. Freeman	Chicago, Illinois	5-15-73	5-20-74	1	
3	Robert E. Brooker	Chicago, Illinois	5-15-73	5-20-74	1	
4						
5						
6						
7						
8						
9						
10						
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14						
15						
16						
17						
18	*Class T Shares - See Page 7 for Description of Limited Voting Power of Class A Shares.					
19						
20						

21. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board None Secretary ~~(Robert D. Smith)~~ Robert D. Smith

22. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman), and state briefly the powers and duties of that committee:

None

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
1	President	All	Larry S. Provo	1	400 W. Madison St. Chicago, Illinois
2	Vice President-				
3	Operations	Operating	J. R. Wolfe		"
4	Vice President-	Sales and			
5	Sales & Marketing	Marketing	W. E. Braun		"
6	Vice President-Law	Law	Richard M. Freeman	1	"
7	Vice President-	Finance and			
8	Finance	Accounting	J. M. Butler		"
9	Vice President				
10	Systems & CIE	Systems & CIE	R. D. Leach		"
11	Vice President-				
12	Materials and	Materials and			
13	Real Estate	Real Estate	I. Robert Ballin		"
14	VP-Personnel and	Personnel and			
15	Labor Relations	Labor Relations	R. W. Russell		"
16	Vice President		J. R. Brennan		"
17	Comptroller	Accounting	G. R. Carr		"
18	Treasurer	Treasury	W. Krucks		"
19	Secretary	Secretary	Robert D. Smith		"
20	*Class T Shares - See Page 7 for Description of Limited Voting Power of Class A Shares.				

104. RELATIONSHIP OF RESPONDENT WITH AFFILIATED COMPANIES

Enter below in the appropriate schedule, No. 104A through 104D, the names of all companies, corporate and noncorporate, which are affiliated with the respondent and submit the information requested in each schedule. Control for the purpose of these schedules shall be construed to include sole or jointly held control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders a voting trust or trusts, a holding or investment company or compa-

nies, or through or by any other direct or indirect means; and to include the power to exercise control. For the purposes of these schedules, forms of control shall include the following (among others):

1. Right through ownership of securities, an agreement of some character or through some other source to name the majority of the board of directors, managers, or trustees of the controlled company.
2. Right to foreclose a first lien upon all or a major part in

value of the tangible property of the controlled company.

3. Right to secure control in consequence of advances made for construction of the operating property of the controlled company.

Right to control only in a specific respect the action of the controlled company or a lessee interest in the property of a company is not to be classed as a form of control over the lessor company.

104 A. COMPANIES CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled solely or jointly by the respondent. If the respondent obtained control over a company during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase,

etc.

2. In column (b) indicate the principal business activity of each company listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).

4. In column (d) indicate the extent of the control of the respondent in the controlled company. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter names of other companies, if any, that jointly control the companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	If Jointly Controlled Name Other Parties to the Agreement (e)
1	North Western Communications, Inc.	Transportation Communications	Stock	100%	
2	North Western Leasing Company	Equipment and Real Estate	Stock	100%	
3	NW Railquip, Inc.	Lease of Equipment to North			
4		Western Leasing Company and			
5		Sublease to Respondent	Stock	100%	
6	Wisconsin Town Lot Company	Real Estate	Stock	100%	
7	Minneapolis Eastern Railway Co.	Transportation	Stock	50%	Chicago, Milwaukee, St. Paul
8					and Pacific Railroad
9					Company
10	New Industries, Inc.	Real Estate	Stock	50%	H. Dale Bright, James E.
11					Kolls, George I. Wood, Jr.,
12					E. C. Seyphol and R. R.
13					Torgerson
14					
15					
16					
17					
18					
19					

104 B. COMPANIES INDIRECTLY CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled through intermediary companies. If control was obtained during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of intermediate companies through which control is exercised over companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Intermediary Through Which Control Exists (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					

104 C. COMPANIES UNDER COMMON CONTROL WITH RESPONDENT

1. Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of companies controlling those listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Controlling Company or Individual (e)
1	None				
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					

104 D. COMPANIES CONTROLLING RESPONDENT

1. Enter in column (a) the names of all companies controlling the respondent. Commence with the company which is most remote followed by the company immediately controlled by it. If control over the respondent or control over an intermediary through which respondent is controlled has changed during the year, indicate by footnote the date

and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.

2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.

3. In column (c) indicate the form of control exercised by the company immediately controlled by it.

4. In column (d) indicate the extent of control. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.

Line No.	Name of Controlling Company or Individual (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)
1	None			
2				
3				
4				
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108 STOCKHOLDERS REPORTS

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

Check appropriate box:

☒ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☐ No annual report to stockholders is prepared.

Continued from Schedule 103 - Item 3 of Instructions:

TRUSTEES:

Larry S. Provo, Trustee, Director and President.....Chicago, Ill.
 Richard M. Freeman, Trustee, Director, Vice President - Law.....Chicago, Ill.
 Robert E. Brooker, Trustee and Director.....Chicago, Ill.

Shares of Class T
 Common Stock

1
 1
 1

109. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ 50 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 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 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 Class T Votes* votes, as of December 31, 1973

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7, 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 on page 13, 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.

List under Footnotes, page 8, Other Securities with Voting Power.

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		
				Class T Common	Second	First
	(a)	(b)	(c)	(d)	(e)	(f)
1	Larry S. Provo,					
2	Richard M. Freeman and					
3	Robert E. Brooker, as					
4	Trustees	Chicago, Illinois	3	3		
5						
6	*So long as the Class T Common Stock is outstanding, the Class A Common Stock has no					
7	voting power except that the Class T Common and Class A Common are entitled to vote					
8	as separate classes upon (1) a proposed amendment to the certificate of incorporation					
9	if the amendment would increase or decrease the aggregate number of authorized shares					
10	of Class A Common, increase or decrease the par value of the shares of such class, or					
11	alter or change the powers, preferences or special rights of the shares of such class					
12	so as to affect them adversely; (2) any proposal for the merger or consolidation of					
13	the corporation whether or not the corporation shall be the survivor thereof (except					
14	any such merger for which under the Delaware Corporation Law no vote of any stock-					
15	holder of the corporation would be required); and (3) any proposal for the sale,					
16	lease or exchange of all or substantially all of the corporation's property and					
17	assets.					
18						
19						
20						
21						
22						
23						

19. VOTING POWERS AND ELECTIONS—(Continued From Page 7)

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 15, 1973
12. Give the place of such meeting. Consent in lieu of meeting - May 15, 1973

FOOTNOTES

110. 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 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. (Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Finance Docket number, title, maturity date and concise description of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Indiana Harbor Belt Railroad Company-		\$	
2	C&N.W. 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.	payment of principal and interest		
5	(Formerly MC & NYC	under First Mortgage dated June 1,	4 298 (1)	Joint
6	RR's)	1957, covering issuance of \$8,125		
7		5-1/8% bonds, The Northern Trust		
8		Company, Trustee, Chicago, Ill.		
9				
10	(1) The Chicago and North Western Railway Company sold its			
11	interest in the Indiana Harbor Belt Railroad Company to			
12	the New York Central Railroad Company on January 3, 1961.			
13	Under the terms of the Sales Agreement, the Chicago and			
14	North Western Railway remained jointly and severally			
15	liable (in proportion to its prior stock holding of 20%)			
16	for the principal and interest on the bonds, and Chicago			
17	and North Western Transportation Company has assumed that			
18	obligation.			
19				
20	Illinois Terminal Railroad Company-			
21	B&O RR. Co.	F.D. No. 22292 - Ill. Term. RR. Co.		
22	C&EI RR. Co.	Bonds maturing December 1, 1987.		
23	C&N.W. Transp. Co.	First Mortgage dated December 1,		
24	StL&KC Land Co.	1962, covering issuance of \$8,750		
25	(BN, Inc.)	4-5/8% Sinking Fund Bonds, Series		
26	CRI&P RR. Co.	"A". Mercantile Trust Company,	6 564 (2)	Joint
27	Ill. Cent. Gulf RR. Co.	Trustee, St. Louis, Mo.		
28	(Formerly GM&O RR. Co.)			
29	Miss. Valley Corp.			
30	(IC RR.)			
31	Penn Cent. Transp. Co.			
32	(Formerly NYC RR.)			
33	N&W Ry. Co. (Formerly			
34	NYC&StL RR. Co.)			
35	StLSF Ry. Co.			
36	Wabash RR. Co. (Leased			
37	by N&W Ry. Co.)			
38	(Continued on Page 9A)			

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)	Principal Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1	Finance Dockets 26371 and 26372:	Northwest Chemco, Inc.	Approximately	
2	(1) The sellers remain liable on a	(formerly named Chicago	\$216,000 plus	
3	substantial portion of the	and North Western Rail-	contingent	
4	obligations assumed by respondent,	way Company) and certain	liabilities	
5		of its selling sub-	listed in	
6		sidiaries.	Section 1 above	
7			and those	
8			listed in	
9	(Continued on Page 9B)		Schedule 233.	

110. GUARANTIES AND SURETYSHIPS

(a)

(b)

(c)

(d)

(Continuation of Item 1, Schedule 110)

- (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, Illinois as		
StL&KC Land Co.	covered by Joint and Several Covenant of		
(BN, Inc.)	Proprietary Railroads dated October 14,	\$ 250 (3)	Joint
CRI&P RR. Co.	1958.		
Ill. Cent. Gulf RR. Co.			
(Formerly GM&O RR. Co.)			
Miss. Valley Corp.			
(Formerly IC RR.)			
Penn Cent. Transp. Co.			
N&W Ry. Co. (Formerly			
NYC&StL RR. Co.)			
StLSF Ry. Co.			
Wabash RR. Co. (Leased			
by 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.-

	First Mortgage 30-year Serial Bonds dated		
	October 1, 1944.	\$27,500	Joint
The bonds are guaranteed	The first serial maturity at the end of		
both as to principal and	the fourth year or on October 1, 1948 was		
interest, jointly and	\$550, the fifth year \$566 and increasing		
severally by the follow-	\$16 each succeeding year to October 1,		
ing companies:	1973, with a final maturity on October 1,		
AT&SF Ry. Co.	1974 of \$27,500. The bonds bear interest		
C&NW Transp. Co.*	at varying rates from 1-7/8% to 4%		
BN, Inc.	according to the serial maturities.		
CMStP&P RR. Co.			
CRI&P Ry. Co.			
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.			
*Obligations of CGW Ry. Co. assumed by C&NW Ry. Co. on July 1,			
1968 the effective date of merger and by C&NW Transp. Co. on			
June 1, 1972.			

110. GUARANTIES AND SURETYSHIPS

(a)	(b)	(c)	(d)
(Continuation of Item 2, Schedule 110)			
(2) Guaranty by letter dated April 20, 1972 in compliance with Condition 5 of Report served March 20, 1972.	Northwest Industries, Inc.		
(a) Kansas City Terminal Railway Company, First Mortgage Serial Bonds, dated October 1, 1944		\$ 2,291	
(b) Indiana Harbor Belt Railroad Company, First Mortgage 5-1/8% Bonds, due June 1, 1982.		\$ 860	
(c) Illinois Terminal Railroad Company, First Mortgage 4-5/8% Sinking Fund Bonds, Series A, due December 1, 1987.		\$ 597	
(d) 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	
(e) The Minnesota Transfer Railway Company, 3-3/4% Sinking Fund promissory Notes (Debentures) due June 1, 1976.		\$ 311	
(f) Trailer Train Company Trailer 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, 1973.		\$ 1,191	

200A. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be res-

tated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or Item	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	(a)			
	CURRENT ASSETS			
1	(701) Cash		4 779	6 744
2	(702) Temporary cash investments (p. 15)		26 964	18 474
3	(703) Special deposits (p. 15)		15 176	7 830
4	(704) Loans and notes receivable (p. 15)		123	181
5	(705) Traffic, car service and other balances-Dr		203	
6	(706) Net balance receivable from agents and conductors		11 045	9 464
7	(707) Miscellaneous accounts receivable		6 404	6 654
8	(708) Interest and dividends receivable		500	169
9	(709) Accrued accounts receivable (p. 15)		20 121	21 324
10	(710) Working fund advances		169	160
11	(711) Prepayments (p. 15)		340	333
12	(712) Material and supplies		28 487	21 945
13	(713) Other current assets (p. 15)		52	51
14	Total current assets		114 363	93 329
	SPECIAL FUNDS			
	(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)		
15	(715) Sinking funds (pp. 16 and 17)	3	3	3
16	(716) Capital and other reserve funds (pp. 16 and 17)	1,949	1 949	3 446
17	(717) Insurance and other funds (pp. 16 and 17)	557	557	488
18	Total special funds		2 509	3 937
	INVESTMENTS			
19	(721) Investments in affiliated companies (pp. 20-23)		9 258	17 166
20	(722) Other investments (pp. 24-27)		235	232
21	(723) Reserve for adjustment of investment in securities—Credit (p. 19, Instruction 9)			
22	Total investments (accounts 721, 722 and 723)		9 493	17 398
	PROPERTIES			
23	(731) Road and equipment property: Road		38 851	34 985
24	Equipment		258 389	231 193
25	General expenditures		137	137
26	Other elements of investment		(2 925)	(2 925)
27	Construction work in progress		11 816	6 863
28	Total (pp. 30-32)		306 268	270 253
29	(732) Improvements on leased property: Road		171	171
30	Equipment		151	105
31	General expenditures			
32	Total (pp. 30-32)		322	276
33	Total transportation property (accounts 731 and 732)		306 590	270 529
34	(735) Accrued depreciation—Road and equipment (pp. 36 and 38)		(23 051)	(9 649)
35	(736) Amortization of defense projects—Road and Equipment (p. 39)			
36	Recorded depreciation and amortization (accounts 735 and 736)		(23 051)	(9 649)
37	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		283 539	260 880
38	(737) Miscellaneous physical property (pp. 44 and 45)		415	1 178
39	(738) Accrued depreciation - Miscellaneous physical property (pp. 44 and 45)		(9)	(8)
40	Miscellaneous physical property less recorded depreciation (account 737 less 738)		406	1 170
41	Total properties less recorded depreciation and amortization (line 37 plus line 40)		283 945	262 050
	OTHER ASSETS AND DEFERRED CHARGES			
42	(741) Other assets (p. 46)		3 161	5 230
43	(742) Unamortized discount on long-term debt			
44	(743) Other deferred charges (p. 46)		3 438	

2001. COMPARATIVE GENERAL BALANCE SHEET--LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
47	(751) Loans and notes payable (p. 55)		\$	\$
48	(752) Traffic, car service and other balances-Cr.			1 677
49	(753) Audited accounts and wages payable		15 675	13 055
50	(754) Miscellaneous accounts payable		1 915	1 880
51	(755) Interest matured unpaid		1 531	19
52	(756) Dividends matured unpaid		5	7
53	(757) Unmatured interest accrued		2 811	4 822
54	(758) Unmatured dividends declared			
55	(759) Accrued accounts payable (p. 55)		53 500	44 063
56	(760) Federal income taxes accrued (p. 56)			
57	(761) Other taxes accrued (p. 56)		10 282	9 004
58	(763) Other current liabilities (p. 55)		2 005	1 152
59	Total current liabilities (exclusive of long-term debt due within one year)		87 724	75 679
LONG-TERM DEBT DUE WITHIN ONE YEAR				
60	(764) Equipment obligations and other debt (pp. 48-51)	(a1) Total issued 22,012	(a2) Held by or for respondent 22 012	20 906
LONG-TERM DEBT DUE AFTER ONE YEAR				
61	(765) Funded debt unmatured	(a1) Total issued 127,067	(a2) Held by or for respondent 21,297	114 374
62	(766) Equipment obligations	134,055	134 055	122 853
63	(767) Receivers' and Trustees' securities	(pp. 48-51)		
64	(768) Debt in default			
65	(769) Amounts payable to affiliated companies (p. 54)		14 364	15 280
66	Total long-term debt due after one year		254 189	252 507
RESERVES				
67	(771) Pension and welfare reserves (p. 57)		7 614	7 851
68	(772) Insurance reserves (p. 57)			
69	(774) Casualty and other reserves (p. 57)		9 192	9 198
70	Total reserves		16 806	17 049
OTHER LIABILITIES AND DEFERRED CREDITS				
71	(781) Interest in default (p. 50)			
72	(782) Other liabilities (p. 57)		2 273	2 858
73	(783) Unamortized premium on long-term debt			
74	(784) Other deferred credits (p. 57)		3 385	2 365
75	(785) Accrued depreciation--Leased property (p. 37)		18	1
76	Total other liabilities and deferred credits		5 676	5 224
SHAREHOLDERS' EQUITY				
<i>Capital stock (Par or stated value)</i>				
77	(791) Capital stock issued: Common stock (p. 59)	(a1) Total issued 3,641	(a2) Held by or for company 3 641	3 641
78	Preferred stock (p. 59)			
79	Total		3 641	3 641
80	(792) Stock liability for conversion (p. 60)			
81	(793) Discount on capital stock			
82	Total capital stock		3 641	3 641
<i>Capital surplus</i>				
83	(794) Premiums and assessments on capital stock (p. 61)			
84	(795) Paid-in surplus (p. 61)		1	1
85				

200. COMPARATIVE GENERAL BALANCE SHEET-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 entities have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (Dollars in thousands)

1. Show hereunder the estimated accumulated tax reductions realized during current and prior years under Section 168 (formerly Section 124-A) and under Section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities and also depreciation deductions resulting from the use of the new guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation. The amount to be shown in each case is the net accumulated reductions in taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. Also, show the estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962. In the event provision has been made in the accounts through appropriations of surplus or otherwise for the contingency of increase in future tax payments, the amounts thereof and the accounting performed should be shown.

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under Section 168 (formerly Section 124-A) of the Internal Revenue Code \$ None

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ (A)

— Accelerated depreciation since December 31, 1953, under Section 167 of the Internal Revenue Code.

— Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

— Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(c)(i) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$ None

(ii) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 784, other deferred credits, at beginning of year \$ None

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$ None

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$ (None)

Other adjustments (indicate nature such as recapture on early disposition) \$ None

Total deferred investment tax credit in account 784 at close of year \$ None

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code \$ None

(A) See footnote to Schedule 350 on Page 82

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investments since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code \$

2. Amount of accrued contingent interest on funded debt recorded in the balance sheet:

Description of obligation	Year accrued	Account No.	Amount
CGW General Income Bonds	1973	757-01	\$123
			\$ 123

Continued on following page

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES—Continued

3. As a result of dispute concerning the recent increase in per diem rates for use of freight cars interchanged, settlement of disputed amounts has been deferred awaiting final disposition of the matter. The amounts in dispute for which settlement has been deferred are as follows:

Item	Amount in dispute	As recorded on books		Amount not recorded	
		Account Nos.			
		Debit	Credit		
Per diem receivable	\$ _____	_____	_____	\$ _____	
Per diem payable	_____	_____	_____	_____	
Net amount	\$ <u>None</u>	X X X X X X X X	X X X X X X X X	\$ <u>None</u>	

4. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts \$ 1,653

5. 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 \$ 12,000

6. (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: Current provision includes normal cost and interest on unfunded prior service cost per actuarial computations. This is 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. \$ 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 _____

(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

7. Effective June 1, 1972, the Company purchased substantially all of the transportation assets of the former Chicago and North Western Railway Company in consideration of the assumption of liabilities including \$19,040 of bonded indebtedness payable to the Chicago and North Western Railway Company over a 20 year period. The transaction was approved by the Interstate Commerce Commission in F.D. 26371.

8. Respondent carries a service interruption policy and a supplemental service interruption policy with the Imperial Insurance Company Limited under which it is entitled to a daily indemnity of up to \$557 for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, Respondent may be obligated to pay additional premiums, subject to a maximum annual premium of twenty times such daily indemnity.

9. Pursuant to the agreement covering the purchase of assets by the Company, cash dividends cannot be paid during the first five years from date of the purchase and, for the next succeeding five years, after certain other conditions are met, may not exceed 8% of capital paid to the Company in cash.

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES-Continued

10. Accounts do not include an estimated \$203 receivable for extended incentive per diem which was suspended for the period from May 1 through August 31, 1973.

11. On August 1, 1973, Respondent sold its 50% stock interest in the Alton & Southern Railway Company (A&S) to St. Louis Southwestern Railway Company (Cotton Belt) at its cost, \$8,000. The Congress of Railway Unions has filed a suit, seeking to invalidate certain of the operating agreements entered into by Cotton Belt with respect to the A&S. Respondent has granted Cotton Belt an option to require the Company to repurchase the A&S stock for \$8,000, exercisable only if, as a result of that court action, those operating agreements are not permitted to operate substantially in accordance with their terms.

12. Effective January 24, 1974, the number of authorized shares of Class A stock was reduced from 300,000 to 150,000 and the remaining shares were split 60 for 1. On the same date, the Company made effective a new offering in which certain eligible stockholders could apply to sell and eligible purchasers could subscribe to purchase shares of stock. The offering terminated on February 22, 1974. The number of shares subscribed for exceeded the number sold by original shareholders by 69,736 shares which have been issued by the Company. This transaction was approved in I.C.C. F.D. No. 27402.

13. The Company, along with various other railroads, is defending three proceedings filed by the REA Express, Inc. (REA). The suits, seeking damages from all defendants, are premised on the allegation that REA was controlled by various railroads which were stockholders (including the Company's predecessors) from 1929 to 1969. It is management's opinion that either the suits have little merit or that ultimate settlement should not have a material adverse effect on the financial position of the Company.

14. The Company has agreed to maintain a Contingency Fund of up to \$15,000 derived from certain specified sources until June 1, 1977. This Fund consisted of temporary cash investments of \$15,000 at December 31, 1973 and \$7,700 at December 31, 1972 which are available for use in extraordinary circumstances should adversely affect the Company's ability to render proper transportation services. During this period the Company is entitled to the unrestricted use of the income from the Fund and may withdraw amounts from the Fund with the written consent of Northwest Chemco, Inc., the Company's predecessor. The Interstate Commerce Commission has the power to review Chemco's action with respect to the Contingency Fund and to order release of funds on such terms as it finds necessary.

201. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

Give brief description for each item or class of items of like description in accounts Nos. 702, "Temporary cash investments"; 703, "Special deposits"; 704, "Loans and notes receivable"; 709, "Accrued accounts receivable"; 711, "Prepayments"; and 713, "Other current assets," at the close of the year. Show description of the temporary cash investments, the names of depositaries for the special deposits, the character of loans and notes, with name of debtor (or class of debtors), dates of issue and maturity, and appropriate description for each class of accrued accounts receivable and for the other current assets. Show

the three largest items in each account regardless of the dollar amount, and all other items (or the aggregate of a class of items of like description, amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in schedule 200A. 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.

Line No.	Account No. (a)	Item (b)	(Dollars in Thousands)	Amount (c)
	702	<u>TEMPORARY CASH INVESTMENTS</u>		\$
1		U. S. Government Treasury Bills		3 469
2		Certificates of Deposit		22 000
3		Interest Bearing Note		500
4		Discount Note		995
5				26 964
6	703	<u>SPECIAL DEPOSITS</u>		
7		Contingency Fund		
8		1st Wisconsin National Bank of Milwaukee		1 000
9		1st National Bank of Chicago		7 000
10		Continental Illinois National Bank of Chgo.		7 000
11		Deposits for Employee U. S. Savings Bonds-Fed. Resv. Bk. of Chgo.		138
12		Deposits for Matured Bond Interest		
13		Irving Trust Company of New York		19
14		Morgan Guarantee Trust Co. of New York		3
15		Other items, each less than \$250,000		16
16				15 176
17	704	<u>LOANS AND NOTES RECEIVABLE</u>		
18		Home Equity Loans to Transferred Employees		123
19	709	<u>ACCRUED ACCOUNTS RECEIVABLE</u>		
20		Miscellaneous Accrued Accounts Receivable		575
21		Expenditures not Billed		356
22		Current Portion of Agents Relief Claims		350
23		Accrued Freight Recheck Receivable		1 700
24		Accrued Freight and Passenger Car Repairs Receivable		916
25		Accrued Receivable for Services Rendered		333
26		Freight Car Per Diem Receivable-Estimated		5 034
27		Freight Car Per Diem Reclaims Receivable-Estimated		1 861
28		Other Car Mileage and Per Diem Receivable-Estimated		1 652
29		Incentive Per Diem Receivable-Estimated		1 744
30		Incentive Per Diem Reclaim Receivable-Estimated		378
31		Taxes Collectible from Lessees and Others		490
32		Accrued Miscellaneous Revenue		327
33		Accrued Demurrage Revenue		1 578
34		Accrued Switching Revenue		879
35		Accrued Passenger Revenue		1 642
36		Other items, each less than \$250,000		306
37				20 121
38	711	<u>PREPAYMENTS</u>		
39		Prepaid Insurance Premium		196
40		Prepaid Equipment Lease Rental		144
41				340
42	713	<u>OTHER CURRENT ASSETS</u>		
43		Advances on Freight in Transit		52

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS

Give the particulars called for with respect to reserve funds included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds."

Except for deposits held by trustees for proceeds from sale of mortgaged properties, unspent proceeds from sale of equipment obligations, or the value of cars destroyed pledged under equipment financing obligations, which may be reported in total for each category, the designation of the individual fund as carried in the respondent's records should be

entered in Column (b). The entry should indicate the kind of fund, such as sinking, capital, property insurance, pension or relief; the rate of interest, if any; and the date of maturity.

Show the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount, and all other funds where the amount reportable in Columns (d), (e), (f) or (g) is \$250,000, or more. Each fund amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000".

Line No.	Account No.	Name, kind, and purpose of fund	Name of trustee or depository
	(a)	(b)	(c)
1	715	SINKING FUNDS FOR REDEMPTION OF BONDS	
2		Collateral Trust-CGW	First National Bank of Chicago
3		Other items, each less than \$250,000	
4		Total Account 715	
5	716	DEPOSITS FOR DESTROYED OR RETIRED EQUIPMENT	
6		Deposits for destroyed equipment	Various Banks
7			
8	716	DEPOSITS FOR INCENTIVE PER DIEM FUND	
9		Incentive Per Diem Fund	First National Bank of Chicago
10			
11	716	DEPOSITS FOR CONSTRUCTION	
12		Construction Fund for Escanaba Dock and Facilities	First National Bank of Chicago
13			
14	716	DEPOSITS FOR CAPITAL FUNDS	Various Banks
15		Total Account 716	
16			
17	717	SERVICE INTERRUPTION INSURANCE	
18		DEPOSITS	Barclay's Bank International Limited, Cayman Is.
19			
20			
21			
22			
23			
24			
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26			
27			
28			
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39			
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41			

¹Includes income of \$ _____ earned on earmarked incentive per diem funds.

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS—Concluded

Insert totals separately for each account. Such totals of columns (g) and (i) should be the same as those stated in short columns (a₁) and (a₂), respectively, in the comparative general balance sheet statement. Entries in column (g) should be the sums of corresponding entries in columns (d) and (e), less those shown in column (f), and the sum of entries in columns (h), (i), and (j) should equal those in column (g).

All conversions of cash into securities, or vice versa, shall be treated as withdrawals from the fund in column (f) and as additions to the fund in

column (e).

Funds representing net credit balances of earmarked incentive per diem should be reported separately for each year. The amount of income earned on these funds should be reported in footnote to this schedule.¹ Wholly owned Canadian subsidiary lines should subdivide the earmarked funds between monies received from Canadian parent companies as a result of incentive charges and the carrier's own credit balances.

(Dollars in thousands)

Balance at beginning of year—Book value (d)	Additions during the year—Book value (e)	Withdrawals during the year—Book value (f)	Balance at close of year—Book value (g)	Assets in Funds at Close of Year			Line No.
				Cash (h)	Book value Securities issued or assumed by respondent (i)	Other securities and invested assets (j)	
\$							
2			2	2			1
1			1	1			2
3			3	3			3
							4
							5
1 196	1 983	1 838	1 341	1 126		215	6
							7
							8
1 039	234	871	402	402			9
							10
							11
							12
1 210		1 005	205	205			13
							14
1			1	1			15
3 446	2 217	3 714	1 949	1 734		215	16
							17
							18
							19
488	69		557	557			20
							21
							22
							23
							24
							25
							26
							27
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NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 205 AND 206

1. Schedules 205 and 206 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 as investments including obligations of the United States, of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. 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. These investments should be subdivided to show the book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722 "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the book value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

3. 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:

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

5. 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.

6. By carriers, as the term is here used, 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.

7. Noncarrier companies should, for the purposes 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.

8. 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.

9. Any balance in account 723, Reserve for adjustment of investment in securities - Credit, shall be disclosed by footnote to the securities against which such reserves were established.

10. Show dollars in thousands.

NOTES AND REMARKS

205. INVESTMENTS IN 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 and other reserve funds"; 721, "Investments in affiliated companies"; and 717, "Insurance and other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 19, 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 ____". In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR		

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in 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. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (h) inclusive. If the cost of any investment made during the year differs from the book value report-

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited	

205. INVESTMENTS IN AFFILIATED COMPANIES--Concluded

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
In sinking, insurance, and other funds (h)	Total book value (i)						
\$	\$	\$	\$	\$	%	\$	
Other parties and particulars of joint control are as follows: (Continued)							47
							48
							49
							50
(h)	Atchison, Topeka & Santa Fe Ry. Co.				Ownership of capital stock		51
	Baltimore & Ohio RR. Co.		</				

206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and 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.

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 19, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and

(c). Investment in U. S. Treasury obligations may be reported as one item.

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 designa-

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	INVESTMENTS AT CLOSE OF YEAR	

206. OTHER INVESTMENTS—Continued

tion mature 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.

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

7. Particulars of investments made, disposed of, or written down during the year should be given in columns (i) and (k). If the cost of any investment made during the year differs from the book value reported in

column (i), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)						

206. OTHER INVESTMENTS—Continued

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	INVESTMENTS AT CLOSE OF YEAR			
					Book Value of Amount at Close of Year			
					Pledged		Unpledged	
	(a)	(b)	(c)	(d)				
					\$		\$	
47								
48								
49								
50								
51								
52								
53								

109. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER 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 Part 1 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	B-3	United States Treasury Obligations	\$ 49	\$ 187
2	D-3	Certificates of Deposit	3 000	3 000
3	D-3	Certificates of Deposit		450
4	D-3	Investment in Commercial Paper		296
5				
6				
7				
8				
9				
10				
11				
12				
13				
14			</	

209. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES—Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedules 104A, 104B, and 205, 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 instructions 3 and 4, page 19.

(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR				Names of subsidiaries in connection with things owned or controlled through them	Line No.
Book value (e)		Selling price (f)			
\$	178	\$	180	North Western Leasing Company	1
				North Western Leasing Company	2
	450		457	NW Railquip, Inc.	3
	296		300	NW Railquip, Inc.	4
					5
					6
				</	

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

Line No.	Account (a)	(Dollars in thousands) (b)	Balance at beginning of year (c)	Expenditures during the year for original road and equipment, and road extensions (d)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (e)
1	(1) Engineering	\$ 225	\$	\$	
2	(2) Land for transportation purposes	14,516			
3	(2 1/2) Other right-of-way expenditures	7			
4	(3) Grading	1,957			
5	(5) Tunnels and subways	13			
6	(6) Bridges, trestles, and culverts	2,246			
7	(7) Elevated structures				
8	(8) Ties	1,399			
9	(9) Rails	7,364			
10	(10) Other track material	1,719			
11	(11) Ballast	774			
12	(12) Track laying and surfacing	1,074			
13	(13) Fences, snowsheds, and signs	114			
1					

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 32)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year (i)	Balance at close of year (j)	Line No.
Made on owned property (e)	Made on leased property (f)	Owned property (g)	Leased property (h)			
\$ 25	\$	\$ (2)	\$	\$ 23	\$ 248	1
(295)		(1,407)		(1,702)	12,814	2
					7	3
116		(2)		114	2,071	4
					13	5
443		(2)		441	2,687	6
						7
61		(5)		56	1,455	8
124		(16)		108	7,472	9
383		(4)		379	2,098	10
361						

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 211 ON PAGES 30 and 31

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. 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 (h), inclusive. Column (j) is the aggregate of columns (b) to (h), inclusive. Grand totals of columns (b) and (j) 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 (f), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) show particulars for improvements made on property held under lease or other form of long-term contract and not charged to the owning company.

6. In columns (g) and (h) should be entered all credits representing property sold, abandoned, or otherwise retired.

7. 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

211A. 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				

211C. 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 account No. 509.

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, 2-1/2, 3, 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.

Line No.	Account (a)	(Dollars in thousands)		DE
----------	----------------	------------------------	--	----

211D. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 211F for the reserve relating to road and equipment owned but not used by the respondent.) If any entries are

made for "Other credits" or "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."

2. 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.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on Page 28.

(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)	

211E. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Give full particulars called for hereunder with respect to credits and debits to account No. 785, "Accrued depreciation—Leased property," during the year relating to road and equipment leased from others, the depreciation charges for which are includible in operating expenses of the respondent.

2. Show in column (c) amounts which were charged to operating expenses, and in column (f) show payments made to the lessor in settlement thereof. A full explanation should be given of all entries in columns (d) and (f).

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. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 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.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE During the Year		Retirements (e)		Other debits (f)	
----------	----------------	-------------------------------------	--	---------------------------------------	--	--------------------	--	---------------------	--

211F. DEPRECIATION RESERVE—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 account No. 509.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," 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 211D 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 column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

(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 others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(2-						

211G. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Accrued amortization of defense projects—Road and Equipment" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the

year and all credits and debits during the year in reserve account No. 736, "Accrued amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000 or more, or by single entries as "Total road" in line 22. If reported by projects, each project should be briefly described, stating

kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				RESERVE			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
	ROAD:	\$	\$	\$	\$	\$</			

NOTES AND REMARKS

2111. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

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

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment, adopted by the Association of American Railroads; and should include physical characteristics requested by Schedule 417; 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, LO; Steel boxcars—special service, XAP, etc.; for TOFC/COFC show type of equipment as enumerated in Schedule 417, lines 74-84 and type of construction.

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 reportable in columns (c), (e), (p), and (r) of schedule 417, showing returns for new units in the upper section of this schedule and showing returns for rebuilt units acquired and rebuilt units rewritten into respondent

Notes relating to Schedule 211-N-1

Exclusions from Line 1:

\$6 for yard tracks and other facilities leased to the Railway Transfer Company of the City of Minneapolis and included in Line 4.

\$13 for yard tracks and switching tracks

Line 8 represents 2.45 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 -

Improvements on Leased Property Line 1:

Improvements on Leased General Offices - Riverside Plaza Building

\$162

A.T.C. - A.T.S. Equipment and Traction Motor Covers on leased Locomotives

60

Loading Equipment in leased cars

89

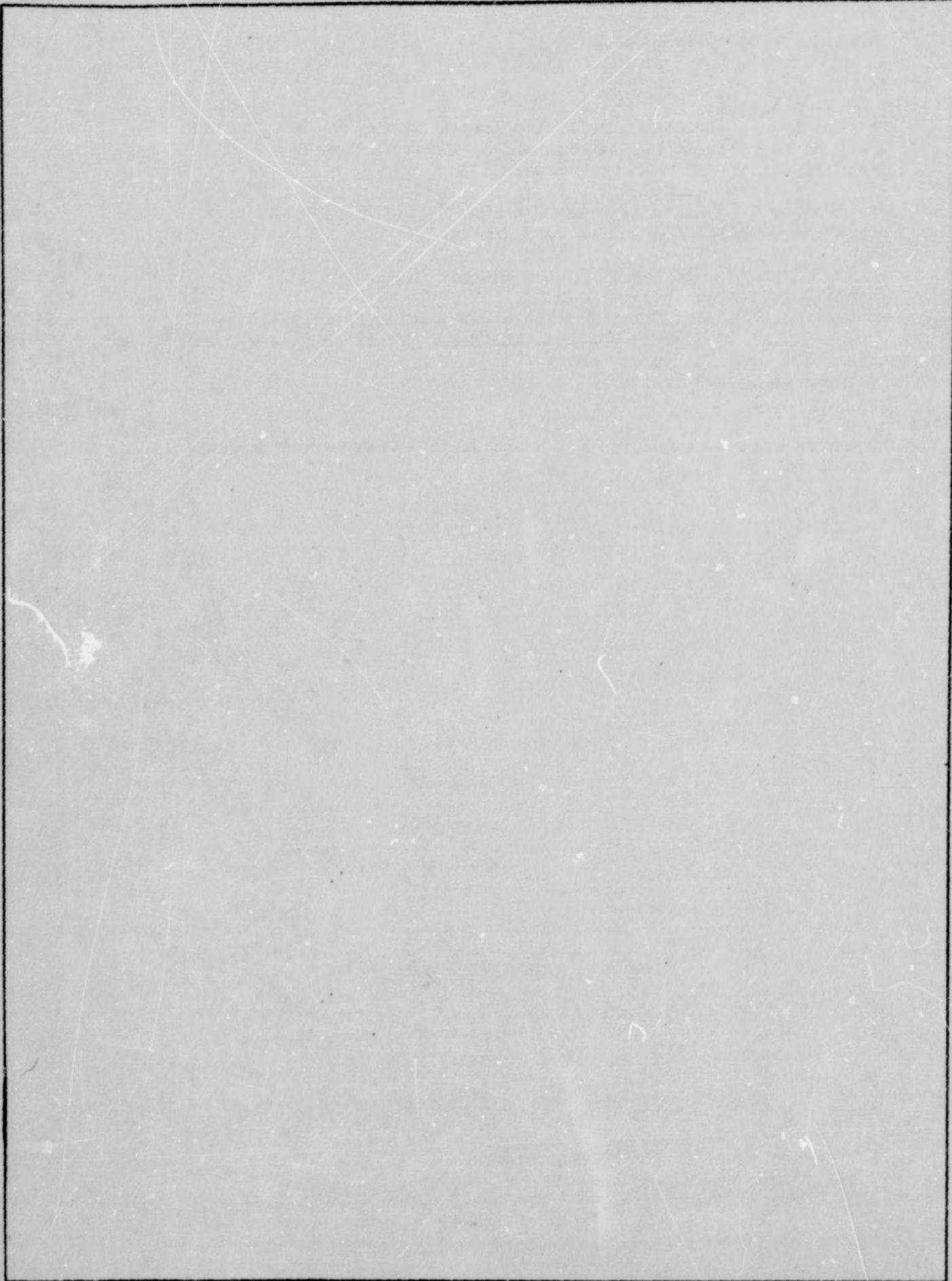
Meat Hooks in Leased Trailers

2

Line 5:

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

8



211N-2. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE—Continued

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 53 herein, should correspond with the amount for respondent and with the aggregate amounts for each class of company and properties shown on schedule 211N-1 on page 42. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.

3. Report on line 35 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 under "Notes and Remarks," page 40.

4. Report on line 36 amounts not includable in the accounts shown, or in line 35. The items reported should be briefly identified and explained under "Notes and Remarks," page 40. 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.

Line No.	Account (a)	Respondent (b)	Lessor railroads (c)	Inactive (proprietary) companies (d)	Other leased properties (e)
		\$	\$	\$	\$
1	(1) Engineering	247	1		1
2	(2) Land for transportation purposes	12 813	1		

214. MISCELLANEOUS PHYSICAL PROPERTY

1. Give particulars of all investments of the respondent in physical property includible in account No. 737, "Miscellaneous physical property," together with the revenue, income, expenses, taxes, and depreciation data on such property, as requested.

2. Show in column (a) a description and location of the physical property, and, if operated, the kind of business in which engaged, stating whether the respondent's title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained. Each item of property investment amounting to \$1,000,000 or more should be separately stated and each item whose net profit or net loss for the year (as per column (i), regardless of amount of investment) is \$50,000 or more should also be separately stated. All other

items may be combined in a single entry designated "All other items."

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

4. If any property investment includible in this schedule, amounting to \$250,000 or more, was disposed of during the year, give particulars in a footnote.

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)				Balance at close of year (See ins. 3) (e)	
		Year of acquisition (b)	Charges during the year (c)				

214. MISCELLANEOUS PHYSICAL PROPERTY—Continued

5. In section B include in column (f) the gross amount of revenue or income included in accounts 502 and 511, in column (g) the gross amount of expenses (including depreciation) charged to accounts 511 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).

6. 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 502, 511, 534, 535, and 544, of such accounts in Schedule 300, "Income Account for the Year," should be explained in a footnote.

7. In section C give an analysis of account 738, "Accrued depreciation—Miscellaneous physical property," 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.

8. 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. (Dollars in thousands)

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 502, 511, 534, 535 AND 544 DURING THE YEAR					C. DEPRECIATION RESERVE (ACCOUNT 738)						
Revenues or income (f)	Expenses (g)	Taxes (

216. OTHER ASSETS AND DEFERRED CHARGES

Give description and particulars for each item or class of items of like description in accounts Nos. 741, "Other assets," and 743, "Other deferred charges," at the close of the year. Show debtor (or class of debtors) for deferred assets and appropriate description for items or class of items of deferred charges. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items of like description amounting to less than \$250,000 may be com-

bined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200A. 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	741	OTHER ASSETS	
2		Estimated Salvage on Retirements Pending	413
3		Uncollected Tariff Charges-Law Department	639
4		Accrued Freight Recheck	1 267
5		Insurance Recovery Receivable	300
6		Other items, each less than \$250,000	542
7			3 161
8			
9	743	OTHER DEFERRED CHARGES	
10			

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 218 ON PAGES 48, 49, 50 AND 51

Give particulars of the various issues of securities in accounts Nos. 765, "Funded debt unmatured," 768, "Debt in default," 767, "Receivers' and trustees' securities," 766, "Equipment obligations," and 764, "Equipment obligations and other debt due within 1 year," at the close of the year, together with interest accrued and interest paid during the year and total amount of matured interest in default. Include receipts outstanding for funded debt with their respective issues. List entries under captions of account numbers and titles, and insert total for each account.

In column (a) show the symbol and name, and account number of each bond or other obligation according to the following designations in the numerical order given, and give a total for each such numerical alphabetical and each numerical group and for each account:

- (1) MORTGAGE BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) COLLATERAL TRUST BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) UNSECURED BONDS (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) EQUIPMENT OBLIGATIONS:
 - (a) Equipment securities (Corporation).
 - (b) Equipment securities (Receivers' and Trustees').
 - (c) Conditional or deferred payment contracts.
- (5) MISCELLANEOUS OBLIGATIONS.
- (6) RECEIVERS' AND TRUSTEES' SECURITIES (Other than equipment obligations).
- (7) SHORT-TERM NOTES IN DEFAULT.

Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "yes" or "

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Total amount nominally and actually issued	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Canceled		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S")	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M")	Unmatured (accounts 765, 766, and 767)	Unmatured (account 764)	Matured and no provision made for payment (account 768)	
(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	
\$ 766			\$ 766	\$ 626		\$ 48	\$ 92		1
									2
1 432 X			1 432	1 432					

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218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR		Line No.	
Purpose of the issue and authority (z)	Par value (aa)	Net proceeds received for issue (cash or its equivalent) (bb)	Expense of issuing securities (cc)	AMOUNT REACQUIRED			
				Par value (dd)	Purchase price (ee)		
	\$	\$	\$	\$	\$	1	
						2	
						3	
						4	
				2 900	979	5	
						6	
				996	699	7	
						8	
						9	
				269	117	10	

