

ANNUAL REPORT 1972 FORM C

511280

DETROIT & MACKINAC RAILWAY CO.

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RAILROAD

Annual Report Form C

(Class II Line-haul and Switching and Terminal Companies)

INTERSTATE
COMMERCE COMMISSION
RECEIVED

APR 2 1973

ADMINISTRATIVE SERVICES
MAIL BRANCH

O.M.B. NO. 60-R099.21

Batch 26

ANNUAL REPORT

OF

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.)

	125001125DETROITMACK 2 CHIEF ACCOUNTING OFFICER DETROIT & MACKINAC RY CO. 120 OAK STREET TAWES CITY, MICH 48763 FORM-C	511280
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TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1972

1125

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.

Page 5A: Comparative General Balance Sheet - Explanatory Notes

Explanatory notes have been revised to reflect the Revenue Act of 1971.

Page 21A: Schedule 1801. Income Account for the Year

Analysis of Federal Income Taxes has been revised to reflect the Revenue Act of 1971.

ANNUAL REPORT

OF

DETROIT AND MACKINAC RAILWAY COMPANY

TAWAS CITY, MICHIGAN

FOR THE

YEAR ENDED DECEMBER 31, 1972

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

(Name) R. S. Shaw (Title) Auditor

(Telephone number) 517 362-3461
(Area code) (Telephone number)

(Office address) 120 Oak St., Tawas City, Michigan 48763
(Street and number, City, State, and ZIP code)

300. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
Detroit and Mackinac Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes. Detroit and Mackinac Railway Company
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
120 Oak Street, Tawas City, Michigan
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President & Genl. Mgr.	E. V. Goodman, Tawas City, Michigan
2	Vice president	
3	Secretary & Treasurer	G. R. McMullen " " "
4	Treasurer	
5	Comptroller or auditor	R. S. Shaw " " "
6	Attorney or general counsel	Clark, Stroup, Brown & MacKenzie Petoskey, Michigan
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief Engineer Valuation	P. J. Beyer, Jr. Tawas City, Michigan
13		

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

Line No.	Name of director (a)	Office address (b)	Term expires (c)
31	Charles A. Pinkerton, Jr.	Tawas City, Michigan	April 29, 1973
32			
33	Charles A. Pinkerton, III	Tawas City, Michigan	April 29, 1973
34	E. V. Goodman	Tawas City, Michigan	April 29, 1973
35	M. F. McCaffrey	Detroit, Michigan	April 29, 1973
36			
37	Paul C. Souder	Saginaw, Michigan	April 29, 1973
38			
39	John S. Clark	Petoskey, Michigan	April 29, 1973
40			

7. Give the date of incorporation of the respondent Dec. 29, 1894 8. State the character of motive power used all Diesel
9. Class of switching and terminal company not applicable
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees under the laws of the State of Michigan, Act. 198, Session Laws of 1893.
11. State whether or not any corporation or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source
None

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing

Reorganization of Detroit, Bay City and Alpena Railroad due to foreclosure of mortgage.

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

350. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as

common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 33, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				STOCKS			Other securities with voting power
				Common	PREFERRED		
	(a)	(b)	(c)	(d)	Second (e)	First (f)	(g)
1	ABBE, FREDERIC E.	189 PARKWAY, WINCHESTER, MASS.	322	322			
2	APPLETON, EARLE B.	Box 1943, BOSTON, MASS.	130	130			
3	BACHE & CO., J. S.	100 GOLD ST., N.Y.	40	0		40	
4	BELIN, J. FRANK & MRS. FLORENCE	2200 DIANA, HALLENDALE, FLA.	30	30			
5	BOWRING, DOUGLAS S.	270 PARK AVE., N.Y., N.Y.	50	50			
6	BROWN & SONS, ALEX	72 WALL ST., N.Y., N.Y.	924	924			
7	COAN, HARRY	627 WASH. ST., BRIGHTON, MASS.	15	15			
8	CUSHMAN, JOHN ULMER	670 ISLAND, PALM BEACH, FLA.	31	19		12	
9	CUSHMAN, PAUL GODFREY	P.O. Bx. 1595, GREENVILLE, S.C.	31	19		12	
10	FELDMAN, RUTH L.	15 SUMNER ST., MILTON, MASS.	18	18			
11	FRIEDLAND, AL	63 PROSPECT AV., HEWLETT, N.Y.	50	50			
12	GOLDEN, ALLAN MARVIN	254 GROVE ST., CHESTNUT HILL, MASS.	10	10			
13	GOLDEN, MRS. EDYTHE J.	6161 N.W. 2ND. AV. BOCA RATON, FLA.	10	10			
14	GOLDEN, DR. LEO	6161 N.W. 2ND. AV. BOCA RATON, FLA.	30	30			
15	HENTZ & CO., H.	72 WALL ST., N.Y., N.Y.	398	398			
16	HIGGINS, FRANCIS DECEASED	GUARANTEE TRUST BLDG, ATL. CITY, N.J.	20	20			
17	HUGHES, MISS MARY	WARD AVE., RUMSON, N. J.	69	0		69	
18	HUGHES, MISS ANNE E.	WARD AVE., RUMSON, N. J.	432	60		372	
19	JOHNSON, MRS. RUTH A.	61 WOODCLIFF, WELLESLEY HILLS, MASS.	29	29			
20	KNIZNICK, SAMUEL	RIVER ST., HAVERHILL, MASS.	15	15			
21	LENER, LOUIS C.	315 GOLFVIEW DR., BOCA RATON, FLA.	276	276			
22	MASSIE, CHARLES A.	32 BROADWAY, N.Y., N.Y.	373	137		236	
23	MASSIE, FRANCIS C.	TAPPAN RD., NORTHVALE, N.J.	335	141		194	
24	MASSIE, MILDRED M.	69 FUHRMAN, RAMSEY, N.J.	1,046	0		1,046	
25	MAZZUCCO, ANTHONY	110 DEKALB, BROOKLYN, N.Y.	112	0		112	
26	MAZZUCCO, ANGELINA ROSE	110 DEKALB, BROOKLYN, N.Y.	30	30		0	
27	NESSON, SAUL	20 WALTHAM, LEXINGTON, MASS.	25	25		0	
28	STRAITS AGGREGATE & EQUIP. CORP.		21,347	14,997		6,350	
29	WHITNEY, MRS. MILLICENT B.	270 PARK AVE., N.Y., N.Y.	50	50			
30	YEAGER, LOUIS	955 FIFTH AVE., N.Y., N.Y.	110	110			

350A. 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.

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 (a) should be restated to conform with the account-

ing requirements followed in column (c). The entries in the short column (b₂) should be deducted from those in column (b₁) in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parenthesis.

Line No.	Balance at beginning of year (a)			Account or Item (b)	Balance at close of year (c)		
CURRENT ASSETS							
1	\$ (	10	171	(701) Cash	\$ (	1 664
2		5	385	(702) Temporary cash investments		8 445	
3		15	000	(703) Special deposits		15 000	
4				(704) Loans and notes receivable			
5				(705) Traffic and car-service balances—Debit			
6		199	273	(706) Net balance receivable from agents and conductors		170 872	
7		188	521	(707) Miscellaneous accounts receivable		112 619	
8				(708) Interest and dividends receivable			
9		215	270	(709) Accrued accounts receivable		184 267	
10		2	706	(710) Working fund advances		2 706	
11		68	214	(711) Prepayments		76 096	
12		160	694	(712) Material and supplies		132 800	
13			72	(713) Other current assets	(	289
14		845	464	Total current assets		700 852	
SPECIAL FUNDS							
				(b ₁) Total book assets at close of year	(b ₂) Respondent's own issues included in (b ₁)		
15				(715) Sinking funds			
16	1	166	795	(716) Capital and other reserve funds	1,163,549	1 163 549	
17				(717) Insurance and other funds			
18	1	166	795	Total special funds		1 163 549	
INVESTMENTS							
19	2	074	354	(721) Investments in affiliated companies (pp. 10 and 11)		1 944 825	
20		56	874	(722) Other investments (pp. 10 and 11)		70 533	
21				(723) Reserve for adjustment of investment in securities—Credit			
22	2	131	228	Total investments (accounts 721, 722 and 723)		2 015 358	
PROPERTIES							
23	10	156	900	(731) Road and equipment property (p. 7)		11 547 301	
24	x x x x x x			Road	\$ 6 178 800	x x x x x x	
25	x x x x x x			Equipment	5 368 501	x x x x x x	
26	x x x x x x			General expenditures		x x x x x x	
27	x x x x x x			Other elements of investment		x x x x x x	
28	x x x x x x			Construction work in progress		x x x x x x	
29				(732) Improvements on leased property (p. 7)			
30	x x x x x x			Road		x x x x x x	
31	x x x x x x			Equipment		x x x x x x	
32	x x x x x x			General expenditures		x x x x x x	
33	10	156	900	Total transportation property (accounts 731 and 732)		11 547 301	
34	3	788	269	(735) Accrued depreciation—Road and Equipment (pp. 15 and 16)		3 638 626	
35				(736) Amortization of defense projects—Road and Equipment (p. 18)			
36	3	788	269	Recorded depreciation and amortization (accounts 735 and 736)		3 638 626	
37	6	368	631	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		7 908 675	
38		277	316	(737) Miscellaneous physical property		294 558	
39				(738) Accrued depreciation—Miscellaneous physical property (p. 19)			
40		277	316	Miscellaneous physical property less recorded depreciation (account 737 less 738)		294 558	
41	6	645	943	Total properties less recorded depreciation and amortization (line 37 plus line 40)		8 203 233	
OTHER ASSETS AND DEFERRED CHARGES							
42		789	543	(741) Other assets		898 584	
43				(742) Unamortized discount on long-term debt			
44		54	058	(743) Other deferred charges (p. 20)		48 632	
45		843	601	Total other assets and deferred charges		947 216	
46	11	933	036	TOTAL ASSETS		13 030 208	

NOTE.—See page 5A for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. 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 (a) should be restated to conform with the account-

ing requirements followed in column (c). The entries in short column (b₁) should reflect total book liability at the close of year. The entries in the short column (b₂) should be deducted from those in column (b₁) in order to obtain corresponding entries for column (c). All contra entries hereunder should be indicated in parenthesis.

Line No.	Balance at beginning of year (a)		Account or item (b)	Balance at close of year (c)	
			CURRENT LIABILITIES		
47	128	000	(751) Loans and notes payable (p. 20)		
48	192	709	(752) Traffic and car-service balances—Credit	110	046
49	63	904	(753) Audited accounts and wages payable	153	015
50	67	609	(754) Miscellaneous accounts payable	48	586
51	5	460	(755) Interest matured unpaid	8	520
52		883	(756) Dividends matured unpaid		883
53	1	697	(757) Unmatured interest accrued	1	550
54	60	442	(758) Unmatured dividends declared		
55	173	030	(759) Accrued accounts payable	212	384
56	36	104	(760) Federal income taxes accrued	83	362
57	17	428	(761) Other taxes accrued	24	664
58	338	087	(763) Other current liabilities	343	997
59	1	085 353	Total current liabilities (exclusive of long-term debt due within one year)	820	283
			LONG-TERM DEBT DUE WITHIN ONE YEAR		
60	60	999	(764) Equipment obligations and other debt (pp. 5B and 8)	171	000
			LONG-TERM DEBT DUE AFTER ONE YEAR		
61	504	000	(765) Funded debt unmatured (p. 3B)	465	000
62	93	335	(766) Equipment obligations (p. 8)	1	416 667
63			(767) Receivers' and Trustees' securities (p. 5B)		
64			(768) Debt in default (p. 20)		
65			(769) Amounts payable to affiliated companies (p. 8)		
66	597	335	Total long-term debt due after one year	1	881 667
			RESERVES		
67			(771) Pension and welfare reserves		
68			(772) Insurance reserves		
69	12	000	(774) Casualty and other reserves	12	000
70	12	000	Total reserves	12	000
			OTHER LIABILITIES AND DEFERRED CREDITS		
71	25	193	(781) Interest in default		
72			(782) Other liabilities	20	767
73			(783) Unamortized premium on long-term debt		
74	177	522	(784) Other deferred credits (p. 24)	99	418
75			(785) Accrued depreciation—Leased property (p. 17)		
76	202	715	Total other liabilities and deferred credits	120	185
			SHAREHOLDERS' EQUITY		
			Capital stock (Par or stated value)		
77	2	643 400	(791) Capital stock issued—Total	2,950,000	2,643,400
78	1	793 200	Common stock (p. 5B)	2,000,000	1,793,200
79	850	200	Preferred stock (p. 5B)	950,000	850,200
80			(792) Stock liability for conversion		
81			(793) Discount on capital stock		
82	2	643 400	Total capital stock		2,643,400
			Capital Surplus		
83	117	213	(794) Premiums and assessments on capital stock (p. 19)		117,213
84			(795) Paid-in surplus (p. 19)		
85	117	213	(796) Other capital surplus (p. 19)		117,213
86			Total capital surplus		117,213
			Retained Income		
87	5	807 988	(797) Retained income—Appropriated (p. 23)	5	820 756
88	1	106 033	(798) Retained income—Unappropriated (p. 22)	1	443 704
89	6	914 021	Total retained income	7	264 460
90	9	674 834	Total shareholders' equity	10	025 073
91	11	633 036	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	13	030 208

NOTE.—See page 54 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

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) the procedure in accounting for pension funds including payments to trustees and recording in the accounts pension costs, indicating whether or not consistent with the prior year, and state the amount, as nearly as practicable, of unfunded past service costs; (2) 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; (3) particulars concerning obligations for stock purchase options granted to officers and employees; and (4) what entries have been made for net income or retained income restricted under provisions of mortgages and other arrangements.

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 ----- \$ 141,888

(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 ----- \$ 76,782

—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 ----- \$ 182,930

(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 ----- \$ _____

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes ----- \$ _____

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual ----- (_____)

Other adjustments (indicate nature such as recapture on early disposition) ----- \$ _____

Total deferred investment tax credit in account 784 at close of year ----- \$ _____

(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

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investment since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code ----- \$ None

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

Description of obligation	Year accrued	Account No.	Amount
_____	_____	_____	\$ _____
_____	_____	_____	\$ _____
_____	_____	_____	\$ <u>None</u>

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	As recorded on books				Amount not recorded
	Amount in dispute	Account Nos.			
		Debit	Credit		
Per diem receivable	\$ 33,382			\$	
Per diem payable	7,059				
Net amount	\$ 26,323	xxxxxx	xxxxxx	\$ None	

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 ----- \$ None

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 ----- \$ None

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment obligations and other debt due within one year" (excluding equipment obligations), and 765, "Funded debt unmatured," at close of the year. Funded debt, as here used, comprises all obligations maturing later than one year after date of issue in accordance with the instructions in the Uniform System of Accounts for Railroad Companies. Show

each issue separately, and make all necessary explanations in footnotes. For the purposes of this report, securities are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. It should be noted that section 20a of

the Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption. Entries in columns (k) and (l) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		Total amount nominally and actually issued	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	Total amount actually issued	Reacquired and held by or for respondent (Identify pledged securities by symbol "P")	Actually outstanding at close of year	INTEREST DURING YEAR	
				Rate percent per annum	Dates due						Accrued	Actually paid
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	First Lien Bonds	5/11 1895	6/11 1995	4	6/1 12/1	\$ 1 500 000		\$ 1 500 000		\$ 323 000	\$ 13 442	\$ 13 610
2	Mortgage Bonds	" "	" "	4	" "	2 500 000		1 250 000		142 000	5 968	6 003
3												
4	TOTAL					4 000 000		2 750 000		465 000	19 410	19 613

Funded debt canceled: Nominally issued, \$ 1,250,000

Actually issued, \$ 1,177,000 First Lien Bonds and \$1,108,000

Purpose for which issue was authorized†

Mortgage Bonds reacquired and canceled

690. CAPITAL STOCK

Give the particulars called for concerning the several classes and issues of capital stocks of the respondent outstanding at the close of the year, and make all necessary explanations in footnotes. For definition of securities *actually issued* and *actually outstanding* see instructions for schedule 670. It should be noted that section 20a of the Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption.

Line No.	Class of stock	Date issue was authorized†	Par value per share	Authorized†	Authenticated	PAR VALUE OF PAR VALUE OR SHARES OF NONPAR STOCK			ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	Total amount actually issued	Reacquired and held by or for respondent (Identify pledged securities by symbol "P")	Par value of par-value stock	SHARES WITHOUT PAR VALUE	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	Number	Book value
11	Common	12/29 1894	\$ 100	2 000 000	2 000 000		\$ 1 793 200		\$ 1 793 200		
12											
13	Preferred	" "	100	1 000 000	950 000		850 200		850 200		
14											

Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ None

Actually issued, \$ 206,800 Common

Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks

None

99,800 Preferred

Purpose for which issue was authorized†

The total number of stockholders at the close of the year was 46

695. RECEIVERS' AND TRUSTEES' SECURITIES

Give particulars of evidences of indebtedness issued and payment of equipment obligations assumed by receivers and trustees under orders of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued*, and *actually outstanding*, see instructions for schedule 670.

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		Total par value authorized†	TOTAL PAR VALUE HELD BY OR FOR RESPONDENT AT CLOSE OF YEAR		Total par value actually outstanding at close of year	INTEREST DURING YEAR	
				Rate percent per annum	Dates due		Nominally issued	Nominally outstanding		Accrued	Actually paid
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
21	NONE										
22											
23											
24											
25											
26	TOTAL										

† By the State Board of Railroad Commissioners, or other public authority, if any, having control over the issue of securities; if no public authority has such control, state the purpose and amounts as authorized by the board of directors and approved by stockholders.

701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes during the year in accounts 731, "Road and equipment property," and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Gross charges during the year should include disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, extensions of old lines, and for additions and betterments. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in columns (c) or (d), as may be appropriate, depending on the nature of the item. Adjustments in excess of \$100,000 should be explained. All changes made during the year should be analyzed by primary accounts.

3. Report on line 35 amounts not includable in the primary road accounts. The items reported should be briefly identified and explained in a footnote on page 6. 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)	Balance at beginning of year (b)		Gross charges during year (c)		Credits for property retired during year (d)		Balance at close of year (e)	
		\$		\$		\$		\$	
1	(1) Engineering.....		252 292		9 306			261 598	
2	(2) Land for transportation purposes.....		9 192					9 192	
3	(2½) Other right-of-way expenditures.....		841 410			1 104		840 306	
4	(3) Grading.....						475	451 222	
5	(5) Tunnels and subways.....		443 608		8 089				
6	(6) Bridges, trestles, and culverts.....								
7	(7) Elevated structures.....								
8	(8) Ties.....		427 913	23 271		17 008		434 176	
9	(9) Rails.....	1 104 675		43 744		39 551	1 108 868		
10	(10) Other track material.....		606 356	12 791		10 909	608 218		
11	(11) Ballast.....		760 021	1 816		990	760 847		
12	(12) Track laying and surfacing.....		527 086	3 843		685	530 243		
13	(13) Fences, snowsheds, and signs.....		113 592				113 592		
14	(16) Station and office buildings.....		405 191	5 067		32 847	377 411		
15	(17) Roadway buildings.....		25 608	1 591			25 199		
16	(18) Water stations.....								
17	(19) Fuel stations.....		11 133				11 133		
18	(20) Shops and enginehouses.....		224 059	7 926		11 154	220 831		
19	(21) Grain elevators.....								
20	(22) Storage warehouses.....								
21	(23) Wharves and docks.....								
22	(24) Coal and ore wharves.....								
23	(25) TOFC/COFC terminals.....								
24	(26) Communication systems.....		69 776	5 531			75 307		
25	(27) Signals and interlockers.....		27 522	3 213		477	30 259		
26	(29) Power plants.....								
27	(31) Power-transmission systems.....		6 387				6 387		
28	(35) Miscellaneous structures.....		641				641		
29	(37) Roadway machines.....		190 507	6 020		40 305	156 222		
30	(38) Roadway small tools.....		10 659				10 659		
31	(39) Public improvements—Construction.....		30 466				30 466		
32	(43) Other expenditures—Road.....								
33	(44) Shop machinery.....		116 023				116 023		
34	(45) Power-plant machinery.....								
35	Other (specify and explain).....								
36	TOTAL EXPENDITURES FOR ROAD.....		6 202 097	132 208		155 505	6 178 800		
37	(52) Locomotives.....		871 988				871 988		
38	(53) Freight-train cars.....	2 825 246		1 707 827		295 151	4 237 922		
39	(54) Passenger-train cars.....								
40	(55) Highway revenue equipment.....								
41	(56) Floating equipment.....								
42	(57) Work equipment.....		184 559	34 593		30 281	188 871		
43	(58) Miscellaneous equipment.....		73 009	7 479		10 768	69 720		
44	TOTAL EXPENDITURES FOR EQUIPMENT.....	3 954 802		1 749 899		336 200	5 368 501		
45	(71) Organization expenses.....								
46	(76) Interest during construction.....								
47	(77) Other expenditures—General.....								
48	TOTAL GENERAL EXPENDITURES.....								
49	TOTAL.....								
50	(80) Other elements of investment.....								
51	(90) Construction work in progress.....								
52	GRAND TOTAL.....	10 156 899		1 882 107		491 705	11 547 301		

801. PROPRIETARY COMPANIES

Give particulars called for regarding each inactive proprietary corporation of the respondent (i. e., one all of whose outstanding stocks or obligations are held by or for the respondent without

any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or

controlling the respondent; but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote.

Line No.	Name of proprietary company (a)	MILEAGE OWNED BY PROPRIETARY COMPANY					Investment in transportation property (accounts Nos. 731 and 732) (g)	Capital stock (account No. 791) (h)	Unmatured funded debt (account No. 765) (i)	Debt in default (account No. 768) (j)	Amounts payable to affiliated companies (account No. 769) (k)
		Road (b)	Second and additional main tracks (c)	Passing tracks, crossovers, and turnouts (d)	Way switching tracks (e)	Yard switching tracks (f)					
1				NONE			\$	\$	\$	\$	\$
2											
3											
4											
5											
6											

901. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of the amounts payable by the respondent to affiliated companies, as defined in connection with account No. 769, "Amounts payable to affiliated companies," in the Uniform System of Accounts for Railroad Companies. If

any such debt is evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and (f) should include interest accruals and interest payments on nonnegotiable debt retired during the year, even though no

portion of the issue remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)			Balance at close of year (d)			Interest accrued during year (e)			Interest paid during year (f)		
		%	\$			\$			\$			\$		
21	NONE													
22														
23														
24														
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26														
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GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 1001 AND 1002

1. Schedules 1001 and 1002 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of other corporations held by respondent at the close of the year specifically as investments, including obligations of the United States, of a State or local government, or of an individual, so held, in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; 722, "Other investments"; and 717, "Insurance and other funds"; investments made, disposed of, or written down during the year; and dividends and interest credited to income. Securities of affiliated companies are reportable in schedule No. 1001, and securities of nonaffiliated companies in schedule No. 1002. 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 par value pledged, unpledged, and held in fund accounts. Under "pledged" include the par 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 par 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. 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, stockyards, express service and facilities, electric railway highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

6. Noncarrier companies should, for the 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.

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

8. In case any adjustments in book values thereof have been made during the year, a detailed statement thereof should be given on page 33 of this form.

9. Classify the securities according to the classification given above, showing the subclass by means of letters and figures in columns (a) and (b). Indicate by means of an arbitrary mark in column (c) 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.

10. Entries in column (c) should show date of maturity of bonds and other evidences of indebtedness. Obligations of the same designation which mature serially may be reported as "Serially 19..... to 19....."

11. For nonpar stock, show the number of shares in lieu of the par value in columns (e), (f), (g), (h), (j), and (l) of schedule No. 1001 and in columns (d), (e), (f), (g), (i), and (k) of schedule No. 1002. In reporting advances, the columns mentioned should be left blank. If any advances are pledged, give particulars in a footnote.

12. If the cost of any investment made during the year differs from the book value reported, explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein.

13. These schedules should not include any securities issued or assumed by respondent.

1001. INVESTMENTS IN AFFILIATED COMPANIES (See page 9 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company and description of security held, also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR										
					PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR										
					Pledged			Unpledged			In sinking, insurance, and other funds		Total par value		
(a)	(b)	(c)	(d)	(e)			(f)			(g)		(h)			
				%	\$			\$			\$		\$		
1	721	A-2	Mackinac Truck Lines	100					25	000				25	000
2	721	A-3	Ottawa Equipment Co.	100					300	000				300	000
3	721	A-3	Lakeshore Terminal	100					50	000				50	000
4															
5	721	E-2	Mackinac Truck Lines	100					28	031					
6	721	E-3	Ottawa Equipment Co.	100					1	566	318				
7	721	E-3	Lakeshore Terminal	100					(	24	524)				
8															
9															
10															

1002. OTHER INVESTMENTS (See page 9 for Instructions)

Line No.	Ac- count No.	Class No.	Name of issuing company or government and description of security held, also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR											
				PAR VALUE OF AMOUNT HELD AT CLOSE OF YEAR											
				Pledged (d)			Unpledged (e)			In sinking, insurance, and other funds (f)			Total par value (g)		
(a)	(b)	(c)	\$			\$			\$			\$			
21	716		Grand Total												
22															
23	722		Grand Total												
24															
25															
26															
27															
28			See Schedule Attached												
29															
30															
31															

Name of Issuing Company & Description				Investment at Close of Year		
				Par Value of Amount Held at Close of Year		
(a)(b)	(c)			IN Sinking Funds	Total Par Val.	Total Book Val.
				(f)	(g)	(h)
716A-1 Other Railroad Stocks:						\$
	G.M.O.	Common Stock	Sh.			
	G.M.O.	" "	Sh.			
	I.C. Industries	Preferred Stock	Sh.	150 NP	150 NP	9280
	Total Railroad Stocks - Par Value					\$ 9280
	Total Railroad Stocks - No Par Shares			Sh.	150 NP	150 NP
716 A-3 Other Stocks:						
	American Cyanamid	Common Stock	Sh.			
	B&W Mtge. & Realty Inv.	" "	Sh.	195 2NP	195 2NP	40172
	Beatrice Food Company	" "	Sh.	1000 NP	1000 NP	26472
	Bluebird, Inc.	" "	Sh.	1000 NP	1000 NP	8276
	B.T.M. Investors	SBI	Sh.			
	Celanese Corporation	Common Stock	Sh.	500 NP	500 NP	29900
	Chase Manhattan Mtg&Rlty	" "	Sh.	980 NP	980 NP	25000
	Cleveland Trust Realty	SBI	Sh.	1500 NP	1500 NP	30000
	Commonwealth Edison	Common Stock	Sh.	800 NP	800 NP	41846
	First Wisconsin Mtge. Inv.	SBI	Sh.	1000 NP	1000 NP	25000
	General Motors	Common Stock	Sh.	300 NP	300 NP	26130
	Gulf Oil Co.	" "	Sh.	500 NP	500 NP	13298
	Illinois Power Co.	" "	Sh.	1000 NP	1000 NP	45704
	M.C.I. Communications Inc.	" "	Sh.	25000 NP	25000 NP	175000
	Michigan National Bank	" "	Sh.	123 NP	123 NP	5276
	MONY Mortgage Investors	SBI	Sh.	2386 NP	2386 NP	24995
	Northern Illinois Gas Co.	Preferred Stock	Sh.			
	Northwestern Mutual Life	SBI	Sh.	2440 NP	2440 NP	50000
	J. C. Penney Co. Inc.	Common Stock	Sh.	500 NP	500 NP	25000
	Pillsbury Mills	" "	Sh.	800 NP	800 NP	36734
	Rlty & Mtge Inv. of Pacific	SBI	Sh.	500 NP	500 NP	10000
	R.J.Reynolds Industries	Common Stock	Sh.			
	SanDiego Gas & Elec. Co.	" "	Sh.	1000 NP	1000 NP	22079
	G. D. Searle & Co.	Preferred Stock	Sh.			
	Southern Natural Gas	Common Stock	Sh.	1000 NP	1000 NP	34360
	Standard Oil of Indiana	" "	Sh.	600 NP	600 NP	29735
	Standard Oil of New Jersey	" "	Sh.	728 NP	728 NP	44889
	State Mutual Investment	SBI	Sh.	146.4 NP	146.4 NP	30000
	Westinghouse Electric	Common Stock	Sh.	600 NP	600 NP	13285
	Total Other Stocks - Par Value					
	Total Other Stocks - No Par Value					\$813151

Investments Made During Year		Investments Disposed of or Written Down During Year			Dividends or Interest During Year	
Par Value (i)	Book Value (j)	Par Value (k)	Book Value (l)	Selling Price (m)	Rate (n)	Amt. to Income (o)
	\$		\$	\$		\$
		Sh. 100 NP	4640	12029		
		200 NP	9280	9280		280
150 NP	9280					128
	\$ 9280		\$13920	\$21309		\$ 408
150 NP		300 NP				
		1000 NP	38734	38994		312
952 NP	20000					2777
						1160
		3923 NP	49994	101637		1883
						1000
380 NP	10000					4485
						2280
						1880
						1860
						1335
						750
						1650
8000 NP	125000					123
						2434
		26 NP	1292	779		12
1190 Sh.	25000					3048
						520
						1168
						500
		1000 NP	45779	70722		624
						1110
		1000 NP	21624	29875		200
						1450
						1741
						2460
15000	15000					2041
						562
	\$195000		\$157423	\$242007		\$39365

Name of Issuing Company & Description			Investment at Close of Year		
			Par Value of Amount Held at Close of Year		
			In Sinking Funds	Total Par Val.	Total Book Val.
(a)	(b)	(c)	(f)	(g)	(h)
716B-3	Other Bonds:		\$	\$	\$
	American Industrial Development Corp.	8-1-1894	500	500	500
	American Industrial Development Corp	5/1500	7500	7500	7500
	American Reserve Corporation	6% 4-1990			
	Baird & Warner Mtg. & Inv. Rlty.	6 3/4% 6-1991			
	Chase Manhattan Mtg. & Rlty.	6 3/4% 1990			
	W. R. Grace	4 1/4% 1990	40000	40000	44171
	Northwestern Mutual Life	6% 1991			
	Pan American Airways	4 1/2% 8-1986	25000	25000	25060
	Realty & Mtg. Inv. of Pacific	6 3/4% 1991	10000	10000	10000
	State Mutual Investment	6 3/4% 1991			
	Trans World Airline	5% 1994			
	Tawas Area Industrial Dev.	6% 9-1971	500	500	500
	Total Other Bonds		83500	83500	\$ 87731
716B-3	Certificates of Deposit				
	Michigan National Bank				
716C-3	Sinking Fund Cash				239830
	Incentive Per Diem				3556
716D-3	Unsecured Notes:				
	Straits Aggregate & Equipment Corp.				6221
	Bay Development Co.				3779
	Total Unsecured Notes				10000
	Grand Total				\$1 163549
722C-3	New England				
	Mutual Life Insurance Co.				\$ 38333
	Equitable Life Insurance Co.				32200
					\$ 70533

Investments Made		Investments Disposed of or			Dividends or Interest	
During Year		Written Down During Year			During Year	
Par Value	Book Value	Par Value	Book Value	Selling Price	Rate	Amt. to Income
(i)	(j)	(k)	(l)	(m)	(n)	(o)
\$	\$					
7500	7500					
		70000	75250	111805		
			20000	Conversion		675
			10000	Conversion		
						1700
		25000	25000	Conversion		750
						1125
						639
		15000	15000	Conversion		1638
			25000	24762		229
						30
<u>\$ 7500</u>	<u>\$ 7500</u>	<u>110000</u>	<u>170250</u>	<u>\$ 136567</u>		<u>6786</u>
			25000	25000		835
	\$188623		47056			
	6221					1885
	<u>3779</u>					<u>250</u>
	10000					2135
	410403		413649			49529

1001. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR			INVESTMENTS MADE DURING YEAR			INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						DIVIDENDS OR INTEREST DURING YEAR			Line No.							
Total book value			Par value			Book value			Par value			Book value*				Selling price	Rate	Amount credited to income				
(i)			(j)			(k)			(l)			(m)				(n)			(o)	(p)		
\$			\$			\$			\$			\$				\$			%	\$		
	25	000																				1
	300	000																				2
	50	000																				3
																						4
	28	031																				5
	1 566	318																				6
	(24	524)																				7
																						8
																						9
																						10

1002. OTHER INVESTMENTS—Concluded

INVESTMENTS AT CLOSE OF YEAR			INVESTMENTS MADE DURING YEAR			INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR						DIVIDENDS OR INTEREST DURING YEAR			Line No.							
Total book value			Par value			Book value			Par value			Book value*				Selling price	Rate	Amount credited to income				
(h)			(i)			(j)			(k)			(l)				(m)			(n)	(o)		
\$			\$			\$			\$			\$				\$			%	\$		
1	163	549																				21
																						22
	70	533																				23
																						24
																						25
																						26
																						27
																						28
																						29
																						30
																						31

*Identify all entries in this column which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

1201. 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.

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedule 1001, as well as those owned or controlled by any other organization or individual whose action respondent is enabled to determine.

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

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made (list on same line in second section and in same order as in first section)	INVESTMENTS AT CLOSE OF YEAR						INVESTMENTS MADE DURING YEAR					
			Total par value			Total book value			Par value			Book value		
			(c)			(d)			(e)			(f)		
			\$			\$			\$			\$		
1														
2														
3														
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Line No.	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR									Names of subsidiaries in connection with things owned or controlled through them
	Par value			Book value			Selling price			
	(g)			(h)			(i)			
	\$			\$			\$			
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
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22										
23										
24										

1302. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 30 and 39 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the com-

posite rates to be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

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

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account No. 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2½, 3, 5, and 39 includes non-depreciable 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)	OWNED AND USED				LEASED FROM OTHERS			
		DEPRECIATION BASE		Annual composite rate (percent) (d)		DEPRECIATION BASE		Annual composite rate (percent) (g)	
		At beginning of year (b)	At close of year (c)			At beginning of year (e)	At close of year (f)		
		\$	\$	%		\$	\$	%	
1	ROAD								
2	(1) Engineering								
3	(2½) Other right-of-way expenditures	9 192	9 192	2.00					
4	(3) Grading								
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts	443 608	451 222	1.95					
7	(7) Elevated structures								
8	(13) Fences, snowsheds, and signs								
9	(16) Station and office buildings	403 191	377 411	1.90					
10	(17) Roadway buildings	23 608	25 199	2.30					
11	(18) Water stations								
12	(19) Fuel stations	11 133	11 133	3.00					
13	(20) Shops and enginehouses	224 059	220 831	2.15					
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(25) TOFC/COFC terminals								
19	(26) Communication systems								
20	(27) Signals and interlockers	27 523	30 259	2.55					
21	(29) Power plants								
22	(31) Power-transmission systems	6 387	6 387	3.60					
23	(35) Miscellaneous structures	641	641	4.00					
24	(37) Roadway machines	190 507	156 222	5.00					
25	(39) Public improvements—Construction	30 466	30 466	2.00					
26	(44) Shop machinery	116 023	116 023	2.10					
27	(45) Power-plant machinery								
28	All other road accounts								
29	Amortization (other than defense projects)								
30	Total road	1 488 338	1 434 986	2.86					
31	EQUIPMENT								
32	(52) Locomotives								
33	(53) Freight-train cars	2 825 246	4 237 922	4.09					
34	(54) Passenger-train cars								
35	(55) Highway revenue equipment								
36	(56) Floating equipment								
37	(57) Work equipment								
38	(58) Miscellaneous equipment	73 009	69 720	11.43					
39	Total equipment	2 898 255	4 307 642	4.50					
40	GRAND TOTAL	4 386 593	5 742 628	3.18					

1303. 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 includable 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 29 and 38 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, 2½, 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)	DEPRECIATION BASE				Annual com- posite rate (percent) (d)
		Beginning of year (b)		Close of year (c)		
		\$		\$		%
1	ROAD					
2	(1) Engineering.....					
3	(2½) Other right-of-way expenditures.....					
4	(3) Grading.....					
5	(5) Tunnels and subways.....					
6	(6) Bridges, trestles, and culverts.....					
7	(7) Elevated structures.....					
8	(13) Fences, snowsheds, and signs.....					
9	(16) Station and office buildings.....					
10	(17) Roadway buildings.....					
11	(18) Water stations.....					
12	(19) Fuel stations.....					
13	(20) Shops and enginehouses.....		NONE			
14	(21) Grain elevators.....					
15	(22) Storage warehouses.....					
16	(23) Wharves and docks.....					
17	(24) Coal and ore wharves.....					
18	(25) TOFC/COFC terminals.....					
19	(26) Communication systems.....					
20	(27) Signals and interlockers.....					
21	(29) Power plants.....					
22	(31) Power-transmission systems.....					
23	(35) Miscellaneous structures.....					
24	(37) Roadway machines.....					
25	(39) Public improvements—Construction.....					
26	(44) Shop machinery.....					
27	(45) Power-plant machinery.....					
28	All other road accounts.....					
29	Total road.....					
30	EQUIPMENT					
31	(52) Locomotives.....					
32	(53) Freight-train cars.....					
33	(54) Passenger-train cars.....					
34	(55) Highway revenue equipment.....					
35	(56) Floating equipment.....					
36	(57) Work equipment.....					
37	(58) Miscellaneous equipment.....					
38	Total equipment.....					
39	GRAND TOTAL.....					XX X

1501. 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 1502 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 red 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 line 29.

Line No.	Account (a)	Balance at beginning of year (b)			CREDITS TO RESERVE DURING THE YEAR		DEBITS TO RESERVE DURING THE YEAR		Balance at close of year (g)		
					Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)			
		\$			\$	\$	\$	\$	\$		
1	ROAD										
2	(1) Engineering		7	642							7 642
3	(2) Other right-of-way expenditures		4	497		184					4 681
4	(3) Grading										
5	(5) Tunnels and subways										
6	(6) Bridges, trestles, and culverts		322	700		8 669					331 369
7	(7) Elevated structures										
8	(13) Fences, snowsheds, and signs		161	116							161 116
9	(16) Station and office buildings		211	824		12 766		31 215			193 375
10	(17) Roadway buildings		16	553		546					17 099
11	(18) Water stations										
12	(19) Fuel stations		8	045		334					8 379
13	(20) Shops and enginehouses		123	925		4 817		10 959			117 783
14	(21) Grain elevators										
15	(22) Storage warehouses										
16	(23) Wharves and docks										
17	(24) Coal and ore wharves										
18	(25) TOFC/COFC terminals										
19	(26) Communication systems		91	588		120					91 708
20	(27) Signals and interlockers		9	871		731					10 602
21	(29) Power plants										
22	(31) Power-transmission systems		2	465		230					2 695
23	(35) Miscellaneous structures			518		12					530
24	(37) Roadway machines		71	131		9 525		31 478			49 178
25	(39) Public improvements—Construction		17	182		609					17 791
26	(44) Shop machinery*		68	186		2 437					70 623
27	(45) Power-plant machinery*										
28	All other road accounts										
29	Amortization (other than defense projects)										
30	Total road	1	117	243		40 980		73 652		1	084 571
31	EQUIPMENT										
32	(52) Locomotives			876 564							876 564
33	(53) Freight-train cars	1	539	871		163 011		280 000		1	422 882
34	(54) Passenger-train cars										
35	(55) Highway revenue equipment										
36	(56) Floating equipment										
37	(57) Work equipment		221	117		22 663		22 663			221 117
38	(58) Miscellaneous equipment		33	474		8 344		8 327			33 491
39	Total equipment	2	671	026		194 018		310 990		2	554 054
40	GRAND TOTAL	3	788	269		234 998		384 642		3	638 625

*Charged to account 2223.

1502. 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 includable in operating expenses of the respondent. (See schedule 1501 for the reserve relating to road and equipment owned and used by the respondent.)

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

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)		
		\$		\$	\$	\$	\$	\$	
1	ROAD								
2	(1) Engineering								
3	(2½) Other right-of-way expenditures								
4	(3) Grading								
5	(5) Tunnels and subways								
6	(6) Bridges, trestles, and culverts								
7	(7) Elevated structures								
8	(12) Fences, snowsheds, and signs								
9	(16) Station and office buildings								
10	(17) Roadway buildings								
11	(18) Water stations								
12	(19) Fuel stations								
13	(20) Shops and enginehouses								
14	(21) Grain elevators								
15	(22) Storage warehouses								
16	(23) Wharves and docks								
17	(24) Coal and ore wharves								
18	(25) TOFC/COFC terminals								
19	(26) Communication systems								
20	(27) Signals and interlockers								
21	(29) Power plants								
22	(31) Power-transmission systems								
23	(35) Miscellaneous structures								
24	(37) Roadway machines								
25	(39) Public improvements—Construction								
26	(44) Shop machinery								
27	(45) Power-plant machinery								
28	All other road accounts								
29	Total road								
30	EQUIPMENT								
31	(52) Locomotives								
32	(53) Freight-train cars								
33	(54) Passenger-train cars								
34	(55) Highway revenue equipment								
35	(56) Floating equipment								
36	(57) Work equipment								
37	(58) Miscellaneous equipment								
38	Total equipment								
39	GRAND TOTAL								

1503. 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 includable 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.

Line No.	Account (a)	Balance at beginning of year (b)		CREDITS TO RESERVE DURING THE YEAR		DEBITS TO RESERVE DURING THE YEAR		Balance at close of year (g)	
				Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)		
1	ROAD	\$		\$		\$		\$	
2	(1) Engineering.....								
3	(2½) Other right-of-way expenditures.....								
4	(3) Grading.....								
5	(5) Tunnels and subways.....								
6	(6) Bridges, trestles, and culverts.....								
7	(7) Elevated structures.....								
8	(13) Fences, snowsheds, and signs.....								
9	(16) Station and office buildings.....								
10	(17) Roadway buildings.....								
11	(18) Water stations.....								
12	(19) Fuel stations.....								
13	(20) Shops and enginehouses.....								
14	(21) Grain elevators.....								
15	(22) Storage warehouses.....			NONE					
16	(23) Wharves and docks.....								
17	(24) Coal and ore wharves.....								
18	(25) TOFC/COFC terminals.....								
19	(26) Communication systems.....								
20	(27) Signals and interlocks.....								
21	(29) Power plants.....								
22	(31) Power-transmission systems.....								
23	(35) Miscellaneous structures.....								
24	(37) Roadway machines.....								
25	(39) Public improvements—Construction.....								
26	(44) Shop machinery*.....								
27	(45) Power-plant machinery*.....								
28	All other road accounts.....								
29	Total road.....								
30	EQUIPMENT								
31	(52) Locomotives.....								
32	(53) Freight-train cars.....								
33	(54) Passenger-train cars.....								
34	(55) Highway revenue equipment.....								
35	(56) Floating equipment.....								
36	(57) Work equipment.....								
37	(58) Miscellaneous equipment.....								
38	TOTAL EQUIPMENT.....								
39	GRAND TOTAL.....								

*Chargeable to account 2223.

1605. 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, "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, "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 28. 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.

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)			
		\$	XX	XX	\$	XX	XX	\$	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX	\$	XX	XX
1	ROAD:	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	
2																								
3																								
4																								
5																								
6																								
7																								
8																								
9																								
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18																								
19																								
20																								
21																								
22																								
23																								
24																								
25																								
26																								
27																								
28	TOTAL ROAD																							
29	EQUIPMENT:	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	XX	
30	(52) Locomotives																							
31	(53) Freight-train cars																							
32	(54) Passenger-train cars																							
33	(55) Highway revenue equipment																							
34	(56) Floating equipment																							
35	(57) Work equipment																							
36	(58) Miscellaneous equipment																							
37	Total equipment																							
38	GRAND TOTAL																							

1607. DEPRECIATION RESERVE—MISCELLANEOUS PHYSICAL PROPERTY

Give particulars of the credits and debits during the year to account No. 738, "Accrued depreciation—Miscellaneous physical property," for each item or group of property for which depreciation was accrued; also the balances at the beginning of the year and at the close of the year in the reserve for each such item or group of property.

Show in column (f) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account. Each item amounting to \$50,000 or more should be stated; items less than \$50,000 may be combined in a single entry designated "Minor items, each less than \$50,000."

Line No.	Item (Kind of property and location) (a)	Balance at beginning of year (b)			Credits during year (c)			Debits during year (d)			Balance at close of year (e)			Rates (percent) (f) %	Base (g)		
		\$			\$			\$			\$				\$		
1																	
2																	
3																	
4																	
5																	
6																	
7																	
8																	
9																	
10																	
11																	
12																	
13																	
14																	
15	TOTAL																

1608. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted, and in column (b) insert the contra account number to which the amount stated in column (c), (d), or (e) was charged or credited.

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.					
			794. Premiums and assessments on capital stock (c)			795. Paid-in surplus (d)		796. Other capital surplus (e)
			\$			\$		\$
31	Balance at beginning of year	x x x				117	213	
32	Additions during the year (describe):							
33								
34								
35								
36								
37	Total additions during the year	x x x						
38	Deductions during the year (describe):							
39								
40								
41								
42	Total deductions	x x x						
43	Balance at close of year	x x x				117	213	

1609. RETAINED INCOME—APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained income—Appropriated."

Line No.	Class of appropriation (a)	Credits during year (b)			Debits during year (c)			Balance at close of year (d)		
		\$			\$			\$		
61	Additions to property through retained income		60	000						
62	Funded debt retired through retained income									
63	Sinking fund reserves									
64	Miscellaneous fund reserves									
65	Retained income—Appropriated (not specifically invested)									
66	Other appropriations (specify):									
67	Capital Fund for earnings									
68			73	873		121	105			
69	from incentive per diem charges									
70										
71	1972									
72										
73										
74	TOTAL		133	873		121	105	5	820	756

1701. LOANS AND NOTES PAYABLE

Give particulars of the various creditors and the character of the transactions involved in the current liability account No. 751, "Loans and notes payable."

List every item in excess of \$100,000, giving the information indicated in the column headings.

For creditors whose balances were severally less than \$100,000, a single

entry may be made under a caption "Minor accounts, each less than \$100,000."

Entries in columns (g) and (h) should include interest accruals and interest payments on loans and notes payable retired during the year, even though no portion of the issue remained outstanding at the close of the year.

Line No.	Name of creditor (a)	Character of liability or of transaction (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Balance at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
1	Minor accounts, each				%	\$	\$	\$ 7 219
2								
3	less than \$100,000							
4								
5								
6								
7								
8								
9								7 219
						TOTAL		

1702. DEBT IN DEFAULT

Give particulars for amounts included in Balance Sheet Account No. 768, "Debt in default," giving particulars for each security outstanding even though the amount be less than \$100,000.

Entries in columns (g) and (h) should include interest accruals and

interest payments on matured funded debt retired during the year, even though no portion of the debt remained outstanding at the close of the year.

Line No.	Name of security (a)	Reason for nonpayment at maturity (b)	Date of issue (c)	Date of maturity (d)	Rate of interest (e)	Total par value actually outstanding at close of year (f)	Interest accrued during year (g)	Interest paid during year (h)
21					%	\$	\$	\$
22								
23		NONE						
24								
25								
26								
						TOTAL		

1703. OTHER DEFERRED CHARGES

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry

designated "Minor items, each less than \$100,000." 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.	Description and character of item or subaccount (a)	Amount at close of year (b)
41	Minor items, each less than \$100,000	\$ 48 632
42		
43		
44		
45		
46		
47		
48		
49		
50		48 632
		TOTAL

1704. OTHER DEFERRED CREDITS

Give an analysis of the above-entitled account as of the close of the year, showing in detail each item or subaccount amounting to \$100,000 or more. Items less than \$100,000 may be combined into a single entry

designated "Minor items, each less than \$100,000." 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.	Description and character of item or subaccount (a)	Amount at close of year (b)
61	Balance of 8-year amortization of amount received	\$ 103 695
62	in excess of book value depreciated of 193 box cars	
63	sold and leased back in year 1967 as per accounting	
64	instructions from ICC 3-7-68, File ACA-E	
65		
66	Incentive Per Diem - ICC Order April 28, 1970	(4 277)
67		
68		
69		99 418
		TOTAL

1801. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies. All contra entries hereunder should be indicated in parentheses.

2. Any unusual accruals involving substantial amounts included in columns (b) and (d) on lines 9 to 63, inclusive, should be fully explained in a footnote.

3. Give the particulars called for on lines 71 to 92, inclusive, with respect to net accruals of taxes on railway property and U.S. Government taxes. Substantial adjustments included in the amounts reported should be explained.

4. On page 21A show an analysis and distribution of Federal income taxes.

Line No.	Item (a)	Amount applicable to the year (b)			Line No.	Item (c)	Amount applicable to the year (d)		
		\$	x x	x x			\$	x x	x x
1	ORDINARY ITEMS		x x	x x	51	FIXED CHARGES		x x	x x
2	RAILWAY OPERATING INCOME		x x	x x	52	(542) Rent for leased roads and equipment (p. 27)		x x	x x
3	(501) Railway operating revenues (p. 23)	3	568	642	53	(546) Interest on funded debt:		x x	x x
4	(531) Railway operating expenses (p. 24)	3	030	511	54	(a) Fixed interest not in default		103	461
5	Net revenue from railway operations		538	131	55	(b) Interest in default		7	219
6	(532) Railway tax accruals		324	104	56	(547) Interest on unfunded debt			
7	Railway operating income		214	027	57	(548) Amortization of discount on funded debt		110	680
8	RENT INCOME		x x	x x	58	Total fixed charges		348	582
9	(503) Hire of freight cars and highway revenue freight equipment—Credit balance		25	654	59	Income after fixed charges (lines 50, 58)			
10	(504) Rent from locomotives			34	60	OTHER DEDUCTIONS		x x	x x
11	(506) Rent from passenger-train cars				61	(546) Interest on funded debt:		x x	x x
12	(506) Rent from floating equipment			6	62	(c) Contingent interest		348	582
13	(507) Rent from work equipment		3	518	63	Ordinary income (lines 59, 62)			
14	(508) Joint facility rent income		29	144	64	EXTRAORDINARY AND PRIOR PERIOD ITEMS		x x x	x x
15	Total rent income				65	(570) Extraordinary items - Net Cr. (Dr.) (p. 21B)		10	363
16	RENTS PAYABLE		x x	x x	66	(580) Prior period items - Net Cr. (Dr.) (p. 21B)			
17	(536) Hire of freight cars and highway revenue freight equipment—Debit balance				67	(590) Federal income taxes on extraordinary and prior period items - Debit (Credit) (p. 21B)		5	099
18	(537) Rent for locomotives				68	Total extraordinary and prior period items - Cr. (Dr.)		5	264
19	(538) Rent for passenger-train cars				69	Net income transferred to Retained Income		343	318
20	(539) Rent for floating equipment					Unappropriated			
21	(540) Rent for work equipment			247	70	ANALYSIS OF ACCOUNT 532, RAILWAY TAX ACCRUALS		x x	x x
22	(541) Joint facility rents			247	71	United States Government taxes:		x x	x x
23	Total rents payable				72	Income taxes		143	682
24	Net rents (lines 15, 23)		28	897	73	Old age retirement		26	419
25	Net railway operating income (lines 7, 24)		242	924	74	Unemployment insurance			
26	OTHER INCOME		x x	x x	75	All other United States taxes		169	501
27	(502) Revenue from miscellaneous operations (p. 24)				76	Total—U.S. Government taxes			
28	(509) Income from lease of road and equipment (p. 27)		33	106	77	Other than U.S. Government taxes:		x x	x x
29	(510) Miscellaneous rent income (p. 25)		6	790	78	Michigan		154	603
30	(511) Income from nonoperating property (p. 26)				79				
31	(512) Separately operated properties—Profit				80				
32	(513) Dividend income		4	692	81				
33	(514) Interest income		49	529	82				
34	(516) Income from sinking and other reserve funds				83				
35	(517) Release of premiums on funded debt				84				
36	(518) Contributions from other companies (p. 27)		146	098	85				
37	(519) Miscellaneous income (p. 25)		240	215	86				
38	Total other income		483	139	87				
39	Total income (lines 25, 38)				88				
40	MISCELLANEOUS DEDUCTIONS FROM INCOME		x x	x x	89				
41	(534) Expenses of miscellaneous operations (p. 24)				90				
42	(535) Taxes on miscellaneous operating property (p. 24)		15	078	91	Total—Other than U.S. Government taxes		154	603
43	(543) Miscellaneous rents (p. 25)		4	875	92	Grand Total—Railway tax accruals (account 532)		324	104
44	(544) Miscellaneous tax accruals								
45	(545) Separately operated properties—Loss								
46	(549) Maintenance of investment organization								
47	(550) Income transferred to other companies (p. 27)		3	924					
48	(551) Miscellaneous income charges (p. 25)		23	877					
49	Total miscellaneous deductions		459	262					
50	Income available for fixed charges (lines 39, 49)								

*Enter name of State.

NOTE.—See page 21B for explanatory notes, which are an integral part of the Income Account for the Year.

1801. INCOME ACCOUNT FOR THE YEAR -- Continued

ANALYSIS OF FEDERAL INCOME TAXES

Line No.	Item (a)	Amount (b)
101	Provision for income taxes based on taxable net income recorded in the accounts for the year -----	\$ 146,421
102	Net decrease (or increase) in tax because of computing book depreciation under Commission rules and computing tax depreciation using the items listed below -----	\$ 92,239
	- Accelerated depreciation under section 167 of the Internal Revenue Code.	
	- Guideline lives pursuant to Revenue Procedure 62-21.	
	X Guideline lives under Class Life System (Asset Depreciation Range) as provided in the Revenue Act of 1971.	
103	Net increase (or decrease) because of accelerated amortization of facilities under section 168 of the Internal Revenue Code for tax purposes and different basis used for book depreciation -----	\$ 0
104	(a) Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit.	
	Flow-through ----- X ----- Deferral -----	
	(b) If flow-through method was elected, indicate net <u>decrease</u> (or increase) in tax accrual because of investment tax credit -----	\$ 28,903
	(c) If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year -----	\$
	Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes -----	()
	Balance of current year's investment tax credit used to reduce current year's tax accrual -----	\$
	Add amount of prior years' deferred investment tax credits being amortized and used to reduce current year's tax accrual -----	\$
	Total decrease in current year's tax accrual resulting from use of investment tax credits -----	\$
105	Net decrease (or increase) because of accelerated amortization of certain rolling stock under section 184 of the Internal Revenue Code and basis use for book depreciation -----	\$
106	Net decrease (or increase) because of amortization of certain rights-of-way investment under section 185 of the Internal Revenue Code -----	\$
	Tax consequences, material in amount, of other unusual and significant items excluded from the income recorded in the accounts for the year or where tax consequences are disproportionate to related amounts recorded in income accounts: (Describe)	
107	Decrease due to elimination for tax purposes of I.C.C. deferred income -----	20,018
108	Decrease in other accruals -----	3,579
109	-----	
110	-----	
111	-----	
112	-----	
113	-----	
114	-----	
115	-----	
116	-----	1,682
117	Net applicable to the current year -----	
118	Adjustments applicable to previous years (net debit or credit), except carry-backs and carry-overs -----	(70,138)
119	Adjustments for carry-backs -----	
120	Adjustments for carry-overs -----	
121	Total ----- Refund due -----	(68,456)
	Distribution:	
122	Account 532 -----	
123	Account 590 -----	(68,456)
124	Other (Specify) ----- Retained earnings - a/c 793 -----	
125	-----	
126	Total -----	(68,456)

NOTE: The amount shown on line 72 should equal line 122; the amount shown on line 121 should equal line 126.

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

The space below is provided for the purpose of disclosing additional information concerning items of income for the current year. Each carrier shall give the particulars of items herein. Enter in separate notes with suitable explanation, amounts included in income accounts in connection with any unusual and material accrual or changeover in accounting practice; and other matters of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles. Minor items which have no consequential effect on net income for the year need not be reported. If carrier

has nothing to report, insert the word "None." The tax consequences of use of accelerated depreciation and tax guideline service lives, the investment tax credit, as well as other unusual and significant tax items and matters, are to be disclosed in the section below Schedule 1801, "Income account for the year," pertaining to the analysis of Federal income taxes. However, the explanation of items included in accounts 570, "Extraordinary items"; 580, "Prior period items"; and 590 "Federal income taxes on extraordinary and prior period items" are to be disclosed below.

1901. RETAINED INCOME--UNAPPROPRIATED

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

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

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

Line No.	Item (a)	Amount (b)		Remarks (c)
	CREDITS	\$		
1	(602) Credit balance transferred from Income (p. 21) -----		343 318	
2	(606) Other credits to retained income† -----		68 456	Net of Federal income taxes \$ <u>None</u>
3	(622) Appropriations released -----		343 318	
4	Total -----		711 774	
	DEBITS			
5	(612) Debit balance transferred from Income (p. 21) -----			
6	(616) Other debits to retained income† -----		(47 232)	Net of Federal income taxes \$ <u>None</u>
7	(620) Appropriations for sinking and other reserve funds -----		60 000	
8	(621) Appropriations for other purposes -----		61 335	
9	(623) Dividends (p. 23) -----		74 103	
10	Total -----		168 567	
11	Net increase during year* -----		397 671	
12	Balance at beginning of year (p. 5)* -----		1 106 033	
13	Balance at end of year (carried to p. 5)* -----		1 443 704	

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

1902. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote. 2. If any obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote. 3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 1901.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)		DATES	
		Regular (b)	Extra (c)				Declared (f)	Payable (g)
31	Preferred	5.00		\$ 850 200	\$ 42 510		12/21/72	1/15/73 to
32	(Unpaid Prior Dividends)			11 700	585		Pd. 3/72	Stockholders
33				861 900	43 095			of record
34								
35								
36	Common	1.00		1 795 200	17 932		12/21/72	2/5/73 to
37	(Unpaid prior Dividends)			30 800	308		Pd. 3/72	Stockholders
38				1 826 000	18 240			of record
39								
40								
41								
42								
43				TOTAL	61 335			

2001. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies. The proportion of joint traffic receipts belonging to other carriers should not be included.
2. Any unusual accruals involving substantial amounts included in columns (b) and (d) should be fully explained in a footnote.

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)			Class of railway operating revenues (c)	Amount of revenue for the year (d)		
		\$	x x	x x		\$	x x	x x
	TRANSPORTATION—RAIL LINE				INCIDENTAL			
1	(101) Freight*		3	383 374	(131) Dining and buffet			
2	(102) Passenger*				(132) Hotel and restaurant			
3	(103) Baggage				(133) Station, train, and boat privileges			
4	(104) Sleeping car				(135) Storage—Freight			
5	(105) Parlor and chair car				(137) Demurrage		126	814
6	(106) Mail				(138) Communication			
7	(107) Express				(139) Grain elevator			
8	(108) Other passenger-train				(141) Power			
9	(109) Milk				(142) Rents of buildings and other property		2	544
10	(110) Switching*			53 415	(143) Miscellaneous		2	495
11	(113) Water transfers				Total incidental operating revenue		131	853
12	Total rail-line transportation revenue			436 789	JOINT FACILITY			
13					(151) Joint facility—Cr			
14					(152) Joint facility—Dr			
15					Total joint facility operating revenue			
16					Total railway operating revenues		3 568	642

*Report hereunder the charges to these accounts representing payments made to others as follows:

- For terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates. \$
- For switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement. \$ 4,290
- For substitute highway motor service in lieu of line-haul rail service performed under joint tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):
 - Payments for transportation of persons. \$
 - Payments for transportation of freight shipments. \$

2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.

2. Any unusual accruals involving substantial amounts included in columns (b) and (d) should be fully explained in a footnote.

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)			Name of railway operating expense account (c)	Amount of operating expenses for the year (d)		
		\$	x x	x x		\$	x x	x x
	MAINTENANCE OF WAY AND STRUCTURES		x x	x x	TRANSPORTATION—RAIL LINE		x x	x x
1	(2201) Superintendence.....	60	234		(2241) Superintendence and dispatching.....	114	345	
2	(2202) Roadway maintenance.....	493	128		(2242) Station service.....	84	762	
3	(2203) Maintaining structures.....	26	390		(2243) Yard employees.....	259	042	
4	(2203½) Retirements—Road.....	28	377		(2244) Yard switching fuel.....	13	669	
5	(2204) Dismantling retired road property.....	1	614		(2245) Miscellaneous yard expenses.....	23	821	
6	(2208) Road property—Depreciation.....	32	717		(2246) Operating joint yards and terminals—Dr.....		69	
7	(2209) Other maintenance of way expenses.....	78	095		(2247) Operating joint yards and terminals—Cr.....	(5	888)	
8	(2210) Maintaining joint tracks, yards, and other facilities—Dr.....		383		(2248) Train employees.....	240	633	
9	(2211) Maintaining joint tracks, yards, and other facilities—Cr.....	(	70		(2249) Train fuel.....	52	285	
10	Total maintenance of way and structures.....	720	868		(2251) Other train expenses.....	158	871	
11	MAINTENANCE OF EQUIPMENT	x x	x x	x x	(2252) Injuries to persons.....	15	834	
12	(2221) Superintendence.....	62	609		(2253) Loss and damage.....	20	947	
13	(2222) Repairs to shop and power-plant machinery.....	1	670		(2254) Other casualty expenses.....	76	022	
14	(2223) Shop and power-plant machinery—Depreciation.....	2	436		(2255) Other rail and highway transportation expenses.....	49	186	
15	(2224) Dismantling retired shop and power-plant machinery.....				(2256) Operating joint tracks and facilities—Dr.....			
16	(2225) Locomotive repairs.....* See Note	142	898		(2257) Operating joint tracks and facilities—Cr.....	(14	382)	
17	(2226) Car and highway revenue equipment repairs.....	286	361		Total transportation—Rail line.....	1	089	216
18	(2227) Other equipment repairs.....	20	830		MISCELLANEOUS OPERATIONS	x x	x x	x x
19	(2228) Dismantling retired equipment.....		56		(2258) Miscellaneous operations.....			
20	(2229) Retirements—Equipment.....				(2259) Operating joint miscellaneous facilities—Dr.....			
21	(2234) Equipment—Depreciation.....	167	646		(2260) Operating joint miscellaneous facilities—Cr.....			
22	(2235) Other equipment expenses.....	61	442		GENERAL	x x	x x	x x
23	(2236) Joint maintenance of equipment expenses—Dr.....		19		(2261) Administration.....	292	402	
24	(2237) Joint maintenance of equipment expenses—Cr.....	(	302		(2262) Insurance.....	5	893	
25	Total maintenance of equipment.....	751	665		(2264) Other general expenses.....	99	994	
26	TRAFFIC	x x	x x	x x	(2265) General joint facilities—Dr.....			
27	(2240) Traffic expenses.....	70	473		(2266) General joint facilities—Cr.....			
28					Total general expenses.....	398	289	
29					GRAND TOTAL RAILWAY OPERATING EXPENSES.....	3	030	511

* Note: Includes Car Repair Bills paid other lines \$135,921

Operating ratio (ratio of operating expenses to operating revenues), 83.92 percent. (Two decimal places required.)

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted.

In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, 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 in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, differences should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held (a)	Total revenue during the year (Acct. 502) (b)			Total expenses during the year (Acct. 534) (c)			Total taxes applicable to the year (Acct. 535) (d)		
		\$			\$			\$		
35										
36										
37	NONE									
38										
39										
40										
41										
42										
43										
44										
45										
46	TOTAL									

2101. MISCELLANEOUS RENT INCOME

Line No.	Description of Property		Name of lessee (c)	Amount of rent	
	Name (a)	Location (b)		(d)	
1	Miscellaneous Items -	A/C 510		\$	33 106
2					
3					
4					
5					
6					
7					
8					
9	TOTAL				33 106

2102. MISCELLANEOUS INCOME

Line No.	Source and character of receipt (a)	Gross receipts (b)			Expenses and other deductions (e)			Net miscellaneous income (d)	
		\$			\$			\$	
21	Miscellaneous Items - a/c 519							1	519
22									
23	Capital Gains							128	329
24									
25	Gains from Company Bonds Purchased							16	250
26									
27									
28									
29	TOTAL							146	098

2103. MISCELLANEOUS RENTS

Line No.	Description of Property		Name of lessor (c)	Amount charged to income	
	Name (a)	Location (b)		(d)	
31	Miscellaneous Items -	a/c 543		\$	15 078
32					
33					
34					
35					
36					
37					
38					
39	TOTAL				15 078

2104. MISCELLANEOUS INCOME CHARGES

Line No.	Description and purpose of deduction from gross income (a)			Amount (b)	
				\$	
41	Miscellaneous Income - a/c 551				3 924
42					
43					
44					
45					
46					
47					
48					
49					
50	TOTAL				3 924

2201. INCOME FROM NONOPERATING PROPERTY

Line No.	Designation (a)	Revenues or income (b)			Expenses (c)			Net income or loss (d)			Taxes (e)	
		\$			\$			\$			\$	
1	Miscellaneous Items		8	278		1	488		6	790		4 875
2												
3												
4												
5												
6												
7												
	TOTAL		8	278		1	488		6	790		4 875

2202. MILEAGE OPERATED (ALL TRACKS)†

Give particulars called for concerning all tracks operated by respondent at the close of the year. Way switching tracks include station, team, industry, and other switching tracks for which no separate switching service is maintained. Yard switching tracks include classification, house, team, industry, and other tracks switched by yard locomotives in yards where separate switching services are maintained. Tracks belonging to an industry for which no rent is payable should not be reported. Switching and Terminal Companies report on line 25 only.

2203. MILEAGE OPERATED—BY STATES

Line Haul Railways show single track only.
Switching and Terminal Companies show all tracks.

Line No.	Line in use (a)	Owned (b)	Proprietary companies (c)	Leased (d)	Operated under contract (e)	Operated under track-age rights (f)	Total operated (g)	State (h)	Owned (i)	Proprietary companies (j)	Leased (k)	Operated under contract (l)	Operated under track-age rights (m)	Total operated (n)
21	Single or first main track	221.59	2				13221.72	2						
22	Second and additional main tracks							Same as Schedule 2202						
23	Passing tracks, cross-overs, and turn-outs							All in Michigan						
24	Way switching tracks	24.56	4				1924.75	4						
25	Yard switching tracks	16.92	7				16.92	7						
26	TOTAL	263.07	3				32263.39	3						
	TOTAL													

2215. Show, by States, mileage of tracks owned but not operated by respondent: First main track, _____; second and additional main tracks, _____; industrial tracks, _____; yard track and sidings, _____; total, all tracks, _____†

2216. Road is completed from (Line Haul Railways only)* _____ Bay City, Michigan _____ to _____ Cheboygan, Michigan _____ Total distance, 195, 10 miles

2217. Road located at (Switching and Terminal Companies only)* _____ Not applicable

2218. Gage of track _____ 4 ft. 8-1/2 in. _____ 2219. Weight of rail 70 to 100 lb. per yard.

2220. Kind and number per mile of crossties _____ Treated Hardwood: 3,016 per mile

2221. State number of miles electrified: First main track, _____; second and additional main tracks, _____; passing tracks, cross-overs, and turn-outs, _____; way switching tracks, _____; yard switching tracks, _____

2222. Ties applied in replacement during year: Number of crossties _____, average cost per tie, \$ 5.88; number of feet (B. M.) of switch and bridge ties, 6,764; average cost per M feet (B. M.), \$ 195.00

2223. Rail applied in replacement during year: Tons (2,000 pounds), 397; weight per yard, 90#; average cost per ton, \$ 110.00

*Insert names of places.

†Mileage should be stated to the nearest hundredth of a mile.

EXPLANATORY REMARKS

2301. RENTS RECEIVABLE
INCOME FROM LEASE OF ROAD AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessee (c)	Amount of rent during year (d)
1				\$
2				
3				
4		NONE		
5				
			Total	

2302. RENTS PAYABLE
RENT FOR LEASED ROADS AND EQUIPMENT

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)
11				\$
12				
13		NONE		
14				
15				
			Total	

2303. CONTRIBUTIONS FROM OTHER COMPANIES

Line No.	Name of contributor (a)	Amount during year (b)
		\$
21		
22		
23		
24	NONE	
25		
26		
	Total	

2304. INCOME TRANSFERRED TO OTHER COMPANIES

Name of transferee (c)	Amount during year (d)
	\$
NONE	
Total	

2305. Describe fully all liens upon any of the property of the respondent at the close of the year, and all mortgages, deeds of trust, and other instruments whereby such liens were created. Describe also all property subject to the said several liens. This inquiry covers judgment liens, mechanics' liens, etc., as well as liens based on contract. If there were no liens of any character upon any of the property of the respondent at the close of the year, state that fact.

NONE

2401. EMPLOYEES, SERVICE, AND COMPENSATION

1. Give particulars of the average number of employees of various classes in the service of the respondent, of service rendered by such employees, and of compensation paid therefor during the year. Employees are to be counted and classified and their service and compensation reported in accordance with the Commission's Rules Governing the Classification of Railroad Employees and Reports of their Service and Compensation, effective January 1, 1951.

2. Averages called for in column (b) should be the average of twelve middle-of-month counts.

3. Pensioners rendering no service are not to be included in the count, nor is any compensation paid them to be included hereunder.

4. If any of the general officers served without compensation or were carried on the payrolls of another company, those facts should be stated in a footnote.

5. If any compensation was paid or is payable under labor awards of the current year, include the amount applicable to the current year in column (d) and show the portion applicable to prior years (back pay) in a footnote, by groups of employees. For purposes of this report, labor awards are intended to cover adjustments resulting from the decisions of Wage Boards and voluntary awards by the respondent incident thereto.

6. This schedule does not include old-age retirement, and unemployment insurance taxes.

Line No.	Classes of employees (a)	Average number of employees (b)	Total service hours (c)	Total compensation (d)	Remarks (e)
					<u>1971 Back Pay</u>
1	TOTAL (executives, officials, and staff assistants)	13	20 770	189 311	
2	TOTAL (professional, clerical, and general)	27	60 756	272 206	1,000
3	TOTAL (maintenance of way and structures)	31	63 843	278 515	1,604
4	TOTAL (maintenance of equipment and stores)	29	60 834	311 188	12,743
5	TOTAL (transportation—other than train, engine, and yard)	9	20 662	98 130	467
6	TOTAL (transportation—yardmasters, switch tenders, and hostlers)	4	9 474	46 095	2,087
7	TOTAL, ALL GROUPS (except train and engine)	113	236 339	1,195 445	22,901
8	TOTAL (transportation—train and engine)	31	91 590	508 105	17,293
9	GRAND TOTAL	144	327 929	1,703 550	40,194

Amount of foregoing compensation (excluding back pay for prior years) that is chargeable to account No. 531, "Railway operating expenses": \$ 1,665,367

2402. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

1. Show hereunder the quantities of the various kinds of fuel consumed by locomotives and motor or other self-propelled rail cars in the service of respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity.

2. The ton of 2,000 pounds should be used.

Line No.	Kind of service (a)	A. LOCOMOTIVES (STEAM, ELECTRIC, AND OTHER)					B. RAIL MOTOR CARS (GASOLINE, OIL-ELECTRIC, ETC.)		
		Diesel oil (gallons) (b)	Gasoline (gallons) (c)	Electricity (kilowatt-hours) (d)	STEAM		Electricity (kilowatt-hours) (g)	Gasoline (gallons) (h)	Diesel oil (gallons) (i)
					Coal (tons) (e)	Fuel oil (gallons) (f)			
31	Freight	475,719							
32	Passenger								
33	Yard switching	124,262							
34	TOTAL TRANSPORTATION	599,981							
35	Work train								
36	GRAND TOTAL	599,981							
37	TOTAL COST OF FUEL*	65,954		XXXX			XXXX		

*Show cost of fuel charged to yard and train service (accounts Nos. 2344 and 2349). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service.

2501. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

Give the name, position, salary, and other compensation, such as bonus, commission, gift, reward, or fee, of each of the five persons named in Sections 5 and 6 of Schedule 300 of this report to whom the respondent paid the largest amount during the year covered by this report as compensation for current or past service over and above necessary expenses incurred in discharge of duties, and in addition, all other officers, directors, pensioners, or employees, if any, to whom the respondent similarly paid \$20,000 or more. If more convenient, this schedule may be filled out for a group of companies considered as one system and shown only in the report of the principal company in the system, with references thereto in the reports of the other companies. Any large "other compensation"

should be explained in a footnote. If salary of an individual was changed during the year, show salary before each change as well as at close of year. If an officer, director, etc., receives compensation from more than one transportation company (whether a subsidiary or not) or from a subsidiary company, reference to this fact should be made if his aggregate compensation amounts to \$20,000 or more and the detail as to division of the salary should be stated. By salary (column (c)) is meant the annual rate at which an employee is paid, rather than the amount actually paid for a part of a year when the salary is changed. Also when a 10 percent (or other percent) reduction is made, the net rate and not the basic rate should be shown.

Line No.	Name of person (a)	Title (b)	Salary per annum as of close of year (see instructions) (c)		Other compensation during the year (d)	
			\$		\$	
1	Charles A. Pinkerton, Jr.	Chairman of the Board		55 000		12 000
2						
3	E. V. Goodman	President & General Manager		20 000		1 000
4		Adjustment		10 000		
5						
6	R. S. Shaw	Auditor		16 000		
7						
8	C. R. McMullen	Secretary-Treasurer		13 000		
9		10/6/72		13 750		
10						
11						
12						
13	(1) Salary - \$11,000 - Ottawa Equipment Co. - wholly-owned subsidiary					
14	Director's Fee - \$1,000 - Detroit and Mackinac Railway Co.					
15	(2) Director's Fee - \$1,000 - Detroit and Mackinac Railway Co.					

2502. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowances for expenses, or any form of payments amounting in the aggregate of \$20,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person (other than one of respondent's employees covered in schedule 2501 in this annual report) for services or as a donation, except that with respect to contributions under \$20,000 which are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespectively of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$20,000 or more.

To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railway associations, commissions,

committees, bureaus, boards, and other organizations maintained jointly by railways shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payments for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services should be reported. Payments of \$20,000 or more to organizations maintained jointly by railways with other railways are not to be excluded even if their services are regarded as routine.

If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads.

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

Line No.	Name of recipient (a)	Nature of service (b)	Amount of payment (c)	
			\$	
31	American Short Line Ass'n.	Dues and Assessments		2 298
32	Association of American Railroads	Dues and Assessments		3 187
33	Michigan Railroads Association	Dues and Assessments		1 108
34	National Ry. Labor Conference	Dues and Assessments		532
35	National Ry. Publ. Co.	Dues and Assessments		260
36	Traffic Executive Association	Dues and Assessments		3 863
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
TOTAL				11 248

2601. STATISTICS OF RAIL-LINE OPERATIONS. [For Road Haul Traffic Only]

Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Motor car and trailer miles, if any, should be included. Highway traffic to be excluded. Locomotive unit-miles should include all miles made by each locomotive unit. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

Item No.	Item (a)	Freight trains (b)			Passenger trains (c)			Total transportation service (d)			Work trains (e)		
1	Average mileage of road operated (whole number required)			222						222	x	x	x
	Train-miles												
2	Total (with locomotives)	126	179					126	179				
3	Total (with motorears)												
4	TOTAL TRAIN-MILES	126	179					126	179				
	LOCOMOTIVE UNIT-MILES												
5	Road service	208	977					208	977		x	x	x
6	Train switching	12	624					12	624		x	x	x
7	Yard switching	56	910					56	910		x	x	x
8	TOTAL LOCOMOTIVE UNIT-MILES	278	511					278	511		x	x	x
	CAR-MILES												
9	Loaded freight cars	3	441	819				3	441	819	x	x	x
10	Empty freight cars	2	925	546				2	925	546	x	x	x
11	Caboose		126	179					126	179	x	x	x
12	TOTAL FREIGHT CAR-MILES	6	493	544				6	493	544	x	x	x
13	Passenger coaches										x	x	x
14	Combination passenger cars (mail, express, or baggage, etc., with passenger)										x	x	x
15	Sleeping and parlor cars										x	x	x
16	Dining, grill and tavern cars										x	x	x
17	Head-end cars										x	x	x
18	TOTAL (lines 13, 14, 15, 16 and 17)										x	x	x
19	Business cars			658						658	x	x	x
20	Crew cars (other than cabooses)										x	x	x
21	GRAND TOTAL CAR-MILES (lines 12, 18, 19 and 20)	6	494	202				6	494	202	x	x	x
	REVENUE AND NONREVENUE FREIGHT TRAFFIC	x	x	x	x	x	x	x	x	x	x	x	x
22	Tons—Revenue freight	x	x	x	x	x	x	2	225	238	x	x	x
23	Tons—Nonrevenue freight	x	x	x	x	x	x		15	728	x	x	x
24	TOTAL TONS—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	2	240	966	x	x	x
25	Ton-miles—Revenue freight	x	x	x	x	x	x	172	567	207	x	x	x
26	Ton-miles—Nonrevenue freight	x	x	x	x	x	x	1	219	706	x	x	x
27	TOTAL TON-MILES—REVENUE AND NONREVENUE FREIGHT	x	x	x	x	x	x	173	786	913	x	x	x
	REVENUE PASSENGER TRAFFIC	x	x	x	x	x	x	x	x	x	x	x	x
28	Passengers carried—Revenue	x	x	x	x	x	x				x	x	x
29	Passenger-miles—Revenue	x	x	x	x	x	x				x	x	x

NOTES AND REMARKS

2602. REVENUE FREIGHT CARRIED DURING THE YEAR. (For Road Haul Traffic Only)

1. Give the particulars called for concerning the commodities carried by the respondent during the year, the revenue from which is includable in account No. 101, Freight, on the basis of the 2-digit codes named in 49 C.F.R. 123.52, by Order of September 13, 1963. In stating the number of tons received from connecting carriers (c), include all connecting carriers, whether rail or water and whether the freight is received directly or indirectly (as through elevators).

2. Under Order of December 16, 1964, traffic involving less than three shippers reportable in any one commodity class may be excluded from this schedule, but must be submitted unbound in a separate schedule supplemental to this one and marked Supplemental. Extra copies of Schedule 2602 may be obtained upon request to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C., 20423. If a supplemental schedule is filed, check the space provided at the bottom of this schedule. Supplemental reports will be withheld from public inspection.

3. Particulars for Codes 01 to 46 inclusive, should include all traffic moved in lots of 10,000 pounds or more. Forwarder traffic includes freight traffic shipped by or consigned to any forwarder holding a permit under Part IV of the Interstate Commerce Act. Code 47 should include all traffic moved in lots of less than 10,000 pounds.

4. Gross freight revenue means respondent's gross freight revenue without adjustment for absorption or corrections.

Item No.	COMMODITY		REVENUE FREIGHT IN TONS (2,000 POUNDS)			Gross freight revenue (dollars)
	Description (a)	Code No.	Originating on respondent's road (b)	Received from connecting carriers (c)	Total carried (d)	
1	Farm Products	01	513	67	580	1,547
2	Forest Products	08	212		212	1,434
3	Fresh Fish and Other Marine Products	09		25	25	109
4	Metallic Ores	10		24	24	83
5	Coal	11		1,234	1,234	3,089
6	Crude Petro, Nat Gas, & Nat Gsin	13				
7	Nonmetallic Minerals, except Fuels	14	1,004,775	5,262	1,010,037	628,049
8	Ordinance and Accessories	19		163	163	959
9	Food and Kindred Products	20	40	9,517	9,557	32,320
10	Tobacco Products	21				
11	Basic Textiles	22	3,744	8,841	12,585	94,282
12	Apparel & Other Finished Tex Prd Inc Knit	23				
13	Lumber & Wood Products, except Furniture	24	25,739	21,977	47,716	123,410
14	Furniture and Fixtures	25	46	293	339	3,993
15	Pulp, Paper and Allied Products	26	152,983	104,488	257,471	1,235,144
16	Printed Matter	27				
17	Chemicals and Allied Products	28	94	12,239	12,333	45,688
18	Petroleum and Coal Products	29	108,314	17,512	125,826	372,008
19	Rubber & Miscellaneous Plastic Products	30	112	979	1,091	7,794
20	Leather and Leather Products	31				
21	Stone, Clay and Glass Products	32	718,302	7,172	725,474	730,265
22	Primary Metal Products	33	31	4,398	4,429	19,712
23	Fabr Metal Prd, Exc Ordn Machy & Transp	34	196	716	912	5,003
24	Machinery, except Electrical	35	1,480	420	1,900	17,862
25	Electrical Machy, Equipment & Supplies	36		23	23	173
26	Transportation Equipment	37	847	167	1,014	2,866
27	Instr, Phot & Opt GD, Watches & Clocks	38				
28	Miscellaneous Products of Manufacturing	39				
29	Waste and Scrap Materials	40	8,548	2,616	11,164	40,867
30	Miscellaneous Freight Shipments	41	696	221	917	10,376
31	Containers, Shipping, Returned Empty	42	36	115	151	1,657
32	Freight Forwarder Traffic	44				
33	Shipper Assn or Similar Traffic	45	18		18	55
34	Misc Shipments except Forwarder (44) or shipper Assn (45)	46	41		41	180
35	GRAND TOTAL, CARLOAD TRAFFIC		2,026,767	198,469	2,225,236	3,378,925
36	Small Packaged Freight Shipments			2	2	69
37	Grand Total, Carload & LCL Traffic	47	2,026,767	198,471	2,225,238	3,378,994

☒ This report includes all commodity statistics for the period covered.

☐ A supplemental report has been filed covering traffic involving less than three shippers reportable in any one commodity code.

☐ Supplemental Report NOT OPEN TO PUBLIC INSPECTION.

ABBREVIATIONS USED IN COMMODITY DESCRIPTIONS

Assn	Association	Inc	Including	Nat	Natural	Prd	Products
Exc	Except	Instr	Instruments	Opt	Optical	Tex	Textile
Fabr	Fabricated	LCL	Less than carload	Ordn	Ordinance	Transp	Transportation
Gd	Goods	Machy	Machinery	Petro	petroleum		
Gsin	Gasoline	Misc	Miscellaneous	Phot	photographic		

2701. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(FOR SWITCHING OR TERMINAL COMPANIES ONLY)

Give particulars of cars handled during the year. With respect to the term "cars handled" it should be observed that, when applied to *switching* operations, the movement of a car from the point at which a switching company receives it, whether loaded or empty, to the point where it is loaded or unloaded or delivered to another connecting line is to be counted as one car handled. The return of a car, whether loaded or empty, from the point where it is loaded or unloaded, to the point of delivery is to be counted as one car handled. No incidental movement

is to be considered, unless such incidental movement involves the receipt of additional revenue. When applied to *terminal* operations, such as union station, bridge, ferry, or other joint facility terminal operations, the term "cars handled" includes all cars for which facilities are furnished.

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

Item No.	Item (a)	Switching operations (b)			Terminal operations (c)			Total (d)		
	FREIGHT TRAFFIC									
1	Number of cars handled earning revenue—Loaded.....									
2	Number of cars handled earning revenue—Empty.....									
3	Number of cars handled at cost for tenant companies—Loaded.....									
4	Number of cars handled at cost for tenant companies—Empty.....									
5	Number of cars handled not earning revenue—Loaded.....									
6	Number of cars handled not earning revenue—Empty.....				N	O	N	E		
7	Total number of cars handled.....									
	PASSENGER TRAFFIC									
8	Number of cars handled earning revenue—Loaded.....									
9	Number of cars handled earning revenue—Empty.....									
10	Number of cars handled at cost for tenant companies—Loaded.....									
11	Number of cars handled at cost for tenant companies—Empty.....									
12	Number of cars handled not earning revenue—Loaded.....									
13	Number of cars handled not earning revenue—Empty.....									
14	Total number of cars handled.....									
15	Total number of cars handled in revenue service (items 7 and 14).....									
16	Total number of cars handled in work service.....									

Number of locomotive-miles in yard-switching service: Freight, _____; passenger, _____

2801. INVENTORY OF EQUIPMENT INSTRUCTIONS

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

2. In column (c) give the number of units of equipment purchased, built in company shops, or otherwise acquired.

3. Units leased to others for a period of one year or more are reportable in column (i); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (e); units rented from others for a period less than one year should not be included in column (f). Units installed during the year and subsequently leased to others for a year or more should be shown as added in column (c), as retired in column (d), and included in column (i).

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. (A locomotive tender should be considered as a part of the locomotive unit.) A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

5. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from an external conductor. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric

motors that propel the vehicle. An "Other" unit includes all units other than diesel or electric, e.g., steam gas turbine. Show the types of other units, service and number, as appropriate, in a brief description sufficient for positive identification.

6. Column (h) should show aggregate capacity for all units reported in column (g), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes); or tractive effort of steam locomotive units; for freight-train cars report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily; for passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

7. Freight-train car type codes shown in column (a) correspond to the AAR Multilevel Per Diem Master List. Dashes are used in appropriate places to permit a single code to represent several car type codes. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owned and used	Leased from others	Total in service of respondent (e+f)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
LOCOMOTIVE UNITS									
1.	Diesel-----	8			8		8	10,040	
2.	Electric-----								
3.	Other-----	8			8		8	xxxx	
4.	Total (lines 1 to 3)-----							(tons)	
FREIGHT-TRAIN CARS									
5.	Box-General service (A-20, A-30, A-40, A-50, all B (except B080) L070, R-00, R-01, R-06, R-07)-----	452	150	56	255	291	546	30,030	
6.	Box-Special service (A-00, A-10, B080)-----	70	1		46	25	71	4,630	
7.	Condola (All G, J-00, all C, all E)-----	326		19	122	185	307	18,183	
8.	Hopper-Open top (All H, J-10, all K)-----	58			58		58	5,570	
9.	Hopper-Covered (L-5-)-----								
10.	Tank (All T)-----								
11.	Refrigerator-Mechanical (R-04, R-10, R-11, R-12)-----								
12.	Refrigerator-Non-Mechanical (R-02, R-03, R-05, R-08, R-09, R-13, R-14, R-15, R-16, R-17)-----								
13.	Stock (All S)-----								
14.	Autorack (F-5-, F-6-)-----								
15.	Flat (All F (except F-5-, F-6-, F-7-, F-8-), L-2-L-3-)-----	8		3	5		5	275	
16.	Flat-TOFC (F-7-, F-8-)-----	10			10		10	770	
17.	All other (L-0-, L-1-, L-4-, L080, L090)-----	924	151	78	496	501	997	58,413	59,458
18.	Total (lines 5 to 17)-----	7			7		7	xxxx	
19.	Caboose (All N)-----	931	151	78	503	501	1,004	xxxx	
20.	Total (lines 18 and 19)-----							(seating capacity)	
PASSENGER-TRAIN CARS									
NON-SELF-PROPELLED									
21.	Coaches and combined cars (PA, PB, PBO, all class C, except CSB)-----								
22.	Parlor, sleeping, dining cars (PBC, PC, PL, PO, PS, PT, PAS, PDS, all class D, PD)-----								
23.	Non-passenger carrying cars (All class B, CSB, PSA, IA, all class M)-----							xxxx	
24.	Total (lines 21 to 23)-----								

2801. INVENTORY OF EQUIPMENT—Concluded

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

Line No.	Item	Units in service of respondent at beginning of year	Number added during year	Number retired during year	NUMBER AT CLOSE OF YEAR			Aggregate capacity of units reported in col. (g) (See ins. 6)	Number leased to others at close of year
					Owued and used	Leased from others	Total in service of respondent (e+f) (g)		
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
	PASSENGER-TRAIN CARS - Continued						(Seating capacity)		
	SELF-PROPELLED RAIL MOTORCARS								
25.	Electric passenger cars (EC, EP, ET)-----								
26.	Internal combustion rail motorcars (ED, EG)-----								
27.	Other self-propelled cars (Specify types)-----								
28.	Total (lines 25 to 27)-----								
29.	Total (lines 24 and 28) -----								
	COMPANY SERVICE CARS								
30.	Business cars (PV) -----	1			1	1	XXXX		
31.	Boarding outfit cars (MWX)-----						XXXX		
32.	Derrick and snow removal cars (MWK, MWU, MWV, MWW)-----	1			1	1	XXXX		
33.	Dump and ballast cars (MWB, MWD)-----	3			3	3	XXXX		
34.	Other maintenance and service equipment cars -----	11	1		12	12	XXXX		
35.	Total (lines 30 to 34)-----	16	1		17	17	XXXX		
36.	Grand total (lines 20, 29, and 35) -----	947	152	78	570	501	1,021	XXXX	
	FLOATING EQUIPMENT								
37.	Self-propelled vessels (Tugboats, car ferries, etc.)-----						XXXX		
38.	Non-self-propelled vessels (Car floats, lighters, etc.)-----						XXXX		
39.	Total (lines 37 and 38) -----						XXXX		

2900. IMPORTANT CHANGES DURING THE YEAR

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

1. All portions of road put in operation or abandoned, giving (a) termini, (b) length of road, and (c) dates of beginning operations or of abandonment.*

2. All other important physical changes, including herein all new tracks built.*

3. All leaseholds acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.

4. All agreements for trackage rights acquired or surrendered, giving (a) dates, (b) length of terms, (c) names of parties, (d) rents, and (e) other conditions.

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

6. All stocks issued, giving (a) purposes for which issued, (b) names of stocks and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; give similar information concerning all stocks retired (if any).

7. All funded debt issued, giving (a) purposes for which issued, (b) names of securities and (c) amounts issued, and describing (d) the actual consideration realized, giving (e) amounts and (f) values; also give particulars concerning any funded debt paid or otherwise retired, stating (a) date acquired, (b) date retired or canceled, (c) par value of amount retired.

8. All other important financial changes.

9. All changes in and all additions to franchise rights, describing fully (a) the actual consideration given therefor, and stating (b) the parties from whom acquired; if no consideration was given, state that fact.

10. In case the respondent has not yet begun operation, and no construction has been carried on during the year, state fully the reasons therefor.

11. All additional matters of fact (not elsewhere provided for) which the respondent may desire to include in its report.

None

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

Miles of road constructed _____ Miles of road abandoned _____

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

VERIFICATION

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

OATH

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

State of Michigan }
County of Iosco } ss:

R. S. Shaw makes oath and says that he is Auditor
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of Detroit and Mackinac Railway Company
(Insert here the exact legal title or name of the respondent)

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

time from and including January 1, 19 72, to and including December 31, 19 72

R. S. Shaw
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and
county above named, this 29th day of March, 19 73
My commission expires March 17, 1974

[Use an
L. S.
impression seal]

[Signature]
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Michigan }
County of Iosco } ss:

E. V. Goodman makes oath and says that he is President and General Manager
(Insert here the name of the affiant) (Insert here the official title of the affiant)
of Detroit and Mackinac Railway Company
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operation of its property during the period of time from and including January 1, 19 72, to and including December 31, 19 72

E. V. Goodman
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and
county above named, this 29th day of March, 19 73
My commission expires March 17, 1974

[Use an
L. S.
impression seal]

[Signature]
(Signature of officer authorized to administer oaths)

701. ROAD AND EQUIPMENT PROPERTY

1. Give particulars of changes in accounts Nos. 731, "Road and equipment property" and 732, "Improvements on leased property," classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. Credit items in the entries should be fully explained.

3. Report on line 35 amounts not includable in the primary road accounts. The items reported should be briefly identified and ex-

plained in a footnote. 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)	Balance at Beginning of Year		Total Expenditures During the Year		Balance at Close of Year	
		Entire line (b)	State (c)	Entire line (d)	State (e)	Entire line (f)	State (g)
1	(1) Engineering-----	\$ 252 292		\$ 9 306		\$ 261 598	
2	(2) Land for transportation purposes-----	9 192				9 192	
3	(24) Other right-of-way expenditures-----	841 410	ALL	(1 104)	ALL	840 306	ALL
4	(3) Grading-----	443 608	IN	7 614	IN	451 222	IN
5	(5) Tunnels and subways-----	427 913	MICHIGAN	6 263	MICHIGAN	434 176	MICHIGAN
6	(6) Bridges, trestles, and culverts-----	1 104 675		4 193		1 108 868	
7	(7) Elevated structures-----	606 336		1 882		608 218	
8	(8) Ties-----	760 021		826		760 847	
9	(9) Rails-----	527 086		3 158		530 243	
10	(10) Other track material-----	113 592				113 592	
11	(11) Ballast-----	405 191		(27 780)		377 411	
12	(12) Track laying and surfacing-----	23 608		1 591		25 199	
13	(13) Fences, snowsheds, and signs-----						
14	(16) Station and office buildings-----	11 133				11 133	
15	(17) Roadway buildings-----	224 059		(3 228)		220 831	
16	(18) Water stations-----						
17	(19) Fuel stations-----						
18	(20) Shops and enginehouses-----						
19	(21) Grain elevators-----						
20	(22) Storage warehouses-----						
21	(23) Wharves and docks-----						
22	(24) Coal and ore wharves-----						
23	(25) TOFC/COFC terminals-----						
24	(26) Communication systems-----	69 776		5 531		75 307	
25	(27) Signals and interlockers-----	27 522		2 736		30 259	
26	(29) Powerplants-----						
27	(31) Power-transmission systems-----	6 387				6 387	
28	(35) Miscellaneous structures-----						
29	(37) Roadway machines-----	190 507		(34 285)		156 222	
30	(38) Roadway small tools-----	10 659				10 659	
31	(39) Public improvements--Construction--	30 466				30 466	
32	(43) Other expenditures--Road-----						
33	(44) Shop machinery-----	116 023				116 023	
34	(45) Powerplant machinery-----						
35	Other (specify & explain)-----						
36	Total expenditures for road-----	6 202 097		(23 297)		6 178 800	
37	(52) Locomotives-----	871 988				871 988	
38	(53) Freight-train cars-----	2 825 246		1 412 676		4 237 922	
39	(54) Passenger-train cars-----						
40	(55) Highway revenue equipment-----						
41	(56) Floating equipment-----						
42	(57) Work equipment-----	184 559		4 312		188 871	
43	(58) Miscellaneous equipment-----	73 009		(3 289)		69 720	
44	Total expenditures for equipment-----	3 954 802		1 413 699		5 368 501	
45	(71) Organization expenses-----						
46	(76) Interest during construction-----						
47	(77) Other expenditures--General-----						
48	Total general expenditures-----						
49	Total-----						
50	(80) Other elements of investment-----						
51	(90) Construction work in progress-----						
52	Grand Total-----	10 156 899		1 390 402		11 547 301	

2002. RAILWAY OPERATING EXPENSES

1. State the railway operating expenses of the respondent for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies.
2. Any unusual accruals involving substantial amounts included in columns (b), (c), (e), and (f), should be fully explained in a footnote.

Line No.	Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR						Name of railway operating expense account	AMOUNT OF OPERATING EXPENSES FOR THE YEAR					
		Entire line			State				Entire line			State		
		(a)	(b)	(c)	(d)	(e)	(f)		(g)	(h)	(i)	(j)		
		\$			\$				\$			\$		
1	MAINTENANCE OF WAY AND STRUCTURES	xx	xx	xx	xx	xx	xx	(2247) Operating joint yards and terminals—Cr.	(5	888)				
2	(2201) Superintendence		60	234				(2248) Train employees	240	633				
3	(2202) Roadway maintenance		493	128	ALL			(2249) Train fuel	52	285	ALL			
4	(2203) Maintaining structures		26	390				(2251) Other train expenses	158	871				
5	(2203½) Retirements—Road		28	377	IN			(2252) Injuries to persons	15	834	IN			
6	(2204) Dismantling retired road property		1	614				(2253) Loss and damage	20	947				
7	(2208) Road Property—Depreciation		32	717	MICHIGAN			(2254) Other casualty expenses	76	022	MICHIGAN			
8	(2209) Other maintenance of way expenses		78	095				(2255) Other rail and highway transportation expenses	49	186				
9	(2210) Maintaining joint tracks, yards, and other facilities—Dr.			383				(2256) Operating joint tracks and facilities—Dr.	(14	382)				
10	(2211) Maintaining joint tracks, yards, and other facilities—Cr.			70				(2257) Operating joint tracks and facilities—Cr.	(14	382)				
11	Total maintenance of way and struc.		720	868				Total transportation—Rail line	1	089	216			
12	MAINTENANCE OF EQUIPMENT	xx	xx	xx	xx	xx	xx	MISCELLANEOUS OPERATIONS	xx	xx	xx	xx	xx	xx
13	(2221) Superintendence		62	609				(2258) Miscellaneous operations						
14	(2222) Repairs to shop and power-plant machinery		1	670				(2259) Operating joint miscellaneous facilities—Dr.						
15	(2223) Shop and power-plant machinery—Depreciation		2	436				(2260) Operating joint miscellaneous facilities—Cr.						
16	(2224) Dismantling retired shop and power-plant machinery							Total miscellaneous operating						
17	(2225) Locomotive repairs—See note		149	898				GENERAL	xx	xx	xx	xx	xx	xx
18	(2226) Car and highway revenue equipment repairs		286	361				(2261) Administration	292	402				
19	(2227) Other equipment repairs		20	830				(2262) Insurance	5	893				
20	(2228) Dismantling retired equipment			56				(2264) Other general expenses	99	994				
21	(2229) Retirements—Equipment							(2266) General joint facilities—Dr.						
22	(2234) Equipment—Depreciation		167	646				(2268) General joint facilities—Cr.						
23	(2235) Other equipment expenses		61	442				Total general expenses	398	289				
24	(2236) Joint maintenance of equipment expenses—Dr.			19				RECAPITULATION	xx	xx	xx	xx	xx	xx
25	(2237) Joint maintenance of equipment expenses—Cr.		(1	302)				Maintenance of way and structures	720	868				
26	Total maintenance of equipment		751	665				Maintenance of equipment	751	665				
27	TRAFFIC	xx	xx	xx	xx	xx	xx	Traffic expenses	70	473				
28	(2240) Traffic Expenses		70	473				Transportation—Rail line	1	089	216			
29	TRANSPORTATION—RAIL LINE	xx	xx	xx	xx	xx	xx	Miscellaneous operations						
30	(2241) Superintendence and dispatching		114	345				General expenses	398	289				
31	(2242) Station service		84	762				Grand Total Railway Operating Exp.	3	030	511			
32	(2243) Yard employees		259	042										
33	(2244) Yard switching fuel		13	669										
34	(2245) Miscellaneous yard expenses		23	821										
35	(2246) Operating joint yard and terminals—Dr.			69										
36	Operating ratio (ratio of operating expenses to operating revenues),			83.92	percent.									
	(Two decimal places required.)													

2003. MISCELLANEOUS PHYSICAL PROPERTIES OPERATED DURING THE YEAR

Give particulars of each class of miscellaneous physical property or plant operated during the year. Group the properties under the heads of the classes of operations to which they are devoted. In column (a) give the designation used in the respondent's records and the name of the town or city and State in which the property or plant is located, 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 in a footnote.

The totals of columns (b), (c), and (d) should agree with the totals of accounts Nos. 502, "Revenue from miscellaneous operations," 534, "Expenses of miscellaneous operations," and 535, "Taxes on miscellaneous operating property" in respondent's Income Account for the Year. If not, differences should be explained in a footnote.

Line No.	Designation and location of property or plant, character of business, and title under which held (a)	Total revenue during the year (Acct. 502) (b)		Total expenses during the year (Acct. 534) (c)		Total taxes applicable to the year (Acct. 535) (d)	
		\$		\$		\$	
50							
51							
52							
53	NONE						
54							
55							
56							
57							
58							
59							
60							
61	TOTAL						

2301. SUMMARY STATEMENT OF TRACK MILEAGE WITHIN THE STATE AND OF TITLES THERETO AT CLOSE OF YEAR*

Line No.	Item (a)	LINE OPERATED BY RESPONDENT							
		Class 1: Line owned		Class 2: Line of proprietary companies		Class 3: Line operated under lease		Class 4: Line operated under contract	
		Added during year (b)	Total at end of year (c)	Added during year (d)	Total at end of year (e)	Added during year (f)	Total at end of year (g)	Added during year (h)	Total at end of year (i)
1	Miles of road.....		221.59						
2	Miles of second main track.....								
3	Miles of all other main tracks.....								
4	Miles of passing tracks, crossovers, and turnouts.....								
5	Miles of way switching tracks.....		24.56						
6	Miles of yard switching tracks.....		16.92						
7	All tracks.....		263.07						

Line No.	Item (j)	LINE OPERATED BY RESPONDENT				LINE OWNED BUT NOT OPERATED BY RESPONDENT	
		Class 5: Line operated under trackage rights		Total line operated		Added during year (o)	Total at end of year (p)
		Added during year (k)	Total at end of year (l)	At beginning of year (m)	At close of year (n)		
1	Miles of road.....		13	221.72	221.72		
2	Miles of second main track.....						
3	Miles of all other main tracks.....						
4	Miles of passing tracks, crossovers, and turnouts.....						
5	Miles of way switching tracks—Industrial.....			2.30	2.30		
6	Miles of way switching tracks—Other.....		19	22.68	22.45		
7	Miles of yard switching tracks—Industrial.....			1.83	1.83		
8	Miles of yard switching tracks—Other.....			14.91	15.09		
9	All tracks.....		32	263.44	263.39		

* Entries in columns headed "Added during the year" should show net increases.

2302. RENTS RECEIVABLE**INCOME FROM LEASE OF ROAD AND EQUIPMENT**

Line No.	Road leased (a)	Location (b)	Name of lessee (c)	Amount of rent during year (d)		
11				\$		
12						
13		NONE				
14						
15						
			TOTAL..			

2303. RENTS PAYABLE**RENT FOR LEASED ROADS AND EQUIPMENT**

Line No.	Road leased (a)	Location (b)	Name of lessor (c)	Amount of rent during year (d)		
21				\$		
22						
23		NONE				
24						
25						
			TOTAL..			

2304. CONTRIBUTIONS FROM OTHER COMPANIES**2305. INCOME TRANSFERRED TO OTHER COMPANIES**

Line No.	Name of contributor (a)	Amount during year (b)			Name of transferee (c)	Amount during year (d)		
31		\$				\$		
32								
33	NONE				NONE			
34								
35								
36	TOTAL..				TOTAL..			

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