

RC-310017

GRAND TRUNK CORP.

1982

RC 310017



ANNUAL REPORT

OF

GRAND TRUNK CORPORATION

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1982

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

(Name) R. L. Ritchie (Title) Treasurer

(Telephone number) (313) 962-2260
(Area code) (Telephone number)

(Office address) 477 Congress Street, Portland, Maine 04122
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

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

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

Docket	Title	Decision Date
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The following schedule was added to Railroad Annual Report Form R-1:

Schedule 512	Transactions Between Respondent and Companies or Persons Affiliated with Respondent for Services Received or Provided. Reinserted, it was inadvertently omitted from the 1981 report. Revised to reflect Accounting Series Circular No. 192 "Related Party Disclosures" dated May 18, 1982 which required F.A.S. No. 57 dated March 1982.
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Changes were made to the following schedules:

Schedule 200	Added three lines to segregate account Nos. in other assets and renumbered.
Schedule 210	Deleted lines 69-74 and added a line 53 Total Provision For Income Tax and renumbered.
Schedule 310A	Added heading Non-carrier (lists specifics for each company)
Schedule 335	Changed line Nos. 27, 36 and 37.
Schedule 361	Part Total Rental Expenses. Deleted columns c-h.
Schedule 412	Added column (e) Amortization Adjustment During Year, and Instruction No. 4.
Schedule 415	Changed column (e) from Depreciation to Amortization Adjustment Net During Year and minor changes to the Instructions.
Schedule 450	Changed heading to "Analysis of Taxes" from "Analysis of Federal Income Taxes" and the format of schedule. Segregate three line items.
Schedule 710	Deleted Diesel B Units and renumbered lines.
Schedule 721	Changed line No. 9 and added Instruction.
Schedule 723	Changed line No. 10 and added Instruction.
Schedule 755	Deleted 14 line items and renumbered the schedule. Minor changes were made in the Instructions.
Schedule 450	Item 3 added to analyze the affect of certain provisions of the Economic Recovery Tax Act of 1981 on Tax accruals.

ESTIMATE OF REPORTING BURDEN

In order to monitor carrier reporting burden and to satisfy OMB requirements pursuant to Public law 96-511, it is requested that you furnish the following information:

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

Total hours (Estimated) _____

(2) Best estimate of the number of staff hours required to comply with the Uniform System of Accounts (USOA). In making this estimate only include the incremental staff hours required for the USOA. (Those hours in addition to the data needs of management and requirements of other Federal and State agencies.)

Total hours (Estimated) _____

(3) Best estimate of staff hours and storage costs to comply with the Commission's Record Retention Regulations. In making this estimate only include the incremental costs required for the Commission's rules. (Those costs in addition to retention requirements of management and other Federal and State agencies.)

Total hours (Estimated) _____

Storage costs (Estimated) _____

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A. SCHEDULES OMITTED BY RESPONDENT

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

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

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

Page	Schedule No.	Title
26	330	Road and Equipment Property Owned
28	330A	Improvements on Leased Property
30	332	Depreciation Base and Rates - Road and Equipment Owned and Used and Leased from Others
31	335	Accumulated Depreciation - Road and Equipment Owned and Used.
32	339	Accrued Liability - Leased Property
33	340	Depreciation Base and Rates - Improvements to Road Equipment Leased from Others
34	342	Accumulated Depreciation - Improvements to Road and Equipment Leased from Others
36	350	Depreciation Base and Rates - Road and Equipment Leased to Others
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38	352A	Investments in Railroad Property Used in Transportation Service (By Company)
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41	361	Capitalized Capital Leases
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56	417	Specialized Service Subschedule - Transportation
57	419	Remunerations from National Railroad Passenger Corporation
62	450	Analysis of Taxes
64	460	Items in Selected Income and Retained Earnings Accounts for the Year
69	510	Debt Holdings
76	700	Mileage Operated at Close of Year
77	701	Mileage Owned but not Operated by Respondent at Close of Year
78	702	Miles of Road at Close of Year - By States and Territories (Single Track) (For Other Than Switching and Terminal Companies)
79	705	Changes During the Year
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90	715	Highway Motor Vehicle Operations
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93	720	Track and Traffic Conditions
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99	728	Deferred Maintenance - Tracks
100	750	Consumption of Fuel by Motive-Power Units
103	755	Railroad Operating Statistics
107	800	Contracts, Agreements, Etc.
108	850	Competitive Bidding - Clayton Antitrust Act

B. IDENTITY OF RESPONDENT

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

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

Board, indicate such fact on line 1 below and list the consolidated group on page 4.

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

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

1. Exact name of common carrier making this report Grand Trunk Corporation

2. Date of incorporation September 22, 1970

3. Under laws of what Government, State, or Territory organized? If more than one, name all. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees Delaware

4. If the respondent was reorganized during the year, involved in a consolidation or merger, or conducted its business under a different name, give full particulars.

Not Applicable

STOCKHOLDERS REPORTS

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

Check appropriate box:

Two copies are attached to this report.

Two copies will be submitted _____ (date)

No annual report to stockholders is prepared.

C. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ NPV per share; first preferred, \$ None per share; second preferred, \$ None per share; debenture stock, \$ None per share.
2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote Yes
3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.
4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.
5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.
6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing Not closed
7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 208 votes, as of June 24, 1982 (Date)
8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 1 stockholders.
9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. *If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.*

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common (d)	Second (e)	First (f)
1	Canadian National	Montreal, Quebec	208	208	None	None
2	Railway Company	Canada				
3						
4						
5						
6						
7						
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27						
28						
29						
30						

C. VOTING POWERS AND ELECTIONS - Continued

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 208
votes cast.
11. Give the date of such meeting. June 24, 1982
12. Give the place of such meeting. Woodstock, Vermont

NOTES AND REMARKS

N O N E

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - ASSETS

Line No.	Account	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		Current Asset	\$	\$
1	701	Cash	3	2
2	702	Temporary Cash Investments		
3	703	Special Deposits		
		Accounts Receivable		
4	704	— Loan and Notes		
5	705	— Interline and Other Balances		
6	706	— Customers		
7	707	— Other		
8	709, 708	— Accrued Accounts Receivables		
9	708.5	— Receivables from Affiliated Companies	20,161	22,567
10	709.5	— Less: Allowance for Uncollectible Accounts		
11	710, 711, 714	Working funds prepayments deferred income tax debits		
12	712	Materials and Supplies		
13	713	Other Current Assets		
14		Total Current Assets	20,164	22,569
		Other Assets		
15	715, 716, 717	Special funds		
16	721, 721.5	Investments and Advances Affiliated Companies (sch 310)	294,970	315,750
17	722, 723	Other Investments and Advances		
18	724	Allowances for Net Unrealized Loss on Noncurrent Marketable Equity Securities—Cr.		
19	737, 738	Property used in other than Carrier Operation (less depreciation)		
20	739, 741	Other Assets		
21	743	Other Deferred Debits		
22	744	Accum. deferred Income Tax debits		
23		Total Other Assets	294,970	315,750
		Road and Equipment		
24	731, 732	Road (Sch. 330 & 330A)		
25		Equipment		
26		Unallocated Items		
27		Accumulated Depreciation and amortization (Schs. 335, 351, 342, 340)		
28		Net road and Equipment		
29		Total Assets	315,134	338,319

NOTES AND REMARKS

Grand Trunk Corporation's investments in affiliated companies are accounted for on equity method. The companies are listed on Schedule 310, Page 21.

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

Line No.	Account	Title (a)	Balance at Close of Year (b)	Balance at Beginning of Year (c)
		Current Liabilities	\$	\$
30	751	Loans and Notes Payable		
31	752	Accounts Payable; Interline and Other Balances		
32	753	Audited Accounts and Wages		
33	754	Other Accounts Payable		
34	755, 756	Interest and Dividends Payable		
35	757	Payables to Affiliated Companies	5,609	5,888
36	759	Accrued accounts Payable		
37	760, 761, 761.5, 762	Taxes Accrued		
38	763	Other Current Liabilities		
39	764	Equipment obligations and other long-term debt due within one year		
40		Total Current Liabilities	5,609	5,888
		Non Current Liabilities		
41	765, 767	Funded debt unmatured		
42	766	Equipment obligations		
43	766.5	Capitalized Lease Obligations		
44	768	Debt in default		
45	769	Accounts payable: Affiliated Companies		
46	770.1, 770.2	Unamortized debt premium		
47	781	Interest in default		
48	783	Deferred revenues-Transfers from Government Authorities		
49	786	Accumulated deferred income tax credits		
50	771, 772, 774, 775, 782, 784	Other long-term liabilities and deferred credits		
51		Total Noncurrent Liabilities		
		Shareholders' Equity		
52	791, 792	Capital Stock: (Sch. 230)	18,000	18,000
53		Common Stock		
54		Preferred Stock		
55	793	Discount on Capital Stock		
56	794, 795	Additional Capital (230)	235,725	234,939
		Retained Earnings:		
57	797	Appropriate (221)		
58	798	Unappropriated (220)	55,800	79,492
59	798.1	Net Unrealized loss on noncurrent marketable equity securities		
60	798.5	Less Treasury Stock		
61		Net Stockholders Equity	309,525	332,431
62		Total Liabilities and Shareholders Equity	315,134	338,319

NOTES AND REMARKS

200. COMPARATIVE STATEMENT OF FINANCIAL POSITION - EXPLANATORY NOTES

The notes listed below are provided to disclose supplementary information on 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 statements explaining (1)

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

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

2. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made \$ 35

3. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: N/A

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

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

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

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

Date of trust agreement or latest amendment N/A

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

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

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

Yes _____ No _____ N/A

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

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

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

5. (a) The amount of employers contribution to employee stock ownership plans for the current year was \$ None

(b) The amount of investment tax credit used to reduce current income tax expense resulting from contributions to qualified employee stock ownership plans for the current year was \$ None

6. In reference to Docket No. 37465 specify the total amount of business entertainment expenditures charged to the non-operating expense account \$ None

Continued on following page

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

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

(a) Changes in Valuation Accounts

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

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

	Gains	Losses
Current	\$ <u>None</u>	\$ <u>None</u>
Noncurrent	<u>None</u>	<u>None</u>

(c) A net unrealized gain (loss) of \$ None on the sale of marketable equity securities was included in net income for _____ (year). The cost of securities sold was based on the _____ (method) cost of all the shares of each security held at time of sale.

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

NOTE: 12/31/82 - date - Balance sheet date of reported year unless specified as previous year.

NOTES AND REMARKS

210. RESULTS OF OPERATIONS

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

2. Report total operating expenses from Schedule 410 of this report. Any disparities in expense amounts shown in this schedule and expense amounts reported in Schedule 410 must be fully explained on page 12 Results of Operations.

3. List dividends from investments accounted for under the cost method on the appropriate line No. 19, for, Account No. 513, "Di-

vidend income." List dividends accounted for by the equity method on the appropriate dividend line No. 25 for Account No. 512 under the "Income from Affiliated Companies" subsection of this schedule.

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

5. Dollars in thousands.

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)	Freight-Related Revenue & Expenses (d)	Passenger-Related Revenue & Expenses (e)
	ORDINARY ITEMS				
	OPERATING INCOME				
	Railway Operating Income				
1	(101) Freight **	\$	\$	\$	\$
2	(102) Passenger **				
2	(103) Passenger-Related				
4	(104) Switching				
5	(105) Water Transfers				
6	(106) Demurrage				
7	(110) Incidental				
8	(121) Joint Facility-Credit				
9	(122) Joint Facility-Debit				
10	(501) Railway operating revenues (Exclusive of transfers from Government Authorities-lines 1-9)	-0-	-0-		
11	502) Railway operating revenues-Transfers from Government Authorities for current operations	-0-	-0-		
12	503) Railway operating revenues-Amortization of deferred transfers from Government Authorities	-0-	-0-		
13	Total railway operating revenues (lines 10-12)	-0-	-0-		
14	(531) Railway operating expenses	-0-	-0-		
15	*Net revenue from railway operations	-0-	-0-		
	OTHER INCOME				
16	(506) Revenue from property used in other than carrier operations				
17	(510) Miscellaneous rent income				
18	(512) Separately operated properties-Profit				
19	(513) Dividend Income (cost method)				
20	(514) Interest income				
21	(516) Income from sinking and other funds				
22	(517) Release of premiums on funded debt				
23	(518) Contributions from other companies				
24	(519) Miscellaneous income				
	Income from affiliated companies				
25	(513) Dividends (equity method)	394	10,394		
26	Equity in undistributed earnings (losses)	(21,566)	6,817		
27	Total other income (lines 16-26)				
28	Total income (lines 15, 27)	(21,172)	17,211		
	MISCELLANEOUS DEDUCTIONS FROM INCOME				
29	(534) Expenses of property used in other than carrier operations				
30	(535) Taxes on property used in other than carrier operations				
31	(543) Miscellaneous rent expense				
32	(544) Miscellaneous taxes				
33	(545) Separately operated properties-Loss				
34	(549) Maintenance of investment organization				
35	(550) Income transferred to other companies				
36	(551) Miscellaneous income charges	20	23		
37	(553) Uncollectible accounts				
38	Total miscellaneous deductions (lines 29-37)	20	23		
39	Income available for fixed charges Lines 28, 38)	(21,192)	17,188		

210. RESULTS OF OPERATIONS-Continued

Line No.	Item (a)	Amount for Current Year (b)	Amount for Preceding Year (c)
	FIXED CHARGES	\$	\$
	(546) Interest on funded debt:		
40	(a) Fixed interest not in default		
41	(b) Interest in default		
42	(547) Interest on unfunded debt		
43	(548) Amortization of discount on funded debt		
44	Total fixed charges (lines 40-43)	-0-	-0-
45	Income after fixed charges (lines 39, 44)	(21,192)	17,188
	OTHER DEDUCTIONS		
	(546) Interest on funded debt:		
46	(c) Contingent interest	-0-	-0-
	UNUSAL OR INFREQUENT ITEMS		
47	(555) Unusual or infrequent items (debit) credit		
48	Income (loss) from continuing operations (before income taxes)	(21,192)	17,188
	PROVISIONS FOR INCOME TAXES		
	(556) Income taxes on ordinary income:		
49	Federal income taxes		
50	State income taxes		
51	Other income taxes		
52	(557) Provision for deferred taxes		
53	Total provisions for income taxes (lines 49-52)		
54	Income from continuing operations	(21,192)	17,188
	DISCONTINUED OPERATIONS		
55	(560) Income or loss from operations of discontinued segments (less applicable income taxes of \$)		
56	(562) Gain or loss on disposal of discontinued segments (less applicable income taxes of \$)		
57	Income before extraordinary items		
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES		
58	(570) Extraordinary items (Net)		
59	(590) Income taxes on extraordinary items		
60	(591) Provision for deferred taxes - Extraordinary items		
61	Total extraordinary items (lines 57-59)		
62	(592) Cumulative effect of changes in accounting principles (less applicable income taxes of \$)		
63	Net income (Loss)	(21,192)	17,188
	*Reconciliation of net railway operating income (NROI)		
64	Net revenues from railway operations	N/A	N/A
65	(556) Income taxes on ordinary income (-)	N/A	N/A
66	(557) Provision for deferred income taxes (-)	N/A	N/A
67	Income from lease of road and equipment (-)	N/A	N/A
68	Rent for leased roads and equipment (+)	N/A	N/A
69	Net railway operating income (loss)	N/A	N/A

220. RETAINED EARNINGS—UNAPPROPRIATED

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

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

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

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

5. Line 3 (line 7 if debit balance), column (c), should agree with line 26, column (b), Schedule 210. The total of columns (b) and (c), lines 3 and 7, should agree with line 62, column (b), Schedule 210.

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

Line No.	Item (a)	Retained earnings— Unappropriated (b)	Equity in undistributed earnings (losses), of affiliated companies (c)
1	Balances of beginning of year	\$ 79,443	\$ 49
2	(601.5) Prior period adjustments to beginning retained earnings		
	CREDITS		
3	(602) Credit balance transferred from income	374	
4	(603) Appropriations released		
5	(606) Other credits to retained earnings equity in undistributed earnings (losses of affiliated companies)		
6	Total	374	
	DEBITS		
7	(612) Debit balance transferred from income		21,566
8	(616) Other debits to retained earnings equity in undistributed earnings (losses of affiliated companies)		
9	(620) Appropriations for sinking and other funds		
10	(621) Appropriations for other purposes		
11	(623) Dividends: Common stock	2,500	
12	Preferred stock ¹		
13	Total	2,500	21,566
14	Net increase (decrease) during year (Line 6 minus line 13)	(2,126)	(21,566)
15	Balances at close of year (Lines 1, 2 and 14)	77,317	(21,517)
16	Balances from line 15(c)	(21,517)	XXXXX
17	Total unappropriated retained earnings and equity in undistributed earnings (losses) of affiliated companies at end of Year	55,800	XXXXX
	REMARKS		
	Amount of assigned Federal income tax consequences:		
18	Account 606 None		XXXXX
19	Account 616 None		XXXXX

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

NOTES AND REMARKS FOR SCHEDULES 210 and 220

Note to Schedule 210

Net (loss) per R-1	(21,192)
Estimated loss on disposal of Central Vermont Railway Company, Inc.	<u>(28,850)</u>
Net loss per financial statements attached	<u><u>(50,042)</u></u>

221. RETAINED EARNINGS—APPROPRIATED

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

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		\$	\$	\$
1	Additions to property through retained earnings _____			
2	Funded debt retired through retained earnings _____			
3	Sinking funds _____			
4	Miscellaneous funds _____			
5	Other appropriations (specify): _____			
6	N O N E			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL			

225. TRANSFERS FROM GOVERNMENT AUTHORITIES

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

Line No.	Description (a)	Amount (b)	Applied to current operations (c)	Deferred to future periods (d)	Applied to contributed capital (e)
	Source and description of transfers	\$	\$	\$	\$
1					
2					
3					
4	N O N E				
5					
6					
7	Total received during year _____				
8	Cumulative total of Government transfers-beginning of year _____		XXXXX	XXXXX	XXXXX
9	Cumulative total of Government transfers-end of year _____		XXXXX	XXXXX	XXXXX

230. CAPITAL STOCK

PART I. CAPITAL STOCK

1. Disclose in column (a) the particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.
2. Present in column (b) the par or stated value of each issue. If none, so state.
3. Disclose in columns (c), (d), (e) and (f) the required information concerning the number of shares authorized, issued, in treasury and outstanding for the various issues.
4. For the purposes of this report, capital stock and other securities are considered to be nominally issued when certificates are signed and sealed and placed with the proper officer for

- sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be actually issued when sold to a bona fide purchaser who holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be actually outstanding. If reacquired by or for the respondent, and not canceled or retired, they are considered to be nominally outstanding.
5. Dollars in thousands.

Line No.	Class of Stock (a)	Par Value (b)	Number of Shares				Book Value at End of Year	
			Authorized (c)	Issued (d)	In Treasury (e)	Outstanding (f)	Outstanding (g)	In Treasury (h)
1	Common _____	N.P.V.	1,000	208		208	18,000	
2								
3								
4	Preferred _____							
5								
6								
7								
8								
9								
10	TOTAL	XXXXX	1,000	208		208	18,000	

PART II. SUMMARY OF CAPITAL STOCK CHANGES DURING YEAR

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

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

Line No.	Items (a)	Preferred Stock		Common Stock		Treasury Stock		Additional Capital (h)
		Number of Shares (b)	Amount (c)	Number of Shares (d)	Amount (e)	Number of Shares (f)	Amount (g)	
11	Balance at beginning of year _____		\$		\$		\$	\$
12	Capital Stock Sold ¹ _____							
13	Capital Stock Reacquired _____							
14	Capital Stock Canceled _____			N O N E				
15	Stock Dividends _____							
16	Balance at Close of Year _____							

¹ By footnote on page 18 state the purpose of the issue and authority.

240. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an application of funds for investment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements. Dollars in thousands.

Line No.	Description (a)	Current year (b)	Prior year (c)
SOURCES OF WORKING CAPITAL			
Working capital provided by operations:			
1	Income (loss) from continuing operations	(21,192)	17,188
Add expenses not requiring outlay of working capital: (subtract) credits not generating working capital:			
2	Retirement of nondepreciable property		
3	Loss (gain) on sale or disposal of tangible property		
4	Depreciation and amortization expenses		
5	Net increase (decrease) in deferred income taxes		
6	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	21,566	(6,817)
7	Net increase (decrease) in noncurrent portion of estimated liabilities		
Other (specify):			
8			
9			
10			
11			
12			
13	Total working capital from continuing operations	374	10,371
14	Add funds generated by reason of discontinued operations, extraordinary items, and changes in accounting principles		
15	Total working capital from operations	374	10,371
Working capital from sources other than operating:			
16	Proceeds from issuance of long-term liabilities		
17	Proceeds from sale/disposition of carrier operating property		
18	Proceeds from sale/disposition of other tangible property		
19	Proceeds from sale/repayment of investments advances		
20	Net decrease in sinking and other special funds		
21	Proceeds from issue of capital stock		
Other (specify):			
22	Contributed Capital	786	4,744
23			
24			
25			
26			
27	Total working capital from sources other than operating	786	4,744
28	Total sources of working capital	1,160	15,115

240. STATEMENT OF CHANGES IN FINANCIAL POSITION - Concluded

Line No.	Description (a)	Current year (b)	Prior year (c)
	APPLICATION OF WORKING CAPITAL	\$	\$
29	Amount paid to acquire/retire long-term liabilities		
30	Cash dividends declared		
31	Purchase price of carrier operating property		
32	Purchase price of other tangible property		
33	Purchase price of long-term investment and advances		
34	Net increase in sinking or other special funds		
35	Purchase price of acquiring treasury stock		
	Other (specify):		
36	Dividends Paid	2,500	2,500
37	Increase in investments to affiliated companies	786	4,744
38			
39			
40			
41			
42			
43			
44			
45	Total application of working capital	3,286	7,244
46	Net increase (decrease) in working capital	(2,126)	7,871

241. CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.
(Dollars in thousands)

Line No.	Item (a)	End of year (b)	Beginning of year (c)	Increase (Decrease) (d)
1	Cash and temporary investments	3	2	1
2	Net receivables	-	-	-
3	Prepayments	-	-	-
4	Materials and supplies	-	-	-
5	Other current assets not included above	20,161	22,567	(2,406)
6	Notes payable and matured obligations	-	-	-
7	Accounts payable	-	-	-
8	Current equipment obligations and other debt	-	-	-
9	Other current liabilities not included above	5,609	5,888	(279)
10	Net increase (decrease) in working	14,555	16,681	(2,126)

245. WORKING CAPITAL INFORMATION

1. Report below the information requested with respect to the referenced accounts.
2. Give the amount of issues from stock during the year for lines 1 thru 5 as it pertains to account 712, "Material and supplies."
3. Report on lines 6, 7, 8, and 9 on the amount applicable to common-carrier transportation service included in accounts 707, 753, 754, and 761.5 (Do not include taxes levied in lieu of property taxes.)
4. Dollars in thousands.

Line No.	Item (a)	Amount (b)
1	Construction and additions and betterments_____	None
2	Common-carrier operating purposes_____	None
3	Used by other than respondent's lessor companies_____	None
4	Total_____	None
5	Portion of balance in the material and supplies account at end of year that represents scrap and obsolete material_____	None
6	Account 707. Accounts receivable; other_____	None
7	Account 753. Audited accounts and wages payable_____	None
8	Account 754. Accounts payable; other_____	None
9	Account 761.5 Other taxes accrued_____	None

NOTES AND REMARKS

NOTES AND REMARKS

N O N E

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 310, 310A

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

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

- (A) Stocks:
 - (1) Carriers - active.
 - (2) Carriers - inactive.
 - (3) Noncarriers - active.
 - (4) Noncarriers - inactive.
- (B) Bonds (including U.S. Government Bonds):
- (C) Other secured obligations:
- (D) Unsecured notes:
- (E) Investment advances:

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

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

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

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

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

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

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

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

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

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

12. Dollars in thousands.

310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES

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

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

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

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

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

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

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

Line No.	Account No.	Class No.	Kind of Industry	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds)	Extent of control
	(a)	(b)	(c)	(d)	(e)
1	721	A-1	VII	Grand Trunk Western Railroad Company	100%
2	721	A-1	VII	Duluth, Winnipeg and Pacific Railway Company	100%
3	721	A-1	VII	Central Vermont Railway, Inc.	100%
4	721	A-4	VIII	Domestic Three Leasing Corporation	100%
5	721	A-3	VIII	Grand Trunk Radio Communications, Inc.	100%
6	721	A-4	VI	Grand Trunk Land Development Corporation	100%
7				Total	
8					
9					
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16					
17					
18					
19					
20					
21					
22					
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310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

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

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

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

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

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

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

12. Dollars in thousands.

Investments and advances				Disposed of; Profit (loss)	Adjustments Account 721.5	Dividends or interest credited to income	Line No.
Opening balance	Additions	Deductions (if other than sale explain)	Closing balance				
(f)	(g)	(h)	(i)	(j)	(k)	(l)	
\$ 225,824	\$ 786		\$ 226,610	\$	\$	\$	1
8,837			8,837				2
27,417			27,417				3
-							4
1			1				5
-							6
262,079	786		262,865				7
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310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Continued

Line No.	Account No. (a)	Class No. (b)	Kind of Industry (c)	Name of issuing company and also lien reference, if any (include rate for preferred stocks and bonds) (d)	Extent of control (e)
1					
2					
3					
4					
5				N O N E	
6					
7					
8					
9					
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310. INVESTMENTS AND ADVANCES AFFILIATED COMPANIES—Concluded

Investments and advances				Disposed of; Profit (loss) (j)	Adjustments Account 721.5 (k)	Dividends or interest credited to income (l)	Line No.
Opening balance (f)	Additions (g)	Deductions (if other than sale explain) (h)	Closing balance (i)				
\$	\$	\$	\$	\$	\$	\$	1
							2
							3
							4
							5
							6
							7
							8
			N O N E				9
							10
							11
							12
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310A. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES
Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721. Investments and advances affiliated companies.

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

of Accounts.)

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

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

of acquisition.

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

(DOLLARS IN THOUSANDS)

Line No.	Name of issuing company and description of security held.	Balance at beginning of year	Adjustment for investments equity method	Equity in undistributed earnings (losses) during year	Amortization during year	Adjustment for investments disposed of or written down during year	Balance at Close of year
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Carriers: (List specifics for each company)	\$	\$	\$	\$	\$	\$
1	Grand Trunk Western Railroad Company	26,210		(25,138)			1,072
2	Duluth, Winnipeg & Pacific Railway Company	19,511		2,630			22,141
3	Central Vermont Railway, Inc.	7,947		942			8,889
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
	Noncarrier (List specifics for each company)						
14							
15							
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21							
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26							
27							

NOTES AND REMARKS.

500. CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 5-6 in the Uniform System of Accounts for Railroad Companies. that are not reflected in the accounts of the respondent.

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

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

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

2. Information concerning the guaranties and suretyships are to be shown in be shown in schedule 501.

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

(Dollars in thousands)

Line No.	Item (a)	Amount (b)
1	Contingent Liabilities	\$
2		
3	There are various legal actions and claims pending against the	
4	Company and its subsidiaries. In the opinion of management, the	
5	ultimate liability, if any, with respect to these matters will not	
6	materially affect the financial position of GTC or its subsidiaries.	
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501. GUARANTIES AND SURETYSHIPS

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

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

Line No.	Names of all parties principally and primarily liable (a)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Grand Trunk Western	Conditional Sales Agreement for	\$ 4,896	
2	Railroad Company	equipment 9-15-1977		
3				
4		Conditional Sales Agreement for	3,927	
5		equipment 2-01-1978		
6				
7		Conditional Sales Agreement for	875	
8		equipment 5-01-1978		
9				
10		Conditional Sales Agreement for	5,863	
11		equipment 7-20-1978		
12				
13		Conditional Sales Agreement for	558	
14		equipment 10-01-1978		
15				
16		Conditional Sales Agreement for	14,320	(1) Joint
17		equipment 12-01-1978		
18				
19		Conditional Sales Agreement for	582	
20		equipment 7-25-1979		
21				
22		Conditional Sales Agreement for	11,036	(1) Joint
23		equipment 2-01-1980		
24				
25		Conditional Sales Agreement for	7,740	
26		equipment 10-01-1981		
27				
28		Conditional Sales Agreement for	2,951	(1) Joint
29		equipment 7-09-1982		
30				
31				
32	(1) Grand Trunk Corporation	guarantees jointly with Duluth, Winnipeg & Pacific		
33	Railway Company	interest and principal payment.		
34				
35				
36				
37				
38				

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

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

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1			\$	
2				
3		N O N E		
4				
5				
6				
7				
8				
9				

502. COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

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

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

N O N E

SCHEDULE 512—TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

1. Furnish the information called for below between the respondent and the affiliated companies or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other carriers for interline services and interchange of equipment.
- (c) Payment to or from other carriers which may reasonably be regarded as as ordinarily connected with routine operation or maintenance, but any special or unusual transactions should be reported.

(d) Payments to public utility companies for rates or charges fixed in conformity with government authority.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$50,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges. If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$50,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

The respondent may be required to furnish as an attachment to Schedule 512 a balance sheet and income statement for each affiliate with which respondent carrier had reportable transactions dur-

ing the year; or, alternatively, attach a "Pro forma" balance sheet and income statement for that portion or entity of each affiliate which furnished the agreed to services, equipment, or other reportable transaction. The statements, if required, should be prepared on a calendar year basis in conformity with the prescribed schedules for the balance sheet and income statement in annual report Form R-1; and should be noted (1) to indicate the method used for depreciating equipment or other property furnished the carrier, and (2) whether the affiliate's Federal income tax return for the year was filed on a consolidated basis with the respondent carrier.

3. In column (b) indicate Nature of relationship or control between the respondent and the company or person identified in column (a) as follows:

(a) If respondent directly controls affiliate insert the word "direct".

(b) If respondent controls through another company insert the word "indirect".

(c) If respondent is under common control with affiliate insert the word "common".

(d) If respondent is controlled directly or indirectly by the company listed in column (a) insert the word "controlled".

(e) If control is exercised by other means such as a management contract or other arrangement of whatever kind insert the word "other" and footnote to describe such arrangements.

4. In column (c) fully describe the transactions involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (c).

5. In column (d) report the dollar amounts of transaction shown and the effect of any change in the method of establishing the terms from that used in the preceding period.

6. In column (e) report the dollar amounts due from or to related parties and, if not otherwise approving the terms and manner of settlement. Insert (P) paid and (R) received by the amount in column (e).

SCHEDULE 512 - TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT FOR SERVICES RECEIVED OR PROVIDED

Line No.	Name of company or related party with percent of gross income (a)	Nature of relationship (b)	Description of transactions (c)	Dollar amounts of transactions (d)	Amount due from or to related parties (e)
1					
2					
3					
4					
5		N O N E			
6					
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Road Initials GTTC

Year 19 82

VERIFICATION

The foregoing report shall be verified by the oath of the officer having control of the accounting of the respondent. This report shall also be verified by the oath of the president or other chief officer of the respondent, unless the respondent states that such officer has no control over the respondent's accounting and reporting.

OATH

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

State of Michigan
County of Wayne

R. L. Ritchie makes oath and says that he is Treasurer
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of Grand Trunk Corporation
(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of accounts of the respondent and to control the manner in which such books are kept; that he knows that such books have been kept in good faith during the period covered by this report; that he knows that the entries contained in this report relating to accounting matters have been prepared in accordance with the provisions of the Uniform System of Accounts for Railroads and other accounting and reporting directives of this Commission; that he believes that all other statements of fact contained in this report are true, and that this report is a correct and complete statement, accurately taken from the books and records, of the business and affairs of the above-named respondent during the period of time from and including

January 1, 1982, to and including December 31, 1982

[Signature of R. L. Ritchie]
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 28th day of March, 1983

My commission expires February 1, 1984

Use an L.S. impression seal

[Signature of Walter B. Hufschmidt]
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

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

State of Michigan
County of Wayne

P. E. Tatro makes oath and says that he is Vice President - Finance
(Insert here name of the affiant) (Insert here the official title of the affiant)

Of Grand Trunk Corporation
(Insert here the exact legal title or name of the respondent)

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

January 1, 1982, to and including December 31, 1982

[Signature of P. E. Tatro]
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public in and for the State and county above named, this 28th day of March, 1983

My commission expires February 1, 1984

Use an L.S. impression seal

[Signature of Walter B. Hufschmidt]
(Signature of officer authorized to administer oaths)

